

EOG Resources, Inc.
P.O. 1910
Vernal, UT 84078

December 8, 2005

Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

RE: APPLICATION FOR PERMIT TO DRILL
CHAPITA WELLS UNIT 1088-22
SW/NE, SEC. 22, T9S, R22E
UINTAH COUNTY, UTAH
LEASE NO.: U-0284A
FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone: (435)789-4120
Fax: (435)789-1420

Sincerely,



Ed Trotter
Agent
EOG Resources, Inc.

Attachments

RECEIVED

DEC 14 2005

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: DRILL REENTER
1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

5. Lease Serial No.
U-0284A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.
CHAPITA WELLS UNIT

8. Lease Name and Well No.
CHAPITA WELLS UNIT 1088-22

2. Name of Operator
EOG RESOURCES, INC.

9. API Well No.
43-047-37502

3a. Address **P.O. BOX 1815
VERNAL, UT 84078**

3b. Phone No. (Include area code)
(435)789-0790

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface **2400' FNL, 2392' FEL** *634442x 40.022236 SW/NE*
At proposed prod. Zone *4431204Y -109.424564*

11. Sec., T., R., M., or Blk. and Survey or Area
**SEC. 22, T9S, R22E,
S.L.B.&M.**

14. Distance in miles and direction from nearest town or post office*
17.65 MILES SOUTHEAST OF OURAY, UTAH

12. County or Parish
UINTAH

13. State
UTAH

15. Distance from proposed* location to nearest property or lease line, ft. **2392'**
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease
1240

17. Spacing Unit dedicated to this well

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C

19. Proposed Depth
9575'

20. BLM/BIA Bond No. on file
NM-2308

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
4932.2 FEET GRADED GROUND

22. Approximate date work will start*
UPON APPROVAL

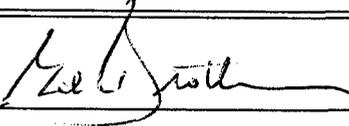
23. Esti mated duration
45 DAYS

24. Attachments

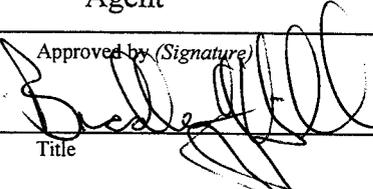
Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 5. Operator certification.
- 6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature 
Title
Agent

Name (Printed/Typed)
Ed Trotter
Date
December 8, 2005

Approved by (Signature) 
Title

Name (Printed/Typed)
BRADLEY G. HILL
Office
ENVIRONMENTAL SCIENTIST III
Date
01-17-06

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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*(Instructions on page 2)

**Federal Approval of this
Action is Necessary**

DEC 14 2005

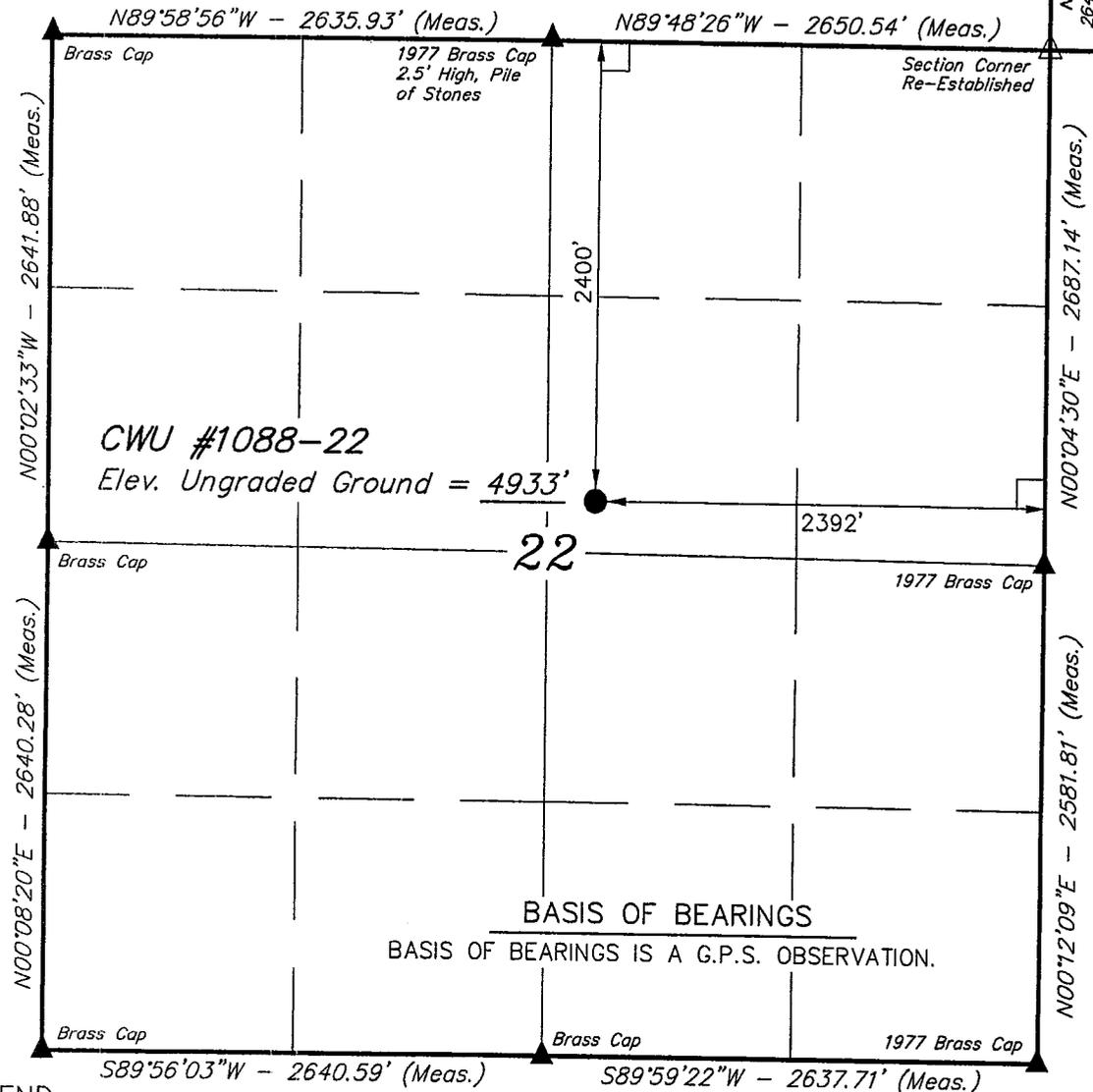
DIV. OF OIL, GAS & MINING

T9S, R22E, S.L.B.&M.

E 1/4 Cor. Sec. 15, Brass Cap

EOG RESOURCES, INC.

Well location, CWU #1088-22, located as shown in the SW 1/4 NE 1/4 of Section 22, T9S, R22E, S.L.B.&M. Uintah County, Utah.



N 1/4 Cor. Sec. 23, 1977 Brass Cap
 S89°52'41"E
 2639.25' (Meas.)

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.



SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

[Signature]
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

BASIS OF BEARINGS
 BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED USING DOUBLE PROPORTION METHOD. (Not Set on Ground.)

(NAD 83)
 LATITUDE = 40°01'19.70" (40.022139)
 LONGITUDE = 109°25'30.70" (109.425194)
 (NAD 27)
 LATITUDE = 40°01'19.83" (40.022175)
 LONGITUDE = 109°25'28.24" (109.424511)

| | | |
|--|-----------------------------|-------------------------|
| UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017 | | |
| SCALE 1" = 1000' | DATE SURVEYED: 08-02-05 | DATE DRAWN: 08-17-05 |
| PARTY T.B. B.C. P.M. | REFERENCES G.L.O. PLAT | |
| WEATHER HOT | FILE EOG RESOURCES, INC. | |

EIGHT POINT PLAN
CHAPITA WELL UNIT 1088-22
SW/NE, SEC. 22, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

| FORMATION | DEPTH (KB) |
|------------------------|-------------------|
| Green River FM | 1,730' |
| Wasatch | 4,765' |
| North Horn | 6,696' |
| Island | 7,160' |
| KMV Price River | 7,435' |
| KMV Price River Middle | 8,106' |
| KMV Price River Lower | 8,890' |
| Sego | 9,363' |

Estimated TD: **9,575' or 200'± below Sego top**

Anticipated BHP: 5,230 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
 BOP schematic diagrams attached.

4. CASING PROGRAM:

| | <u>HOLE SIZE</u> | <u>INTERVAL</u> | <u>SIZE</u> | <u>WEIGHT</u> | <u>GRADE</u> | <u>THREAD</u> | <u>RATING FACTOR</u> | | |
|-------------|------------------|-----------------|-------------|---------------|--------------|---------------|----------------------|--------------|----------------|
| | | | | | | | <u>COLLAPSE</u> | <u>BURST</u> | <u>TENSILE</u> |
| Conductor: | 17 ½" | 0' – 45' | 13 ¾" | 48.0# | H-40 | STC | 770 PSI | 1730 PSI | 322,000# |
| Surface | 12-1/4" | 45' – 2,300'KB± | 9-5/8" | 36.0# | J-55 | STC | 2020 PSI | 3520 Psi | 394,000# |
| Production: | 7-7/8" | 2,300'± – TD | 4-½" | 11.6# | N-80 | LTC | 6350 PSI | 7780 Psi | 223,000# |

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone. All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

EIGHT POINT PLAN
CHAPITA WELL UNIT 1088-22
SW/NE, SEC. 22, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

Float Equipment: (Cont'd)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Defloculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

EIGHT POINT PLAN
CHAPITA WELL UNIT 1088-22
SW/NE, SEC. 22, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

CEMENT PROGRAM (Continued):

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: 142 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: 920 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

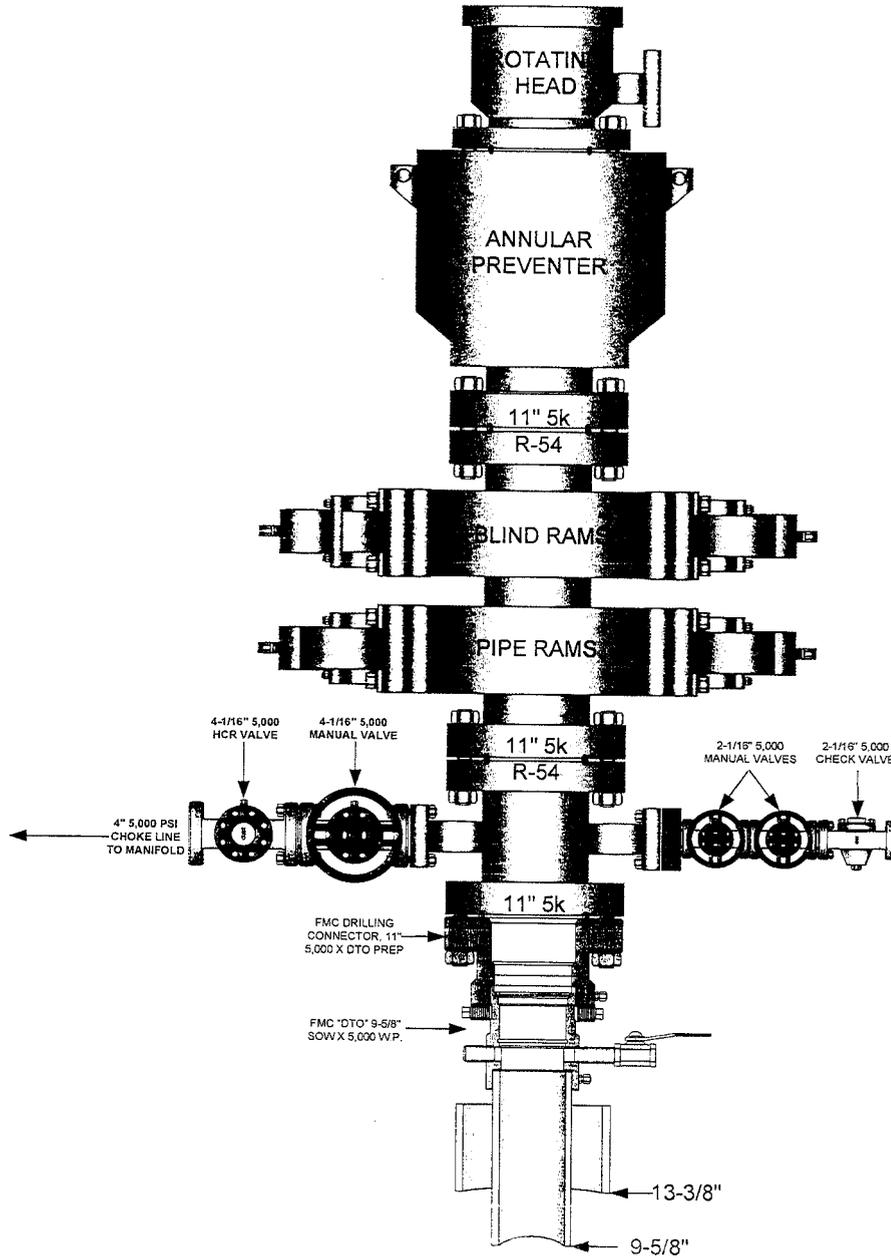
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

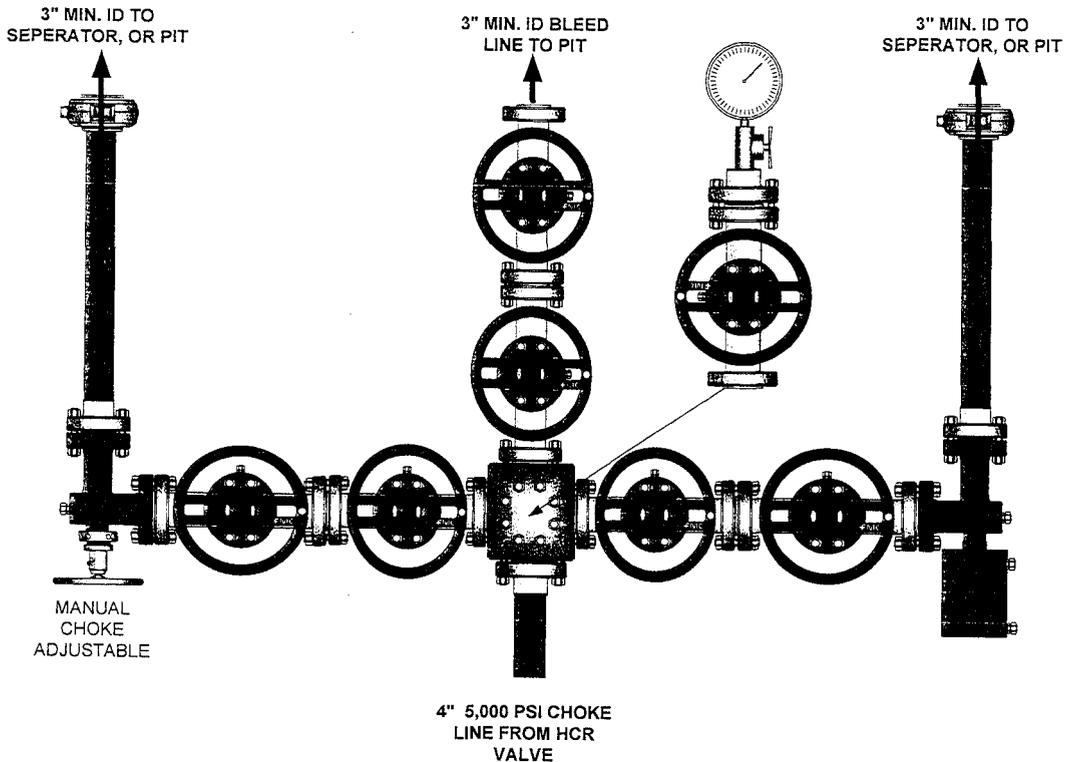
(Attachment: BOP Schematic Diagram)

EOG RESOURCES 11" 5,000 PSI W.P. BOP
CONFIGURATION



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION
W/ 5,000 PSI WP VALVES

PAGE 2 OF 2



Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
4. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements.

**CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL**

Company/Operator: EOG Resources, Inc.
Well Name & Number: Chapita Wells Unit 1088-22
Lease Number: U-0284A
Location: 2400' FNL & 2392' FEL, SW/NE, Sec. 22,
T9S, R22E, S.L.B.&M., Uintah County, Utah
Surface Ownership: Federal

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to spudding the well.

Casing String and Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production Notice - within five (5) business days after new Well begins or production resumes after Well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 17.65 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 0.1 miles in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

- A. Abandoned wells - 7*
 - B. Producing wells - 63*
- (*See attached TOPO map "C" for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

- 1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
- 2. Gas gathering lines - A 4" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. A 4" OD steel above ground natural gas pipeline will be laid approximately 720' from proposed location to a point in the SW/NE of Section 22, T9S, R22E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands within the Chapita Wells Unit, thus a Right-of-Way grant will not be required.
- 3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
- 4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the Southeast side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities

required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. **LOCATION & TYPE OF WATER SUPPLY**

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. **SOURCE OF CONSTRUCTION MATERIAL**

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

7. **METHODS OF HANDLING WASTE DISPOSAL**

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

On BLM administered land:

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 12 mill plastic liner.

8. **ANCILLARY FACILITIES**

- A. No airstrips or camps are planned for this well.

9. **WELLSITE LAYOUT**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved seed mixture for this location is:
 - Hi-Crest Crested Wheatgrass – 9 pounds per acre
 - Kochia Prostrata – 3 pounds per acre.

The final abandonment seed mixture for this location is:

- Gardner Saltbush/Fourwing – 3 pounds per acre
- Shadscale – 3 pounds per acre
- Indian Rice Grass - 2 pounds per acre
- Hi-Crest Crested Wheat Grass – 1 pound per acre

The reserve pit will be located on the Northeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the East side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence. The stockpiled pit topsoil will be stored separate from the location topsoil North of Corner #6. The stockpiled location topsoil will be stored Northeast and Southeast of Corner#2. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the

approved seed mixture for this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the Northwest.

Corners #2, #6, & #8 will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP

Access road: Federal

Location: Federal

12. OTHER INFORMATION

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used.
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.
- D. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

Additional Surface Stipulations

None

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Telephone: (435)789-4120
Fax: (435)789-1420

DRILLING OPERATIONS

Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully

responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

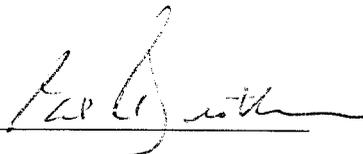
A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Chapita Wells Unit 1088-22 Well, located in the SW/NE of Section 22, T9S, R22E, Uintah County, Utah; Lease #U-0284A;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

12-8-2005
Date


Agent

**Request for Exception to Buried Pipeline Requirement
For the Chapita Wells Unit 1088-22
SW/NE, Sec. 22, T9S, R22E
Lease Number U-0284A**

EOG Resources, Inc. requests a variance to the requirement for a buried gas sales pipeline for the referenced well for the following reasons:

1. In order to bury pipe on the gas sales line route, additional surface disturbance relative to surface pipeline would be approximately .83 acre.
2. Ripping, cutting, or blasting of rock would be required, which in turn would leave long-term spoils on the right-of-way.
3. The disturbed soils on the pipeline corridor would be difficult to rehabilitate and would be susceptible to noxious weed infestation, which in turn would be hazardous to livestock.
4. Supplemental soil to replace removed rock would need to be hauled in from other locations to provide bedding and cover material.
5. The buried pipe would need to be coated and/or wrapped to minimize the potential for corrosion-caused gas leaks and blowouts.
6. Burying of pipe next to access roads increases the potential for damage, explosion, and fire when using graders and/or dozers for snow removal or road rehabilitation.
7. Surface equipment, including risers with blow down valves and pipeline markers will be required, adding to negative visual impact.
8. Disturbance of previously rehabilitated pipeline corridor could be necessary if increasing well density requires crossing of the corridor or location construction on the corridor.
9. Pipeline corridors subject to poor rehabilitation characteristics are susceptible to high rates of soil erosion.
10. Buried shallow pipelines in low areas subject to the occasional presence of standing water are susceptible to movement and surfacing.

EOG RESOURCES, INC.
CWU #1088-22
SECTION 22, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 48.65 MILES.

EOG RESOURCES, INC.

CWU #1088-22

LOCATED IN UINTAH COUNTY, UTAH
SECTION 22, T9S, R22E, S.L.B.&M.

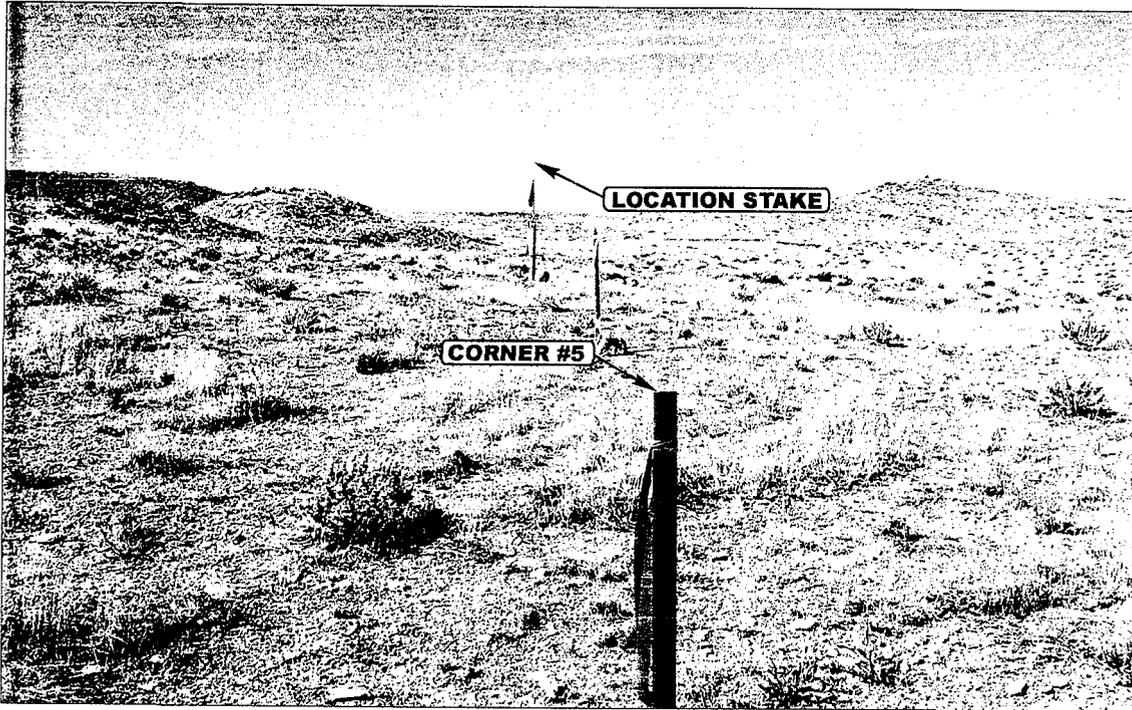


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

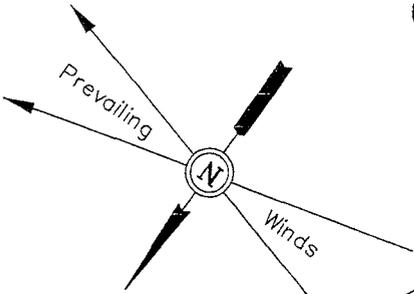
E&L S Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

| | | | | |
|-----------------|----------------|-----|-------------------|-------|
| LOCATION PHOTOS | 08 | 05 | 05 | PHOTO |
| | MONTH | DAY | YEAR | |
| TAKEN BY: T.B. | DRAWN BY: S.L. | | REVISED: 00-00-00 | |

EOG RESOURCES, INC.

FIGURE #1

LOCATION LAYOUT FOR
 CWU #1088-22
 SECTION 22, T9S, R22E, S.L.B.&M.
 2400' FNL 2392' FEL

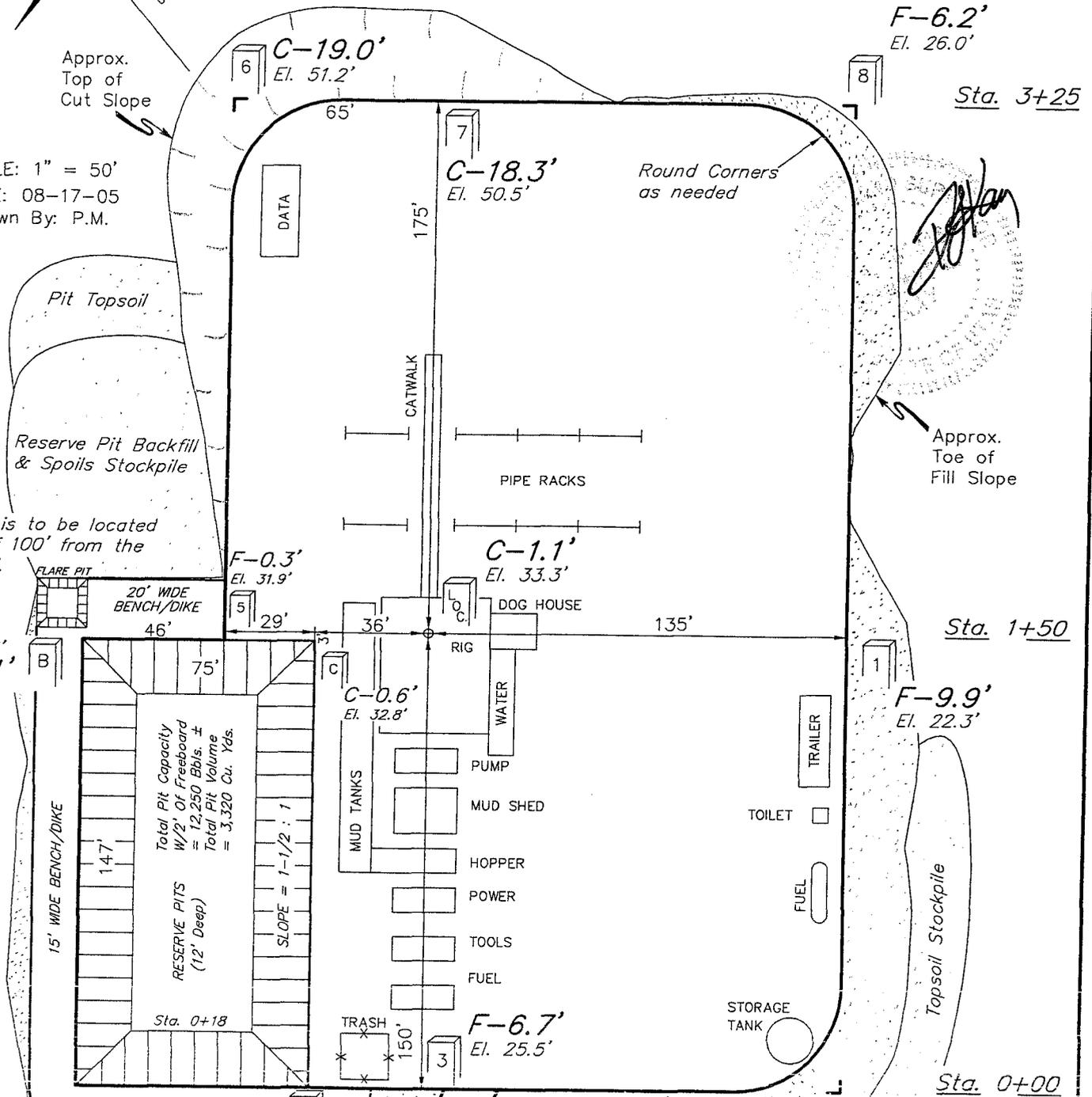


SCALE: 1" = 50'
 DATE: 08-17-05
 Drawn By: P.M.

Approx. Top of Cut Slope

F-6.2'
 El. 26.0'

Sta. 3+25



NOTE:
 Flare Pit is to be located a min. of 100' from the Well Head.

El. 29.3'
 C-9.1' (btm. pit)

El. 32.6'
 C-12.4' (btm. pit)

F-3.3' El. 28.9'

F-15.2' El. 17.1'

NOTES:

Elev. Ungraded Ground At Loc. Stake = 4933.3'
 FINISHED GRADE ELEV. AT LOC. STAKE = 4932.2'

Proposed Access Road

EOG RESOURCES, INC.

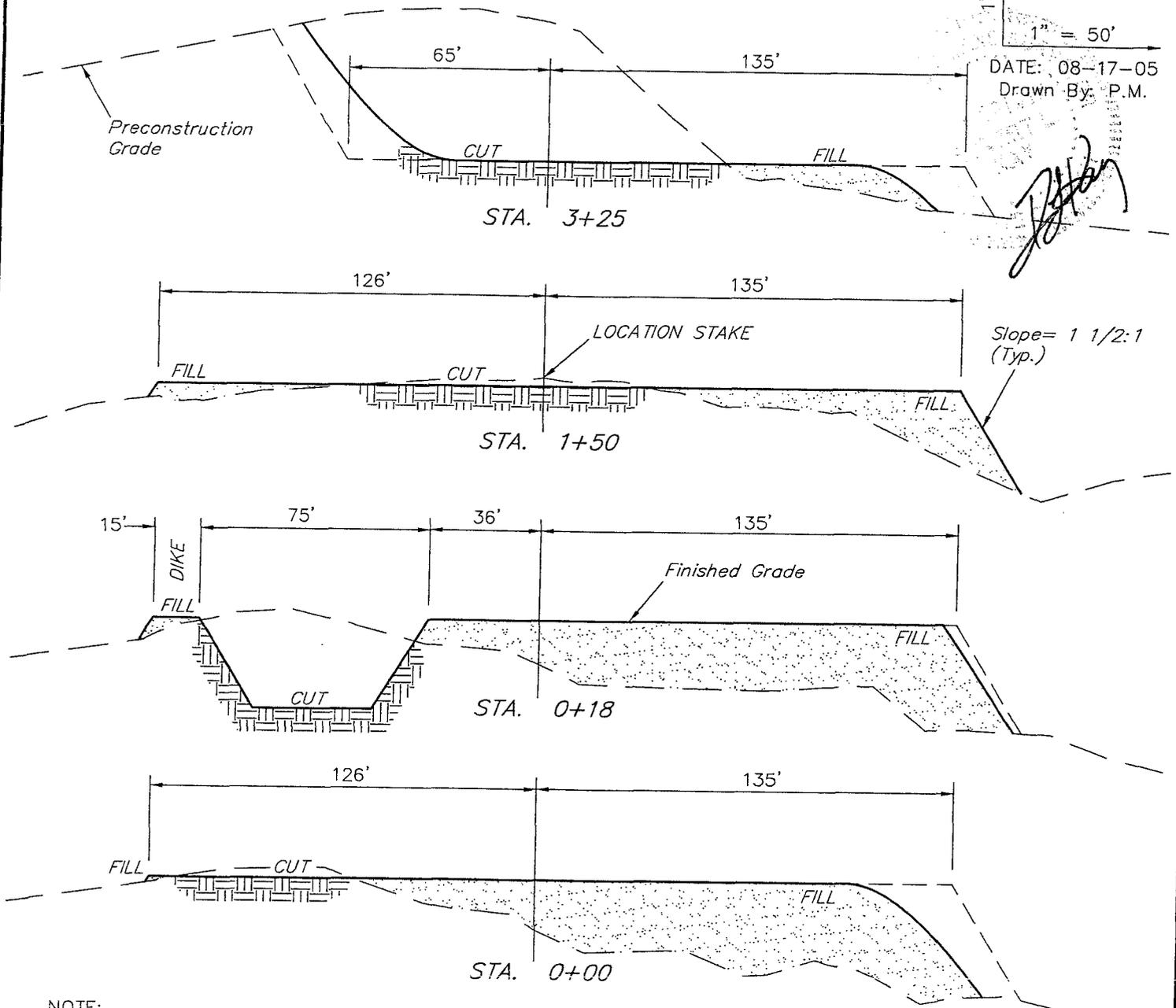
TYPICAL CROSS SECTIONS FOR

CWU #1088-22
SECTION 22, T9S, R22E, S.L.B.&M.
2400' FNL 2392' FEL

FIGURE #2

X-Section Scale
1" = 20'
1" = 50'

DATE: 08-17-05
Drawn By: P.M.



[Handwritten Signature]

Slope = 1 1/2:1 (Typ.)

NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

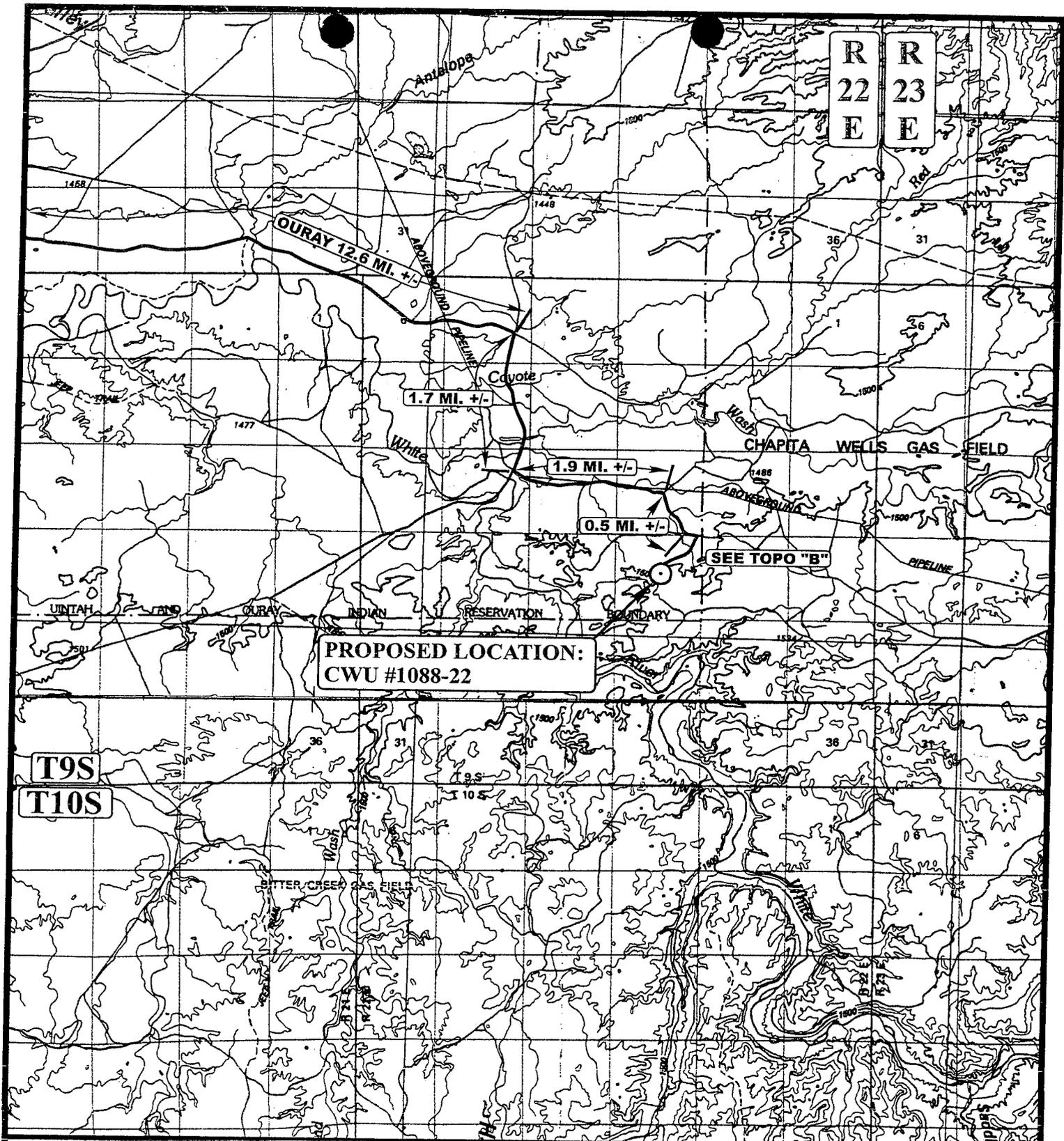
* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

| | |
|------------------------|-------------------------|
| CUT | |
| (6") Topsoil Stripping | = 1,780 Cu. Yds. |
| Remaining Location | = 11,540 Cu. Yds. |
| TOTAL CUT | = 13,320 CU.YDS. |
| FILL | = 9,880 CU.YDS. |

| | |
|--|------------------|
| EXCESS MATERIAL | = 3,440 Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.) | = 3,440 Cu. Yds. |
| EXCESS UNBALANCE (After Rehabilitation) | = 0 Cu. Yds. |



**PROPOSED LOCATION:
CWU #1088-22**

LEGEND:

⊙ PROPOSED LOCATION



EOG RESOURCES, INC.

CWU #1088-22
SECTION 22, T9S, R22E, S.L.B.&M.
2400' FNL 2392' FEL

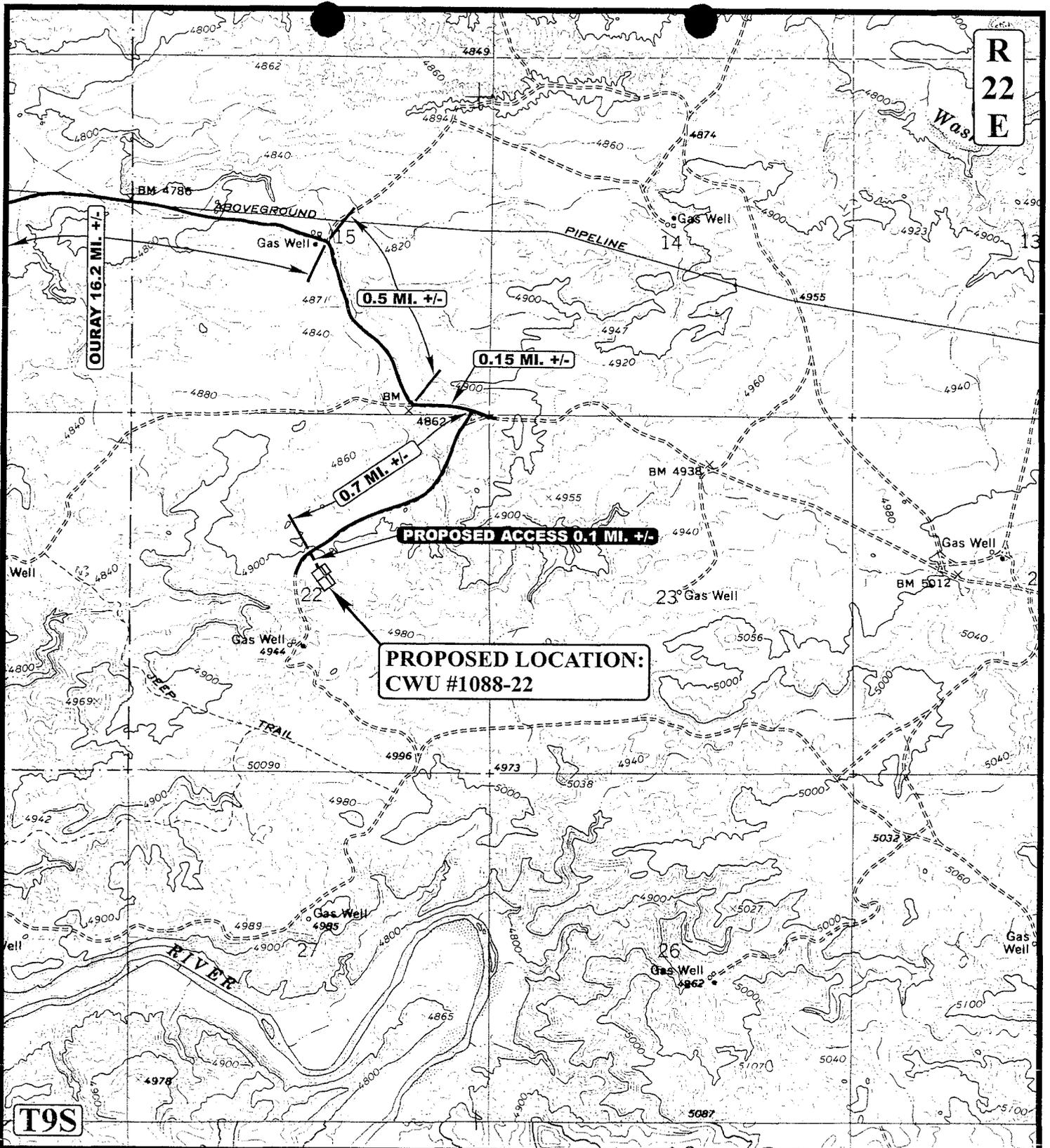


Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP 08 05 05
MONTH DAY YEAR

SCALE: 1:100,000 | DRAWN BY: S.L. | REVISED: 00-00-00





LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



EOG RESOURCES, INC.

CWU #1088-22
 SECTION 22, T9S, R22E, S.L.B.&M.
 2400' FNL 2392' FEL



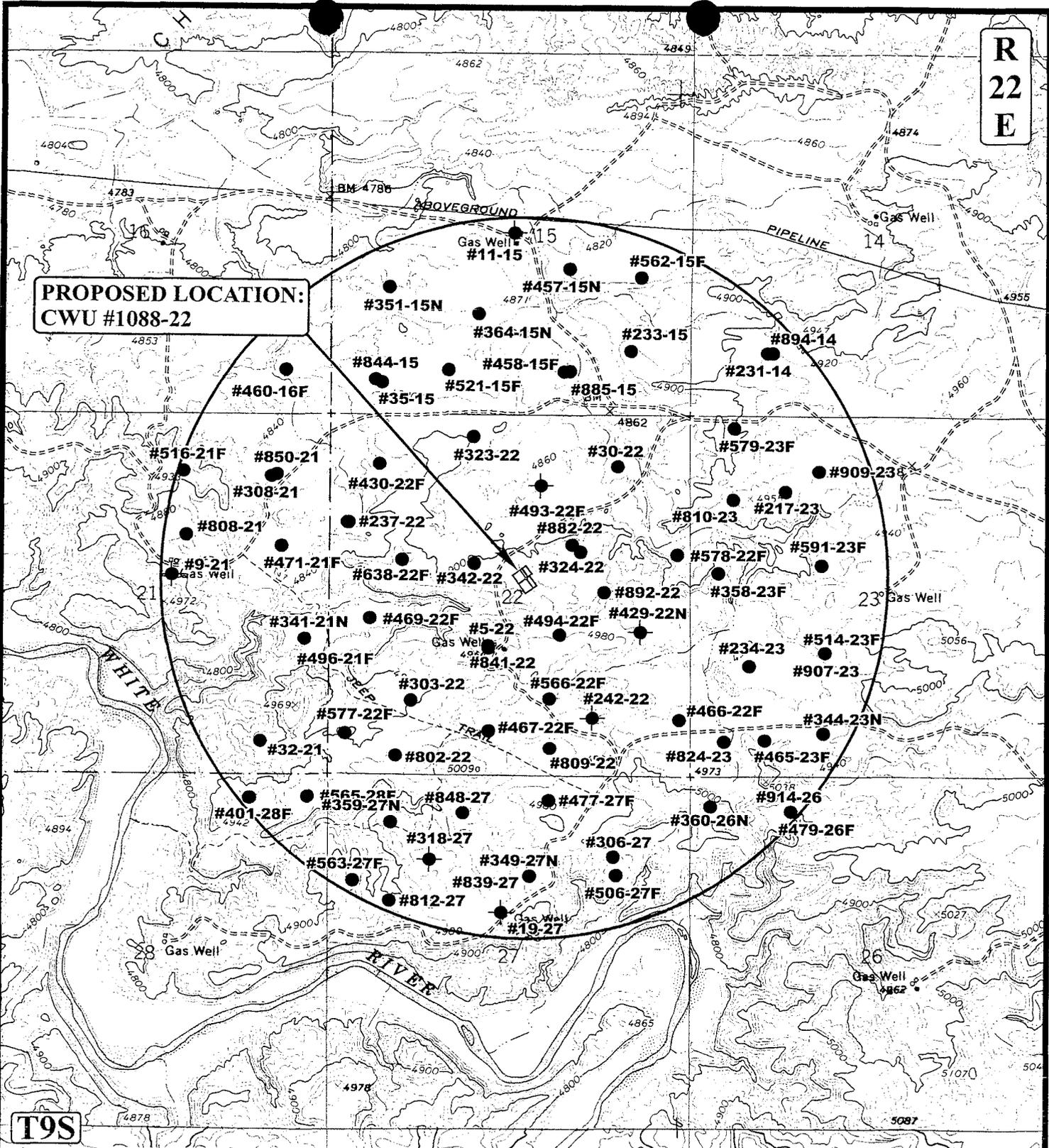
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP 08 | 05 | 05
 MONTH | DAY | YEAR
 SCALE: 1" = 2000' | DRAWN BY: S.L. | REVISED: 00-00-00



R
22
E

PROPOSED LOCATION:
CWU #1088-22



T9S

LEGEND:

- ⊗ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ⊗ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

EOG RESOURCES, INC.

CWU #1088-22
 SECTION 22, T9S, R22E, S.L.B.&M.
 2400' FNL 2392' FEL

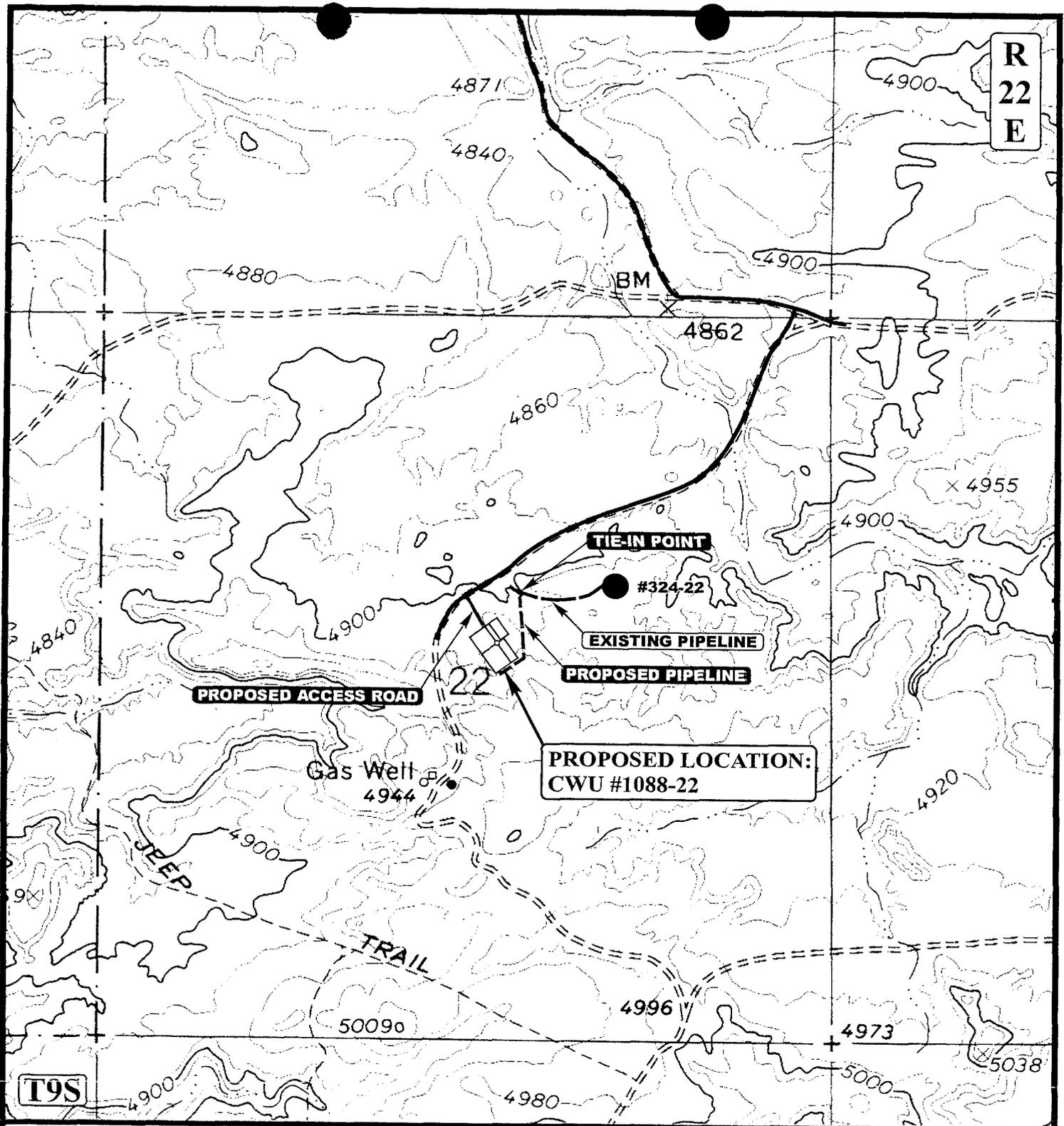


Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
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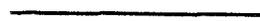
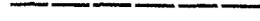
TOPOGRAPHIC MAP
 08 05 05
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: S.L. (REVISED: 00-00-00)





APPROXIMATE TOTAL PIPELINE DISTANCE = 720' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE

EOG RESOURCES, INC.

CWU #1088-22
 SECTION 22, T9S, R22E, S.L.B.&M.
 2400' FNL 2392' FEL

U&L S
 Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC MAP
 08 | 05 | 05
 MONTH | DAY | YEAR
 SCALE: 1" = 1000' DRAWN BY: S.L. REVISED: 00-00-00



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 12/14/2005

| |
|--------------------------------|
| API NO. ASSIGNED: 43-047-37502 |
|--------------------------------|

WELL NAME: CWU 1088-22
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

SWNE 22 090S 220E
 SURFACE: 2400 FNL 2392 FEL
 BOTTOM: 2400 FNL 2392 FEL
 UINTAH
 NATURAL BUTTES (630)

| INSPECT LOCATN BY: / / | | |
|------------------------|----------|------|
| Tech Review | Initials | Date |
| Engineering | | |
| Geology | | |
| Surface | | |

LEASE TYPE: 1 - Federal
 LEASE NUMBER: U-0284A
 SURFACE OWNER: 1 - Federal
 PROPOSED FORMATION: PRRV
 COALBED METHANE WELL? NO

LATITUDE: 40.02224
 LONGITUDE: -109.4246

RECEIVED AND/OR REVIEWED:

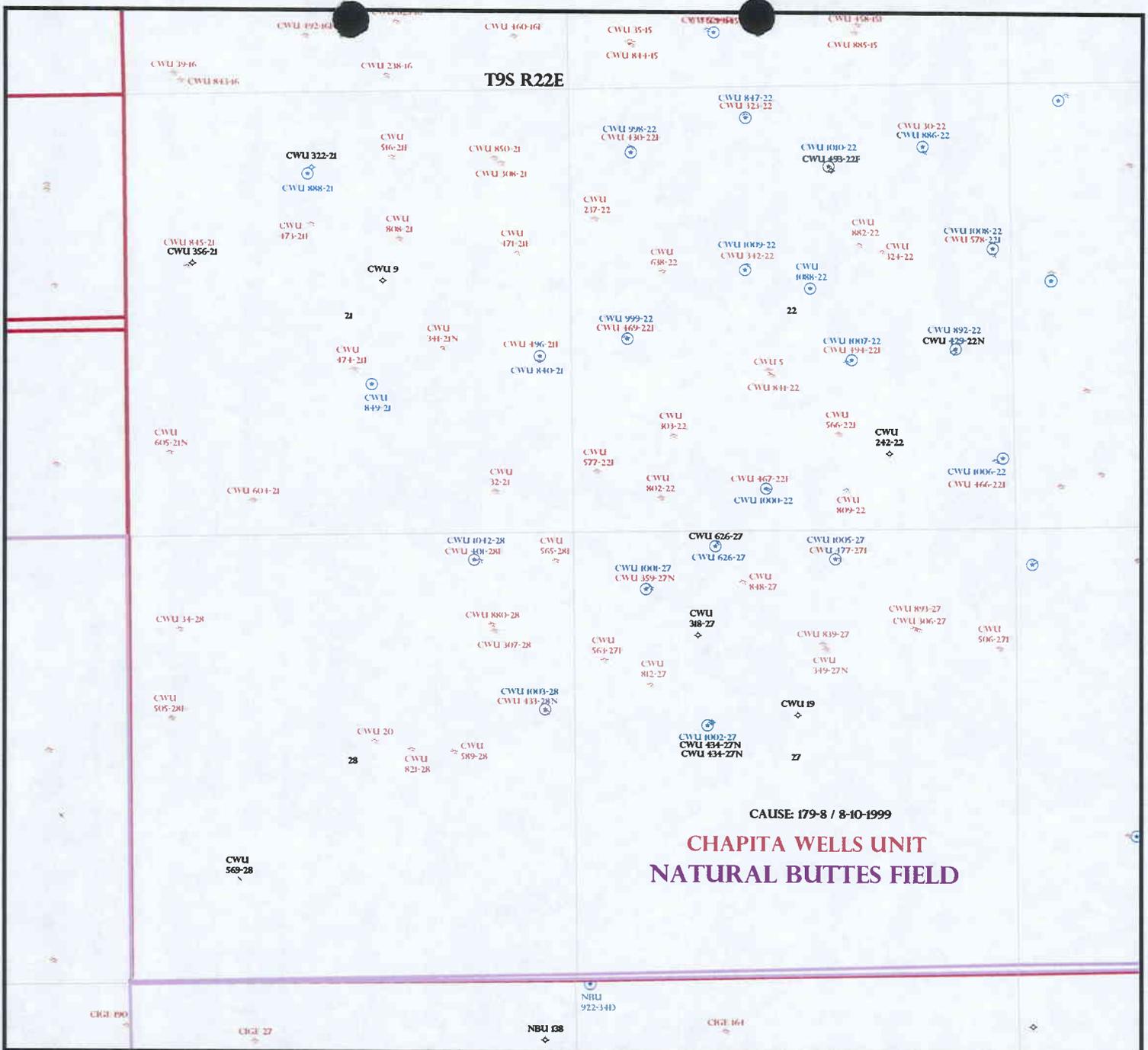
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM-2308)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-1501)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- ___ R649-2-3.
- Unit CHAPITA WELLS
- ___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- ___ R649-3-3. Exception
- Drilling Unit
Board Cause No: 179-8
Eff Date: 8-10-1999
Siting: Suspend General Siting
- ___ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1-Edwards Approval
2-OIL SHALE



T9S R22E

CAUSE: 179-8 / 8-10-1999
CHAPITA WELLS UNIT
NATURAL BUTTES FIELD

OPERATOR: EOG RESOURCES INC (N9550)
 SEC: 22,28 T. 9S R. 22E
 FIELD: NATURAL BUTTES (630)
 COUNTY: UINTAH
 CAUSE: 179-8 / 8-10-1999

| Field Status | Unit Status |
|--------------|--------------|
| ABANDONED | EXPLORATORY |
| ACTIVE | GAS STORAGE |
| COMBINED | NF PP OIL |
| INACTIVE | NF SECONDARY |
| PROPOSED | PENDING |
| STORAGE | PI OIL |
| TERMINATED | PP GAS |
| | PP GEOTHERML |
| | PP OIL |
| | SECONDARY |
| | TERMINATED |

- Wells Status**
- GAS INJECTION
 - GAS STORAGE
 - LOCATION ABANDONED
 - NEW LOCATION
 - PLUGGED & ABANDONED
 - PRODUCING GAS
 - PRODUCING OIL
 - SHUT-IN GAS
 - SHUT-IN OIL
 - TEMP. ABANDONED
 - TEST WELL
 - WATER INJECTION
 - WATER SUPPLY
 - WATER DISPOSAL
 - DRILLING



PREPARED BY: DIANA WHITNEY
 DATE: 19-DECEMBER-2005

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

January 12, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2005 Plan of Development Chapita Wells Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Chapita Wells Unit, Uintah County, Utah.

| API# | WELL NAME | LOCATION |
|---------------------------|---|----------|
| (Proposed PZ Green River) | | |
| 43-047-37493 | CWU 3005-6GR Sec 06 T09S R23E 2081 FSL 0473 FWL | |
| (Proposed PZ Wasatch) | | |
| 43-047-37504 | CWU 696-25 Sec 25 T09S R22E 2151 FNL 1963 FEL | |
| 43-047-37503 | CWU 702-25 Sec 25 T09S R22E 0624 FNL 1954 FWL | |
| 43-047-37499 | CWU 681-28 Sec 28 T09S R23E 0646 FSL 0754 FWL | |
| 43-047-37500 | CWU 703-29 Sec 29 T09S R23E 1777 FSL 0540 FEL | |
| 43-047-37494 | CWU 689-33 Sec 33 T09S R23E 1831 FSL 2061 FWL | |
| (Proposed PZ Price River) | | |
| 43-047-37495 | CWU 1118-22 Sec 22 T09S R23E 1859 FSL 0463 FEL | |
| 43-047-37496 | CWU 1117-22 Sec 22 T09S R23E 1952 FSL 2134 FWL | |
| 43-047-37501 | CWU 1082-30 Sec 30 T09S R23E 1050 FNL 0380 FWL | |
| 43-047-37497 | CWU 1147-18 Sec 18 T09S R23E 0680 FNL 0680 FEL | |
| 43-047-37498 | CWU 1142-18 Sec 18 T09S R23E 0737 FNL 1928 FWL | |
| 43-047-37505 | CWU 1076-25 Sec 25 T09S R22E 1687 FSL 2224 FEL | |
| 43-047-37502 | CWU 1088-22 Sec 22 T09S R22E 2400 FNL 2392 FEL | |
| 43-047-37506 | CWU 1042-28 Sec 28 T09S R22E 0313 FNL 1172 FEL | |
| 43-047-37607 | CWU 1040-10 Sec 10 T09S R22E 1150 FSL 1070 FWL | |
| 43-047-37606 | CWU 833-3 Sec 03 T09S R22E 0808 FSL 2129 FEL | |
| 43-047-37608 | CWU 1086-22 Sec 22 T09S R22E 0323 FNL 0174 FEL | |
| 43-047-37609 | CWU 1089-22 Sec 22 T09S R22E 2256 FNL 0939 FEL | |
| 43-047-37610 | CWU 1084-30 Sec 30 T09S R23E 1580 FNL 0980 FWL | |

Page 2

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:1-12-06



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

January 17, 2006

EOG Resources, Inc.
P O Box 1815
Vernal, UT 84078

Re: Chapita Wells Unit 1088-22 Well, 2400' FNL, 2392' FEL, SW NE, Sec. 22,
T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37502.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: EOG Resources, Inc.
Well Name & Number Chapita Wells Unit 1088-22
API Number: 43-047-37502
Lease: U-0284A

Location: SW NE **Sec.** 22 **T.** 9 South **R.** 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
DEC 12 2005

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
U-0284A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.
CHAPITA WELLS UNIT

8. Lease Name and Well No.
CHAPITA WELLS UNIT 1088-22

9. API Well No.
43.047.37502

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. Sec., T., R., M., or Blk. and Survey or Area
**SEC. 22, T9S, R22E,
S.L.B.&M.**

12. County or Parish
UINTAH

13. State
UTAH

1a. Type of Work: DRILL REENTER

1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

2. Name of Operator
EOG RESOURCES, INC.

3a. Address **P.O. BOX 1815
VERNAL, UT 84078**

3b. Phone No. (Include area code)
(435)789-0790

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface **2400' FNL, 2392' FEL** **SW/NE**

At proposed prod. Zone

14. Distance in miles and direction from nearest town or post office*
17.65 MILES SOUTHEAST OF OURAY, UTAH

15. Distance from proposed* location to nearest property or lease line, ft. **2392'**
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease
1240

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C

19. Proposed Depth
9575'

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
4932.2 FEET GRADED GROUND

22. Approximate date work will start*
UPON APPROVAL

23. Estimated duration
45 DAYS

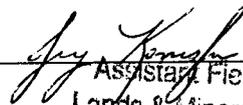
24. Attachments

Attachments
The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature  Name (Printed/Typed) **Ed Trotter** Date **December 8, 2005**

Title **Agent**

Approved by (Signature)  Name (Printed/Typed) **JERRY KENCZA** Date

Title **Assistant Field Manager** Office **Lands & Mineral Resources**

RECEIVED
SEP 15 2006

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of Approval, if any, are attached. **DIV. OF OIL, GAS & MINING**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

NOTICE OF APPROVAL **CONDITIONS OF APPROVAL ATTACHED**

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

- Conditions for Approval are in the APD
- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this would include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.
- During interim management of the surface, use the following seed mix:
 - 9 lbs of Hycrest Crested Wheatgrass & 3 lbs of Kochia prostrate.
- This location is on an existing location so there would be no buried pipeline

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- A variance is granted for O.O. #2 III. E.; Blooie line can be 75'
- A surface casing shoe integrity test shall be performed.
- Production casing cement top shall be 200' above the surface casing shoe.
- A cement bond log shall be run from TD to the base of the surface shoe and a field copy shall be furnished to this office.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and NOT by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.

- All shows of fresh water and minerals shall be reported and protected. A sample shall be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.
- All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- This APD is approved subject to the requirement that, shall the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and / or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the

end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

| | | |
|--|--|---|
| SUNDRY NOTICES AND REPORTS ON WELLS | | 5. LEASE DESIGNATION AND SERIAL NUMBER: U-0284A |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT |
| 2. NAME OF OPERATOR: EOG RESOURCES, INC. | | 8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 1088-22 |
| 3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY Vernal STATE UT ZIP 84078 | | 9. API NUMBER: 43-047-37502 |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2400 FNL 2392 FEL 40.022175 Lat 109.424511 Lon | | 10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 22 9S 22E S.L.B. & M | | COUNTY: UINTAH STATE: UTAH |

| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | | |
|---|---|---|---|
| TYPE OF SUBMISSION | TYPE OF ACTION | | |
| <input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input checked="" type="checkbox"/> OTHER: APD EXTENSION REQUEST |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

**Approved by the
Utah Division of
Oil, Gas and Mining**

Date: 01-10-07
By: [Signature]

COPIES SENT TO OPERATOR
Date: 1-11-07
[Signature]

| | |
|---|---------------------------------------|
| NAME (PLEASE PRINT) <u>Kaylene R. Gardner</u> | TITLE <u>Sr. Regulatory Assistant</u> |
| SIGNATURE <u>[Signature]</u> | DATE <u>1/8/2007</u> |

(This space for State use only)

RECEIVED
JAN 10 2007
DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-37502
Well Name: CHAPITA WELLS UNIT 1088-22
Location: 2400 FNL 2392 FEL (SWNE), SECTION 22, T9S, R22E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 1/17/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

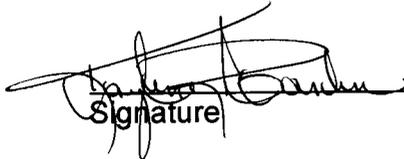
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No


Signature

1/8/2007
Date

Title: Sr. Regulatory Assistant

Representing: EOG Resources, Inc.

RECEIVED
JAN 10 2007
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SEP 07 2007

| |
|---|
| 5. Lease Serial No. UTU0284A |
| 6. If Indian, Allottee or Tribe Name |
| 7. If Unit or CA/Agreement, Name and/or No. UTU63013AH |
| 8. Well Name and No. CWU 1088-22 |
| 9. API Well No. 43-047-37502-00-X1 |
| 10. Field and Pool, or Exploratory NATURAL BUTTES |
| 11. County or Parish, and State UINTAH COUNTY, UT |

SUBMIT IN TRIPLICATE - Other instructions on reverse side **BLM**

| | |
|--|--|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | |
| 2. Name of Operator EOG RESOURCES INC | Contact: KAYLENE GARDNER E-Mail: kaylene_gardner@eogresources.com |
| 3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078 | 3b. Phone No. (include area code) Ph: 435.781.9111 |

| |
|---|
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 22 T9S R22E SWNE 2400FNL 239FEL |
|---|

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Change to Original APD |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

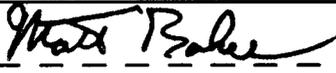
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. respectfully requests the APD for the referenced well originally approved 9/8/2007 be extended for one year.

CONDITIONS OF APPROVAL ATTACHED

| | |
|---|----------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #56282 verified by the BLM Well Information System For EOG RESOURCES INC, sent to the Vernal Committed to AFMSS for processing by GAIL JENKINS on 09/07/2007 (07GXJ5524SE) | |
| Name (Printed/Typed) KAYLENE R GARDNER | Title REGULATORY ASSISTANT |
| Signature (Electronic Submission) | Date 09/07/2007 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|---------------------------------|-------------------------|
| Approved By  | Title Petroleum Engineer | Date SEP 11 2007 |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | | |
| Office | | |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED



**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **** OCT 09 2007

Revisions to Operator-Submitted EC Data for Sundry Notice #56282

| | Operator Submitted | BLM Revised (AFMSS) |
|----------------|--|---|
| Sundry Type: | OTHER NOI | APDCH NOI |
| Lease: | UTU0284A | UTU0284A |
| Agreement: | CHAPITA WELLS UNI | UTU63013AH |
| Operator: | EOG RESOURCES, INC. 1060 EAST HIGHWAY 40 VERNAL, UT 84078 Ph: 435-781-9111 | EOG RESOURCES INC 1060 EAST HIGHWAY 40 VERNAL, UT 84078 Ph: 435.781.9111 |
| Admin Contact: | KAYLENE R GARDNER LEAD REGULATORY ASSISTANT E-Mail: kaylene_gardner@eogresources.com Ph: 435-781-9111 | KAYLENE GARDNER LEAD REGULATORY ASST E-Mail: kaylene_gardner@eogresources.com Ph: 435.781.9111 |
| Tech Contact: | KAYLENE R GARDNER LEAD REGULATORY ASSISTANT E-Mail: kaylene_gardner@eogresources.com Ph: 435-781-9111 | KAYLENE R GARDNER REGULATORY ASSISTANT E-Mail: kaylene_gardner@eogresources.com Ph: 307.276.3331 Ext: 4842 |
| Location: | | |
| State: | UT | UT |
| County: | UINTAH | UINTAH |
| Field/Pool: | NATURAL BUTTES | NATURAL BUTTES |
| Well/Facility: | CHAPITA WELLS UNIT 1088-22 Sec 22 T9S R22E SWNE 2400FNL 2392FEL | CWU 1088-22 Sec 22 T9S R22E SWNE 2400FNL 239FEL |

CONDITIONS OF APPROVAL

EOG Resources Inc.

Notice of Intent APD Extension

Lease: UTU-0284A
Well: CWU 1088-22
Location: SWNE Sec 22-T9S-R22E

An extension for the referenced APD is granted with the following conditions:

1. The extension and APD shall expire on 9/08/08
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Matt Baker of this office at (435) 781-4490

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

| | | |
|---|--|---|
| SUNDRY NOTICES AND REPORTS ON WELLS | | 5. LEASE DESIGNATION AND SERIAL NUMBER: U-0284A |
| <small>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.</small> | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT |
| 2. NAME OF OPERATOR: EOG RESOURCES, INC. | | 8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 1088-22 |
| 3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY Vernal STATE UT ZIP 84078 | | 9. API NUMBER: 43-047-37502 |
| PHONE NUMBER: (435) 781-9111 | | 10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2400 FNL 2392 FEL 40.022175 Lat 109.424511 Lon | | COUNTY: UINTAH |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 22 9S 22E S.L.B. & M | | STATE: UTAH |

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|---|---|---|
| <input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____ | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input checked="" type="checkbox"/> OTHER: APD EXTENSION REQUEST |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 01-10-08
By: [Signature]

COPY SENT TO OPERATOR
Date: 1-14-2008
Initials: JCS

| | |
|---|--|
| NAME (PLEASE PRINT) Kaylene R. Gardner | TITLE Lead Regulatory Assistant |
| SIGNATURE <u>[Signature]</u> | DATE 1/8/2008 |

(This space for State use only)

RECEIVED
JAN 10 2008

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-37502
Well Name: CHAPITA WELLS UNIT 1088-22
Location: 2400 FNL 2392 FEL (SWNE), SECTION 22, T9S, R22E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 1/17/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No



Signature

1/8/2008

Date

Title: Lead Regulatory Assistant

Representing: EOG Resources, Inc.

RECEIVED

JAN 10 2008

DIV. OF OIL, GAS & MINING

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG Resources, Inc.

Well Name: CWU 1088-22

API No: 43-047-37502 Lease Type: Fed

Section 22 Township 09S Range 22E County Uintah

Drilling Contractor Rocky Mountain Drilling Rig # Bucket

SPUDDED:

Date 5-17-08

Time 9:00 AM

How Dry

Drilling will Commence: _____

Reported by Jerry Barnes

Telephone # 435-828-1720

Date 5-19-08 Signed RM

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG Resources, Inc. Operator Account Number: N 9550
 Address: 600 17th St., Suite 1000N
city Denver
state CO zip 80202 Phone Number: (303) 824-5526

Well 1

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|--|----------------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 43-047-37502 | Chapita Wells Unit 1088-22 | | SWNE | 22 | 9S | 22E | Uintah |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| B | 99999 | 13650 | 5/17/2008 | | 5/29/08 | | |
| Comments: <u>Mesaverde well</u> | | | | | | | |

Well 2

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|--|-----------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 43-047-39061 | East Chapita 47-16 | | SWNE | 16 | 9S | 23E | Uintah |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| A | 99999 | 16866 | 5/16/2008 | | 5/29/08 | | |
| Comments: <u>Wasatch/Mesaverde well</u> | | | | | | | |

Well 3

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|---------------------------|-----------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| | | | | | | | |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| | | | | | | | |
| Comments: <u> </u> | | | | | | | |

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mary A. Maestas

Name (Please Print)

Signature

Regulatory Assistant

Title

5/19/2008

Date

RECEIVED

MAY 20 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
UTU0284A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS UNI

8. Well Name and No.
CHAPITA WELLS UNIT 1088-22

9. API Well No.
43-047-37502

10. Field and Pool, or Exploratory
NATURAL BUTTES/MESAVERDE

11. County or Parish, and State
UINTAH COUNTY, UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG RESOURCES INC
Contact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

3a. Address
600 17TH STREET SUITE 1000N
DENVER, CO 80202

3b. Phone No. (include area code)
Ph: 303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 22 T9S R22E SWNE 2400FNL 2392FEL
40.02214 N Lat, 109.42519 W Lon

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other Well Spud |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well spud on 5/17/2008.

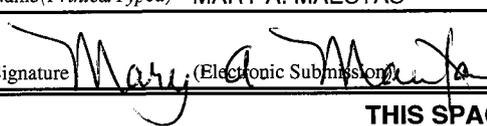
RECEIVED

MAY 21 2008

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #60361 verified by the BLM Well Information System For EOG RESOURCES INC, sent to the Vernal

Name (Printed/Typed) MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature  (Electronic Submission) Date 05/19/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
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CWU 1088-22

5. Lease Serial No.
UTU67868

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
MULTIPLE MULTIPLE

9. API Well No.
43 047 37502

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. County or Parish, and State
UINTAH COUNTY, UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG RESOURCES INC
Contact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

3a. Address
600 17TH STREET SUITE 1000N
DENVER, CO 80202

3b. Phone No. (include area code)
Ph: 303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
9S 22E 22

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input checked="" type="checkbox"/> Water Disposal | |

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EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.

1. Natural Buttes Unit 21-20B SWD
2. Chapita Wells Unit 550-30N SWD
3. Chapita Wells Unit 2-29 SWD
4. Red Wash Evaporation ponds 1, 2, 3 & 4
5. RN Industries

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

This sundry covers multiple wells. Please see the attached sheet detailing the wells.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #60540 verified by the BLM Well Information System For EOG RESOURCES INC, sent to the Vernal

Name (Printed/Typed) MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature *Mary A. Maestas* (Electronic Submission) Date 06/02/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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Office _____

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**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

RECEIVED

JUN 04 2008

DIV. OF OIL, GAS & MINING

| <u>Well Name</u> | <u>SEC</u> | <u>T</u> | <u>R</u> | <u>Qtr/Qtr</u> | <u>Lease</u> | <u>API</u> |
|--------------------|------------|----------|----------|----------------|--------------|--------------|
| East Chapita 81-23 | 23 | 9S | 23E | NESE | UTU67868 | 43-047-39443 |
| CWU 1363-25H | 25 | 9S | 22E | SENE | UTU0282 | 43-047-50007 |
| East Chapita 51-35 | 35 | 9S | 23E | NWNW | UTU0344 | 43-047-39208 |
| East Chapita 25-09 | 9 | 9S | 23E | SESE | UTU67868 | 43-047-38145 |
| CWU 1365-19 | 19 | 9S | 23E | SWSW | UTU0337 | 43-047-39779 |
| NBU 573-17E | 17 | 10S | 21E | SESE | UTU02278 | 43-047-38510 |
| NBU 561-17E | 17 | 10S | 21E | SWSE | UTU02278 | 43-047-37512 |
| CWU 1088-22 | 22 | 9S | 22E | SWNE | UTU0284A | 43-047-37502 |
| CWU 1023-15 | 15 | 9S | 22E | NWNW | UTU0283A | 43-047-38666 |
| CWU 965-34 | 34 | 9S | 23E | NWSW | UTU37943 | 43-047-39806 |
| NBU 567-17E | 17 | 10S | 21E | NWNE | UTU01791 | 43-047-38535 |
| East Chapita 79-23 | 23 | 9S | 23E | SESE | UTU67868 | 43-047-39442 |
| CWU 1274-22 | 22 | 9S | 22E | NENW | UTU0284A | 43-047-38530 |
| CWU 690-34 | 34 | 9S | 23E | SWSE | UTU37943 | 43-047-37459 |

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
UTU0284A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS UNI

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
CHAPITA WELLS UNIT 1088-22

2. Name of Operator
EOG RESOURCES, INC. Contact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

9. API Well No.
43-047-37502

3a. Address
600 17TH STREET SUITE 1000N
DENVER, CO 80202

3b. Phone No. (include area code)
Ph: 303-824-5526

10. Field and Pool, or Exploratory
NATURAL BUTTES/MESAVERDE

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 22 T9S R22E SWNE 2400FNL 2392FEL
40.02214 N Lat, 109.42519 W Lon

11. County or Parish, and State
UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|--|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other Production Start-up |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 8/14/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

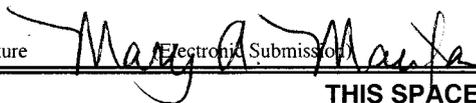
14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #62390 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature



Date 08/18/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

AUG 20 2008

WELL CHRONOLOGY REPORT

Report Generated On: 08-18-2008

| | | | | | |
|----------------------|--|------------------|--------------|----------------------|------------|
| Well Name | CWU 1088-22 | Well Type | DEVG | Division | DENVER |
| Field | CHAPITA DEEP | API # | 43-047-37502 | Well Class | 1SA |
| County, State | UINTAH, UT | Spud Date | 06-24-2008 | Class Date | 08-15-2008 |
| Tax Credit | N | TVD / MD | 9,575/ 9,575 | Property # | 057457 |
| Water Depth | 0 | Last CSG | 2.375 | Shoe TVD / MD | 0/ 0 |
| KB / GL Elev | 4,945/ 4,932 | | | | |
| Location | Section 22, T9S, R22E, SWNE, 2400 FNL & 2392 FEL | | | | |

| | | | | | |
|-----------------|--------------------|--------------------|------------------|--------------|--------|
| Event No | 1.0 | Description | DRILL & COMPLETE | | |
| Operator | EOG RESOURCES, INC | WI % | 55.469 | NRI % | 47.479 |

| | | | | | |
|---------------|--------|------------------|-----------|------------------|------------------|
| AFE No | 303569 | AFE Total | 1,843,700 | DHC / CWC | 912,100/ 931,600 |
|---------------|--------|------------------|-----------|------------------|------------------|

| | | | | | | | |
|------------------|------|-----------------|----------|-------------------|------------|---------------------|------------|
| Rig Contr | TRUE | Rig Name | TRUE #27 | Start Date | 01-12-2006 | Release Date | 07-02-2008 |
|------------------|------|-----------------|----------|-------------------|------------|---------------------|------------|

01-12-2006 **Reported By**

| | | | | | |
|------------------------------|-----|-------------------|-----|--------------------|-----|
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
|------------------------------|-----|-------------------|-----|--------------------|-----|

| | | | | | |
|----------------------------|-----|-------------------|-----|-------------------|-----|
| Cum Costs: Drilling | \$0 | Completion | \$0 | Well Total | \$0 |
|----------------------------|-----|-------------------|-----|-------------------|-----|

| | | | | | | | | | | | |
|-----------|---|------------|---|-----------------|---|-------------|---|-----------|-----|-------------|-----|
| MD | 0 | TVD | 0 | Progress | 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
|-----------|---|------------|---|-----------------|---|-------------|---|-----------|-----|-------------|-----|

| | | | |
|--------------------|-------------------|---------------|------------------------|
| Formation : | PBTD : 0.0 | Perf : | PKR Depth : 0.0 |
|--------------------|-------------------|---------------|------------------------|

Activity at Report Time: LOCATION DATA

| Start | End | Hrs | Activity Description |
|-------|-----|-----|----------------------|
|-------|-----|-----|----------------------|

| | | | |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | LOCATION DATA 2400' FNL & 2392' FEL (SW/NE) SECTION 22, T9S, R22E UINTAH COUNTY, UTAH |
|-------|-------|------|--|

LAT 40.022175, LONG 109.424511 (NAD 27)
LAT 40.022139, LONG 109.425194 (NAD 83)

TRUE #27
OBJECTIVE: 9575' TD, MESAVERDE
DW/GAS
CHAPITA WELLS DEEP PROSPECT
DD&A: CHAPITA DEEP
NATURAL BUTTES FIELD

LEASE: U-0284-A

ELEVATION: 4933.3' NAT GL, 4932.2' PREP GL, (DUE TO ROUNDING PREP GL WILL BE 4932'), 4945' KB (13')

EOG WI 55.4687%, NRI 47.47883%

| | | |
|------------|--------------------|-------------|
| 05-06-2008 | Reported By | TERRY CSERE |
|------------|--------------------|-------------|

Daily Costs: Drilling \$38,000 **Completion** \$0 **Daily Total** \$38,000
Cum Costs: Drilling \$38,000 **Completion** \$0 **Well Total** \$38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|------------------------|
| 06:00 | 06:00 | 24.0 | START LOCATION 5/6/08. |

05-07-2008 **Reported By** TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$38,000 **Completion** \$0 **Well Total** \$38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|------------------------|
| 06:00 | 06:00 | 24.0 | LOCATION 10% COMPLETE. |

05-08-2008 **Reported By** TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$38,000 **Completion** \$0 **Well Total** \$38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|--------------------------------|
| 06:00 | 06:00 | 24.0 | ROCKED OUT. DRILLING OUT ROCK. |

05-09-2008 **Reported By** TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$38,000 **Completion** \$0 **Well Total** \$38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|----------------------|
| 06:00 | 06:00 | 24.0 | DRILLING OUT ROCK. |

05-12-2008 **Reported By** TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$38,000 **Completion** \$0 **Well Total** \$38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|----------------------|
| 06:00 | 06:00 | 24.0 | DRILLING OUT ROCK. |

05-13-2008 **Reported By** TERRY CSERE

05-20-2008 Reported By TERRY CSERE

Daily Costs: Drilling \$0 Completion \$0 Daily Total \$0
 Cum Costs: Drilling \$38,000 Completion \$0 Well Total \$38,000

MD 60 TVD 60 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO AIR RIG

| Start | End | Hrs | Activity Description |
|-------|-------|------|----------------------|
| 06:00 | 06:00 | 24.0 | LOCATION COMPLETE. |

06-03-2008 Reported By JERY BARNES

Daily Costs: Drilling \$191,156 Completion \$0 Daily Total \$191,156
 Cum Costs: Drilling \$229,156 Completion \$0 Well Total \$229,156

MD 2,390 TVD 2,390 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

| Start | End | Hrs | Activity Description |
|-------|-----|-----|----------------------|
|-------|-----|-----|----------------------|

| | | | |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | MIRU CRAIG'S AIR RIG # 2 ON 5/21/2008. DRILLED 12-1/4" HOLE TO 2390' GL. ENCOUNTERED WATER @ 1050'. RAN 54 JTS (2325.40') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2338' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO CRAIGS RIG. |
|-------|-------|------|---|

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 170 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (146 BBLs) OF PREMIUM LEAD CEMENT W/0.2% VARASET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/YIELD OF 4.10 CF/SX.

TAILED IN W/200 SX (42 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED TAIL CEMENT TO 15.6 W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/180 BBLs FRESH WATER. BUMPED PLUG W/120# @ 7:20 PM, 5/24/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (20.4 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 37 HRS. RDMO HALLIBURTON CEMENTERS.

TOP JOB # 2: MIRU HALLIBURTON CEMENTERS. MIXED & PUMPED 150 SX (30.7 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

MIRU GLENN'S WIRELINE SERVICE. RAN IN HOLE W/STRAIGHT HOLE SURVEY. TAGGED CEMENT @ 2106'. PICKED UP TO 2086' & TOOK SURVEY. 1.0 DEGREE.

CONDUCTOR LEVEL RECORD: PS= 89.9 OPS= 89.7 VDS= 89.8 MS= 89.6

9 5/8 CASING LEVEL RECORD: PS= 89.7 OPS= 89.8 VDS= 89.8 MS= 89.9

DALL COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 5/22/2008 @ 1:30 PM.

06-15-2008 Reported By PAUL WHITE

Daily Costs: Drilling \$19,372 Completion \$0 Daily Total \$19,372
 Cum Costs: Drilling \$248,528 Completion \$0 Well Total \$248,528

MD 2,390 TVD 2,390 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RIG REPAIR & MAINTENANCE

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 18:00 | 12.0 | CLEAN AND PRESSURE WASH SUB-BASE. SET SUBS ON PIPE BUNKS SO WELDERS CAN MAKE REPAIRS ON SKIDS. DRAWWORKS IN HOWCROFT SHOP. REMOVE DRUM SHAFT. INSPECT FOR ADDITIONAL NEEDED REPAIRS. ONE CREW. NO ACCIDENTS OR INCIDENTS. CREW HELD SAFETY MEETING W/ WELDERS. |
| 18:00 | 06:00 | 12.0 | NO ACTIVITY. |

06-16-2008 Reported By PAUL WHITE

Daily Costs: Drilling \$19,372 Completion \$0 Daily Total \$19,372
 Cum Costs: Drilling \$267,900 Completion \$0 Well Total \$267,900

MD 2,390 TVD 2,390 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RIG REPAIR/MAINTENANCE

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 18:00 | 12.0 | WELDING ON SUB-BASE ON LOCATION, OVERHAULING DRAWWORKS IN HOWCROFT SHOP. REMOVED ALL SHAFTS FROM DWKS. REPLACING HOSES AND GREASE LINES. WELDERS 50% COMPLETE ON SUB-BASE REPAIRS. |
| 18:00 | 06:00 | 12.0 | NO ACTIVITY. |

06-17-2008 Reported By PAUL WHITE

Daily Costs: Drilling \$19,372 Completion \$0 Daily Total \$19,372
 Cum Costs: Drilling \$287,272 Completion \$0 Well Total \$287,272

MD 2,390 TVD 2,390 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RIG REPAIR/MAINTENANCE

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 18:00 | 12.0 | CONTINUE WELDING ON SUB-BASE. DRAWWORKS STRIPPED COMPLETELY DOWN AND STARTING TO GO BACK TOGETHER. DRUM SHAFT IN CASPER FOR REPAIRS. TRUCKS SCHEDULED FOR TUE AM TO SET IN SUBS AND PIN ROTARY SUPPORT BEAMS. SET UP TO REDRILL WORN PIN POCKETS IN FLOOR BEAMS. ESTIMATE FOR COMPLETION OF REPAIRS AND START OF RIG UP SATURDAY JUNE 21ST. |
| 18:00 | 06:00 | 12.0 | NO ACTIVITY. 2 CREWS ONE 5 MAN AND THE OTHER 4 MAN. 5 WELDERS. |

06-18-2008 Reported By PAUL WHITE

Daily Costs: Drilling \$19,372 Completion \$0 Daily Total \$19,372
 Cum Costs: Drilling \$306,644 Completion \$0 Well Total \$306,644

MD 2,390 TVD 2,390 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RURT/MAINTENANCE

| Start | End | Hrs | Activity Description |
|-------|-----|-----|----------------------|
|-------|-----|-----|----------------------|

06:00 19:00 13.0 SET SUBS AND INSTALL SPREADERS. SET IN MUD TANKS, TRIP TANK AND GENERATOR. REPAIR PIN POCKETS. CONTINUE REBUILDING DRAWWORKS. COMPLETED CLASS III INSPECTION OF DRILL PIPE. FOUND ONE JOINT OF "E" PIPE IN STRING AND ONE WITH CRACKED TUBE. 3 JOINTS W/ BAD TOOL JTS. COMPLETED ULTRA SONIC INSPECTION OF HIGH PRESSURE MUD LINES FROM PUMPS TO STAND PIPE GOOSENECK. WALL THICKNESSES WERE FOUND TO BE SATISFACTORY. ESTIMATE FOR COMPLETION OF REPAIRS SATURDAY JUNE 21ST. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING HELD W/ RW JONES TRUCKING.

19:00 06:00 11.0 NO ACTIVITY.

06-19-2008 **Reported By** PAUL WHITE

Daily Costs: Drilling \$19,372 **Completion** \$0 **Daily Total** \$19,372

Cum Costs: Drilling \$326,016 **Completion** \$0 **Well Total** \$326,016

MD 2,390 **TVD** 2,390 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: RURT/MAINTENANCE

Start **End** **Hrs** **Activity Description**

06:00 18:00 12.0 CONTINUE REDRILLING PIN HOLES IN SUB-BASE AND SPREADERS. FITTING NEW PINS. DRAWWORKS BEING REASSEMBLED. FABRICATING CHOKE BUFFER DOWN STREAM FROM CHOKE IN CHOKE HOUSE. FINISHED PRESSURE WASHING DERRICK. ESTIMATE PROJECTS COMPLETE AND CONTINUE RIG UP ON SATURDAY JUNE 21ST. NO ACCIDENTS OR INCIDENTS. SAFETY MEETINGS TOPICS: FORFLIFT OPS, HELPING WELDERS.

18:00 06:00 12.0 NO ACTIVITY.

06-20-2008 **Reported By** PAUL WHITE

Daily Costs: Drilling \$19,372 **Completion** \$0 **Daily Total** \$19,372

Cum Costs: Drilling \$345,388 **Completion** \$0 **Well Total** \$345,388

MD 2,390 **TVD** 2,390 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: RURT/MAINTENANCE

Start **End** **Hrs** **Activity Description**

06:00 18:00 12.0 DRAWWORKS REBUILD 90% COMPLETE. PLAN TO TRANSPORT TO LOCATION FRIDAY PM. MAINTENANCE ON SUB-BASE CONTINUES. REDRILLING STRUCTURAL PIN HOLE IN ROTARY SUPPORT BEAMS AND SPREADERS. CHOKE MANIFOLD BUFFER TANK 85% COMPLETE. ESTIMATE COMPLETION OF WORK ON SUB. SATURDAY JUNE 21ST. NO ACCIDENTS OR INCIDENTS. SAFETY MEETINGS HELD W/ WELDERS. TWO CREWS AND 6 WELDERS.

18:00 06:00 12.0 NO ACTIVITY.

06-21-2008 **Reported By** PAUL WHITE

Daily Costs: Drilling \$19,372 **Completion** \$0 **Daily Total** \$19,372

Cum Costs: Drilling \$364,760 **Completion** \$0 **Well Total** \$364,760

MD 2,390 **TVD** 2,390 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: RURT/MAINTNANCE

Start **End** **Hrs** **Activity Description**

06:00 18:00 12.0 DRAWWORKS WHICH WAS THOUGHT TO BE FINISHED FRIDAY HAD LEAKS IN COMPOUND WHICH NEEDED TO BE ADDRESSED. NEW ESTIMATE FOR FINISHING DRAWWORKS IS SATURDAY PM (21ST). DERRICK WILL BE MOVED FROM CWU 1365-19 TO CWU 1088-22 SATURDAY AM. WORK ON SUB CONTINUES, ESTIMATE FOR COMPLETION IS SUNDAY PM (JUNE 22ND) PLAN FORWARD IS TO HAVE RW JONES ON LOCATION MONDAY MORNING JUNE 23 TO RESUME RIG UP.

18:00 06:00 12.0 NO ACTIVITY.

06-22-2008 Reported By PAUL WHITE

Daily Costs: Drilling \$19,372 Completion \$0 Daily Total \$19,372

Cum Costs: Drilling \$384,132 Completion \$0 Well Total \$384,132

MD 2,390 TVD 2,390 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RURT/MAINTENANCE

Start End Hrs Activity Description

06:00 18:00 12.0 MOVE DERRICK AND WATER TANK FROM CWU 1365-19 TO 1088-22. LOCATION CLEAR. CREWS CONTINUE CLEANING PAINTING AND HELPING W/ REFURBISHING SPREADERS AND ROTARY SUPPORT BEAMS. ESTIMATE COMPLETION SUNDAY (22ND). RIG UP ON MONDAY (23RD). TWO CREWS (2 MEN AT HOWCRAFT SHOP) 5 WELDERS. NO ACCIDENTS OR INCIDENTS. SAFETY MEETINGS HELD W/ WELDERS.

18:00 06:00 12.0 NO ACITIVITY.

06-23-2008 Reported By PAUL WHITE

Daily Costs: Drilling \$37,511 Completion \$0 Daily Total \$37,511

Cum Costs: Drilling \$421,643 Completion \$0 Well Total \$421,643

MD 2,390 TVD 2,390 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RURT

Start End Hrs Activity Description

06:00 18:00 12.0 WELDERS COMPLETED BORING PIN HOLES IN SUB AND FITTING NEW PINS. DRAWWORKS OVERHAUL COMPLETE. RW JONES TRUCKS SCHEDULED FOR 07:00 W/ DRAWWORKS FOR RIG UP. 2 CREWS PAINTING AND DOING MAINTENANCE. NO ACCIDENTS OR INCIDENTS. SAFETY MEETINGS HELD W/ WELDERS.

18:00 06:00 12.0 NO ACTIVITY.

06-24-2008 Reported By PAUL WHITE

Daily Costs: Drilling \$73,455 Completion \$0 Daily Total \$73,455

Cum Costs: Drilling \$495,098 Completion \$0 Well Total \$495,098

MD 2,390 TVD 2,390 Progress 0 Days 0 MW 8.5 Visc 0.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP TO DRILL OUT

Start End Hrs Activity Description

06:00 07:00 1.0 RURT.

07:00 12:00 5.0 RURT W/ TRUCKS. RAISED DERRICK AT 10:00 HRS.

12:00 15:00 3.0 RIG UP. STRAIGHTEN KELLY. ACCEPT RIG AT 15:00 HRS, 6/23/08.

15:00 17:00 2.0 NIPPLE UP BOP'S PREPARE FOR TEST. IN CONTACT W/ CADE TAYLOR W/ VERNAL BLM. DID NOT ELECT TO WITNESS TEST.

17:00 19:30 2.5 TEST BOPS/DIVERTER

19:30 22:30 3.0 RIG REPAIR. WEEP HOLE PLUG IN SHAFFER DOUBLE GATE BLEW OUT. DRILL AND TAP AND MAKE REPAIRS.

22:30 00:30 2.0 FINISH TESTING BOP W/ B&C QUICK TEST. UPPER AND LOWER KELLY VALVE, INSIDE BOP, SAFETY VALVE, PIPE RAMS AND INSIDE VALVES, PIPE RAMS AND OUTSIDE VALVES (HCR), OUTSIDE CHECK VALVE, CHOKELINE, ALL CHOKE MANIFOLD VALVES AND SURFACE CASING. ALL TESTS 250 LOW AND 5000 HIGH. ANNULAR 250/2500. CASING 1500. ALL TESTS GOOD.

00:30 01:00 0.5 INSTALL WEAR BUSHING.

01:00 06:00 5.0 RIG UP T-REX LAYDOWN EQUIPMENT. HOLD SAFETY MEETING W/ CREWS. PICKUP BHA AND DRILL PIPE. RIG SERVICE, PREP TO DRILL CEMENT. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: WORKING ON BOP'S, STRAIGHTNING KELLY. FUEL ON HAND 5400 RECEIVED 4400 USED 250.

06-25-2008 Reported By PETE AYOTTE / PAUL WHITE

Daily Costs: Drilling \$56,601 Completion \$0 Daily Total \$56,601

Cum Costs: Drilling \$551,699 Completion \$0 Well Total \$551,699

MD 4,282 TVD 4,282 Progress 1,944 Days 1 MW 8.5 Visc 27.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING AT 4282'

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 06:00 | 07:00 | 1.0 | INSTALL DRIVE BUSHINGS AND ALIGN BOP. |
| 07:00 | 09:30 | 2.5 | DRILL CEMENT AND FLOAT EQUIPMENT. |
| 09:30 | 10:00 | 0.5 | CIRCULATE AND PERFORM FIT TEST TO 12 PPG. |
| 10:00 | 17:00 | 7.0 | DRILL FROM 2338' TO 3028', 690' AT 98.6'/HR, 10-15K WOB, 50-65 RRPM, 63 MRPM, 1000 PSI AT 125 STROKES, OFF BOTTOM, #1 PUMP, 100-350 PSI DIFFERENTIAL, 420 GPM. 8.4 MUD WT, 30 VIS. |
| 17:00 | 17:30 | 0.5 | SURVEY, 2*. |
| 17:30 | 03:00 | 9.5 | DRILL FROM 3028' TO 3998', 970' AT 102'/HR, SAME PARAMETERS AS ABOVE. 8.5 MUD WT, 34 VIS. |
| 03:00 | 03:30 | 0.5 | SURVEY, 2* |
| 03:30 | 06:00 | 2.5 | DRILL FROM 3998' TO 4282', 284' AT 113'/HR, 15-18K WOB, 50-65 RRPM, 63 MRPM, 1100 PSI AT 125 STROKES, OFF BOTTOM, #1 PUMP, 150-375 PSI DIFFERENTIAL, 420 GPM. FULL CREWS, NO ACCIDENTS. SAFETY MEETINGS ON PPE AND MIXING LIME. FUEL ON HAND 4114 GALS, USED 972 GALS. MUD WT 8.7 PPG, VIS 33. MAHOGANY TOP AT 2353'. BG GAS 300U, CONN GAS 400U. BOP DRILL ON DAYS AND MORNING TOURS. 90 AND 71 SECS. OPERATED CROWN SAVER BOTH TOURS. NO FLOW OR LOSSES. SPUD AT 1000 HRS, 6/24/2008. |

06-26-2008 Reported By PETE AYOTTE

Daily Costs: Drilling \$36,307 Completion \$0 Daily Total \$36,307

Cum Costs: Drilling \$588,006 Completion \$0 Well Total \$588,006

MD 5,779 TVD 5,779 Progress 1,497 Days 2 MW 8.9 Visc 31.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING AT 5779'

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 08:30 | 2.5 | DRILL FROM 4282' TO 4559', 277' AT 110.8'/HR, 15-18K WOB, 45-60 RRPM, 63 MRPM, 1350 PSI AT 125 STROKES, OFF BOTTOM, #1 PUMP, 100-350 PSI DIFFERENTIAL, 420 GPM, 9.1 MUD WT, 31 VIS. |
| 08:30 | 09:00 | 0.5 | RIG SERVICE. |
| 09:00 | 19:30 | 10.5 | DRILL FROM 4559' TO 5183', 624' AT 59.4'/HR, SAME PARAMETERS AS ABOVE. |
| 19:30 | 20:00 | 0.5 | REPAIR AIR LINE TO ROTARY CLUTCH. |
| 20:00 | 06:00 | 10.0 | DRILL FROM 5183' TO 5779', 596' AT 59.6'/HR, SAME PARAMETERS AS ABOVE, 1500 PSI AT 125 STROKES, OFF BOTTOM, #1 PUMP, 100-350 PSI DIFFERENTIAL, 420 GPM. |

FULL CREWS, NO ACCIDENTS.
 SAFETY MEETINGS ON THE CATHEAD AND AIRLINES.
 FUEL ON HAND 2992 GALS, USED 1122 GALS.
 MUD WT 9.4 PPG, VIS 34.
 OPERATED CROWN SAVER BOTH TOURS.
 NO FLOW OR LOSSES.
 UNMANNED LOGGER, DAY 2.

CHAPITA WELLS TOP AT 5341'.
 BG GAS 200U, CONN GAS 200U.

| | | | | | | | | | | | |
|--|--------------------|-------------------|-------|--------------------|------------------------|-------------|---|-----------|-----|-------------|------|
| 06-27-2008 | Reported By | PETE AYOTTE | | | | | | | | | |
| Daily Costs: Drilling | \$52,626 | Completion | \$0 | Daily Total | \$52,626 | | | | | | |
| Cum Costs: Drilling | \$640,633 | Completion | \$0 | Well Total | \$640,633 | | | | | | |
| MD | 6,904 | TVD | 6,904 | Progress | 1,125 | Days | 3 | MW | 9.6 | Visc | 34.0 |
| Formation : | PBTD : 0.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |
| Activity at Report Time: DRILLING @ 6904' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 06:00 | 14:30 | 8.5 | DRILL FROM 5779' TO 6283', 504' AT 59.3'/HR, 18K WOB, 45-55 RRPM, 63 MRPM, 1550 PSI AT 125 STROKES, #1 PUMP, OFF BOTTOM, 100-300 PSI DIFFERENTIAL, 420 GPM, 9.7 MUD WT, 34 VIS. |
| 14:30 | 15:00 | 0.5 | RIG SERVICE, ACTIVATED ANNULAR. |
| 15:00 | 18:30 | 3.5 | DRILL FROM 6283' TO 6480', 197' AT 56.2'/HR, SAME PARAMETERS AS ABOVE. MUD WT 9.8, VIS 34. |
| 18:30 | 20:30 | 2.0 | CHANGE OUT SWIVEL PACKING, LAID DOWN 1 SINGLE, CIRCULATE AND ROTATE. |
| 20:30 | 06:00 | 9.5 | DRILL FROM 6480' TO 6904', 424' AT 44.6'/HR, SAME PARAMETERS AS ABOVE. |

FULL CREWS, NO ACCIDENTS.
 SAFETY MEETINGS ON SNUB LINE INSPECTION AND CHANGING SWIVEL PACKING.
 FUEL ON HAND 5954 GALS, USED 1197 GALS.
 MUD WT 10.0 PPG, VIS 35.
 BUCK CANYON TOP AT 6024', NORTH HORN TOP AT 6623'.
 BG GAS 150U, CONN GAS 150U.
 OPERATED CROWN SAVER BOTH TOURS.
 NO FLOW OR LOSSES.
 UNMANNED LOGGER, DAY 3.

| | | | | | | | | | | | |
|---|--------------------|-------------------|-------|--------------------|------------------------|-------------|---|-----------|-----|-------------|------|
| 06-28-2008 | Reported By | PETE AYOTTE | | | | | | | | | |
| Daily Costs: Drilling | \$32,630 | Completion | \$0 | Daily Total | \$32,630 | | | | | | |
| Cum Costs: Drilling | \$673,263 | Completion | \$0 | Well Total | \$673,263 | | | | | | |
| MD | 7,885 | TVD | 7,885 | Progress | 981 | Days | 4 | MW | 9.8 | Visc | 34.0 |
| Formation : | PBTD : 0.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |
| Activity at Report Time: DRILLING AT 7885' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 07:30 | 1.5 | DRILL FROM 6904' TO 6956', 52' AT 34.7'/HR, 20K WOB, 45-55 RRPM, 63 MRPM, 1650 PSI AT 125 STROKES, OFF BOTTOM, #1 PUMP, 100-350 PSI DIFFERENTIAL, 420 GPM, 9.9 MUD WT, 35 VIS. |
| 07:30 | 08:00 | 0.5 | RIG SERVICE. |
| 08:00 | 08:30 | 0.5 | DRILL FROM 6956' TO 6997', 41' AT 82'/HR, SAME PARAMETERS AS ABOVE. |

08:30 09:00 0.5 WORK ON MAKEUP CATHEAD. SOME BOLTS LOOSE AND CHAIN IS BINDING UP.
 09:00 14:30 5.5 DRILL FROM 6997' TO 7247', 250' AT 45.5'/HR, SAME PARAMETERS AS ABOVE.
 14:30 15:30 1.0 WORK ON MAKEUP CATHEAD. FUNCTIONING CORRECTLY NOW.
 15:30 06:00 14.5 DRILL FROM 7247' TO 7885', 638' AT 44'/HR, 20-23K WOB, 45-55 RRP, 43 MPRM, 1750 PSI AT 125 STROKES, OFF BOTTOM, #1 PUMP, 100-300 PSI DIFFERENTIAL, 420 GPM.
 FULL CREWS, NO ACCIDENTS.
 SAFETY MEETINGS ON ACCUMULATOR PRESSURE AND CO2.
 FUEL ON HAND 4637 GALS, USED 1347 GALS.
 MUD WT 10.1 PPG, VIS 34.
 PRICE RIVER TOP AT 7212'.
 BG GAS 450U, CONN GAS 450U.
 OPERATED CROWN SAVER BOTH TOURS.
 NO FLOW OR LOSSES.
 UNMANNED LOGGER, DAY 4.

| | | | | | | | | | | | |
|------------------------------|-------------------|--------------------|-------------|--------------------|------------------------|-------------|---|-----------|------|-------------|------|
| 06-29-2008 | | Reported By | PETE AYOTTE | | | | | | | | |
| Daily Costs: Drilling | \$43,256 | Completion | \$7,100 | Daily Total | \$50,356 | | | | | | |
| Cum Costs: Drilling | \$716,520 | Completion | \$7,100 | Well Total | \$723,620 | | | | | | |
| MD | 8,500 | TVD | 8,500 | Progress | 615 | Days | 5 | MW | 10.2 | Visc | 36.0 |
| Formation : | PBTD : 0.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: DRILLING AT 8500'

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 07:00 | 1.0 | DRILL FROM 7885' TO 7905', 20' AT 20'/HR, 22-25K WOB, 45-50 RRP, 63 MPRM, 1850 PSI AT 125 STROKES, #1 PUMP, OFF BOTTOM, 100-200 PSI DIFFERENTIAL, 420 GPM, 10.1 MUD WT, 35 VIS. |
| 07:00 | 11:30 | 4.5 | PUMP PILL, DROP SURVEY, TRIP OUT, SET CROWN SAVER 1ST STAND, LAY DOWN STABILIZATION, OPERATE PIPE AND BLIND RAMS, CHANGE BITS AND MOTORS. |
| 11:30 | 15:00 | 3.5 | TRIP IN, BROKE CIRCULATION AT 2330' AND 6000', TAG BRIDGE AT 7750' |
| 15:00 | 16:00 | 1.0 | REAM FROM 7750' TO 7905'. |
| 16:00 | 03:00 | 11.0 | DRILL FROM 7905' TO 8398', 493' AT 44.8'/HR, 15-20K WOB, 45-55 RRP, 63 MPRM, 1750 PSI AT 125 STROKES, OFF BOTTOM, #1 PUMP, 100-300 PSI DIFFERENTIAL, 420 GPM, 10.4+MUD WT, 35 VIS. |
| 03:00 | 03:30 | 0.5 | RIG SERVICE. |
| 03:30 | 06:00 | 2.5 | DRILL FROM 8398' TO 8500', 102' AT 40.8'/HR, SAME PARAMETERS AS ABOVE. FULL CREWS, NO ACCIDENTS. SAFETY MEETINGS ON TRIPPING HAZARDS AND LOCKOUT TAG OUT. FUEL ON HAND 3515 GALS, USED 1118 GALS. MUD WT 10.6+ PPG, VIS 37. PRICE RIVER MIDDLE TOP AT 8088'. BG GAS 800U, CONN GAS 800U. NO TRIP GAS OR FLARE(WENT THRU BUSTER) BOP DRILL MORNING TOUR, WELL SECURED 90 SECS. OPERATED CROWN SAVER BOTH TOURS.(FOR TRIP AND DRILLING) NO FLOW, LOST 36 BBLS ON TRIP. STARTED RAISING MUD WT. HOLE SEEPING 8-10 BBLS/HR WHEN WT GOT TO 10.4. MIXING A FEW SAWDUST AND CUP OF POLYSWELL EVERY 1/2 HR. UNMANNED LOGGER, DAY 5. |

| | | | | | | | | | | | |
|------------------------------|----------|--------------------|-------------|--------------------|----------|--|--|--|--|--|--|
| 06-30-2008 | | Reported By | PETE AYOTTE | | | | | | | | |
| Daily Costs: Drilling | \$32,417 | Completion | \$0 | Daily Total | \$32,417 | | | | | | |

Cum Costs: Drilling \$748,937 **Completion** \$7,100 **Well Total** \$756,037
MD 9,200 **TVD** 9,200 **Progress** 700 **Days** 6 **MW** 10.8 **Visc** 37.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING AT 9200'

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 09:00 | 3.0 | DRILL FROM 8500' TO 8586', 86' AT 28.7'/HR, 18-20K WOB, 45-50 RRPM, 63 MRPM, 1900 PSI AT 125 STROKES, OFF BOTTOM, #1 PUMP, 100-300 PSI DIFFERENTIAL. 420 GPM, 10.7 MUD WT, 36 VIS. NO LOSSES. |
| 09:00 | 09:30 | 0.5 | RIG SERVICE. |
| 09:30 | 16:30 | 7.0 | DRILL FROM 8586' TO 8842', 256' AT 36.6'/HR, SAME PARAMETERS AS ABOVE. |
| 16:30 | 18:30 | 2.0 | TROUBLE SHOOT LOW AIR TO DRUM CLUTCH. CHANGED OUT DRUM CLUTCH CONTROL. |
| 18:30 | 20:00 | 1.5 | DRILL FROM 8842' TO 8888', 46' AT 30.7'/HR, SAME PARAMETERS AS ABOVE. |
| 20:00 | 21:30 | 1.5 | WORK ON DRUM CLUTCH VALVES. |
| 21:30 | 06:00 | 8.5 | DRILL FROM 8888' TO 9200', 312' AT 36.7'/HR, 18-20K WOB, 45-50 RRPM, 63 MRPM, 1950 PSI AT 125 STROKES, OFF BOTTOM, #1 PUMP, 100-300 PSI DIFFERENTIAL, 420 GPM. FULL CREWS, NO ACCIDENTS. SAFETY MEETINGS ON RIG SERVICE AND AIR COMPRESSORS. FUEL ON HAND 2094 GALS, USED 1421 GALS. MUD WT 10.9 PPG IN AND OUT, VIS 37. PRICE RIVER LOWER TOP AT 8873'. BG GAS 5000U, CONN GAS 5000U. NO FLARE(GOING THRU BUSTER) OPERATED CROWN SAVER BOTH TOURS. NO FLOW, OR LOSSES. UNMANNED LOGGER, DAY 6. |

07-01-2008 **Reported By** PETE AYOTTE

Daily Costs: Drilling \$126,056 **Completion** \$3,199 **Daily Total** \$129,255
Cum Costs: Drilling \$874,994 **Completion** \$10,299 **Well Total** \$885,293
MD 9,480 **TVD** 9,480 **Progress** 280 **Days** 7 **MW** 10.7 **Visc** 42.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING @ 9480'

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 10:00 | 4.0 | DRILL FROM 9200' TO 9340', 140' AT 35'/HR, 18-22K WOB, 45-55 RRPM, 63 MRPM, 2050 PSI AT 125 STROKES OFF BOTTOM, #1 PUMP, 100-300 PSI DIFFERENTIAL, 420 GPM, 11 PPG MUD WT, 37 VIS, SLIGHT SEEPAGE. |
| 10:00 | 10:30 | 0.5 | RIG SERVICE |
| 10:30 | 18:00 | 7.5 | DRILL FROM 9340' TO 9451', 111' AT 14.8'/HR, 18-25K WOB, 45-55 RRPM, 63 MRPM, 2100 PSI AT 125 STROKES, #1 PUMP, 100-300 PSI DIFFERENTIAL, 420 GPM, MUD WT 11.2, VIS 37, SLIGHT SEEPAGE. |
| 18:00 | 19:00 | 1.0 | CIRCULATE, MIX AND PUMP PILL. NO FLARE OR FLOW. |
| 19:00 | 22:00 | 3.0 | TRIP OUT, SET CROWN SAVER ON 1ST STAND. ACTIVATE PIPE AND BLIND RAMS. HOLE TOOK EXTRA 45 BLS. |
| 22:00 | 23:00 | 1.0 | CHANGE BITS AND MOTORS. |
| 23:00 | 00:30 | 1.5 | TRIP IN TO SHOE. |
| 00:30 | 01:30 | 1.0 | SLIP & CUT DRILL LINE 110'. |
| 01:30 | 05:00 | 3.5 | TRIP IN, BROKE CIRCULATION AT 2200', 5300', 7500'. |
| 05:00 | 05:30 | 0.5 | SAFETY REAM 100' TO BOTTOM. |
| 05:30 | 06:00 | 0.5 | DRILL FROM 9451' TO 9480'. 29' AT 58'/HR, 10-13K WOB, 45-50 RRPM, 63 MRPM, 2000 PSI AT 120 STROKES, OFF BOTTOM, #1 PUMP, 100-200 PSI DIFFERENTIAL, 403 GPM. FULL CREWS, NO ACCIDENTS. |

SAFETY MEETINGS ON CONNECTIONS AND PINCH POINTS.
 FUEL ON HAND 897 GALS, USED 1197 GALS.
 MUD WT 11.2 PPG, VIS 37.
 SEGO TOP AT 9355'.
 BG GAS 4000U, CONN GAS 4000U. TRIP GAS OR FLARE(GOING THRU BUSTER)
 OPERATED CROWN SAVER BOTH TOURS.(FOR TRIP AND DRILLING)
 NO FLOW, LOST 45 BBLs ON TRIP.
 UNMANNED LOGGER, DAY 7.

| | | | | | | | | | | | |
|------------------------------|--------------------|-------------------|-----------|--------------------|------------------------|-------------|---|-----------|------|-------------|------|
| 07-02-2008 | Reported By | PETE AYOTTE | | | | | | | | | |
| Daily Costs: Drilling | \$32,893 | Completion | \$96,589 | Daily Total | \$129,482 | | | | | | |
| Cum Costs: Drilling | \$907,887 | Completion | \$106,888 | Well Total | \$1,014,775 | | | | | | |
| MD | 9,575 | TVD | 9,575 | Progress | 95 | Days | 8 | MW | 11.4 | Visc | 40.0 |
| Formation : | PBTD : 0.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: CEMENT PRODUCTION CASING

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 09:00 | 3.0 | DRILL FROM 9480' TO 9575' TD, 95' AT 31.7'/HR, 10-13K WOB, 45-50 RRPM, 64 MRPM, 2000 PSI AT 120 STROKES, OFF BOTTOM, #1 PUMP, 100-200 PSI DIFFERENTIAL, 403 GPM. REACHED TD AT 09:00 HRS, 7/1/08. |
| 09:00 | 09:30 | 0.5 | RIG SERVICE, CIRCULATE. |
| 09:30 | 10:00 | 0.5 | CIRCULATE. |
| 10:00 | 11:00 | 1.0 | SHORT TRIP 5 STANDS, HOLE IN GOOD CONDITION.. |
| 11:00 | 12:00 | 1.0 | CIRCULATE, 10' TRIP FLARE, HOLD SAFETY MEETING WITH T-REX CASERS AND RIG UP SAME. |
| 12:00 | 19:00 | 7.0 | LAY DOWN PIPE, HOLE TOOK EXTRA 30 BBLs. |
| 19:00 | 19:30 | 0.5 | PULL WEAR BUSHING. OPERATE PIPE AND BLIND RAMS. |
| 19:30 | 20:00 | 0.5 | HOLD SAFETY MEETING WITH CASERS AND CREW, RIG UP TO RUN CASING. |
| 20:00 | 02:30 | 6.5 | RUN 4.5" CASING, FILL EVERY 50 JOINTS. RAN CASING AS FOLLOWS: RAN 220 JOINTS, 4.5", N-80, 11.6#, LTC CASING. RAN 2, HC P-110 MARKERS, MARKER TOPS AT 4329' AND 6814'. LAND SHOE AT 9569', FLOAT TOP AT 9524'. RAN WEATHERFORD CONVENTIONAL FLOAT COLLAR AND FLOAT SHOE . RAN 28 BOWSPRING CENTRALIZERS, 5' ABOVE SHOE, TOP OF SECOND JOINT, THEN EVERY 3RD JOINT TO 6223'. |
| 02:30 | 03:00 | 0.5 | PICK UP TAG JOINT, TAG BOTTOM, LAY DOWN SAME, PICK UP AND LAND FLUTED HANGER. |
| 03:00 | 04:30 | 1.5 | CIRCULATE, 20' TRIP FLARE, RIG DOWN CASERS, HOLD SAFETY MEETING WITH CEMENTERS AND RIG CREW. RIG UP CEMENTERS. |
| 04:30 | 06:00 | 1.5 | CEMENTING. |

FULL CREWS, NO ACCIDENTS.
 SAFETY MEETINGS ON SHORT TRIPS AND RUNNING CASING.
 FUEL ON HAND 2094 GALS, USED 803 GALS.
 MUD WT 11.5 PPG, VIS 37.
 OPERATED CROWN SAVER BOTH TOURS.(FOR TRIP AND DRILLING).
 UNMANNED LOGGER, FINAL DAY 8.
 TD AT 0900 HRS, 7/1/2008.
 CASING POINT COST, \$898,051.
 NOTIFIED JAMIE SPARGER WITH BLM ON CASING RUN AND UP COMING MOVE AND BOP TEST AT 1030 HRS, 7/1/2008.
 RW JONES TRUCKS SCHEDULED FOR NOON. MOVE IS 8/10 OF A MILE TO CWU 1275-22.

TRANSFERRING 6 JOINTS N-80 CASING, 3 HCP110 SHORT JOINTS, 2094 GALS DIESEL TO CWU 1275-22.

| 07-03-2008 | | Reported By | | PETE AYOTTE | | | | | | | |
|--|-------|-------------|---|-----------------|-------------------|---------------|-----------|--------------------|------------------------|-------------|-----|
| Daily Costs: Drilling | | \$22,247 | | | Completion | | \$58,929 | Daily Total | | \$81,176 | |
| Cum Costs: Drilling | | \$930,134 | | | Completion | | \$165,817 | Well Total | | \$1,095,951 | |
| MD | 9,575 | TVD | 9,575 | Progress | 0 | Days | 9 | MW | 0.0 | Visc | 0.0 |
| Formation : | | | PBTD : 0.0 | | | Perf : | | | PKR Depth : 0.0 | | |
| Activity at Report Time: RDRT/NO COMPLETION | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 07:00 | 1.0 | TEST CEMENTING LINES TO 5000 PSI. CEMENT 4.5" CASING AS FOLLOWS:PUMP 20 BBL CHEMICAL WASH AND 20 BBL SPACER, PUMP BOTTOM PLUG, PUMP 375 SACKS(151 BBL) 12#, G LEAD CEMENT AND 1575 SACKS(362 BBL), 50/50 POZG TAIL CEMENT.BROUGHT TOP OF TAIL TO 4346', TOP OF LEAD TO 1938'. DISPLACED WITH 148 BBL SOF 2 GAL/1000 L064 FRESH WATER. RETURNS THROUGHOUT JOB. GOT A LITTLE WATERY CEMENT BACK. PLUG DOWN AT 0710 HRS, 7/2/2008. FLOAT HELD. | | | | | | | | |
| 07:00 | 08:00 | 1.0 | WAIT ON CEMENT TO BACK OUT MANDREL. | | | | | | | | |
| 08:00 | 09:00 | 1.0 | BACK OUT MANDREL AND LAY DOWN SAME, PICK UP AND SET PACKER AND TEST SAME TO 5000 PSI. | | | | | | | | |
| 09:00 | 10:00 | 1.0 | CLEAN MUD PITS. | | | | | | | | |
| 10:00 | 14:00 | 4.0 | RIG DOWN, MOVE RIG OFF CWU 1088-22. | | | | | | | | |
| 14:00 | 14:30 | 0.5 | ROAD RIG 8/10 OF A MILE TO CWU 1275-22. | | | | | | | | |
| 06:00 | 06:00 | 24.0 | RIG RELEASED AT 10:00 HRS, 7/2/2008. CASING POINT COST \$930,134 | | | | | | | | |

| 07-08-2008 | | Reported By | | SEARLE | | | | | | | |
|--|-------|-------------|--|-----------------|-------------------|---------------|-----------|--------------------|------------------------|-------------|-----|
| Daily Costs: Drilling | | \$0 | | | Completion | | \$43,500 | Daily Total | | \$43,500 | |
| Cum Costs: Drilling | | \$930,134 | | | Completion | | \$209,317 | Well Total | | \$1,139,451 | |
| MD | 9,575 | TVD | 9,575 | Progress | 0 | Days | 10 | MW | 0.0 | Visc | 0.0 |
| Formation : | | | PBTD : 9524.0 | | | Perf : | | | PKR Depth : 0.0 | | |
| Activity at Report Time: PREP FOR FRACS | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 08:00 | 2.0 | MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 50'. EST CEMENT TOP @ 200'. RD SCHLUMBERGER. | | | | | | | | |

| 07-19-2008 | | Reported By | | KERN | | | | | | | |
|--|-------|-------------|---|-----------------|-------------------|---------------|-----------|--------------------|------------------------|-------------|-----|
| Daily Costs: Drilling | | \$0 | | | Completion | | \$1,172 | Daily Total | | \$1,172 | |
| Cum Costs: Drilling | | \$930,134 | | | Completion | | \$210,489 | Well Total | | \$1,140,623 | |
| MD | 9,575 | TVD | 9,575 | Progress | 0 | Days | 11 | MW | 0.0 | Visc | 0.0 |
| Formation : | | | PBTD : 9524.0 | | | Perf : | | | PKR Depth : 0.0 | | |
| Activity at Report Time: PREP TO FRAC | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION. | | | | | | | | |

| 07-23-2008 | | Reported By | | KERN | | | | | | | |
|------------------------------|-------|-------------|-------|-----------------|-------------------|-------------|-----------|--------------------|-----|-------------|-----|
| Daily Costs: Drilling | | \$0 | | | Completion | | \$7,128 | Daily Total | | \$7,128 | |
| Cum Costs: Drilling | | \$930,134 | | | Completion | | \$217,617 | Well Total | | \$1,147,751 | |
| MD | 9,575 | TVD | 9,575 | Progress | 0 | Days | 12 | MW | 0.0 | Visc | 0.0 |

Formation : MESAVERDE PBTD : 9524.0 Perf : 8600'-9328' PKR Depth : 0.0

Activity at Report Time: FRAC MESAVERDE

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | RU CUTTERS WIRELINE & PERFORATE LPR FROM 9125'-26', 9133'-34', 9137'-38', 9148'-49', 9155'-56', 9159'-60', 9214'-15', 9221'-22', 9246'-47', 9252'-53', 9260'-61', 9327'-28' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6341 GAL LINEAR DELTA 140 W/1# & 1.5# 20/40 SAND, 32741 GAL DELTA 140 W/110000# 20/40 SAND @ 1-4 PPG. MTP 6443 PSIG. MTR 51.4 BPM. ATP 4874 PSIG. ATR 47.8 BPM. ISIP 3176 PSIG. RD HALLIBURTON. |
| | | | RUWL. SET 6K CFP AT 9075'. PERFORATE LPR FROM 8905'-06', 8914'-15', 8938'-39', 8945'-46', 8950'-51', 8990'-91', 8995'-96', 8996'-97', 9001'-02', 9016'-17', 9057'-58', 9058'-59' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6360 GAL LINEAR DELTA 140 W/1# & 1.5# 20/40 SAND, 20232 GAL DELTA 140 W/75100# 20/40 SAND @ 1-5 PPG. MTP 6090 PSIG. MTR 52.3 BPM. ATP 4812 PSIG. ATR 48.5 BPM. ISIP 3134 PSIG. RD HALLIBURTON. |
| | | | RUWL. SET 6K CFP AT 8885'. PERFORATE MPR FROM 8600'-01', 8604'-05', 8637'-38', 8676'-77', 8680'-81', 8750'-51', 8789'-90', 8793'-94', 8816'-17', 8825'-26', 8849'-50', 8864'-65' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6508 GAL LINEAR DELTA 140 W/1# & 1.5# 20/40 SAND, 24690 GAL DELTA 140 W/79100# 20/40 SAND @ 1-4 PPG. MTP 6431 PSIG. MTR 51.4 BPM. ATP 4875 PSIG. ATR 49 BPM. ISIP 3108 PSIG. RD HALLIBURTON. SDFN. |

| 07-24-2008 | | Reported By | KERN | |
|------------------------------|----------------------|---------------------------|------------------------|-------------------------------|
| Daily Costs: Drilling | \$0 | Completion | \$300,095 | Daily Total \$300,095 |
| Cum Costs: Drilling | \$930,134 | Completion | \$517,713 | Well Total \$1,447,847 |
| MD | 9,575 | TVD | 9,575 | Progress 0 |
| | | Days | 13 | MW 0.0 |
| | | Visc | | 0.0 |
| Formation : MESAVERDE | PBTD : 9524.0 | Perf : 7238'-9328' | PKR Depth : 0.0 | |

Activity at Report Time: PREP TO MIRUSU

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | RUWL. SET 6K CFP AT 8580'. PERFORATE MPR FROM 8381'-82', 8417'-18', 8424'-25', 8439'-40', 8455'-56', 8460'-61', 8476'-77', 8506'-07', 8516'-17', 8527'-28', 8541'-42', 8558'-59' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 7031 GAL LINEAR DELTA 140 W/1# & 1.5# 20/40 SAND, 33710 GAL DELTA 140 W/120500# 20/40 SAND @ 1-5 PPG. MTP 6580 PSIG. MTR 53 BPM. ATP 5012 PSIG. ATR 49.8 BPM. ISIP 3953 PSIG. RD HALLIBURTON. |
| | | | RUWL. SET 6K CFP AT 8345'. PERFORATE MPR FROM 8147'-48', 8155'-56', 8183'-84', 8188'-89', 8200'-01', 8234'-35', 8246'-47', 8256'-57', 8266'-67', 8285'-86', 8300'-01', 8327'-28' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6396 GAL LINEAR DELTA 140 W/1# & 1.5# 20/40 SAND, 43366 GAL DELTA 140 W/155500# 20/40 SAND @ 1-5 PPG. MTP 6266 PSIG. MTR 53.6 BPM. ATP 4319 PSIG. ATR 50.8 BPM. ISIP 2565 PSIG. RD HALLIBURTON. |
| | | | RUWL. SET 6K CFP AT 8070'. PERFORATE UPR FROM 7756'-57', 7768'-69', 7776'-77', 7825'-26', 7839'-40', 7905'-06', 7937'-38', 7964'-65', 7972'-73', 8001'-02', 8013'-14', 8033'-34' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 6465 GAL LINEAR DELTA 140 W/1# & 1.5 # 20/40 SAND, 35095 GAL DELTA 140 W/126800# 20/40 SAND @ 1-5 PPG. MTP 5952 PSIG. MTR 51.7 BPM. ATP 4353 PSIG. ATR 48.7 BPM. ISIP 2808 PSIG. RD HALLIBURTON. |
| | | | RUWL. SET 6K CFP AT 7690'. PERFORATE UPR FROM 7489'-90', 7497'-98', 7503'-04', 7539'-40', 7551'-52', 7555'-56', 7577'-78', 7585'-86', 7592'-93', 7609'-10', 7635'-36', 7667'-68' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6352 GAL LINEAR DELTA 140 W/1# & 1.5# 20/40 SAND, 26899 GAL DELTA 140 W/97300# 20/40 SAND @ 1-4 PPG. SCREENED OUT W/14 BBLs FLUSH REMAINING. MTP 7275 PSIG. MTR 51.2 BPM. ATP 4772 PSIG. ATR 47.6 BPM. ISIP 6000 PSIG. RD HALLIBURTON. |

RUWL. SET 6K CFP AT 7460'. PERFORATE UPR FROM 7238'-39', 7243'-44', 7272'-73', 7283'-84', 7331'-32', 7336'-37', 7356'-57', 7364'-65', 7373'-74', 7412'-13', 7419'-20', 7426'-27' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 6339 GAL LINEAR DELTA 140 W/1# & 1.5 # 20/40 SAND, 26065 GAL DELTA 140 W/88300# 20/40 SAND @ 1-4 PPG. SCREENED OUT AT START OF FLUSH. MTP 6910 PSIG. MTR 51.1 BPM. ATP 4101 PSIG. ATR 49.4 BPM. SCREENED OUT AT START OF FLUSH. RD HALLIBURTON.

FLOWED BACK TO CLEAR SAND FROM WELL BORE. RUWL. SET 6K CBP AT 7114'. RDWL. SDFN.

| | | | | | | | | | | | |
|--|------------|--------------------|--|-------------------|---|---------------------------|----|--------------------|------------------------|-------------|-----|
| 07-26-2008 | | Reported By | | HISLOP | | | | | | | |
| Daily Costs: Drilling | | \$0 | | Completion | | \$23,660 | | Daily Total | | \$23,660 | |
| Cum Costs: Drilling | | \$930,134 | | Completion | | \$541,373 | | Well Total | | \$1,471,507 | |
| MD | 9,575 | TVD | 9,575 | Progress | 0 | Days | 14 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | | PBTD : 9524.0 | | | Perf : 7238'-9328' | | | PKR Depth : 0.0 | | |
| Activity at Report Time: CLEAN OUT AFTER FRAC | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | MIRUSU. ND TREE. NU BOP. RIH W/BIT & PUMP OFF SUB TO 7114'. RU TO DRILL PLUGS. SDFN. | | | | | | | | |

| | | | | | | | | | | | |
|---|------------|--------------------|---|-------------------|---|---------------------------|----|--------------------|------------------------|-------------|-----|
| 07-29-2008 | | Reported By | | HISLOP | | | | | | | |
| Daily Costs: Drilling | | \$0 | | Completion | | \$63,220 | | Daily Total | | \$63,220 | |
| Cum Costs: Drilling | | \$930,134 | | Completion | | \$604,593 | | Well Total | | \$1,534,727 | |
| MD | 9,575 | TVD | 9,575 | Progress | 0 | Days | 15 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | | PBTD : 9524.0 | | | Perf : 7238'-9328' | | | PKR Depth : 0.0 | | |
| Activity at Report Time: FLOW TEST | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7114', 7460', 7690', 8070', 8345', 8580', 8885' & 9075'. RIH. CLEANED OUT TO 9435'. LANDED TUBING @ 8107' KB. ND BOP. NU TREE. PUMPED OFF BIT & SUB. RDMOSU. | | | | | | | | |

FLOWED 16 HRS. 16/64" CHOKE. FTP 2050 PSIG. CP 2250 PSIG. 32 FPH. RECOVERED 568 BLW. 7532 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF BIT SUB .91'
 1 JT 2-3/8" 4.7# N-80 TBG 32.50'
 XN NIPPLE 1.30'
 248 JTS 2-3/8" 4.7# N-80 TBG 8059.24'
 BELOW KB 13.00'
 LANDED @ 8106.95' KB

| | | | | | | | | | | | |
|---|------------|--------------------|-----------------------------|-------------------|---|---------------------------|----|--------------------|------------------------|-------------|-----|
| 07-30-2008 | | Reported By | | HISLOP | | | | | | | |
| Daily Costs: Drilling | | \$0 | | Completion | | \$4,125 | | Daily Total | | \$4,125 | |
| Cum Costs: Drilling | | \$930,134 | | Completion | | \$608,718 | | Well Total | | \$1,538,852 | |
| MD | 9,575 | TVD | 9,575 | Progress | 0 | Days | 16 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | | PBTD : 9524.0 | | | Perf : 7238'-9328' | | | PKR Depth : 0.0 | | |
| Activity at Report Time: FLOW TEST | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |

06:00 06:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 1350 PSIG. CP 1950 PSIG. 44 BFPH. RECOVERED 1188 BLW. 6344 BLWTR.

07-31-2008 Reported By HISLOP

Daily Costs: Drilling \$0 Completion \$2,765 Daily Total \$2,765
 Cum Costs: Drilling \$930,134 Completion \$611,483 Well Total \$1,541,617

MD 9,575 TVD 9,575 Progress 0 Days 17 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTD : 9524.0 Perf : 7238'-9328' PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 1050 PSIG. CP 1950 PSIG. 36 BFPH. RECOVERED 856 BLW. 5488 BLWTR.

08-01-2008 Reported By HISLOP

Daily Costs: Drilling \$0 Completion \$3,834 Daily Total \$3,834
 Cum Costs: Drilling \$930,134 Completion \$615,317 Well Total \$1,545,451

MD 9,575 TVD 9,575 Progress 0 Days 18 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTD : 9524.0 Perf : 7238'-9328' PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 850 PSIG. CP 1600 PSIG. 26 FPH. RECOVERED 548 BLW. 4940 BLWTR.

08-02-2008 Reported By HISLOP

Daily Costs: Drilling \$0 Completion \$2,765 Daily Total \$2,765
 Cum Costs: Drilling \$930,134 Completion \$618,082 Well Total \$1,548,216

MD 9,575 TVD 9,575 Progress 0 Days 19 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTD : 9524.0 Perf : 7238'-9328' PKR Depth : 0.0

Activity at Report Time: WAITING ON PRODUCTION FACILITIES

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 24/64 FTP 700 PSIG. CP 1350 PSIG. 16 FPH. RECOVERED 396 BLW. 4544 BLWTR. SWI @ 6:00 AM. WO FACILITIES.

FINAL COMPLETION DATE: 8/1/08

08-15-2008 Reported By DUANE COOK

Daily Costs: Drilling \$0 Completion \$0 Daily Total \$0
 Cum Costs: Drilling \$930,134 Completion \$618,082 Well Total \$1,548,216

MD 9,575 TVD 9,575 Progress 0 Days 20 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTD : 9524.0 Perf : 7238'-9328' PKR Depth : 0.0

Activity at Report Time: INITIAL PRODUCTION

Start End Hrs Activity Description

06:00 06:00 24.0 INITIAL PRODUCTION- OPENING PRESSURE: TP 1900 PSIG & CP 2750 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 10:30 HRS, 8/14/08. FLOWED 765 MCFD RATE ON 12/64" CHOKE. STATIC 231. QGM METER #7834.

08-18-2008 Reported By ROGER DART

Daily Costs: Drilling \$0 Completion \$0 Daily Total \$0
 Cum Costs: Drilling \$930,134 Completion \$618,082 Well Total \$1,548,216

MD 9,575 **TVD** 9,575 **Progress** 0 **Days** 21 **MW** 0.0 **Visc** 0.0
Formation : MESAVERDE **PBTD :** 9524.0 **Perf :** 7238'-9328' **PKR Depth :** 0.0

Activity at Report Time: ON SALES

Start End Hrs Activity Description

06:00 06:00 24.0 08/16/08 -FLOWED 870 MCF, 60 BC & 180 BW IN 24 HRS ON 12/64" CHOKE, TP 1850 PSIG, CP 2350 PSIG.

08/17/08 -FLOWED 748 MCF, 50 BC & 110 BW IN 24 HRS ON 12/64" CHOKE, TP 1600 PSIG, CP 2200 PSIG.

08/18/08 -FLOWED 597 MCF, 20 BC & 90 BW IN 24 HRS ON 12/64" CHOKE, TP 1550 PSIG, CP 2050 PSIG.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU0284A

1a. Type of Well Oil Well Gas Well Dry Other
 b. Type of Completion New Well Work Over Deepen Plug Back Diff. Resvr.
 Other _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.
CHAPITA WELLS UNI

2. Name of Operator
EOG RESOURCES, INC. Contact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

8. Lease Name and Well No.
CHAPITA WELLS UNIT 1088-22

3. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202
 3a. Phone No. (include area code) Ph: 303-824-5526

9. API Well No.
43-047-37502

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface SWNE 2400FNL 2392FEL 40.02214 N Lat, 109.42519 W Lon
 At top prod interval reported below SWNE 2400FNL 2392FEL 40.02214 N Lat, 109.42519 W Lon
 At total depth SWNE 2400FNL 2392FEL 40.02214 N Lat, 109.42519 W Lon

10. Field and Pool, or Exploratory
NATURAL BUTTES/MESAVERDE

11. Sec., T., R., M., or Block and Survey
or Area Sec 22 T9S R22E Mer SLB

12. County or Parish
UINTAH 13. State
UT

14. Date Spudded 05/17/2008
 15. Date T.D. Reached 07/01/2008
 16. Date Completed D & A Ready to Prod. 08/14/2008

17. Elevations (DF, KB, RT, GL)*
4933 GL

18. Total Depth: MD 9575 TVD
 19. Plug Back T.D.: MD 9524 TVD
 20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
RST/CBL/CCL/VDL/GR, Temp

22. Was well cored? No Yes (Submit analysis)
 Was DST run? No Yes (Submit analysis)
 Directional Survey? No Yes (Submit analysis)

23. Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 12.250 | 9.625 J-55 | 36.0 | 0 | 2338 | | 650 | | | |
| 7.875 | 4.500 N-80 | 11.6 | 0 | 9570 | | 1950 | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|-------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 2.375 | 8107 | | | | | | | |

25. Producing Intervals

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|--------------|------|--------|---------------------|------|-----------|--------------|
| A) MESAVERDE | 7238 | 9328 | 9125 TO 9328 | | 3 | |
| B) | | | 8905 TO 9059 | | 3 | |
| C) | | | 8600 TO 8865 | | 3 | |
| D) | | | 8381 TO 8559 | | 3 | |

26. Perforation Record 7238

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

| Depth Interval | Amount and Type of Material |
|----------------|--|
| 9125 TO 9328 | 39,247 GALS GELLED WATER & 110,000# 20/40 SAND |
| 8905 TO 9059 | 26,757 GALS GELLED WATER & 75,100# 20/40 SAND |
| 8600 TO 8865 | 31,363 GALS GELLED WATER & 79,100# 20/40 SAND |
| 8381 TO 8559 | 40,906 GALS GELLED WATER & 120,500# 20/40 SAND |

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28. Production - Interval A

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| 08/14/2008 | 08/21/2008 | 24 | → | 30.0 | 790.0 | 240.0 | | | FLOWS FROM WELL |
| Choke Size | Tbg. Press. Flwg. | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| 16/64" | SI | 1620.0 | → | 30 | 790 | 240 | | PGW | |

28a. Production - Interval B

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| | | | → | | | | | | |
| Choke Size | Tbg. Press. Flwg. | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| | SI | | → | | | | | | |

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #63114 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
 ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

28b. Production - Interval C

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| | | | → | | | | | | |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| | | | → | | | | | | |

28c. Production - Interval D

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| | | | → | | | | | | |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| | | | → | | | | | | |

29. Disposition of Gas(Sold, used for fuel, vented, etc.)
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top |
|-----------|------|--------|------------------------------|--|--|
| | | | | | Meas. Depth |
| MESAVERDE | 7238 | 9328 | | GREEN RIVER MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER MIDDLE PRICE RIVER | 1729 2358 4627 4745 5329 6036 7225 8057 |

32. Additional remarks (include plugging procedure):
Please see the attached sheet for detailed perforation and additional formation marker information.

Two (2) 4.5", 11.6#, P-110 marker joints were used in the production casing string.

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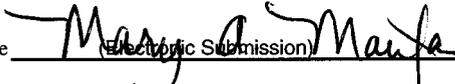
33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7. Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

**Electronic Submission #63114 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal**

Name (please print) MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature  Date 09/16/2008

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

Chapita Wells Unit 1088-22 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

| | |
|-----------|-------|
| 8147-8328 | 3/spf |
| 7756-8034 | 3/spf |
| 7489-7668 | 3/spf |
| 7238-7427 | 3/spf |

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

| | |
|-----------|--|
| 8147-8328 | 49,927 GALS GELLED WATER & 155,500# 20/40 SAND |
| 7756-8034 | 41,725 GALS GELLED WATER & 126,800# 20/40 SAND |
| 7489-7668 | 33,416 GALS GELLED WATER & 97,300# 20/40 SAND |
| 7238-7427 | 32,569 GALS GELLED WATER & 88,300# 20/40 SAND |

Perforated the Lower Price River from 9125-26', 9133-34', 9137-38', 9148-49', 9155-56', 9159-60', 9214-15', 9221-22', 9246-47', 9252-53', 9260-61', 9327-28' w/ 3 spf.

Perforated the Lower Price River from 8905-06', 8914-15', 8938-39', 8945-46', 8950-51', 8990-91', 8995-96', 8996-97', 9001-02', 9016-17', 9057-58', 9058-59' w/ 3 spf.

Perforated the Middle Price River from 8600-01', 8604-05', 8637-38', 8376-77', 8680-81', 8750-51', 8789-90', 8793-94', 8816-17', 8825-26', 8849-50', 8864-65' w/ 3 spf.

Perforated the Middle Price River from 8381-82', 8417-18', 8424-25', 8439-40', 8455-56', 8460-61', 8476-77', 8506-07', 8516-17', 8527-28', 8541-42', 8558-59' w/ 3 spf.

Perforated the Middle Price River from 8147-48', 8155-56', 8183-84', 8188-89', 8200-01', 8234-35', 8246-47', 8256-57', 8266-67', 8285-86', 8300-01', 8327-28' w/ 3 spf.

Perforated the Upper Price River from 7756-57', 7768-69', 7776-77', 7825-26', 7839-40', 7905-06', 7937-38', 7964-65', 7972-73', 8001-02', 8013-14', 8033-34' w/ 3 spf.

Perforated the Upper Price River from 7489-90', 7497-98', 7503-04', 7539-40', 7551-52', 7555-56', 7577-78', 7585-86', 7592-93', 7609-10', 7635-36', 7667-68' w/ 3 spf.

Perforated the Upper Price River from 7238-39', 7243-44', 7272-73', 7283-84', 7331-32', 7336-37', 7356-57', 7364-65', 7373-74', 7412-13', 7419-20', 7426-27' w/ 3 spf.

32. FORMATION (LOG) MARKERS:

| | |
|-------------------|------|
| Lower Price River | 8853 |
| Sego | 9370 |

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SEP 29 2003
DIV. OF OIL, GAS & MINING

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 1088-22

API number: 4304737502

Well Location: QQ SWNE Section 22 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

| DEPTH | | VOLUME (FLOW RATE OR HEAD) | QUALITY (FRESH OR SALTY) |
|-------|-------|-------------------------------|-----------------------------|
| FROM | TO | | |
| 1,050 | 1,080 | NO FLOW | NOT KNOWN |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

Formation tops: 1 _____ 2 _____ 3 _____
 (Top to Bottom) 4 _____ 5 _____ 6 _____
 7 _____ 8 _____ 9 _____
 10 _____ 11 _____ 12 _____

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A Maestas

DATE 9/16/2008

RECEIVED

SEP 29 2008

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
UTU0284A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS

8. Well Name and No.
CHAPITA WELLS UNIT 1088-22

9. API Well No.
43-047-37502

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. County or Parish, and State
UINTAH COUNTY, UT

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG RESOURCES, INC.

Contact: MICKENZIE THACKER
E-Mail: MICKENZIE_THACKER@EOGRESOURCES.COM

3a. Address
1060 E. HWY 40
VERNAL, UT 84078

3b. Phone No. (include area code)
Ph: 453-781-9145

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 22 T9S R22E SWNE 2400FNL 2392FEL
40.02214 N Lat, 109.42519 W Lon

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input checked="" type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat. Interim reclamation was completed on 12/1/2008.

14. I hereby certify that the foregoing is true and correct.
**Electronic Submission #66304 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MICKENZIE THACKER Title OPERATIONS CLERK

Signature *Mickenzie Thacker* Date 01/14/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED RECEIVED OPERATOR-SUBMITTED ****

JAN 20 2009

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
UTU0284A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS

8. Well Name and No.
CHAPITA WELLS UNIT 1088-22

9. API Well No.
43-047-37502

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. County or Parish, and State
UINTAH COUNTY, UT

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG RESOURCES, INC. Contact: MICKENZIE THACKER
E-Mail: MICKENZIE_THACKER@EOGRESOURCES.COM

3a. Address
1060 E. HWY 40
VERNAL, UT 84078

3b. Phone No. (include area code)
Ph: 453-781-9145

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 22 T9S R22E SWNE 2400FNL 2392FEL
40.02214 N Lat, 109.42519 W Lon

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input checked="" type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The reserve pit on the referenced location was closed on 12/16/2008 as per the attached APD procedure.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #67153 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal

Name (Printed/Typed) MICKENZIE THACKER Title OPERATIONS CLERK

Signature *Mickenzie Thacker* Date 02/10/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED RECEIVED**

FEB 12 2009

DIV. OF OIL, GAS & MINING