

**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 1042-28  
NE/NE, SEC. 28, T9S, R22E  
UINTAH COUNTY, UTAH  
LEASE NO.: U-0285A  
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

CWU 1042-28 B

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

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 **313' FNL, 1172' FEL 633223X 40. 013460 NE/NE**  
At proposed prod. Zone **4430208Y -109.439046**

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

15. Distance from proposed\* location to nearest property or lease line, ft. **313'**  
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease  
**1800**

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  
**9475'**

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**4921.1 FEET GRADED GROUND**

22. Approximate date work will start\*  
**UPON APPROVAL**

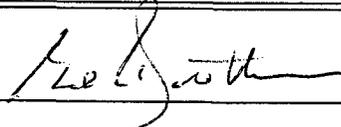
23. Estimated duration  
**45 DAYS**

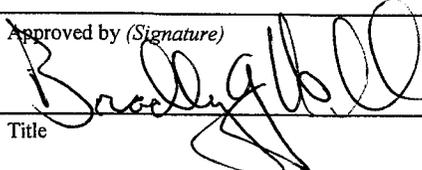
24. Attachments

**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<br> | Name (Printed/Typed)<br><b>Ed Trotter</b> | Date<br><b>December 8, 2005</b> |
| Title<br><b>Agent</b>  |   |                                 |

|  |  |                         |
|--|--|-------------------------|
| Approved by (Signature)<br> | Name (Printed/Typed)<br><b>BRADLEY G. HILL<br/>ENVIRONMENTAL SCIENTIST III</b> | Date<br><b>01-17-06</b> |
| Title<br><b>Office</b>   |  |                         |

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.

\*(Instructions on page 2)

Federal Approval of this  
Action Is Necessary

**RECEIVED**

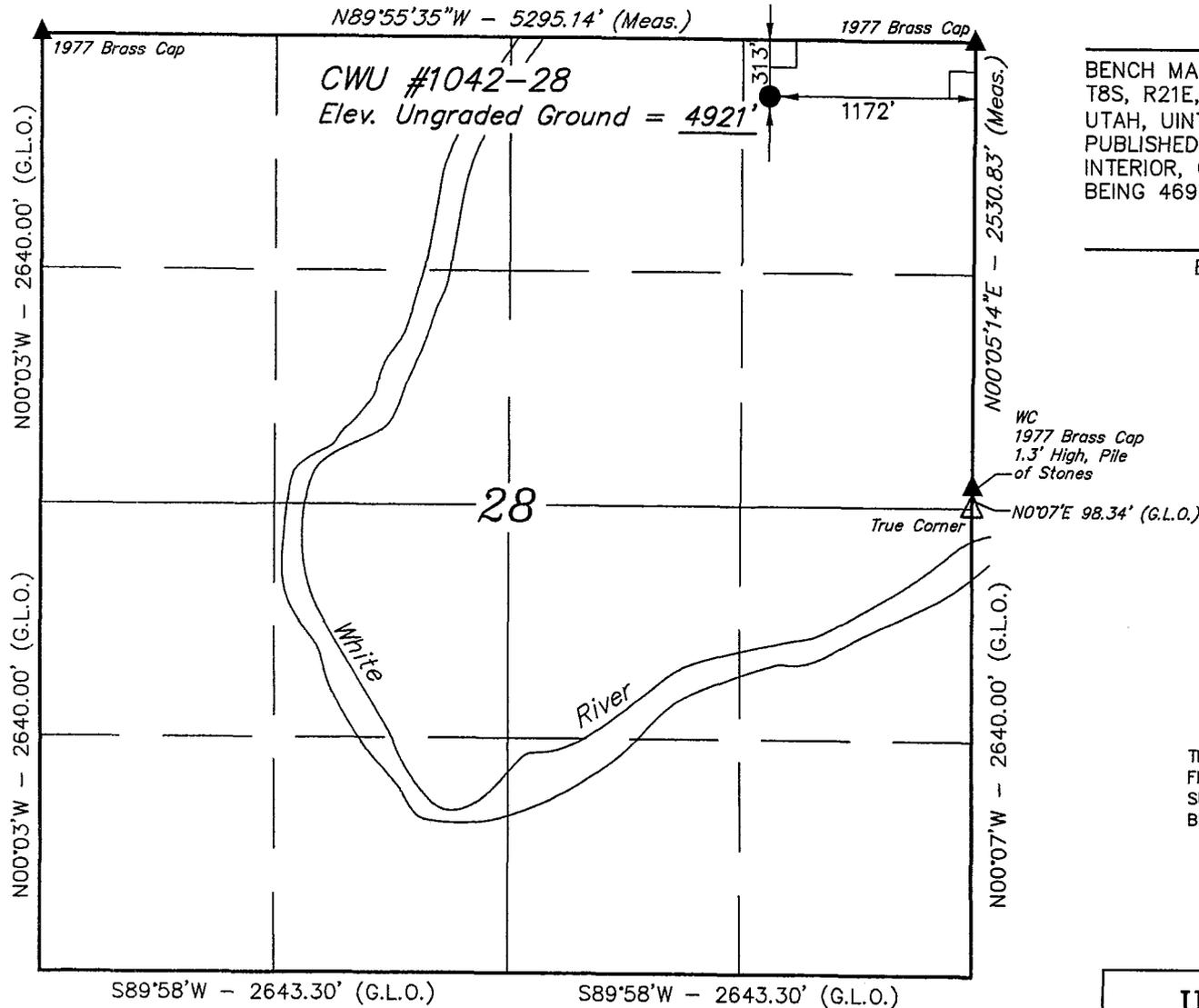
**DEC 14 2005**

DIV. OF OIL, GAS & MINING

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

EOG RESOURCES, INC.

Well location, CWU #1042-28, located as shown in the NE 1/4 NE 1/4 of Section 28, T9S, R22E, S.L.B.&M. Uintah County, Utah.

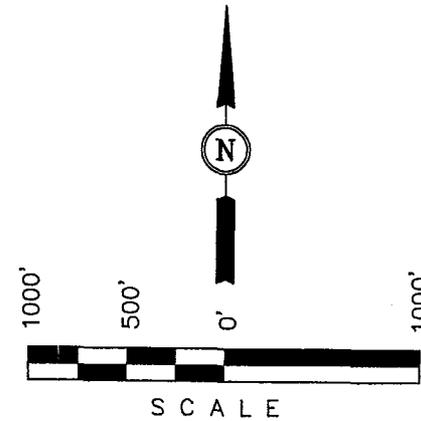


**BASIS OF ELEVATION**

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.

**BASIS OF BEARINGS**

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



**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.

*Robert H. ...*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 189319  
STATE OF UTAH

**LEGEND:**

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)  
LATITUDE = 40°00'48.19" (40.013386)  
LONGITUDE = 109°26'23.00" (109.439722)  
(NAD 27)  
LATITUDE = 40°00'48.31" (40.013419)  
LONGITUDE = 109°26'20.54" (109.439039)

**UINTAH ENGINEERING & LAND SURVEYING**  
85 SOUTH 200 EAST - WINTERVILLE, UTAH 84078  
(435) 789-1017

|                         |                             |                        |
|-------------------------|-----------------------------|------------------------|
| SCALE<br>1" = 1000'     | DATE SURVEYED:<br>5-02-05   | DATE DRAWN:<br>5-10-05 |
| PARTY<br>G.S. B.C. L.K. | REFERENCES<br>G.L.O. PLAT   |                        |
| WEATHER<br>COOL         | FILE<br>EOG RESOURCES, INC. |                        |

**EIGHT POINT PLAN**  
**CHAPITA WELL UNIT 1042-28**  
**NE/NE, SEC. 28, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

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

| <b>FORMATION</b>       | <b>DEPTH (KB)</b> |
|------------------------|-------------------|
| Green River FM         | 1,659'            |
| Wasatch                | 4,666'            |
| North Horn             | 6,630'            |
| Island                 | 7,084'            |
| KMV Price River        | 7,333'            |
| KMV Price River Middle | 8,017'            |
| KMV Price River Lower  | 8,826'            |
| Sego                   | 9,276'            |

Estimated TD: **9,475' or 200'± below Sego top**

**Anticipated BHP: 5,175 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 1/2"          | 0' – 45'        | 13 3/8"     | 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    | 4-1/2"      | 11.6#         | N-80         | LTC           | 6350 PSI             | 7780 Psi     | 223,000#       |

**Note:** 12-1/4" 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 5<sup>th</sup> joint to surface. (15 total)

**EIGHT POINT PLAN**  
**CHAPITA WELL UNIT 1042-28**  
**NE/NE, SEC. 28, 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. 4-½", 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 2<sup>nd</sup> 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. Deflocculants/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% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:** Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**EIGHT POINT PLAN**  
**CHAPITA WELL UNIT 1042-28**  
**NE/NE, SEC. 28, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**CEMENT PROGRAM (Continued):**

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, 1/4#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/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:** 135 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 ft<sup>3</sup>/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 ft<sup>3</sup>/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:**

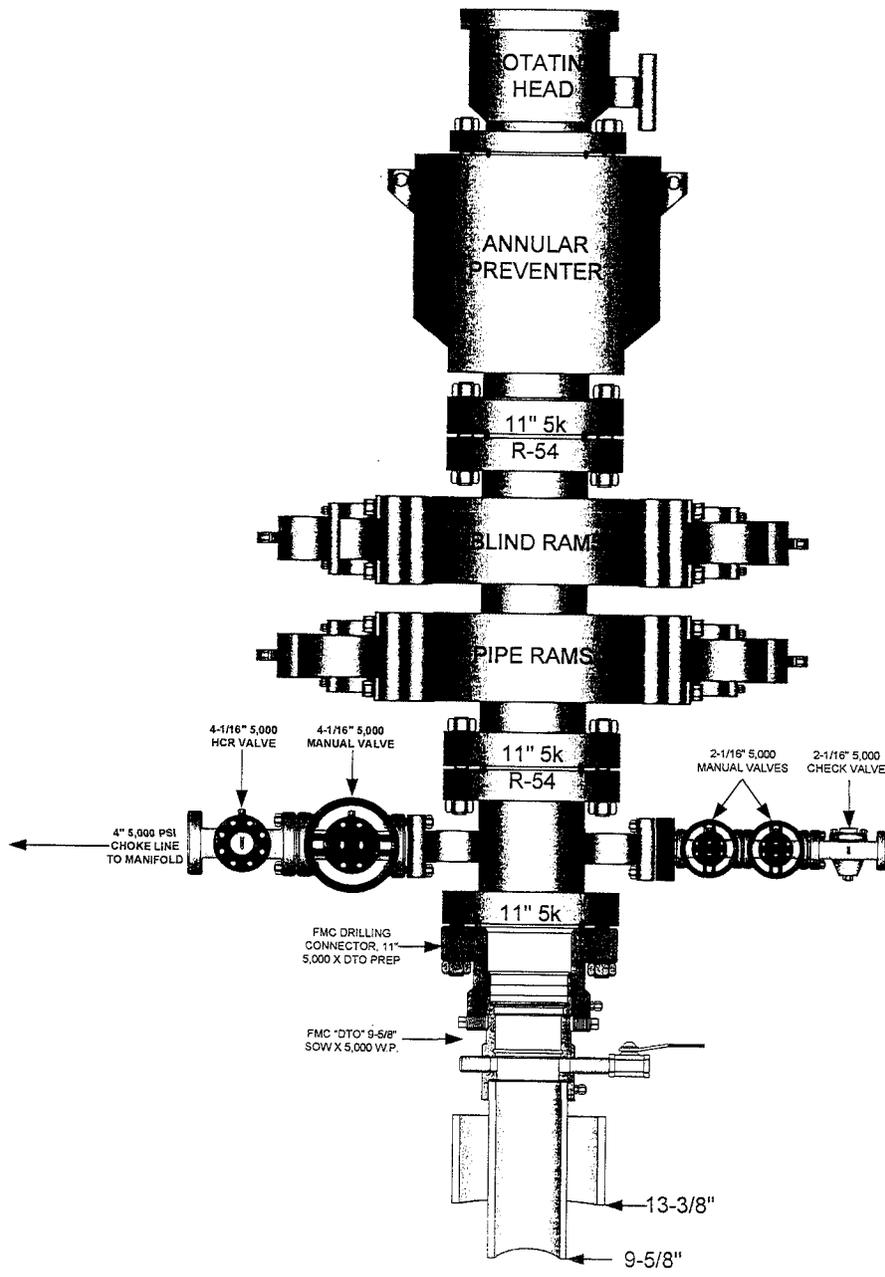
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**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.

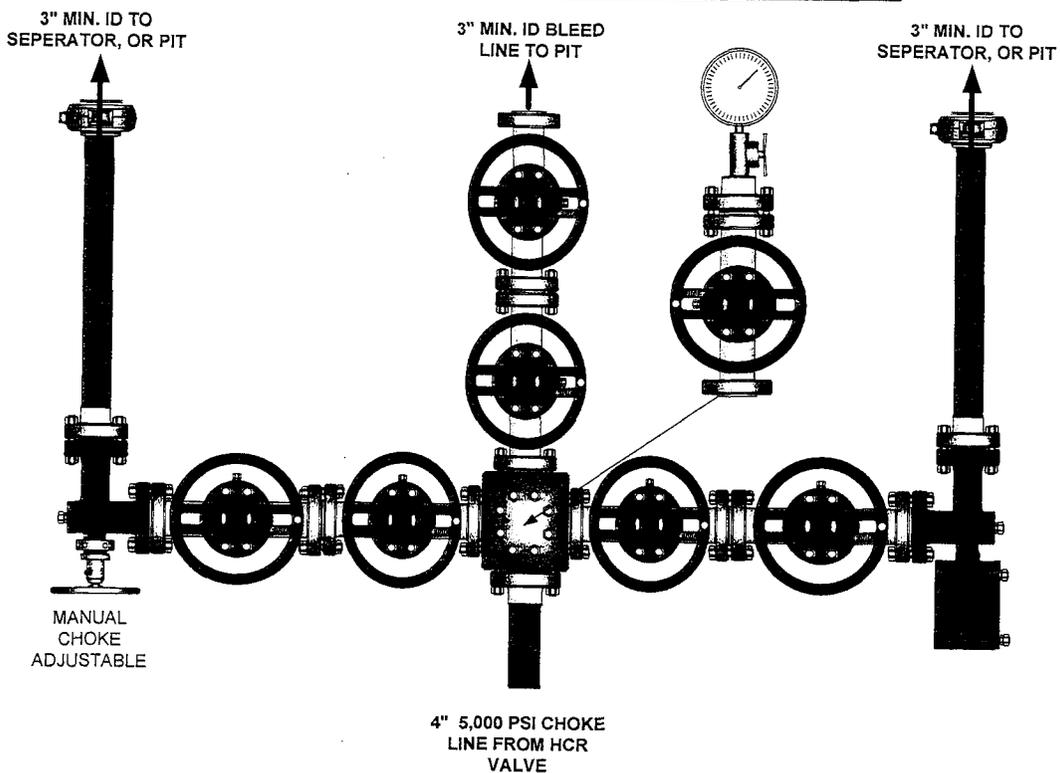
(Attachment: BOP Schematic Diagram)

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 1042-28  
Lease Number: U-0285A  
Location: 313' FNL & 1172' FEL, NE/NE, Sec. 28,  
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 18.85 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. An existing access road will be utilized to service this well. 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 - 5\*

B. Producing wells - 44\*

(\*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. 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 West 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. **All existing facilities will be painted Carlsbad Canyon color.**

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 Salt Bush – 4 pounds per acre

Shad Scale – 3 pounds per acre

Hi-Crest Crested Wheat Grass – 2 pounds per acre

The reserve pit will be located on the Southeast corner of the location.

The flare pit will be located downwind of the prevailing wind direction on the South side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The existing stockpiled topsoil is located between Corners #1 and #8. The new stockpiled location topsoil will be stored between Corners #7 and #8. 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 East.

Corner #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**

**X No construction or drilling activities shall be conducted between February 1 and July 15 due to Golden Eagle stipulations.**

**All tanks on this location will be low-profile.**

**All existing facilities will be painted Carlsbad Canyon color.**

**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.

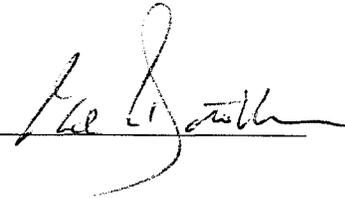
A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

**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 1042-28 Well, located in the NE/NE of Section 28, T9S, R22E, Uintah County, Utah; Lease #U-0285A;** 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

EOG RESOURCES, INC.  
CWU #1042-28  
SECTION 28, 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; TURN 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 SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN 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, THEN SOUTHERLY DIRECTION APPROXIMATELY 1.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE CWU #565-28F AND EXISTING ROAD TO THE SOUTHEAST; PROCEED IN A SOUTHWESTERLY, THEN WESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE CWU #401-28F AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 49.8 MILES.

# EOG RESOURCES, INC.

CWU #1042-28

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 28, T9S, R22E, S.L.B.&M.

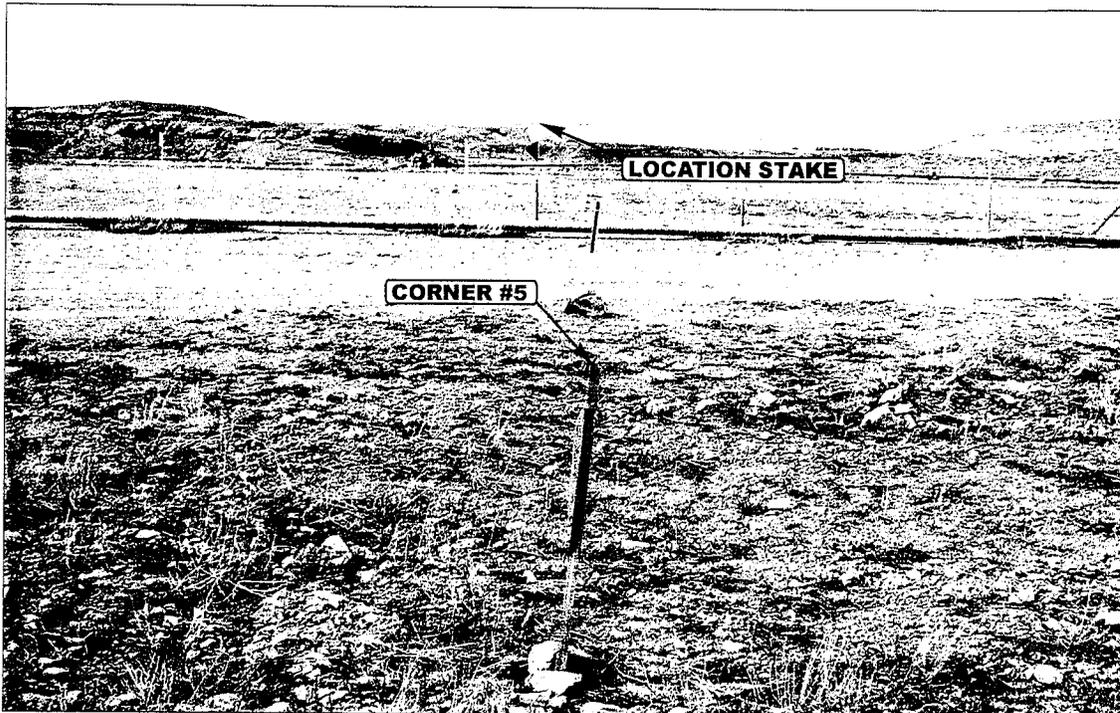


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: EASTERLY



Since 1964

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

|                 |                |     |                   |       |
|-----------------|----------------|-----|-------------------|-------|
| LOCATION PHOTOS | 05             | 13  | 05                | PHOTO |
|                 | MONTH          | DAY | YEAR              |       |
| TAKEN BY: T.B.  | DRAWN BY: S.L. |     | REVISED: 00-00-00 |       |

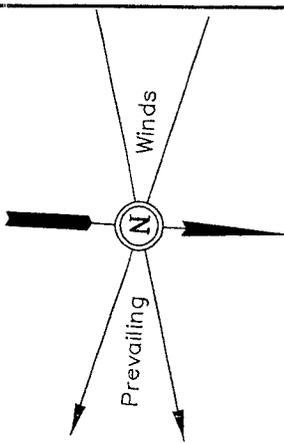
EOG RESOURCES, INC.

LOCATION LAYOUT FOR

CWU #1042-28

SECTION 28, T9S, R22E, S.L.B.&M.

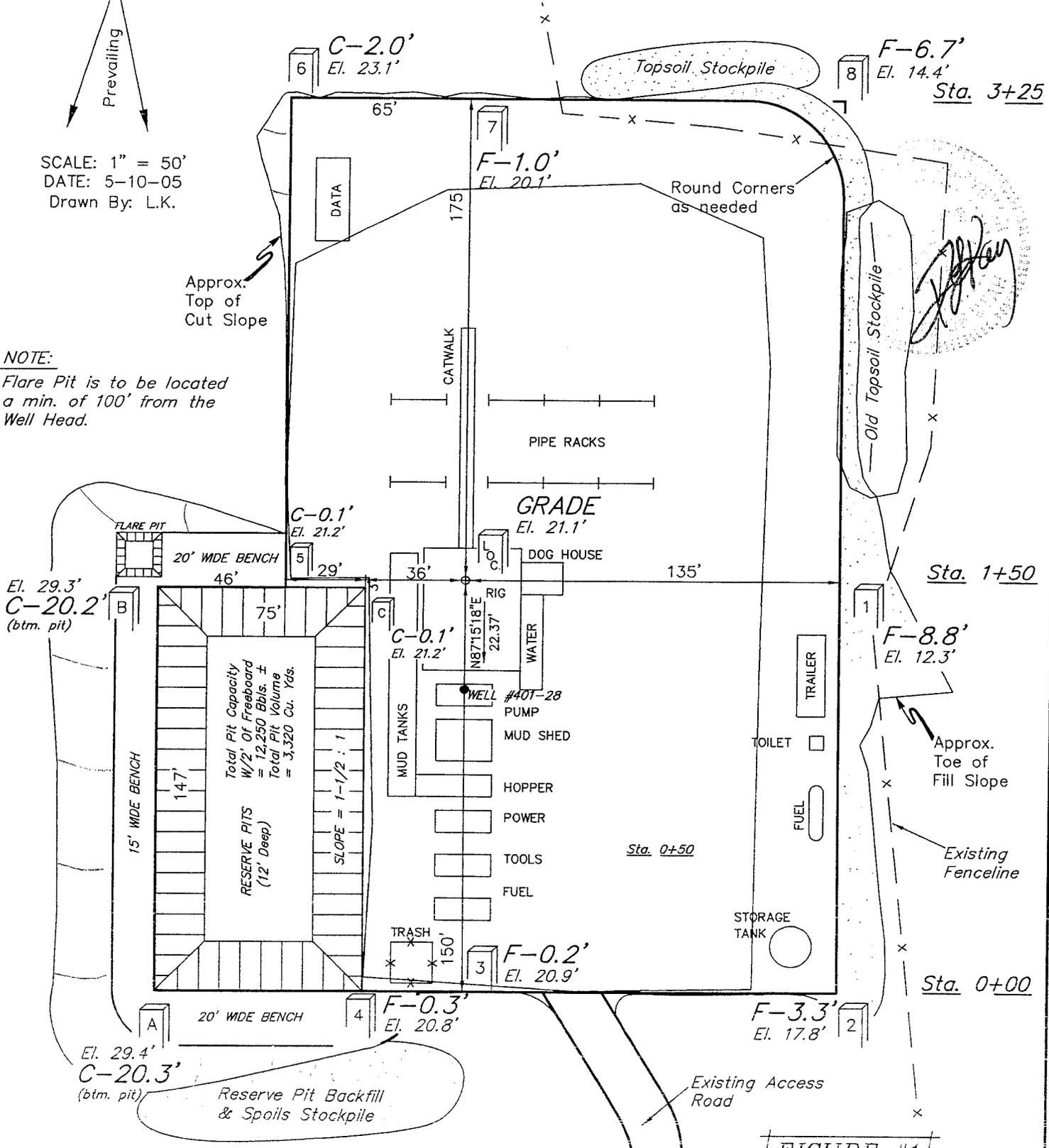
313' FNL 1172' FEL



SCALE: 1" = 50'  
DATE: 5-10-05  
Drawn By: L.K.

NOTE:

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



NOTES:

FINISHED GRADE ELEV. AT LOC. STAKE = 4921.1'

FIGURE #1

EOG RESOURCES, INC.

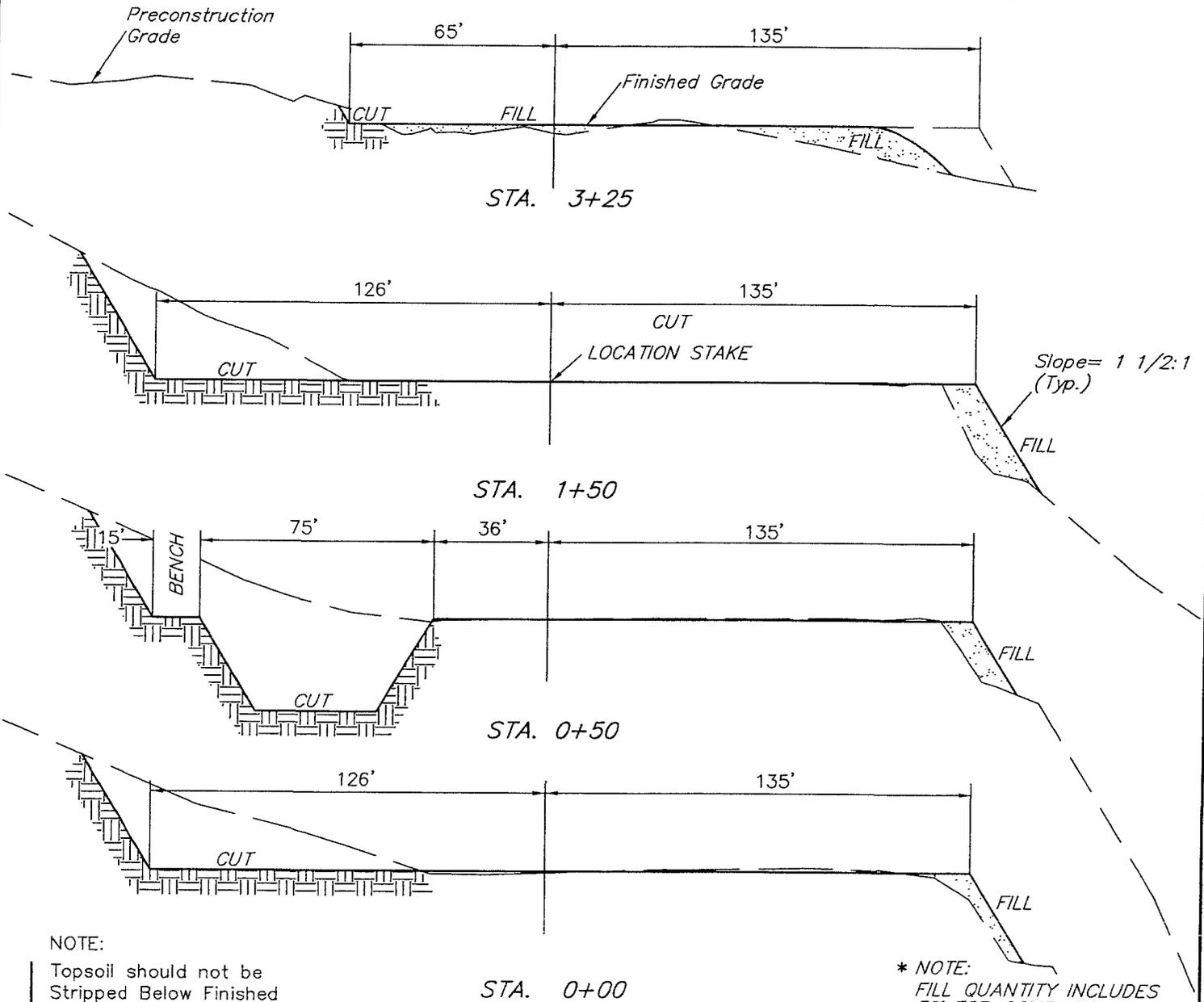
FIGURE #2

TYPICAL CROSS SECTIONS FOR  
 CWU #1042-28  
 SECTION 28, T9S, R22E, S.L.B.&M.  
 313' FNL 1172' FEL



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

DATE: 5-10-05  
 Drawn By: L.K.



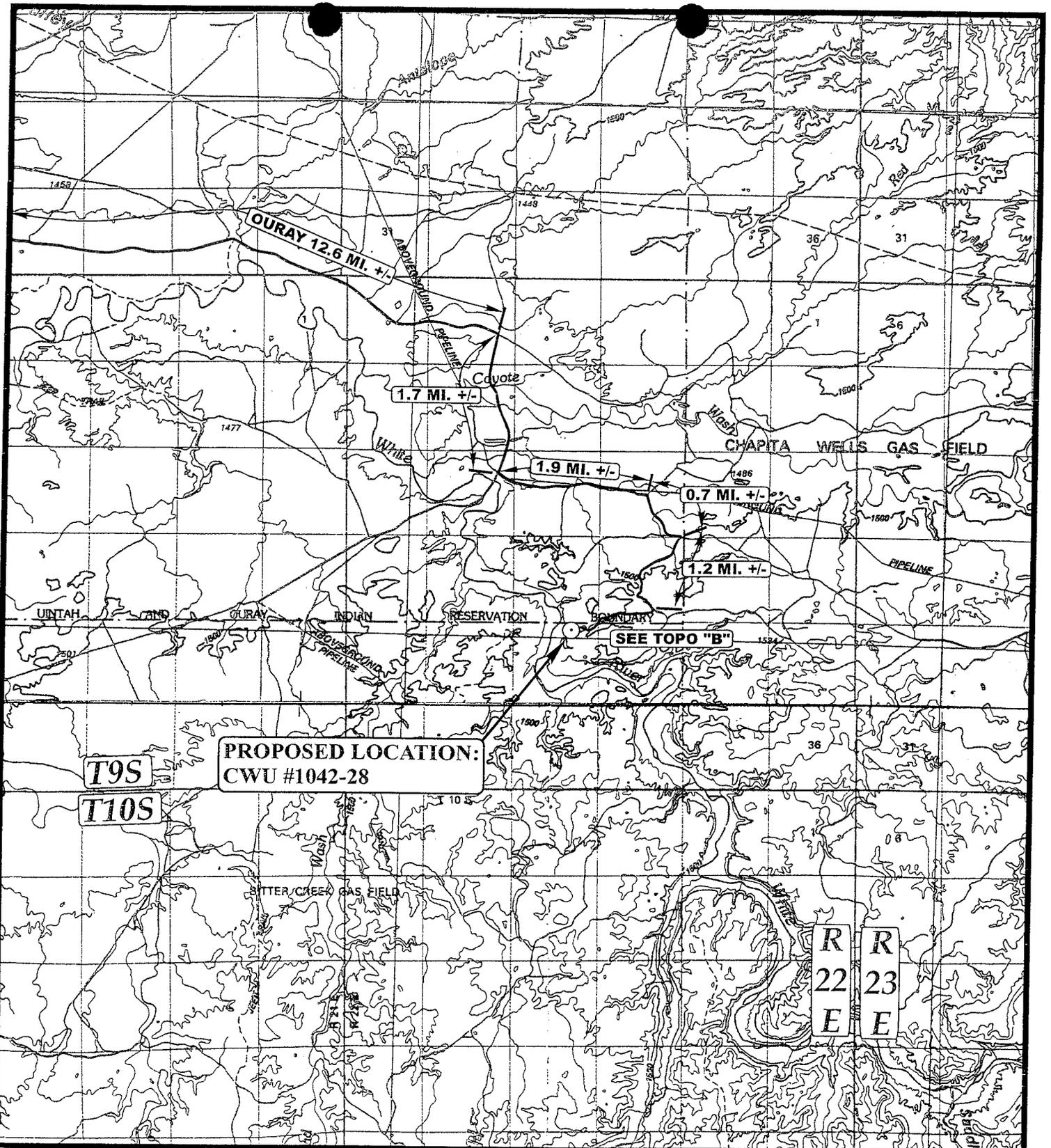
NOTE:  
 Topsoil should not be Stripped Below Finished Grade on Substructure Area.

\* NOTE:  
 FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

|                        |                        |
|------------------------|------------------------|
| CUT                    |                        |
| (6") Topsoil Stripping | = 1,430 Cu. Yds.       |
| Remaining Location     | = 7,880 Cu. Yds.       |
| <b>TOTAL CUT</b>       | <b>= 9,310 CU.YDS.</b> |
| <b>FILL</b>            | <b>= 1,370 CU.YDS.</b> |

|   |                  |
|---|------------------|
| EXCESS MATERIAL                         | = 7,940 Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.)   | = 3,090 Cu. Yds. |
| EXCESS UNBALANCE (After Rehabilitation) | = 4,850 Cu. Yds. |



**LEGEND:**

⊙ PROPOSED LOCATION



**EOG RESOURCES, INC.**

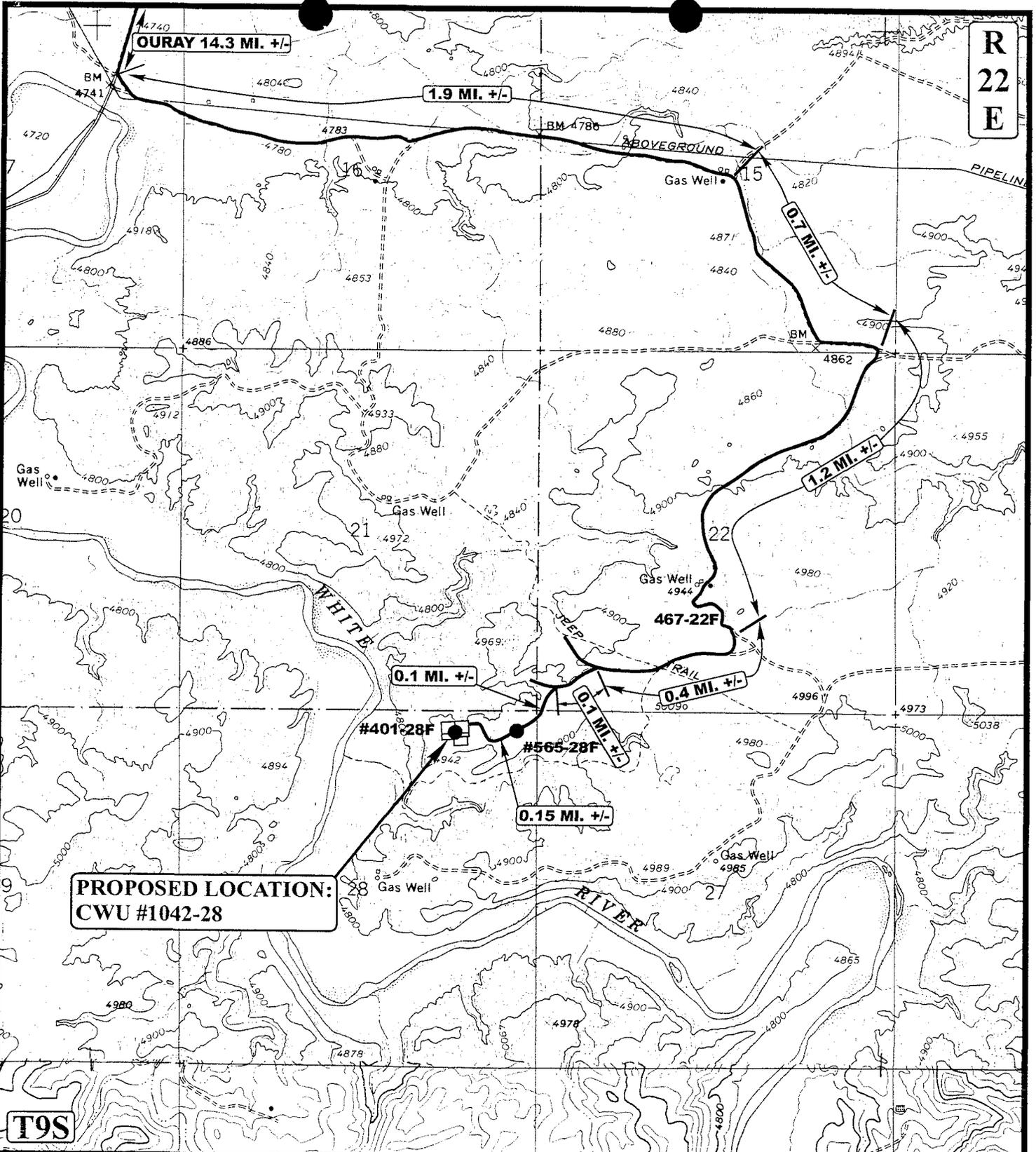
CWU #1042-28  
 SECTION 28, T9S, R22E, S.L.B.&M.  
 313' FNL 1172' FEL



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

TOPOGRAPHIC MAP  
 05 13 05  
 MONTH DAY YEAR  
 SCALE: 1:100,000 DRAWN BY: S.L. (REVISED: 00-00-00)





R  
22  
E

**PROPOSED LOCATION:  
CWU #1042-28**

T9S

**LEGEND:**

— EXISTING ROAD

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



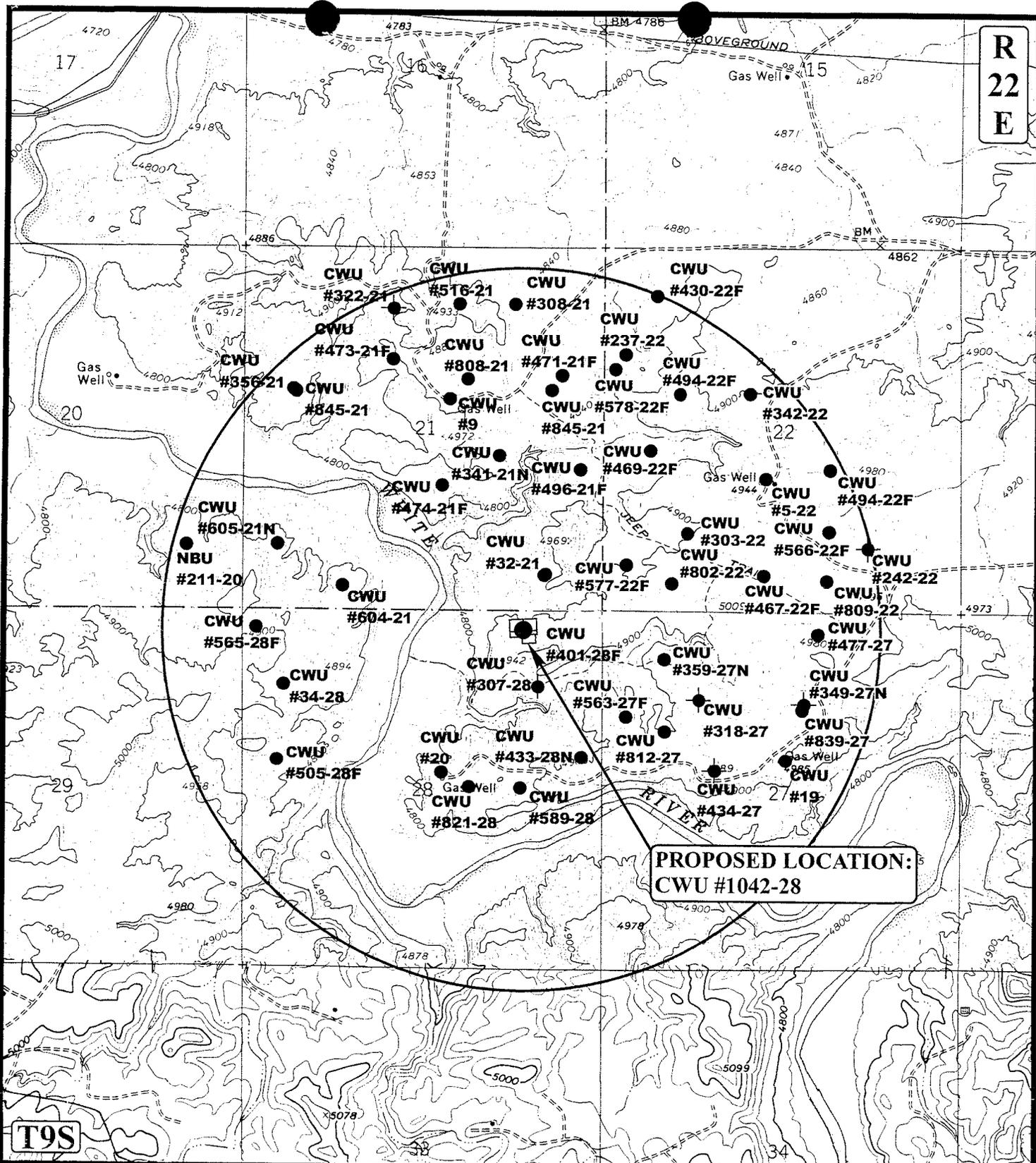
**EOG RESOURCES, INC.**

CWU #1042-28  
 SECTION 28, T9S, R22E, S.L.B.&M.  
 313' FNL 1172' FEL

TOPOGRAPHIC MAP  
 05 13 05  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' | DRAWN BY: S.L. | REVISED: 00-00-00

**B**  
 TOPO

R  
22  
E



PROPOSED LOCATION:  
CWU #1042-28

T9S

**LEGEND:**

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



**EOG RESOURCES, INC.**

CWU #1042-28  
SECTION 28, T9S, R22E, S.L.B.&M.  
313' FNL 1172' FEL



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

TOPOGRAPHIC MAP  
05 | 13 | 05  
MONTH | DAY | YEAR  
SCALE: 1" = 2000' | DRAWN BY: S.L. | REVISED: 00-00-00



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 12/14/2005

API NO. ASSIGNED: 43-047-37506

WELL NAME: CWU 1042-28

OPERATOR: EOG RESOURCES INC ( N9550 )

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

NENE 28 090S 220E  
 SURFACE: 0313 FNL 1172 FEL  
 BOTTOM: 0313 FNL 1172 FEL  
 UINTAH  
 NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-0285A

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

LATITUDE: 40.01346

LONGITUDE: -109.4391

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: Suspends General Siting
- R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

1 Federal Approval  
Z-OIL SHALE



# 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 1042-28 Well, 313' FNL, 1172' FEL, NE NE, Sec. 28,  
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 43-047-37506.

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 1042-28  
**API Number:** 43-047-37506  
**Lease:** U-0285A

**Location:** NE NE                      **Sec.** 28                      **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-0285A**

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 1042-28**

9. API Well No.

**43.047.37500**

10. Field and Pool, or Exploratory  
**NATURAL BUTTES**

11. Sec., T., R., M., or Blk. and Survey or Area

**SEC. 28, 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 **313' FNL, 1172' FEL** **NE/NE**  
At proposed prod. Zone

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

15. Distance from proposed\* location to nearest property or lease line, ft. **313'**  
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease  
**1800**

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  
**9475'**

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**4921.1 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:

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

25. Signature

*Ed Trotter*

Name (Printed/Typed)  
**Ed Trotter**

Date  
**December 8, 2005**

Title  
**Agent**

Approved by (Signature)

*Jerry Kucirka*

Name (Printed/Typed)

**JERRY KUCIRKA**

Date

**8-28-2006**

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

Office

**VERNAL FIELD OFFICE**

RECEIVED

SEP 01 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**



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE



170 South 500 East

VERNAL, UT 84078

(435) 781-4400

**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

**Company:** EOG Resources      **Location:** NENE, Sec. 28, T9S, R22E  
**Well No:** CWU 1042-28      **Lease No:** UTU-0285-A  
**API No:** 43-047-37506      **Agreement:** Chapita Wells Unit

|                                    |                     |                          |                    |
|------------------------------------|---------------------|--------------------------|--------------------|
| Petroleum Engineer:                | Matt Baker          | Office: 435-781-4490     | Cell: 435-828-4470 |
| Petroleum Engineer:                | Michael Lee         | Office: 435-781-4432     | Cell: 435-828-7875 |
| Supervisory Petroleum Technician:  | Jamie Sparger       | Office: 435-781-4502     | Cell: 435-828-3913 |
| Environmental Scientist:           | Paul Buhler         | Office: 435-781-4475     | Cell: 435-828-4029 |
| Environmental Scientist:           | Karl Wright         | Office: 435-781-4484     |                    |
| Natural Resource Specialist:       | Holly Villa         | Office: 435-781-4404     |                    |
| Natural Resource Specialist:       | Melissa Hawk        | Office: 435-781-4476     |                    |
| Natural Resource Specialist:       | Chris Carusona      | Office: 435-781-4441     |                    |
| Natural Resource Specialist:       | Scott Ackerman      | Office: 435-781-4437     |                    |
| <b>After Hours Contact Number:</b> | <b>435-781-4513</b> | <b>Fax:</b> 435-781-4410 |                    |

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

- |   |   |   |
|---|---|---|
| Location Construction<br>(Notify Paul Buhler)           | - | Forty-Eight (48) hours prior to construction of location and access roads.  |
| Location Completion<br>(Notify Paul Buhler)             | - | Prior to moving on the drilling rig.  |
| Spud Notice<br>(Notify Petroleum Engineer)              | - | Twenty-Four (24) hours prior to spudding the well.  |
| Casing String & Cementing<br>(Notify Jamie Sparger)     | - | Twenty-Four (24) hours prior to running casing and cementing all casing strings   |
| BOP & Related Equipment Tests<br>(Notify Jamie Sparger) | - | Twenty-Four (24) hours prior to initiating pressure tests   |
| First Production Notice<br>(Notify Petroleum Engineer)  | - | Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days |

***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 re-spreading 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
- If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.

## **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.

**DIVISION OF OIL, GAS AND MINING**

**SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: CWU 1042-28

Api No: 43-047-37506 Lease Type: FEDERAL

Section 28 Township 09S Range 22E County UINTAH

Drilling Contractor ROCKER DRILLING RIG # 1

**SPUDDED:**

Date 12/03/06

Time 12:30 PM

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by KYLAN KIRK

Telephone # (435) 790-8236

Date 12/04/2006 Signed CHD

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**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.*

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

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator    **EOG Resources, Inc.**

3a. Address  
**1060 East Highway 40 Vernal, UT 84078**

3b. Phone No. (include area code)  
**435-781-9111**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**313' FNL & 1172' FEL (NE/NE)  
 Sec. 28-T9S-R22E 40.013460 LAT 109.439046 LON**

5. Lease Serial No.  
**U-0285A**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**Chapita Wells Unit 1042-28**

9. API Well No.  
**43-047-37506**

10. Field and Pool, or Exploratory Area  
**Natural Buttes/Mesaverde**

11. County or Parish, State  
**Uintah County, Utah**

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

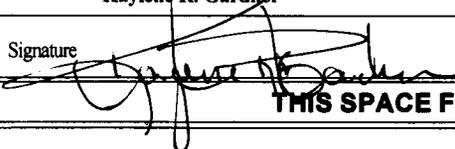
| TYPE OF SUBMISSION                                   | TYPE OF ACTION                                |   |  |   |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> 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 |   |

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 recomplate 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 12/3/2006.

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

14. I hereby certify that the foregoing is true and correct  
 Name (Printed/Typed)    **Kaylene R. Gardner**    Title    **Sr. Regulatory Assistant**

Signature        Date    **12/06/2006**

**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.

(Instructions on page 2)

**RECEIVED**

**DEC 11 2006**

**DIV. OF OIL, GAS & MINING**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**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.*

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

1. Type of Well  Oil Well  Gas Well  Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address **1060 East Highway 40 Vernal, UT 84078**

3b. Phone No. (include area code) **435-781-9111**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**313' FNL & 1172' FEL (NE/NE)  
Sec. 28-T9S-R22E 40.013460 LAT 109.439046 LON**

5. Lease Serial No.  
**U-0285A**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**Chapita Wells Unit 1042-28**

9. API Well No.  
**43-047-37506**

10. Field and Pool, or Exploratory Area  
**Natural Buttes/Mesaverde**

11. County or Parish, State  
**Uintah County, Utah**

**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 |   |

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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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. 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. Ace Disposal
- 4. RN Industries

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

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Kaylene R. Gardner**

Title **Sr. Regulatory Assistant**

Signature

Date

**12/06/2006**

**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**

(Instructions on page 2)

**DEC 11 2006**

**DIV. OF OIL, GAS & MINING**

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

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES Operator Account Number: N 9550  
Address: P.O. BOX 1815  
city VERNAL  
state UT zip 84078 Phone Number: (435) 781-9111

Well 1

| API Number                   | Well Name                  | QQ                | Sec       | Twp | Rng                              | County |
|------------------------------|----------------------------|-------------------|-----------|-----|----------------------------------|--------|
| 43-047-36924                 | CHAPITA WELLS UNIT 1003-28 | SENE              | 28        | 9S  | 22E                              | UINTAH |
| Action Code                  | Current Entity Number      | New Entity Number | Spud Date |     | Entity Assignment Effective Date |        |
| <i>AB</i>                    | 99999                      | <i>13650</i>      | 12/6/2006 |     | <i>12/21/06</i>                  |        |
| Comments: <i>PRRU = MVRD</i> |                            |                   |           |     |                                  |        |

Well 2

| API Number                   | Well Name                  | QQ                | Sec       | Twp | Rng                              | County |
|------------------------------|----------------------------|-------------------|-----------|-----|----------------------------------|--------|
| 43-047-37506                 | CHAPITA WELLS UNIT 1042-28 | <i>NENE</i>       | 28        | 9S  | 22E                              | UINTAH |
| Action Code                  | Current Entity Number      | New Entity Number | Spud Date |     | Entity Assignment Effective Date |        |
| <i>AB</i>                    | 99999                      | <i>13650</i>      | 12/3/2006 |     | <i>12/21/06</i>                  |        |
| Comments: <i>PRRU = MVRD</i> |                            |                   |           |     |                                  |        |

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:   |                       |                   |           |     |                                  |        |

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)

Kaylene R. Gardner

Name (Please Print)

*Kaylene R. Gardner*  
Signature  
Sr. Regulatory Assistant

12/6/2006

Title

Date

RECEIVED

DEC 15 2006

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**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.*

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

|   |  |  |
|---|--|--|
| 1. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other                                    |  | 5. Lease Serial No.<br><b>U-0285A</b>                                      |
| 2. Name of Operator<br><b>EOG Resources, Inc.</b>   |  | 6. If Indian, Allottee or Tribe Name                                       |
| 3a. Address<br><b>600 17th St., Suite 1000N, Denver, CO 80202</b>   | 3b. Phone No. (include area code)<br><b>303-824-5526</b> | 7. If Unit or CA/Agreement, Name and/or No.<br><b>Chapita Wells Unit</b>   |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br><b>313' FNL &amp; 1172' FEL (NE/NE)<br/>Sec. 28-T9S-R22E 40.013386 LAT 109.439722 LON</b> |  | 8. Well Name and No.<br><b>Chapita Wells Unit 1042-28</b>                  |
|   |  | 9. API Well No.<br><b>43-047-37506</b>                                     |
|   |  | 10. Field and Pool, or Exploratory Area<br><b>Natural Buttes/Mesaverde</b> |
|   |  | 11. County or Parish, State<br><b>Uintah County, Utah</b>                  |

**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 checked="" 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 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 recomplate 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 2/27/2007. 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  
Name (Printed/Typed)

**Mary A. Maestas**

Title **Regulatory Assistant**

Signature

*Mary A. Maestas*

Date

**02/28/2007**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_

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.

Title

Date

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.

(Instructions on page 2)

**RECEIVED**  
**MAR 01 2007**  
DIV. OF OIL, GAS & MINING

# WELL CHRONOLOGY REPORT

Report Generated On: 02-27-2007

|                      |   |                  |              |                      |            |
|----------------------|---|------------------|--------------|----------------------|------------|
| <b>Well Name</b>     | CWU 1042-28                                     | <b>Well Type</b> | DEVG         | <b>Division</b>      | DENVER     |
| <b>Field</b>         | CHAPITA WELLS DEEP                              | <b>API #</b>     | 43-047-37506 | <b>Well Class</b>    | 1SA        |
| <b>County, State</b> | UINTAH, UT                                      | <b>Spud Date</b> | 12-11-2006   | <b>Class Date</b>    | 02-27-2007 |
| <b>Tax Credit</b>    | N   | <b>TVD / MD</b>  | 9.475/ 9.475 | <b>Property #</b>    | 056831     |
| <b>Water Depth</b>   | 0   | <b>Last CSG</b>  | 0.0          | <b>Shoe TVD / MD</b> | 0/ 0       |
| <b>KB / GL Elev</b>  | 4,934/ 4,921                                    |                  |              |                      |            |
| <b>Location</b>      | Section 28, T9S, R22E, NENE, 313 FNL & 1172 FEL |                  |              |                      |            |

|                 |                    |                    |                  |              |        |
|-----------------|--------------------|--------------------|------------------|--------------|--------|
| <b>Event No</b> | 1.0                | <b>Description</b> | DRILL & COMPLETE |              |        |
| <b>Operator</b> | EOG RESOURCES, INC | <b>WI %</b>        | 51.171           | <b>NRI %</b> | 44.263 |

|                              |                    |                   |               |                        |                  |
|------------------------------|--------------------|-------------------|---------------|------------------------|------------------|
| <b>AFE No</b>                | 303408             | <b>AFE Total</b>  | 1,820,400     | <b>DHC / CWC</b>       | 892,100/ 928,300 |
| <b>Rig Contr</b>             | TRUE               | <b>Rig Name</b>   | TRUE #27      | <b>Start Date</b>      | 11-28-2006       |
|                              |                    |                   |               | <b>Release Date</b>    | 12-23-2006       |
| <b>01-11-2006</b>            | <b>Reported By</b> |                   |               |                        |                  |
| <b>Daily Costs: Drilling</b> | \$0                | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$0              |
| <b>Cum Costs: Drilling</b>   | \$0                | <b>Completion</b> | \$0           | <b>Well Total</b>      | \$0              |
| <b>MD</b>                    | 0                  | <b>TVD</b>        | 0             | <b>Progress</b>        | 0                |
|                              |                    |                   |               | <b>Days</b>            | 0                |
|                              |                    |                   |               | <b>MW</b>              | 0.0              |
|                              |                    |                   |               | <b>Visc</b>            | 0.0              |
| <b>Formation :</b>           | <b>PBTD : 0.0</b>  |                   | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |                  |

**Activity at Report Time: LOCATION DATA**

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

|       |       |      |                              |
|-------|-------|------|------------------------------|
| 06:00 | 06:00 | 24.0 | LOCATION DATA                |
|       |       |      | 313' FNL & 1172' FEL (NE/NE) |
|       |       |      | SECTION 28, T9S, R22E        |
|       |       |      | UINTAH COUNTY, UTAH          |

LAT 40.013419, LONG 109.439039 (NAD 27)  
LAT 40.013386, LONG 109.439722 (NAD 83)

RIG TRUE #27  
OBJECTIVE: 9475' TD, MESAVERDE  
DW/GAS  
CHAPITA WELLS DEEP PROSPECT  
DD&A: CHAPITA DEEP  
NATURAL BUTTES FIELD

LEASE: U-0285A  
ELEVATION: 4921' NAT GL, 4921.1' PREP GL (DUE TO ROUNDING 4921' IS THE PREP GL), 4934' KB (13')

EOG WI 50%, NRI 43.5%

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**11-28-2006**      **Reported By**      TERRY CSERE



12-09-2006 Reported By JERRY BARNES

Daily Costs: Drilling Completion \$0 Daily Total  
 Cum Costs: Drilling Completion \$0 Well Total  
 MD 2,445 TVD 2,445 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBT D : 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 12/5/2006. DRILLED 12-1/4" HOLE TO 2450' GL. ENCOUNTERED WATER @ 1440'. RAN 57 JTS (2432') OF 9-5/8", 36.0#/FT, J-55, ST&C CASING WITH WEATHERFORD GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2445' KB. RAN 200' OF 1" PIPE DOWN BACK SIDE. RDMO CRAIG'S AIR RIG #2. |

RU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 160 BBLs FRESH WATER & 40 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 220 SX (149.6 BBLs) OF PREMIUM LEAD CEMENT W/16% GEL, 10#/SX GILSONITE, 3#/SX GR-3, 3% SALT & 1/4 #/SX FLOCELE. MIXED CEMENT @ 11.0 PPG W/YIELD OF 3.82 CFS.

TAILED IN W/200 SX (41 BBLs) OF PREMIUM CEMENT W/2% CaCl2 & 1/4 #/SX FLOCELE. MIXED TAIL CEMENT TO 15.8 PPG W/YIELD OF 1.15 CFS. DISPLACED CEMENT W/184.6 BBLs FRESH WATER. BUMPED PLUG W/900# @ 11:59 AM, 12/8/2006. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 36 BBL INTO GELLED WATER. CIRCULATED 20 BBLs OF LEAD CEMENT TO PIT. CEMENT FELL BACK WHEN PLUG BUMPED.

TOP JOB #1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 120 SX (24.5 BBLs) OF PREMIUM CEMENT W/4% CaCl2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & CIRCULATED APPROXIMATELY 10 BBL LEAD CEMENT TO PIT. HOLE FELL BACK WHEN PUMING STOPPED. WOC 1 HR 20 MIN.

TOP JOB #2: MIXED & PUMPED 70 SX (14.3 BBLs) OF PREMIUM CEMENT W/4% CaCl2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE STOOD FULL. RD BIG 4 CEMENTERS.

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

NO SURVEY TAKEN AT THIS TIME.

KYLAN COOK NOTIFIED MICHAEL LEE W/VBLM OF THE SURFACE CASING & CEMENT JOB ON 12/3/06 @ 11:30 AM.

12-11-2006 Reported By PAUL WHITE

Daily Costs: Drilling Completion \$0 Daily Total  
 Cum Costs: Drilling Completion \$0 Well Total  
 MD 2,445 TVD 2,445 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: TEST BOPS

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 16:00 | 22:00 | 6.0  | RIG DOWN ROTARY TOOLS, LOWER DERRICK. WINTERIZE RIG. 30% MOVED W/TRUCKS TO CWU 1042-28.  |
| 06:00 | 18:00 | 12.0 | MOVE RIG FROM PREVIOUS WELL, REMOVE WORN FAST LINE SHEVE FROM CROWN-O-MATIC, REPLACE W/NEW ONE. RIG UP ROTARY TOOLS WITH TRUCKS. TRUCKS RELEASED AT 15:30 HRS, RAISE DERRICK AT 17:00 HRS. |

18:00 00:00 6.0 CONTINUE RIG UP. ACCEPT RIG ON DAYWORK AT 24:00 HRS (MIDNIGHT), 12/10/06. RIG MOVE 32 HRS.  
 00:00 06:00 6.0 TESTING BOP'S, SO FAR ALL TESTS GOOD. REMAINING ARE HYDRIL, CASING AND ACCUMULATOR TEST. LAY DOWN CREW ON LOCATION TO PICKUP BHA.

NO ACCIDENTS OR INCIDENTS  
 SAFETY MEETING: RIG MOVE W/TRUCKS/RIGGING UP

TRANSFERRED FROM CWU 682-30:  
 6 JTS OF 4.5", N-80 CASING  
 1 JT OF 4.5", HC P-110  
 1 PUP JT 4.5", HC P-110  
 3225 GALS FUEL

CWU 682-30 LOCATION CHECKED AND PHOTOGRAPHED. VACUUM TRUCKS HAULING OUT OF RESERVE PIT TO LOWER LEVEL. JCS ROUSTABOUT CREW LINED UP TO REPLACE FENCE AND DO FINAL CLEAN UP TODAY. RESERVE PIT CLEAN EXCEPT TWO DRINK BOTTLES WHICH WILL BE FISHED OUT. NIGHT CAP INSTALLED.

12-12-2006 Reported By PAUL WHITE

|   |                   |               |                        |
|---|-------------------|---------------|------------------------|
| <b>Daily Costs: Drilling</b>  | <b>Completion</b> | \$0           | <b>Daily Total</b>     |
| <b>Cum Costs: Drilling</b>  | <b>Completion</b> | \$0           | <b>Well Total</b>      |
| <b>MD</b> 3,770 <b>TVD</b> 3,770 <b>Progress</b> 1,307 <b>Days</b> 1 <b>MW</b> 8.9 <b>Visc</b> 35.0 |                   |               |                        |
| <b>Formation :</b>  | <b>PBTD : 0.0</b> | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |

**Activity at Report Time: DRILLING**

| Start | End   | Hrs | Activity Description  |
|-------|-------|-----|---|
| 06:00 | 08:00 | 2.0 | TEST BOP'S. TESTED TO 5000/250 PSI. TEST HYDRIL 2500/250. PERFORMED ACCUMULATOR TEST WITHIN SPECS.          |
| 08:00 | 09:00 | 1.0 | RIG UP WEATHERFORD LAY DOWN/PICKUP EQUIPMENT. HOLD SAFETY MEETING WITH CREWS.                               |
| 09:00 | 13:00 | 4.0 | PICK UP BIT, MOTOR, DRILL COLLARS, HWDP AND DRILL PIPE. TAG CEMENT AT 2412'.                                |
| 13:00 | 14:00 | 1.0 | RIG DOWN SERVICE TOOLS. INSTALL ROTATING HEAD RUBBER.   |
| 14:00 | 15:00 | 1.0 | DRILL CEMENT/FLOAT EQUIPMENT. DRILL SHOE AT 2447' (12 1/4" HOLE TD 2463). MAKE 10' NEW HOLE TO 2473'.       |
| 15:00 | 15:30 | 0.5 | RUN FORMATION INTEGRITY TEST TO 465 PSI, 12.5 PPG, EMW.   |
| 15:30 | 16:30 | 1.0 | DRILL 2473' TO 2583', 110'/1 HOUR.  |
| 16:30 | 17:00 | 0.5 | SERVICE RIG.  |
| 17:00 | 22:00 | 5.0 | DRILL 2583' TO 3052', 469'/78 FPH.  |
| 22:00 | 23:00 | 1.0 | CHANGE LINER AND SWAB IN #2 PUMP.   |
| 23:00 | 00:00 | 1.0 | DRILL 3052' TO 3209', 157'/1 HR.  |
| 00:00 | 00:30 | 0.5 | SURVEY AT 3130', 2.75 DEG.  |
| 00:30 | 02:30 | 2.0 | DRILL 3209' TO 3500', 291'/2 HRS, 145 FPH.  |
| 02:30 | 04:00 | 1.5 | REPAIR LINER GASKET AND REPLACE ROD OILER FLUID IN #2 PUMP.   |
| 04:00 | 06:00 | 2.0 | DRILL 3500' TO 3770', 270'/2 HRS, 135 FPH, 510 GPM, RPM 70, GPM 510, MM RPM 88, WOB 25, MUD WT 8.9, VIS 35. |

NO ACCIDENTS OR INCIDENTS  
 SAFETY MEETING: PJSM/WORKING ON PUMPS/THIRD PARTY MEETING W/WEATHERFORD INSPECTED BHA, KELLY, DC'S AND HWDP AND ALL STRING COMPONENTS DURING RIG UP

CHECK CROWN-O-MATIC  
 FUEL ON HAND 6732 GALS, REC 3150 GALS, USED 673 GALS  
 FULL CREWS  
 CWU 682-30 CLEAN UP COMPLETE AND FENCING REPLACED

06:00 18.0 SPUD 7 7/8" HOLE AT 15:30 HRS, 12/11/06.

12-13-2006 Reported By PAUL WHITE

Daily Costs: Drilling Completion \$0 Daily Total  
 Cum Costs: Drilling Completion \$0 Well Total  
 MD 4,753 TVD 4,753 Progress 983 Days 2 MW 0.0 Visc 0.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

| Start | End   | Hrs | Activity Description   |
|-------|-------|-----|--|
| 06:00 | 07:00 | 1.0 | DRILL 3770' TO 3896', 126'.  |
| 07:00 | 07:30 | 0.5 | REPLACE SWAB IN #2 PUMP.   |
| 07:30 | 10:00 | 2.5 | DRILL 3896' TO 4176', 280'/2.5 HRS, 112 FPH.   |
| 10:00 | 10:30 | 0.5 | SERVICE RIG.   |
| 10:30 | 12:00 | 1.5 | REPAIR #2 PUMP POP OFF.  |
| 12:00 | 16:00 | 4.0 | DRILL 4176' TO 4517', 341' 1/4 HRS, 85 FPH.  |
| 16:00 | 16:30 | 0.5 | SURVEY AT 4439', 2.25 DEG.   |
| 16:30 | 19:00 | 2.5 | DRILL 4517' TO 4577', 60'/2.5 HRS, 24 FPH.   |
| 19:00 | 20:00 | 1.0 | CIRCULATE AND MIX PILL FOR TRIP.   |
| 20:00 | 02:00 | 6.0 | TRIP FOR BIT #2. RUNNING HUGHES RESEARCH BIT WITH INSTRUMENT PACKAGE REQUESTED BY BILLY RUSHING. BIT IS A 506Z. INSTRUMENT PACKAGE IS DESIGNED TO RECORD VIBRATION I'M TOLD. |
| 02:00 | 03:00 | 1.0 | WASH/REAM 4460'-4577'.   |
| 03:00 | 06:00 | 3.0 | DRILL 4577' TO 4753', 176' 1/3 HRS, 59 FPH, 62 RPM, WOB 25, 518 GPM, MM RPM 87. MUD WT 9.6, VIS 35.  |

TOPS: DRILLING IN GR/WASATCH TRANSITION

NO ACCIDENTS OR INCIDENTS  
 SAFETY MEETING: NEW HANDS/MIXING CHEMICALS  
 FUEL ON HAND 5685 GALS, USED 1047 GALS  
 FULL CREWS  
 CHECKED CROWN-O-MATIC

12-14-2006 Reported By DUANE WINKLER

Daily Costs: Drilling Completion \$0 Daily Total  
 Cum Costs: Drilling Completion \$0 Well Total  
 MD 5,974 TVD 5,974 Progress 1,221 Days 3 MW 9.6 Visc 35.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

| Start | End   | Hrs | Activity Description  |
|-------|-------|-----|---|
| 06:00 | 09:30 | 3.5 | DRILLED 4753' TO 4909', 156', WASATCH FORMATION, ROP 44', RPM 50/70, MM 70, WOB 20/24K, MW 9.7, VIS 35, NO LOSS/GAIN. |
| 09:30 | 10:00 | 0.5 | SERVICE RIG.  |

10:00 10:30 0.5 CHANGE OUT ROTATING RUBBER.  
 10:30 11:00 0.5 RIG REPAIR, WORK ON BREAK WATER STUFFING BOX.  
 11:00 06:00 19.0 DRILLED 4909' TO 5974', 1065', CHAPITA WELLS FORMATION, ROP 56', RPM 50/65, MM 80, WOB 24/29K, MW 9.9 VIS 35, NO LOSS/GAIN.

NO ACCIDENTS/INCIDENCE  
 RIG REPAIRS: REPAIR BRACES  
 FULL CREWS  
 SAFETY MEETING: WORKING ON BREAKS/DRILLING OPERATIONS  
 FUEL ON HAND 4114 GALS, USED 1571 GALS

LITHOLOGY: CHAPITA WELLS SH 25%, RSH 30%, SS 45%  
 BG GAS 100U/300U, CONN GAS 900U/1200U, HIGH GAS 4116U @ 4628'

FORMATION TOPS:  
 GREEN RIVER 1657'  
 WASATCH 4607'  
 CHAPITA WELLS 5294'

12-15-2006 Reported By DUANE WINKLER

|                              |       |            |                   |                   |     |               |   |                    |                        |             |      |
|------------------------------|-------|------------|-------------------|-------------------|-----|---------------|---|--------------------|------------------------|-------------|------|
| <b>Daily Costs: Drilling</b> |       |            |                   | <b>Completion</b> |     |               |   | <b>Daily Total</b> |                        |             |      |
| <b>Cum Costs: Drilling</b>   |       |            |                   | <b>Completion</b> |     |               |   | <b>Well Total</b>  |                        |             |      |
| <b>MD</b>                    | 6,846 | <b>TVD</b> | 6,846             | <b>Progress</b>   | 872 | <b>Days</b>   | 4 | <b>MW</b>          | 10.0                   | <b>Visc</b> | 35.0 |
| <b>Formation :</b>           |       |            | <b>PBTD : 0.0</b> |                   |     | <b>Perf :</b> |   |                    | <b>PKR Depth : 0.0</b> |             |      |

Activity at Report Time: DRILLING

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 06:00 | 08:30 | 2.5  | DRILLED 5974' TO 6070', 96', BUCK CANYON FORMATION, ROP 38', RPM 50/70, MM 70, WOB 24/29K, MW 9.9 VIS 35, NO LOSS/GAIN.                |
| 08:30 | 09:00 | 0.5  | SERVICE RIG.   |
| 09:00 | 10:00 | 1.0  | RIG REPAIR, REPACK BREAK WATER STUFFING BOX.   |
| 10:00 | 06:00 | 20.0 | DRILLED 6070' TO 6846', 776', BUCK CANYON, NORTH HORN FORMATIONS, ROP 38', RPM 45/55, MM 68, WOB 26/31K, MW 10.2 VIS 35, NO LOSS/GAIN. |

NO ACCIDENTS / INCIDENCE  
 RIG REPAIRS: REPAIR BREAK WATER STUFFING BOX  
 FULL CREWS  
 SAFETY MEETING: WORKING AROUND TRAVELING BLOCKS/STEAM LINES  
 FUEL ON HAND 2618 GALS, USED 1496 GALS

LITHOLOGY: NORTH HORN SH 25%, RSH 20%, SS 55%  
 BG GAS 100U/200U, CONN GAS 400U/700U, HIGH GAS 3168U @ 6195'

FORMATION TOPS:  
 GREEN RIVER 1657'  
 WASATCH 4607'  
 CHAPITA WELLS 5294'

BUCK CANYON 5937'  
 NORTH HORN 6635'

12-16-2006 Reported By DUANE WINKLER

Daily Costs: Drilling Completion \$0 Daily Total  
 Cum Costs: Drilling Completion Well Total  
 MD 7.090 TVD 7.090 Progress 244 Days 5 MW 10.6 Visc 38.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 06:00 | 08:00 | 2.0  | DRILLED 6846' TO 6903', 57', NORTH HORN FORMATION, ROP 28', RPM 40/55, MM 68, WOB 26/32K, MW 10.3 VIS 36, NO LOSS/GAIN.      |
| 08:00 | 09:00 | 1.0  | CONDITION MUD. CIRCULATE, PUMP PILL.   |
| 09:00 | 16:30 | 7.5  | TRIP OUT OF HOLE WITH BIT #2. CHANGE OUT MUD MOTOR AND BIT, NO LOSS/GAIN. DEVATION SURVEY 2.5 DEGREE AT 6825'. TRIP IN HOLE. |
| 16:30 | 17:00 | 0.5  | WASH/REAM 6878' TO 6903', MW 10.4, VIS 35, NO LOSS/GAIN.   |
| 17:00 | 06:00 | 13.0 | DRILLED 6903' TO 7090', 187', NORTH HORN FORMATION, ROP 14', RPM 45/55, MM 68, WOB 26/31K. MW 10.6, VIS 35, NO LOSS/GAIN.    |

NO ACCIDENTS / INCIDENCE  
 NO RIG REPAIRS  
 FULL CREWS  
 SAFETY MEETING: TRIP FOR BIT/STEAM LINES  
 FUEL ON HAND 5460 GALS, USED 1158 GALS

LITHOLOGY: NORTH HORN SH 25%, RSH 20%, SS 55%  
 BG GAS 50U/120U, CONN GAS 300U/500U, HIGH GAS 3914U @ 6903'

FORMATION TOPS:  
 GREEN RIVER 1657'  
 WASATCH 4607'  
 CHAPITA WELLS 5294'  
 BUCK CANYON 5937'  
 NORTH HORN 6635'

12-17-2006 Reported By DUANE WINKLER

Daily Costs: Drilling Completion Daily Total  
 Cum Costs: Drilling Completion Well Total  
 MD 7.346 TVD 7.346 Progress 256 Days 6 MW 10.6 Visc 36.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORKING ON PUMPS

| Start | End   | Hrs | Activity Description  |
|-------|-------|-----|---|
| 06:00 | 07:00 | 1.0 | DRILLED 7090' TO 7108', 18', NORTH HORN FORMATION, ROP 18', RPM 40/55, MM 68, WOB 26/32K, MW 10.6 VIS 36, NO LOSS/GAIN. |
| 07:00 | 07:30 | 0.5 | CONDITON MUD. CIRCULATE & PUMP PILL.  |
| 07:30 | 16:00 | 8.5 | TRIP OUT OF HOLE WITH BIT #3. CHANGE OUT BIT, NO LOSS/GAIN. TRIP IN HOLE.   |
| 16:00 | 16:30 | 0.5 | WASH/REAM 7037 TO 7108, MW 10.6, VIS 35, NO LOSS/GAIN.  |

16:30 18:00 1.5 DRILLED 7108' TO 7130', 22', NORTH HORN FORMATION, ROP 14', RPM 45/55, MM 68, WOB 24/28K, MW 10.6 VIS 35, NO LOSS/GAIN.  
 18:00 18:30 0.5 SERVICE RIG.  
 18:30 04:00 9.5 DRILLED 7130' TO 7346', 216', PRICE RIVER FORMATION, ROP 23', RPM 40/55, MM 68, WOB 24/27K, MW 10.8, VIS 36. LOST 100 BBLS DRILLING FLUID FROM 7340' TO 7346'.  
 04:00 06:00 2.0 RIG REPAIR, WORK ON POP OFF FOR PUMP #1. CHANGING OUT SEAT AND SWAB ON PUMP #2.

NO ACCIDENTS / INCIDENTS  
 FULL CREWS  
 SAFETY MEETING: TRIP FOR BIT/STEAM LINES  
 FUEL ON HAND 3964 GALS, USED 1496 GALS

LITHOLOGY: PRICE RIVER: SH 25%, RSH 10%, SS 55%, SLTSN 10%  
 BG GAS 150U/200U, CONN GAS 350U/500U, HIGH GAS 7891U @ 7161'

FORMATION TOPS:  
 GREEN RIVER 1657'  
 WASATCH 4607'  
 CHAPITA WELLS 5294'  
 BUCK CANYON 5937'  
 NORTH HORN 6635'  
 KMV PRICE RIVER 7172'

12-18-2006 Reported By DUANE WINKLER

**Daily Costs: Drilling** Completion \$0 **Daily Total**  
**Cum Costs: Drilling** Completion **Well Total**  
**MD** 8,126 **TVD** 8,126 **Progress** 770 **Days** 7 **MW** 10.7 **Visc** 33.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 07:00 | 1.0  | RIG REPAIR, COMPLETE REPAIR ON SEAT AND SWAB ON PUMP #2 AND POP OFF ON PUMP #1.   |
| 07:00 | 14:30 | 7.5  | DRILLED 7346' TO 7559', 213', PRICE RIVER FORMATION, ROP 28', RPM 40/55, MM 68, WOB 24/27K, MW 10.8 VIS 36.               |
| 14:30 | 15:00 | 0.5  | SERVICE RIG. CHECKED CROWN-O-MATIC.   |
| 15:00 | 06:00 | 15.0 | DRILLED 7559' TO 8126', 567', PRICE RIVER FORMATION, ROP 38', RPM 45/55, MM 68, WOB 26/31K, MW 11.1 VIS 36, NO LOSS/GAIN. |

NO ACCIDENTS / INCIDENTS  
 RIG REPAIRS: PUMP #1 AND PUMP #2  
 FULL CREWS  
 SAFETY MEETING: ELECTRICITY/HIGH PRESSURE VALVES/ROTARY TABLE  
 FUEL ON HAND 2468 GALS, USED 1469 GALS

LITHOLOGY: PRICE RIVER SH 30%, SLTSTN 20%, SS 50%  
 BG GAS 1500U/1800U, CONN GAS 2200U/3000U, HIGH GAS 8439U @ 7382'

FORMATION TOPS:

GREEN RIVER 1657'  
 WASATCH 4607'  
 CHAPITA WELLS 5294'  
 BUCK CANYON 5937'  
 NORTH HORN 6635'  
 KMV PRICE RIVER 7172'

12-19-2006 Reported By DUANE WINKLER

|                              |       |                   |       |                   |     |             |   |                        |      |                  |
|------------------------------|-------|-------------------|-------|-------------------|-----|-------------|---|------------------------|------|------------------|
| <b>Daily Costs: Drilling</b> |       |                   |       | <b>Completion</b> |     |             |   | <b>Daily Total</b>     |      |                  |
| <b>Cum Costs: Drilling</b>   |       |                   |       | <b>Completion</b> |     |             |   | <b>Well Total</b>      |      |                  |
| <b>MD</b>                    | 8.739 | <b>TVD</b>        | 8.739 | <b>Progress</b>   | 613 | <b>Days</b> | 8 | <b>MW</b>              | 11.2 | <b>Visc</b> 36.0 |
| <b>Formation :</b>           |       | <b>PBTD : 0.0</b> |       | <b>Perf :</b>     |     |             |   | <b>PKR Depth : 0.0</b> |      |                  |

Activity at Report Time: TOH FOR BIT

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 09:30 | 3.5  | DRILLED 8126' TO 8282', 156', PRICE RIVER FORMATION), ROP 45', RPM 40/55, MM 68, WOB 24/27K, MW 11.1, VIS 36.             |
| 09:30 | 10:00 | 0.5  | SERVICE RIG. BOP DRILL 1.5 MINUTES.   |
| 10:00 | 04:00 | 18.0 | DRILLED 8282' TO 8739', 457', PRICE RIVER FORMATION, ROP 25', RPM 45/55, MM 60, WOB 26/31K, MW 11.2 VIS 36, NO LOSS/GAIN. |
| 04:00 | 06:00 | 2.0  | PUMP PILL. TRIPPING OUT OF HOLE FOR BIT AND MUD MOTOR, NO LOSS/GAIN.  |

NO ACCIDENTS / INCIDENCE  
 NO RIG REPAIRS  
 FULL CREWS  
 SAFETY MEETING: PINCH POINTS/SLIP HAZARDS  
 FUEL ON HAND 4937 GALS, USED 1531 GALS

LITHOLOGY: PRICE RIVER SH 20%, SLTSTN 25%, SS 55%  
 BG GAS 5000U/5500U, CONN GAS 7200U/8000U, HIGH GAS 8381U @ 8314'

FORMATION TOPS:  
 GREEN RIVER 1657'  
 WASATCH 4607'  
 CHAPITA WELLS 5294'  
 BUCK CANYON 5937'  
 NORTH HORN 6635'  
 KMV PRICE RIVER 7172'  
 KMV PRICE RIVER MIDDLE 8032'

12-20-2006 Reported By DUANE WINKLER

|                              |       |                   |       |                   |    |             |   |                        |      |                  |
|------------------------------|-------|-------------------|-------|-------------------|----|-------------|---|------------------------|------|------------------|
| <b>Daily Costs: Drilling</b> |       |                   |       | <b>Completion</b> |    |             |   | <b>Daily Total</b>     |      |                  |
| <b>Cum Costs: Drilling</b>   |       |                   |       | <b>Completion</b> |    |             |   | <b>Well Total</b>      |      |                  |
| <b>MD</b>                    | 8.818 | <b>TVD</b>        | 8.818 | <b>Progress</b>   | 79 | <b>Days</b> | 9 | <b>MW</b>              | 11.0 | <b>Visc</b> 32.0 |
| <b>Formation :</b>           |       | <b>PBTD : 0.0</b> |       | <b>Perf :</b>     |    |             |   | <b>PKR Depth : 0.0</b> |      |                  |

Activity at Report Time: DRILLING

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

06:00 15:30 9.5 COMPLETE TRIP OUT OF HOLE. REPLACE MUD MOTOR, BIT. TRIP IN HOLE.  
 15:30 16:30 1.0 WASH/REAM FROM 8626' TO 8739', MW 11.2, VIS 35, NO LOSS/GAIN.  
 16:30 18:00 1.5 DRILLED 8739' TO 8750', 11', PRICE RIVER FORMATION, ROP 6', RPM 40/55, MM 60, WOB 24/27K, MW 11.2, VIS 35.  
 18:00 22:00 4.0 RIG REPAIR, WORK ON PUMP #2.  
 22:00 06:00 8.0 DRILLED 8750' TO 8818', 68', PRICE RIVER FORMATION, ROP 9', RPM 45/55, MM 68, WOB 22/26K, MW 11.3, VIS 37, NO LOSS/GAIN.

NO ACCIDENTS / INCIDENCE  
 RIG REPAIRS: PUMP #2 FLUID END EXPENDABLES  
 FULL CREWS  
 SAFETY MEETING: TRIPPING PIPE/LOCK OUT-TAG OUT  
 FUEL ON HAND 3665 GALS, USED 1227 GALS

LITHOLOGY: PRICE RIVER SH 20%, SLTSTN 25%, SS 55%  
 BG GAS 2000U/2500U, CONN GAS 3000U/3500U, HIGH GAS 7579U @ 8739'

FORMATION TOPS:  
 GREEN RIVER 1657'  
 WASATCH 4607'  
 CHAPITA WELLS 5294'  
 BUCK CANYON 5937'  
 NORTH HORN 6635'  
 KMV PRICE RIVER 7172'  
 KMV PRICE RIVER MIDDLE 8032'

|                              |              |                    |                   |                      |           |                   |           |                        |             |             |             |
|------------------------------|--------------|--------------------|-------------------|----------------------|-----------|-------------------|-----------|------------------------|-------------|-------------|-------------|
| <b>12-21-2006</b>            |              | <b>Reported By</b> |                   | <b>DUANE WINKLER</b> |           |                   |           |                        |             |             |             |
| <b>Daily Costs: Drilling</b> |              |                    |                   | <b>Completion</b>    |           | <b>\$0</b>        |           | <b>Daily Total</b>     |             | <b>!</b>    |             |
| <b>Cum Costs: Drilling</b>   |              |                    |                   | <b>Completion</b>    |           | <b>Well Total</b> |           |                        |             |             |             |
| <b>MD</b>                    | <b>8,845</b> | <b>TVD</b>         | <b>8,845</b>      | <b>Progress</b>      | <b>27</b> | <b>Days</b>       | <b>10</b> | <b>MW</b>              | <b>11.7</b> | <b>Visc</b> | <b>37.0</b> |
| <b>Formation :</b>           |              |                    | <b>PBTD : 0.0</b> |                      |           | <b>Perf :</b>     |           | <b>PKR Depth : 0.0</b> |             |             |             |

**Activity at Report Time: DRILLING**

| <b>Start</b> | <b>End</b> | <b>Hrs</b> | <b>Activity Description</b>  |
|--------------|------------|------------|--|
| 06:00        | 08:30      | 2.5        | DRILLED 8818' TO 8829', 11', PRICE RIVER FORMATION, ROP 4', RPM 40/55, MM 60, WOB 24/27K, MW 11.3, VIS 36.   |
| 08:30        | 09:00      | 0.5        | CIRCULATE, PUMP PILL.  |
| 09:00        | 15:30      | 6.5        | TRIP OUT OF HOLE FOR BIT. REPLACE MUD MOTOR AND BIT.   |
| 15:30        | 19:00      | 3.5        | TRIP IN HOLE TO 4350'. FILL DRILL PIPE. MUD MOTOR PRESSURE UP WOULD NOT PASS FLUID.  |
| 19:00        | 23:00      | 4.0        | TRIP OUT OF HOLE FOR PLUGGED MOTOR, TEST MUD MOTOR. COULD NOT PUMP THROUGH MOTOR. REPLACE MUD MOTOR.   |
| 23:00        | 04:00      | 5.0        | TRIP IN HOLE TO 8773'.   |
| 04:00        | 04:30      | 0.5        | WASH/REAM FROM 8773' TO 8829', MW 10.5, VIS 36. NO LOSS/GAIN.  |
| 04:30        | 06:00      | 1.5        | DRILLED 8829' TO 8845 TD, 16', PRICE RIVER FORMATION, ROP 10', RPM 45/55, MM 68, WOB 5K, MW 11.5, VIS 37. NO LOSS/GAIN. REACHED TD AT 06:00 HRS, 12/21/06. |

NO ACCIDENTS/INCIDENCE  
 NO RIG REPAIRS

FULL CREWS

SAFETY MEETING: #1 BOP PROCEDURE WHILE TRIPPING/SAFETY MEETING #2 SPINNING  
FUEL ON HAND 2767 GALS, USED 898 GALS

LITHOLOGY: PRICE RIVER SH 20%, SLTSTN 25%, SS 55%  
BG GAS 2000U/2500U, CONN GAS 1500U/2000U, HIGH GAS 6368U @ 8818'

FORMATION TOPS

- GREEN RIVER 1657'
- WASATCH 4607'
- CHAPITA WELLS 5294'
- BUCK CANYON 5937'
- NORTH HORN 6635'
- KMV PRICE RIVER 7172'
- KMV PRICE RIVER MIDDLE 8032'

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|                              |                    |                      |                   |                   |            |               |    |                    |                        |             |      |
|------------------------------|--------------------|----------------------|-------------------|-------------------|------------|---------------|----|--------------------|------------------------|-------------|------|
| <b>12-22-2006</b>            | <b>Reported By</b> | <b>DUANE WINKLER</b> |                   |                   |            |               |    |                    |                        |             |      |
| <b>Daily Costs: Drilling</b> |                    |                      |                   | <b>Completion</b> | <b>\$0</b> |               |    | <b>Daily Total</b> |                        |             |      |
| <b>Cum Costs: Drilling</b>   |                    |                      |                   | <b>Completion</b> |            |               |    | <b>Well Total</b>  |                        |             |      |
| <b>MD</b>                    | 9,475              | <b>TVD</b>           | 9,475             | <b>Progress</b>   | 630        | <b>Days</b>   | 11 | <b>MW</b>          | 11.6                   | <b>Visc</b> | 37.0 |
| <b>Formation :</b>           |                    |                      | <b>PBTD : 0.0</b> |                   |            | <b>Perf :</b> |    |                    | <b>PKR Depth : 0.0</b> |             |      |

Activity at Report Time: LD DRILL PIPE

| Start | End   | Hrs | Activity Description  |
|-------|-------|-----|---|
| 06:00 | 15:00 | 9.0 | DRILLED 8845' TO 9130', 285', PRICE RIVER FORMATION, ROP 31', RPM 40/55, MM 60, WOB 14/18K, MW 11.6, VIS 36, NO LOSS/GAIN.                                    |
| 15:00 | 15:30 | 0.5 | SERVICE RIG.  |
| 15:30 | 00:30 | 9.0 | DRILLED 9130' TO 9475', TD REACHED ON 12/22/06 @ 03:00 HRS, 345', PRICE RIVER FORMATION, ROP 38', RPM 40/55, MM 60, WOB 14/18K, MW 11.8 VIS 36, NO LOSS/GAIN. |
| 00:30 | 01:00 | 0.5 | SHORT TRIP/TRIP BACK TO BTM/NO LOSS/GAIN.   |
| 01:00 | 06:00 | 5.0 | RIG UP LAY DOWN EQUIPMENT, DROP SURVEY. NO RIG REPAIRS.   |

SAFETY MEETING: LAYING DOWN DRILL PIPE  
NO ACCIDENTS/INCIDENTS  
FULL CREWS  
SAFETY MEETING: #1 TONG DIES/#2 PINCH POINTS  
FUEL ON HAND 1047 GALS, USED 1720 GALS

LITHOLOGY: PRICE RIVER SH 15%, SLTSTN 20%, SS 60%, CARB SH 5%  
BG GAS 5000U/8000U, CONN GAS 6800U/8500U, HIGH GAS 8997U @ 9473'

FORMATION TOPS

- GREEN RIVER 1657'
- WASATCH 4607'
- CHAPITA WELLS 5294'
- BUCK CANYON 5937'
- NORTH HORN 6635'

KMV PRICE RIVER 7172'  
 KMV PRICE RIVER MIDDLE 8032'  
 KMV PRICE RIVER LOWER 8842'  
 SEGO 9323'  
 TD 9475'

12-23-2006 Reported By DUANE WINKLER

|   |                   |                        |
|---|-------------------|------------------------|
| <b>Daily Costs: Drilling</b>                          | <b>Completion</b> | <b>Daily Total</b>     |
| <b>Cum Costs: Drilling</b>                            | <b>Completion</b> | <b>Well Total</b>      |
| MD 9.475 TVD 9.475 Progress 0 Days 12 MW 0.0 Visc 0.0 |                   |                        |
| <b>Formation :</b>                                    | <b>PBTD : 0.0</b> | <b>Perf :</b>          |
|   |                   | <b>PKR Depth : 0.0</b> |

Activity at Report Time: RDRT/NO COMPLETION

| Start | End   | Hrs | Activity Description  |
|-------|-------|-----|---|
| 06:00 | 12:00 | 6.0 | LAY DOWN DRILL PIPE, DRILL COLLAR, BHA, NO LOSS/GAIN.   |
| 12:00 | 12:30 | 0.5 | PULL WEAR BUSHING. PRE-JOB SAFETY MEETING ON RUNNING CASING.  |
| 12:30 | 21:00 | 8.5 | RAN 224 JTS (222 FULL JTS + 2 MARKER JTS) OF 4 1/2", 11.6#, N-80 PROD CASING. LANDED AT 9462'. RAN AS FOLLOWS: FS, 1 JT CASING, FLOAT COLLAR @ 9416', 53 JTS CASING, MARKER JT @ 7149', 69 JTS CASING, MARKER JT AT 4,211', 99 JTS CASING. CENTRALIZERS PLACED @ MIDDLE OF SHOE JT, TOP OF JT #2 AND EVERY OTHER JT AFTER FOR A TOTAL OF 30.  |
| 21:00 | 02:00 | 5.0 | SCHLUMBERGER MIXED AND PUMPED CEMENT AS FOLLOWS: 20 BBLs CHEM WASH, 20 BBLs WATER, 138 BBLs LEAD SLURRY, 35/65 POZ "G" SLURRY WT 13 PPG, 445 SX FOLLOWED W/359 BBLs TAIL SLURRY OF 50/50 POZ "G", SLURRY WT 14.1 PPG, 1565 SX. DISPLACED W/146 BBLs WATER. BUMPED PLUG W/3500 PSI. CHECKED FLOATS. LANDED 222 JTS 4.5", 11.6#, N-80 CASING. TESTED HANGER SEALS TO 5,000 PSI. CEMENT IN PLACE AT 02:00 HRS, 12/23/06. |
| 02:00 | 04:00 | 2.0 | CLEAN MUD PITS AND RIG DOWN.  |

NO ACCIDENTS  
 FULL CREWS  
 NO RIG REPAIRS  
 SAFETY MEETINGS HELD WITH THIRD PARTY CONTRACTORS

TRANSFERRED FROM CWU 1042-28 TO CWU 1001-27:  
 3441 GALS DIESEL  
 3 JTS OF 4 1/2", N-80 CASING (126.83')  
 4 JTS 4 1/2", HC P-110 CASING (172.05')  
 2 - 4 1/2", HC P-110 MARKER JTS)

RIG MOVE ±2.5 MILES TO THE CWU 1001-27  
 12/26/06 07:00 HRS TRUCKS ARE SCHEDULE TO MOVE RIG

CWU 1042-28 FORMATION TOPS:  
 GREEN RIVER 1657'  
 WASATCH 4607'  
 CHAPITA WELLS 5294'  
 BUCK CANYON 5937'

NORTH HORN 6635'  
 KMV PRICE RIVER 7172'  
 KMV PRICE RIVER MIDDLE 8032'  
 KMV PRICE RIVER LOWER 8842'  
 SEGO 9323'  
 TD 9475'

04:00 20.0 RIG RELEASED AT 04:00 HRS, 12/23/2006.  
 CASING POINT COST \$896,080

12-29-2006 Reported By SEARLE

DailyCosts: Drilling \$0 Completion Daily Total  
 Cum Costs: Drilling Completion Well Total  
 MD 9,475 TVD 9,475 Progress 0 Days 13 MW 0.0 Visc 0.0  
 Formation : PBTd : 9416.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP TO FRAC

Start End Hrs Activity Description  
 06:00 06:00 24.0 MIRU SCHLUMBERGER. LOG WITH RST/CBL/VDL/CCL/GR FROM PBTd TO 50'. EST CEMENT TOP @ 1300'.  
 RD SCHLUMBERGER.

01-07-2007 Reported By MCCURDY

DailyCosts: Drilling \$0 Completion Daily Total  
 Cum Costs: Drilling Completion Well Total  
 MD 9,475 TVD 9,475 Progress 0 Days 14 MW 0.0 Visc 0.0  
 Formation : PBTd : 9416.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO COMPLETION

Start End Hrs Activity Description  
 15:00 16:00 1.0 NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

01-09-2007 Reported By MCCURDY

DailyCosts: Drilling \$0 Completion Daily Total  
 Cum Costs: Drilling Completion Well Total  
 MD 9,475 TVD 9,475 Progress 0 Days 15 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTd : 9416.0 Perf : 8139'-9177' PKR Depth : 0.0

Activity at Report Time: FRAC UPR/MPR

Start End Hrs Activity Description  
 06:00 17:30 11.5 MIRU CUTTERS WIRELINE. PERFORATE LPR FROM 8932'-33', 8939'-40', 8961'-62', 8976'-77', 8996'-97',  
 9003'-04', 9018'-19', 9026'-27', 9052'-53', 9108'-09', 9123'-24', 9132'-33', 9164'-65', 9176'-77' @ 2 SPF @ 180°  
 PHASING. RDWL. RU SCHLUMBERGER FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4979 GAL  
 YF125ST+ PAD, 52309 GAL YF125ST+ & YF118ST+ WITH 169300 # 20/40 SAND @ 1-6 PPG. MTP 6482 PSIG. MTR  
 47.5 BPM. ATP 5938 PSIG. ATR 40.6 BPM. ISIP 3100 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 8900'. PERFORATE LPR/ MPR FROM (8647'-48' SKIPPED- MISFIRE), 8657'-58',  
 8679'-80', 8695'-96', 8711'-12', 8724'-25', 8741'-42', 8759'-60', 8787'-88', 8803'-04', (8826'-27' SKIPPED-  
 MISFIRE), 8850'-51', 8870'-71', 8882'-83' @ 2 SPF @ 180° PHASING. RDWL. RU SCHLUMBERGER, FRAC  
 DOWN CASING WITH 165 GAL GYPTRON T-106, 4960 GAL YF125ST+ PAD, 43676 GAL YF125ST+ & YF118ST+  
 WITH 130400 # 20/40 SAND @ 1-6 PPG. MTP 6580 PSIG. MTR 50.7 BPM. ATP 5830 PSIG. ATR 35.3 BPM. ISIP 4000  
 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 8580'. PERFORATE MPR FROM 8351'-52', 8359'-60', 8364'-65', 8374'-75', 8387'-88', 8417'-18', 8431'-32', 8437'-38', 8456'-57', 8480'-81', 8489'-90', 8497'-98', 8505'-06', 8547'-48' @ 2 SPF @ 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5962 GAL YF125ST+ PAD, 43514 GAL YF125ST+ & YF118ST+ WITH 131200 # 20/40 SAND @ 1-6 PPG. MTP 6567 PSIG. MTR 50.9 BPM. ATP 5662 PSIG. ATR 29.4 BPM. ISIP 3050 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 8325'. PERFORATE MPR FROM 8139'-40', 8152'-53', 8167'-68', 8179'-80', 8195'-96', 8205'-06', 8217'-18', 8241'-42', 8253'-54', 8271'-72', 8285'-86', 8303'-04' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4955 GAL YF123ST+ PAD, 56197 GAL YF123ST+ & YF118ST+ WITH 193500 # 20/40 SAND @ 1-6 PPG. MTP 6042 PSIG. MTR 52.3 BPM. ATP 4768 PSIG. ATR 49.1 BPM. ISIP 2120 PSIG. RD SCHLUMBERGER. SWIFN.

01-10-2007 Reported By MCCURDY

|                              |                      |            |       |                 |   |                   |                           |                        |     |             |                    |
|------------------------------|----------------------|------------|-------|-----------------|---|-------------------|---------------------------|------------------------|-----|-------------|--------------------|
| <b>DailyCosts: Drilling</b>  | \$0                  |            |       |                 |   | <b>Completion</b> |                           |                        |     |             | <b>Daily Total</b> |
| <b>Cum Costs: Drilling</b>   |                      |            |       |                 |   | <b>Completion</b> |                           |                        |     |             | <b>Well Total</b>  |
| <b>MD</b>                    | 9,475                | <b>TVD</b> | 9,475 | <b>Progress</b> | 0 | <b>Days</b>       | 16                        | <b>MW</b>              | 0.0 | <b>Visc</b> | 0.0                |
| <b>Formation : MESAVERDE</b> | <b>PBTD : 9416.0</b> |            |       |                 |   |                   | <b>Perf : 7154'-9177'</b> | <b>PKR Depth : 0.0</b> |     |             |                    |

Activity at Report Time: PREP TO MIRUSU

| Start | End   | Hrs | Activity Description  |
|-------|-------|-----|---|
| 06:30 | 15:30 | 9.0 | SICP 1880 PSIG. RUWL. SET 10K CFP AT 8115'. PERFORATED MPR/UPR FROM 7937'-38', 7953'-54', 7977'-78', 8004'-05', 8020'-21', 8030'-31', 8040'-41', 8055'-56', 8069'-70', 8077'-78', 8087'-88', 8093'-94' & 8098'-99' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4954 GAL YF123ST+ PAD, 55232 GAL YF123ST+ & YF118ST+ WITH 193000# 20/40 SAND @ 1-6 PPG. MTP 6102 PSIG. MTR 52.5 BPM. ATP 4914 PSIG. ATR 49.8 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER. |

RUWL. SET 10K CFP AT 7900'. PERFORATED UPR FROM 7657'-58', 7691'-92', 7707'-08', 7751'-53', 7775'-76', 7781'-82', 7798'-99', 7827'-28', 7840'-41', 7853'-54' & 7867'-68' @ 3 SPF & 120° PHASING. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4949 GAL YF123ST+ PAD, 42511 GAL YF123ST+ & YF118ST+ WITH 130500# 20/40 SAND @ 1-6 PPG. MTP 6196 PSIG. MTR 52.5 BPM. ATP 5250 PSIG. ATR 46.2 BPM. ISIP 2400 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7580'. PERFORATED UPR FROM 7364'-65', 7376'-77', 7385'-86', 7396'-97', 7405'-06', 7417'-18', 7433'-34', 7463'-64', 7473'-74', 7511'-12', 7532'-33', 7544'-45' & 7556'-57' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4949 GAL YF123ST+ PAD, 42427 GAL YF123ST+ & YF118ST+ WITH 129900# 20/40 SAND @ 1-6 PPG. MTP 6347 PSIG. MTR 52.5 BPM. ATP 5408 PSIG. ATR 46.4 BPM. ISIP 1750 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7342'. PERFORATED UPR FROM 7154'-55', 7160'-61', 7184'-86', 7200'-01', 7212'-13', 7227'-28', 7280'-81', 7286'-87', 7298'-99', 7310'-11' & 7321'-22' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4949 GAL YF123ST+ PAD, 55153 GAL YF123ST+ & YF118ST+ WITH 195350# 20/40 SAND @ 1-6 PPG. MTP 5366 PSIG. MTR 50.7 BPM. ATP 4343 PSIG. ATR 48.2 BPM. ISIP 2200 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 7113'. BLEED OFF PRESSURE. RDWL. SDFN.

01-16-2007 Reported By HISLOP

|                              |                      |            |       |                 |   |                   |                           |                        |     |             |                    |
|------------------------------|----------------------|------------|-------|-----------------|---|-------------------|---------------------------|------------------------|-----|-------------|--------------------|
| <b>DailyCosts: Drilling</b>  | \$0                  |            |       |                 |   | <b>Completion</b> |                           |                        |     |             | <b>Daily Total</b> |
| <b>Cum Costs: Drilling</b>   |                      |            |       |                 |   | <b>Completion</b> |                           |                        |     |             | <b>Well Total</b>  |
| <b>MD</b>                    | 9,475                | <b>TVD</b> | 9,475 | <b>Progress</b> | 0 | <b>Days</b>       | 17                        | <b>MW</b>              | 0.0 | <b>Visc</b> | 0.0                |
| <b>Formation : MESAVERDE</b> | <b>PBTD : 9416.0</b> |            |       |                 |   |                   | <b>Perf : 7154'-9177'</b> | <b>PKR Depth : 0.0</b> |     |             |                    |

Activity at Report Time: CLEAN OUT AFTER FRAC

**Start End Hrs Activity Description**  
 06:00 18:00 12.0 MIRU ROYAL WELL SERVICE. SD DUE TO EXTREME COLD.

01-23-2007 Reported By HISLOP

**Daily Costs: Drilling** \$0 **Completion** **Daily Total**  
**Cum Costs: Drilling** **Completion** **Well Total**  
 MD 9,475 TVD 9,475 Progress 0 Days 18 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTD : 9416.0 Perf : 7154'-9177' PKR Depth : 0.0

Activity at Report Time: DRILL CFPS

**Start End Hrs Activity Description**  
 06:00 17:00 11.0 SICP 0 PSIG. ND FRAC VALVE. NU BOP. RIH W/3-7/8" MILL TOOTH BIT & PUMP OFF BIT SUB TO CBP @ 7113'. SDFN.

01-24-2007 Reported By HISLOP

**Daily Costs: Drilling** \$0 **Completion** **Daily Total**  
**Cum Costs: Drilling** **Completion** **Well Total**  
 MD 9,475 TVD 9,475 Progress 0 Days 19 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTD : 9416.0 Perf : 7154'-9177' PKR Depth : 0.0

Activity at Report Time: FLOW TEST

**Start End Hrs Activity Description**  
 06:00 06:00 24.0 SITP 0 PSIG. SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7113', 7342', 7580', 7900', 8115', 8325', 8580' & 8900'. RIH. CLEANED OUT TO 9310'. LANDED TUBING @ 7130' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 12 HRS. 16/64" CHOKE. FTP 2525 PSIG. CP3100 PSIG. 26 BFPH. RECOVERED 323 BLW. 10077 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB .91'  
 1 JT 2-3/8" 4.7# N-80 TBG 31.71'  
 XN NIPPLE 1.10'  
 251 JTS 2-3/8" 4.7# N-80 TBG 7083.50'  
 BELOW KB 13.0'  
 LANDED @ 7130.22' KB

01-25-2007 Reported By HISLOP

**Daily Costs: Drilling** \$0 **Completion** **Daily Total**  
**Cum Costs: Drilling** **Completion** **Well Total**  
 MD 9,475 TVD 9,475 Progress 0 Days 20 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTD : 9416.0 Perf : 7154'-9177' PKR Depth : 0.0

Activity at Report Time: WO FACILITIES

**Start End Hrs Activity Description**  
 06:00 06:00 24.0 FLOWED 24 HRS. 16/64" CHOKE. FTP 2500 PSIG. CP 3100 PSIG. 17 BFPH. RECOVERED 454 BLW. 9623 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 1/24/07

02-28-2007      Reported By      DUANE COOK

|                              |           |                   |        |                    |             |
|------------------------------|-----------|-------------------|--------|--------------------|-------------|
| <b>Daily Costs: Drilling</b> | \$0       | <b>Completion</b> | \$0    | <b>Daily Total</b> | \$0         |
| <b>Cum Costs: Drilling</b>   |           | <b>Completion</b> |        | <b>Well Total</b>  |             |
| <b>MD</b>                    | 9,475     | <b>TVD</b>        | 9,475  | <b>Progress</b>    | 0           |
|                              |           |                   |        | <b>Days</b>        | 21          |
|                              |           |                   |        | <b>MW</b>          | 0.0         |
|                              |           |                   |        | <b>Visc</b>        | 0.0         |
| <b>Formation :</b>           | MESAVERDE | <b>PBTD :</b>     | 9416.0 | <b>Perf :</b>      | 7154'-9177' |
|                              |           |                   |        | <b>PKR Depth :</b> | 0.0         |

**Activity at Report Time:** INITIAL PRODUCTION

| <b>Start</b> | <b>End</b> | <b>Hrs</b> | <b>Activity Description</b>   |
|--------------|------------|------------|---|
| 06:00        | 06:00      | 24.0       | INITIAL PRODUCTION. OPENING PRESSURE: TP 2900 & CP 3300 PSI. TURNED WELL TO QUESTAR SALES AT 9:30 AM, 2/27/07. FLOWED 1280 MCFD RATE ON 10/64" POS CHOKE. |

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED  
OMB NO. 1004-0137  
Expires: March 31, 2007

5. Lease Serial No. **U-0285A**

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No. **Chapita Wells Unit**

8. Lease Name and Well No. **Chapita Wells Unit 1042-28**

9. AFI Well No. **43-047-37506**

10. Field and Pool, or Exploratory **Natural Buttes/Mesaverde**

11. Sec., T., R., M., on Block and Survey or Area **Sec. 28-T9S-R22E**

12. County or Parish **Uintah County** 13. State **UT**

17. Elevations (DF, RKB, RT, GL)\* **4921' NAT GL**

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

2. Name of Operator **EOG Resources, Inc.**

3. Address **600 17th Street, Suite 1000N, Denver, CO 80202** 3a. Phone No. (include area code) **303-824-5526**

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
 At surface **313' FNL & 1172' FEL (NENE) 40.013386 LAT 109.439722 LON**  
 At top prod. interval reported below **Same**  
 At total depth **Same**

14. Date Spudded **12/03/2006** 15. Date T.D. Reached **12/22/2006** 16. Date Completed **02/27/2007**  
 D & A  Ready to Prod.

18. Total Depth: MD **9475** 19. Plug Back T.D.: MD **9416** 20. Depth Bridge Plug Set: MD  
 TVD TVD TVD

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

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

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 Sks. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|------------------------------|-------------------|-------------|---------------|
| 12-1/4"   | 9-5/8"     | 36.0#       | J-55     | 0-2445      |                      | 610 sx                       |                   |             |               |
| 7-7/8"    | 4-1/2"     | 11.6#       | N-80     | 0-9462      |                      | 2010 sx                      |                   |             |               |
|           |            |             |          |             |                      |                              |                   |             |               |
|           |            |             |          |             |                      |                              |                   |             |               |

24. Tubing Record

| Size   | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|--------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 2-3/8" | 7130           |                   |      |                |                   |      |                |                   |

25. Producing Intervals

| Formation    | Top  | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|--------------|------|--------|---------------------|------|-----------|--------------|
| A) Mesaverde | 7154 | 9177   | 8932-9177           |      | 2/spf     |              |
| B)           |      |        | 8657-8883           |      | 2/spf     |              |
| C)           |      |        | 8351-8548           |      | 2/spf     |              |
| D)           |      |        | 8139-8304           |      | 3/spf     |              |

26. Perforation Record

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

| Depth Interval | Amount and Type of Material                    |
|----------------|--|
| 8932-9177      | 57,453 GALS GELLED WATER & 169,300# 20/40 SAND |
| 8657-8883      | 48,801 GALS GELLED WATER & 130,400# 20/40 SAND |
| 8351-8548      | 49,641 GALS GELLED WATER & 131,200# 20/40 SAND |
| 8139-8304      | 61,317 GALS GELLED WATER & 193,500# 20/40 SAND |

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  |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|--------------------|
| 02/27/2007          | 03/05/2007           | 24           | →               | 30      | 760     | 90        |                       |             | FLOWS FROM WELL    |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio         | Well Status |                    |
| 10/64"              | SI 2800              | 3200         | →               | 30      | 760     | 90        |                       |             | PRODUCING GAS WELL |

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. SI | 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 page 2)

**RECEIVED**  
**MAR 12 2007**  
DIV. OF OIL, GAS & MINING

28b. Production - Interval C

| Date First Produced | Test Date            | Hours Tested | Test Production<br>→ | 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<br>→     | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio         | Well Status |                   |

28c. Production - Interval D

| Date First Produced | Test Date            | Hours Tested | Test Production<br>→ | 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<br>→     | 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 | 7154 | 9177   |                              | Wasatch<br>Chapita Wells<br>Buck Canyon<br>North Horn<br>Mesaverde<br>Middle Price River<br>Lower Price River<br>Sego | 4684<br>5294<br>5952<br>6724<br>7151<br>8012<br>8831<br>9283 |

32. Additional remarks (include plugging procedure):

**SEE ATTACHED SHEET.**

33. Indicate which items have been attached by placing a check in the appropriate boxes:

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

34. Thereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) Mary A. Maestas

Title Regulatory Assistant

Signature Mary A. Maestas

Date 03/08/2007

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.

**Chapita Wells Unit 1042-28 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

|           |       |
|-----------|-------|
| 7937-8099 | 2/spf |
| 7657-7868 | 3/spf |
| 7364-7557 | 2/spf |
| 7154-7322 | 3/spf |

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

|           |  |
|-----------|--|
| 7937-8099 | 60,351 GALS GELLED WATER & 193,000# 20/40 SAND |
| 7657-7868 | 47,625 GALS GELLED WATER & 130,500# 20/40 SAND |
| 7364-7557 | 47,541 GALS GELLED WATER & 129,900# 20/40 SAND |
| 7154-7322 | 60,267 GALS GELLED WATER & 195,350# 20/40 SAND |

Perforated the Lower Price River from 8932-8933', 8939-8940', 8961-8962', 8976-8977', 8996-8997', 9003-9004', 9018-9019', 9026-9027', 9052-9053', 9108-9109', 9123-9124', 9132-9133', 9164-9165' & 9176-9177' w/ 2 spf.

Perforated the Middle/Lower Price River from 8657-8658', 8679-8680', 8695-8696', 8711-8712', 8724-8725', 8741-8742', 8759-8760', 8787-8788', 8803-8804', 8850-8851', 8870-8871' & 8882-8883' w/ 2 spf.

Perforated the Middle Price River from 8351-8352', 8359-8360', 8364-8365', 8374-8375', 8387-8388', 8417-8418', 8431-8432', 8437-8438', 8456-8457', 8480-8481', 8489-8490', 8497-8498', 8505-8506' & 8547-8548' w/ 2 spf.

Perforated the Middle Price River from 8139-8140', 8152-8153', 8167-8168', 8179-8180', 8195-8196', 8205-8206', 8217-8218', 8241-8242', 8253-8254', 8271-8272', 8285-8286' & 8303-8304' w/ 3 spf.

Perforated the Upper/Middle Price River from 7937-7938', 7953-7954', 7977-7978', 8004-8005', 8020-8021', 8030-8031', 8040-8041', 8055-8056', 8069-8070', 8077-8078', 8087-8088', 8093-8094' & 8098-8099' w/ 2 spf.

Perforated the Upper Price River from 7657-7658', 7691-7692', 7707-7708', 7751-7753', 7775-7776', 7781-7782', 7798-7799', 7827-7828', 7840-7841', 7853-7854' & 7867-7868' w/ 3 spf.

Perforated the Upper Price River from 7364-7365', 7376-7377', 7385-7386', 7396-7397', 7405-7406', 7417-7418', 7433-7434', 7463-7464', 7473-7474', 7511-7512', 7532-7533', 7544-7545' & 7556-7557' w/ 2 spf.

Perforated the Upper Price River from 7154-7155', 7160-7161', 7184-7186', 7200-7201', 7212-7213', 7227-7228', 7280-7281', 7286-7287', 7298-7299', 7310-7311' & 7321-7322' w/ 3 spf.

IP date corrected from a previous submission dated 3/8/2007.

Form 3160-4  
(April 2004)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0137  
Expires: March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

| 5. Lease Serial No.<br><b>U-0285A</b>  |                      |  |  |                |  |  |                       |                    |  |  |
|--|----------------------|--|--|----------------|--|--|-----------------------|--------------------|--|--|
| 6. If Indian, Allottee or Tribe Name   |                      |  |  |                |  |  |                       |                    |  |  |
| 7. Unit or CA Agreement Name and No.<br><b>Chapita Wells Unit</b>  |                      |  |  |                |  |  |                       |                    |  |  |
| 8. Lease Name and Well No.<br><b>Chapita Wells Unit 1042-28</b>  |                      |  |  |                |  |  |                       |                    |  |  |
| 2. Name of Operator <b>EOG Resources, Inc.</b>   |                      |  |  |                | 9. AFI Well No.<br><b>43-047-37506</b>                   |  |                       |                    |  |  |
| 3. Address <b>600 17th Street, Suite 1000N, Denver, CO 80202</b>   |                      |  |  |                | 3a. Phone No. (include area code)<br><b>303-824-5526</b> |  |                       |                    |  |  |
| 4. Location of Well (Report location clearly and in accordance with Federal requirements)*<br>At surface <b>313' FNL &amp; 1172' FEL (NENE) 40.013386 LAT 109.439722 LON</b><br>At top prod. interval reported below <b>Same</b><br>At total depth <b>Same</b> |                      |  |  |                |  |  |                       |                    |  |  |
| 14. Date Spudded<br><b>12/03/2006</b>  |                      |  | 15. Date T.D. Reached<br><b>12/22/2006</b> |                |  | 16. Date Completed <b>01/26/2007</b><br><input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.  |                       |                    | 17. Elevations (DF, RKB, RT, GL)*<br><b>4921' NAT GL</b> |  |
| 18. Total Depth: MD <b>9475</b><br>TVD   |                      |  | 19. Plug Back T.D.: MD <b>9416</b><br>TVD  |                |  | 20. Depth Bridge Plug Set: MD<br>TVD   |                       |                    |  |  |
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each)<br><b>RST/CBL/VDL/CCL/GR</b>   |                      |  |  |                |  | 22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)<br>Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report)<br>Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy) |                       |                    |  |  |
| 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 Sks. & Type of Cement   | Slurry Vol. (BBL)     | Cement Top*        | Amount Pulled  |  |
| 12-1/4"  | 9-5/8"               | 36.0#  | J-55                                       | 0-2445         |  | 610 sx   |                       |                    |  |  |
| 7-7/8"   | 4-1/2"               | 11.6#  | N-80                                       | 0-9462         |  | 2010 sx  |                       |                    |  |  |
| 24. Tubing Record  |                      |  |  |                |  |  |                       |                    |  |  |
| Size   | Depth Set (MD)       | Packer Depth (MD)                              | Size                                       | Depth Set (MD) | Packer Depth (MD)  | Size   | Depth Set (MD)        | Packer Depth (MD)  |  |  |
| 2-3/8"   | 7130                 |  |  |                |  |  |                       |                    |  |  |
| 25. Producing Intervals  |                      |  |  |                | 26. Perforation Record                                   |  |                       |                    |  |  |
| Formation  | Top                  | Bottom   | Perforated Interval                        |                | Size   | No. Holes  | Perf. Status          |                    |  |  |
| A) Mesaverde   | 7154                 | 9177   | 8932-9177                                  |                |  |  | 2/spf                 |                    |  |  |
| B)   |                      |  | 8657-8883                                  |                |  |  | 2/spf                 |                    |  |  |
| C)   |                      |  | 8351-8548                                  |                |  |  | 2/spf                 |                    |  |  |
| D)   |                      |  | 8139-8304                                  |                |  |  | 3/spf                 |                    |  |  |
| 27. Acid, Fracture, Treatment, Cement Squeeze, etc.  |                      |  |  |                |  |  |                       |                    |  |  |
| Depth Interval   |                      | Amount and Type of Material                    |  |                |  |  |                       |                    |  |  |
| 8932-9177  |                      | 57.453 GALS GELLED WATER & 169.300# 20/40 SAND |  |                |  |  |                       |                    |  |  |
| 8657-8883  |                      | 48.801 GALS GELLED WATER & 130.400# 20/40 SAND |  |                |  |  |                       |                    |  |  |
| 8351-8548  |                      | 49.641 GALS GELLED WATER & 131.200# 20/40 SAND |  |                |  |  |                       |                    |  |  |
| 8139-8304  |                      | 61.317 GALS GELLED WATER & 193.500# 20/40 SAND |  |                |  |  |                       |                    |  |  |
| 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  |  |
| 01/26/2007   | 03/05/2007           | 24   | →  | 30             | 760  | 90   |                       |                    | FLOW FROM WELL   |  |
| Choke Size   | Tbg. Press. Flwg. SI | Csg. Press.                                    | 24 Hr. Rate                                | Oil BBL        | Gas MCF  | Water BBL  | Gas/Oil Ratio         | Well Status        |  |  |
| 10/64"   | 2800                 | 3200   | →  | 30             | 760  | 90   |                       | PRODUCING GAS WELL |  |  |
| 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. SI | Csg. Press.                                    | 24 Hr. Rate                                | Oil BBL        | Gas MCF  | Water BBL  | Gas/Oil Ratio         | Well Status        |  |  |
|  |                      |  | →  |                |  |  |                       |                    |  |  |

\*(See instructions and spaces for additional data on page 2)

AUG 02 2007

28b. Production - Interval C

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

28c. Production - Interval D

|                     |                      |              |                      |         |         |           |                       |             |                   |
|---------------------|----------------------|--------------|----------------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Date First Produced | Test Date            | Hours Tested | Test Production<br>→ | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| Choke Size          | Thg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate<br>→     | 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 |
| <b>Mesaverde</b> | <b>7154</b> | <b>9177</b> |                              | <b>Wasatch</b>            | <b>4684</b> |
|                  |             |             |                              | <b>Chapita Wells</b>      | <b>5294</b> |
|                  |             |             |                              | <b>Buck Canyon</b>        | <b>5952</b> |
|                  |             |             |                              | <b>North Horn</b>         | <b>6724</b> |
|                  |             |             |                              | <b>Mesaverde</b>          | <b>7151</b> |
|                  |             |             |                              | <b>Middle Price River</b> | <b>8012</b> |
|                  |             |             |                              | <b>Lower Price River</b>  | <b>8831</b> |
|                  |             |             |                              | <b>Sego</b>               | <b>9283</b> |

32. Additional remarks (include plugging procedure):

**SEE ATTACHED SHEET.**

33. Indicate which items have been attached by placing a check in the appropriate boxes:

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

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

Name (please print) Mary A. Maestas

Title Regulatory Assistant

Signature

*Mary A. Maestas*

Date 07/31/2007

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.

**Chapita Wells Unit 1042-28 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

|           |       |
|-----------|-------|
| 7937-8099 | 2/spf |
| 7657-7868 | 3/spf |
| 7364-7557 | 2/spf |
| 7154-7322 | 3/spf |

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

|           |  |
|-----------|--|
| 7937-8099 | 60,351 GALS GELLED WATER & 193,000# 20/40 SAND |
| 7657-7868 | 47,625 GALS GELLED WATER & 130,500# 20/40 SAND |
| 7364-7557 | 47,541 GALS GELLED WATER & 129,900# 20/40 SAND |
| 7154-7322 | 60,267 GALS GELLED WATER & 195,350# 20/40 SAND |

Perforated the Lower Price River from 8932-8933', 8939-8940', 8961-8962', 8976-8977', 8996-8997', 9003-9004', 9018-9019', 9026-9027', 9052-9053', 9108-9109', 9123-9124', 9132-9133', 9164-9165' & 9176-9177' w/ 2 spf.

Perforated the Middle/Lower Price River from 8657-8658', 8679-8680', 8695-8696', 8711-8712', 8724-8725', 8741-8742', 8759-8760', 8787-8788', 8803-8804', 8850-8851', 8870-8871' & 8882-8883' w/ 2 spf.

Perforated the Middle Price River from 8351-8352', 8359-8360', 8364-8365', 8374-8375', 8387-8388', 8417-8418', 8431-8432', 8437-8438', 8456-8457', 8480-8481', 8489-8490', 8497-8498', 8505-8506' & 8547-8548' w/ 2 spf.

Perforated the Middle Price River from 8139-8140', 8152-8153', 8167-8168', 8179-8180', 8195-8196', 8205-8206', 8217-8218', 8241-8242', 8253-8254', 8271-8272', 8285-8286' & 8303-8304' w/ 3 spf.

Perforated the Upper/Middle Price River from 7937-7938', 7953-7954', 7977-7978', 8004-8005', 8020-8021', 8030-8031', 8040-8041', 8055-8056', 8069-8070', 8077-8078', 8087-8088', 8093-8094' & 8098-8099' w/ 2 spf.

Perforated the Upper Price River from 7657-7658', 7691-7692', 7707-7708', 7751-7753', 7775-7776', 7781-7782', 7798-7799', 7827-7828', 7840-7841', 7853-7854' & 7867-7868' w/ 3 spf.

Perforated the Upper Price River from 7364-7365', 7376-7377', 7385-7386', 7396-7397', 7405-7406', 7417-7418', 7433-7434', 7463-7464', 7473-7474', 7511-7512', 7532-7533', 7544-7545' & 7556-7557' w/ 2 spf.

Perforated the Upper Price River from 7154-7155', 7160-7161', 7184-7186', 7200-7201', 7212-7213', 7227-7228', 7280-7281', 7286-7287', 7298-7299', 7310-7311' & 7321-7322' w/ 3 spf.