

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

December 22, 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 1085-30  
SE/NW, SEC. 30, T9S, R23E  
UINTAH COUNTY, UTAH  
LEASE NO.: U-0337  
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 1085-30 B

RECEIVED

JAN 20 2006

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 **1600' FNL, 2300' FWL** *639113X 40.009940*  
At proposed prod. Zone *4429923y SE/NW -109.370118*

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

15. Distance from proposed\* location to nearest property or lease line, ft. **1600'**  
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease  
**2344**

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  
**9070'**

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**5123.8 FEET GRADED GROUND**

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

23. Estimated duration  
**45 DAYS**

24. Attachments

**Attachments**

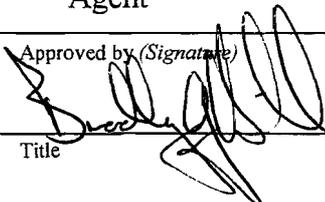
The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- 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   
Title  
**Agent**

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

Date  
**December 22, 2005**

Approved by (Signature)   
Title

Name (Printed/Typed)  
**BRADLEY G. HILL  
ENVIRONMENTAL SCIENTIST III**  
Office

Date  
**01-23-06**

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

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

\*(Instructions on page 2)

**Federal Approval of this  
Action Is Necessary**

**RECEIVED**

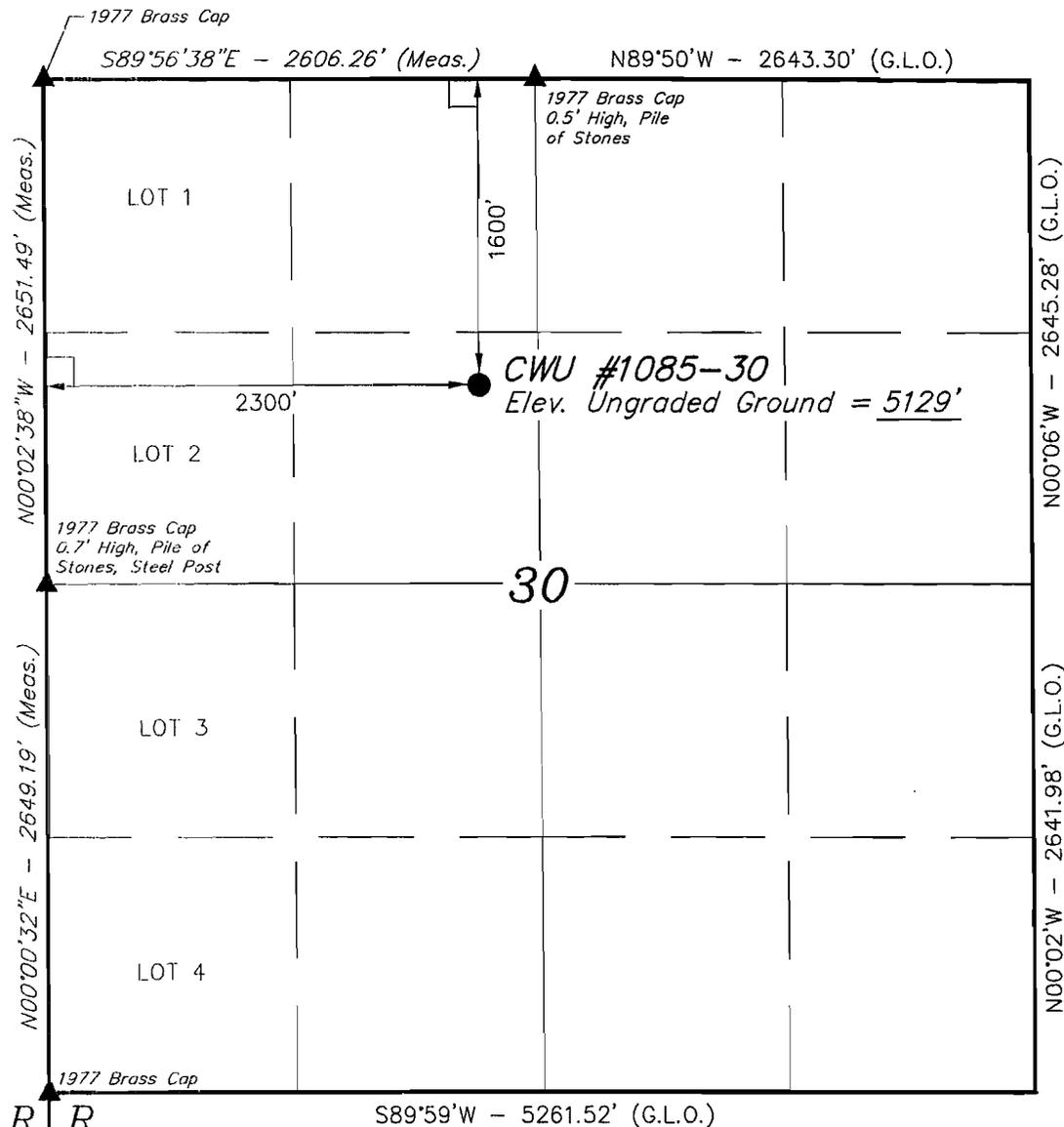
**JAN 20 2006**

DIV. OF OIL, GAS & MINING

# T9S, R23E, S.L.B.&M.

EOG RESOURCES, INC.

Well location, CWU #1085-30, located as shown in the SE 1/4 NW 1/4 of Section 30, T9S, R23E, S.L.B.&M. Uintah County, Utah.



R  
22  
E

R  
23  
E

(NAD 83)  
 LATITUDE = 40°00'35.55" (40.009875)  
 LONGITUDE = 109°22'14.52" (109.370700)  
 (NAD 27)  
 LATITUDE = 40°00'35.67" (40.009908)  
 LONGITUDE = 109°22'12.07" (109.370019)

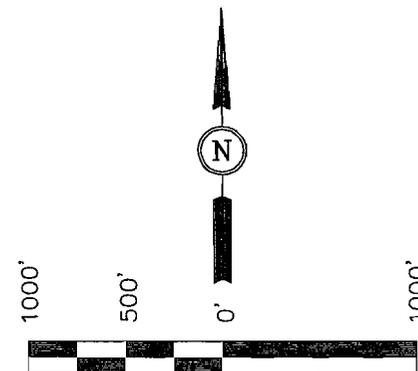
- LEGEND:
- └─┘ = 90° SYMBOL
  - = PROPOSED WELL HEAD.
  - ▲ = SECTION CORNERS LOCATED.

## 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 SERIES (TOPOGRAPHICAL 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.



SCALE

CERTIFICATE

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

*[Signature]*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 16939  
 STATE OF UTAH

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

SCALE 1" = 1000'	DATE SURVEYED: 07-29-05	DATE DRAWN: 08-01-05
PARTY T.B. B.C. P.M.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**  
**CHAPITA WELL UNIT 1085-30**  
**SE/NW, SEC. 30, T9S, R23E, 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	1,597'
Wasatch	4,599'
North Horn	6,521'
Island	6,810'
KMV Price River	7,037'
KMV Price River Middle	7,647'
KMV Price River Lower	8,401'
Sego	8,868'

Estimated TD: **9,070' or 200'± below Sego top**

**Anticipated BHP: 4,950 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>
<b>Conductor:</b>	17 ½"	0' – 45'	13 ¾"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
<b>Surface</b>	12-1/4"	45' – 2,300'KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
<b>Production:</b>	7-7/8"	2,300'± – TD	4-½"	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 1085-30**  
**SE/NW, SEC. 30, T9S, R23E, 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 1085-30**  
**SE/NW, SEC. 30, T9S, R23E, 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:** 860 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:**

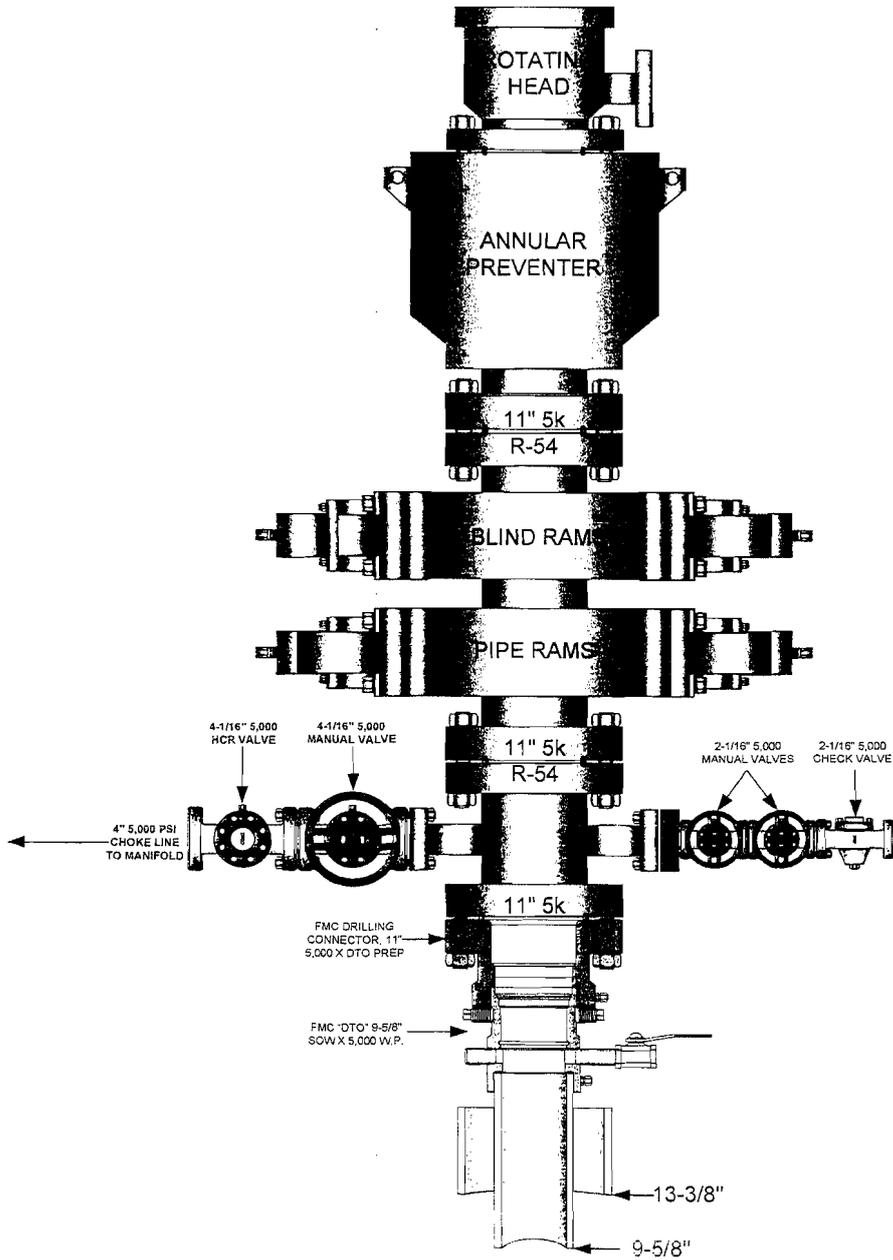
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**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.

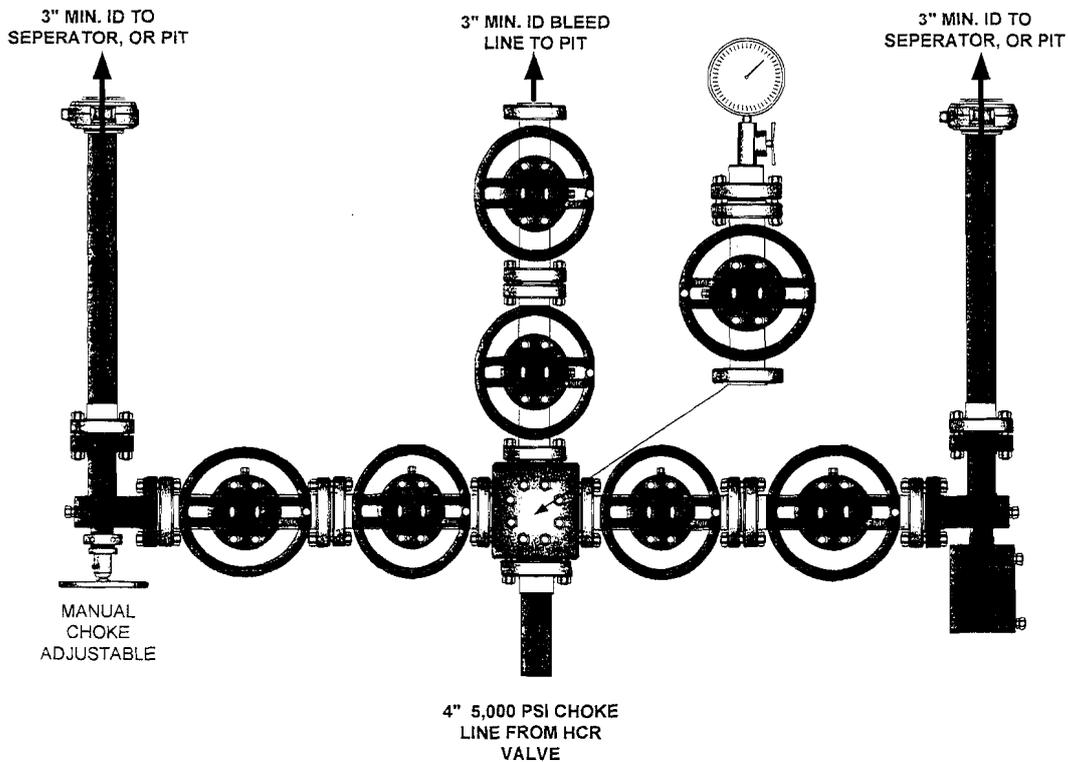
(Attachment: BOP Schematic Diagram)

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 1085-30  
Lease Number: U-0337  
Location: 1600' FNL & 2300' FWL, SE/NW, Sec. 30,  
T9S, R23E, 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 20.4 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

### 2. PLANNED ACCESS ROAD

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

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

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

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

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

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

- A. Abandoned wells - 6\*
- B. Producing wells - 23\*
- C. Shut in wells - 1\*

(\*See attached TOPO map "C" for location)

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

A. **ON WELL PAD**

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

B. **OFF WELL PAD**

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. A 4" OD steel above ground natural gas pipeline will be laid approximately 244' from proposed location to a point in the SE/NW of Section 30, T9S, R23E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands within the Chapita Wells Unit, thus a Right-of-Way grant will not be required.
- 3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
- 4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

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

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

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

All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

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

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

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

6. **SOURCE OF CONSTRUCTION MATERIAL**

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

7. **METHODS OF HANDLING WASTE DISPOSAL**

A. METHODS AND LOCATION

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

drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

**On BLM administered land:**

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

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

8. **ANCILLARY FACILITIES**

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

9. **WELLSITE LAYOUT**

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

The final abandonment seed mixture for this location is:

- Gardner 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 stockpiled pit topsoil will be stored separate from the location topsoil Southwest of Corner #5. The stockpiled location topsoil will be stored between Corners #1 and #2, as well as between Corners #6 and #5. 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 Southeast.

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**

None

**LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION**

**PERMITTING AGENT**

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

**DRILLING OPERATIONS**

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

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

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

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

**Certification**

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

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Chapita Wells Unit 1085-30 Well, located in the SE/NW of Section 30, T9S, R23E, Uintah County, Utah; Lease #U-0337;** 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.

12-22-2005  
Date

  
Agent

**Request for Exception to Buried Pipeline Requirement  
For the Chapita Wells Unit 1085-30  
SE/NW, Sec. 30, T9S, R23E  
Lease Number U-0337**

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

1. In order to bury pipe on the gas sales line route, additional surface disturbance relative to surface pipeline would be approximately .28 acre.
2. Ripping, cutting, or blasting of rock would be required, which in turn would leave long-term spoils on the right-of-way.
3. The disturbed soils on the pipeline corridor would be difficult to rehabilitate and would be susceptible to noxious weed infestation, which in turn would be hazardous to livestock.
4. Supplemental soil to replace removed rock would need to be hauled in from other locations to provide bedding and cover material.
5. The buried pipe would need to be coated and/or wrapped to minimize the potential for corrosion-caused gas leaks and blowouts.
6. Burying of pipe next to access roads increases the potential for damage, explosion, and fire when using graders and/or dozers for snow removal or road rehabilitation.
7. Surface equipment, including risers with blow down valves and pipeline markers will be required, adding to negative visual impact.
8. Disturbance of previously rehabilitated pipeline corridor could be necessary if increasing well density requires crossing of the corridor or location construction on the corridor.
9. Pipeline corridors subject to poor rehabilitation characteristics are susceptible to high rates of soil erosion.
10. Buried shallow pipelines in low areas subject to the occasional presence of standing water are susceptible to movement and surfacing.

EOG RESOURCES, INC.  
CWU #1085-30  
SECTION 30, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 3.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 51.4 MILES.

# EOG RESOURCES, INC.

CWU #1085-30

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 30, T9S, R23E, S.L.B.&M.

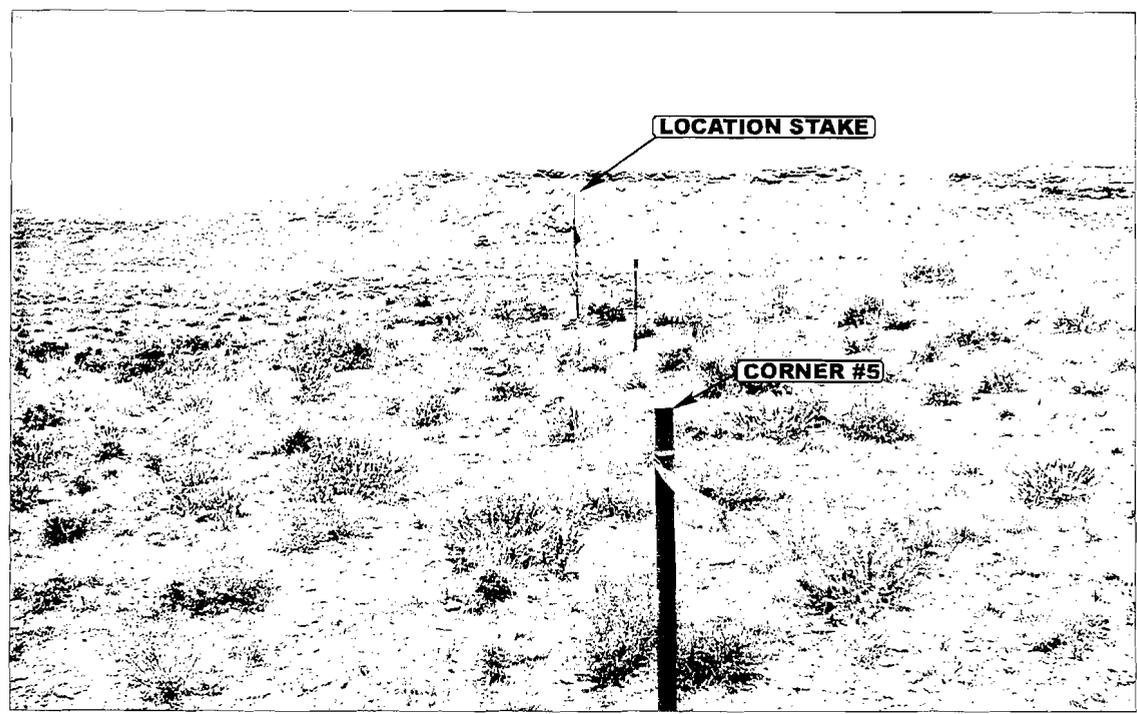


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



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

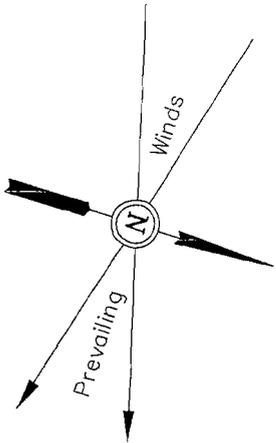
DATE: 06/05/05	PHOTO
MONTH: 06 DAY: 05 YEAR: 05	
TAKEN BY: T.B.	DRAWN BY: L.K.
REVISED: 00-00-00	

- Since 1964 -

EOG RESOURCES, INC.

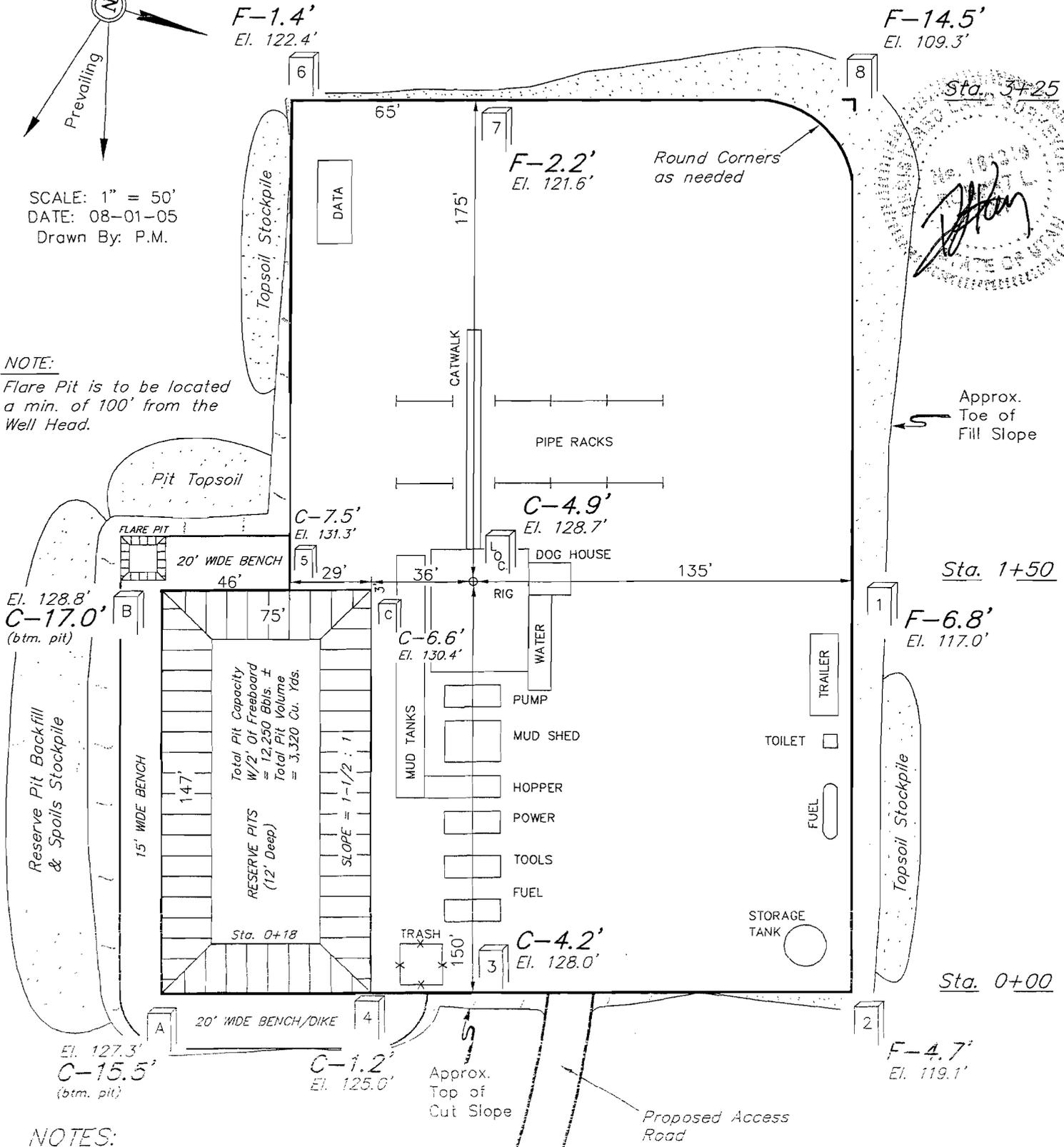
FIGURE #1

LOCATION LAYOUT FOR  
 CWU #1085-30  
 SECTION 30, T9S, R23E, S.L.B.&M.  
 1600' FNL 2300' FWL



SCALE: 1" = 50'  
 DATE: 08-01-05  
 Drawn By: P.M.

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



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5128.7'  
 FINISHED GRADE ELEV. AT LOC. STAKE = 5123.8'

EOG RESOURCES, INC.

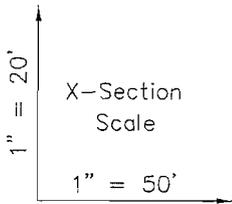
FIGURE #2

TYPICAL CROSS SECTIONS FOR

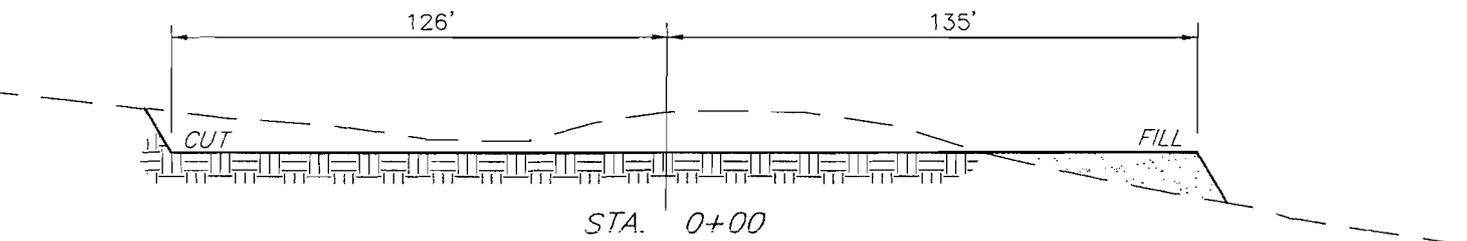
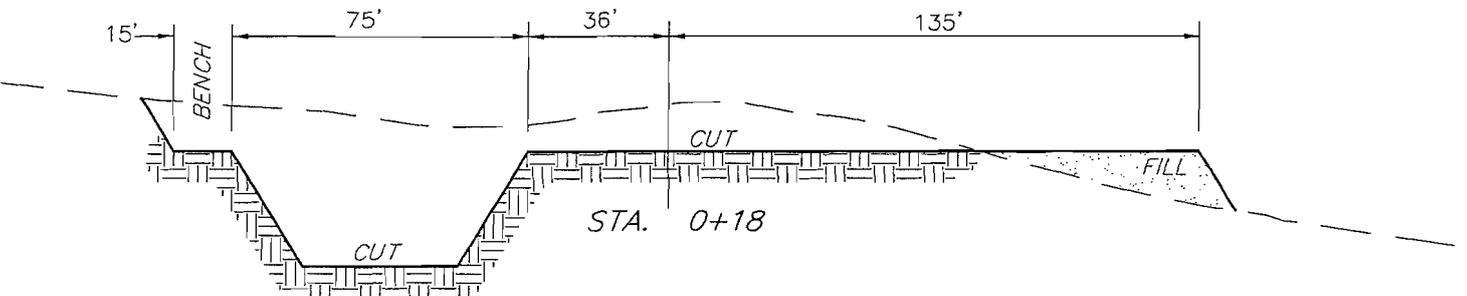
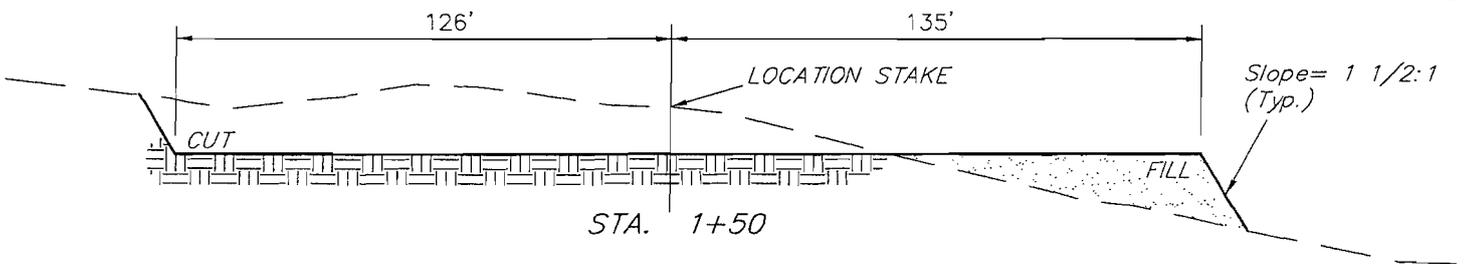
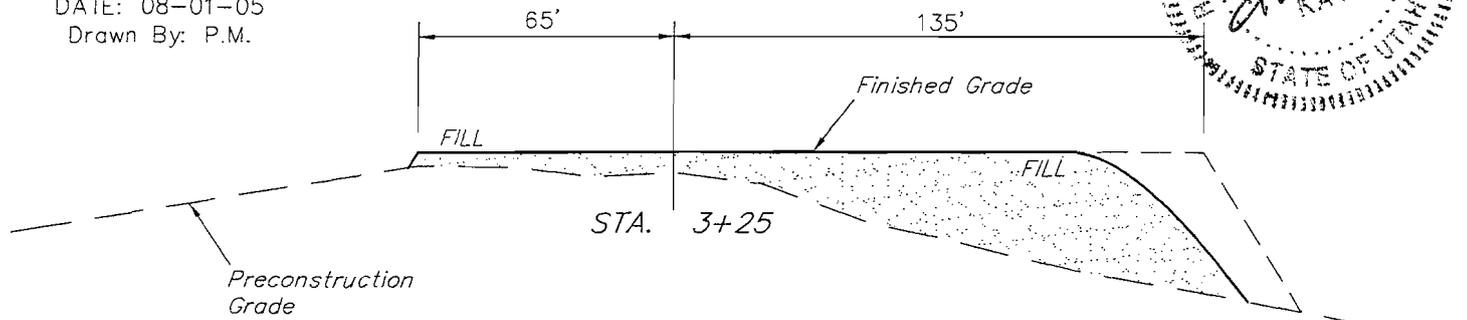
CWU #1085-30

SECTION 30, T9S, R23E, S.L.B.&M.

1600' FNL 2300' FWL



DATE: 08-01-05  
Drawn By: P.M.

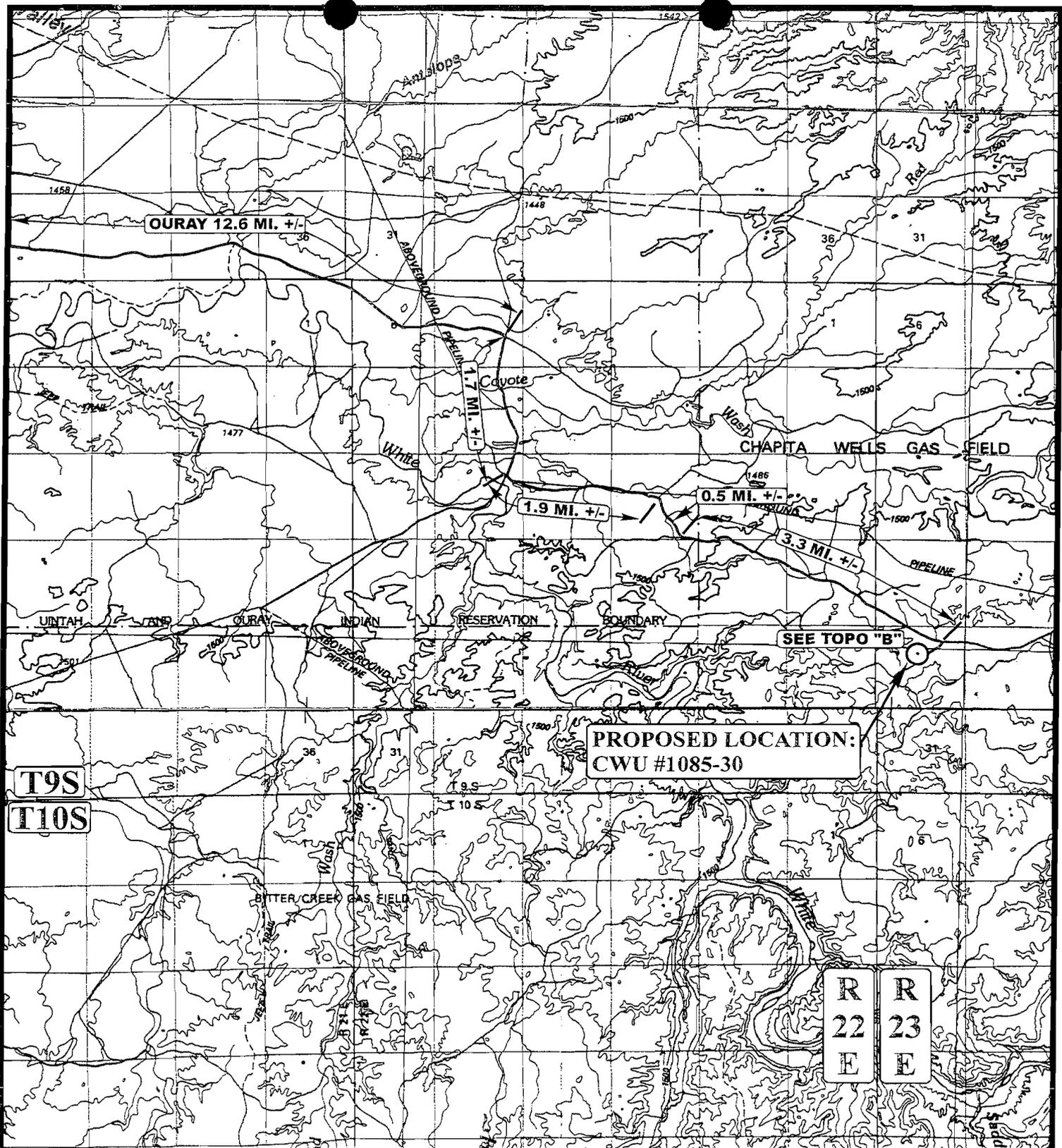


\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,680 Cu. Yds.
Remaining Location	= 10,080 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 11,760 CU.YDS.</b>
<b>FILL</b>	<b>= 8,420 CU.YDS.</b>

EXCESS MATERIAL	= 3,340 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,340 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.



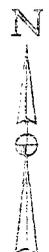
T9S  
T10S

PROPOSED LOCATION:  
CWU #1085-30

R  
22  
E  
R  
23  
E

**LEGEND:**

○ PROPOSED LOCATION



**EOG RESOURCES, INC.**

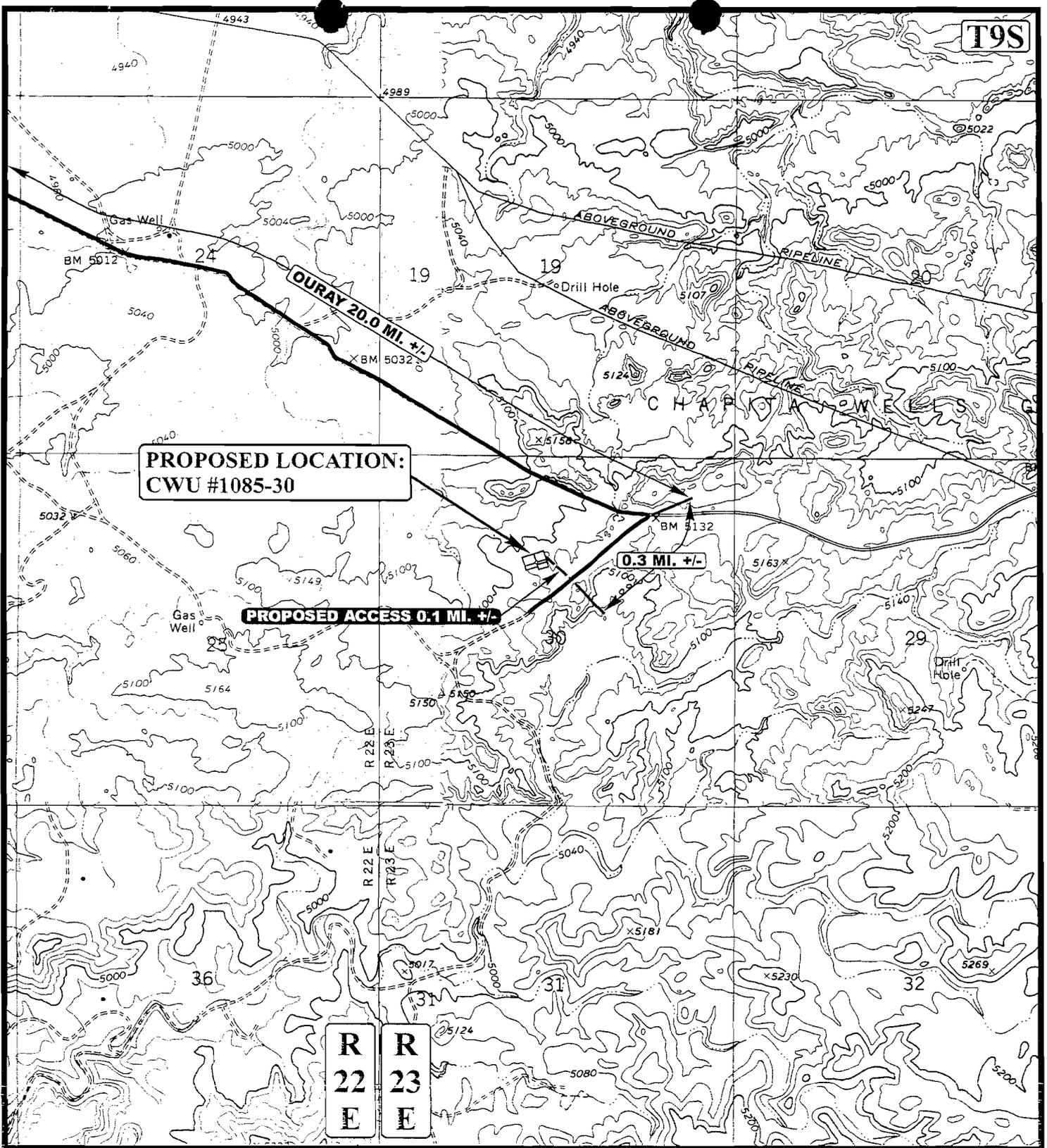
CWU #1085-30  
SECTION 30, T9S, R23E, S.L.B.&M.  
1600' FSL 2300' FWL



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

TOPOGRA... 1031 01 05  
MONTH DAY YEAR  
SCALE: 1:100,000 DRAWN BY: E.K. REVISED: 00-00-00





T9S

**PROPOSED LOCATION:  
CWU #1085-30**

**PROPOSED ACCESS 0.1 MI. +/-**

**0.3 MI. +/-**

**R  
22  
E**    **R  
23  
E**

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING ROAD

**EOG RESOURCES, INC.**

CWU #1085-30  
SECTION 30, T9S, R23E, S.L.B.&M.  
1600' FNL 2300' FWL



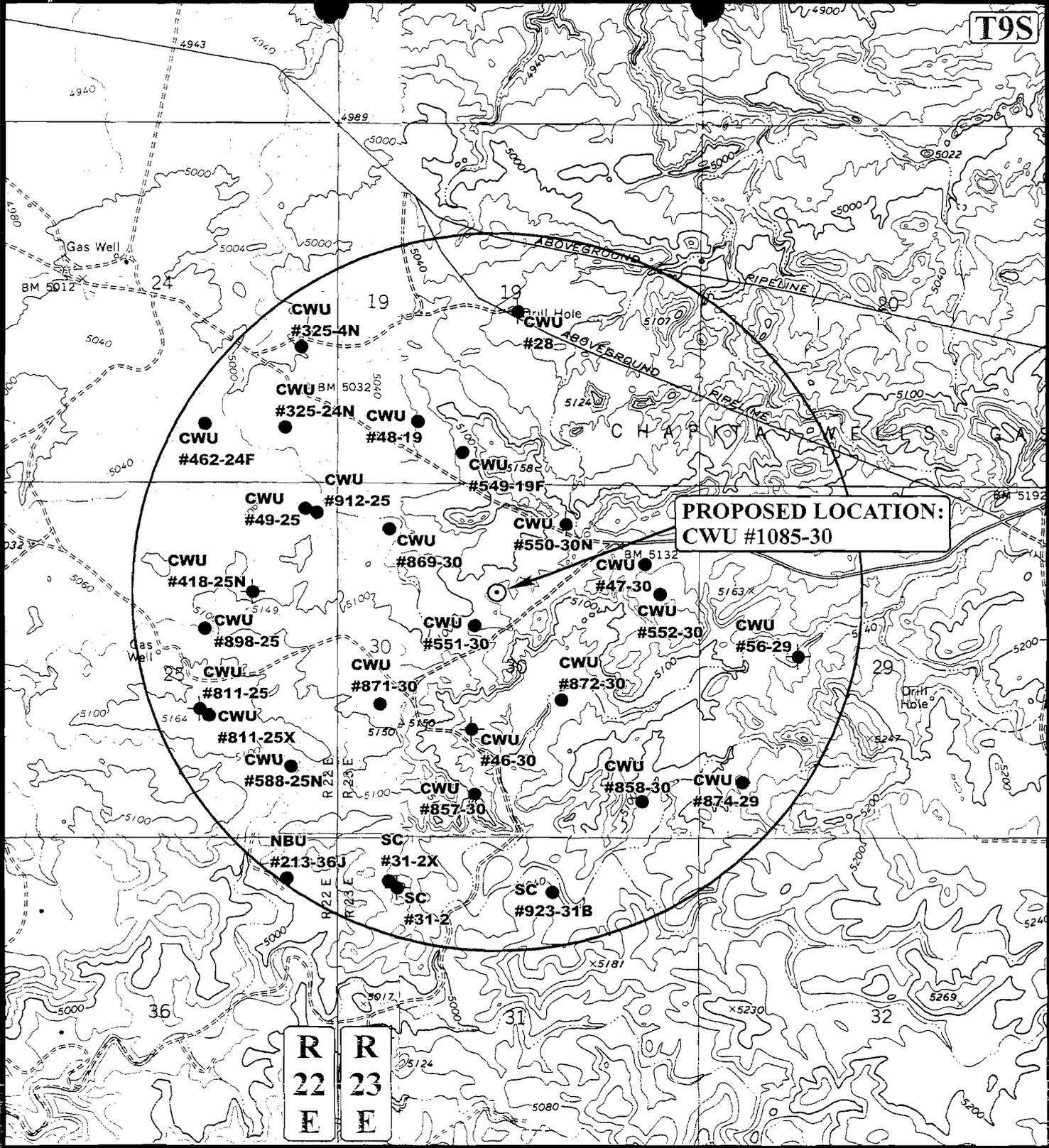
Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



TOPOGRAPHIC 08/01/05  
MAP MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00



T9S



**PROPOSED LOCATION:**  
**CWU #1085-30**

**R**  
**22**  
**E**

**R**  
**23**  
**E**

**LEGEND:**

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

**EOG RESOURCES, INC.**

**CWU #1085-30**  
**SECTION 30, T9S, R23E, S.L.B.&M.**  
**1600' FNL 2300' FWL**

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

**TOPOGRAPHIC 08/01/05**  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00





**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 01/20/2006

API NO. ASSIGNED: 43-047-37634
--------------------------------

WELL NAME: CWU 1085-30  
 OPERATOR: BOG RESOURCES INC ( N9550 )  
 CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

SENW 30 090S 230E  
 SURFACE: 1600 FNL 2300 FWL  
 BOTTOM: 1600 FNL 2300 FWL  
 COUNTY: UINTAH  
 LATITUDE: 40.00994 LONGITUDE: -109.3701  
 UTM SURF EASTINGS: 639113 NORTHINGS: 4429923  
 FIELD NAME: NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /		
<b>Tech Review</b>	<b>Initials</b>	<b>Date</b>
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: U-0337  
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV  
 COALBED METHANE WELL? NO

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:

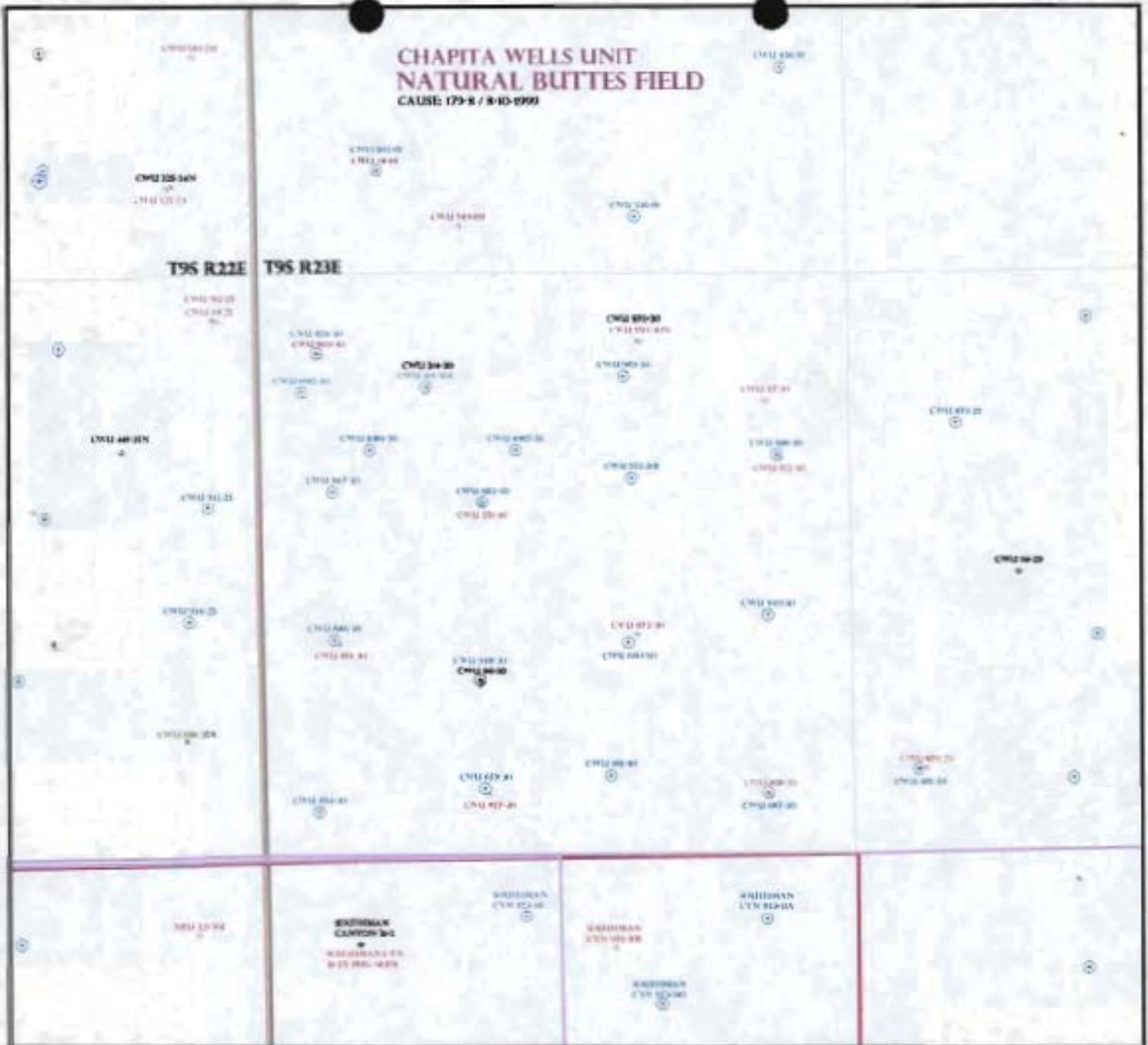
- R649-2-3.
- Unit: CHAPITA WELLS
- R649-3-2. General
- Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: 179-8
- Eff Date: 8-10-1999
- Siting: Suspends General Siting
- R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

STIPULATIONS: 1- Federal Approval

# CHAPITA WELLS UNIT NATURAL BUTTES FIELD

CAUSE: 179-8 / 8-10-1999



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 30 T. 9S R. 23E

FIELD: NATURAL BUTTES (630)

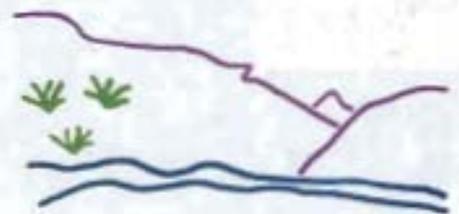
COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999

- Field Status**
- ABANDONED
  - ACTIVE
  - COMBINED
  - INACTIVE
  - PROPOSED
  - STORAGE
  - TERMINATED

- Unit States**
- EXPLORATORY
  - GAS STORAGE
  - NE PP OIL
  - NE SECONDARY
  - PENDING
  - PT OIL
  - PP GAS
  - PP GEOTHERML
  - PP OIL
  - SECONDARY
  - TERMINATED

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



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY  
DATE: 23-JANUARY-2006

# 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 23, 2006

### Memorandum

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 2006 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 well is planned for calendar year 2006 within the Chapita Wells Unit, Uintah County, Utah.

API#	WELL NAME	LOCATION
------	-----------	----------

(Proposed PZ Price River)

43-047-37634 CWU 1085-30 Sec 30 T09S R23E 1600 FNL 2300 FWL

This office has no objection to permitting the well 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



**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 23, 2006

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

Re: Chapita Wells Unit 1085-30 Well, 1600' FNL, 2300' FWL, SE NW, Sec. 30,  
T. 9 South, R. 23 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 43-047-37634.

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 1085-30

**API Number:** 43-047-37634

**Lease:** U-0337

**Location:** SE NW                      **Sec.** 30                      **T.** 9 South                      **R.** 23 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. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.**

RECEIVED

JAN 19 2006

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
BLM VERNAL, UTAH

5. Lease Serial No.  
U-0337

6. If Indian, Allottee or Tribe Name

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

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

8. Lease Name and Well No.  
CHAPITA WELLS UNIT 1085-30

2. Name of Operator  
EOG RESOURCES, INC.

9. API Well No.  
43047.3763A

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

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

10. Field and Pool, or Exploratory  
NATURAL BUTTES

4. Location of Well (Report location clearly and in accordance with any State requirements. \*)  
At surface 1600' FNL, 2300' FWL SE/NW  
At proposed prod. Zone

11. Sec., T., R., M., or Blk. and Survey or Area  
SEC. 30, T9S, R23E,  
S.L.B.&M.

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

12. County or Parish  
UINTAH

13. State  
UTAH

15. Distance from proposed\* location to nearest property or lease line, ft. 1600'  
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease  
2344

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  
9070'

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
5123.8 FEET GRADED GROUND

22. Approximate date work will start\*  
UPON APPROVAL

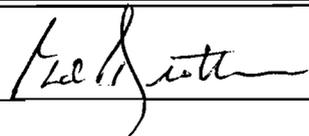
23. Esti mated duration  
45 DAYS

24. Attachments

Attachments

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

- 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  Name (Printed/Typed) Ed Trotter Date December 22, 2005  
Title Agent Accepted by the Utah Division of Oil, Gas and Mining

Approved by (Signature)  Name (Printed/Typed) JERRY KENNER Date 9-26-2006  
Title Assistant Field Manager Office Lands & Mineral Resources

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.

CONDITIONS OF APPROVAL 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)



OCT 06 2006

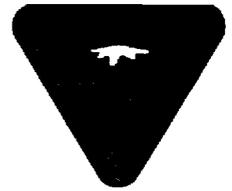
NOTICE OF APPROVAL

BLM OF OIL, GAS & MINING



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, Inc. Location: SENW, Sec 30, T9S, R23E  
Well No: Chapita Wells Unit 1085-30 Lease No: UTU-0337  
API No: 43-047-37634 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:	Charles Sharp	Office: 435-781-4486	
Natural Resource Specialist:	Darren Williams	Office: 435-781-4447	
Natural Resource Specialist:	Scott Ackerman	Office: 435-781-4437	
After Hours Contact Number:	435-781-4513	Fax: 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 (Notify Paul Buhler) - Forty-Eight (48) hours prior to construction of location and access roads.
- Location Completion (Notify Paul Buhler) - Prior to moving on the drilling rig.
- Spud Notice (Notify Petroleum Engineer) - Twenty-Four (24) hours prior to spudding the well.
- Casing String & Cementing (Notify Jamie Sparger) - Twenty-Four (24) hours prior to running casing and cementing all casing strings.
- BOP & Related Equipment Tests (Notify Jamie Sparger) - Twenty-Four (24) hours prior to initiating pressure tests.
- First Production Notice (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)***

1. 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 will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:

9 lbs of Hycrest Crested Wheatgrass and 3 lbs of Kochia Prostrata.

2. 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**

1. A surface casing shoe integrity test shall be performed.
2. A variance is granted for Onshore Order #2-Drilling Operations III. E. "Blooie line discharge 100 feet from well bore and securely anchored." Blooie line can be 75 feet.
3. Production casing cement shall be at a minimum 200 feet inside the surface casing. A CBL shall be run from TD to top of cement and a field copy shall be sent to this field office.

#### **DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

1. 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.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
4. 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.

5. The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).
6. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
7. The lessee/operator must report encounters of all non oil and gas mineral resources (such as gilsonite, tar sands, oil shale, etc.) to Peter Sokolosky or another geologist of the Vernal Field Office in writing within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
8. 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.
9. 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.

10. 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.**

11. 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.

12. 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.
13. 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.
14. This APD is approved subject to the requirement that, should 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:
  - a. Operator name, address, and telephone number.
  - b. Well name and number.
  - c. Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
  - e. 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).

- f. 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.
  - g. Unit agreement and / or participating area name and number, if applicable.
  - h. Communitization agreement number, if applicable.
15. 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.
16. 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
17. 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.
18. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

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

FORM 9

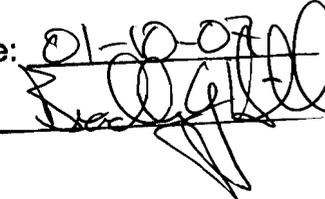
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>U-0337</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: <b>CHAPITA WELLS UNIT</b>
2. NAME OF OPERATOR: <b>EOG RESOURCES, INC.</b>		8. WELL NAME and NUMBER: <b>CHAPITA WELLS UNIT 1085-30</b>
3. ADDRESS OF OPERATOR: <b>1060 East Highway 40</b> CITY <b>Vernal</b> STATE <b>UT</b> ZIP <b>84078</b>		9. API NUMBER: <b>43-047-37634</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1600 FNL 2300 FWL</b>		10. FIELD AND POOL, OR WILDCAT: <b>NATURAL BUTTES</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SENW 30 9S 23E S.L.B. &amp; M</b>		COUNTY: <b>UINTAH</b>
		STATE: <b>UTAH</b>

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

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

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

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 01-10-07  
By: 

COPIES SENT TO OPERATOR  
DATE: 1-11-07  
BY: Rm

NAME (PLEASE PRINT) <b>Kaylene R. Gardner</b>	TITLE <b>Sr. Regulatory Assistant</b>
SIGNATURE 	DATE <b>1/8/2007</b>

(This space for State use only)

**RECEIVED**  
**JAN 10 2007**

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

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

**API:** 43-047-37634  
**Well Name:** CHAPITA WELLS UNIT 1085-30  
**Location:** 1600 FNL 2300 FWL (SENW), SECTION 30, T9S, R23E S.L.B.&M  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 1/23/2006

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

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

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

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

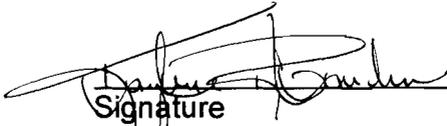
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

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

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

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

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

  
\_\_\_\_\_  
Signature

1/8/2007

\_\_\_\_\_  
Date

**Title:** Sr. Regulatory Assistant

**Representing:** EOG Resources, Inc.

RECEIVED

JAN 10 2007

DIV. OF OIL, GAS & MINING

**DIVISION OF OIL, GAS AND MINING**

**SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: CWU 1085-30

Api No: 43-047-37634 Lease Type: FEDERAL

Section 30 Township 09S Range 23E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # RATHOLE

**SPUDDED:**

Date 10/20/07

Time 1:30 PM

How DRY

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

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 10/23/07 Signed CHD

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU0337

6. If Indian, Allottee or Tribe Name

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

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

8. Well Name and No.  
CHAPITA WELLS UNIT 1085-30

9. API Well No.  
43-047-37634

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
EOG RESOURCES, INC. Contact: CARRIE E MACDONALD  
E-Mail: carrie\_macdonald@eogresources.com

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

3b. Phone No. (include area code)  
Ph: 303-262-2812  
Fx: 303-262-2813

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 30 T9S R23E SENW 1600FNL 2300FWL  
40.00988 N Lat, 109.37070 W Lon

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

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

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

The referenced well spud on 10/20/2007.

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #56859 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) CARRIE E MACDONALD Title OPERATIONS CLERK

Signature (Electronic Submission) Date 10/23/2007

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

Approved By \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

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

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

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

**RECEIVED**

OCT 24 2007

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**  
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5. Lease Serial No.  
UTU0337

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
CHAPITA WELLS UNIT 1085-30

9. API Well No.  
43-047-37634

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
EOG RESOURCES, INC. Contact: CARRIE E MACDONALD  
E-Mail: carrie\_macdonald@eogresources.com

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

3b. Phone No. (include area code)  
Ph: 303-262-2812  
Fx: 303-262-2813

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 30 T9S R23E SENW 1600FNL 2300FWL  
40.00988 N Lat, 109.37070 W Lon

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TYPE OF SUBMISSION	TYPE OF ACTION			
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<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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. 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.  
**Electronic Submission #56858 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) CARRIE E MACDONALD Title OPERATIONS CLERK

Signature (Electronic Submission) Date 10/23/2007

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

Approved By \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

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

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

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

**RECEIVED**

**OCT 24 2007**

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

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES, INC. Operator Account Number: N 9550  
Address: 600 17th Street  
city Denver  
state CO zip 80202 Phone Number: (303) 262-2812

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37535	NATURAL BUTTES UNIT 439-19E		SWNE	19	10S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	99999	<i>2900</i>	10/20/2007		<i>10/31/07</i>		
Comments: <i>NHORN = WSMUD</i>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39294	CHAPITA WELLS UNIT 1326-32		SENE	32	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	99999	<i>13650</i>	10/20/2007		<i>10/31/07</i>		
Comments: <i>MURD</i>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37634	CHAPITA WELLS UNIT 1085-30		SENW	30	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	99999	<i>13650</i>	10/20/2007		<i>10/31/07</i>		
Comments: <i>PRRU = MURD</i>							

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)

Carrie MacDonald

Name (Please Print)

Signature

Operations Clerk

10/23/2007

Date

RECEIVED

OCT 24 2007

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU0337

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
CHAPITA WELLS UNIT 1085-30

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

9. API Well No.  
43-047-37634

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

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

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

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

Sec 30 T9S R23E SENW 1600FNL 2300FWL  
40.00988 N Lat, 109.37070 W Lon

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

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

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

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

The referenced well was turned to sales on 1/11/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

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

**Electronic Submission #58001 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal**

Name (Printed/Typed) MARY A MAESTAS

Title REGULATORY ASSISTANT

Signature



Electronic Submission

Date 01/14/2008

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

Approved By \_\_\_\_\_

Title

Date

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

Office

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

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

**RECEIVED**  
**JAN 17 2008**

DIV. OF OIL, GAS & MINING

**WELL CHRONOLOGY  
REPORT**

**Report Generated On: 01-14-2008**

<b>Well Name</b>	CWU 1085-30	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-37634	<b>Well Class</b>	COMP
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	11-13-2007	<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,160/ 9,160	<b>Property #</b>	057454
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	5,140/ 5,124				
<b>Location</b>	Section 30, T9S, R23E, SENW, 1600 FNL & 2300 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	56.707	<b>NRI %</b>	48.546

**AFE No** 303566      **AFE Total** 1,763,200      **DHC / CWC** 838,700/ 924,500

**Rig Contr** TRUE      **Rig Name** TRUE #31      **Start Date** 02-06-2006      **Release Date** 11-19-2007

**02-06-2006**      **Reported By**

**Daily Costs: Drilling** \$0      **Completion** \$0      **Daily Total** \$0

**Cum Costs: Drilling** \$0      **Completion** \$0      **Well Total** \$0

**MD** 0      **TVD** 0      **Progress** 0      **Days** 0      **MW** 0.0      **Visc** 0.0

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

**Activity at Report Time: LOCATION DATA**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			1600' FNL & 2300' FWL (SE/NW)
			SECTION 30, T9S, R23E
			UINTAH COUNTY, UTAH
			LAT 40.009875, LONG 109.370700 (NAD 83)
			LAT 40.009908, LONG 109.370019 (NAD 27)
			TRUE #31
			OBJECTIVE: 9160' TD, MESAVERDE
			DW/GAS
			CHAPITA WELLS DEEP PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: U-0337
			ELEVATION: 5128.7' NAT GL, 5123.8' PREP GL(DUE TO ROUNDING PREP GL WILL BE 5124'), 5140' KB (16')
			EOG WI 56.7071%, NRI 48.5457%

10-01-2007

Reported By

BRYON TOLMAN

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION STARTED.

10-02-2007      Reported By      TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT AND DRILLING PIT.

10-03-2007      Reported By      TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT & DRILLING PIT.

10-04-2007      Reported By      TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT & DRILLING PIT.

10-05-2007      Reported By      TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT & DRILLING PIT.

10-08-2007      Reported By      TERRY CSERE







DALL COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 10/28/2007 @ 2:45 PM.

<b>11-12-2007</b>	<b>Reported By</b>	PAT CLARK									
<b>Daily Costs: Drilling</b>	\$20,618	<b>Completion</b>	\$516	<b>Daily Total</b>	\$21,134						
<b>Cum Costs: Drilling</b>	\$251,399	<b>Completion</b>	\$516	<b>Well Total</b>	\$251,915						
<b>MD</b>	2,329	<b>TVD</b>	2,329	<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: RURT**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RDMO CWU 942-29. RURT CWU 1085-30. WESTROC TRUCKING ON LOC @ 07:30, CRANE @ 09:00. CRANE RELEASED @ 18:30, TRUCKS @ 17:30. NOTIFIED//JAMIE SPARGER//VERNAL BLM//BOP TEST//11-10-07//10:00. NOTIFIED CAROL DANIELS//UOGC//11-10-07//10:05. RIG 60 % RIGGED UP, SHOULD TEST BOP THIS P.M.. MORNING TOUR SHORT ONE MAN, NO ACCIDENTS. SAFETY MEETINGS - RIG MOVE, FORKLIFT SAFETY.

<b>11-13-2007</b>	<b>Reported By</b>	PAT CLARK									
<b>Daily Costs: Drilling</b>	\$102,738	<b>Completion</b>	\$0	<b>Daily Total</b>	\$102,738						
<b>Cum Costs: Drilling</b>	\$354,137	<b>Completion</b>	\$516	<b>Well Total</b>	\$354,653						
<b>MD</b>	2,545	<b>TVD</b>	2,545	<b>Progress</b>	220	<b>Days</b>	1	<b>MW</b>	8.4	<b>Visc</b>	27.0
<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	12:00	6.0	RURT. DERRICK IN THE AIR @ 07:00.
12:00	13:00	1.0	NUBOPE. RIG ON DAYWORK @ 12:00 11/12/07.
13:00	19:00	6.0	TEST BOPE. TEST HIGH 5000 PSI AND LOW 250 PSI UPPER AND LOWER KELLY VALVE, PIPE RAMS, INSIDE AND OUTSIDE VALVE, BLIND RAM, KILL LINE, CHOKE LINE AND MANIFOLD, SAFETY AND DART VALVE, SUPER CHOKE. TEST HIGH 1500 PSI AND LOW 250 PSI ANNULAR PREVENTER. TEST SURFACE CASING TO 1500 PSI FOR 30 MINUTES. INSTALL WEAR BUSHING.
19:00	23:00	4.0	R/U WEATHERFORD TRS, P/U BHA. TAG CEMENT @ 2230'. R/D TRS.
23:00	01:00	2.0	SLIP & CUT DRILL LINE, INSTALL ROTATING RUBBER.
01:00	03:30	2.5	DRILL CEMENT/FLOAT EQUIP TO 2315'. FC @ 2271', SHOE @ 2315'. DRILL 10' TO 2325'.
03:30	04:00	0.5	PERFORM F.I.T. TO 218 PSI FOR 10.5 PPG EMW.
04:00	06:00	2.0	DRILL 2325' - 2545'. WOB 10-15K, RPM 60/68, SPP 900 PSI, DP 250 PSI, ROP 110 FPH.
			MORNING TOUR SHORT ONE MAN, NO ACCIDENTS. SAFETY MEETINGS - P/U BHA, MAKING CONNECTIONS. FORMATION - GREEN RIVER @ 1470'. CURRENT MW - 8.7 PPG, VIS - 27 SPQ. FUEL - 2695 GALS.
06:00		18.0	SPUD 7 7/8" HOLE @ 03:00 HRS, 11/13/07.

11-14-2007 Reported By PAT CLARK

Daily Costs: Drilling \$34,503 Completion \$0 Daily Total \$34,503

Cum Costs: Drilling \$388,640 Completion \$516 Well Total \$389,156

MD 5,350 TVD 5,350 Progress 2,805 Days 2 MW 8.6 Visc 27.0

Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	06:30	0.5	SURVEY @ 2475' - 2 1/4 DEG.
06:30	13:00	6.5	DRILL 2545' - 3557'. WOB 12-16K, RPM 60-70/72, SPP 1000 PSI, DP 350 PSI, ROP 157 FPH.
13:00	13:30	0.5	SURVEY @ 3487' - 2 1/4 DEG. RIG SERVICE. CHECK C.O.M., FUNCTION PIPE RAMS.
13:30	20:45	7.25	DRILL 3557' - 4562'. SAME PARAMETERS, ROP 139 FPH.
20:45	21:15	0.5	SURVEY @ 4492' - 2.5 DEG.
21:15	06:00	8.75	DRILL 4562' - 5350'. SAME PARAMETERS, ROP 90 FPH. MORNING TOUR SHORT ONE HAND, NO ACCIDENTS, BOP DRILL BOTH TOURS. SAFETY MEETINGS - PPE, FORKLIFT. FORMATION - WASATCH @ 4590', CHAPITA WELLS @ 5160'. CURRENT MW - 9.0 PPG, VIS - 30 SPQ. FUEL - 1214 GALS, USED - 1418 GALS. MUDLOGGER CHUCK HALSTEAD - 2 DAYS.

11-15-2007 Reported By PAT CLARK/JIM LOUDERMILK

Daily Costs: Drilling \$35,128 Completion \$0 Daily Total \$35,128

Cum Costs: Drilling \$423,769 Completion \$516 Well Total \$424,285

MD 6,855 TVD 6,855 Progress 1,505 Days 3 MW 9.3 Visc 31.0

Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 6855.

Start	End	Hrs	Activity Description
06:00	13:30	7.5	DRILLED 5335'-5915', (18-20 WOB / 60 RPM-72MTR / 423 GPM), 77.3 FPH.
13:30	14:00	0.5	SERVICE RIG / FUNCTION PIPE RAMS / CHECK COM.
14:00	06:00	16.0	DRILLED 5915'-6855', (18-22 WOB / 60 RPM-72MTR / 423 GPM), 58.75 FPH. MTR #1: 23.5 / 48HRS. VIS 31, WT 9.7. CREWS: FULL / NO ACCIDENTS REPORTED / HSM: PPE. FUEL: 8055 GAL. USED 1255 GAL.

11-16-2007 Reported By JIM LOUDERMILK

Daily Costs: Drilling \$40,268 Completion \$0 Daily Total \$40,268

Cum Costs: Drilling \$464,038 Completion \$516 Well Total \$464,554

MD 8,045 TVD 8,045 Progress 1,190 Days 4 MW 9.9 Visc 34.0

Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 8045'

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILLED 6855'-7075', (18-22 WOB / 60 RPM-72MTR / 423 GPM), 55 FPH.
10:00	10:30	0.5	SERVICE RIG / FUNCTION PIPE RAMS / CHECK COM.
10:30	06:00	19.5	DRILLED 7075'-8045', (18-22 WOB / 60 RPM-72MTR / 423 GPM), 49.7 FPH.

MTR #1: 23.5 / 71.5 HRS. VIS 34, WT 10.4.

PRICE RIVER @ 6810'. BG 300U, CONN 1000-2000U, MAX 8173U @ 7591.

CREWS: SHORT 1 / NO ACCIDENTS REPORTED / HSM: DESIGNATED SMOKING AREAS.

FUEL: 6628 GAL. USED 1427 GAL.

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<b>11-17-2007</b>	<b>Reported By</b>	JIM LOUDERMILK									
<b>Daily Costs: Drilling</b>	\$37,142	<b>Completion</b>	\$0	<b>Daily Total</b>	\$37,142						
<b>Cum Costs: Drilling</b>	\$501,180	<b>Completion</b>	\$516	<b>Well Total</b>	\$501,696						
<b>MD</b>	8,317	<b>TVD</b>	8,317	<b>Progress</b>	272	<b>Days</b>	5	<b>MW</b>	10.5	<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:** TIH REAM TO BTM

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRILLED 8045'-8230', (18-22 WOB / 60 RPM-72MTR / 423 GPM), 23.1 FPH.
14:00	14:30	0.5	SERVICE RIG / FUNCTION PIPE RAMS / CHECK COM.
14:30	18:30	4.0	DRILLED 8230'-8317', (18-22 WOB / 60 RPM-72MTR / 423 GPM), 21.8 FPH.
18:30	19:30	1.0	MIX & PUMP WEIGHTED PILL / DROP SURVEY.
19:30	00:30	5.0	TRIP OUT WITH BIT #1 / FUNCTION BLIND RAMS.
00:30	01:30	1.0	LD REAMERS, CHANGE OUT MOTORS & CHECK SURVEY.
01:30	05:30	4.0	TRIP IN / NO TROUBLES.
05:30	06:00	0.5	REAM 45' TO BOTTOM / 10' UNDERGAGE HOLE, NO FILL.

MTR #1: 12 / 83.5 HRS. VIS 36, WT 10.7.  
 KMV PRICE RIVER MIDDLE @ 7640'. BG 500-1200U, CONN 5000-7000U, MAX 8524U @ 8028.  
 CREWS: SHORT 1 / NO ACCIDENTS REPORTED / HSM: TRIPS & PINCH POINTS.  
 FUEL: 5438 GAL. USED 1190 GAL.

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<b>11-18-2007</b>	<b>Reported By</b>	JIM LOUDERMILK									
<b>Daily Costs: Drilling</b>	\$29,327	<b>Completion</b>	\$0	<b>Daily Total</b>	\$29,327						
<b>Cum Costs: Drilling</b>	\$530,507	<b>Completion</b>	\$516	<b>Well Total</b>	\$531,023						
<b>MD</b>	9,160	<b>TVD</b>	9,160	<b>Progress</b>	373	<b>Days</b>	6	<b>MW</b>	10.7	<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 DP

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRILLED 8317'-8757', (18-22 WOB / 60 RPM-68 MTR / 423 GPM), 48.9 FPH.
15:00	15:30	0.5	SERVICE RIG / FUNCTION PIPE RAMS / CHECK COM.
15:30	02:30	11.0	DRILLED 8757'-9160', (18-22 WOB / 60 RPM-60 MTR / 370 GPM), 36.6 FPH. SLOWED PUMP RATE TO REDUCE FLUID LOSSES TO THE WELL. MTR #2: 20 / 103.5 HRS. VIS 41, WT 11.3. REACHED TD @ 02:30 HRS, 11/18/2007.
02:30	03:00	0.5	CBU / PUMP WEIGHTED PILL.
03:00	04:00	1.0	SHORT TRIP 9160'-8222', (10 STANDS). NO TROUBLES.
04:00	05:00	1.0	CBU MIX & PUMP WEIGHTED PILL. HSM WITH WEATHERFORD TRS & RU.
05:00	06:00	1.0	LDDP. VIS 41, WT 11.3. CASING POINT @ 05:00 ON 11/18/2007.

KMV PRICE RIVER LOWER @ 8490', SEGO @ 8990', TD OF 9160'.  
 BG 6500-7500U, CONN 7500-7800U, MAX 8334U @ 8428, TRIP 9097-9160U. MUD LOGGER RELEASED @ 05:00 ON 11/18/2007, (6 DAYS).  
 CREWS: FULL + 1 / NO ACCIDENTS REPORTED / HSM: RETURN TO WORK, LDDP.

FUEL: 4402 GAL. USED 1036 GAL.

NOTIFIED JAMIE SPARGER, (VIA VOICE MAIL), WITH THE BLM'S VERNAL FIELD OFFICE ON 11/17/2007 @ 10:30 OF CASING RUN AND CEMENT JOB TO OCCUR ON 11/18/2007 @ 15:00 HRS+/-.

<b>11-19-2007</b>		<b>Reported By</b>		JIM LOUDERMILK							
<b>Daily Costs: Drilling</b>	\$18,491			<b>Completion</b>	\$153,234		<b>Daily Total</b>	\$171,725			
<b>Cum Costs: Drilling</b>	\$548,999			<b>Completion</b>	\$153,750		<b>Well Total</b>	\$702,749			
<b>MD</b>	9,160	<b>TVD</b>	9,160	<b>Progress</b>	0	<b>Days</b>	7	<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: RDRT/NO COMPLETION

Start	End	Hrs	Activity Description
06:00	13:00	7.0	LDDP. VIS 41, WT 11.3. CASING POINT @ 05:00 ON 11/18/200.
13:00	14:00	1.0	HSM / RU WEATHERFORD TRS CASING CREW.
14:00	19:30	5.5	RAN TOPCO POSITIVE FILL FLOAT SHOE, (1.50'), 1 JOINT, (42.95'), OF 4.5", 11.6#, N80, LTC, R3 CASING AND TOPCO POSITIVE FILL FLOAT COLLAR, (1.50'). FOLLOWED BY 216 JOINTS, (9049.16'), OF 4.5", 11.6#, N80, LTC, R3 CASING, 2 MARKER JOINTS, (42.89') AND 1 LANDING JOINT, (22.00'), ALL 4.5", 11.6#, HCP-110, LTC CASING. LANDED @ 9160', FLOAT COLLAR @ 9114.05' WITH MARKER TOPS @ 7233.61' & 4173.06'.
19:30	21:00	1.5	CBU / HSM WITH SCHLUMBERGER & RIG UP.
21:00	23:00	2.0	TEST LINES TO 5K. PUMP 20 BBL'S MUD FLUSH & 20 BBL'S OF FRESH WATER SPACER. LEAD: 350 SKS OF 35/65 POZ "G" MIXED @ 12.0 PPG AND 2.25 YLD+6%D020+.2%D046+.3%D0130+.2%D174+.75%D112+2%D065 FOR ADDITIVES. TAIL: 1500 SKS OF 50/50 POZ"G" MIXED @ 14.1 PPG AND 1.29 YLD+2%D020+.1%D046+.2%D065+.2%D167+.1%D013 FOR ADDITIVES. DSPL: 141.3 BBL'S OF FRESH WATER PUMPED @ 7 BPM. LOST RETURNS 137 BBL'S INTO DISPLACEMENT. BUMPED PLUG WITH 1000 PSI OVER FPIP OF 2450 PSI, FLOATS HELD BLED BACK 1.5 BBL'S. CEMENT IN PLACE ON 11/18/2007 @ 23:17 HRS.
23:00	00:00	1.0	WAIT ON CEMENT / REMOVE CEMENT HEAD & BACK OUT LANDING JT. FMC REP ON LOCATION, TESTED DTO TO 5K AND REMOVED LANDING JT.
00:00	02:00	2.0	ND BOP & CLEAN MUD TANKS.
02:00	06:00	4.0	RD / PREPARE FOR TRUCKS. WESTROC TRUCKING TO MOVE 1 MILE FROM THE CWU 1085-30 TO THE CWU 1084-30 ON 11/19/2007 @ 07:00 HRS. CREWS: FULL / NO ACCIDENTS REPORTED / HSM: CMT & ND BOP.  TRANSFER 4 JTS, (171.92' NET), OF 4.5", 11.6#, N80 LTC R3 CASING, 2 MKR JTS, (42.51' NET), 1 LANDING JT, (16.0' NET), OF 4.5", 11.6#, HCP110 LTC CASING AND 3288 GAL. #2 DIESEL FUEL. TRANSFER APPROXIMATELY 1000 BBL'S TO OF 11.3 PPG MUD TO STORAGE.
06:00		18.0	RELEASED RIG ON 11/19/2007 @ 02:00 HRS. CASING POINT COST \$548,999

<b>11-22-2007</b>		<b>Reported By</b>		TORR MCCURDY							
<b>Daily Costs: Drilling</b>	\$0			<b>Completion</b>	\$43,280		<b>Daily Total</b>	\$43,280			
<b>Cum Costs: Drilling</b>	\$548,999			<b>Completion</b>	\$197,030		<b>Well Total</b>	\$746,029			
<b>MD</b>	9,160	<b>TVD</b>	9,160	<b>Progress</b>	0	<b>Days</b>	8	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 9114.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: NO COMPLETION

Start	End	Hrs	Activity Description
13:00	14:00	1.0	11/20/07 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBDT TO 200'. EST CEMENT TOP @ 550'. RD SCHLUMBERGER.

NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

11-29-2007		Reported By	TORR MCCURDY								
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$28,744	<b>Daily Total</b>	\$28,744						
<b>Cum Costs: Drilling</b>	\$548,999	<b>Completion</b>	\$225,774	<b>Well Total</b>	\$774,773						
<b>MD</b>	9,160	<b>TVD</b>	9,160	<b>Progress</b>	0	<b>Days</b>	9	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBDT : 9114.0</b>		<b>Perf : 7652'-8935'</b>			<b>PKR Depth : 0.0</b>				

Activity at Report Time: FRAC UPR

Start	End	Hrs	Activity Description
06:00	17:00	11.0	MIRU CUTTERS WIRELINE & PERFORATE LPR FROM 8609'-11', 8621'-23', 8643'-44', 8708'-09', 8746'-47', 8775'-76', 8783'-85', 8797'-98', 8821'-22', 8883'-85', 8909'-10', 8934'-35' @ 3 SPF @ 120° PHASING. RDWL. MIRU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5192 GAL WF116 PAD, 44998 GAL YF116ST+ WITH 111,200 # 20/40 SAND @ 1-4 PPG. MTP 6103 PSIG. MTR 50.7 BPM. ATP 4548 PSIG. ATR 46.8 BPM. ISIP 2820 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 8584'. PERFORATE LPR/MPR FROM 8302'-03', 8330'-31', 8359'-60', 8370'-71', 8437'-38', 8449'-50', 8459'-60', 8467'-68', 8510'-11', 8523'-24', 8532'-33', 8566'-67' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5172 GAL WF116 PAD, 43464 GAL YF116ST+ WITH 107200 # 20/40 SAND @ 1-4 PPG. MTP 6327 PSIG. MTR 51.4 BPM. ATP 5097 PSIG. ATR 47.5 BPM. ISIP 3440 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 8262'. PERFORATE MPR FROM 8005'-06', 8016'-17', 8027'-28', 8051'-52', 8071'-72', 8101'-02', 8108'-09', 8115'-16', 8145'-46', 8159'-60', 8217'-18', 8247'-48' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5196 GAL WF116 PAD, 48732 GAL YF116ST+ WITH 117800 # 20/40 SAND @ 1-4 PPG. MTP 6114 PSIG. MTR 50.5 BPM. ATP 4722 PSIG. ATR 47.4 BPM. ISIP 2470 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 7965'. PERFORATE MPR FROM 7795'-96', 7815'-16', 7824'-25', 7842'-43', 7854'-55', 7865'-66', 7893'-94', 7910'-11', 7919'-20', 7929'-30', 7936'-37', 7945'-46' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5175 GAL WF116 PAD, 50,979 GAL YF116ST+ WITH 137800 # 20/40 SAND @ 1-5 PPG. MTP 6220 PSIG. MTR 51 BPM. ATP 4023 PSIG. ATR 47.6 BPM. ISIP 2540 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 7766'. PERFORATE MPR FROM 7652'-53', 7662'-63', 7667'-68', 7679'-80', 7702'-03', 7710'-12', 7725'-26', 7731'-33', 7742'-44' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5173 GAL WF116 PAD, 47243 GAL YF116ST+ WITH 125,500 # 20/40 SAND @ 1-5 PPG. MTP 6104 PSIG. MTR 50.4 BPM. ATP 3734 PSIG. ATR 46.4 BPM. ISIP 1950 PSIG. RD SCHLUMBERGER. SWIFN

11-30-2007		Reported By	TORR MCCURDY								
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$328,830	<b>Daily Total</b>	\$328,830						
<b>Cum Costs: Drilling</b>	\$548,999	<b>Completion</b>	\$554,604	<b>Well Total</b>	\$1,103,603						
<b>MD</b>	9,160	<b>TVD</b>	9,160	<b>Progress</b>	0	<b>Days</b>	10	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBDT : 9114.0</b>		<b>Perf : 6804'-8935'</b>			<b>PKR Depth : 0.0</b>				

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
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06:00 14:30 8.5 SICP 1655 PSIG. RUWL. SET 10K CFP AT 7626'. PERFORATED UPR FROM 7470'-71', 7475'-76', 7508'-09', 7520'-22', 7533'-34', 7565'-66', 7582'-84', 7605'-06' & 7612'-14' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5199 GAL WF116 PAD, 46671 GAL YF116ST+ W/124600# 20/40 SAND @ 1-5 PPG. MTP 6026 PSIG. MTR 50.4 BPM. ATP 3885 PSIG. ATR 47.6 BPM. ISIP 1980 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7445'. PERFORATED UPR FROM 7301'-02', 7317'-18', 7338'-39', 7348'-49', 7363'-64', 7374'-75', 7385'-86', 7409'-11', 7418'-19' & 7423'-25' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5180 GAL WF116 PAD, 47992 GAL YF116ST+ W/131200# 20/40 SAND @ 1-5 PPG. MTP 5865 PSIG. MTR 50.3 BPM. ATP 3833 PSIG. ATR 47.6 BPM. ISIP 2300 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7250'. PERFORATED UPR FROM 7005'-06', 7028'-29', 7074'-75', 7085'-86', 7096'-97', 7104'-05', 7129'-30', 7163'-64', 7169'-70', 7211'-12', 7216'-17' & 7232'-33' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5153 GAL WF116 PAD, 56881 GAL YF116ST+ W/155800# 20/40 SAND @ 1-5 PPG. MTP 6171 PSIG. MTR 50.4 BPM. ATP 3735 PSIG. ATR 48 BPM. ISIP 1840 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6925'. PERFORATED UPR FROM 6804'-05', 6814'-15', 6829'-30', 6835'-36', 6843'-44', 6863'-64', 6869'-70', 6873'-74', 6897'-98', 6938'-39', 6944'-45' & 6951'-52' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5145 GAL WF116 PAD, 47733 GAL YF116ST+ W/123100# 20/40 SAND @ 1-5 PPG. MTP 5499 PSIG. MTR 50.3 BPM. ATP 3669 PSIG. ATR 48 BPM. ISIP 2250 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 6708'. BLED OFF PRESSURE. RDWL. SDFN.

12-01-2007		Reported By		HAL IVIE							
<b>Daily Costs: Drilling</b>	\$0			<b>Completion</b>	\$26,887		<b>Daily Total</b>	\$26,887			
<b>Cum Costs: Drilling</b>	\$548,999			<b>Completion</b>	\$581,491		<b>Well Total</b>	\$1,130,490			
<b>MD</b>	9,160	<b>TVD</b>	9,160	<b>Progress</b>	0	<b>Days</b>	11	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 9114.0</b>		<b>Perf : 6804'-8935'</b>		<b>PKR Depth : 0.0</b>					
<b>Activity at Report Time: DRILLING PLUGS</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	17:00	11.0	MIRU ROYAL RIG # 1. ND FRAC TREE. NU BOP. RIH W/ MILL & PUMP OFF SUB TO 6708'. RU TO DRILL OUT PLUGS. SWI-SDFN								

12-04-2007		Reported By		HAL IVIE							
<b>Daily Costs: Drilling</b>	\$0			<b>Completion</b>	\$50,998		<b>Daily Total</b>	\$50,998			
<b>Cum Costs: Drilling</b>	\$548,999			<b>Completion</b>	\$632,489		<b>Well Total</b>	\$1,181,488			
<b>MD</b>	9,160	<b>TVD</b>	9,160	<b>Progress</b>	0	<b>Days</b>	12	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 9114.0</b>		<b>Perf : 6804'-8935'</b>		<b>PKR Depth : 0.0</b>					
<b>Activity at Report Time: FLOW TEST</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6708', 6975', 7250', 7445', 7626', 7766', 7965', 8262' & 8584'. RIH. CLEANED OUT TO PBTD @ 9114'. LANDED TBG AT 7248' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.								

FLOWED 13 HRS. 16/64" CHOKE. FTP 1650 PSIG. CP 2150 PSIG. 47 BFPH. RECOVERED 621 BLW. 10476 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'  
 1 JT 2-3/8" 4.7# N-80 TBG 32.46'  
 XN NIPPLE 1.10'  
 222 JTS 2-3/8" 4.7# N-80 TBG 7197.87'  
 BELOW KB 16.00'  
 LANDED @ 7248.43' KB

<b>12-05-2007</b>		<b>Reported By</b>		HAL IVIE	
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,560	<b>Daily Total</b>	\$2,560
<b>Cum Costs: Drilling</b>	\$548,999	<b>Completion</b>	\$635,049	<b>Well Total</b>	\$1,184,048
<b>MD</b>	9,160	<b>TVD</b>	9,160	<b>Progress</b>	0
		<b>Days</b>	13	<b>MW</b>	0.0
		<b>Visc</b>			0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 9114.0</b>		<b>Perf : 6804'-8935'</b>	
<b>PKR Depth : 0.0</b>					
<b>Activity at Report Time: FLOW TEST</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1900 PSIG. CP 3050 PSIG. 37 BFPH. RECOVERED 808 BLW. 9596 BLWTR.		

<b>12-06-2007</b>		<b>Reported By</b>		HAL IVIE	
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,185	<b>Daily Total</b>	\$2,185
<b>Cum Costs: Drilling</b>	\$548,999	<b>Completion</b>	\$637,234	<b>Well Total</b>	\$1,186,233
<b>MD</b>	9,160	<b>TVD</b>	9,160	<b>Progress</b>	0
		<b>Days</b>	14	<b>MW</b>	0.0
		<b>Visc</b>			0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 9114.0</b>		<b>Perf : 6804'-8935'</b>	
<b>PKR Depth : 0.0</b>					
<b>Activity at Report Time: FLOW TEST</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1850 PSIG. CP 3000 PSIG. 32 BFPH. RECOVERED 780 BBLs, 8816 BLWTR.		

<b>12-07-2007</b>		<b>Reported By</b>		HAL IVIE	
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,185	<b>Daily Total</b>	\$2,185
<b>Cum Costs: Drilling</b>	\$548,999	<b>Completion</b>	\$639,419	<b>Well Total</b>	\$1,188,418
<b>MD</b>	9,160	<b>TVD</b>	9,160	<b>Progress</b>	0
		<b>Days</b>	15	<b>MW</b>	0.0
		<b>Visc</b>			0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 9114.0</b>		<b>Perf : 6804'-8935'</b>	
<b>PKR Depth : 0.0</b>					
<b>Activity at Report Time: WO FACILITIES</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1700 PSIG. CP 2800 PSIG. 24 BFPH. RECOVERED 573 BLW. 8243 BLWTR. SI. WO FACILITIES.		

FINAL COMPLETION DATE: 12/6/07

<b>01-12-2008</b>		<b>Reported By</b>		HAL IVIE	
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,185	<b>Daily Total</b>	\$2,185
<b>Cum Costs: Drilling</b>	\$548,999	<b>Completion</b>	\$639,419	<b>Well Total</b>	\$1,188,418
<b>MD</b>	9,160	<b>TVD</b>	9,160	<b>Progress</b>	0
		<b>Days</b>	16	<b>MW</b>	0.0
		<b>Visc</b>			0.0
<b>Formation :</b>		<b>PBTD : 9114.0</b>		<b>Perf :</b>	
<b>PKR Depth : 0.0</b>					
<b>Activity at Report Time: INITIAL PRODUCTION</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0			

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

5. Lease Serial No. UTU0337

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No. CHAPITA WELLS UNIT 1085-30

9. API Well No. 43-047-37634

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

11. Sec., T., R., M., or Block and Survey or Area Sec 30 T9S R23E Mer SLB

12. County or Parish UINTAH

13. State UT

14. Date Spudded 10/20/2007

15. Date T.D. Reached 11/18/2007

16. Date Completed  D & A  Ready to Prod. 01/11/2008

17. Elevations (DF, KB, RT, GL)\* 5129 GL

18. Total Depth: MD 9160 TVD

19. Plug Back T.D.: MD 9114 TVD

20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each) RST/CBL/CCL/~~VDR~~/GR <sup>Temp</sup>

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
7.875	4.500 P-110	11.6							
12.250	9.625 J-55	36.0	0	2329		775			
7.875	4.500 N-80	11.6	0	9160		1850			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	7248							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	6804	8935	8609 TO 8935		3	
B)			8302 TO 8567		3	
C)			8005 TO 8248		3	
D)			7795 TO 7946		3	

26. Perforation Record

Depth Interval	Amount and Type of Material
8609 TO 8935	50,355 GALS GELLED WATER & 111,200# 20/40 SAND
8302 TO 8567	48,801 GALS GELLED WATER & 107,200# 20/40 SAND
8005 TO 8248	54,093 GALS GELLED WATER & 117,800# 20/40 SAND
7795 TO 7946	56,319 GALS GELLED WATER & 137,800# 20/40 SAND

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

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
01/11/2008	01/18/2008	24	→	25.0	737.0	280.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
12/64"	SI 1400	2600.0	→	25	737	280		PGW	

28a. Production - Interval B

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

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

ELECTRONIC SUBMISSION #58591 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

RECEIVED

FEB 14 2008

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
MESAVERDE	6804	8935		GREEN RIVER MAHOGANY WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER MIDDLE PRICE RIVER LOWER PRICE RIVER	1681 2294 4592 5167 5851 6786 7676 8483

32. Additional remarks (include plugging procedure):

Please see the attached sheet for detailed perforation and additional formation marker information.

Item #40: The P-110 casing used was 2 marker joints totalling 42.89'.

33. Circle enclosed attachments:

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

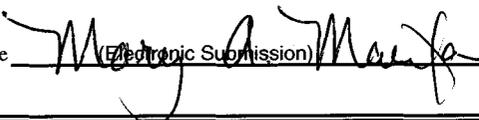
34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

**Electronic Submission #58591 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal**

Name (please print) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature



(Electronic Submission)

Date 02/12/2008

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

**\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\***

**Chapita Wells Unit 1085-30 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

7652-7744	3/spf
7470-7614	3/spf
7301-7425	3/spf
7005-7233	3/spf
6804-6952	3/spf

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

7652-7744	52,581 GALS GELLED WATER & 125,500# 20/40 SAND
7470-7614	52,035 GALS GELLED WATER & 124,600# 20/40 SAND
7301-7425	53,337 GALS GELLED WATER & 131,200# 20/40 SAND
7005-7233	62,199 GALS GELLED WATER & 155,800# 20/40 SAND
6804-6952	53,043 GALS GELLED WATER & 123,100# 20/40 SAND

Perforated the Lower Price River from 8609-11', 8621-23', 8643-44', 8708-09', 8746-47', 8775-76', 8783-85', 8797-98', 8821-22', 8883-85' 8909-10' & 8934-35' w/ 3 spf.

Perforated the Lower/Middle Price River from 8302-03', 8330-31', 8359-60', 8370-71', 8437-38', 8449-50', 8459-60', 8467-68', 8510-11', 8523-24', 8532-33' & 8566-67' w/ 3 spf.

Perforated the Middle Price River from 8005-06', 8016-17', 8027-28', 8051-52', 8071-72', 8101-8102', 8108-09', 8115-16', 8145-46', 8159-60', 8217-18' & 8247-48' w/ 3 spf.

Perforated the Middle Price River from 7795-96', 7815-16', 7824-25', 7842-43', 7854-55', 7865-66', 7893-94', 7910-11', 7919-20', 7929-30', 7936-37' & 7945-46' w/ 3 spf.

Perforated the Middle Price River from 7652-53', 7662-63', 7667-68', 7679-80', 7702-03', 7710-12', 7725-26', 7731-33' & 7742-44' w/ 3 spf.

Perforated the Upper Price River from 7470-71', 7475-76', 7508-09', 7520-22', 7533-34', 7565-66', 7582-84', 7605-06' & 7612-14' w/ 3 spf.

Perforated the Upper Price River from 7301-02', 7317-18', 7338-39', 7348-49', 7363-64', 7374-75', 7385-86', 7409-11', 7418-19' & 7423-25' w/ 3 spf.

Perforated the Upper Price River from 7005-06', 7028-29', 7074-75', 7085-86', 7096-97', 7104-05', 7129-30', 7163-64', 7169-70', 7211-12', 7216-17' & 7232-33' w/ 3 spf.

Perforated the Upper Price River from 6804-05', 6814-15', 6829-30', 6835-36', 6843-44', 6863-64', 6869-70', 6873-74', 6897-98', 6938-39', 6944-45' & 6951-52' w/ 3 spf.

**52. FORMATION (LOG) MARKERS:**

SEGO	8991
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**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 7

**REPORT OF WATER ENCOUNTERED DURING DRILLING**

Well name and number: CWU 1085-30

API number: 4304737634

Well Location: QQ SENW Section 30 Township 9S Range 23E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,910	1,920	NO FLOW	NOT KNOWN

Formation tops:            1 \_\_\_\_\_            2 \_\_\_\_\_            3 \_\_\_\_\_  
                                   4 \_\_\_\_\_            5 \_\_\_\_\_            6 \_\_\_\_\_  
                                   7 \_\_\_\_\_            8 \_\_\_\_\_            9 \_\_\_\_\_  
                                   10 \_\_\_\_\_            11 \_\_\_\_\_            12 \_\_\_\_\_

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

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

NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory Assistant  
 SIGNATURE Mary A. Maestas DATE 2/12/2008

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU0337

6. If Indian, Allottee or Tribe Name

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

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

8. Well Name and No.  
CHAPITA WELLS UNIT 1085-30

9. API Well No.  
43-047-37634

10. Field and Pool, or Exploratory  
NATURAL BUTTES

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 30 T9S R23E SENW 1600FNL 2300FWL  
40.00988 N Lat, 109.37070 W Lon

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

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

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

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

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #66300 verified by the BLM Well Information System**  
**For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MICKENZIE THACKER Title OPERATIONS CLERK

Signature *Mickenzie Thacker* Date 01/14/2009

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

Approved By \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

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

Office \_\_\_\_\_

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

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

**RECEIVED**  
**JAN 20 2009**  
DIV. OF OIL, GAS & MINING