

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
U-0284-A

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.
CHAPITA WELLS UNIT 1162-22

9. API Well No.
43-047-37843

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

12. County or Parish
UINTAH

13. State
UTAH

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

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. Unit line, if any)
1164'

16. No. of Acres in lease
1240

17. Spacing Unit dedicated to this well

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

19. Proposed Depth
9520'

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
4971.2 FEET GRADED GROUND

22. Approximate date work will start*
UPON APPROVAL

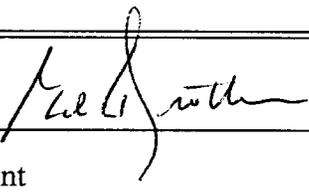
23. Esti mated duration
45 DAYS

24. Attachments

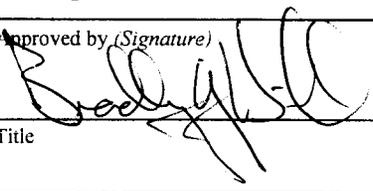
Attachments

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

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

25. Signature  Name (Printed/Typed) **Ed Trotter** Date **February 10, 2006**

Title **Agent**

Approved by (Signature)  Name (Printed/Typed) **BRADLEY G. HILL** Date **03-07-06**

Title Office

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**

FEB 23 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)

March 6, 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 wells are planned for calendar year 2006 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ Wasatch)		
43-047-37859	CWU 704-29 Sec 29 T09S R23E 0780	FSL 2122 FEL
(Proposed PZ Price River)		
43-047-37833	CWU 1019-15 Sec 15 T09S R22E 1009	FSL 0895 FEL
43-047-37839	CWU 1021-15 Sec 15 T09S R22E 1463	FNL 0350 FEL
43-047-37840	CWU 1022-15 Sec 15 T09S R22E 0954	FNL 1936 FEL
43-047-37841	CWU 988-15 Sec 15 T09S R22E 0400	FNL 1024 FEL
43-047-37842	CWU 1160-22 Sec 22 T09S R22E 0633	FSL 0253 FWL
43-047-37843	CWU 1162-22 Sec 22 T09S R22E 1164	FSL 2082 FEL
43-047-37844	CWU 923-23 Sec 23 T09S R22E 1632	FSL 0877 FWL
43-047-37845	CWU 924-23 Sec 23 T09S R22E 1812	FSL 2032 FEL
43-047-37846	CWU 919-23 Sec 23 T09S R22E 0211	FNL 2305 FEL
43-047-37847	CWU 927-24 Sec 24 T09S R22E 2080	FSL 0347 FWL
43-047-37848	CWU 930-24 Sec 24 T09S R22E 0852	FSL 0741 FEL
43-047-37849	CWU 509-25F Sec 25 T09S R22E 2007	FNL 2050 FWL
43-047-37850	CWU 508-25F Sec 25 T09S R22E 0666	FNL 0825 FWL
43-047-37851	CWU 1159-26 Sec 26 T09S R22E 1203	FNL 1736 FEL
43-047-37852	CWU 1158-26 Sec 26 T09S R22E 1224	FNL 2315 FWL
43-047-37838	CWU 1172-03 Sec 03 T09S R22E 2197	FSL 0715 FEL
43-047-37834	CWU 1177-03 Sec 03 T09S R22E 0695	FNL 0736 FWL
43-047-37858	CWU 943-29 Sec 29 T09S R23E 2107	FSL 1936 FEL

Page 2

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

/s/ Michael L. Coulthard

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

February 10, 2006

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 1162-22
SW/SE, SEC. 22, T9S, R22E
UINTAH COUNTY, UTAH
LEASE NO.: U-0284-A
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 1162-22 B

FEB 23 2006

EIGHT POINT PLAN
CHAPITA WELL UNIT 1162-22
SW/SE, SEC. 22, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

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

FORMATION	DEPTH (KB)
Green River FM	1,670'
Wasatch	4,754'
North Horn	6,694'
Island	7,014'
KMV Price River	7,228'
KMV Price River Middle	8,046'
KMV Price River Lower	8,841'
Sego	9,316'

Estimated TD: **9,520' or 200'± below Sego top**

Anticipated BHP: 5,200 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
 BOP schematic diagrams attached.

4. CASING PROGRAM:

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

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

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

EIGHT POINT PLAN
CHAPITA WELL UNIT 1162-22
SW/SE, SEC. 22, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

Float Equipment: (Cont'd)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 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 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. 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% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

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

EIGHT POINT PLAN
CHAPITA WELL UNIT 1162-22
SW/SE, SEC. 22, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

CEMENT PROGRAM (Continued):

Top Out: As necessary with Class "G" cement with 2% CaCl₂, 1/4#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

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

Production Hole Procedure (2300'± - TD)

Lead: 138 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: 923 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

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

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

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

11. STANDARD REQUIRED EQUIPMENT:

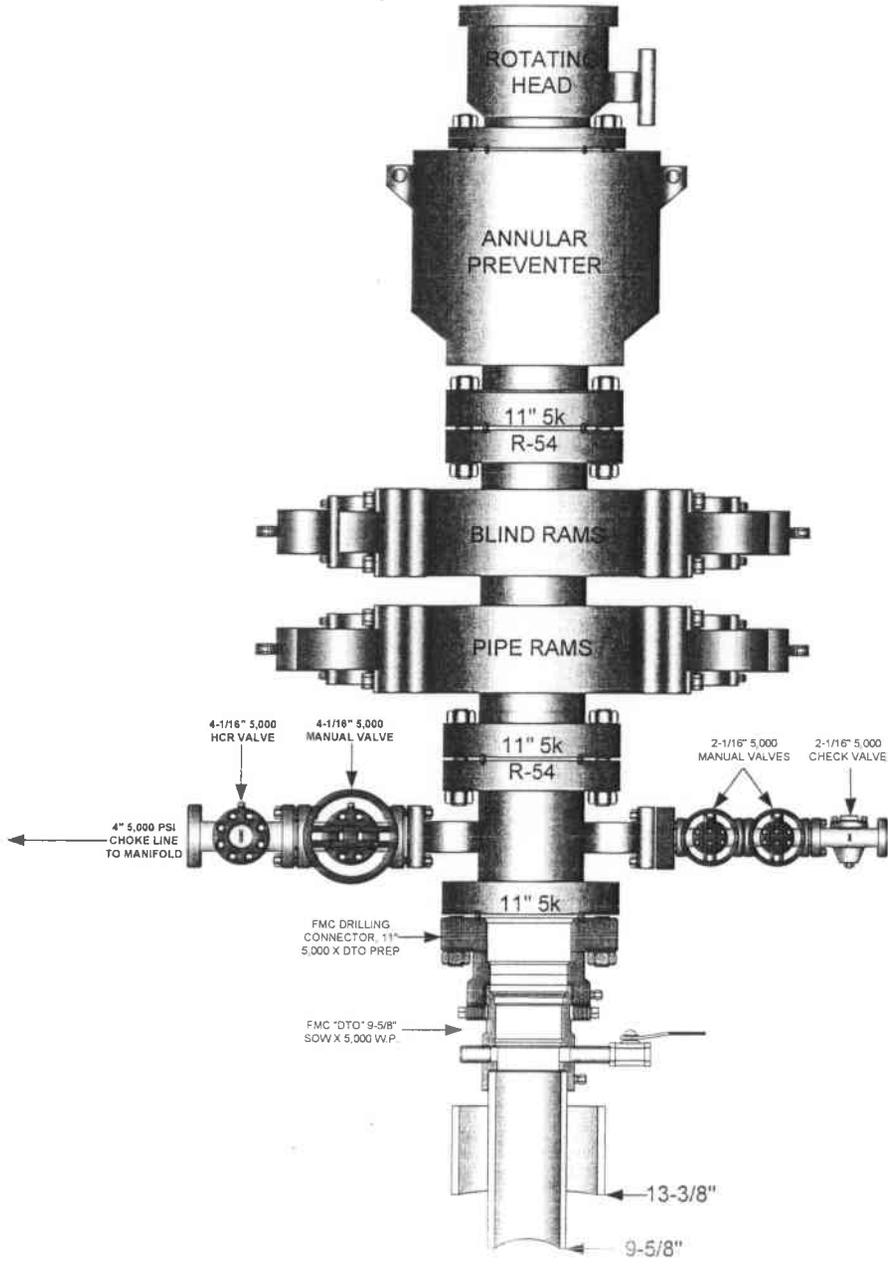
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

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

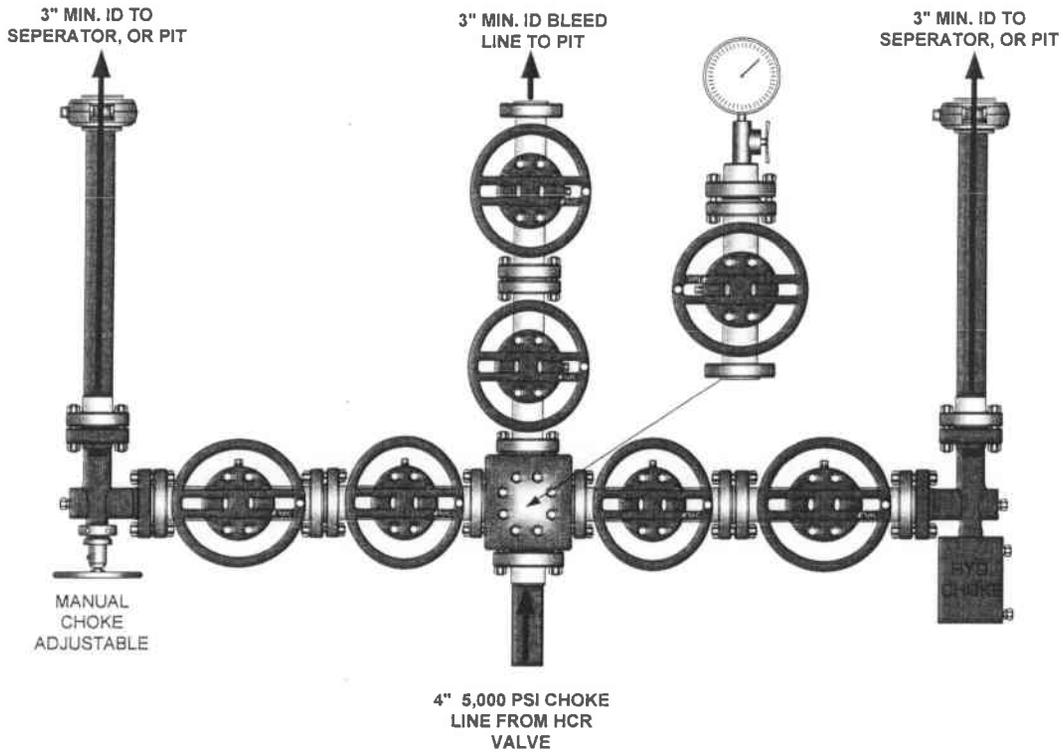
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF 2



Testing Procedure:

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

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

Company/Operator: EOG Resources, Inc.
Well Name & Number: Chapita Wells Unit 1162-22
Lease Number: U-0284-A
Location: 1164' FSL & 2082' FEL, SW/SE, Sec. 22,
T9S, R22E, S.L.B.&M., Uintah County, Utah
Surface Ownership: Federal

NOTIFICATION REQUIREMENTS

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

Location Completion - prior to moving on the drilling rig.

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

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

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

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

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

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 18.02 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 180 feet 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 - 58*
- 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. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

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

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

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

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

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

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

6. **SOURCE OF CONSTRUCTION MATERIAL**

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

7. **METHODS OF HANDLING WASTE DISPOSAL**

A. METHODS AND LOCATION

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

- B. Water from drilling fluids and recovered during testing operations will be

disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

On BLM administered land:

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

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

8. **ANCILLARY FACILITIES**

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

9. **WELLSITE LAYOUT**

A. Refer to attached well site plat for related topography cuts and fills and cross sections.

B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.

C. Refer to attached well site plat for rig orientation, parking areas, and access road.

D. The approved interim seed mixture for this location is:

Needle and Thread Grass – 6 pounds per acre

Hi-Crest Crested Wheat Grass – 6 pounds per acre.

The final abandonment seed mixture for this location is:

Four-Wing Salt Bush – 3 pounds per acre

Indian Rice Grass – 2 pounds per acre

Needle and Thread Grass – 2 pounds per acre

Hi-Crest Crested Wheat Grass – 1 pound per acre.

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

The stockpiled location topsoil will be stored between Corners #1 and #8. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the Northwest.

Corner #2 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.

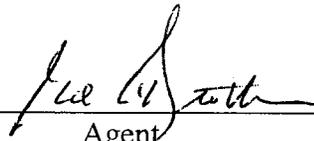
A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

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 1162-22 Well, located in the SW/SE of Section 22, T9S, R22E, Uintah County, Utah; Lease #U-0284-A;** 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.

2-10-2006
Date


Agent

EOG RESOURCES, INC.
CWU #1162-22
SECTION 22, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 1.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 200' TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 150' TO THE #566-22E AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 49.05 MILES.

EOG RESOURCES, INC.

CWU #1162-22

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

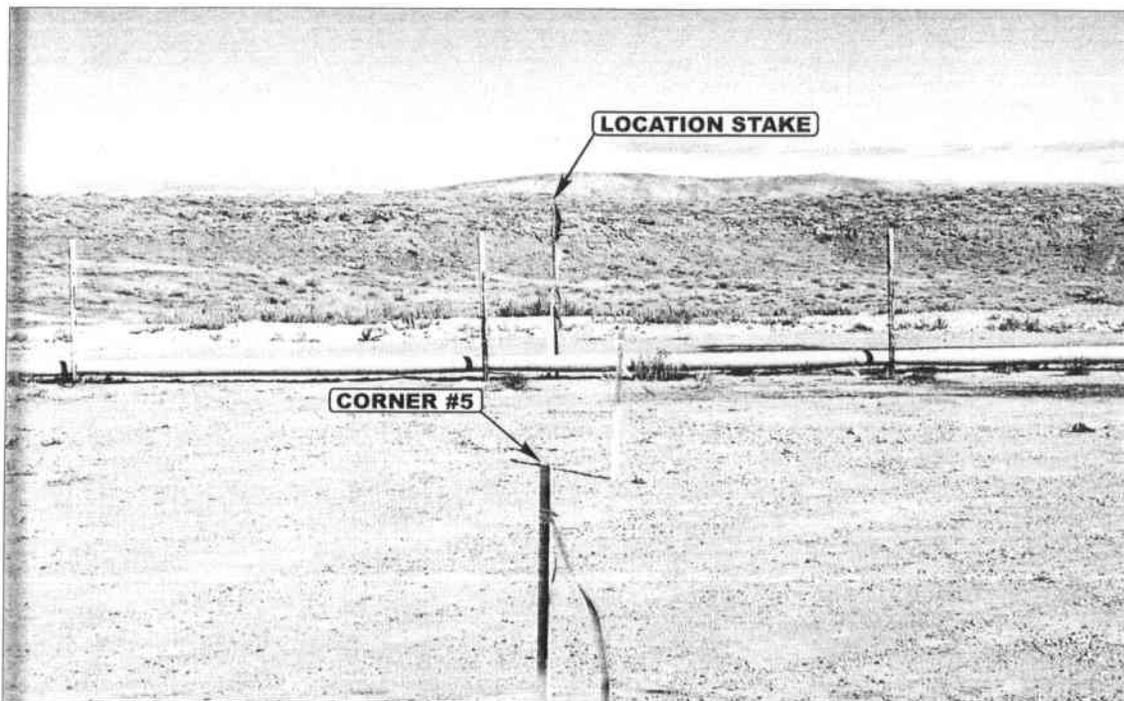


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

ELS

Uintah Engineering & Land Surveying

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

LOCATION PHOTOS

11 16 05
MONTH DAY YEAR

PHOTO

TAKEN BY: T.B.

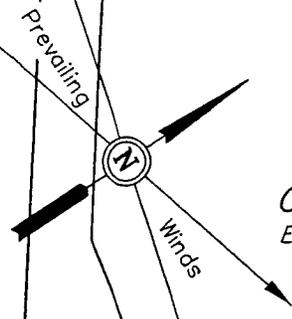
DRAWN BY: S.L.

REVISED: 00-00-00

EOG RESOURCES, INC.

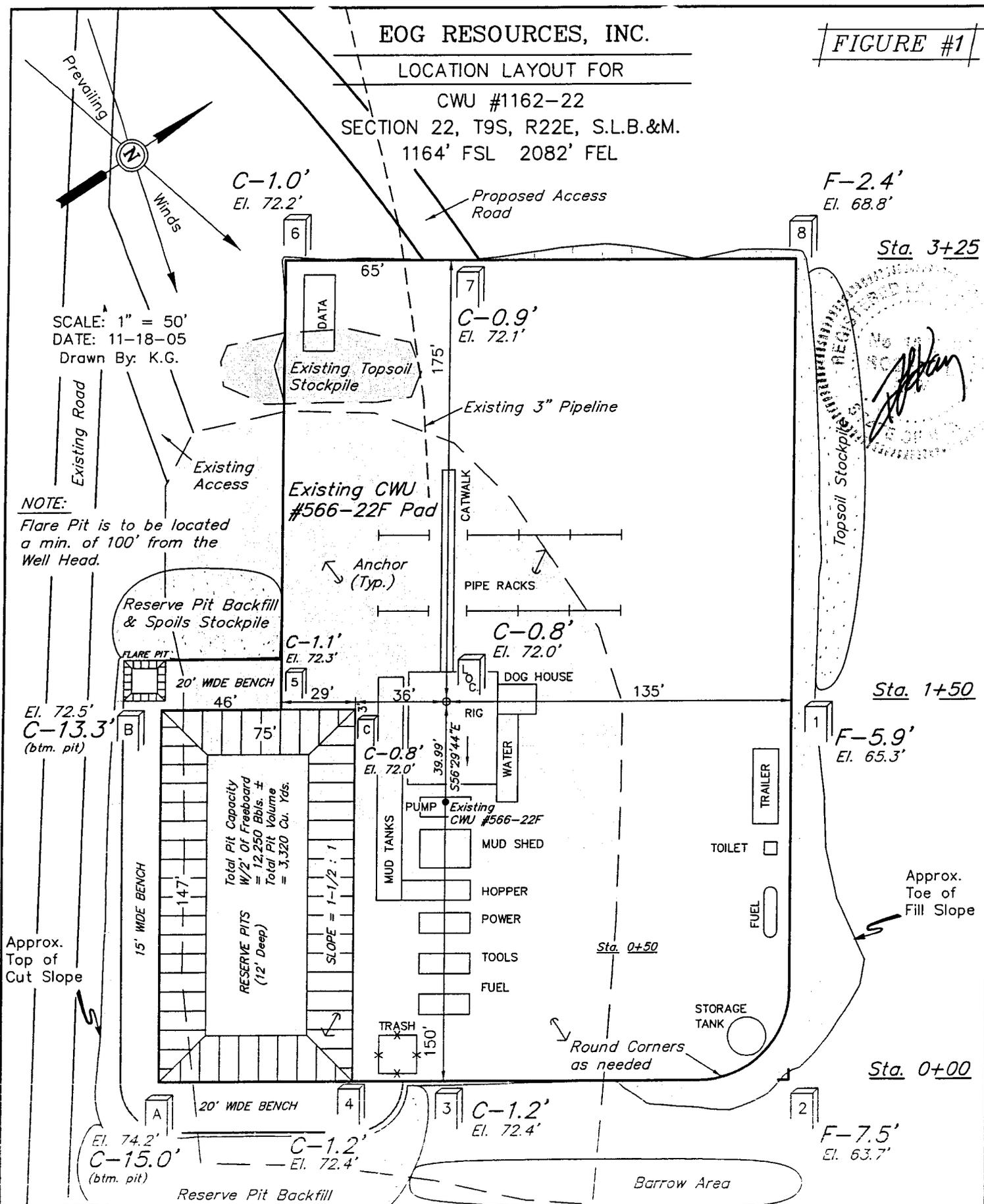
FIGURE #1

LOCATION LAYOUT FOR
 CWU #1162-22
 SECTION 22, T9S, R22E, S.L.B.&M.
 1164' FSL 2082' FEL



SCALE: 1" = 50'
 DATE: 11-18-05
 Drawn By: K.G.

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



F-2.4'
 El. 68.8'

Sta. 3+25



Sta. 1+50

F-5.9'
 El. 65.3'

Sta. 0+00

F-7.5'
 El. 63.7'

Reserve Pit Backfill
 & Spoils Stockpile

Total Pit Capacity
 W/2' Or Freeboard
 = 12,250 Bbls. ±
 Total Pit Volume
 = 3,320 Cu. Yds.

SLOPE = 1-1/2 : 1

Sta. 0+50

Approx.
 Top of
 Cut Slope

Approx.
 Toe of
 Fill Slope

Round Corners
 as needed

NOTES:

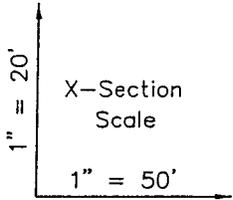
Elev. Ungraded Ground At Loc. Stake = 4972.0'
 FINISHED GRADE ELEV. AT LOC. STAKE = 4971.2'

EOG RESOURCES, INC.

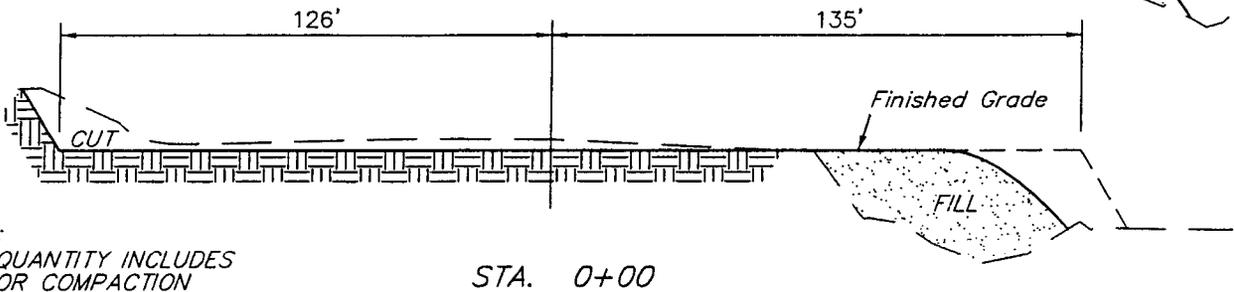
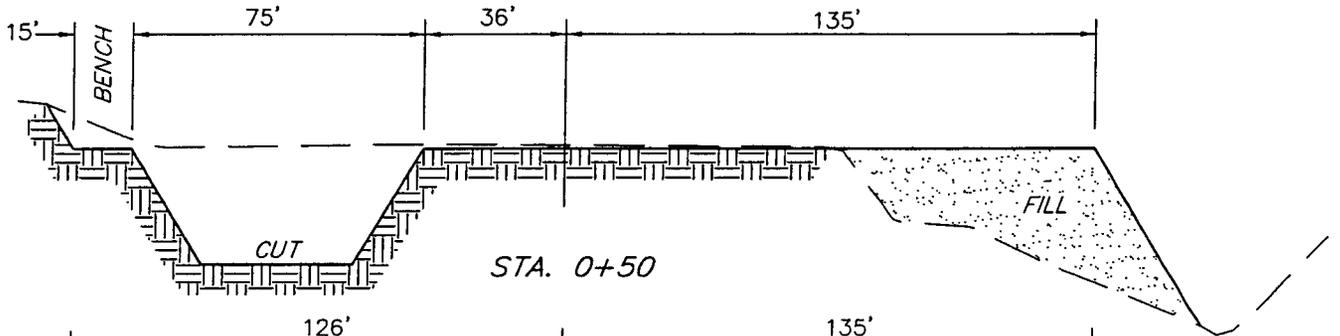
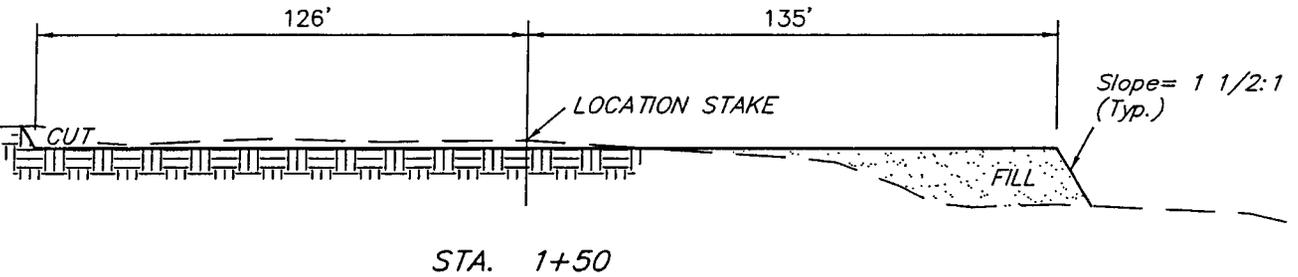
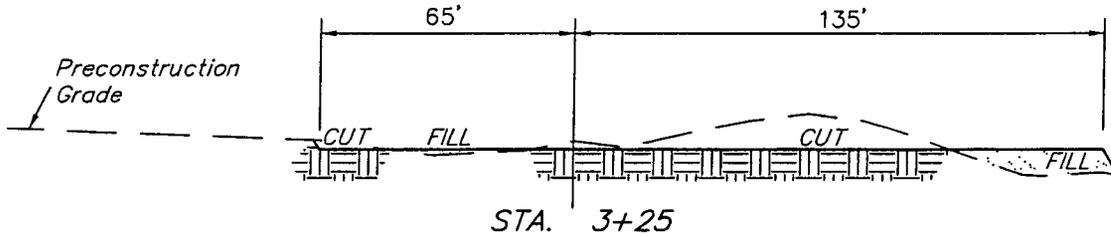
FIGURE #2

TYPICAL CROSS SECTIONS FOR

CWU #1162-22
SECTION 22, T9S, R22E, S.L.B.&M.
1164' FSL 2082' FEL



DATE: 11-18-05
Drawn By: K.G.



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

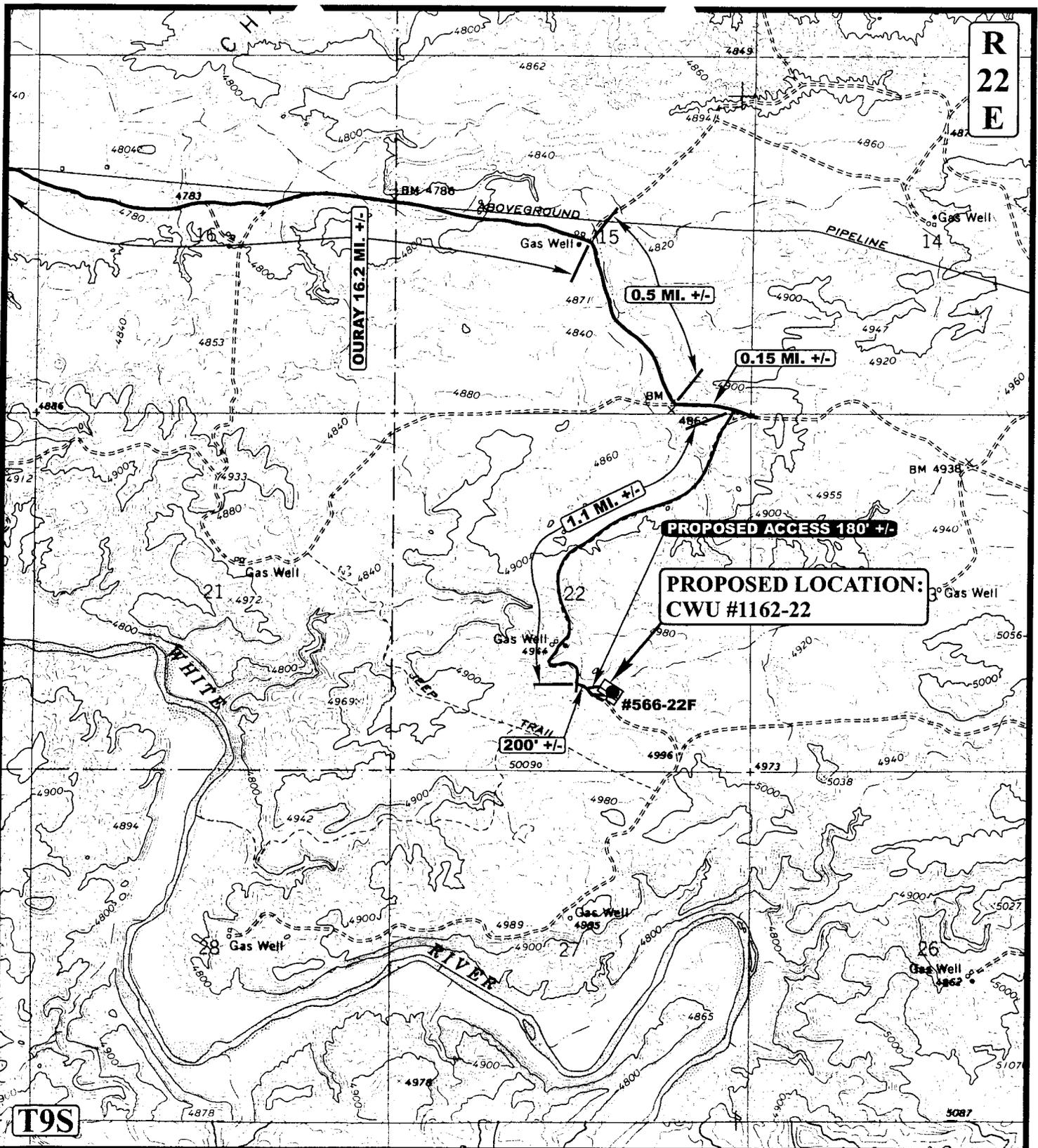
APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 700 Cu. Yds.
(New Construction Only)	
Remaining Location	= 4,170 Cu. Yds.
TOTAL CUT	= 4,870 CU.YDS.
FILL	= 6,330 CU.YDS.

DEFICIT MATERIAL	= <1,460> Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,360 Cu. Yds.
DEFICIT UNBALANCE (After Rehabilitation)	= <3,820> Cu. Yds.
(Obtain Deficit Material From Approved Barrow Area)	

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

R
22
E



T9S

LEGEND:

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD

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



EOG RESOURCES, INC.

CWU #1162-22
 SECTION 22, T9S, R22E, S.L.B.&M.
 1164' FSL 2082' FEL

TOPOGRAPHIC	11	16	05
MAP	MONTH	DAY	YEAR
SCALE: 1" = 2000'	DRAWN BY: S.L.		REVISED: 00-00-00

B
TOPO

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 02/23/2006

API NO. ASSIGNED: 43-047-37843

WELL NAME: CWU 1162-22
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

SWSE 22 090S 220E
 SURFACE: 1164 FSL 2082 FEL
 BOTTOM: 1164 FSL 2082 FEL
 COUNTY: UINTAH
 LATITUDE: 40.01748 LONGITUDE: -109.4234
 UTM SURF EASTINGS: 634548 NORTHINGS: 4430677
 FIELD NAME: NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: U-0284-A
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

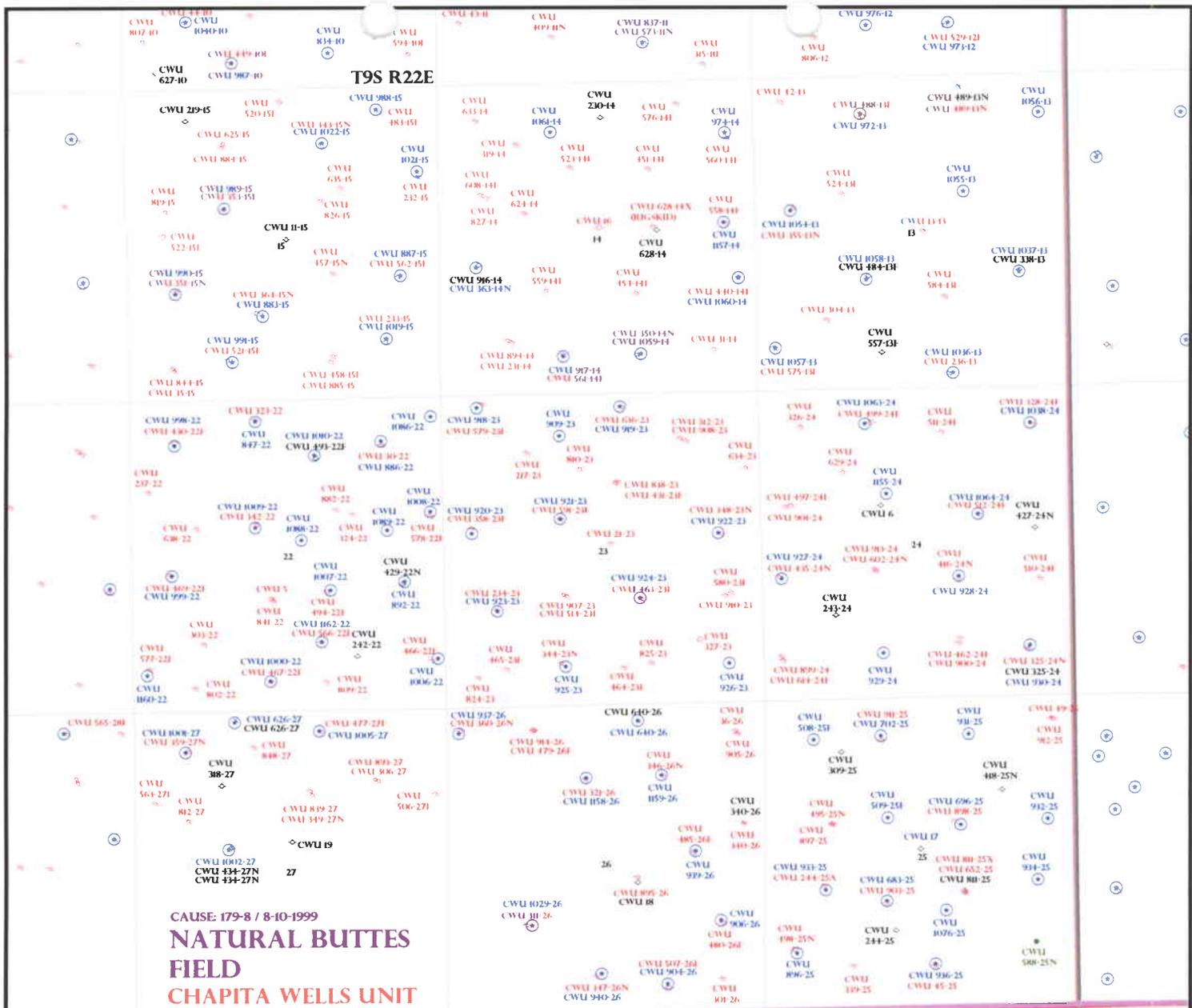
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM-2308)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-1501)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

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: 8-10-99
Siting: Suspends General Siting
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1- Federal Approval
2- OIL SHALE



OPERATOR: EOG RESOURCES INC (N9550)
 SEC: 15,22,23,24,25,26 T. 9S R. 22E
 FIELD: NATURAL BUTTES (630)
 COUNTY: UINTAH
 CAUSE: 179-8 / 8-10-1999

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

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



PREPARED BY: DIANA WHITNEY
 DATE: 02-MARCH-2006



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

March 7, 2006

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

Re: Chapita Wells Unit 1162-22 Well, 1164' FSL, 2082' FEL, SW SE, Sec. 22,
T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37843.

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 1162-22

API Number: 43-047-37843

Lease: U-0284-A

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

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FEB 22 2006

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 **1164' FSL, 2082' FEL SW/SE**
At proposed prod. Zone

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

15. Distance from proposed* location to nearest property or lease line, ft. **1164'**
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease
1240

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

19. Proposed Depth
9520'

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
4971.2 FEET GRADED GROUND

22. Approximate date work will start*
UPON APPROVAL

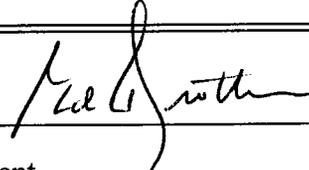
23. Estimated duration
45 DAYS

24. Attachments

Attachments

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

- 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 
Title **Agent**

Name (Printed/Typed)
Ed Trotter

Date
February 10, 2006

**RECEIVED
OCT 23 2006**

Approved by (Signature)


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

Name (Printed/Typed)

JERRY KENCALA
Office

DIV. OF OIL, GAS & MINING Date

10-6-2006

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

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

*(Instructions on page 2)

NOTICE OF APPROVAL CONDITIONS OF APPROVAL ATTACHED



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

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	EOG Resources	Location:	SWSE, Sec 22, T9S, R22E
Well No:	CWU 1162-22	Lease No:	UTU-0284-A
API No:	43-047-37843	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:	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)**

Conditions for Approval are in the APD

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

DOWNHOLE CONDITIONS OF APPROVAL

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

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- Production casing cement shall be brought up and into the surface casing. The minimum cement top is 200 ft above the surface casing shoe. To reach the annulus of the surface casing and production casing, operator is required to pump additional cement beyond the stated amounts of sacks in allocation.
- A cement Bond Log (CBL) shall be run from the production casing shoe to the surface casing shoe. A field copy of the CBL shall be submitted to the BLM Vernal Field Office.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

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

- 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).
- All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
- The lessee/operator must report encounters of all non oil & 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) shall the BLM need to obtain additional information.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip

logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.
- All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- This APD is approved subject to the requirement that, shall the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and / or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.

- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

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

FORM 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
43-047-36340	CHAPITA WELLS UNIT 921-23		SENW	23	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	99999	<i>13650</i>	2/2/2007		<i>2/13/07</i>		
Comments: <i>PRRV=MVRD</i>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37843	CHAPITA WELLS UNIT 1162-22		SWSE	22	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	99999	<i>13650</i>	2/2/2007		<i>2/13/07</i>		
Comments: <i>PRRV=MVRD</i>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments: RECEIVED							

FEB 06 2007

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

Name (Please Print)

Signature

Operations Clerk

Title

Carrie Maden
2/5/2007

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.		5. Lease Serial No. U-0284-A
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG Resources, Inc.		7. If Unit or CA/Agreement, Name and/or No. Chapita Wells Unit
3a. Address 600 17th Street, Suite 1000N, Denver, CO 80202	3b. Phone No. (include area code) 303-262-2812	8. Well Name and No. Chapita Wells Unit 1162-22
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1,164' FSL & 2,082' FEL (SWSE) Sec. 22-T9S-R22E 40.017436 LAT 109.424111 LON		9. API Well No. 43-047-37843
		10. Field and Pool, or Exploratory Area Natural Buttes/Mesaverde
		11. County or Parish, State Uintah County, Utah

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

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

The referenced well spud on 2/2/2007.

**RECEIVED
FEB 06 2007**

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Carrie MacDonald	Title Operations Clerk
Signature	Date 02/05/2007

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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG Resources, Inc.

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-262-2812

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

**1,164' FSL & 2,082' FEL (SWSE)
 Sec. 22-T9S-R22E 40.017436 LAT 109.424111 LON**

5. Lease Serial No.
U-0284-A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Chapita Wells Unit 1162-22

9. API Well No.
43-047-37843

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

11. County or Parish, State
Uintah County, Utah

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

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

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

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

- 1. Natural Buttes Unit 21-20B SWD
- 2. Chapita Wells Unit 550-30N SWD
- 3. Ace Disposal
- 4. RN Industries

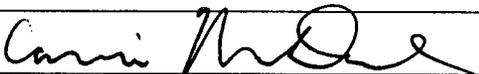
**Accepted by the
 Utah Division of
 Oil, Gas and Mining
 FOR RECORD ONLY**

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

Carrie MacDonald

Title **Operations Clerk**

Signature



Date

02/05/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

Title

Date

Office

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

(Instructions on page 2)

RECEIVED
FEB 06 2007
 DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

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

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

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

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

**1164' FSL & 2082' FEL (SW/SE)
 Sec. 22-T9S-R22E 40.017436 LAT 109.424111 LON**

5. Lease Serial No.
U-0284-A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Chapita Wells Unit 1162-22

9. API Well No.
43-047-37843

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

11. County or Parish, State
Uintah County, Utah

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

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

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

The referenced well was turned to sales on 5/11/2007. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

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

Mary A. Maestas

Title **Regulatory Assistant**

Signature



Date

05/15/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____

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

Title

Date

Office

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

(Instructions on page 2)

RECEIVED

MAY 17 2007

DIV. OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 05-15-2007

Well Name	CWU 1162-22	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API #	43-047-37843	Well Class	ISA
County, State	UINTAH, UT	Spud Date	03-18-2007	Class Date	05-11-2007
Tax Credit	N	TVD / MD	9,520/ 9,520	Property #	058023
Water Depth	0	Last CSG	0.0	Shoe TVD / MD	0/ 0
KB / GL Elev	4,991/ 4,971				
Location	Section 22, T9S, R22E, SWSE, 1164 FSL & 2082 FEL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	52.912	NRI %	-45.635

AFE No	303783	AFE Total	1,814,200	DHC / CWC	887,100/ 927,100
Rig Contr	BASIC	Rig Name	BASIC #30	Start Date	01-23-2007
04-27-2006	Reported By	SHARON WHITLOCK			
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 1164' FSL & 2082' FEL (SW/SE) SECTION 22, T9S, R22E UINTAH COUNTY, UTAH
-------	-------	------	--

LAT 40.017472, LONG 109.423428 (NAD 27)

RIG: BASIC 30

OBJECTIVE: 9520' TD

DW/GAS

CHAPITA WELLS DEEP PROSPECT

DD&A: CHAPITA DEEP

NATURAL BUTTES FIELD

LEASE: U-0284-A

ELEVATION: 4972.0' NAT GL, 4971.2' PREP GL (DUE TO ROUNDING 4971' IS THE PREP GL), 4991' KB (20')

EOG BPO WI 52.91152%, NRI 45.63472%

EOG APO WI %, NRI %

01-23-2007 **Reported By** SHARON CAUDILL

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.

01-24-2007 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	LOCATION 25% COMPLETE.

01-25-2007 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	LOCATION 25% COMPLETE.

01-26-2007 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	LOCATION 35 % COMPLETE.

01-29-2007 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.

01-30-2007 Reported By TERRY CSERE

02-13-2007 Reported By JERRY BARNES

Daily Costs: Drilling \$189,417 Completion \$0 Daily Total \$189,417

Cum Costs: Drilling \$227,417 Completion \$0 Well Total \$227,417

MD 2.330 TVD 2.330 Progress 0 Days 2 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

Start End Hrs Activity Description

06:00 06:00 24.0 MIRU CRAIG'S AIR RIG #2 ON 2/3/2007. DRILLED 12-1/4" HOLE TO 2370' GL. ENCOUNTERED WATER @ 1870'. RAN 54 JTS (2310.50') OF 9-5/8", 36.0#/FT, J-55, ST&C CASING WITH WEATHERFORD GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2330' KB. RDMO CRAIG'S #2 AIR RIG.

RU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 160 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (40.9 BBLs) OF PREMIUM CEMENT W/2% CaCl₂ & 1/4 #/SX FLOCELE. MIXED LEAD CEMENT @ 15.8 PPG W/YIELD OF 1.15 CFS. DISPLACED CEMENT W/168.2 BBLs FRESH WATER. BUMPED PLUG W/670# @ 21:46 PM, 2/6/2007. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB #1: MIXED & PUMPED 150 SX (30.7 BBLs) OF PREMIUM CEMENT W/2% CaCl₂ & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS, 50 MINS.

TOP JOB #2: MIXED & PUMPED 150 SX (30.7 BBLs) OF PREMIUM CEMENT W/2% CaCl₂ & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HAD RETURNS. HOLE FILLED & STOOD FULL. NOTE: HOLE VOLUME PLUS SHOE JT= 646.7 SX CEMENT. HOLE FILLED W/500 SX. RD BIG 4 CEMENTERS.

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

NO SURVEY.

KYLAN NOTIFIED JAMIE SPARGER W/VBLM OF THE SURFACE CASING & CEMENT JOB ON 2/5/2007 @ 4:30 PM.

03-15-2007 Reported By DAVID FOREMAN

Daily Costs: Drilling \$34,117 Completion \$0 Daily Total \$34,117

Cum Costs: Drilling \$261,534 Completion \$0 Well Total \$261,534

MD 2.330 TVD 2.330 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO DAYLIGHT

Start End Hrs Activity Description

06:00 12:00 6.0 FINISH RIG DOWN. DERRICK DOWN & READY FOR TRUCKS. MOVE CAMP & RIG UP SAME W/MOUNTAIN WEST FROM CWU 1007-22 TO CWU 1162-22.

12:00 18:00 6.0 LOAD AND MOVE PIPE TUBS, BOTTOM DOG HOUSE, WATER TANKS. REMOVE #2 GENERATOR FOR REPAIRS. ONE TRUCK, WESTROC TRUCKING TO BE ON LOCATION FOR RIG MOVE FROM CWU 1007-22 TO CWU 1162-22 @ 07:00 HRS, 3/15/07.

INSPECTION ON CROWN FOUND FAST LINE SHEAVE BROKEN AROUND BEARING HOUSING PARTS TO BE ON LOCATION FRIDAY 3/16/07.

ACCIDENTS NONE REPORTED

SAFETY MEETING :TRUCKS AND HEAVY LOADS

FUEL ON HAND 3500 GALS. USED 0 TRANSFERRED 3500 GALS FROM CWU 1007-22 TO CWU 1162-22

18:00 06:00 12.0 WO DAYLIGHT.

03-16-2007 Reported By DAVID FOREMAN

Daily Costs: Drilling \$23,995 Completion \$0 Daily Total \$23,995
 Cum Costs: Drilling \$285,529 Completion \$0 Well Total \$285,529

MD 2.330 TVD 2.330 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: W/O/FAST LINE SHEAVE

Start	End	Hrs	Activity Description
06:00	06:30	0.5	W/O/DAYLIGHT WEST ROC ON LOCATION AT 06:00.
06:30	07:00	0.5	JSA&SAFETY MEETING W/ WEST ROC AND ALL PERSONNEL.
07:00	09:00	2.0	RIG DOWN SUB MOVE F/ CWU 1007-22 TO NEW LOCATION CWU 1162-22, 1/4 MILE CLEAR LOCATION AT 08:45.
09:00	11:30	2.5	SPOT SUB AND RIG UP SPOT UNIT SPOT TANKS CONT. RIG UP,TRUCKS OFF LOCATION AT 11:30 AM. GOOD MOVE.
11:30	18:00	6.5	RIG REPAIR REMOVE FAST LINE SHEAVE TRANSPORT TO VERNAL TO PRESS OUT BEARING & REMOVE PASON DEPTH RING & INSTALL ON NEW SHEAVE. CUT OUT AND REPLACE ONE CROSS BRACE 2X2X1/4 SQUARE TUBING IN DERRICK.INSPECTION ON WELDING & FAST LINE PIN, REPLACE ROTARY DRIVE LINE.
18:00	06:00	12.0	WO FAST LINE SHEAVE TO BE INSTALLED.

ACCIDENTS NONE REPORTED

SAFETY MEETING :TRUCKS MOVING HEAVY LOADS

FUEL ON HAND 3500,GALS. USED 300 GAL.

03-17-2007 Reported By DAVID FOREMAN

Daily Costs: Drilling \$31,214 Completion \$0 Daily Total \$31,214
 Cum Costs: Drilling \$316,744 Completion \$0 Well Total \$316,744

MD 2.330 TVD 2.330 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: W/O/DRIVE LINE & RIG REPAIR

Start	End	Hrs	Activity Description
06:00	14:00	8.0	RIG REPAIR INSTALL FAST LINE SHEAVE,SET PASON DEPTH COUNTER. W/O/ROTARY DRIVE LINE TO START 24 HR. OPERATIONS WORKING TWO CREWS. CLEANING & REPAIRING, A LOT OF T/L/C.
14:00	15:00	1.0	RAISE DERRICK.
15:00	20:00	5.0	RIG REPAIR ROTARY DRIVE BOX,INSTALL AJUSTERS CUTING AND WELDING ON SAME.
20:00	06:00	10.0	W/O/ROTARY DRIVE LINE.

ACCIDENTS NONE REPORTED

SAFETY MEETING :HOUSEKEEPING:RAISEING DERRICK:

FUEL ON HAND 3200,GALS. USED 300 GAL.REC. 5000 GALS.

03-18-2007 Reported By DAVID FOREMAN

Daily Costs: Drilling \$11,626 Completion \$0 Daily Total \$11,626

Cum Costs: Drilling \$328,370 **Completion** \$0 **Well Total** \$328,370
MD 2.330 **TVD** 2.330 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: RIG UP P/U MACHINE

Start	End	Hrs	Activity Description
06:00	18:00	12.0	RIG REPAIR FAB AJUSTERS ON ROTARY DRIVE CHAIN BOX. 0900 - 1400 NIPPLE UP BOP, GAS BUSTER, FLAIR LINES.
18:00	23:00	5.0	RIG REPAIR FAB AND ASSEMBLE ROTARY DRIVE. RIG ON DAYWORK @ 18:00 3-17-07
23:00	00:00	1.0	PICK UP KELLY.
00:00	05:00	5.0	RIG UP B&C QUICK TEST SAFETY MEETING. & TEST BOPS 250 PSI LOW/5000 PSI HIGH, PIPE, BLIND RAMS, CHOKE LINE, MANIFOLD, INSIDE BOP, UPPER & LOWER KELLY VALVE, SAFETY VALVE. HYDRIL @ 250 PSI LOW / 2500 PSI HIGH, CSG. 1500. OK GOOD TEST
05:00	06:00	1.0	RIG UP CALIBER PU/LD MACHINE, SAFETY MEETING W/ ALL PERSONNEL.

ACCIDENTS NONE REPORTED.
 SAFETY MEETING: WORKING W/ WELDERS:
 CREWS FULL
 FUEL ON HAND 7300 GLS. USED 700 GAL.

03-19-2007 **Reported By** DAVID FOREMAN

Daily Costs: Drilling \$17,889 **Completion** \$0 **Daily Total** \$17,889
Cum Costs: Drilling \$345,509 **Completion** \$0 **Well Total** \$345,509
MD 3.263 **TVD** 3.263 **Progress** 933 **Days** 1 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	07:00	1.0	FINISH R/U, SET WEAR BUSHING. W/O HYD. RIG TONGS
07:00	12:00	5.0	P/U BHA & D/P 45 JTS. TAG @ 2285'
12:00	13:00	1.0	R/D CALIBER P/U MACHINE.
13:00	14:00	1.0	P/U KELLY BREAK CIRC. INSTALL ROT. RUBBER, FUNCTION TEST CROWN-O-MATIC.
14:00	14:30	0.5	DRILLING CEMENT F/ 2285' TO 2300'
14:30	16:00	1.5	W/O PUMPS, ROD WASHER.
16:00	17:30	1.5	DRILLING CEMENT & FLOAT EQUIP. SHOE @ 2330'
17:30	18:00	0.5	DRILLING F/ 2330' TO 2344' CIRC. HI-VIS. SWEEP & F/I/T = 11.6 M/W GOOD TEST.
18:00	06:00	12.0	DRILLING F/ 2344' TO 3263', 919'. ROP, 76.6, WOB, 12/14, RPM, 45+65, GPM, 405.

MUD LOSS LAST 24 HRS 0 BBLs
 WT 8.6, VIS 31
 ROT WT 86, PU 90, SO 84,
 DRILLS BOP 2

ACCIDENTS NONE REPORTED

SAFETY MEETING: MIXING CHEM./ FAST DRILLING.
 CREWS FULL
 FUEL ON HAND 7063 GALS, USED 237 GALS

FORMATION TOP: GREEN RIVER
 GAS BG 2365U, CONN 3700U,

06:00 18.0 SPUD 7 7/8" HOLE AT 17:30 HRS. 3/18/07.

03-20-2007 **Reported By** DAVID FOREMAN

Daily Costs: Drilling	\$36,400	Completion	\$0	Daily Total	\$36,400
Cum Costs: Drilling	\$381,910	Completion	\$0	Well Total	\$381,910

MD 5.009 **TVD** 5.009 **Progress** 1.746 **Days** 2 **MW** 8.5 **Visc** 30.0

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

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILLING F/ 3263' TO 3295' ,32' ,ROP,64,WOB,12/14,RPM,45+65,GPM,405.
06:30	07:00	0.5	W/L SURVEY @ 3225' 1 1/2*
07:00	11:00	4.0	DRILLING F/ 3295' TO 3676' ,381' ,ROP,95,WOB,12/14,RPM,45+65,GPM,405.
11:00	11:30	0.5	SERVICE RIG FUNCTION TEST CROWN O MATIC.
11:30	20:30	9.0	DRILLING F/ 3676' TO 4311'632' ,ROP,70.3,WOB,12/14,RPM,45+65,GPM,405.
20:30	21:00	0.5	W/L SURVEY @ 4311 2*
21:00	06:00	9.0	DRILLING F/ 4311' TO 5009'698' ,ROP,77.5,WOB,12/14,RPM,45+65,GPM,405.

MUD LOSS LAST 24 HRS 0 BBLS
 WT 9.3, VIS 36
 ROT WT 118, PU 120, SO 110,
 DRILLS BOP 2

ACCIDENTS NONE REPORTED
 SAFETY MEETING:HOUSEKEEPING:THINK SAFETY.
 CREWS FULL
 FUEL ON HAND 6413 GALS, USED 650 GALS

FORMATION TOP: WASATCH
 GAS BG 485U, CONN 3500U,

03-21-2007 **Reported By** DAVID FOREMAN

Daily Costs: Drilling	\$27,866	Completion	\$0	Daily Total	\$27,866
Cum Costs: Drilling	\$409,776	Completion	\$0	Well Total	\$409,776

MD 6.056 **TVD** 6.056 **Progress** 1.047 **Days** 3 **MW** 10.1 **Visc** 37.0

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

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILLING F/ 5009' TO 5389' ,380' ,ROP,58.5,WOB,14/16,RPM,45+65,GPM,405.

12:30 13:00 0.5 SERVICE RIG, FUNCTION CROWN O MATIC.
 13:00 06:00 17.0 DRILLING F/ 5389'TO 6056' .667.ROP.39.2,WOB,16/18,RPM,55+65,GPM,405.

MUD LOSS LAST 24 HRS 0 BBLS
 WT 10.1, VIS 40
 ROT WT 128, PU 138, SO 126,
 DRILLS BOP 2

ACCIDENTS NONE REPORTED
 SAFETY MEETING:TEAMWORK: HAND TOOLS:.
 CREWS FULL
 FUEL ON HAND 5480 GALS, USED 933 GALS

FORMATION TOP:BUCK CANYON.
 GAS BG 58U, CONN 580U,

03-22-2007	Reported By	DAVID FOREMAN / PAT CLARK									
Daily Costs: Drilling	\$29,016	Completion	\$0	Daily Total	\$29,016						
Cum Costs: Drilling	\$438,793	Completion	\$0	Well Total	\$438,793						
MD	7.063	TVD	7.063	Progress	1.007	Days	4	MW	10.1	Visc	40.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	15:30	9.5	DRILLING F/ 6056' TO 6500'. WOB 17-22K, RPM 45-55/63, SPP 1550 PSI, DP 300 PSI, ROP 47 FPH.
15:30	16:15	0.75	EQUIPMENT REPAIR - # 2 LIGHT PLANT WON'T RUN, CHANGE OIL IN # 1. CHECK C.O.M., BRAKES.
16:15	06:00	13.75	DRILL 6500' - 7063'. WOB 20K, RPM 50/63, SPP 1550 PSI, DP 250 PSI, ROP 41 FPH. FULL CREWS, NO ACCIDENTS, BOP DRILL BOTH TOURS. SAFETY MEETINGS - MAKING CONNECTIONS, FORK LIFT. FUEL ON HAND - 5076 GALS, USED - 404 GALS. CURRENT MW - 10.2 PPG, VIS - 39 SPQ. CURRENT FORMATION - NORTH HORN.

03-23-2007	Reported By	PAT CLARK									
Daily Costs: Drilling	\$37,597	Completion	\$0	Daily Total	\$37,597						
Cum Costs: Drilling	\$476,390	Completion	\$0	Well Total	\$476,390						
MD	7.775	TVD	7.775	Progress	712	Days	5	MW	10.0	Visc	38.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	09:15	3.25	DRILL 7063' - 7164'. WOB 15-20K, RPM 45-50/63, SPP 1550 PSI, DP 250 PSI, ROP 31 FPH.
09:15	09:45	0.5	REPAIR ROD WASHERS.
09:45	12:30	2.75	DRILL 7164' - 7292'. SAME PARAMETERS, ROP 47 FPH.
12:30	13:00	0.5	RIG SERVICE. CHECK C.O.M., BRAKES, FUNCTION PIPE RAMS.
13:00	06:00	17.0	DRILL 7292' - 7775'. WOB 15-23K, RPM 45-55/63, SPP 1650 PSI, DP 150 PSI, ROP 28 FPH.

RAISING MUD WEIGHT TO 11 PPG FOR EVENTUAL BIT TRIP.
 FULL CREWS, NO ACCIDENTS, BOP DRILL BOTH TOURS.
 SAFETY MEETINGS - RIG REPAIR/MAINTENANCE, PIPE IN V-DOOR.
 FUEL ON HAND - 6806 GALS, USED - 750 GALS.
 CURRENT MW - 10.8 PPG, VIS - 39 SPQ.
 FORMATION - KMV PRICE RIVER.

03-24-2007		Reported By		PAT CLARK							
Daily Costs: Drilling	\$41,577	Completion	\$0	Daily Total	\$41,577						
Cum Costs: Drilling	\$517,968	Completion	\$0	Well Total	\$517,968						
MD	7.960	TVD	7.960	Progress	185	Days	6	MW	11.0	Visc	34.0
Formation :		PBTD : 0.0			Perf :		PKR Depth : 0.0				
Activity at Report Time: DRILLING											

Start	End	Hrs	Activity Description								
06:00	07:00	1.0	DRILL 7775' - 7800'. WOB 20-25K, RPM 50/63, SPP 1650 PSI, DP 100 PSI, ROP 25 FPH.								
07:00	08:30	1.5	CIRCULATE AND CONDITION MUD F/TRIP. DROP SURVEY, PUMP PILL.								
08:30	13:30	5.0	TOH.								
13:30	14:30	1.0	L/D REAMERS, MUD MOTOR, BIT. P/U NEW MUD MOTOR, BIT. RECOVERED DROPPED SURVEY - 1 3/4 DEG @ 7725'.								
14:30	20:00	5.5	TIH. FILL PIPE @ 2300' AND 6000'. KELLY UP AND WASH & REAM 7000' - 7060'. 5' FILL ON BOTTOM.								
20:00	06:00	10.0	DRILL 7800' - 7960'. WOB 10-18K, RPM 40-55/64, SPP 1750 PSI, DP 150 PSI, ROP 16 FPH. FULL CREWS, NO ACCIDENTS, BOP DRILLS BOTH TOURS. SAFETY MEETINGS - TRIPPING PIPE, MIXING CHEMICALS. FUEL ON HAND - 6149 GALS, USED - 657 GALS. CURRENT MW - 11 PPG, VIS - 42 SPQ. FORMATION - KMV PRICE RIVER.								

03-25-2007		Reported By		PAT CLARK							
Daily Costs: Drilling	\$30,403	Completion	\$3,666	Daily Total	\$34,069						
Cum Costs: Drilling	\$548,372	Completion	\$3,666	Well Total	\$552,038						
MD	8,620	TVD	8,620	Progress	660	Days	7	MW	11.0	Visc	38.0
Formation :		PBTD : 0.0			Perf :		PKR Depth : 0.0				
Activity at Report Time: DRILLING											

Start	End	Hrs	Activity Description								
06:00	12:45	6.75	DRILL 7960' - 8140'. WOB 15-23K, RPM 45-55/64, SPP 1750 PSI, DP 250 PSI, ROP 27 FPH.								
12:45	13:30	0.75	RIG SERVICE. CHECK C.O.M., BRAKES, FUNCTION PIPE RAMS. REPLACE WEIGHT INDICATOR.								
13:30	06:00	16.5	DRILL 8140' - 8620'. WOB 15-23K, RPM 45-55/64, SPP 1750 PSI, DP 150 PSI, ROP 29 FPH. FULL CREWS, NO ACCIDENTS, BOP DRILLS BOTH TOURS. SAFETY MEETINGS - MAKING CONNECTIONS, CONFINED SPACE ENTRY. FUEL ON HAND - 5076, USED - 1073 GALS. CURRENT MW - 11.1 PPG, VIS - 45 SPQ. FORMATION - KMV PRICE RIVER MIDDLE.								

03-26-2007		Reported By		PAT CLARK							
Daily Costs: Drilling	\$28,125	Completion	\$3,666	Daily Total	\$31,791						
Cum Costs: Drilling	\$576,497	Completion	\$7,332	Well Total	\$583,829						

MD 9,280 TVD 9,280 Progress 660 Days 8 MW 11.0 Visc 41.0
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	11:45	5.75	DRILL 8620' - 8806'. WOB 20K, RPM 45/64, SPP 1750 PSI, DP 150 PSI, ROP 32 FPH.
11:45	12:00	0.25	RIG SERVICE. CHECK C.O.M., BRAKES, FUNCTION PIPE RAMS AND ANNULAR PREVENTER.
12:00	06:00	18.0	DRILL 8806' - 9280'. WOB 12-25K, RPM 45-55/64, SPP 1800 PSI, DP 250 PSI, ROP 26 FPH. FULL CREWS, NO ACCIDENTS, BOP DRILLS BOTH TOURS. SAFETY MEETINGS - WORKING ON PUMPS, MIXING CHEMICALS. FUEL ON HAND - 4137 GALS, USED - 939 GALS. CURRENT MW - 11 PPG, VIS 45 SPQ. FORMATION - KMV PRICE RIVER LOWER.

03-27-2007 Reported By PAT CLARK

Daily Costs: Drilling \$30,716 Completion \$4,650 Daily Total \$35,366
 Cum Costs: Drilling \$607,213 Completion \$11,982 Well Total \$619,195

MD 9,520 TVD 9,520 Progress 240 Days 9 MW 11.2 Visc 42.0
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: LDDP

Start	End	Hrs	Activity Description
06:00	15:45	9.75	DRILL 9280' - 9470'. WOB 15-28K, RPM 45-55/64, SPP 1850 PSI, DP 200-400 PSI, ROP 20 FPH.
15:45	16:30	0.75	RIG SERVICE. CHECK C.O.M., BRAKES, FUNCTION PIPE RAMS.
16:30	20:00	3.5	DRILL 9470' - 9520 TD'. SAME PARAMETERS, ROP 14 FPH. REACHED TD @ 20:00 HRS, 3/26/07.
20:00	22:00	2.0	PUMP PILL, SHORT TRIP 30 STANDS TO 7800'.
22:00	23:30	1.5	CIRCULATE AND CONDITION MUD TO LDDP. HOLD SAFETY MEETING W/WEATHERFORD TRS AND RIG UP LAYDOWN MACHINE.
23:30	06:00	6.5	LD DRILL PIPE. FULL CREWS, NO ACCIDENTS, BOP DRILLS BOTH TOURS. SAFETY MEETINGS - TEAMWORK, MIXING CHEMICALS. FUEL ON HAND - 3218 GALS, USED - 919 GALS. CURRENT MW - 11.5 PPG, VIS - 45 SPQ. FORMATION - SEGO.

03-28-2007 Reported By PAT CLARK

Daily Costs: Drilling \$32,038 Completion \$157,577 Daily Total \$189,615
 Cum Costs: Drilling \$639,252 Completion \$169,559 Well Total \$808,811

MD 9,520 TVD 9,520 Progress 0 Days 10 MW 11.5 Visc 50.0
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	07:30	1.5	LDDP.
07:30	10:00	2.5	BREAK KELLY, LD BHA & TOOLS. PULL WEAR BUSHING.

10:00 19:00 9.0 SAFETY MEETING. RIG UP WEATHERFORD TRS AND RUN 4 1/2", 11.6#, N-80, LTC CASING AS FOLLOWS:
 FLOAT SHOE @ 9514', 1 JT CASING, FLOAT COLLAR @ 9468', 54 JOINTS CASING, MARKER JOINT @ 7152', 66
 JOINTS CASING, MARKER JOINT @ 4349', 102 JOINTS CASING(223 TOTAL). WASH TO BOTTOM FROM 9400'.
 P/U JOINT # 224, TAG BOTTOM. L/D JOINT 224, P/U CASING MANDREL HANGER AND LANDING JOINT.

19:00 21:00 2.0 RIG DOWN CASERS WHILE CIRCULATING HOLE.

21:00 23:00 2.0 SAFETY MEETING, RIG UP SCHLUMBERGER. PRESSURE TEST LINES TO 5,000 PSI. CEMENT WELL AS
 FOLLOWS: PUMP 20 BBLS CHEMICAL WASH, 20 BBLS H2O, MIX AND PUMP LEAD 375 SX(151 BBLS, 859
 CU/FT) 35:65 POZ G CEMENT @ 12 PPG, 2.26 YIELD, 12.94 GPS H2O+6%D020+2%D174+.125 LB/SK D130+.2%
 D046+.3%D013+.75%D112+.2%D065. MIX AND PUMP TALI 1555 SX(362 BBLS, 2006 CU/FT) 50:50 POZ G
 CEMENT @ 14.1 PPG, 1.29 YIELD, 5.963 GPS H2O+2%D020+.25%D065+.2%D167+.1%D046+.1%D013. WASH UP
 TO PIT, DROP TOP PLUG, DISPLACE WITH 147 BBLS 2 GAL/1000 L064 WATER @ 7 BPM, SLOWED TO 1.5
 BBPM LAST 20 BBLS. FULL RETURNS, MAX PRESSURE 2600 PSI, BUMP PLUG TO 3400 PSI, BLED BACK 2
 BBLS. FLOAT HELD. R/D SCHLUMBERGER.

23:00 00:00 1.0 LAND MANDREL HANGER, TEST SEALS.

00:00 03:00 3.0 NDBOPE, CLEAN MUD TANKS.

FULL CREWS, NO ACCIDENTS.

SAFETY MEETINGS WITH WEATHERFORD TRS CASERS, SCHLUMBERGER CEMENTERS.

FUEL ON HAND - 2218 GALS, USED - 1000 GALS.

TRANSFER 2218 GALS DIESEL FUEL TO CWU 1160-22.

TRANSFER 8 JOINTS (344') 4 1/2", 11.6#, N-80, LTC CASING TO CWU 1160-22.

TRANSFER 1 JT CSNG TO STEWART'S MACHINE TO MAKE MARKERS.

WILL MOVE APPROX. 2 MILES TO CWU 1160-22 3/29/07 @ 07:00.

03:00 06:00 3.0 RDRT. HAULED 600 BBLS MUD @ 11.5 PPG, 50 VIS TO TANK FARM.

06:00 18.0 RIG RELEASED @ 03:00 HRS, 3/28/07.

CASING POINT COST \$639,252

03-31-2007		Reported By		SEARLE	
Daily Costs: Drilling	\$0	Completion	\$44,628	Daily Total	\$44,628
Cum Costs: Drilling	\$639,252	Completion	\$214,187	Well Total	\$853,439
MD	9,520	TVD	9,520	Progress	0
Days	11	MW	0.0	Visc	0.0
Formation :	PBTB : 9468.0		Perf :	PKR Depth : 0.0	
Activity at Report Time: PREP FOR FRACS					
Start	End	Hrs	Activity Description		
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTB TO 60'. EST CEMENT TOP @ 250'. RD SCHLUMBERGER.		

04-07-2007		Reported By		MCCURDY	
Daily Costs: Drilling	\$0	Completion	\$2,555	Daily Total	\$2,555
Cum Costs: Drilling	\$639,252	Completion	\$216,742	Well Total	\$855,994
MD	9,520	TVD	9,520	Progress	0
Days	12	MW	0.0	Visc	0.0
Formation :	PBTB : 9468.0		Perf :	PKR Depth : 0.0	
Activity at Report Time: WO COMPLETION					
Start	End	Hrs	Activity Description		
09:00	10:00	1.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.		

04-12-2007		Reported By		MCCURDY	
Daily Costs: Drilling	\$0	Completion	\$1,095	Daily Total	\$1,095

Cum Costs: Drilling	5639,252	Completion	\$217,837	Well Total	\$857,089
MD	9,520	TVD	9,520	Progress	0
Formation : MESAVERDE	PBTD : 9468.0	Days	13	MW	0.0
		Perf : 8954'-9207'		PKR Depth : 0.0	Visc
					0.0

Activity at Report Time: FRAC LPR

Start	End	Hrs	Activity Description
06:00	08:00	2.0	RUWL. PERFORATED LPR FROM 8954'-55', 8960'-61', 8970'-71', 9026'-27', 9050'-51', 9066'-67', 9088'-89', 9094'-95', 9102'-03', 9131'-33', 9172'-73', 9181'-82' & 9206'-07' @ 3 SPF & 120° PHASING. RDWL. PCM MOTOR OUT. SDFN.

04-13-2007 Reported By MCCURDY

Daily Costs: Drilling	\$0	Completion	\$22,200	Daily Total	\$22,200
Cum Costs: Drilling	5639,252	Completion	\$240,037	Well Total	\$879,289
MD	9,520	TVD	9,520	Progress	0
Formation : MESAVERDE	PBTD : 9468.0	Days	14	MW	0.0
		Perf : 7877'-9207'		PKR Depth : 0.0	Visc
					0.0

Activity at Report Time: FRAC UPR

Start	End	Hrs	Activity Description
06:00	18:00	12.0	SICP 1732 PSIG. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4965 GAL YF125ST+ PAD & 42957 GAL YF125ST+ & YF118ST+ WITH 131500# 20/40 SAND @ 1-6 PPG. MTP 6366 PSIG. MTR 50.5 BPM. ATP 5283 PSIG. ATR 45.3 BPM. ISIP 3050 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8930'. PERFORATED MPR/LPR FROM 8714'-15', 8744'-45', 8749'-50', 8767'-68', 8774'-75', 8807'-08', 8820'-21', 8852'-53', 8876'-77', 8886'-87', 8893'-94' & 8914'-15' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4951 GAL YF125ST+ PAD & 51497 GAL YF125ST+ & YF118ST+ WITH 170000# 20/40 SAND @ 1-6 PPG. MTP 6097 PSIG. MTR 50 BPM. ATP 5330 PSIG. ATR 46.7 BPM. ISIP 3300 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8686'. PERFORATED MPR FROM 8395'-96', 8406'-07', 8455'-56', 8469'-70', 8477'-78', 8512'-13', 8518'-19', 8554'-55', 8590'-91', 8602'-03' (MISFIRE), 8639'-40' & 8669'-70' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4956 GAL YF125ST+ PAD & 55020 GAL YF125ST+ & YF118ST+ WITH 187800# 20/40 SAND @ 1-6 PPG. MTP 6229 PSIG. MTR 51.3 BPM. ATP 5543 PSIG. ATR 48.1 BPM. ISIP 3380 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8358'. PERFORATED MPR FROM 8146'-47', 8152'-53', 8160'-61', 8173'-74', 8187'-88', 8196'-97', 8206'-07', 8224'-25', 8237'-38' (MISFIRE), 8250'-51', 8257'-58', 8285'-86', 8293'-94' & 8343'-44' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4984 GAL YF123ST+ PAD & 64736 GAL YF123ST+ & YF118ST+ WITH 238900# 20/40 SAND @ 1-6 PPG. MTP 6167 PSIG. MTR 51.4 BPM. ATP 5063 PSIG. ATR 48.4 BPM. 2800 ISIP. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8115'. PERFORATED UPR FROM 7877'-78', 7884'-85', 7905'-06', 7920'-21', 7938'-39', 7955'-56', 7977'-78', 7989'-90', 8034'-35', 8040'-41', 8072'-74', 8083'-84' & 8089'-90' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4952 GAL YF123ST+ PAD & 50740 GAL YF123ST+ & YF118ST+ WITH 169000# 20/40 SAND @ 1-6 PPG. MTP 6213 PSIG. MTR 51.3 BPM. ATP 5427 PSIG. ATR 46.1 BPM. ISIP 3280 PSIG. RD SCHLUMBERGER. SDFN.

04-14-2007 Reported By MCCURDY

Daily Costs: Drilling	\$0	Completion	\$335,453	Daily Total	\$335,453
Cum Costs: Drilling	5639,252	Completion	\$575,490	Well Total	\$1,214,742
MD	9,520	TVD	9,520	Progress	0
Formation : MESAVERDE	PBTD : 9468.0	Days	15	MW	0.0
		Perf : 7198'-9207'		PKR Depth : 0.0	Visc
					0.0

Activity at Report Time: PREP TO MIRUSU.

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

06:00 11:00 5.0 SICP 1908 PSIG. RUWL. SET 10K CFP AT 7830'. PERFORATED UPFR FROM 7501'-02', 7523'-24', 7550'-51', 7593'-94', 7602'-03', 7615'-16', 7620'-21', 7671'-72', 7710'-11', 7766'-67', 7771'-72' & 7781'-82' @ 3 SPF & 120° PHASING. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4968 GAL YF123ST+ PAD & 53328 GAL YF123ST+ & YF118ST+ WITH 183000# 20/40 SAND @ 1-6 PPG. MTP 5927 PSIG. MTR 51.4 BPM. ATP 4609 PSIG. ATR 48.7 BPM. ISIP 2120 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7455'. PERFORATED UPFR FROM 7198'-99', 7206'-07', 7222'-23', 7287'-88', 7309'-10', 7317'-18', 7325'-26', 7336'-37', 7352'-53', 7358'-59', 7365'-66', 7407'-08', 7424'-25' & 7429'-30' @ 2 SPF & 180° PHASING. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4949 GAL YF123ST+ PAD & 57253 GAL YF123ST+ & YF118ST+ WITH 201000# 20/40 SAND @ 1-6 PPG. MTP 5821 PSIG. MTR 51.7 BPM. ATP 4403 PSIG. ATR 49.2 BPM. ISIP 2185 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 7117'. BLED OFF PRESSURE. RDWL.. SDFN.

04-17-2007 **Reported By** MCCURDY

Daily Costs: Drilling	\$0	Completion	\$7,338	Daily Total	\$7,338
Cum Costs: Drilling	\$639,252	Completion	\$582,828	Well Total	\$1,222,080

MD 9,520 **TVD** 9,520 **Progress** 0 **Days** 16 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD : 9468.0** **Perf : 7198'-9207'** **PKR Depth : 0.0**

Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
07:00	15:00	8.0	MIRUSU. ND FRAC TREE. NU BOPE. RIH W/BIT & PUMP OFF SUB TO 7117'. SDFN.

04-18-2007 **Reported By** POWELL

Daily Costs: Drilling	\$0	Completion	\$13,094	Daily Total	\$13,094
Cum Costs: Drilling	\$639,252	Completion	\$595,922	Well Total	\$1,235,174

MD 9,520 **TVD** 9,520 **Progress** 0 **Days** 17 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD : 9468.0** **Perf : 7198'-9207'** **PKR Depth : 0.0**

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
07:00	18:00	11.0	SICP 1600 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7117', 7455', 7830', 8115', 8358', 8686' & 8930'. RIH. CLEANED OUT TO PBTD @ 9460'. LANDED TBG AT 7816' KB. ND BOPE. NU TREE. PUMPED OFF BIT& SUB. RDMOSU.

FLOWED 13 HRS. 16/64" CHOKE. FTP 2100 PSIG. CP 2200 PSIG. 42 BFPH. RECOVERED 572 BLW. 9339 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'
 1 JT 2-3/8" 4.7# N-80 TBG 32.95'
 XN NIPPLE 1.10'
 237 JTS 2-3/8" 4.7# N-80 TBG 7769.34'
 BELOW KB 12.00'
 LANDED @ 7816.39' KB

04-19-2007 **Reported By** POWELL

Daily Costs: Drilling	\$0	Completion	\$4,128	Daily Total	\$4,128
Cum Costs: Drilling	\$639,252	Completion	\$600,050	Well Total	\$1,239,302

MD 9,520 **TVD** 9,520 **Progress** 0 **Days** 18 **MW** 0.0 **Visc** 0.0
Formation : MESAVERDE **PBTD** : 9468.0 **Perf** : 7198'-9207' **PKR Depth** : 0.0

Activity at Report Time: FLOW TEST

Start **End** **Hrs** **Activity Description**
 07:00 18:00 11.0 FLOWED 11 HRS. 16/64" CHOKE. FTP 2050 PSIG. CP 2400 PSIG. 31 BFPH. RECOVERED 749 BLW.
 8590 BLWTR.

04-20-2007 **Reported By** POWELL

Daily Costs: Drilling \$0 **Completion** \$26,833 **Daily Total** \$26,833
Cum Costs: Drilling \$639,252 **Completion** \$626,883 **Well Total** \$1,266,135

MD 9,520 **TVD** 9,520 **Progress** 0 **Days** 19 **MW** 0.0 **Visc** 0.0
Formation : MESAVERDE **PBTD** : 9468.0 **Perf** : 7198'-9207' **PKR Depth** : 0.0

Activity at Report Time: WO FACILITIES

Start **End** **Hrs** **Activity Description**
 05:00 05:00 24.0 FLOWED 24 HRS. 16/64" CHOKE. FTP 2000 PSIG. CP 2900 PSIG. 21 BFPH. RECOVERED 544 BLW.
 8046 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 4/19/07

05-14-2007 **Reported By** DUANE COOK

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$639,252 **Completion** \$626,883 **Well Total** \$1,266,135

MD 9,520 **TVD** 9,520 **Progress** 0 **Days** 20 **MW** 0.0 **Visc** 0.0
Formation : MESAVERDE **PBTD** : 9468.0 **Perf** : 7198'-9207' **PKR Depth** : 0.0

Activity at Report Time: INITIAL PRODUCTION

Start **End** **Hrs** **Activity Description**
 06:00 06:00 24.0 INITIAL PRODUCTION. OPENING PRESSURE: TP 2600 & CP 3200 PSI. TURNED WELL TO QUESTAR SALES AT
 10:00 AM, 5/11/07. FLOWED 540 MCFD RATE ON 12/64" POS CHOKE.

5/13/07 FLOWED 653 MCFD, 72 BC & 280 BW IN 24 HRS ON 12/64" CK, TP 2900 & CP 3100 PSIG.

5/14/07 FLOWED 1008 MCFD, 53 BC & 271 BW IN 24 HRS ON 12/64" CK, TP 2900 & CP 3000 PSIG.

05-15-2007 **Reported By** ALAN WATKINS

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$639,252 **Completion** \$626,883 **Well Total** \$1,266,135

MD 9,520 **TVD** 9,520 **Progress** 0 **Days** 21 **MW** 0.0 **Visc** 0.0
Formation : MESAVERDE **PBTD** : 9468.0 **Perf** : 7198'-9207' **PKR Depth** : 0.0

Activity at Report Time: ON SALES

Start **End** **Hrs** **Activity Description**
 06:00 06:00 24.0 FLOWED 1038 MCFD, 36 BC & 267 BW IN 24 HRS ON 12/64" CK, TP 2800 & CP 2800 PSIG.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMBNO. 1004-0137
Expires: March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

2. Name of Operator **EOG RESOURCES, INC**

3. Address **600 17th Street, Suite 1000N, Denver, CO 80202** 3a. Phone No. (include area code)
303-262-2812

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

At surface **1,164' FSL & 2,082' FEL 40.017436 LAT 109.424111 LON**

At top prod. interval reported below **Same**

At total depth **Same**

14. Date Spudded **02/02/2007** 15. Date T.D. Reached **03/26/2007** 16. Date Completed **05/11/2007**
 D & A Ready to Prod.

18. Total Depth: MD **9,520'** 19. Plug Back T.D.: MD **9,468'** 20. Depth Bridge Plug Set: MD
TVD TVD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
RST/CBL/CCL/VDL/GR 22. Was well cored? No Yes (Submit analysis)
Was DST run? No Yes (Submit report)
Directional Survey? No Yes (Submit copy)

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (DBL)	Cement Top*	Amount Pulled
12-1/4"	9-5/8"	36	J-55	0 - 2330		500 sx			
7-7/8"	4-1/2"	11.6	N-80	0 - 9514		1,930 sx			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-3/8"	7816							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Mesaverde	7198	9207	8954 - 9207		3/spf	
B)			8714 - 8915		3/spf	
C)			8395 - 8670		3/spf	
D)			8146 - 8344		2/spf	

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

Depth Interval	Amount and Type of Material
8954 - 9207	48,087 GALS GELLED WATER & 131,500# 20/40 SAND
8714 - 8915	56,613 GALS GELLED WATER & 170,000# 20/40 SAND
8395 - 8670	60,141 GALS GELLED WATER & 187,800# 20/40 SAND
8146 - 8344	69,885 GALS GELLED WATER & 238,900# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
05/11/2007	05/16/2007	24	→	43	979	270			FLOWEING
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
12/64"	SI 2750	2750	→	43	979	270			PRODUCING

28a. Production - Interval B

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

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

RECEIVED
JUN 12 2007

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	7198	9207		Wasatch Chapita Wells Buck Canyon Mesaverde Middle Price River Lower Price River Sego	4742 5295 6014 7189 8049 8829 9318

32. Additional remarks (include plugging procedure):

SEE ATTACHED SHEET.

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

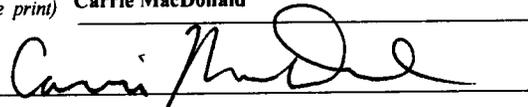
- Electrical/Mechanical Logs (1 full set req'd.)
 Geologic Report
 DST Report
 Directional Survey
 Sundry Notice for plugging and cement verification
 Core Analysis
 Other:

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

Name (please print) **Carrie MacDonald**

Title **Operations Clerk**

Signature



Date **06/07/2007**

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

Chapita Wells Unit 1162-22 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

7877-8090	2/spf
7501-7782	3/spf
7198-7430	2/spf

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

7877-8090	55,857 GALS GELLED WATER & 169,000# 20/40 SAND
7501-7782	58,461 GALS GELLED WATER & 183,000# 20/40 SAND
7198-7430	62,367 GALS GELLED WATER & 201,000# 20/40 SAND

Perforated the Lower Price River from 8954-8955', 8960-8961', 8970-8971', 9026-9027', 9050-9051', 9066-9067', 9088-9089', 9094-9095', 9102-9103', 9131-9133', 9172-9173', 9181-9182', 9206-9207' w/ 3 spf.

Perforated the Lower/ Middle Price River from 8714-8715', 8744-8745', 8749-8750', 8767-8768', 8774-8775', 8807-8808', 8820-8821', 8852-8853', 8876-8877', 8886-8887', 8893-8894', 8914-8915' w/ 3 spf.

Perforated the Middle Price River from 8395-8396', 8406-8407', 8455-8456', 8469-8470', 8477-8478', 8512-8513', 8518-8519', 8554-8555', 8590-8591', 8602-8603', 8639-8640', 8669-8670' w/ 3 spf.

Perforated the Middle Price River from 8146-8147', 8152-8153', 8160-8161', 8173-8174', 8187-8188', 8196-8197', 8206-8207', 8224-8225', 8237-8238', 8250-8251', 8257-8258', 8285-8286', 8293-8294', 8343-8344' w/ 2 spf.

Perforated the Upper Price River from 7877-7878', 7884-7885', 7905-7906', 7920-7921', 7938-7939', 7955-7956', 7977-7978', 7989-7990', 8034-8035', 8040-8041', 8072-8074', 8083-8084', 8089-8090' w/ 2 spf.

Perforated the Upper Price River from 7501-7502', 7523-7524', 7550-7551', 7593-7594', 7602-7603', 7615-7616', 7620-7621', 7671-7672', 7710-7711', 7766-7767', 7771-7772', 7781-7782' w/ 3 spf.

Perforated the Upper Price River from 7198-7199', 7206-7207', 7222-7223', 7287-7288', 7309-7310', 7317-7318', 7325-7326', 7336-7337', 7352-7353', 7358-7359', 7365-7366', 7407-7408', 7424-7425', 7429-7430' w/ 2 spf.

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 1162-22

API number: 43-047-37843

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

Well operator: EOG Resources, Inc.

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIG'S ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1367

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,310	1,320	NO FLOW	NOT KNOWN
1,860	1,900	NO FLOW	NOT KNOWN

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

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

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

NAME (PLEASE PRINT) Carrie MacDonald

TITLE Operations Clerk

SIGNATURE *Carrie MacDonald*

DATE 6/8/2007