

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

February 13, 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  
SOUTH CHAPITA 21-35  
NW/SW, SEC. 35, T9S, R23E  
UINTAH COUNTY, UTAH  
LEASE NO.: U-0344  
FEDERAL LANDS

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

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

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

Sincerely,



Ed Trotter  
Agent  
EOG Resources, Inc.

Attachments

**RECEIVED**  
**FEB 23 2006**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

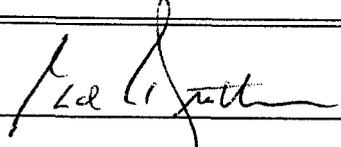
APPLICATION FOR PERMIT TO DRILL OR REENTER

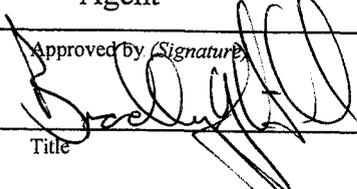
1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>U-0344</b>
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>EOG RESOURCES, INC.</b>		7. If Unit or CA Agreement, Name and No.
3a. Address <b>P.O. BOX 1815 VERNAL, UT 84078</b>		8. Lease Name and Well No. <b>SOUTH CHAPITA 21-35</b>
3b. Phone No. (Include area code) <b>(435)789-0790</b>		9. API Well No. <b>43-047-37862</b>
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface <b>1844' FSL, 844' FWL</b> At proposed prod. Zone <b>645145X 39.990295 4427854Y NW1SW -109.299931</b>		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
14. Distance in miles and direction from nearest town or post office* <b>25.22 MILES SOUTHEAST OF OURAY, UTAH</b>		11. Sec., T., R., M., or Blk. and Survey or Area <b>SEC. 35, T9S, R23E, S.L.B.&amp;M.</b>
15. Distance from proposed* location to nearest property or lease line, ft. <b>844'</b> (Also to nearest drig. Unit line, if any)	16. No. of Acres in lease <b>640</b>	12. County or Parish <b>UINTAH</b>
17. Spacing Unit dedicated to this well <b>40</b>	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C	13. State <b>UTAH</b>
19. Proposed Depth <b>8400'</b>	20. BLM/BIA Bond No. on file <b>NM-2308</b>	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5355.2 FEET GRADED GROUND</b>	22. Approximate date work will start* <b>UPON APPROVAL</b>	23. Estimated duration <b>45 DAYS</b>
24. Attachments		

Attachments

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

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

25. Signature 	Name (Printed/Typed) <b>Ed Trotter</b>	Date <b>February 13, 2006</b>
------------------------------------------------------------------------------------------------------	-------------------------------------------	----------------------------------

Title <b>Agent</b>	Approved by (Signature) 	Name (Printed/Typed) <b>BRADLEY G. HILL ENVIRONMENTAL MANAGER</b>	Date <b>03-02-06</b>
	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**

**RECEIVED**

**FEB 23 2006**

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

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

EOG RESOURCES, INC.

Well location, S. CHAPITA #21-35, located as shown in the NW 1/4 SW 1/4 of Section 35, T9S, R23E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

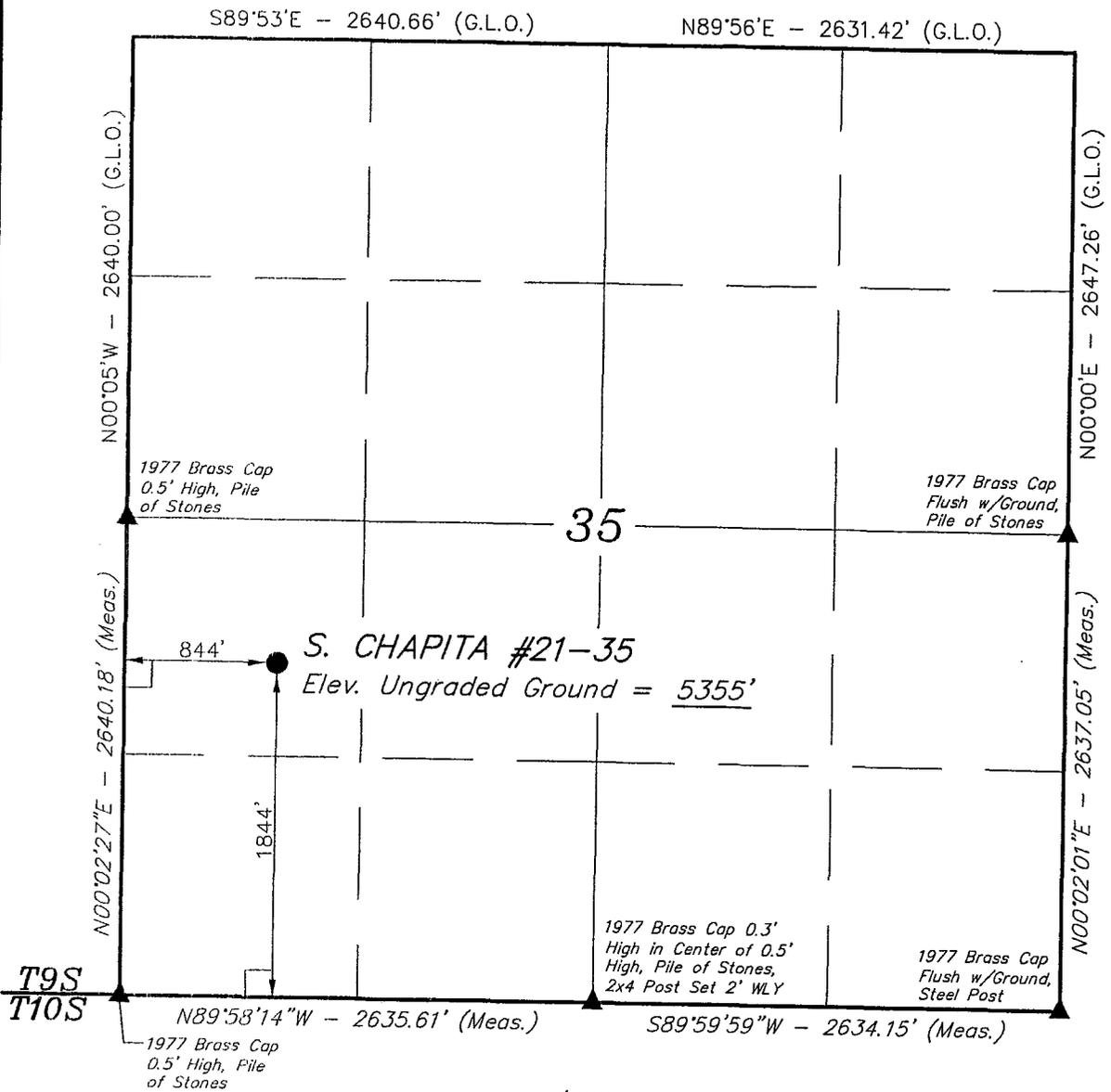


SCALE

CERTIFICATE

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

No. 161319  
 REGISTERED LAND SURVEYOR  
 REGISTRATIONS NO. 161319  
 STATE OF UTAH



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

(AUTONOMOUS NAD 83)  
 LATITUDE = 39°59'24.93" (39.990258)  
 LONGITUDE = 109°18'02.19" (109.300608)  
 (AUTONOMOUS NAD 27)  
 LATITUDE = 39°59'25.05" (39.990292)  
 LONGITUDE = 109°17'59.75" (109.299931)

<b>UINTAH ENGINEERING &amp; LAND SURVEYING</b>		
85 SOUTH 200 EAST - VERNAL, UTAH 84078		
(435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 12-28-04	DATE DRAWN: 01-18-05
PARTY G.S. D.L. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**  
**SOUTH CHAPITA 21-35**  
**NW/SW, SEC. 35, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>DEPTH (KB)</b>
Green River FM	1,394'
Wasatch	4,217'
North Horn	6,020'
Island	6,364'
KMV Price River	6,571'
KMV Price River Middle	7,138'
KMV Price River Lower	7,745'
Sego	8,207'

Estimated TD: 8,400' or 200'± below Sego top

**Anticipated BHP: 4,590 Psig**

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
 BOP schematic diagrams attached.

**4. CASING PROGRAM:**

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</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>
12-1/4"	0' – 2,300'KB±	2,300'±	9-5/8"	36.0#	J-55	ST&C	2020 Psi	3520 Psi	394,000#
7-7/8"	2,300'± – TD	8,400±	4-1/2"	11.6#	N-80	LT&C	6350 Psi	7780 Psi	223,000#

**Note:** 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

**5. Float Equipment:**

**Surface Hole Procedure (0'- 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

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

**Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (50± total). Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**EIGHT POINT PLAN**  
**SOUTH CHAPITA 21-35**  
**NW/SW, SEC. 35, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**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:**

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. 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 evaluation logs will be run in lieu of open hole logs.

**9. CEMENT PROGRAM:**

**Surface Hole Procedure (Surface - 2300'±):**

**Lead:** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

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

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

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

**EIGHT POINT PLAN**  
**SOUTH CHAPITA 21-35**  
**NW/SW, SEC. 35, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**CEMENT PROGRAM (Continued):**

**Production Hole Procedure (2300'± - TD)**

**Lead:** 410 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft<sup>3</sup>/sk., 9.19 gps water.

**Tail:** 545 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:** Number of sacks is based on gauged 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.

**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:**

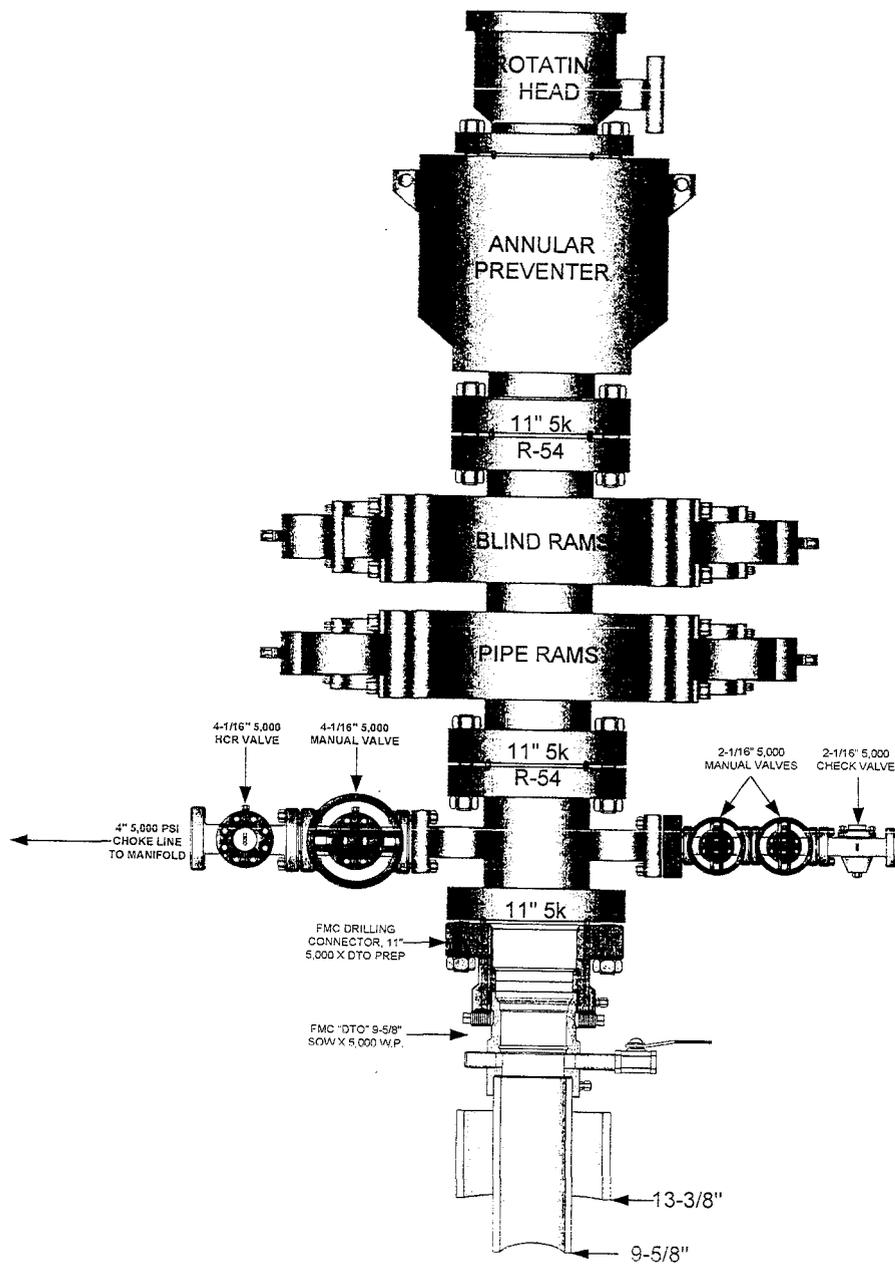
- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**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.

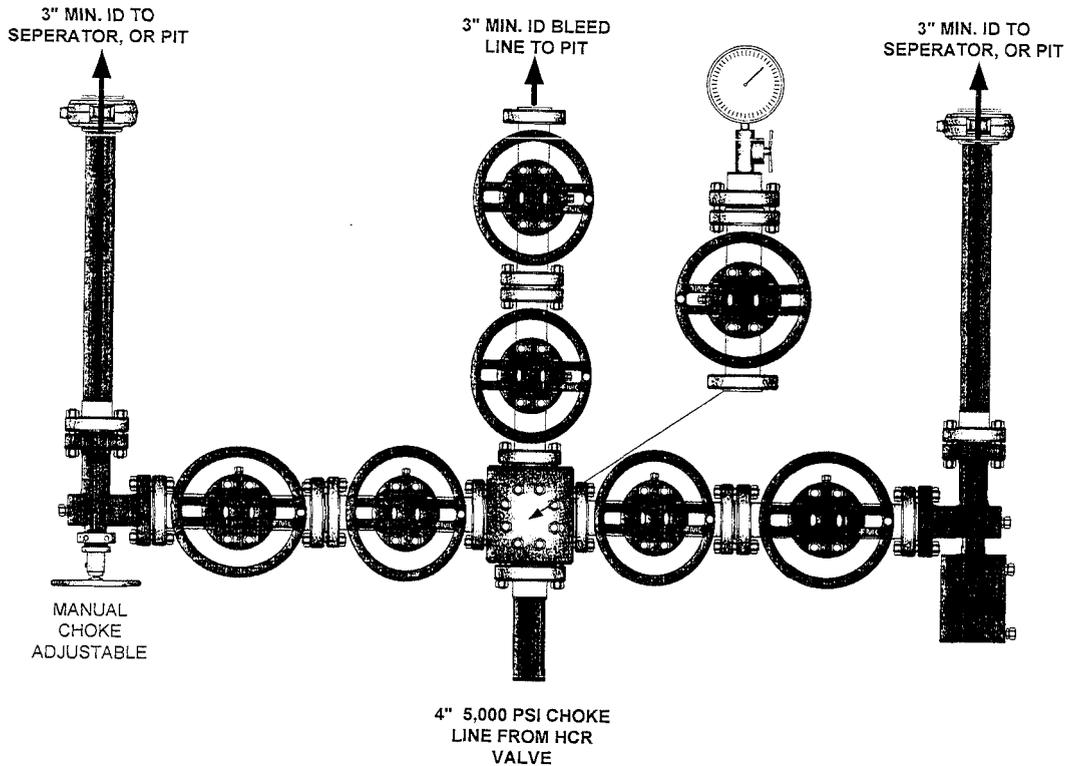
(Attachment: BOP Schematic Diagram)

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: South Chapita 21-35  
Lease Number: U-0344  
Location: 1844' FSL & 844' FWL, NW/SW, Sec. 35,  
T9S, R23E, S.L.B.&M., Uintah County, Utah  
Surface Ownership: Federal

**NOTIFICATION REQUIREMENTS**

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

Location Completion - prior to moving on the drilling rig.

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

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

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

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

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

## THIRTEEN POINT SURFACE USE PROGRAM

### 1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 25.22 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 80 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 - 1\*

B. Producing wells - 5\*

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

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

A. **ON WELL PAD**

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

B. **OFF WELL PAD**

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. A 4" OD steel above ground natural gas pipeline will be laid approximately 111' from proposed location to a point in the NW/SW of Section 35, T9S, R23E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline lies within the lease, thus a Right-of-Way grant will not be required.
3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

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

The production facilities will be placed on the South 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:

- Wyoming Big Sage – 3 pounds per acre
- Gardner Salt Bush – 3 pounds per acre
- Indian Rice Grass – 2 pounds per acre
- Hi-Crest Crested Wheat Grass – 1 pound per acre.

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

The stockpiled pit topsoil will be stored separate from the location topsoil from Corner #3 to Southwest of Corner #4. The stockpiled location topsoil will be stored from Corner #2 to Corner #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 North.

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

### **FENCING REQUIREMENTS:**

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

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

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

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

## 10. PLANS FOR RESTORATION OF SURFACE

### A. PRODUCING LOCATION

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

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

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

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

### B. DRY HOLE/ABANDONED LOCATION

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

## 11. SURFACE OWNERSHIP

Access road: Federal

Location: Federal

## 12. OTHER INFORMATION

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

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

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

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

**Additional Surface Stipulations**

None

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

**PERMITTING AGENT**

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

**DRILLING OPERATIONS**

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

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

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

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

**Certification**

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

Please be advised that EOG Resources, Inc. is considered to be the operator of the **South Chapita 21-35 Well, located in the NW/SW of Section 35, T9S, R23E, Uintah County, Utah; Lease #U-0344;** 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.

2-13-2006

Date

  
Agent

**Request for Exception to Buried Pipeline Requirement  
For the South Chapita 21-35  
NW/SW, Sec. 35, T9S, R23E  
Lease Number U-0344**

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

1. In order to bury pipe on the gas sales line route, additional surface disturbance relative to surface pipeline would be approximately 0.13 acre.
2. Ripping, cutting, or blasting of rock would be required, which in turn would leave long-term spoils on the right-of-way.
3. The disturbed soils on the pipeline corridor would be difficult to rehabilitate and would be susceptible to noxious weed infestation, which in turn would be hazardous to livestock.
4. Supplemental soil to replace removed rock would need to be hauled in from other locations to provide bedding and cover material.
5. The buried pipe would need to be coated and/or wrapped to minimize the potential for corrosion-caused gas leaks and blowouts.
6. Burying of pipe next to access roads increases the potential for damage, explosion, and fire when using graders and/or dozers for snow removal or road rehabilitation.
7. Surface equipment, including risers with blow down valves and pipeline markers will be required, adding to negative visual impact.
8. Disturbance of previously rehabilitated pipeline corridor could be necessary if increasing well density requires crossing of the corridor or location construction on the corridor.
9. Pipeline corridors subject to poor rehabilitation characteristics are susceptible to high rates of soil erosion.
10. Buried shallow pipelines in low areas subject to the occasional presence of standing water are susceptible to movement and surfacing.

# EOG RESOURCES, INC.

S. CHAPITA #21-35

LOCATED IN UINTAH COUNTY, UTAH

SECTION 35, T9S, R23E, S.L.B.&M.

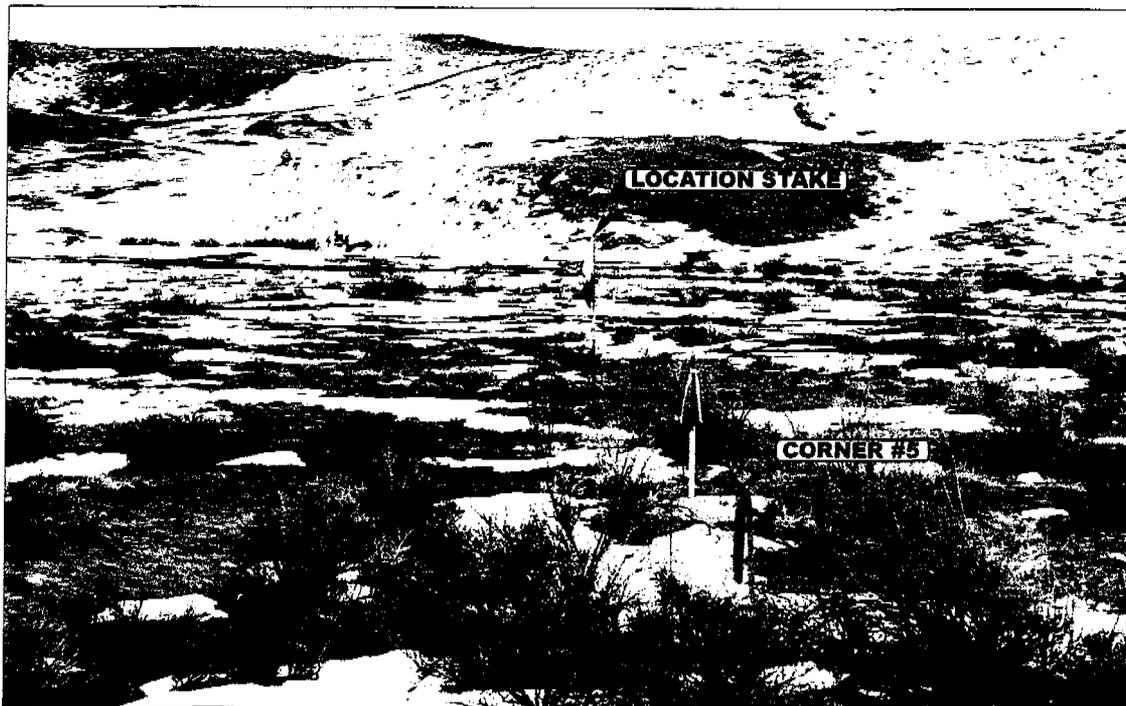


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY

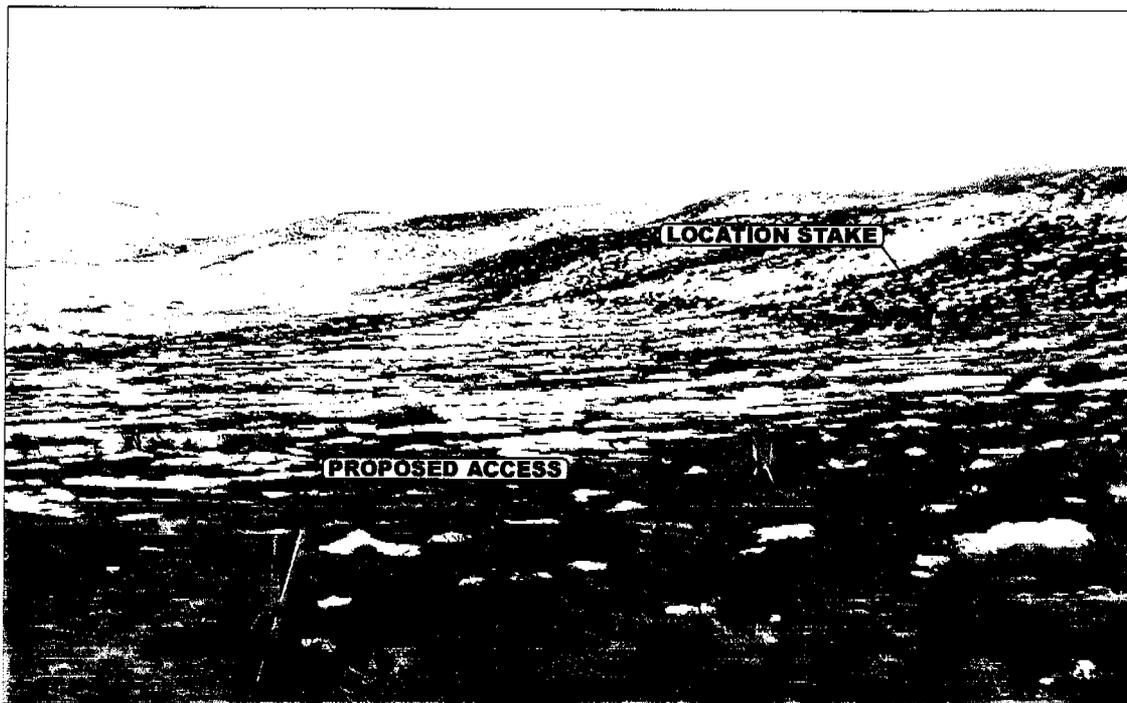


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



Since 1964

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

LOCATION PHOTOS

12 31 04  
MONTH DAY YEAR

PHOTO

TAKEN BY: GS.

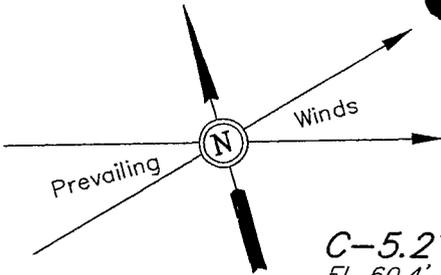
DRAWN BY: C.P.

REVISED: 00-00-00

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

S. CHAPITA #21-35  
SECTION 35, T9S, R23E, S.L.B.&M.  
1844' FSL 844' FWL



SCALE: 1" = 50'  
DATE: 01-18-05  
Drawn By: P.M.

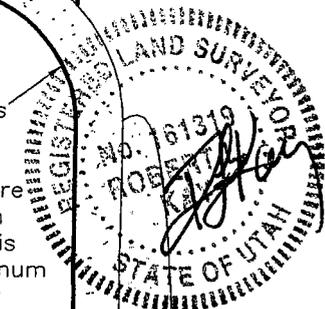
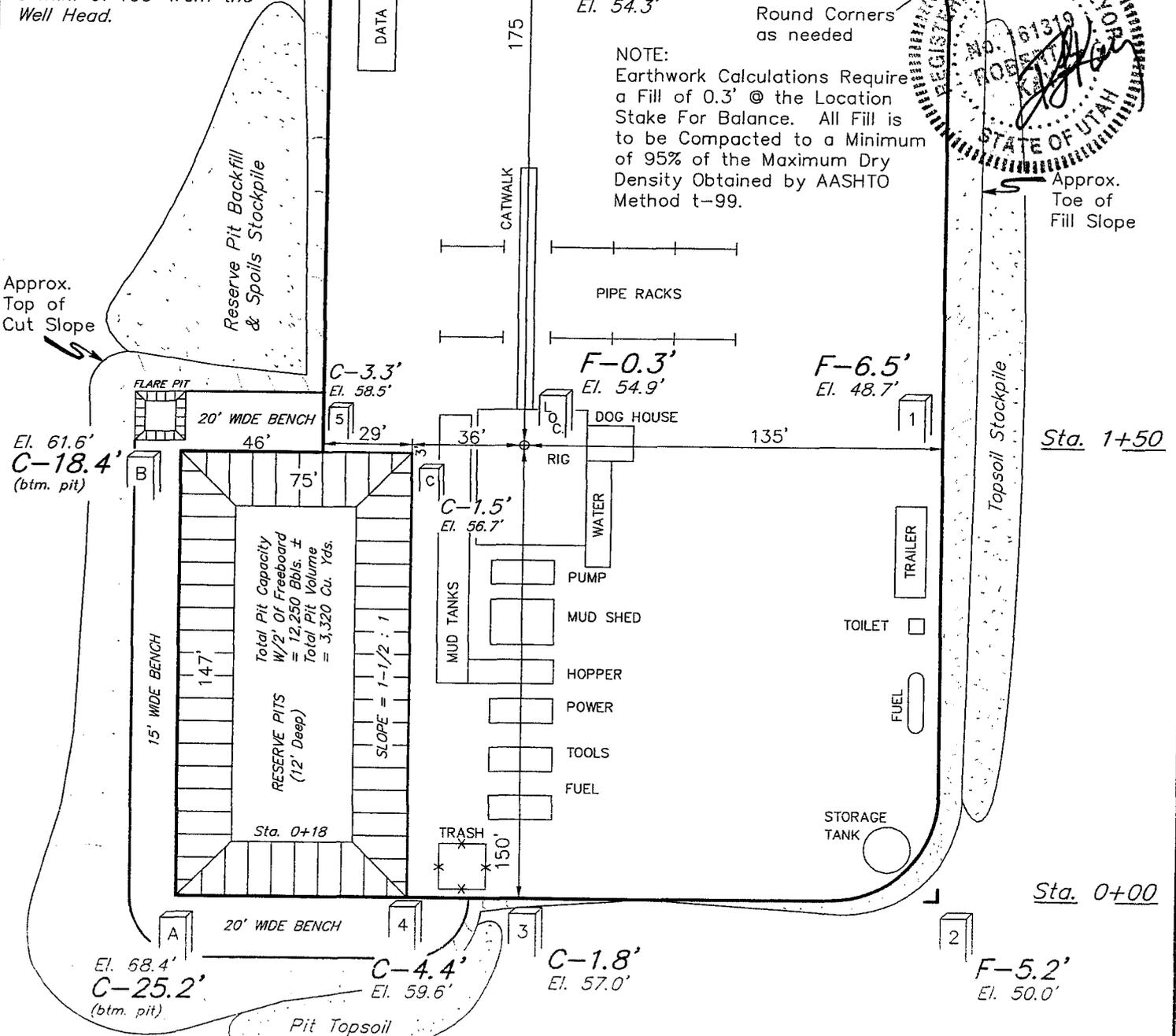
NOTE:

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

C-5.2'  
El. 60.4'

F-7.8'  
El. 47.4'

Sta. 3+25



NOTES:

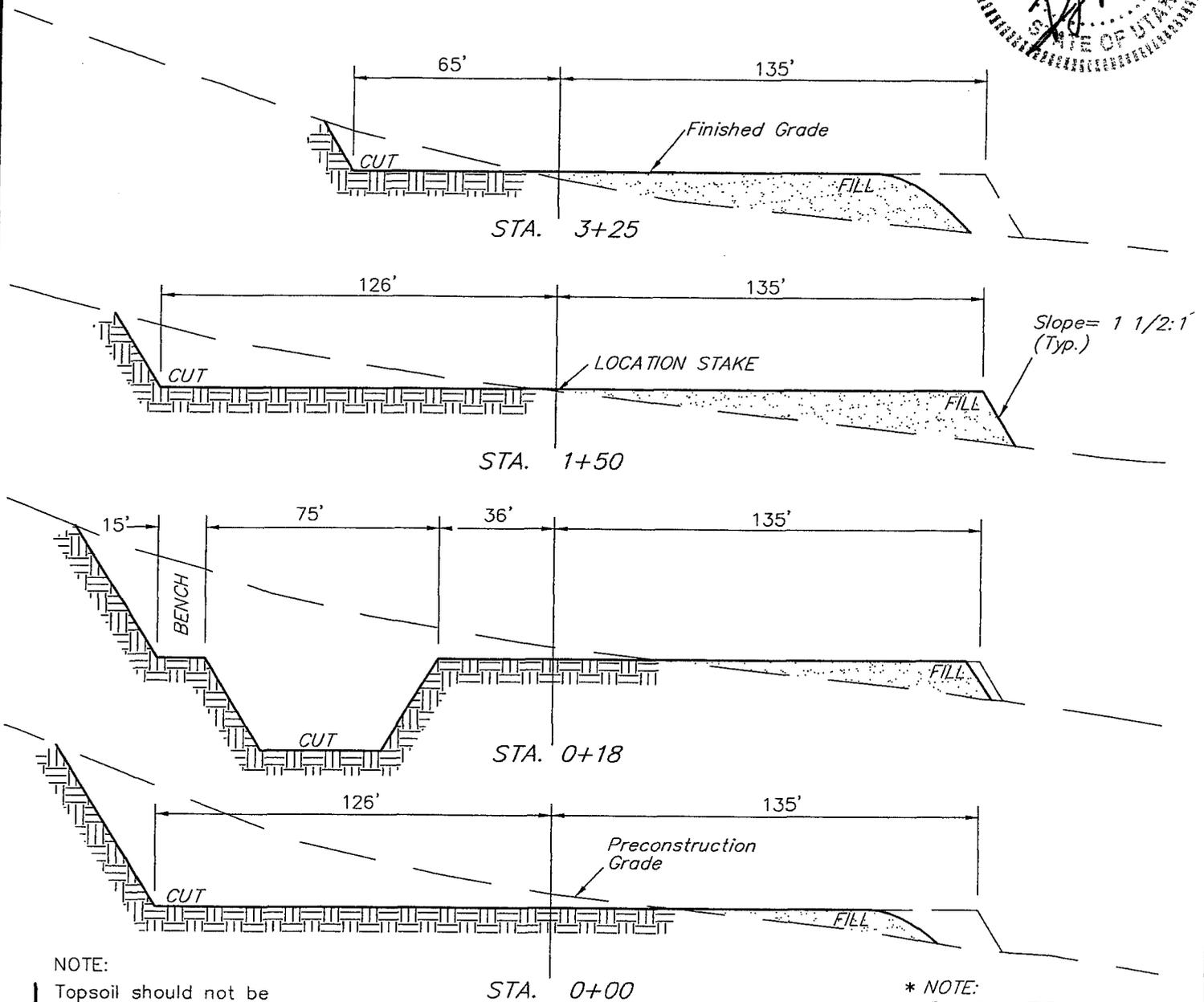
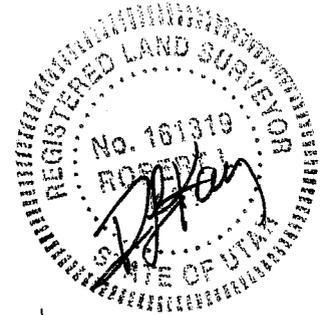
Elev. Ungraded Ground At Loc. Stake = 5354.9'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5355.2'

FIGURE #1

TYPICAL CROSS SECTIONS FOR  
 S. CHAPITA #21-35  
 SECTION 35, T9S, R23E, S.L.B.&M.  
 1844' FSL 844' FWL

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

DATE: 01-18-05  
 Drawn By: P.M.



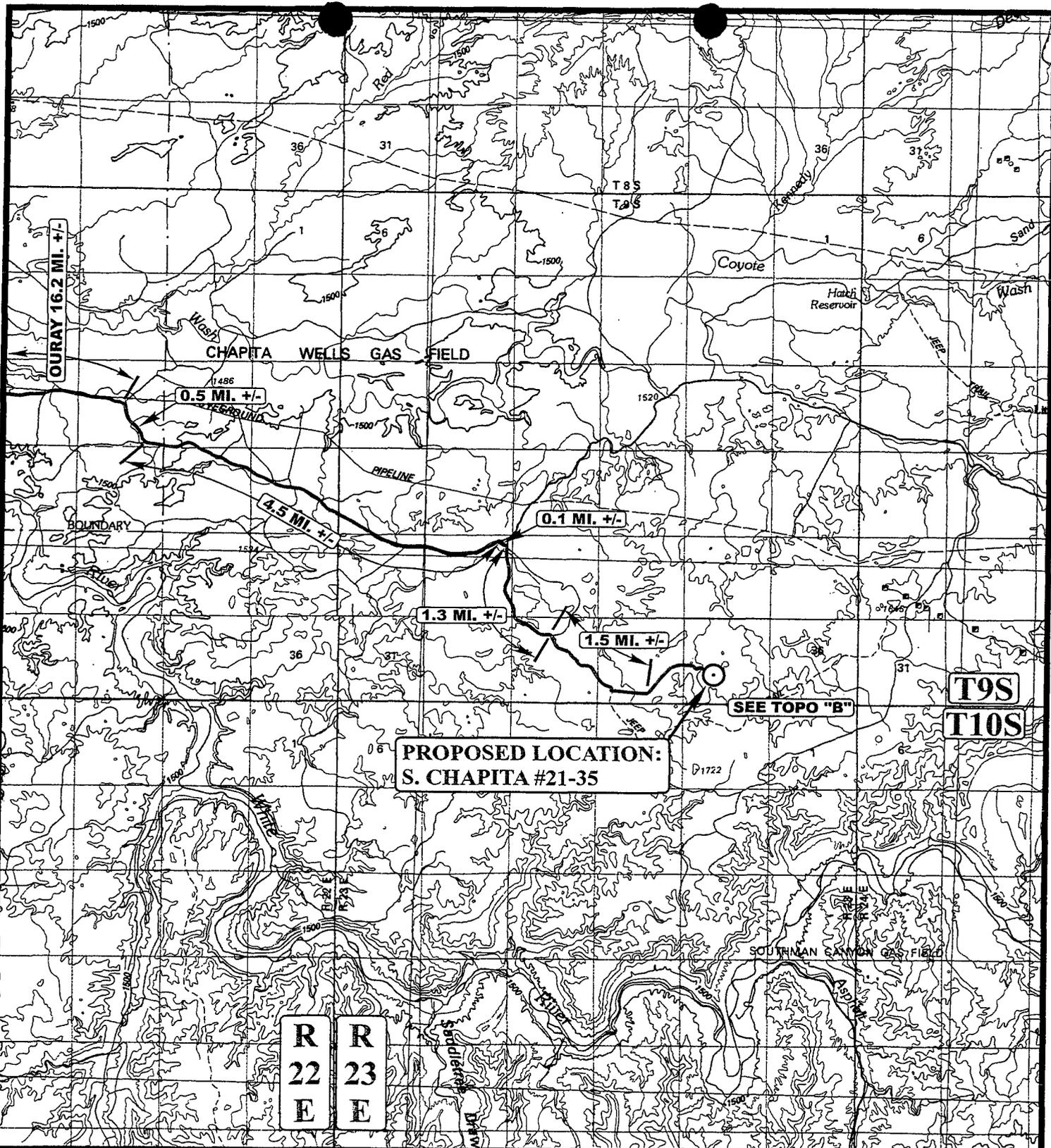
NOTE:  
 Topsoil should not be Stripped Below Finished Grade on Substructure Area.

\* NOTE:  
 FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,730 Cu. Yds.
Remaining Location	= 9,060 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 10,790 CU.YDS.</b>
<b>FILL</b>	<b>= 7,400 CU.YDS.</b>

EXCESS MATERIAL	= 3,390 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,390 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.



**LEGEND:**

○ PROPOSED LOCATION



**EOG RESOURCES, INC.**

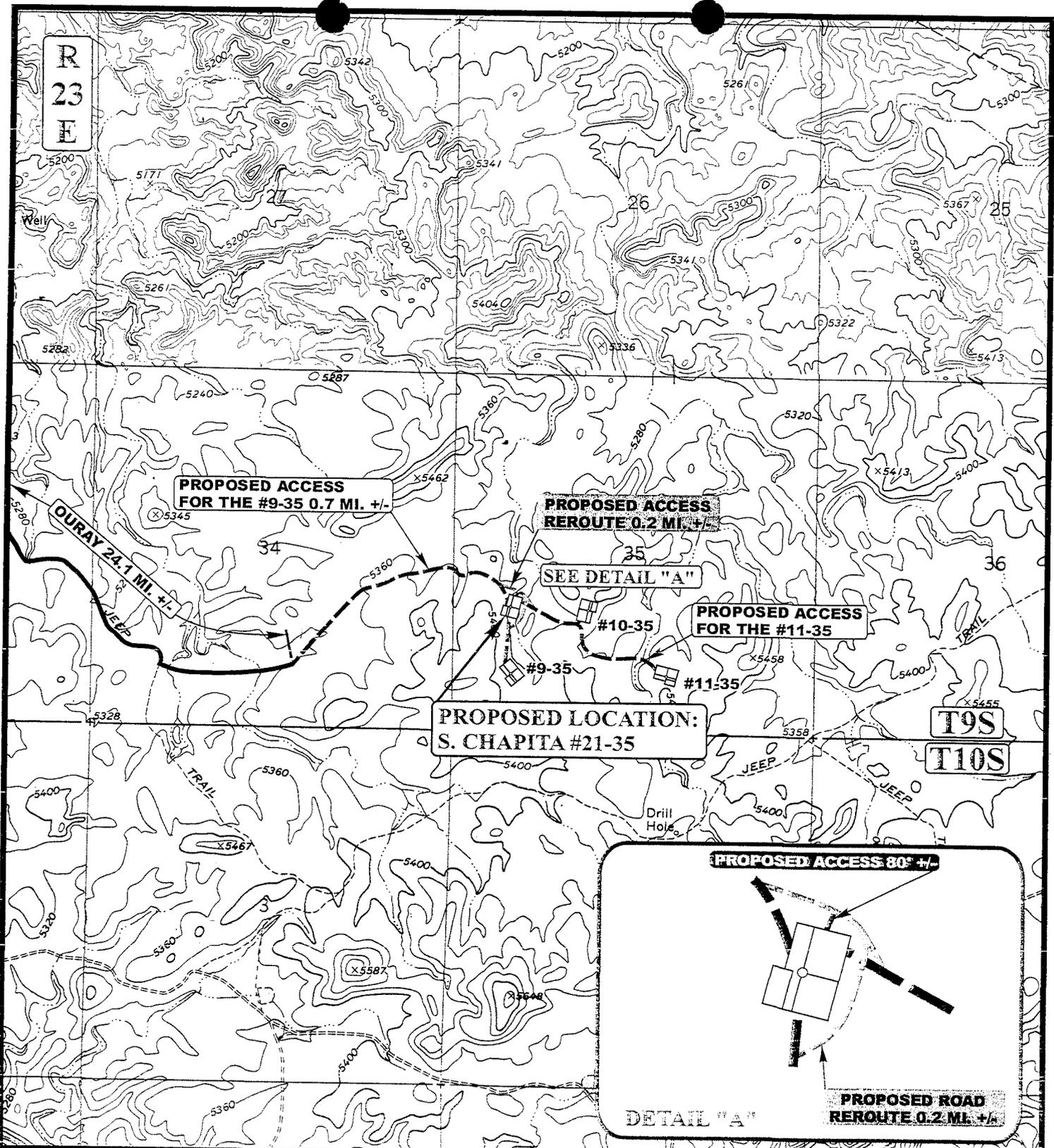
S. CHAPITA #21-35  
SECTION 35, T9S, R23E, S.L.B.&M.  
1844' FSL 844' FWL



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

**TOPOGRAPHIC** 12 | 31 | 04  
**MAP** MONTH | DAY | YEAR  
SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00





**LEGEND:**

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD
- ..... PROPOSED ROAD

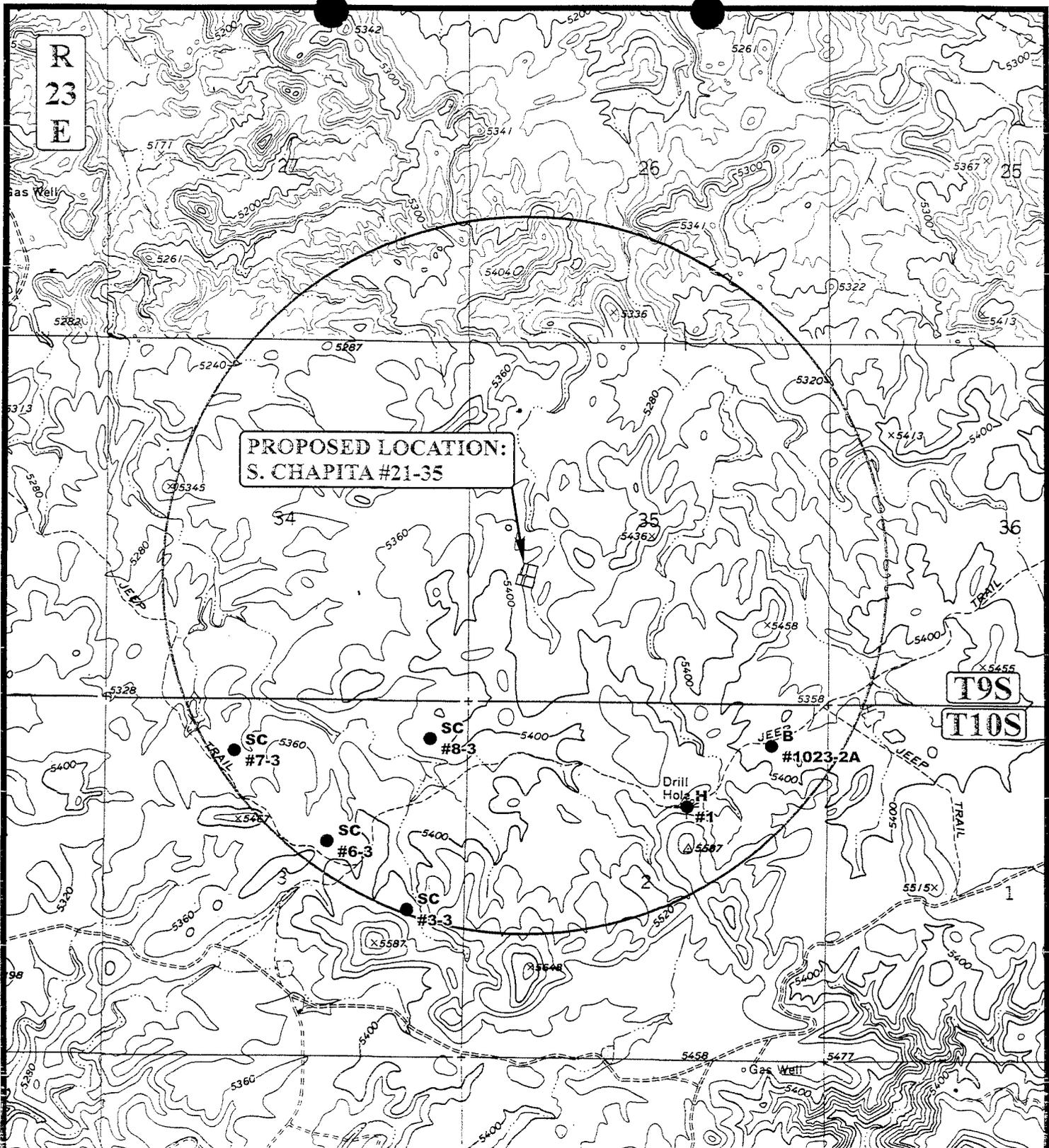
**U** **Utman Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**EOG RESOURCES, INC.**

S. CHAPITA #21-35  
 SECTION 35, T9S, R03E, S.L.B.M.  
 1344' FSL 342' FWL

**TOPOGRAPHIC** 12/31/04  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





R  
23  
E

**PROPOSED LOCATION:  
S. CHAPITA #21-35**

T9S  
T10S

**LEGEND:**

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

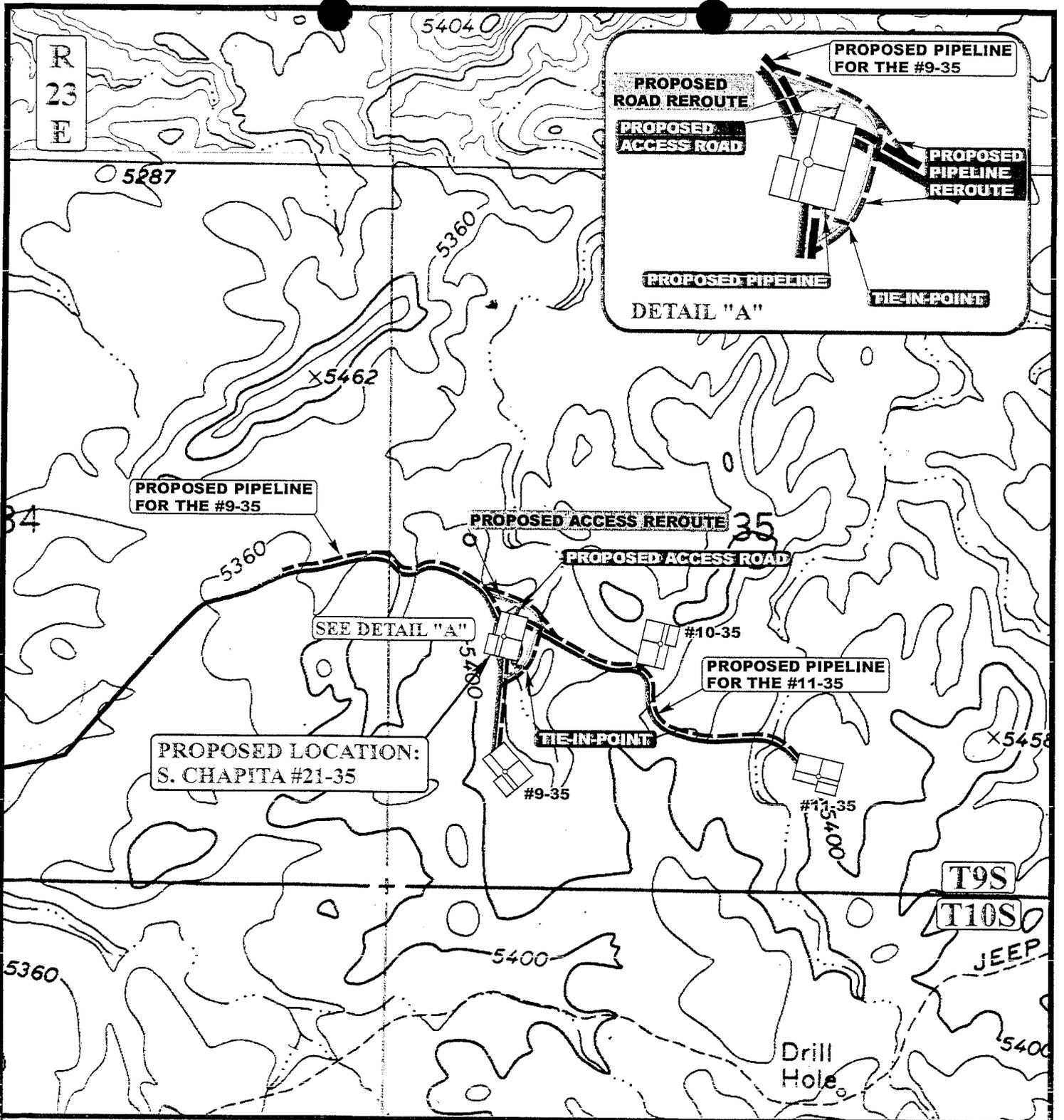
**EOG RESOURCES, INC.**

S. CHAPITA #21-35  
SECTION 35, T9S, R23E, S11E, 64M.  
1044' FSL 844' FWL

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

TOPOGRAPHIC 1251104  
MAP MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: C.R. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 111' +/-

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- - - PROPOSED PIPELINE
- - - PROPOSED PIPELINE REROUTE

**EOG RESOURCES, INC.**

S. CHAPITA #21-35  
 SECTION 35, T9S, R23E, S. 1/4 & 2/4  
 1800' FSL 344' FWL

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

**TOPOGRAPHIC** 12/31/04  
 MAP MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 00-00-00

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 02/23/2006

API NO. ASSIGNED: 43-047-37862

WELL NAME: S CHAPITA 21-35  
 OPERATOR: EOG RESOURCES INC ( N9550 )  
 CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

NWSW 35 090S 230E  
 SURFACE: 1844 FSL 0844 FWL  
 BOTTOM: 1844 FSL 0844 FWL  
 COUNTY: UINTAH  
 LATITUDE: 39.99030 LONGITUDE: -109.2999  
 UTM SURF EASTINGS: 645145 NORTHINGS: 4427854  
 FIELD NAME: NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: U-0344  
 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: \_\_\_\_\_
- R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit  
Board Cause No: \_\_\_\_\_  
Eff Date: \_\_\_\_\_  
Siting: \_\_\_\_\_
- R649-3-11. Directional Drill

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

\_\_\_\_\_

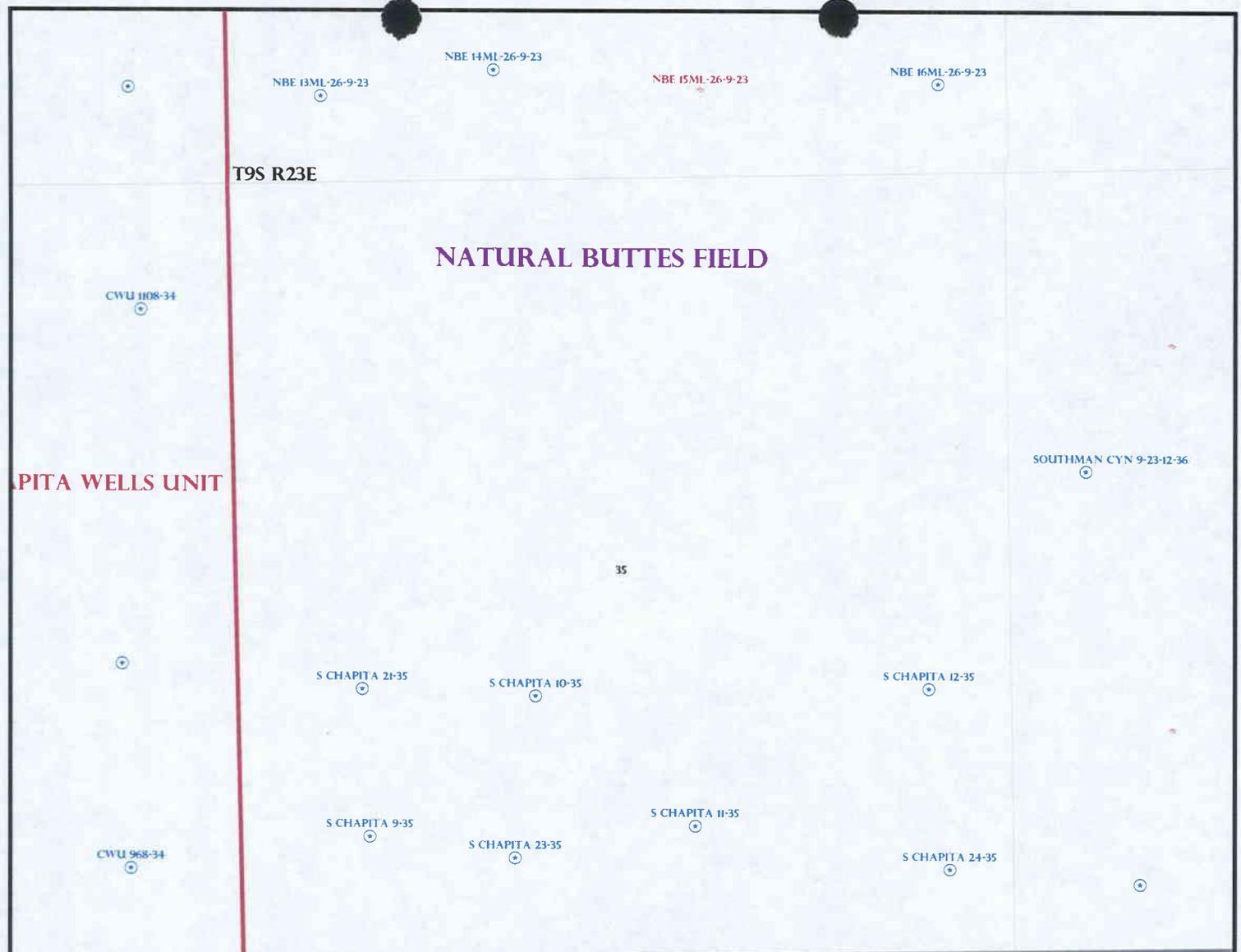
\_\_\_\_\_

STIPULATIONS: 1- Fedline Approved

2- Spacing Slip

\_\_\_\_\_

\_\_\_\_\_



**OPERATOR:** EOG RESOURCES INC (N9550)  
**SEC:** 35    **T:** 9S    **R:** 23E  
**FIELD:** NATURAL BUTTES (630)  
**COUNTY:** UINTAH  
**SPACING:** R649-3-2 / GENERAL SITING

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 2, 2006

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

Re: South Chapita 21-35 Well, 1844' FSL, 844' FWL, NW SW, Sec. 35,  
T. 9 South, R. 23 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37862.

Sincerely,

Gil Hunt  
Associate Director

mf  
Enclosures

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

**Operator:** EOG Resources, Inc  
**Well Name & Number** South Chapita 21-35  
**API Number:** 43-047-37862  
**Lease:** U-0344

**Location:** NW SW                      **Sec.** 35                      **T.** 9 South                      **R.** 23 East

### Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

RECEIVED

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FEB 27 2006

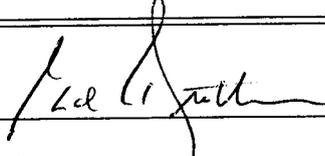
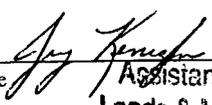
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>U-0344</b>
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>EOG RESOURCES, INC.</b>		7. If Unit or CA Agreement, Name and No.
3a. Address <b>P.O. BOX 1815 VERNAL, UT 84078</b>		8. Lease Name and Well No. <b>SOUTH CHAPITA 21-35</b>
3b. Phone No. (Include area code) <b>(435)789-0790</b>		9. API Well No. <b>43047137862</b>
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface <b>1844' FSL, 844' FWL</b> <b>NW/SW</b> At proposed prod. Zone		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
14. Distance in miles and direction from nearest town or post office* <b>25.22 MILES SOUTHEAST OF OURAY, UTAH</b>		11. Sec., T., R., M., or Blk. and Survey or Area <b>SEC. 35, T9S, R23E, S.L.B.&amp;M.</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. Unit line, if any) <b>844'</b>	16. No. of Acres in lease <b>640</b>	12. County or Parish <b>UINTAH</b>
17. Spacing Unit dedicated to this well <b>40</b>	13. State <b>UTAH</b>	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C	19. Proposed Depth <b>8400'</b>	20. BLM/BIA Bond No. on file <b>NM-2308</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5355.2 FEET GRADED GROUND</b>	22. Approximate date work will start* <b>UPON APPROVAL</b>	23. Estimated duration <b>45 DAYS</b>
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 office.

25. Signature 	Name (Printed/Typed) <b>Ed Trotter</b>	Date <b>February 13, 2006</b>
Title <b>Agent</b>	<b>DIV. OF OIL, GAS &amp; MINING</b>	
Approved by (Signature) 	Name (Printed/Typed) <b>JEANY KENCICKA</b>	Date <b>9-8-2006</b>
Title <b>Assistant Field Manager Lands &amp; Mineral Resources</b>	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)

**CONDITIONS OF APPROVAL ATTACHED**

**NOTICE OF APPROVAL**



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**

<b>Company:</b>	<b>EOG Resources</b>	<b>Location:</b>	<b>NWSW, Sec 35, T9S, R23E</b>
<b>Well No:</b>	<b>South Chapita 21-35</b>	<b>Lease No:</b>	<b>UTU-0344</b>
<b>API No:</b>	<b>43-047-37862</b>	<b>Agreement:</b>	<b>N/A</b>

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

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

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

**NOTIFICATION REQUIREMENTS**

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

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

- 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 and 3 lbs of Kochia Prostrata.
  
- If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.

### **DOWNHOLE CONDITIONS OF APPROVAL**

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

#### **SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL**

- Variance is granted for Onshore Order #2 III.E. Special Drilling Operations. Blooie line for drilling of surface may be 75' instead of 100'.
- Production casing cement top shall be at a minimum of 200' above the surface casing shoe.

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

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

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

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

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.*

5. Lease Serial No.  
**U-0344**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**South Chapita 21-35**

9. API Well No.  
**43-047-37862**

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

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

**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)  
**1844' FSL & 844' FWL (NW/SW)  
Sec. 35-T9S-R23E 39.990258 LAT 109.300608 LON**

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Water evaporation</u> unit
	<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.)

**EOG Resources, Inc. placed a water evaporation system on the referenced location as per verbal approval with Paul Buhler, BLM Vernal Field Office. Each unit consists of a 3" trash pump, a single/double evaporation unit consisting of 16-32 spray nozzles sprinkling fluids approximately 3'-4' into the atmosphere. All fluids are fully contained within the reserve pit. The unit will be in place until the pit is fully evaporated. Upon completion of evaporation, the pit will be reclaimed.**

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

**RECEIVED  
SEP 18 2006**

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed) **Mary A. Maestas** Title **Regulatory Assistant**

Signature *Mary A. Maestas* Date **09/15/2006**

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

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

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

Office \_\_\_\_\_

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

# DIVISION OF OIL, GAS AND MINING

## **SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: S CHAPITA 21-35

Api No: 43-047-37862 Lease Type: FEDERAL

Section 35 Township 09S Range 23E County UINTAH

Drilling Contractor ROCKY MOUNAIN DRLG RIG # RATHOLE

### **SPUDDED:**

Date 02/21/07

Time 1:30 PM

How DRY

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

Reported by KYLAN COOK

Telephone # (435) 790-8236

Date 02/21/2007 Signed CHD

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well  
 Oil Well     Gas Well     Other

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

3a. Address  
**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)  
**1,844' FSL & 844' FWL (NWSW)  
 Sec. 35-T9S-R23E 39.990258 LAT 109.300608 LON**

5. Lease Serial No.

**U-0344**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

**South Chapita 21-35**

9. API Well No.

**43-047-37862**

10. Field and Pool, or Exploratory Area

**Natural Buttes/Wasatch/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 <b>Well spud</b>
	<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.)

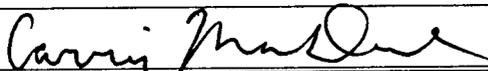
**The referenced well spud on 2/21/2007.**

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

**Carrie MacDonald**

Title **Operations Clerk**

Signature



Date

**02/22/2007**

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

Approved by

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Title

Date

Office

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(Instructions on page 2)

**RECEIVED**  
**FEB 26 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

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5. Lease Serial No.  
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6. If Indian, Allottee or Tribe Name

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8. Well Name and No.  
**South Chapita 21-35**

9. API Well No.  
**43-047-37862**

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

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

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<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

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

- 1. Natural Buttes Unit 21-20B SWD
- 2. Ace Disposal
- 3. 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

*Carrie MacDonald*

Date

**02/22/2007**

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

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

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(Instructions on page 2)

**RECEIVED**

**FEB 26 2007**

DIV. OF OIL, GAS & MINING

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

FORM 6

**ENTITY ACTION FORM**

Operator: EOG RESOURCES, 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
43-047-37862	SOUTH CHAPITA 21-35		NWSW	35	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	15951	2/21/2007			2/28/07	
Comments: <u>PRRV = MVRD</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37861	SOUTH CHAPITA 23-35		SESW	35	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	15952	2/20/2007			2/28/07	
Comments: <u>PRRV = MVRD</u>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36921	CHAPITA WELLS UNIT 1009-22		SENW	22	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	13650	2/21/2007			2/28/07	
Comments: <u>PRRV = MVRD</u>							

**ACTION CODES:**

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

Carrie MacDonald

Name (Please Print)

Signature

Operations Clerk

Title

2/22/2007

Date

**RECEIVED**  
**FEB 26 2007**

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**

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**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)

**1.844' FSL & 844' FWL (NWSW)  
 Sec. 35-T9S-R23E 39.990258 LAT 109.300608 LON**

5. Lease Serial No.  
**U-0344**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**South Chapita 21-35**

9. API Well No.  
**43-047-37862**

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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<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
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input type="checkbox"/> Other _____

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

**The referenced well was turned to sales on 5/8/2007. Please see the attached operations summary report for drilling and completion operations performed on the subject well.**

RECEIVED

MAY 14 2007

DIV. OF OIL, GAS & MINING

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

**Mary A. Maestas**

Title **Regulatory Assistant**

Signature

*Mary A. Maestas*

Date

**05/11/2007**

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

Approved by

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Title

Date

Office

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(Instructions on page 2)

# WELL CHRONOLOGY REPORT

Report Generated On: 05-10-2007

<b>Well Name</b>	SCW 21-35	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA WELLS DEEP	<b>API #</b>	43-047-37862	<b>Well Class</b>	ISA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	03-28-2007	<b>Class Date</b>	05-08-2007
<b>Tax Credit</b>	N	<b>TVD / MD</b>	8,400/ 8,400	<b>Property #</b>	054958
<b>Water Depth</b>	0	<b>Last CSG</b>	4.5	<b>Shoe TVD / MD</b>	8,396/ 8,396
<b>KB / GL Elev</b>	5,371/ 5,355				
<b>Location</b>	Section 35, T9S, R23E, NW/SW, 1844 FSL & 844 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	100.0	<b>NRI %</b>	82.25

<b>AFE No</b>	302827	<b>AFE Total</b>	1,945,900	<b>DHC / CWC</b>	818,700/ 1,127,200
<b>Rig Contr</b>	ENSIGN	<b>Rig Name</b>	ENSIGN #72	<b>Start Date</b>	04-25-2006
				<b>Release Date</b>	04-06-2007
<b>04-25-2006</b>	<b>Reported By</b>		SHARON WHITLOCK		
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
				<b>Days</b>	0
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time: LOCATION DATA**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			1844' FSL & 844' FWL (NW/SW)
			SECTION 35, T9S, R23E
			UINTAH COUNTY, UTAH
			LAT 39.990292, LONG 109.299931 (NAD 27)
			ENSIGN RIG #72
			OBJECTIVE: 8400' TD
			DW/GAS
			CHAPITA WELLS DEEP PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: U-0344
			ELEVATION: 5354.9' NAT GL, 5355.2' PREP GL (DUE TO ROUNDING 5355' IS THE PREP GL), 5371' KB (16')
			EOG WI 100%, NRI 82.25%

01-31-2007

Reported By

TERRY CSERE

Daily Costs: Drilling

\$25,000

Completion

\$0

Daily Total

\$25,000

**Cum Costs: Drilling**      \$25,000                      **Completion**      \$0                      **Well Total**      \$25,000  
**MD**      0      **TVD**      0      **Progress**      0      **Days**      0      **MW**      0.0      **Visc**      0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	START CONSTRUCTION ON LOCATION.

**02-01-2007**      **Reported By**      TERRY CSERE

**DailyCosts: Drilling**      \$25,000                      **Completion**      \$0                      **Daily Total**      \$25,000  
**Cum Costs: Drilling**      \$50,000                      **Completion**      \$0                      **Well Total**      \$50,000  
**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 50% COMPLETE.

**02-02-2007**      **Reported By**      TERRY CSERE

**DailyCosts: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$50,000                      **Completion**      \$0                      **Well Total**      \$50,000  
**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:** BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 60% COMPLETE.

**02-05-2007**      **Reported By**      TERRY CSERE

**DailyCosts: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$50,000                      **Completion**      \$0                      **Well Total**      \$50,000  
**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:** BUILDING LOCATION

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

**02-06-2007**      **Reported By**      TERRY CSERE

**DailyCosts: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$50,000                      **Completion**      \$0                      **Well Total**      \$50,000  
**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:** BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	DRILLING ON PIT.

**02-08-2007**      **Reported By**      TERRY CSERE

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

Cum Costs: Drilling \$50,000 Completion \$0 Well Total \$50,000  
 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: BUILDING LOCATION

Start End Hrs Activity Description  
 06:00 06:00 24.0 DRILLING ON PIT.

02-09-2007 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0  
 Cum Costs: Drilling \$50,000 Completion \$0 Well Total \$50,000  
 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: BUILDING LOCATION

Start End Hrs Activity Description  
 06:00 06:00 24.0 LOCATION 60% COMPLETE.

02-12-2007 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0  
 Cum Costs: Drilling \$50,000 Completion \$0 Well Total \$50,000  
 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: BUILDING LOCATION

Start End Hrs Activity Description  
 06:00 06:00 24.0 LOCATION 75% COMPLETE.

02-13-2007 Reported By BRYON TOLMAN

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0  
 Cum Costs: Drilling \$50,000 Completion \$0 Well Total \$50,000  
 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: BUILDING LOCATION

Start End Hrs Activity Description  
 06:00 06:00 24.0 LOCATION IS 80% COMPLETE.

02-14-2007 Reported By BRYON TOLMAN

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0  
 Cum Costs: Drilling \$50,000 Completion \$0 Well Total \$50,000  
 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: BUILDING LOCATION

Start End Hrs Activity Description  
 06:00 06:00 24.0 PUSHING OUT PIT.

02-15-2007 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0

**Cum Costs: Drilling** \$50,000      **Completion** \$0      **Well Total** \$50,000  
**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: BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

02-16-2007      Reported By      TERRY CSERE

**Daily Costs: Drilling** \$0      **Completion** \$0      **Daily Total** \$0  
**Cum Costs: Drilling** \$50,000      **Completion** \$0      **Well Total** \$50,000  
**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: BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

02-20-2007      Reported By      TERRY CSERE

**Daily Costs: Drilling** \$0      **Completion** \$0      **Daily Total** \$0  
**Cum Costs: Drilling** \$50,000      **Completion** \$0      **Well Total** \$50,000  
**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: BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

02-21-2007      Reported By      TERRY CSERE

**Daily Costs: Drilling** \$0      **Completion** \$0      **Daily Total** \$0  
**Cum Costs: Drilling** \$50,000      **Completion** \$0      **Well Total** \$50,000  
**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: BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT THE PIT.

02-22-2007      Reported By      TERRY CSERE

**Daily Costs: Drilling** \$0      **Completion** \$0      **Daily Total** \$0  
**Cum Costs: Drilling** \$50,000      **Completion** \$0      **Well Total** \$50,000  
**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	WALKING IN PIT.

02-23-2007      Reported By      TERRY CSERE

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

**Cum Costs: Drilling** \$50,000                      **Completion** \$0                      **Well Total** \$50,000  
**MD** 40    **TVD** 40    **Progress** 0    **Days** 0    **MW** 0.0    **Visc** 0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE. ROCKER DRILLING SPUD AN 20" HOLE ON 2/21/2007 @ 1:30 PM. SET 40' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. KYLAN COOK NOTIFIED MICHAEL LEE W/BLM AND CAROL DANIELS W/UDOGM OF THE SPUD 2/21/2007 @ 12:30 PM.

**03-16-2007**                      **Reported By**                      JERRY BARNES

**Daily Costs: Drilling** \$183,285                      **Completion** \$0                      **Daily Total** \$183,285  
**Cum Costs: Drilling** \$233,285                      **Completion** \$0                      **Well Total** \$233,285  
**MD** 2,294    **TVD** 2,294    **Progress** 0    **Days** 0    **MW** 0.0    **Visc** 0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU MAJOR AIR RIG #28 ON 2/26/2007. DRILLED 12-1/4" HOLE TO 2340' GL. ENCOUNTERED WATER @ 1760'. RAN 53 JTS (2278.19') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH DAVIS/LYNCH GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2294' KB. RDMO AIR RIG.

RU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 170 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 350 SX (71.6 BBLS) OF PREMIUM CEMENT W/2%CaCl2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CFS. DISPLACED CEMENT W/172.8 BBLS FRESH WATER. BUMPED PLUG W/500# @ 12:58 PM, 3/3/2007. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB # 1: MIXED & PUMPED 100 SX (20.5 BBLS) OF PREMIUM CEMENT W/4% CaCl2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS.

TOP JOB # 2: MIXED & PUMPED 100 SX (20.5 BBLS) OF PREMIUM CEMENT W/4% CaCl2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS.

TOP JOB # 3: 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.

TOP JOB # 4: MIXED & PUMPED 150 SX (30.7 BBLS) OF PREMIUM CEMENT W/2% CaCl2 & 1/4#/SX FLOCELE. MIXED CEMENT TO 15.8 PPG W/ YIELD OF 1.15 CF/SX. HOLE FILLED AND STOOD FULL. RDMO BIG 4 CEMENTERS.

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

NO SURVEY AT THIS TIME.

JOHN HELCO NOTIFIED JAMIE SPARGER W/VBLM, OF THE SURFACE CASING & CEMENT JOB ON 3/2/2007 @ 6:00 PM.

**03-27-2007**                      **Reported By**                      DEMPSEY DAY  
**Daily Costs: Drilling** \$20,340                      **Completion** \$0                      **Daily Total** \$20,340  
**Cum Costs: Drilling** \$253,625                      **Completion** \$0                      **Well Total** \$253,625

MD 2.294 TVD 2.294 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RIGGING UP ROTARY RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RIG ROTARY RIG DOWN ON SCW 23-35, MOVE TO SCW 21-35, RIG UP ROTARY RIG WITH BOB JONES TRUCKING..
			HELD SAFETY MEETING WITH TRUCK DRIVERS AND RIG CREWS.
			AT 08:30-3/26/2007 B.L.M. WAS NOTIFY OF TESTING B.O.P.EQUIPMENT.
			AT 16:30 -3/26/2007 THE STATE OF UTAH WAS NOTIFY OF TESTING B.O.P.EQUIPMENT,
			ON BOTH TALKED TO ANSWERING MACHINE.
			NO ACCIDENT.

03-28-2007 Reported By DEMPSEY DAY

DailyCosts: Drilling	\$27,256	Completion	\$0	Daily Total	\$27,256
Cum Costs: Drilling	\$280,881	Completion	\$0	Well Total	\$280,881

MD 2.294 TVD 2.294 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: TESTING B.O.P. EQUIPMENT.

Start	End	Hrs	Activity Description
06:00	22:30	16.5	RIGGING UP AND PICKING UP ROTARY TOOLS.,KELLY,TONGS, RAT HOLE,MOUSE HOLE SOCK, XO SUBS, LIFT SUBS.HOOK UP MUD LINES ,MUD TANKS, AND GAS BUSTER.
			WELDER INSTALLING SHUTS FROM MUD TANKS TO RESERVE PIT FOR DUMPING TANKS.
22:30	02:30	4.0	NIPPLE UP B.O.P. STACK AND CHOKE MANIFOLD.
02:30	06:00	3.5	RIG UP QUICK TESTER AND TEST B.O.P. EQUIPMENT, UPPER AND LOWER KELLY VALVE,5,000 T.I.W. IN SIDE B.O.P. VALVE 5,000, PIPE, BLIND RAMS, 5,000 PSI, ANNULAR 2,500, HCR VALVE- CHOKE MANIFOLD 5,000, 9-5/8" CSY 1,500.
			RIG ON DAYWORK -3/27/2007 -AT 22:30 HOURS.
			TWO FULL CREWS. BOTH CREWS HAVE HELD SAFETY MEETING ON RIGGING UP, AND- TEST B.O.P. EQUIPMENT.
			WELL HEAD WAS TESTED BY FMC, EMPLOYEE TO 5,000
			NO ACCIDENTS..

03-29-2007 Reported By DOUG GRINOLDS

DailyCosts: Drilling	\$74,885	Completion	\$0	Daily Total	\$74,885
Cum Costs: Drilling	\$355,794	Completion	\$0	Well Total	\$355,794

MD 2.600 TVD 2.600 Progress 306 Days 1 MW 0.0 Visc 0.0  
 Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRLG AHEAD

Start	End	Hrs	Activity Description
06:00	06:30	0.5	INSTALL WEAR BUSHING
06:30	08:30	2.0	HOOK UP CHOKE & FLARE LINES, STRAP BHA
08:30	15:30	7.0	HELD SAFETY MEETING W/ CALIBER CREW, R/U CALIBER, P/U BHA & DRILL PIPE
15:30	17:30	2.0	TORQUE KELLY, INSTALL KELLY SPINNERS, INSTALL ROT RUBBER
17:30	18:00	0.5	RIG SERVICE
18:00	21:00	3.0	MAKE UP KELLY, INSTALL ROTATING RUBBER, FUNCTION COM
21:00	22:00	1.0	DRILL CEMENT, FLOAT COLLAR, SHOE, + 10' NEW HOLE
22:00	22:30	0.5	FIT TEST, 425 PSI FOR 15 MINUTES, 11# MUD WT
22:30	23:00	0.5	RIG SERVICE
23:00	00:30	1.5	DRLG 2304' TO 2372'[68']][45.33'PH]WT 5/10, RPM 45/67, PSI 800, SPM 113, GPM 416, SPUD @ 2300 HRS, 3/28/07
00:30	01:00	0.5	RIG REPAIR, #1 PUMP
01:00	05:00	4.0	DRLG 2372' TO 2553'[181']][45.25'PH]WT 10, RPM 45/67, PSI 800, SPM 113, GPM 416
05:00	05:30	0.5	WIRELINE SURVEY @ 2371', 3 DEGREES
05:30	06:00	0.5	DRLG 2553' TO 2600'[47']][94'PH]WT 10, RPM 45/67, PSI 1200, SPM 113, GPM 416

FORMATION GREEN RIVER,  
 BACK GROUND GAS 400U-900U, CONN 1200U-1300U, HIGH GAS 2655U @ 2459'  
 FULL CREWS  
 NO ACCIDENTS,  
 SAFETY MEETING ON P/U DC, CLEANING & STORING TOOLS  
 FUEL ON HAND 4242 GAL, USED 622 GAL  
 MUD WT., WATER

06:00 18.0 SPUD 7 7/8" HOLE @ 23:00 HRS, 3/28/07.

03-30-2007 Reported By DOUG GRINOLDS

Daily Costs: Drilling	\$37,061	Completion	\$711	Daily Total	\$37,772
Cum Costs: Drilling	\$392,966	Completion	\$711	Well Total	\$393,677

MD 4.625 TVD 4.625 Progress 2,025 Days 2 MW 8.4 Visc 29.0  
 Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRLG AHEAD

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRLG 2600' TO 2774'[174']][116'PH]WT 10/18, RPM 45/67, PSI 1300, SPM 113, GPM 416
07:30	08:00	0.5	WIRELINE SURVEY @ 2694', 2 DEGREES
08:00	15:30	7.5	DRLG 2774' TO 3489'[715']][95.33'PH]WT 15/18, RPM 45/67, PSI 1350, SPM 113, GPM 416
15:30	16:00	0.5	RIG SERVICE, FUNCTION TEST PIPE RAMS
16:00	16:30	0.5	DRLG 3489' TO 3521'[32']][64'PH]WT 15/18, RPM 45/67, PSI 1350, SPM 113, GPM 416
16:30	17:30	1.0	REPAIR PASON DEPTH SENSOR
17:30	19:30	2.0	DRLG 3521' TO 3800'[279']][139.5'PH]WT 5/15, RPM 45/67, PSI 1500, SPM 113, GPM 416
19:30	20:00	0.5	WIRELINE SURVEY @ 3723' — 2 DEGREES
20:00	06:00	10.0	DRLG 3800' TO 4625'[825']][82.5'PH]WT 5/15, RPM 45/67, PSI 1500, SPM 113, GPM 416

FORMATION WASATCH TOP 4205', 70% SHALE, 15% SS, 15% LIMESTONE  
 BACKGROUND GAS 40U-200U, CONN 250U-350U, DT GAS 5623U @ 2776', HIGH GAS 4142U @ 2609'  
 SAFETY MEETINGS ON MUDDY CONDITIONS, STABBING PIPE  
 FULL CREWS  
 NO ACCIDENTS  
 FUEL ON HAND 2696 GAL, USED 1546 GAL  
 MUD WT 9.1#, VIS 30  
 FUNCTION COM

<b>03-31-2007</b>		<b>Reported By</b>		DOUG GRINOLDS							
<b>Daily Costs: Drilling</b>	\$34,074			<b>Completion</b>	\$0			<b>Daily Total</b>	\$34,074		
<b>Cum Costs: Drilling</b>	\$427,153			<b>Completion</b>	\$711			<b>Well Total</b>	\$427,864		
<b>MD</b>	6.225	<b>TVD</b>	6.225	<b>Progress</b>	1.600	<b>Days</b>	3	<b>MW</b>	9.3	<b>Visc</b>	32.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: DRLG AHEAD</b>											

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRLG 4625' TO 5381'[756][108'PH]WT 10/18, RPM 50/67, PSI 1500/1700, SPM 113, GPM 416
13:00	13:30	0.5	RIG SERVICE, FUNCTION TEST PIPE RAMS
13:30	06:00	16.5	DRLG 5381' TO 6225'[844'][5115'PH]WT 15/22, RPM 50/67, PSI 1600, SPM 112, GPM 410

FORMATION PRICE RIVER TOP 6073', 40% SHALE, 60% SANDSTONE  
 BACK GROUND GAS 130U-200U, CONN GAS 200U-300U, HIGH GAS 6137U @ 5622'  
 SAFETY MEETINGS ON V DOOR SAFETY, CLOSING & OPENING VALVES  
 FULL CREWS  
 NO ACCIDENTS  
 MUD WT 97#, VIS 32  
 FUEL ON HAND 1427 GAL, USED 1269  
 BOP DRILL 1MINUTE, 40 SECONDS  
 FUNCTION TEST CROWN O MATIC

<b>04-01-2007</b>		<b>Reported By</b>		DOUG GRINOLDS							
<b>Daily Costs: Drilling</b>	\$45,791			<b>Completion</b>	\$3,208			<b>Daily Total</b>	\$48,999		
<b>Cum Costs: Drilling</b>	\$472,944			<b>Completion</b>	\$4,079			<b>Well Total</b>	\$477,023		
<b>MD</b>	7.434	<b>TVD</b>	7.434	<b>Progress</b>	1,209	<b>Days</b>	4	<b>MW</b>	9.9	<b>Visc</b>	10.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: TRIP</b>											

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRLG 6225' TO 6775'[550][61.11'PH]WT 15/25, RPM 50/67, PSI 1750, SPM 112, GPM 414
15:00	15:30	0.5	RIG SERVICE,FUNCTION TEST ANNULAR
15:30	04:30	13.0	DRLG 6775' TO 7434'[659][50.69'PH]WT15/25, RPM 50/67, PSI 1800, SPM 112, GPM 414
04:30	06:00	1.5	MUD MOTOR FAILURE. CIRC GAS OUT OUT OF HOLE, MIX PILL FOR TRIP

FORMATION Kmv PRICE RIVER MIDDLE, 20% SHALE, 75% SS, 5% SLTSTN  
 BACK GROUND GAS 1500U-2800U, CONN GAS 2900U-3500U, HIGH GAS 6708U @ 7224'

SAFETY MEETINGS ON DRILLING W/ MUD MOTOR, MAKING CONNECTION  
 1 ACCIDENT, WILLIAM BAILEY HURT RIGHT SHOULDER WHILE MAKING CONN, DID NOT GO TO DR.,  
 NOTIFYED KENNY PHILLIPS, DANNY FISHER  
 FULL CREWS  
 MUD WT 10.7#, VIS 36  
 FUEL ON HAND 4552 GAL, USED 1375 GAL  
 FUNCTION COM

04-02-2007 Reported By DOUG GRINOLDS

DailyCosts: Drilling \$34,050 Completion \$2,082 Daily Total \$36,132  
 Cum Costs: Drilling \$506,994 Completion \$6,265 Well Total \$513,259

MD 7.800 TVD 7.800 Progress 366 Days 5 MW 10.6 Visc 38.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRLG AHEAD

Start	End	Hrs	Activity Description
06:00	06:30	0.5	PUMP HEAVEY PILL FOR TRIP, FUNCTION COM, DROP SURVEY
06:30	12:00	5.5	TRIP OUT HOLE, LAY DOWN 2 ROLLER REAMERS, BIT & MUD MOTOR, CK BLIND RAMS
12:00	16:30	4.5	P/U BIT, MUD MOTOR, TRIP IN HOLE, FILL PIPE
16:30	17:00	0.5	WASH & REAM 45' TO BOTTOM, NO FILL
17:00	06:00	13.0	DRLG 7434' TO 7800'[366'] [28.15'PH]WT18/22, RPM 50/67, PSI 1850, SPM 112, GPM 410

FORMATION Kmv PRICE RIVER MIDDLE, 60% CARB SHALE, 30% SS, 10% SILTSTONE  
 BACK GROUND GAS 7280U-7650U, CONN GAS 7650U-7810U, TRIP GAS 7470U @ 7434, HIGH GAS 7543U @  
 7224', 5' FLARE  
 SAFETY MEETINGS ON TRIPPING PIPE, PAINTING  
 FULL CREWS  
 NO ACCIDENTS  
 MUD WT 11.3#, VIS 40  
 FUEL ON HAND 3633 GAL, USED 917 GAL  
 FUNCTION COM

04-03-2007 Reported By DOUG GRINOLDS

DailyCosts: Drilling \$35,636 Completion \$1,309 Daily Total \$36,945  
 Cum Costs: Drilling \$542,630 Completion \$7,574 Well Total \$550,204

MD 8,235 TVD 8,235 Progress 435 Days 6 MW 11.0 Visc 53.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRLG AHEAD

Start	End	Hrs	Activity Description
06:00	15:30	9.5	DRLG 7800' TO 8057'[257'] [27.05'PH]WT 18/25, RPM 40/67, PSI 1950, SPM 112, GPM 410
15:30	16:00	0.5	RIG SERVICE, FUNCTION TEST PIPE RAMS
16:00	06:00	14.0	DRLG 8057' TO 8235'[178'] [12.71'PH]WT 10/30, RPM 40/67/ PSI 2150, SPM 110, GPM 410

FORMATION SEGO TOP 8198', 70% CARB SHALE, 20% SANDSTONE, 10% SILTSTONE  
 BACK GROUND GAS 7900U-8100U, CONN GAS 7900U-8100U, HIGH GAS 8164U @ 8220', 5' FLARE  
 SAFETY MEETINGS ON PULLING SLIPS, MIXING MUD  
 FULL CREWS

NO ACCIDENTS  
 MUD WT 11.6, 48 VIS  
 FUEL ON HAND 2472 GAL, USED 1161 GAL  
 FUNCTION COM

04-04-2007 Reported By DOUG GRINOLDS

<b>Daily Costs: Drilling</b>	\$42,057	<b>Completion</b>	\$0	<b>Daily Total</b>	\$42,057
<b>Cum Costs: Drilling</b>	\$584,688	<b>Completion</b>	\$7,574	<b>Well Total</b>	\$592,262
<b>MD</b>	8.345	<b>TVD</b>	8.345	<b>Progress</b>	110
				<b>Days</b>	7
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: DRLG AHEAD

Start	End	Hrs	Activity Description
06:00	16:00	10.0	DRLG 8235' TO 8336'[101'] [10.1'PH]WT 15/30, RPM 40/67, PSI 2100, SPM 110, GPM 405
16:00	21:00	5.0	SAFETY MEETING, PUMP PILL, TRIP OUT OF HOLE
21:00	01:30	4.5	CHANGE BITS, TRIP IN HOLE
01:30	03:30	2.0	WASH & REAM 60' TO BOTTOM, 25' FLARE BOTTOMS UP
03:30	06:00	2.5	DRLG 8336' TO 8345'[9'] [3.6'PH]WT 18, RPM 55/ 65, PSI 2100, SPM 110, GPM 405

FORMATION SEGO TOP 8198', 60% CARBSHALE, 30% SANDSTONE, 10% SILTSTONE  
 BACK GROUND GAS 5400U-7900U, CONN 5500U-8100U, TRIP GAS 8946U, HIGH 8125U @ 8279'  
 SAFETY MEETINGS ON TRIPPING, TRIPPING OUT DRILL COLLARS  
 FULL CREWS  
 NO ACCIDENTS  
 MUD WT 11.7#, 46 VIS  
 FUEL ON HAND 5021 GAL, USED 451 GAL  
 FUNCTION COM

04-05-2007 Reported By DEMPSEY DAY

<b>Daily Costs: Drilling</b>	\$29,152	<b>Completion</b>	\$450	<b>Daily Total</b>	\$29,602
<b>Cum Costs: Drilling</b>	\$613,840	<b>Completion</b>	\$8,024	<b>Well Total</b>	\$621,864
<b>MD</b>	8.400	<b>TVD</b>	8.400	<b>Progress</b>	55
				<b>Days</b>	8
				<b>MW</b>	11.7
				<b>Visc</b>	42.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: LAYING DRILL PIPE DOWN.

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILL 8345 TO 8367,15/25K, 37 VIS,11.7 WT, 7% LCM.
12:00	12:30	0.5	LUBRICATE RIG, CHECK CROWN-O-MATIC.
12:30	17:30	5.0	DRILL 8367 TO 8400 TD, 15/25K,11.7 WT,37 VIS,7% LCM. REACHED TD AT 17:30 HRS, 4/4/07.
17:30	18:30	1.0	CIRCULATE BOTTOMS UP AT 8400.
18:30	20:30	2.0	MAKE SHORT TRIP OF 15 STDS, PULL UP TO 6900'
20:30	00:00	3.5	CIRC COND HOLE AND MUD FOR LAYING D.P. DOWN AND RUNNING CSG. BOTTOMS UP AFTER SHORT TRIP HAD 10ft FLARE FOR APPROX 4 MINS, SPOTTED 300 BBLs OF 12.5 MUD ON BOTTOM.
00:00	06:00	6.0	HELD SAFETY MEETING WITH LAY DOWN CREW AND RIG CREW, RIG UP MACHINE AND LAY DRILL PIPE DOWN..

REACHED A TOTAL DEPTH OF 8,400 ft AT 17:30-4/4/2007

B.L.M. AND THE STATE OF UTAH WAS NOTIFY OF RUNNING CSG AND CEMENTING CSG AT-20:00 HOURS-4/4/2007, TALKED TO ANSWERING MACHINE WITH BOTH.

TOTAL FUEL 4242 GALS, USED-759 GALS.

TWO FULL CREWS, NO ACCIDENTS.

<b>04-06-2007</b>	<b>Reported By</b>	DEMPSEY DAY									
<b>Daily Costs: Drilling</b>	\$28,550	<b>Completion</b>	\$150,030	<b>Daily Total</b>	\$178,580						
<b>Cum Costs: Drilling</b>	\$642,390	<b>Completion</b>	\$158,054	<b>Well Total</b>	\$800,444						
<b>MD</b>	8,345	<b>TVD</b>	8,345	<b>Progress</b>	0	<b>Days</b>	9	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	09:00	3.0	FINISH LAYING DOWN DRILL PIPE AND B.H.A,
09:00	17:00	8.0	HELD SAFETY MEETING WITH CSG CREW AND RIG CREW ON RUNNING CSG, RIG UP CSG TRUCK, RUN 4-1/2" CSY, RUN 196 JTS OF 4-1/2" N80-11.60-LT@C, TWO MRK JTS, ONE PUP JT, FIRST MRK JT BOTTOM AT 3774, SECOND MRK JT BOTTOM AT 6081, RUN 15 CENTRALIZE, FIRST ONE 5 FT UP FROM SHOE, THEN EVERY OTHER JT. PUP JT FIRST JT BELOW CSG HANGER. FLOAT COLLAR AT 8351-KB.
17:00	19:00	2.0	CIRC 4-1/2" CSG WITH RIG PUMP, NOTICE NO FLARE WITH BOTTOMS UP.
19:00	21:30	2.5	HELD SAFETY MEETING WITH SCHLUMBERGER CEMENTERS ON CEMENTING, RIG UP PUMP TRUCK AND CEMENT 4-1/2" CSG WITH THE FOLLOWING, LEAD 580 SX 35/65 POZ -G, SLURRY VOLUME 233 BBLs, SLURRY WT 12.0 YIELD-2.26, ADDITIVES-6.000 % EXTENTER, 2.000 % EXPANDING, 0.125 lb/SX LOST CIRC, 0.200 % ANTIFOAM, 0.750 % FLUID LOSS, 0.300 % RETARDER, 0.200 % DISPERSANT. TAILED IN WITH 1400 SX OF 50/50 POZ, SLURRY WT 14.1, SLURRY VOLUME-321.6 BBLs, YIELD 1.29, ADDITIVES-2.000% EXTENTER, 0.200% DISPERSANT, 0.200% FLUID LOSS, 0.100% ANTIFOAM, PLUG DOWN AT-21:30-4/5/2007, CIRC NO CEMENT TO SURFACE, GOOD RETURNS THROUGH OUT THE JOB, NOTICE ON RETURNS, 20 BBLs OF CHEM WASH AND 20 BBLs OF FRESH WATER SPACER. 1.5 BBLs FLOW BACK AFTER PLUG BUMPED. MAX LIFT PSI-2200.
21:30	00:00	2.5	SET D.O.T CSY HANGER AND TEST TO 5,000 PSI.
00:00	04:00	4.0	CLEAN MUD TANKS, NIPPLE DOWN B.O.P.
04:00	06:00	2.0	RIG DOWN ROTARY RIG.

NO ACCIDENTS.

06:00 18.0 RELEASE RIG AT 04:00 HRS, 4/6/2007.  
CASING POINT COST \$642,391

<b>04-14-2007</b>	<b>Reported By</b>	SEARLE									
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$42,441	<b>Daily Total</b>	\$42,441						
<b>Cum Costs: Drilling</b>	\$642,390	<b>Completion</b>	\$200,495	<b>Well Total</b>	\$842,885						
<b>MD</b>	8,345	<b>TVD</b>	8,345	<b>Progress</b>	0	<b>Days</b>	10	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 8351.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU SCHLUMBERGER. RAN RST/CBL/VDL/GR/CCL FROM PBTD TO 150'. TOC ABOVE 150'. RD SCHLUMBERGER. WO COMPLETION.
<b>04-22-2007</b>		<b>Reported By</b>	MCCURDY
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,030
<b>Daily Total</b>		<b>Daily Total</b>	\$2,030
<b>Cum Costs: Drilling</b>	\$642,390	<b>Completion</b>	\$202,525
<b>Well Total</b>		<b>Well Total</b>	\$844,915
<b>MD</b>	8,345	<b>TVD</b>	8,345
<b>Progress</b>	0	<b>Days</b>	11
<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 8351.0</b>		<b>Perf :</b>
			<b>PKR Depth : 0.0</b>
<b>Activity at Report Time: PREP FOR FRAC</b>			
Start	End	Hrs	Activity Description
07:00	08:00	1.0	NU 10M FRAC TREE. PRESSURE TEST FRAC TREE & CASING TO 6500 PSIG. HELD OK. PREP FOR FRAC.
<b>04-24-2007</b>		<b>Reported By</b>	DEAN KOUTROULIS
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$299,965
<b>Daily Total</b>		<b>Daily Total</b>	\$299,965
<b>Cum Costs: Drilling</b>	\$642,390	<b>Completion</b>	\$502,490
<b>Well Total</b>		<b>Well Total</b>	\$1,144,880
<b>MD</b>	8,345	<b>TVD</b>	8,345
<b>Progress</b>	0	<b>Days</b>	11
<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 8351.0</b>		<b>Perf : 6200 - 8087</b>
			<b>PKR Depth : 0.0</b>
<b>Activity at Report Time: PREP TO MIRUSU</b>			
Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU CUTTERS WL. PERFORATED LPR FROM 7827-28', 7858-59', 7884-85', 7890-91', 7931-32', 7948-49', 7954-55', 7990-91', 8000-01', 8021-22', 8042-43', 8055-56', 8059-60', 8079-80' & 8086-87' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 5011 GAL YF116ST+ PAD & 50773 GAL YF116ST+ WITH 153600# 20/40 SAND @ 1-5 PPG. MTP 5920 PSIG. MTR 50.5 BPM. ATP 4397 PSIG. ATR 48.1 BPM. ISIP 2690 PSIG. RD SCHLUMBERGER.
RUWL. SET 10K CFP AT 7725'. PERFORATED MPR FROM 7451-52', 7502-03', 7519-20', 7532-33', 7541-42', 7551-52', 7597-98', 7614-15', 7638-39', 7653-54', 7685-86' & 7700-01' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4988 GAL YF116ST+ PAD & 48697 GAL YF116ST+ WITH 146600# 20/40 SAND @ 1-5 PPG. MTP 6528 PSIG. MTR 50.5 BPM. ATP 5469 PSIG. ATR 45.6 BPM. ISIP 3500 PSIG. RD SCHLUMBERGER.			
RUWL. SET 10K CFP AT 7400'. PERFORATED MPR FROM 7189-91', 7211-12', 7226-27', 7245-46', 7273-74', 7283-84', 7320-21', 7331-32', 7352-53' & 7384-86' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4991 GAL YF116ST+ PAD & 50429 GAL YF116ST+ WITH 153500# 20/40 SAND @ 1-5 PPG. MTP 5768 PSIG. MTR 50.5 BPM. ATP 3883 PSIG. ATR 48.3 BPM. ISIP 1660 PSIG. RD SCHLUMBERGER.			
RUWL. SET 10K CFP AT 7140'. PERFORATED MPR FROM 6971-72', 6979-80', 6995-96', 7001-02', 7029-30' (MISFIRE), 7041-42', 7071-73', 7092-93', 7103-04', 7111-12' & 7118-19' @ 3 SPF & 120° PHASING. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 5016 GAL YF116ST+ PAD & 44493 GAL YF116ST+ WITH 135100# 20/40 SAND @ 1-5 PPG. MTP 4458 PSIG. MTR 51.5 BPM. ATP 3516 PSIG. ATR 48.8 BPM. ISIP 1800 PSIG. RD SCHLUMBERGER.			
RUWL. SET 10K CFP AT 6940'. PERFORATED UPR FROM 6739-40', 6749-50', 6764-65', 6782-83', 6821-22', 6844-45', 6856-57', 6893-94', 6902-03', 6923-24' & 6928-30' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 5027 GAL YF116ST+ PAD & 42141 GAL YF116ST+ WITH 125600# 20/40 SAND @ 1-5 PPG. MTP 5212 PSIG. MTR 50.6 BPM. ATP 3934 PSIG. ATR 47 BPM. ISIP 2150 PSIG. RD SCHLUMBERGER.			

RUWL. SET 10K CFP AT 6650'. PERFORATED UPR FROM 6416-17', 6424-25', 6456-57', 6473-74', 6481-82', 6495-96', 6536-37', 6575-76', 6595-96', 6603-04' & 6632-34' @ 3 SPF & 120" PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4994 GAL YF116ST+ PAD & 47930 GAL YF116ST+ WITH 143200# 20/40 SAND @ 1-5 PPG. MTP 5256 PSIG. MTR 50.6 BPM. ATP 3512 PSIG. ATR 48.1 BPM. ISIP 1950 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6380'. PERFORATED UPR FROM 6200-01', 6207-08', 6218-19', 6226-27', 6255-56', 6284-85', 6311-12', 6317-18', 6320-21', 6359-60' & 6364-66' @ 3 SPF & 120" PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4995 GAL YF116ST+ PAD & 50073 GAL YF116ST+ WITH 154720# 20/40 SAND @ 1-5 PPG. MTP 4001 PSIG. MTR 40.8 BPM. ATP 3004 PSIG. ATR 39.6 BPM. ISIP 2150 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 6100'. BLED OFF PRESSURE. RDWL. SDFN.

<b>04-27-2007</b>		<b>Reported By</b>		<b>POWELL</b>							
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$36,160	<b>Daily Total</b>	\$36,160						
<b>Cum Costs: Drilling</b>	\$642,390	<b>Completion</b>	\$538,650	<b>Well Total</b>	\$1,181,040						
<b>MD</b>	8,345	<b>TVD</b>	8,345	<b>Progress</b>	0	<b>Days</b>	12	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 8351.0</b>		<b>Perf : 6200 - 8087</b>		<b>PKR Depth : 0.0</b>					

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
07:00	18:00	11.0	MIRUSU. ND FRAC TREE. NU BOPE. RIH W/BIT & PUMP OFF BIT SUB. CLEAN OUT & DRILL OUT PLUGS @ 6100', 6380', 6655', 6945', 7140', 7400' & 7740'. RIH. CLEAN OUT TO PBTD @ 8351'. LAND TBG AT 6705' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RD MOSU.

FLOWED 12 HRS. 16/64" CHOKE. FTP 1800 PSIG. CP 2200 PSIG. 39 BFPH. RECOVERED 459 BLW. 9478 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'  
 1 JT 2-3/8" 4.7# L-80 TBG 32.90'  
 XN NIPPLE 1.10'  
 203 JTS 2-3/8" 4.7# L-80 TBG 6658.32'  
 BELOW KB 12.00'  
 LANDED @ 6705.32' KB

<b>04-28-2007</b>		<b>Reported By</b>		<b>POWELL</b>							
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,184	<b>Daily Total</b>	\$2,184						
<b>Cum Costs: Drilling</b>	\$642,390	<b>Completion</b>	\$540,834	<b>Well Total</b>	\$1,183,224						
<b>MD</b>	8,345	<b>TVD</b>	8,345	<b>Progress</b>	0	<b>Days</b>	13	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 8351.0</b>		<b>Perf : 6200 - 8087</b>		<b>PKR Depth : 0.0</b>					

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1900 PSIG. CP 2900 PSIG. 30 BFPH. RECOVERED 814 BLW. 8664 BLWTR.

<b>04-29-2007</b>		<b>Reported By</b>		<b>POWELL</b>					
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,184	<b>Daily Total</b>	\$2,184				
<b>Cum Costs: Drilling</b>	\$642,390	<b>Completion</b>	\$543,018	<b>Well Total</b>	\$1,185,408				

MD 8,345 TVD 8,345 Progress 0 Days 14 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTB : 8351.0 Perf : 6200 - 8087 PKR Depth : 0.0

Activity at Report Time: SI WO FACILITIES

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP1900 PSIG. CP 2750 PSIG. 27 BFPH. RECOVERED 716 BLW. 7948 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 4/28/07

05-09-2007 Reported By DUANE COOK

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$642,390	Completion	\$543,018	Well Total	\$1,185,408

MD 8,345 TVD 8,345 Progress 0 Days 15 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTB : 8351.0 Perf : 6200 - 8087 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 1850 & CP 2900 PSI. TURNED WELL TO QUESTAR SALES AT 1:30 PM, 5/8/07. FLOWED 499 MCFD RATE ON 12/64" POS CHOKE.

05-10-2007 Reported By ROGER DART

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$642,390	Completion	\$543,018	Well Total	\$1,185,408

MD 8,345 TVD 8,345 Progress 0 Days 16 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTB : 8351.0 Perf : 6200 - 8087 PKR Depth : 0.0

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 433 MCFD, 25 BC & 290 BW IN 20 HRS ON 12/64" CK, TP 1950 & CP 2850 PSIG.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

5. Lease Serial No. **U-0344**

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No. **South Chapita 21-35**

9. AFI Well No. **43-047-37862**

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

11. Sec., T., R., M., on Block and Survey or Area **Sec. 35-T9S-R23E**

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

17. Elevations (DF, RKB, RT, GL)\* **5355' NAT GL**

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

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

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

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
 At surface **1844' FSL & 844' FWL (NWSW) 39.990258 LAT 109.300608 LON**  
 At top prod. interval reported below **Same**  
 At total depth **Same**

14. Date Spudded **02/21/2007** 15. Date T.D. Reached **04/04/2007** 16. Date Completed **05/08/2007**  
 D & A  Ready to Prod.

18. Total Depth: MD **8400** 19. Plug Back T.D.: MD **8351** 20. Depth Bridge Plug Set: MD  
 TVD TVD TVD

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

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 Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	9-5/8"	36.0#	J-55	0-2294		850 sx			
7-7/8"	4-1/2"	11.6#	N-80	0-8396		1980 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"	6705							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Mesaverde	6200	8087	7827-8087		3/spf	
B)			7451-7701		3/spf	
C)			7189-7386		3/spf	
D)			6971-7119		3/spf	

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

Depth Interval	Amount and Type of Material
7827-8087	55,949 GALS GELLED WATER & 153,600# 20/40 SAND
7451-7701	53,850 GALS GELLED WATER & 146,600# 20/40 SAND
7189-7386	55,585 GALS GELLED WATER & 153,500# 20/40 SAND
6971-7119	49,674 GALS GELLED WATER & 135,100# 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
05/08/2007	05/16/2007	24	→	10	575	207			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
12/64"	SI 1650	2400	→	10	575	207			PRODUCING GAS WELL

28a. Production - Interval B

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

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

RECEIVED

MAY 23 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	6200	8087		Wasatch Chapita Wells Buck Canyon North Horn Price River Middle Price River Lower Price River Sego	4217 4766 5413 5890 6097 6945 7756 8242

32. Additional remarks (include plugging procedure):

**SEE ATTACHED SHEET.**

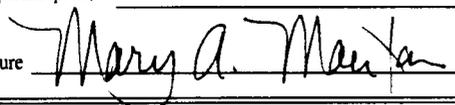
33. Indicate which items have been attached by placing a check in the appropriate boxes:

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

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

Name (please print) Mary A. Maestas

Title Regulatory Assistant

Signature 

Date 05/21/2007

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.

**South Chapita 21-35 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

6739-6930	3/spf
6416-6634	3/spf
6200-6366	3/spf

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

6739-6930	47,333 GALS GELLED WATER & 125,600# 20/40 SAND
6416-6634	53,089 GALS GELLED WATER & 143,200# 20/40 SAND
6200-6366	55,233 GALS GELLED WATER & 154,720# 20/40 SAND

Perforated the Lower Price River from 7827-7828', 7858-7859', 7884-7885', 7890-7891', 7931-7932', 7948-7949', 7954-7955', 7990-7991', 8000-8001', 8021-8022', 8042-8043', 8055-8056', 8059-8060', 8079-8080' & 8086-8087' w/ 3 spf.

Perforated the Middle Price River from 7451-7452', 7502-7503', 7519-7520', 7532-7533', 7541-7542', 7551-7552', 7597-7598', 7614-7615', 7638-7639', 7653-7654', 7685-7686' & 7700-7701' w/ 3 spf.

Perforated the Middle Price River from 7189-7191', 7211-7212', 7226-7227', 7245-7246', 7273-7274', 7283-7284', 7320-7321', 7331-7332', 7352-7353' & 7384-7386' w/ 3 spf.

Perforated the Middle Price River from 6971-6972', 6979-6980', 6995-6996', 7001-7002', 7041-7042', 7071-7073', 7092-7093', 7103-7104', 7111-7112' & 7118-7119' w/ 3 spf.

Perforated the Upper Price River from 6739-6740', 6749-6750', 6764-6765', 6782-6783', 6821-6822', 6844-6845', 6856-6857', 6893-6894', 6902-6903', 6923-6924' & 6928-6930' w/ 3 spf.

Perforated the Upper Price River from 6416-6417', 6424-6425', 6456-6457', 6473-6474', 6481-6482', 6495-6496', 6536-6537', 6575-6576', 6595-6596', 6603-6604' & 6632-6634' w/ 3 spf.

Perforated the Upper Price River from 6200-6201', 6207-6208', 6218-6219', 6226-6227', 6255-6256', 6284-6285', 6311-6312', 6317-6318', 6320-6321', 6359-6360' & 6364-6366' w/ 3 spf.

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

FORM 7

**REPORT OF WATER ENCOUNTERED DURING DRILLING**

Well name and number: SCW 21-35

API number: \_\_\_\_\_

Well Location: QQ NWSW Section 35 Township 9S Range 23E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: MAJOR

Address: 2200 S 4000 W

city SALT LAKE CITY state UT zip 84120

Phone: (801) 974-0645

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
900	910	NO FLOW	NOT KNOWN
1,760	1,780	NO FLOW	NOT KNOWN

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

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

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

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE *Mary A. Maestas*

DATE 5/21/2007

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU0344

6. If Indian, Allottee or Tribe Name

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

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

8. Well Name and No.  
SOUTH CHAPITA 21-35

9. API Well No.  
43-047-37862

10. Field and Pool, or Exploratory  
NATURAL BUTTES/WASATCH/MV

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 35 T9S R23E NWSW 1844FSL 844FWL  
39.99026 N Lat, 109.30061 W Lon

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

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

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

EOG Resources, Inc. requests authorization for commingling of production from the Wasatch and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from cased-hole logs. Production from the Wasatch and Mesaverde formations will be commingled in the wellbore and produced through open-ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

**COPY SENT TO OPERATOR**

Date: 3.10.2008

Initials: KS

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #58550 verified by the BLM Well Information System For EOG RESOURCES INC, sent to the Vernal**

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

Signature *Mary A. Maestas* (Electronic Submission) Date 02/11/2008

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

Approved By \_\_\_\_\_ Accepted by the \_\_\_\_\_ Federal Approval Of This \_\_\_\_\_  
Date \_\_\_\_\_ Utah Division of \_\_\_\_\_ Date \_\_\_\_\_  
Office \_\_\_\_\_ Action is Necessary

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

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

**RECEIVED**  
**FEB 13 2008**

STATE OF COLORADO )

) ss

COUNTY OF DENVER )

VERIFICATION

Mary A. Maestas, of lawful age, being first duly sworn upon oath, deposes and says:

She is a Regulatory Assistant of EOG Resources, Inc., of Denver, Colorado. EOG Resources, Inc. is the operator of the following described well:

**SOUTH CHAPITA 21-35  
1844' FSL – 844' FWL (NWSW)  
SECTION 35, T9S, R23E  
UINTAH COUNTY, UTAH**

EOG Resources, Inc., and Kerr-McGee Oil & Gas Onshore LP, Exhibit A, are the only owners in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

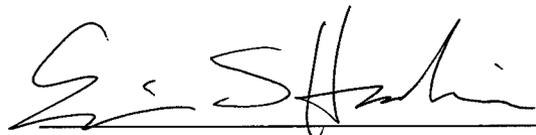
On the 11<sup>th</sup> day of February, 2008 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

Said envelope, which contained these instruments, was addressed to the Utah Division of Oil, Gas & Mining, Bureau of Land Management, and Kerr-McGee Oil & Gas Onshore LP.

Further affiant saith not.

  
\_\_\_\_\_  
Mary A. Maestas  
Regulatory Assistant

Subscribed and sworn before me this 11<sup>th</sup> day of February, 2008.

  
\_\_\_\_\_  
Notary Public

My Commission Expires:

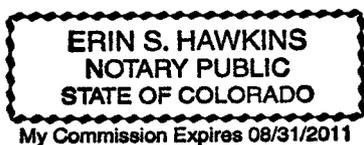


Exhibit "A" to Affidavit  
South Chapita 21-35 Application to Commingle

Kerr-McGee Oil & Gas Onshore LP  
1999 Broadway, Suite 3700  
Denver, CO 80202  
Attn: Mr. W. Chris Latimer

R 23 E

34

35

CHAPITA WELLS UNIT

T  
9  
S

CWU 915-34

SCW 21-35

SCW 10-35

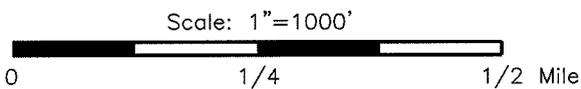
SCW 9-35

SCW 23-35

U-37943

U-0344

○ SOUTH CHAPITA 21-35



**Geog resources**

Denver Division

**EXHIBIT "A"**

SOUTH CHAPITA 21-35  
 Commingling Application  
 Uintah County, Utah

Scale: 1"=1000'

D:\Utah\Commingled\page\_SC21-35\_commingled.wpd  
 WELL

Author

TLM

Apr 20, 2007 - 10:02am

UTAH DIVISION OF OIL, GAS AND MINING

NOTICE OF REPORTING PROBLEMS

Operator: EOG Resources, Inc. Account: N9550 Today's Date: 09/16/2008

Problems:

- Late Report(s)
- Inaccurate Report(s)
- Incomplete Report(s)
- Other: No Subsequent Report

Failure to submit reports in a timely, accurate, and complete manner may result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

**To avoid compliance action, these reporting problems should be resolved within 7 days.**

Send reports to:

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

Fax to:

(801) 359-3940

*43 047 37862  
 S Chapita 21-35  
 9S 23E 35*

Type of Report	Month(s) of Problem Report		
<input type="checkbox"/> Production – Form 10 <input type="checkbox"/> Disposition – Form 11 <input type="checkbox"/> Gas Plant – Form 13 <input type="checkbox"/> Enhanced Recovery – UIC Form 2 <input type="checkbox"/> Injection – UIC Form 3 <input type="checkbox"/> Other _____			
Type of Report	Well Name(s)	API Number(s)	Drilling Commenced
<input type="checkbox"/> Spud Notice – Form 9 <input type="checkbox"/> Drilling Reports – Form 9 <input type="checkbox"/> Well Completion Report – Form 8 <input checked="" type="checkbox"/> Other <u>Subsequent Sundry</u>	<input checked="" type="checkbox"/> List Attached		

Description of Problem:

Operator has submitted sundry of intents on the following wells that have been approved by DOGM. Per Rule 649-3-23, a subsequent report shall be submitted on Form 9, Sundry Notice, with in 30 days after completion. The report should show workover results, well status, work completion date, new perforation depths, etc.

If you have questions or concerns regarding this matter, please contact Rachel Medina at (801) 538-5260 .

cc: Compliance File  
 RAM  
 Well File  
 CHD



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU0344

6. If Indian, Allottee or Tribe Name

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

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

8. Well Name and No.  
SOUTH CHAPITA 21-35

9. API Well No.  
43-047-37862

10. Field and Pool, or Exploratory  
NATURAL BUTTES

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

3b. Phone No. (include area code)  
Ph: 303-824-5526  
Fx: 303-824-5527

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 35 T9S R23E NWSW 1844FSL 844FWL  
39.99026 N Lat, 109.30061 W Lon

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

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

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

The reserve pit on the referenced location was closed on 5/7/2009 as per the APD procedure.

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

**RECEIVED**  
**JUN 08 2009**

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.  
Electronic Submission #70439 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal

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

Signature *Mary A. Maestas* Date 06/02/2009

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

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

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

Office \_\_\_\_\_

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

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

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-0344
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> S CHAPITA 21-35
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047378620000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 1844 FSL 0844 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWSW Section: 35 Township: 09.0S Range: 23.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 11/24/2009	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: _____
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:			
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:			
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:			

**12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.**  
 EOG Resources, Inc. respectfully requests authorization to use the attached well specific Interim Reclamation Plan.

**Accepted by the  
 Utah Division of  
 Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 November 23, 2009

<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 11/24/2009	



# Conservation Seeding & Restoration, Inc.

## EOG Resources, Inc., Vernal, UT Interim Reclamation Plan

September 25, 2009

**Location:** South Chapita 21-35  
Uintah County, Utah  
Section 35, Township 9S, Range 23E

**2009  
Reclamation  
Actions:**

**Annual Reclamation Monitoring:**

On 31 July 2009, South Chapita 21-35 was monitored to assess reclamation conditions. At the time of monitoring there was no desirable vegetation established in the designated restoration areas. During monitoring one close-up picture of the soil surface and four landscape pictures were taken (Appendix I).

**GPS Monitoring:**

During annual monitoring GPS data was collected to measure the initial, reclamation, and road disturbance areas. The initial and reclamation area for South Chapita 21-35 pad is 2.68 and 1.45 acres, respectively. The road disturbance is 0.03 acres. The total disturbance area for this facility is 2.71 acres (Appendix II).

**Weed Control:**

Halogeton (*Halogeton glomeratus*) was controlled with a broadleaf herbicide 2,4-D (2,4-D low volatility ester) in the reclamation and long-term disturbance and along the access road on 19 July 2009. The table below shows the area and amount of 2,4-D herbicide that was applied.

**Table 1.** Halogeton was controlled on South Chapita 21-35 using 2,4-D Herbicide. The total acres treated was 0.84.

Area	Gallons (2,4-D Herbicide)	Acres
Reclamation	25	0.50
Long-term	15	0.30
Road	2	0.04
<b>TOTAL</b>	<b>42</b>	<b>0.84</b>

## Re-Vegetation Plan

**2009  
Reclamation  
Plan:**

***Seedbed Preparation:***

At the time of monitoring the reclamation area had a rocky surface. Soils were compacted and had a grey color. In an effort to reduce high pH and salts (which is common in the area) the seedbed surface will be amended with sulfur and gypsum. The application rate will be 200 and 1000 lbs per acre, respectively. In addition a liquid mixture of humic and fulvic acids and tea compost extract will be applied to the soil surface around the time of fall seeding.

***Re-vegetation:***

The interim reclamation area (1.45) will be seeded with an interim seed mix (Table 2). Seeding of the reclamation area will occur in late fall when the soil temperatures are consistently below 55°F. This is to prevent seed from germinating before the spring growing season. The seed mix that will be used was designed specifically for the vegetation present in the adjacent community.

**Table 2.** The reclamation area for South Chapita 21-35 will be re-vegetated with the Interim Sagebrush Seed Mix. The application rate of each species is measured by pounds of pure live seeds per acre (PLS lbs/ac.)

<b>Interim Sagebrush Seed Mix</b>		
<b>Species</b>	<b>Common Name</b>	<b>PLS lbs/acre</b>
<i>Achnatherum hymenoides</i>	Indian ricegrass	5.0
<i>Cleome serrulata</i>	Rocky mountain bee plant	1.50
<i>Elymus elymoides</i>	squirreltail	1.50
<i>Elymus lanceolatus</i>	thickspike wheatgrass	2.00
<i>Plueraphis jamesii</i>	James' galleta	5.0
<i>Poa secunda</i>	Sandberg bluegrass	2.0
<b>Total PLS lbs/acre:</b>		<b>17.0</b>

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## Future Reclamation Plan

**Monitoring** Beginning in 2010, effectiveness monitoring will be carried out to assess if implemented reclamation activities have advanced restoration toward reclamation goals and objectives. Additionally monitoring data will be used to assess compliance with the reclamation plan objectives stated in the GRD Reclamation Guidelines on an annual basis. An annual reclamation report containing monitoring data, reclamation activities taken, and compliance with the reclamation objectives will be submitted to the Authorized Officer.

The spring after fall seeding a subsequent application of liquid organic mixture with the inclusion of fish emulsion will be applied to the seeded area to provide a further boost for soil microbes and nutrients needed for plant growth. Further applications of a liquid organic soil amendment will be based on observations made during annual monitoring and/or results from a soil analysis.

**Control of  
Undesirable  
Species**

*Interim reclamation area*

A broadleaf herbicide will be used to control noxious weeds and other undesirable species such as halogeton (*Halogeton glomeratus*). Spraying of herbicide will begin in late spring when target weeds are large enough to be effectively killed and/or seed production stymied. Application of herbicide will continue as needed until late summer before plants are able to set viable seed.

*Final reclamation area*

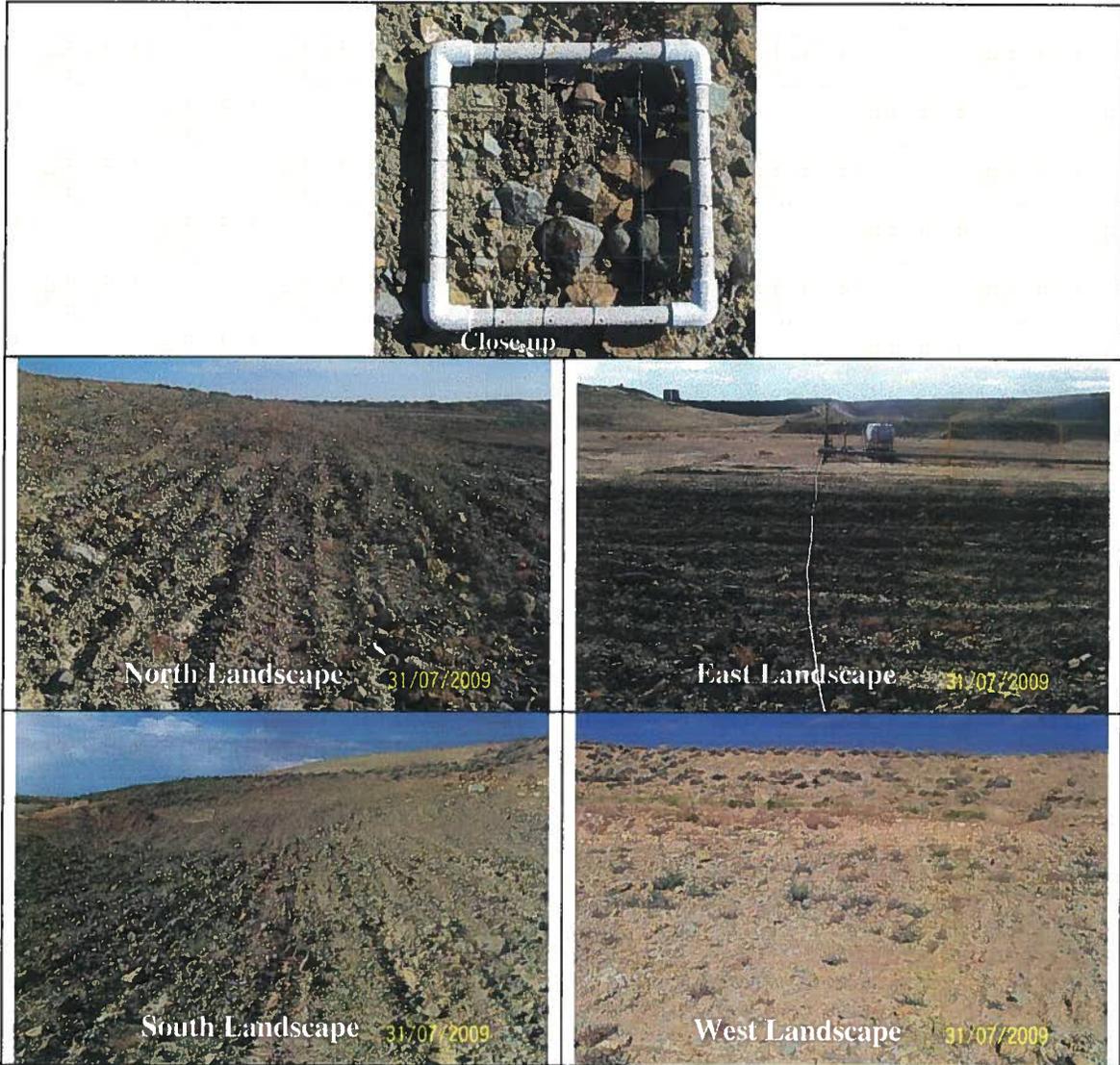
Undesirable and noxious species will be controlled in the final reclamation area. As a safety precaution a biannual pre-emergent herbicide will be applied as 10-15 foot weed free buffer zone around well infrastructure. If weeds emerge between dragging and pre-emergent herbicide treatments, a broadleaf herbicide will be applied to control weed occurrences across the entire final reclamation area.

**Reclamation  
Action Plan**

This well reclamation plan is designed to provide a course of action to stabilize soils, build soil biota, and restore temporary wildlife habitat and forage during the interim period between well construction and plug and abandonment. The reclamation plan provides a building block for restoring properly functioning self-perpetuating diverse native plant community. In subsequent years, reclamation activities will focus on vegetation recruitment and the development of a diverse plant community. Reclamation activities will continue until a location has reached the reclamation objectives as stated by the GRD Reclamation Guidelines.

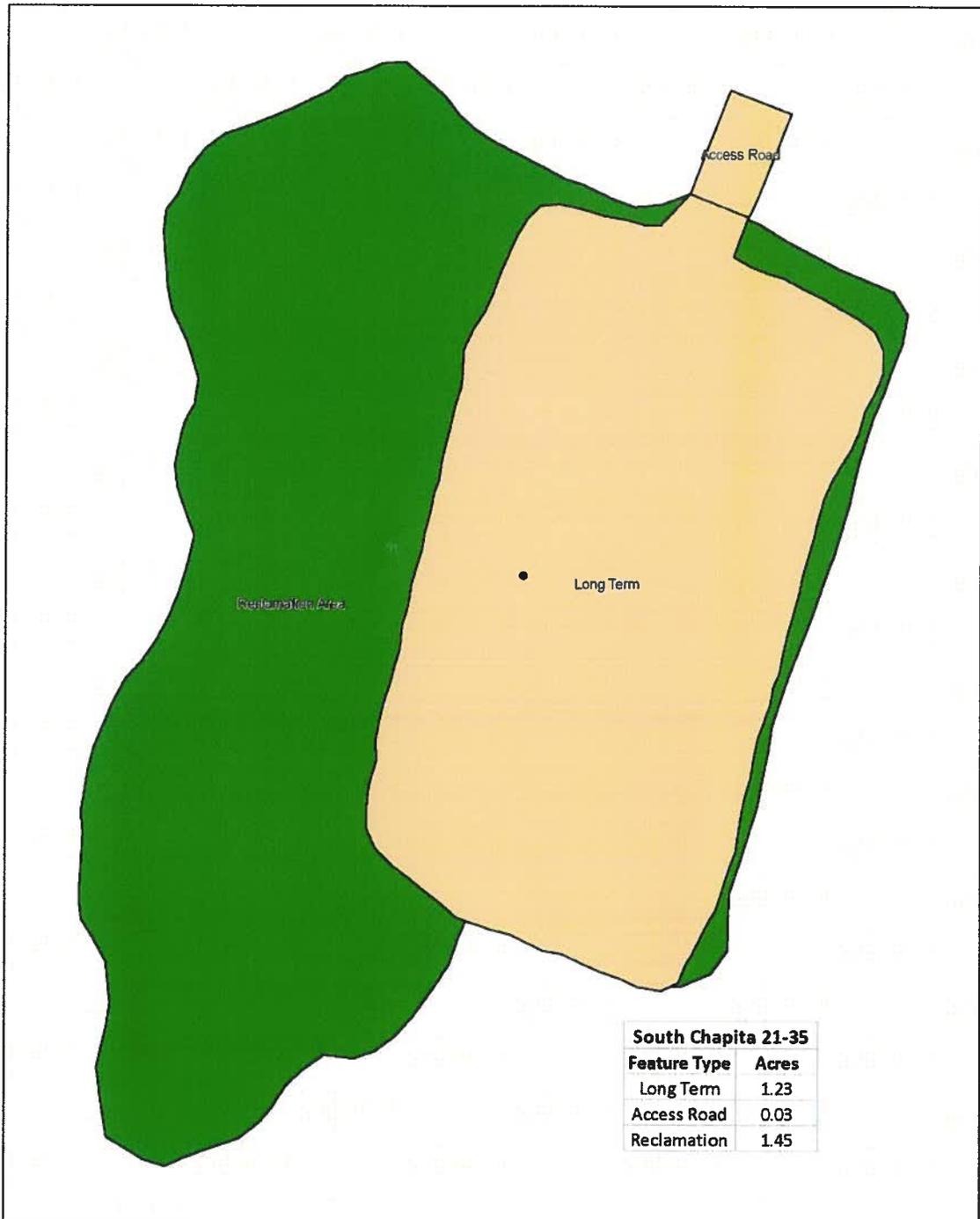
## Appendix I:

Pictures were taken at South Chapita 21-35 during annual monitoring on 31 July 2009. The pictures were taken 30 meters west of the well head.



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# Appendix II:



Legend  
● Well Head  
☛ Access Road  
☛ Equipment Area  
☛ Reclamation Area

0 100 200 Feet



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