

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

February 24, 2006

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

RE: APPLICATION FOR PERMIT TO DRILL  
CHAPITA WELLS UNIT 1087-22  
NW/NE, SEC. 22, T9S, R22E  
UINTAH COUNTY, UTAH  
LEASE NO.: U-0284-A  
FEDERAL LANDS

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

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

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

Sincerely,

  
Ed Trotter  
Agent  
EOG Resources, Inc.

Attachments

**RECEIVED**

**MAR 06 2006**

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

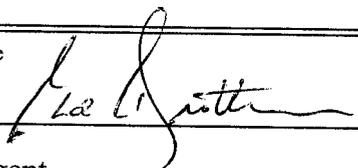
APPLICATION FOR PERMIT TO DRILL OR REENTER

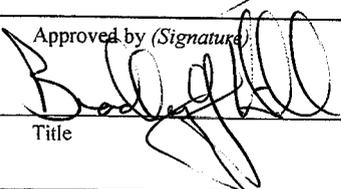
1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>U-0284-A</b>
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single 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. <b>CHAPITA WELLS UNIT</b>
3a. Address <b>P.O. BOX 1815 VERNAL, UT 84078</b>		8. Lease Name and Well No. <b>CHAPITA WELLS UNIT 1087-22</b>
3b. Phone No. (Include area code) <b>(435)789-0790</b>		9. API Well No. <b>43047-37875</b>
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface <b>320' FNL, 1638' FEL</b> <b>634657X</b> <b>40.027940</b> At proposed prod. Zone <b>4431841Y</b> <b>NW/NE</b> <b>- 109.421905</b>		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
14. Distance in miles and direction from nearest town or post office* <b>17 MILES SOUTHEAST OF OURAY, UTAH</b>		11. Sec., T., R., M., or Blk. and Survey or Area <b>SEC. 22, T9S, R22E, S.L.B.&amp;M.</b>
15. Distance from proposed* location to nearest property or lease line, ft. <b>320'</b> (Also to nearest drig. Unit line, if any)	16. No. of Acres in lease <b>1240</b>	12. County or Parish <b>UINTAH</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>9585'</b>	13. State <b>UTAH</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4865.9 FEET GRADED GROUND</b>	22. Approximate date work will start* <b>UPON APPROVAL</b>	17. Spacing Unit dedicated to this well
24. Attachments		20. BLM/BIA Bond No. on file <b>NM-2308</b>
23. Estimated duration <b>45 DAYS</b>		

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 24, 2006</b>
Title <b>Agent</b>		

Approved by (Signature) 	Name (Printed/Typed) <b>BRADLEY G. HILL ENVIRONMENTAL MANAGER</b>	Date <b>03-13-06</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

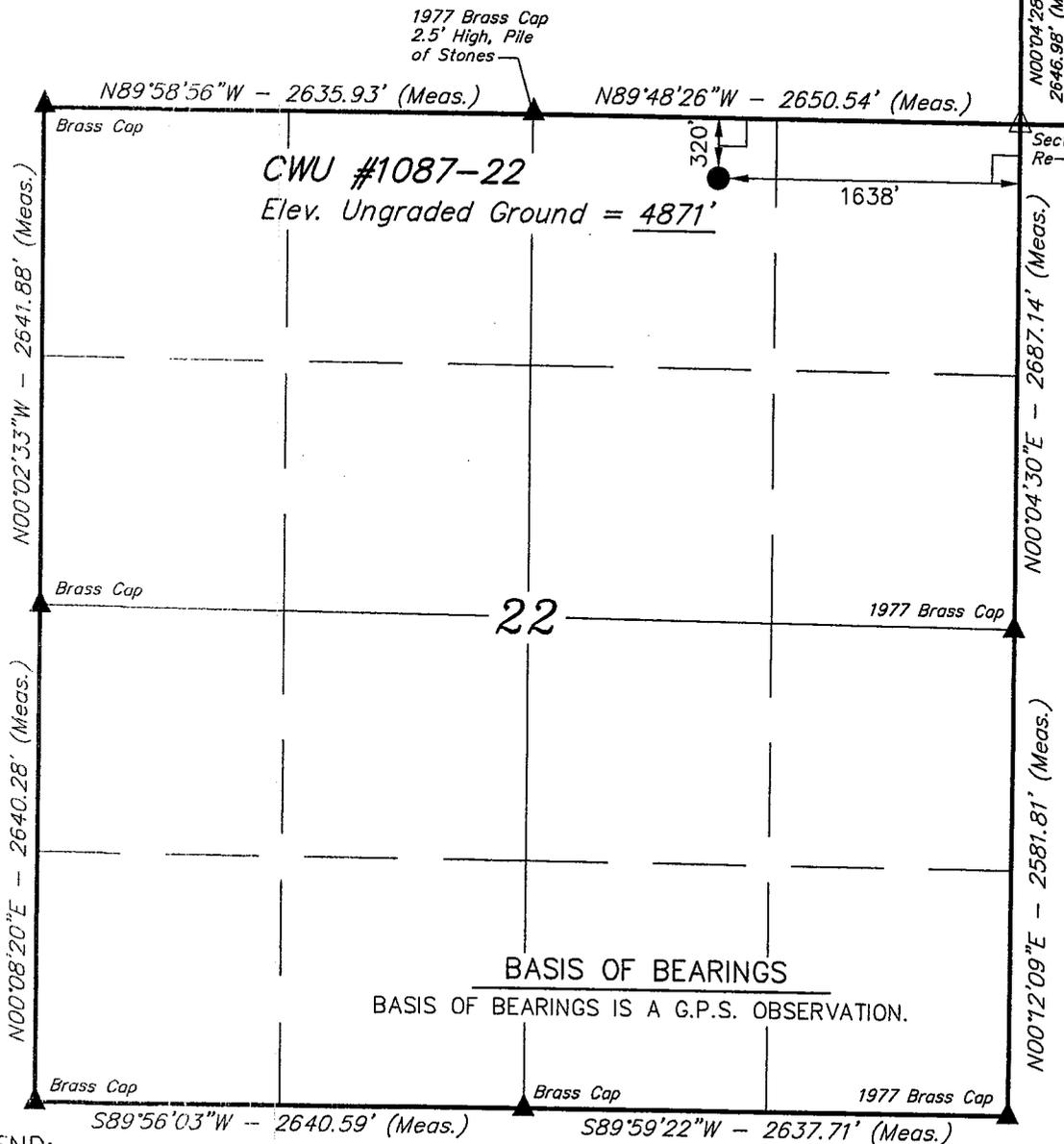
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# T9S, R22E, S.L.B.&M.

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

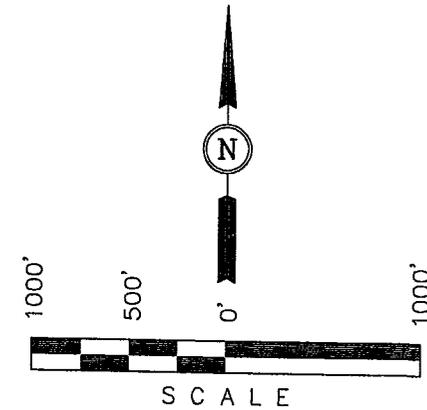
## EOG RESOURCES, INC.

Well location, CWU #1087-22, located as shown in the NW 1/4 NE 1/4 of Section 22, T9S, R22E, S.L.B.&M. Uintah County, Utah.



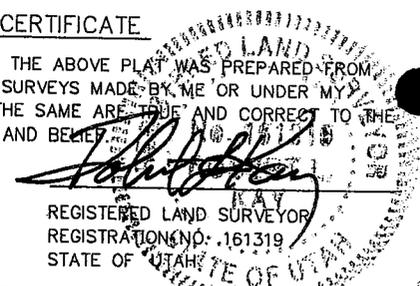
### BASIS OF ELEVATION

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



### 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.



REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

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

### LEGEND:

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

(NAD 83)  
LATITUDE = 40°01'40.22" (40.027839)  
LONGITUDE = 109°25'20.96" (109.422489)  
(NAD 27)  
LATITUDE = 40°01'40.35" (40.027875)  
LONGITUDE = 109°25'18.50" (109.421806)

## UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 08-01-05	DATE DRAWN: 08-17-05
PARTY T.B. B.C. P.M.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 1087-22**  
**NW/NE, SEC. 22, T9S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>DEPTH (KB)</b>
Green River FM	1,752'
Wasatch	4,769'
North Horn	6,685'
Island	7,073'
KMV Price River	7,299'
KMV Price River Middle	8,098'
KMV Price River Lower	8,899'
Sego	9,384'

Estimated TD: **9,585' or 200'± below Sego top**

**Anticipated BHP: 5,234 Psig**

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

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
 BOP schematic diagrams attached.

**4. CASING PROGRAM:**

	<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
Conductor:	17 ½"	0' – 45'	13 ⅜"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12-1/4"	45' – 2,300'KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production:	7-7/8"	2,300'± – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

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

**5. Float Equipment:**

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 1087-22**  
**NW/NE, SEC. 22, T9S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**Float Equipment: (Cont'd)**

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

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

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

Air/air mist or aerated water.

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

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

**7. VARIANCE REQUESTS:**

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

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

**8. EVALUATION PROGRAM:**

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

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

**9. CEMENT PROGRAM:**

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

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

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

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 1087-22**  
**NW/NE, SEC. 22, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**CEMENT PROGRAM (Continued):**

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, 1/4#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

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

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

**Lead:** 142 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft<sup>3</sup>/sk., 9.19 gps water.

**Tail:** 924 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:** The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.  
**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

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

**11. STANDARD REQUIRED EQUIPMENT:**

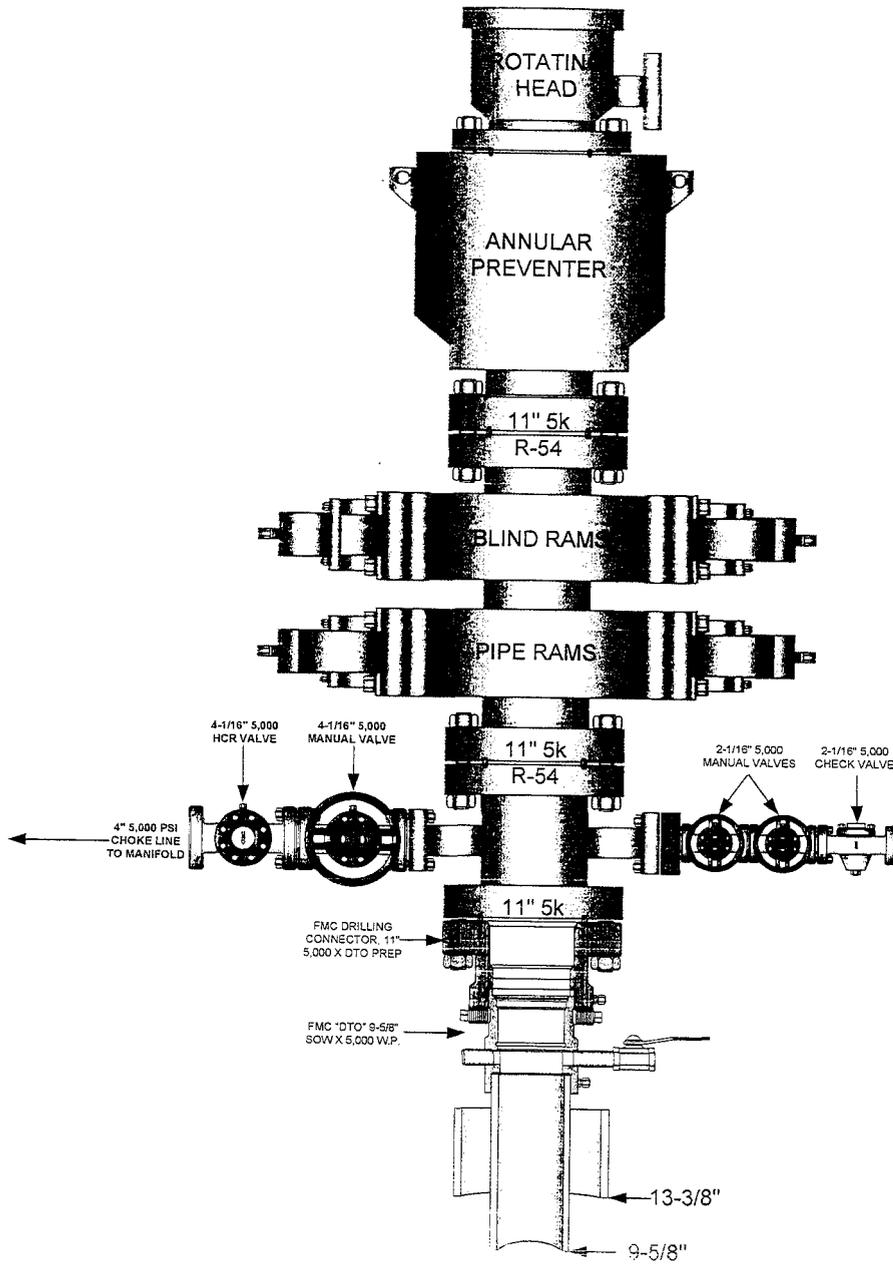
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

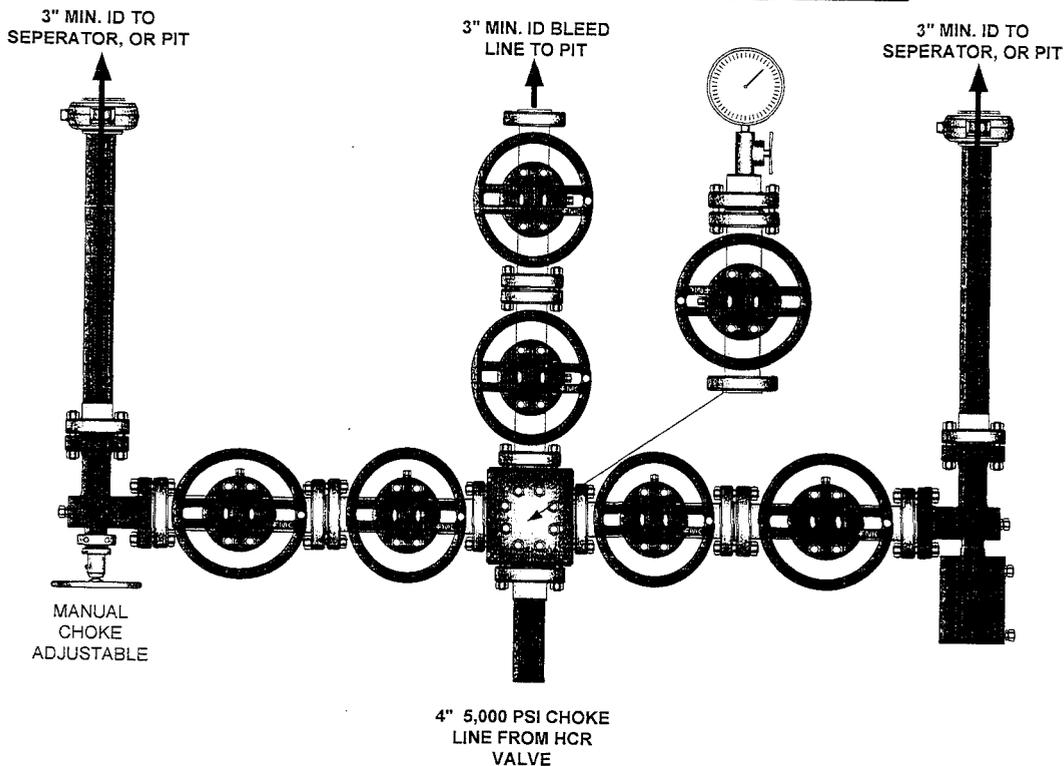
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold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

(Attachment: BOP Schematic Diagram)

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



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



Testing Procedure:

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

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

Company/Operator: EOG Resources, Inc.  
Well Name & Number: Chapita Wells Unit 1087-22  
Lease Number: U-0284-A  
Location: 320' FNL & 1638' FEL, NW/NE, Sec. 22,  
T9S, R22E, S.L.B.&M., Uintah County, Utah  
Surface Ownership: Federal

**NOTIFICATION REQUIREMENTS**

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

Location Completion - prior to moving on the drilling rig.

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

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

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

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

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

## THIRTEEN POINT SURFACE USE PROGRAM

### 1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 17 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

### 2. PLANNED ACCESS ROAD

- A. The access road will be approximately 0.2 miles in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Low water crossings will be constructed in the access road.**
- F. One 24" x 40' culvert will be installed in the access road by Corner #2.**  
No other 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 - 4\*
  - B. Producing wells - 66\*
- (\*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 12' from proposed location to a point in the NW/NE of Section 22, T9S, R22E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands within the Chapita Wells Unit, thus a Right-of-Way grant will not be required.
- 3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
- 4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

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

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

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

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

The required paint color is Carlsbad Canyon.

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

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

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah. Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

#### 6. SOURCE OF CONSTRUCTION MATERIAL

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

#### 7. METHODS OF HANDLING WASTE DISPOSAL

##### A. METHODS AND LOCATION

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

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

**On BLM administered land:**

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

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

8. **ANCILLARY FACILITIES**

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

9. **WELLSITE LAYOUT**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved interim seed mixture for this location is:
  - Needle and Thread Grass – 6 pounds per acre
  - Hi-Crest Crested Wheat Grass – 6 pounds per acre.

The final abandonment seed mixture for this location is:

- Four-Wing Salt Bush – 3 pounds per acre
- Indian Rice Grass – 2 pounds per acre
- Needle and Thread Grass – 2 pounds per acre
- Hi-Crest Crested Wheat Grass – 1 pound per acre.

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

The stockpiled pit topsoil will be stored separate from the location topsoil Southeast of Corner #5. The stockpiled location topsoil will be stored from the access road to Corner #1. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the

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

Access to the well pad will be from the Northwest.

Corners #2 & #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**

**Low water crossings will be constructed in the access road.**

**One 24" x 40' culvert will be installed in the access road by Corner #2.**

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

**PERMITTING AGENT**

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

**DRILLING OPERATIONS**

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

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

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

**Certification**

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

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Chapita Wells Unit 1087-22 Well, located in the NW/NE of Section 22, T9S, R22E, Uintah County, Utah; Lease #U-0284-A;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

2-24-2006  
Date

  
Agent

**Request for Exception to Buried Pipeline Requirement  
For the Chapita Wells Unit 1087-22  
NW/NE, Sec. 22, T9S, R22E  
Lease Number U-0284-A**

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

EOG RESOURCES, INC.  
CWU #1087-22  
SECTION 22, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 48.0 MILES.

# EOG RESOURCES, INC.

CWU #1087-22

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

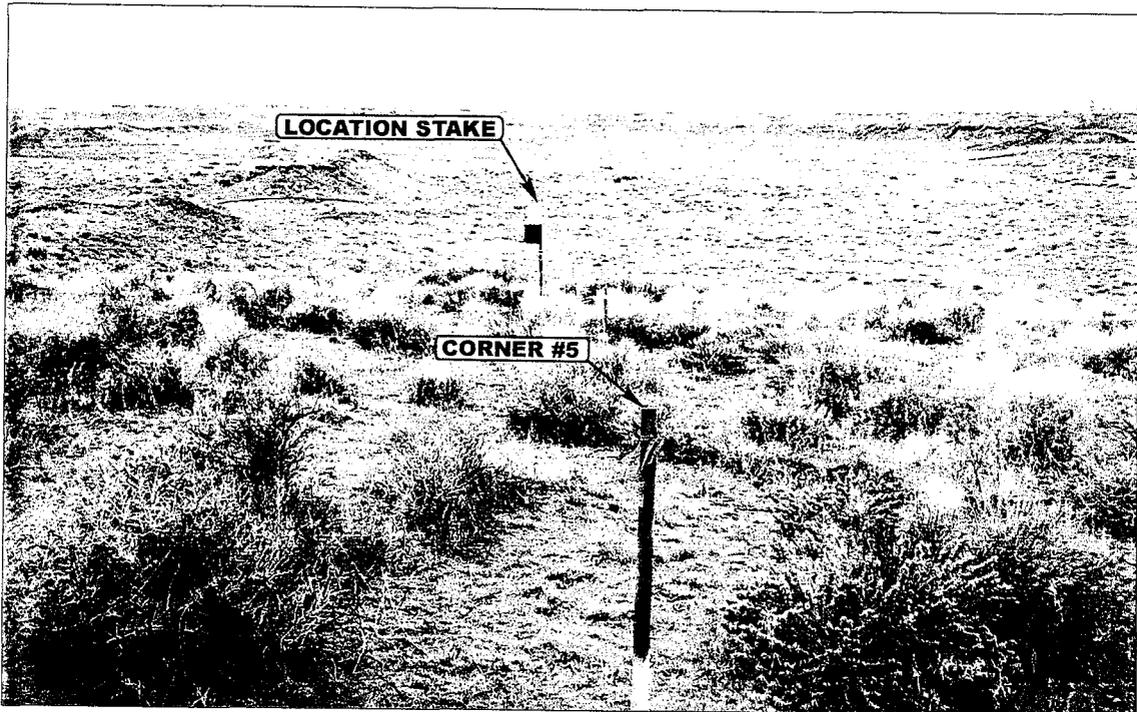


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY

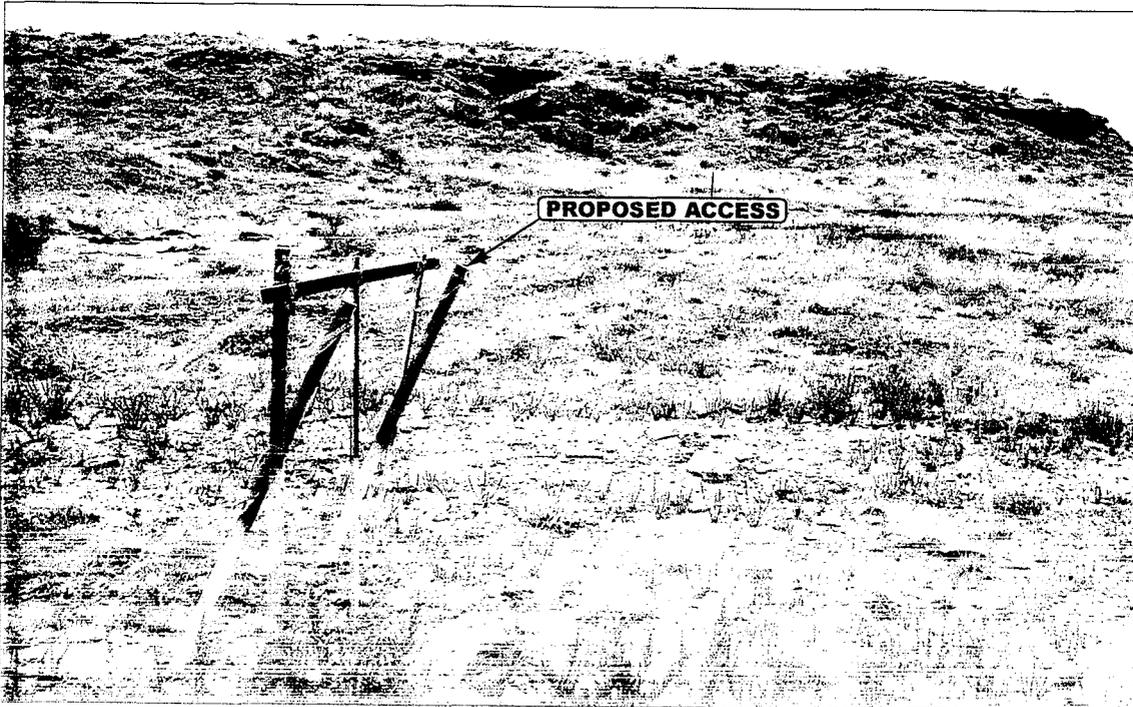


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



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

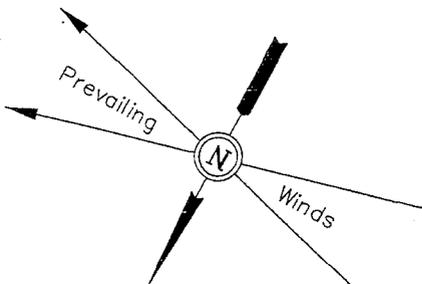
DATE TAKEN	00	00	00	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: E.S.	DRAWN BY: S.L.	REVISED: 00-00-00		

EOG RESOURCES, INC.

FIGURE #1

LOCATION LAYOUT FOR

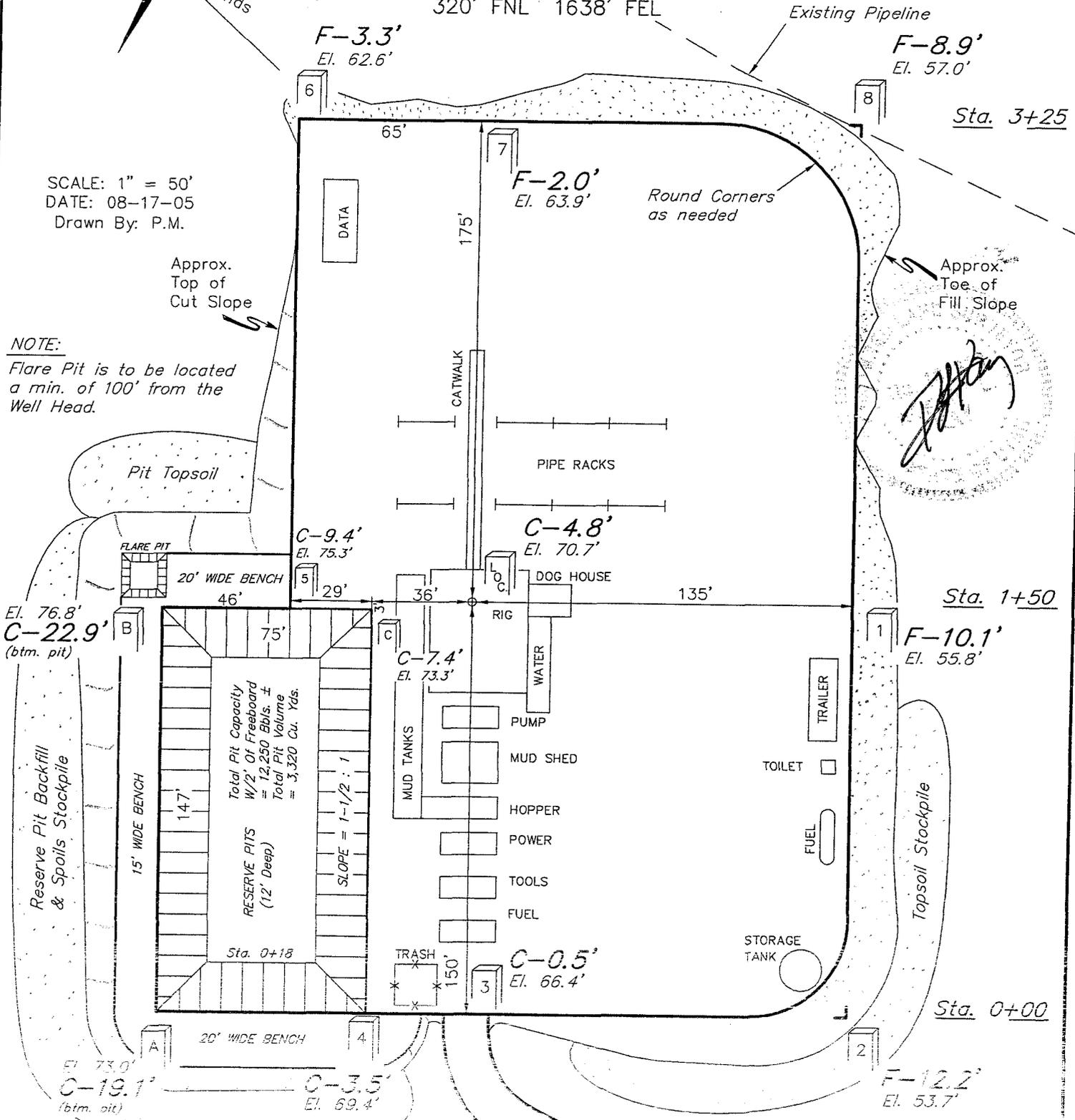
CWU #1087-22  
SECTION 22, T9S, R22E, S.L.B.&M.  
320' FNL 1638' FEL



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

NOTE:

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



NOTES:

Elev. Ungraded Ground At Loc. Stake = 4870.7'  
FINISHED GRADE ELEV. AT LOC. STAKE = 4865.9'

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

EOG RESOURCES, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR

CWU #1087-22

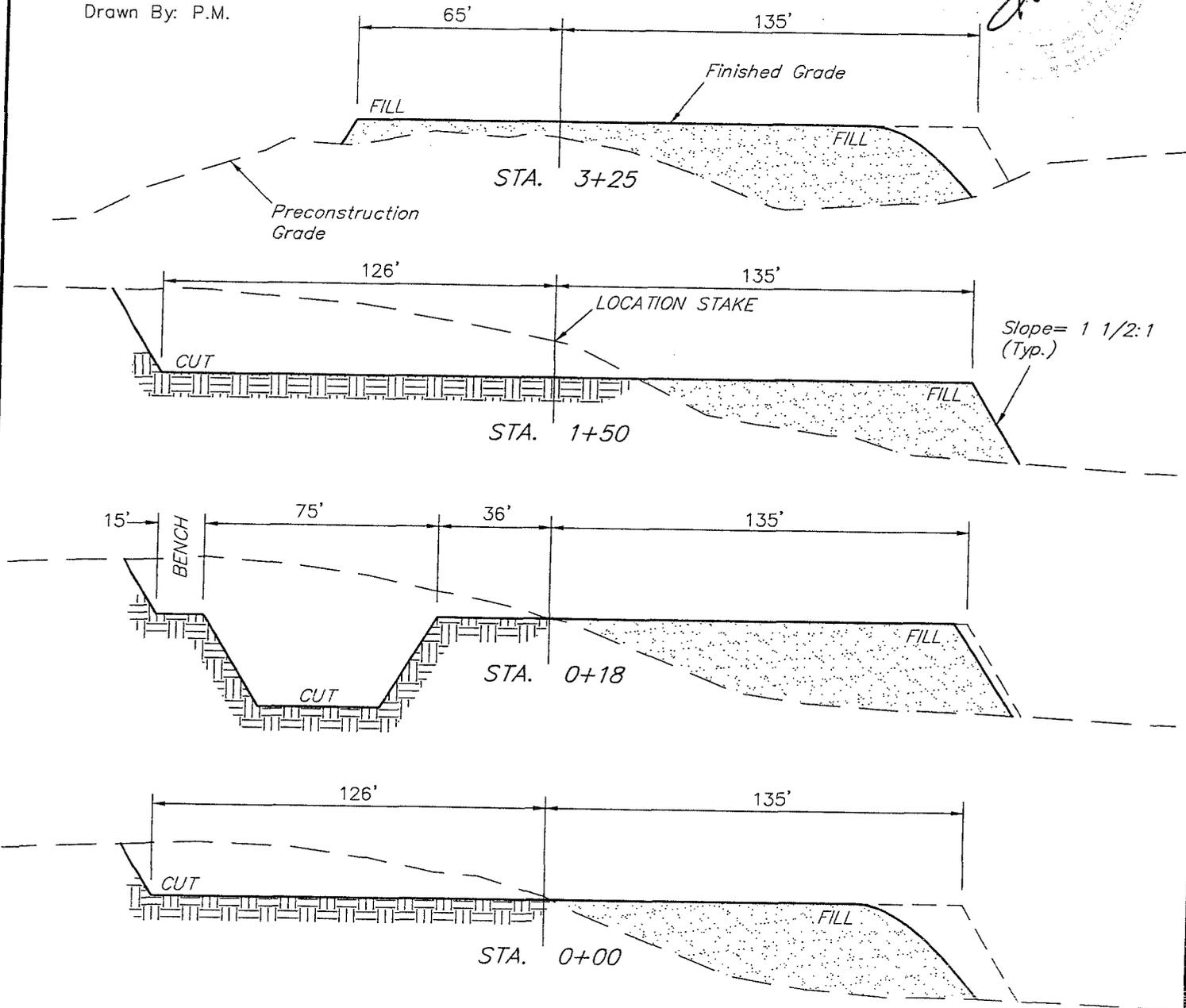
SECTION 22, T9S, R22E, S.L.B.&M.

320' FNL 1638' FEL

*[Handwritten Signature]*

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

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

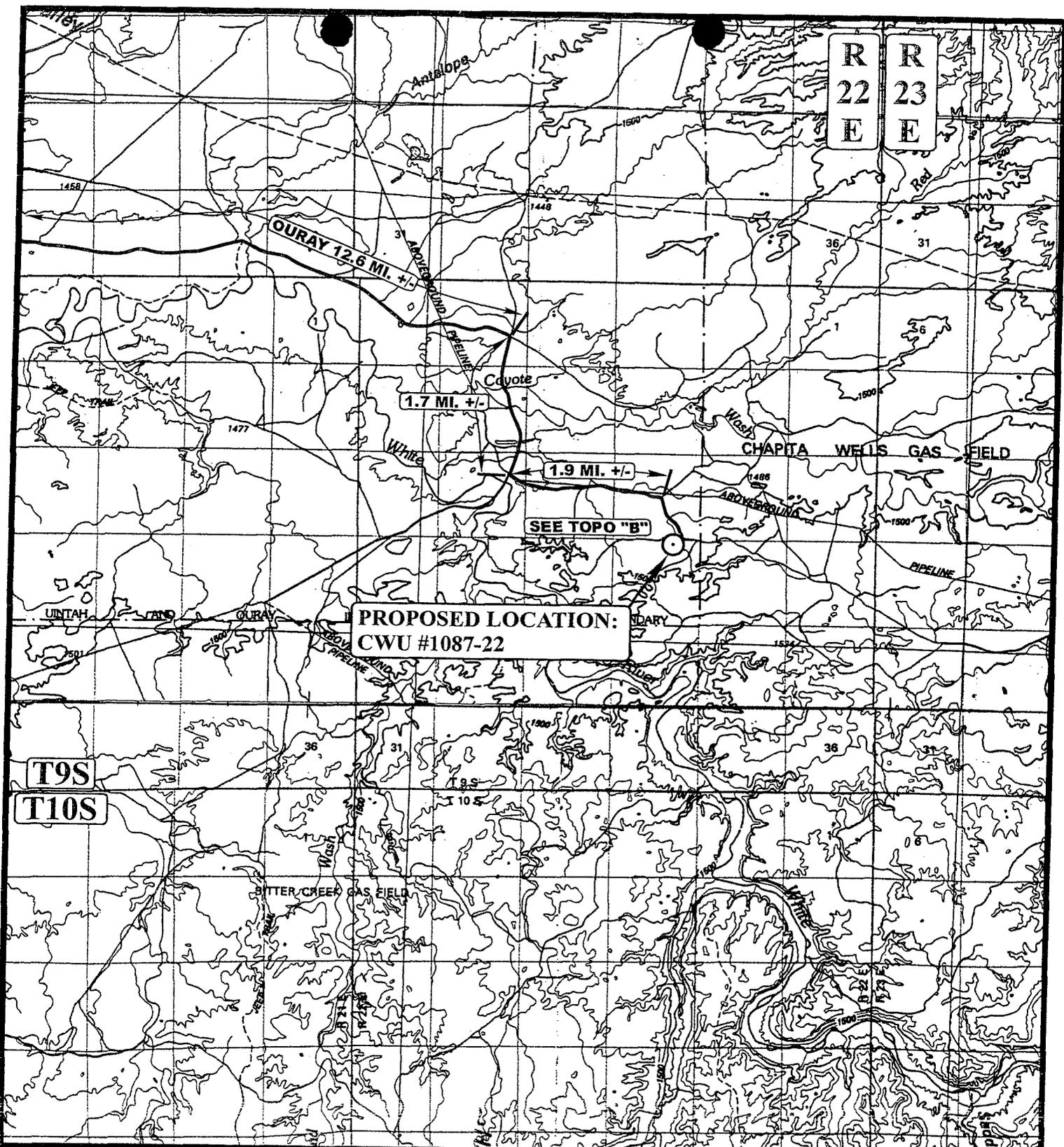


\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,750 Cu. Yds.
Remaining Location	= 11,230 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 12,980 CU.YDS.</b>
<b>FILL</b>	<b>= 9,570 CU.YDS.</b>

EXCESS MATERIAL	= 3,410 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,410 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.



**LEGEND:**

⊙ PROPOSED LOCATION



**EOG RESOURCES, INC.**

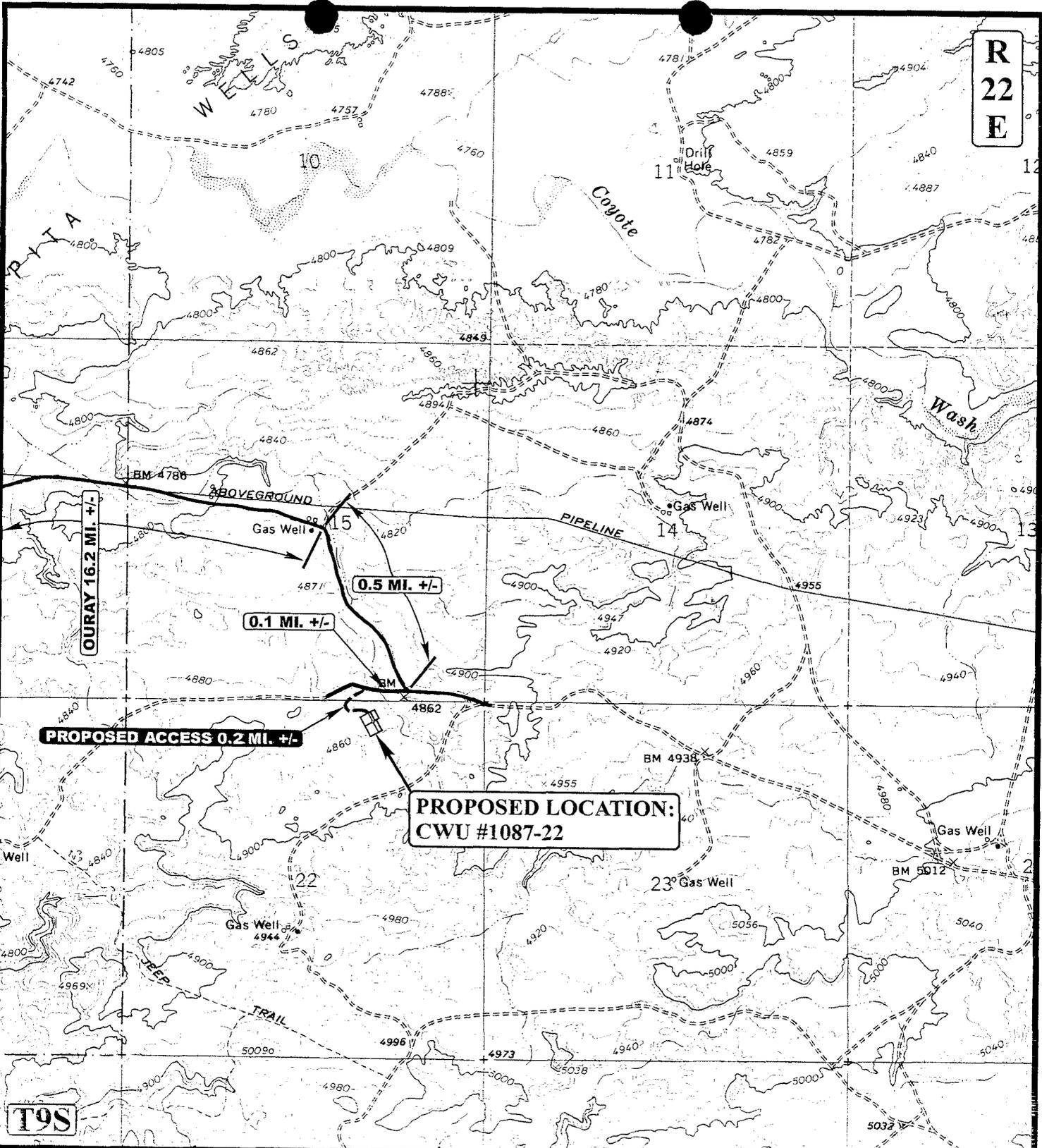
CWU #1087-22  
 SECTION 22, T9S, R22E, S.L.B.&M.  
 320' FNL 1638' FEL

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

TOPOGRAPHIC MAP 08 04 05  
 MONTH DAY YEAR  
 SCALE: 1:100,000 DRAWN BY: S.L. REVISED: 00-00-00



R  
22  
E



**LEGEND:**

— EXISTING ROAD



Uintah Engineering & Land Surveying  
 85 South 290 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



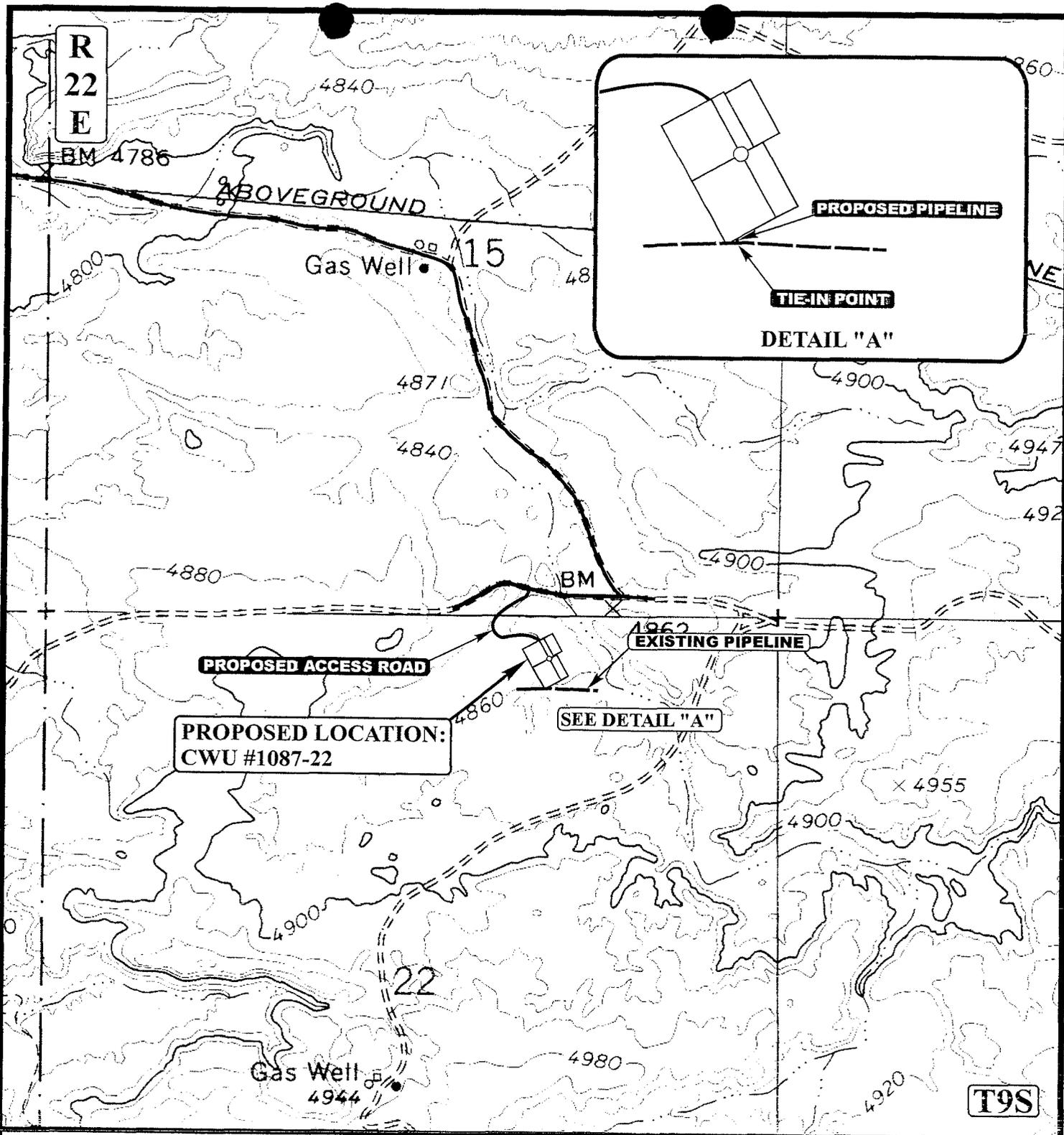
**EOG RESOURCES, INC.**

CWU #1087-22  
 SECTION 22, T9S, R22E, S1.B.&M.  
 320' ENL 1638' FEL

TOPOGRAPHIC MAP 08/04/05  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: S.L. REVISED: 00-00-00







APPROXIMATE TOTAL PIPELINE DISTANCE = 12' +/-

**LEGEND:**

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



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



**EOG RESOURCES, INC.**

CWU #1087-22  
 SECTION 22, T9S, R22E, S.L.B. & M.  
 320' FNL 1638' FEL

TOPOGRAPHIC MAP 08/04/05  
 MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: S.L. REVISED: 00-00-00



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 03/06/2006

API NO. ASSIGNED: 43-047-37875

WELL NAME: CWU 1087-22  
 OPERATOR: EOG RESOURCES INC ( N9550 )  
 CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

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

NWNE 22 090S 220E  
 SURFACE: 0320 FNL 1638 FEL  
 BOTTOM: 0320 FNL 1638 FEL  
 COUNTY: UINTAH  
 LATITUDE: 40.02794 LONGITUDE: -109.4219  
 UTM SURF EASTINGS: 634657 NORTHINGS: 4431841  
 FIELD NAME: NATURAL BUTTES ( 630 )

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

PROPOSED FORMATION: PRRV  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

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

LOCATION AND SITING:

- R649-2-3.
- Unit: CHAPITA WELLS
- R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit  
Board Cause No: 179-8  
Eff Date: 8-10-99  
Siting: Suspends General Siting
- R649-3-11. Directional Drill

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

STIPULATIONS: 1- Federal Approval  
2- OIL SHALE



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:  
3160  
(UT-922)

March 9, 2006

### Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2006 Plan of Development Chapita Wells Unit Uintah  
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Chapita Wells Unit, Uintah County, Utah.

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

(Proposed PZ Price River)

43-047-37879	CWU 1079-25 Sec 25 T09S R22E 1321	FSL 1643 FWL
43-047-37878	CWU 1078-25 Sec 25 T09S R22E 1768	FSL 0253 FWL
43-047-37875	CWU 1087-22 Sec 22 T09S R22E 0310	FNL 1638 FEL
43-047-37876	CWU 1044-23 Sec 23 T09S R22E 1108	FSL 0977 FEL
43-047-37877	CWU 1043-23 Sec 23 T09S R22E 0597	FSL 1040 FWL
43-047-37880	CWU 1127-21 Sec 21 T09S R23E 1848	FSL 1924 FWL
43-047-37874	CWU 0836-11 Sec 11 T09S R22E 0685	FSL 0654 FWL
43-047-37873	CWU 1183-10 Sec 10 T09S R22E 2484	FSL 2023 FWL

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

/s/ Michael L. Coulthard

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



**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 13, 2006

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

Re: Chapita Wells Unit 1087-22 Well, 320' FNL, 1638' FEL, NW NE, Sec. 22,  
T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37875.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

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

Operator: EOG Resources, Inc.  
Well Name & Number Chapita Wells Unit 1087-22  
API Number: 43-047-37875  
Lease: U-0284-A

Location: NW NE                      Sec. 22                      T. 9 South                      R. 22 East

### Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

# RECEIVED

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

MAR 03 2006

## APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.  
**U-0284-A**

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.  
**CHAPITA WELLS UNIT 1087-22**

9. API Well No.  
**43-047-37825**

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

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

12. County or Parish  
**UINTAH**

13. State  
**UTAH**

17. Spacing Unit dedicated to this well

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

23. Estimated duration  
**45 DAYS**

24. Attachments

1a. Type of Work:  DRILL  REENTER

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

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

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

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

4. Location of Well (Report location clearly and in accordance with any State requirements.)\*  
At surface **320' FNL, 1638' FEL** **NW/NE**  
At proposed prod. Zone

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

15. Distance from proposed\* location to nearest property or lease line, ft. **320'**  
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease  
**1240**

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

19. Proposed Depth  
**9585'**

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**4865.9 FEET GRADED GROUND**

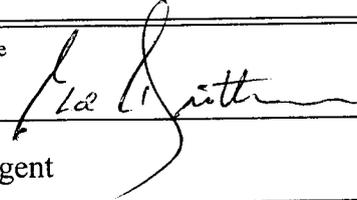
22. Approximate date work will start\*  
**UPON APPROVAL**

23. Estimated duration  
**45 DAYS**

### Attachments

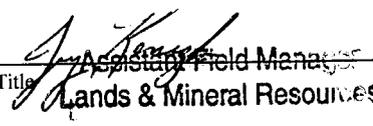
The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

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

25. Signature  Name (Printed/Typed) **Ed Trotter** Date **February 24, 2006**

Title **Agent**

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

Approved by (Signature)  Name (Printed/Typed) **JERRY KEVORKIAN** Date **9-8-2006**

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

## CONDITIONS OF APPROVAL ATTACHED

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

\*(Instructions on page 2)

### NOTICE OF APPROVAL

# RECEIVED

SEP 25 2006

DIV. OF OIL, GAS & MINING





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

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

### ***DOWNHOLE CONDITIONS OF APPROVAL***

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

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

1. Variance is granted for Onshore Order #2 III.E. Special Drilling Operations. Blooie line for drilling of surface may be 75' instead of 100'.
2. A surface casing shoe integrity test shall be performed.
3. Production casing cement top shall be at a minimum of 200' above the surface casing shoe.
4. A CBL shall be run from TD to the base of the surface c

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

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
4. Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.

All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.

BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

5. The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).
6. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
7. The lessee/operator must report encounters of all non oil & gas mineral resources (such as gilsonite, tar sands, oil shale, etc.) to Peter Sokolosky or another geologist of the Vernal Field Office in writing within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
8. No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.
9. Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

10. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be

filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

**Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**

11. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

12. Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
13. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
14. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - a. Operator name, address, and telephone number.
  - b. Well name and number.
  - c. Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
  - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing

head gas, or natural gas and entrained liquid hydrocarbons).

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

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>U-0284-A</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: <b>CHAPITA WELLS UNIT</b>
2. NAME OF OPERATOR: <b>EOG RESOURCES, INC.</b>		8. WELL NAME and NUMBER: <b>CHAPITA WELLS UNIT 1087-22</b>
3. ADDRESS OF OPERATOR: P.O. BOX 1815                      CITY <b>VERNAL</b> STATE <b>UT</b> ZIP <b>84078</b>		9. API NUMBER: <b>43-047-37875</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>320 FNL 1638 FEL 40.027839 LAT 109.422489 LON</b>		10. FIELD AND POOL, OR WILDCAT: <b>NATURAL BUTTES</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWNE 22 9S 22E S.L.B. &amp; M</b>		COUNTY: <b>UINTAH</b>  STATE: <b>UTAH</b>

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

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

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 03-06-07  
 By: 

3-7-07  
RM

NAME (PLEASE PRINT) <b>Kaylene R. Gardner</b>	TITLE <b>Sr. Regulatory Assistant</b>
SIGNATURE 	DATE <b>3/2/2007</b>

(This space for State use only)

**RECEIVED**  
**MAR 05 2007**  
DIV. OF OIL, GAS & MINING

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

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

**API:** 43-047-37875  
**Well Name:** CHAPITA WELLS UNIT 1087-22  
**Location:** 320 FNL 1638 FEL (NWNE), SECTION 22, T9S, R22E S.L.B.&M  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 3/13/2006

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

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

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

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

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

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

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

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

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

  
Signature

3/2/2007

Date

Title: Sr. Regulatory Assistant

Representing: EOG Resources, Inc.

RECEIVED

MAR 05 2007

DIV. OF OIL, GAS & MINING

# DIVISION OF OIL, GAS AND MINING

## **SPUDDING INFORMATION**

Name of Company: EOG Resources Inc

Well Name: CWU 1087-22

API No: 43-047-37875 Lease Type: Federal

Section 22 Township 09S Range 22E County Uintah

Drilling Contractor Craig's Roustabout Services Rig # Bucket

### **SPUDDED:**

Date 5-30-07

Time 10:30 AM

How Dry

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

Reported by Jerry Barnes

Telephone # 435-828-1720

Date 5-30-07 Signed RM

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)

**320' FNL & 1,638' FEL (NWNE)  
 Sec. 22-T9S-R22E 40.027839 LAT 109.422489 LON**

5. Lease Serial No.

**U-0284-A**

6. If Indian, Allottee or Tribe Name

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

**Chapita Wells Unit**

8. Well Name and No.

**Chapita Wells Unit 1087-22**

9. API Well No.

**43-047-37875**

10. Field and Pool, or Exploratory Area

**Natural Buttes/Mesaverde**

11. County or Parish, State

**Uintah County, Utah**

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Well spud</u>
	<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 must 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 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 5/30/2007.**

**RECEIVED**

**JUN 04 2007**

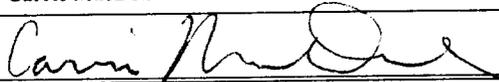
**DIV. OF OIL, GAS & MINING**

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

**Carrie MacDonald**

Title **Operations Clerk**

Signature



Date

**05/30/2007**

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

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

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

Title

Date

Office

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

(Instructions on page 2)

**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
43-047-38409	CHAPITA WELLS UNIT 1223-1		NWSE	1	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	16160	5/18/2007		6/14/07		
Comments: <u>PRRV=MVRD</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37875	CHAPITA WELLS UNIT 1087-22		NWNE	22	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>AB</u>	99999	13650	5/30/2007		6/14/07		
Comments: <u>PRRV=MVRD</u>							

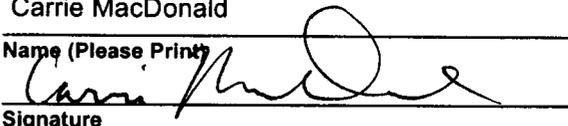
**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments: <b>RECEIVED</b>							
							JUN 04 2007

**ACTION CODES:**

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

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

Carrie MacDonald  
 Name (Please Print) \_\_\_\_\_  
  
 Signature \_\_\_\_\_  
 Operations Clerk Date 5/30/2007  
 Title \_\_\_\_\_ Date \_\_\_\_\_

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

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)  
**320' FNL & 1,638' FEL (NWNE)  
 Sec. 22-T9S-R22E 40.027839 LAT 109.422489 LON**

5. Lease Serial No.  
**U-0284-A**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**Chapita Wells Unit 1087-22**

9. API Well No.  
**43-047-37875**

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

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

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

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

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

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

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

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

**RECEIVED**

**JUN 04 2007**

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

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

**Carrie MacDonald**

Title **Operations Clerk**

Signature



Date

**05/30/2007**

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

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

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

Title

Date

Office

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

(Instructions on page 2)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU0284A

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
CHAPITA WELLS UNIT 1087-22

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

9. API Well No.  
43-047-37875

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
  
Sec 22 T9S R22E NWNE 320FNL 1638FEL  
40.02784 N Lat, 109.42249 W Lon

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

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

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

TD for the subject well was reached on 8/12/2007. Pending further evaluation, completion operations will begin during the first quarter of 2008.

RECEIVED  
SEP 17 2007

DIV. OF OIL, GAS & LEASES

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #56330 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT
Signature (Electronic Submission)	Date 09/13/2007

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

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

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
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.  
U-0284-A

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE** - Other instructions on page 2.

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)  
320' FNL & 1638' FEL (NWNE)  
Sec. 22-T9S-R22E 40.027839 LAT 109.422489 LON

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

8. Well Name and No.  
Chapita Wells Unit 1087-22

9. API Well No.  
43-047-37875

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

11. Country or Parish, State  
Uintah County, Utah

12. CHECK THE 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 <u>Drilling operations</u>
	<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 must 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 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.)

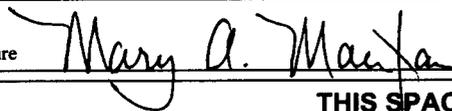
No completion work has been performed on the subject well. Pending further evaluation, completion operations will begin in the first quarter of 2008.

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

Name (Printed/Typed)  
Mary A. Maestas

Title Regulatory Assistant

Signature



Date 10/16/2007

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

Approved by

Title

Date

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

Office

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

(Instructions on page 2)

**RECEIVED**

**OCT 19 2007**

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
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.  
U-0284-A

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE** – Other instructions on page 2.

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)  
320' FNL & 1638' FEL (NWNE)  
Sec. 22-T9S-R22E 40.027839 LAT 109.422489 LON

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

8. Well Name and No.  
Chapita Wells Unit 1087-22

9. API Well No.  
43-047-37875

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

11. Country or Parish, State  
Utah County, Utah

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

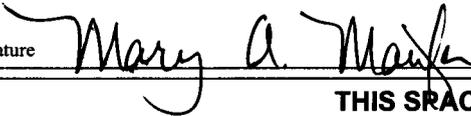
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 <u>Drilling operations</u>
	<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.)

No completion work has been performed on the subject well. Pending further evaluation, completion operations will begin in the first quarter of 2008.

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

Title Regulatory Assistant

Signature 

Date 11/27/2007

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

Approved by

Title

Date

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

Office

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

(Instructions on page 2)

**RECEIVED**

**NOV 29 2007**

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU0284A

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
CHAPITA WELLS UNIT 1087-22

2. Name of Operator  
EOG RESOURCES INC

Contact: MARY A. MAESTAS  
E-Mail: mary\_maestas@eogresources.com

9. API Well No.  
43-047-37875

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 22 T9S R22E NWNE 320FNL 1638FEL  
40.02784 N Lat, 109.42249 W Lon

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

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

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

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

The referenced well was turned to sales on 2/4/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

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

**Electronic Submission #58448 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 02/05/2008

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

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

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

Office \_\_\_\_\_

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

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

**RECEIVED**

**FEB 06 2008**

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

## WELL CHRONOLOGY REPORT

Report Generated On: 02-05-2008

<b>Well Name</b>	CWU 1087-22	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-37875	<b>Well Class</b>	1SA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	08-06-2007	<b>Class Date</b>	02-04-2008
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,585/ 9,585	<b>Property #</b>	057456
<b>Water Depth</b>	0	<b>Last CSG</b>	2.375	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	4,879/ 4,866				
<b>Location</b>	Section 22, T9S, R22E, NWNE, 320 FNL & 1638 FEL				

<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>	82.065

<b>AFE No</b>	303568	<b>AFE Total</b>	1,841,800	<b>DHC / CWC</b>	912,100/ 929,700
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #27	<b>Start Date</b>	03-16-2006
<b>03-16-2006</b>	<b>Reported By</b>	CINDY VAN RANKEN			
<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: 320' FNL & 1638' FEL (NW/NE) SECTION 22, T9S, R22E UINTAH COUNTY, UTAH  LAT 40.027875, LONG 109.421806 (NAD 27) LAT 40.027839, LONG 109.422489 (NAD 83)  RIG: TRUE #27 OBJECTIVE: 9585' TD, MESAVERDE DW/GAS CHAPITA WELLS DEEP PROSPECT DD&A FIELD: CHAPITA DEEP NATURAL BUTTES FIELD  LEASE: U-0284A ELEVATION: 4870.7' NAT GL, 4865.9' PREP GL (DUE TO ROUNDING 4866' IS THE PREP GL), 4879' KB (13')  EOG WI BPO 100%, NRI 82.06523% EOG WI APO 53.8248%, NRI 46.28898% INCLUDES EOG'S 2.07487% ORRI

05-15-2007 Reported By TERRY CSERE

DailyCosts: Drilling \$38,000 Completion \$0 Daily Total \$38,000

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

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

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

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

05-16-2007 Reported By TERRY CSERE

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

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

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

Formation : PBTB : 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 40% COMPLETE.

05-17-2007 Reported By TERRY CSERE

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

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

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

Formation : PBTB : 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 40% COMPLETE.

05-18-2007 Reported By TERRY CSERE

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

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

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

Formation : PBTB : 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. ROCKED OUT.

05-21-2007 Reported By TERRY CSERE

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

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

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

Formation : PBTB : 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. ROCKED OUT.

05-22-2007      Reported By      BRYON TOLMAN

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

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

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

Formation :      PBTB : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

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

05-23-2007      Reported By      BRYON TOLMAN

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

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

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

Formation :      PBTB : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SHOOTING PIT TODAY.

05-24-2007      Reported By      BRYON TOLMAN

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

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

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

Formation :      PBTB : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SHOOTING PIT TODAY.

05-25-2007      Reported By      BRYON TOLMAN

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

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

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

Formation :      PBTB : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

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

05-29-2007      Reported By      TERRY CSERE

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

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

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

Formation :      PBTB : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

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

05-30-2007 Reported By TERRY CSERE

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

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TODAY.

05-31-2007 Reported By TERRY CSERE

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

MD 40 TVD 40 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTB : 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. CRAIGS ROUSTABOUT SERVICE SPUD A 20" HOLE ON 5/30/2007 @ 10:30 AM. SET 40' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 5/30/2007 @ 9:30 AM.

06-29-2007 Reported By JERRY BARNES

Daily Costs: Drilling \$192,100 Completion \$0 Daily Total \$192,100  
 Cum Costs: Drilling \$230,100 Completion \$0 Well Total \$230,100

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

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU PRO PETRO AIR RIG #9 ON 5/31/2007. DRILLED 12-1/4" HOLE TO 2430' GL. ENCOUNTERED WATER @ 1770'. RAN 55 JTS (2377.00') OF 9-5/8", 36.0#/FT, J-55, ST&C CASING WITH TOP-CO GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2390' KB. RAN 200' OF 1" PIPE DOWN BACK SIDE. RDMO AIR RIG.

MIRU 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 220 SX (150 BBLs) OF PREMIUM LEAD CEMENT W/16% GEL, 10#/SX GILSONITE, 3#/ SX GR-3, 3% SALT & 1/4 #/SX FLOCELE. MIXED CEMENT @ 11.0 PPG W/YIELD OF 3.82 CF/SX.

TAILED IN W/200 SX (42 BBLs) OF PREMIUM CEMENT W/2% CACL2 & 1/4#/ SX FLOCELE. MIXED TAIL CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/176.8 BBLs FRESH WATER. BUMPED PLUG W/850# @ 2:51 AM, 6/3/2007. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 7 BBLs INTO LEAD CEMENT. CIRCULATED APPROXIMATELY 15 BBLs LEAD CEMENT TO PIT. CEMENT FELL BACK WHEN PLUG BUMPED.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 150 SX (30 BBLs) OF PREMIUM CEMENT W/2% CACL2 & 1/4#/ SX FLOCELE. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX. NO RETURNS. WOC 1 HR 30 MINUTES.

TOP JOB # 2: MIXED & PUMPED 100 SX (20 BBLs) OF PREMIUM CEMENT

W/2% CACL2 & 1/4#/ SX FLOCELE. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX. HOLE FILLED & STOOD. RDMO BIG 4 CEMENTERS.

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

RAN SURVEY @ 2205', 1 DEG. TAGGED AT 2224'.

KYLAN COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 6/1/2007 @ 3:30 PM.

<b>08-06-2007</b>		<b>Reported By</b>		DUANE C WINKLER							
<b>Daily Costs: Drilling</b>		\$34,152		<b>Completion</b>		\$0		<b>Daily Total</b>		\$34,152	
<b>Cum Costs: Drilling</b>		\$264,252		<b>Completion</b>		\$0		<b>Well Total</b>		\$264,252	
<b>MD</b>	2,390	<b>TVD</b>	2,390	<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:** TRIP IN HOLE WITH BHA

Start	End	Hrs	Activity Description
06:00	21:00	15.0	THIRD PARTY SAFETY MEETING, RIG DOWN ROTARY TOOLS, MOVE EQUIPMENT, RIG UP ROTARY TOOLS, RAISE DERRICK, RIG UP ROTARY TOOLS
21:00	22:00	1.0	NIPPLE UP BOP. DAY WORK STARTED 8/5/2007 @ 2100 HRS.
22:00	02:00	4.0	TEST BOPS/DIVERTER, TESTED ALL VALVES ON CHOKE MANIFOLD, CHOKE LINE AND KILL LINE. TESTED RAMS AND HYDRILL AND CASING. ALL 5K EQUIPMENT TO 5,000 HIGH AND 250 LOW. HYDRIL 2,500 HIGH AND 250 LOW. CASING TO 1,500. ALL TESTED
02:00	06:00	4.0	SAFETY MEETING, RIG UP PICK UP EQUIPMENT, PICKING UP BHA, NO ACCIDENTS / INCIDENTS, NO RIG REPAIRS, FULL CREWS, SAFETY MEETING #1: TESTING BOP, SAFETY MEETING #2: HELD WITH THIRD PARTY CONTRACTORS. TRANSFER FROM CWU 1010-22 TO CWU 1087-22, 7 JTS 4.5 X 11.6 # N80 CASING (285.89') AND 3067 GLS OF DIESEL, RIG MOVE WAS APPROXIMATELY 1.5 MILES, (8/5/207 UNMANNED MUD LOGGER ON LOCATION)

8/4/207 NOTIFIED BLM VERNAL OFFICE JAMIE SPARGER, (435-781-4502), THAT ON 8/5/2007 RIG MOVE TO CWU 1087-22 AND ESTIMATED BOP TEST 8/5/2007 AT 9PM, 8/6/207 AT 9 AM SPUD.  
 NOTIFIED STATE OF UTAH OFFICE, CAROL DANIELS, (801-538-5284), EST SPUD DATE OF 8/6/2007

<b>08-07-2007</b>		<b>Reported By</b>		DUANE C WINKLER							
<b>Daily Costs: Drilling</b>		\$41,289		<b>Completion</b>		\$0		<b>Daily Total</b>		\$41,289	
<b>Cum Costs: Drilling</b>		\$305,541		<b>Completion</b>		\$0		<b>Well Total</b>		\$305,541	
<b>MD</b>	4,603	<b>TVD</b>	4,603	<b>Progress</b>	2,226	<b>Days</b>	1	<b>MW</b>	8.6	<b>Visc</b>	28.0
<b>Formation :</b>			<b>PBTD : 0.0</b>			<b>Perf :</b>			<b>PKR Depth : 0.0</b>		

**Activity at Report Time:** DRILLING

Start	End	Hrs	Activity Description
06:00	07:00	1.0	TRIP IN HOLE WITH BHA
07:00	09:00	2.0	RIG DOWN PICK UP EQUIPMENT, STAB ROTATING RUBBER
09:00	09:30	0.5	SERVICE RIG, CHECK CROWN-O-MATIC, BOP DRILL 2 MINS
09:30	11:00	1.5	DRILLED CEMENT, FLOAT COLLAR @ 287', FLOAT SHOE @ 2377', DRILL TO 2400'
11:00	11:30	0.5	FIT TEST PRESSURE WITH WATER TO 375 PSIG, EMW 11.3.
11:30	21:00	9.5	DRILLED 2377' TO 3574', (1197'), ROP 126, MW 8.8, VIS 29, GPM 435, NO LOSS/GAIN
21:00	21:30	0.5	DEVATION SURVEY 2 DEGREE @ 3490'
21:30	05:00	7.5	DRILLED 3574' TO 4572', (998'), ROP 133, MW 9.2, VIS 33, GPM 430, NO LOSS/GAIN

05:00 05:30 0.5 DEVATION SURVEY 2.5 DEGREE @ 4491'  
 05:30 06:00 0.5 DRILLED 4572' TO 4603', (31'), ROP 62, MW 9.2, VIS 33, GPM 430, NO LOSS/GAIN.

SAFETY MEETING # 1: SURVEY MACHINE, SAFETY MEETING # 2: EYE PROTECTION, NO ACCIDENTS / INCIDENTS, NO RIG REPAIRS, FULL CREWS, FUEL ON HAND 2019 GLS OF DIESEL, USED 1048 GLS, UNMANNED MUD LOGGER

06:00 18.0 SPUD 7 7/8" HOLE AT 11:30 HRS, 8/6/07.

<b>08-08-2007</b>	<b>Reported By</b>	DUANE C WINKLER									
<b>Daily Costs: Drilling</b>	\$39,677	<b>Completion</b>	\$0	<b>Daily Total</b>	\$39,677						
<b>Cum Costs: Drilling</b>	\$345,219	<b>Completion</b>	\$0	<b>Well Total</b>	\$345,219						
<b>MD</b>	6,667	<b>TVD</b>	6,667	<b>Progress</b>	2,064	<b>Days</b>	2	<b>MW</b>	9.5	<b>Visc</b>	33.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRILLED 4603' TO 4946', (343') ROP 114, MW 9.5, VIS 34, GPM 420, NO LOSS/GAIN
09:00	09:30	0.5	DEVATION SURVEY 3.25 DEGREE @ 4868'
09:30	15:00	5.5	DRILLED 4946' TO 5542', (596'), ROP 108, MW 9.6, VIS 33, GPM 415, NO LOSS/GAIN
15:00	15:30	0.5	SERVICE RIG, CHECK CROWN-O-MATIC, FUNCTION TEST BOP
15:30	06:00	14.5	DRILLED 5542' TO 6667', (1125'), ROP 77, MW 10, VIS 34, GPM 415, NO LOSS/GAIN, SAFETY MEETING # 1: PRE MIX TANK, SAFETY MEETING # 2: TONG DIES, NO ACCIDENTS / INCIDENTS, NO RIG REPAIRS, FULL CREWS, FUEL ON HAND 5161 GLS OF DIESEL, USED 1358 GLS, UNMANNED MUD LOGGER

<b>08-09-2007</b>	<b>Reported By</b>	PAUL WHITE									
<b>Daily Costs: Drilling</b>	\$106,735	<b>Completion</b>	\$0	<b>Daily Total</b>	\$106,735						
<b>Cum Costs: Drilling</b>	\$451,954	<b>Completion</b>	\$0	<b>Well Total</b>	\$451,954						
<b>MD</b>	7,529	<b>TVD</b>	7,529	<b>Progress</b>	865	<b>Days</b>	3	<b>MW</b>	10.3	<b>Visc</b>	38.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILL F/ 6667 TO 6699 32'.
07:00	07:30	0.5	CIRCULATE, MIX AND PUMP PILL FOR TRIP.
07:30	14:30	7.0	TRIP FOR BIT. CHANGE MOTOR, LAY DOWN RMRS, ADJUST BRAKE ROLLERS, CHECK LINKAGE, SER RIG. FUNCTION TEST BOP, CHECK COM. TRIP IN HOLE.
14:30	15:00	0.5	WASH/REAM 6660 TO 6699.
15:00	06:00	15.0	DRILL F/ 6699 TO 7529. 830' 55 FPH. WOB 20/25, RPM 62/68, GPM 420. MUD WT. 10.3 VIS 35. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: CHANGING TONG DIES AND CHECKING KEEPERS. CHECK COM. DRILLING IN KMV PRICE RIVER. FUEL ON HAND 4199 USED 922. FULL CREW.

<b>08-10-2007</b>	<b>Reported By</b>	PAUL WHITE							
<b>Daily Costs: Drilling</b>	\$52,503	<b>Completion</b>	\$7,401	<b>Daily Total</b>	\$59,904				
<b>Cum Costs: Drilling</b>	\$504,458	<b>Completion</b>	\$7,401	<b>Well Total</b>	\$511,859				

**MD** 8,368 **TVD** 8,368 **Progress** 839 **Days** 4 **MW** 10.6 **Visc** 9.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** TRIP FOR BIT

Start	End	Hrs	Activity Description
06:00	10:30	4.5	DRILL F/ 7529 TO 7807. 278' 62 FPH. WOB 23 RPM 65.
10:30	11:00	0.5	SERVICE RIG.
11:00	13:00	2.0	RIG REPAIR, REPLACED DRUM FLANGE WATER SUPPLY LINE.
13:00	18:30	5.5	DRILL F/ 7807 TO 8055. 248' 45 FPH. WOB 25 RPM 67.
18:30	19:00	0.5	CHANGE SWAB IN #2 PUMP.
19:00	03:30	8.5	DRILL F/ 8055 TO 8368. 313' 37 FPH. WOB 25, RPM 55.
03:30	04:00	0.5	CIRCULATE MIX PILL, FILL TRIP TANK, DROP SURVEY, PUMP PILL.
04:00	06:00	2.0	TRIP FOR BIT. MUD WT. 10.9 VIS 40. DRILLING PRICE RIVER MIDDLE. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: TRIP TANK, LOCK OUT/TAG OUT. FULL CREW. CHECK COM. BOP DRILL 72 SEC. AMAS. FUEL ON HAND 2992 USED 1197.

**08-11-2007** **Reported By** PAUL WHITE

**Daily Costs: Drilling** \$40,223 **Completion** \$686 **Daily Total** \$40,909  
**Cum Costs: Drilling** \$544,682 **Completion** \$8,087 **Well Total** \$552,769

**MD** 8,784 **TVD** 8,784 **Progress** 416 **Days** 5 **MW** 10.5 **Visc** 41.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING

Start	End	Hrs	Activity Description
06:00	11:30	5.5	TRIP FOR BIT, CHANGE BIT AND MOTOR. CUT DRILLING LINE.
11:30	12:00	0.5	WASH/REAM TO 8365'.
12:00	12:30	0.5	DRILL F/ 8365 TO 8400'.
12:30	13:00	0.5	SERVICE RIG.
13:00	18:00	5.0	DRILL F/ 8400 TO 8597. 197' 39 FPH.
18:00	18:30	0.5	RIG REPAIR, CHANGE SWAB AND LINER IN #2 PUMP. OBWS.
18:30	02:00	7.5	DRILL F/ 8597 TO 8737. 140' 19 FPH. WOB 25 RPM 55/67. MUD WT. 11.2 VIS 45.
02:00	02:30	0.5	RIG REPAIR, CHANGE MIDDLE SWAB #2 PUMP.
02:30	04:00	1.5	DRILL F/ 8737 TO 8755. 18'.
04:00	04:30	0.5	RIG REPAIR, CHANGE SWAB AND LINER #2 PUMP. BWS.
04:30	06:00	1.5	DRILL F/ 8755 TO 8784. 35' 19 FPH. MUD WT. 11.2 VIS 41, DRILLING PRICE RIVER MIDDLE. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: TEAM WORK, PUMP WORK, CUT DRLG. LINE. FULL CREW. CHECK COM. FUEL ON HAND 3441 RECEIVED 1500 USED 1051.

**08-12-2007** **Reported By** PAUL WHITE

**Daily Costs: Drilling** \$48,854 **Completion** \$0 **Daily Total** \$48,854  
**Cum Costs: Drilling** \$593,537 **Completion** \$8,087 **Well Total** \$601,624

**MD** 9,466 **TVD** 9,466 **Progress** 682 **Days** 6 **MW** 11.5 **Visc** 36.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING

Start	End	Hrs	Activity Description
06:00	07:00	1.0	CIRCULATE, MIX AND PUMP PILL FOR TRIP.
07:00	16:00	9.0	TRIP FOR BIT. CHANGE MUD MOTOR. PASON CHANGED PIT BULL, CHECK COM. FUNCTION TEST BOPS.
16:00	18:30	2.5	DRILL F/ 8784 TO 8902. 118 47 FPH. WOB 20, RPM 50. MUD WT. 11.4.

18:30 19:00 0.5 SERVICE RIG.  
 19:00 19:30 0.5 RIG REPAIR, CHANGE SWAB IN OBWS #2 PUMP.  
 19:30 06:00 10.5 DRILL F/ 8902 TO 9466. 564' 54 FPH. MUD WT. 11.4 VIS 37. WOB 20 RPM 47. DRILLING SEGO.  
 NO ACCIDENTS OR INCIDENTS.  
 SAFETY MEETING TOPICS: PIT BULL, SWITCHING PUMPS, WORKING W/ NEW HANDS.  
 FULL CREW, CHECK COM. BOP DRILL 105 SEC AMAS. FUEL ON HAND 2463 USED 978.

**08-13-2007**      **Reported By**      PAUL WHITE

<b>Daily Costs: Drilling</b>	\$34,746	<b>Completion</b>	\$91,412	<b>Daily Total</b>	\$126,158
<b>Cum Costs: Drilling</b>	\$628,283	<b>Completion</b>	\$99,499	<b>Well Total</b>	\$727,782

**MD**      9,585      **TVD**      9,585      **Progress**      117      **Days**      7      **MW**      11.5      **Visc**      36.0

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

**Activity at Report Time:** CIRCULATE FOR CEMENT

Start	End	Hrs	Activity Description
06:00	10:30	4.5	DRILL F/ 9468 TO 9585 TD, 117' 26 FPH. REACHED TD AT 10:30 HRS, 8/12/07.
10:30	11:00	0.5	SERVICE RIG.
11:00	12:00	1.0	SHORT TRIP 10 STANDS, HOLE IN GOOD CONDITION. CASING PT. 12:00 HRS 8/12/07
12:00	13:00	1.0	CIRCULATE, HOLD SAFETY MEETING W/ FRANK WESTATES, RIG UP LAY DOWN CREW.
13:00	21:00	8.0	LAY DOWN DRILL PIPE AND BHA. PULL WEAR BUSHING.
21:00	22:00	1.0	RIG UP CASING CREW.
22:00	05:00	7.0	RUN CASING. RAN 226 JTS OF 11.6#, N-80 LT&C CASING + 2 MARKER JTS, RAN AS FOLLOWS FS 9568' KB, 1 JT CASING, FLOAT COLLAR AT 9524' TOP, 64 JTS CASING, MJ TOP 6821' (HC P-110), 58 JTS CASING, MJ TOP 4358' (HC P-110), 103 JTS CASING, CASING HANGER, LANDING JT. TAG BOTTOM W/ CASING @ 9589.
05:00	06:00	1.0	CIRCULATE, HOLD SAFETY MEETING, AND RIG UP SCHLUMBERGER. PREPARE TO CEMENT. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: RUNNING CASING & CEMENTING. WORKING W/ THIRD PARTY CREWS. FULL CREW. CHECK COM. FUEL ON HAND 2842 RECIEVED 1000 USED 621.

**08-14-2007**      **Reported By**      PAUL WHITE

<b>Daily Costs: Drilling</b>	\$37,992	<b>Completion</b>	\$62,960	<b>Daily Total</b>	\$100,952
<b>Cum Costs: Drilling</b>	\$666,275	<b>Completion</b>	\$162,459	<b>Well Total</b>	\$828,734

**MD**      9,466      **TVD**      9,466      **Progress**      0      **Days**      8      **MW**      0.0      **Visc**      0.0

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

**Activity at Report Time:** RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	08:30	2.5	CEMENTING. SCHLUMBER MIXED AND PUMPED CEMENT AS FOLLOWS: 20 BBLs CHEM WASH, 20 BBLs WATER, 148.9 BBLs LEAD SLURRY: 35/65 POZ G, SLURRY WT. 12 PPG. (370 SX). FOLLOWED W/ 361.8 BBLs. TAIL SLURRY, 50/50 POZ "G" SLURRY WT. 14.1 PPG. 1575 SX), DISPLACED W/ 148 BBLs. WATER. BUMPED PLUG W/ 3,500 PSI, CHECKED FLOATS OK. LANDED 226 JTS. 4.5" 11.6 # N 80 CASING EQUIPED W/ DAVIS LYNCH FLOAT SHOE AND FLOAT COLLAR. CENTRILIZERS PLACED 5' ABOVE SHOE, ON TOP OF SECOND JOINT AND EVERY OTHER JOINT AFTER FOR A TOTAL OF 30. SHOE AT 9568' . FLOAT COLLAR AT 9523'. MARKER JT AT 6821' AND 4357'. LANDING WT. ON HANGER 47,000. TESTED HANGER SEALS TO 5,000 PSI, CEMENT IN PLACE AT 08:20 HRS. 8/13/07
08:30	10:00	1.5	NIPPLE DOWN BOP'S AND CLEAN MUD PIT. PREPARE FOR MOVE TO CWU 1008-22. DISTANCE 0.9 MILES. TRANSFERED 6 JTS OF 4.5" N-80 11.6# LT&C CASING AND 1 P-110 MARKER JT. ALONG W/ 2842 GAL. DIESEL TO CWU 1008-22. TRUCK FOR MOVE SCHEDULED FOR TUESDAY MORN. AT 0700 HR.
10:00	06:00	20.0	RIG DOWN PREPARE FOR TRUCKS AT 07:00. NO ACCIDENTS OR INCIDENTS. FULL CREW.

06:00 18.0 RIG RELEASED AT 09:00 HRS, 8/13/07.  
CASING POINT COST \$666,276

**08-20-2007**      **Reported By**      SEARLE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$45,014	<b>Daily Total</b>	\$45,014
<b>Cum Costs: Drilling</b>	\$666,275	<b>Completion</b>	\$207,473	<b>Well Total</b>	\$873,748

MD      9,466      TVD      9,466      Progress      0      Days      9      MW      0.0      Visc      0.0

Formation :                      PBTB : 9524.0                      Perf :                      PKR Depth : 0.0

Activity at Report Time: PREP FOR FRACS

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
			24.0 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTB TO 65'. EST CEMENT TOP @ 1090'. RD SCHLUMBERGER.

**12-30-2007**      **Reported By**      TORR MCCURDY

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$2,655	<b>Daily Total</b>	\$2,655
<b>Cum Costs: Drilling</b>	\$666,275	<b>Completion</b>	\$210,128	<b>Well Total</b>	\$876,403

MD      9,466      TVD      9,466      Progress      0      Days      10      MW      0.0      Visc      0.0

Formation :                      PBTB : 9524.0                      Perf :                      PKR Depth : 0.0

Activity at Report Time: WO COMPLETION

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	10:00	4.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

**01-08-2008**      **Reported By**      HISLOP

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$7,875	<b>Daily Total</b>	\$7,875
<b>Cum Costs: Drilling</b>	\$666,275	<b>Completion</b>	\$218,003	<b>Well Total</b>	\$884,278

MD      9,466      TVD      9,466      Progress      0      Days      10      MW      0.0      Visc      0.0

Formation : MESAVERDE      PBTB : 9524.0      Perf : 8661'-9301'      PKR Depth : 0.0

Activity at Report Time: FRAC

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	MIRU LONE WOLF WIRELINE & PERFORATE LPR FROM 9148'-50', 9158'-60', 9178'-80', 9186'-88', 9210'-11', 9233'-34', 9286'-87', 9292'-94', 9300'-01' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5217 GAL YF116 ST+ PAD, 39710 GAL YF116 ST+ WITH 113300 # 20/40 SAND @ 1-5 PPG. MTP 6311 PSIG. MTR 51.4 BPM. ATP 5032 PSIG. ATR 44.5 BPM. ISIP 3220 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 9100' & PERFORATE LPR FROM [ SHOTS 8864'-65', 8878'-79', 8904'-05', MISSED FIRED ] 8927'-28', 8933'-34', 8950'-51', 8962'-63', 8994'-95', 9004'-05', 9035'-36', 9055'-56', 9078'-79' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 7660 GAL YF116 ST+ PAD, 38820 GAL YF116 ST+ WITH 114900 # 20/40 SAND @ 1-5 PPG. MTP 6454 PSIG. MTR 51.2 BPM. ATP 5781 PSIG. ATR 44.6 BPM. ISIP 3450 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 8835' & PERFORATE MPR FROM 8661'-62', 8668'-69', 8684'-86', 8730'-31', 8739'-41', 8768'-70', 8796'-97', 8802'-03', 8820'-21' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5168 GAL YF116 ST+ PAD, 25110 GAL YF116 ST+ WITH 56900 # 20/40 SAND @ 1-3 PPG. MTP 6429 PSIG. MTR 51.2 BPM. ATP 5615 PSIG. ATR 44.7 BPM. ISIP 3488 PSIG. RD SCHLUMBERGER. SDFN.

**01-09-2008**      **Reported By**      HISLOP

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$127,156	<b>Daily Total</b>	\$127,156
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**Cum Costs: Drilling** \$666,275 **Completion** \$345,159 **Well Total** \$1,011,434  
**MD** 9,466 **TVD** 9,466 **Progress** 0 **Days** 11 **MW** 0.0 **Visc** 0.0  
**Formation** : MEASEVERDE **PBTD** : 9524.0 **Perf** : 8661'-9301' **PKR Depth** : 0.0

**Activity at Report Time:** WAIT ON COMPLETION RIG TO FISH PERF. GUN'S, & SETTING TOOL.

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 2300 PSIG. RUWL. RIH TO SET CFP & PERFORATE. SET CFP @ 8625'. PLUG SET. SETTING TOOL DID NOT STROKE COMPLETELY. UNABLE TO FINISH STROKING WITH WIRELINE. PULL OUT OF ROPE SOCKET. CLEAN PULL OUT, LEAVING NO WIRE IN HOLE. RDMO LONE WOLF & SCHLUMBERGER. SDFN. FISH LEFT IN HOLE ROPE SOCKET 1-11/16" O.D. 1' CCL 3-1/8" O.D. 2' PERF. GUN 3-1/8" O.D. 27' TOP OF FISH @ 8594'

**01-10-2008** **Reported By** BAUSCH  
**Daily Costs: Drilling** \$0 **Completion** \$7,667 **Daily Total** \$7,667  
**Cum Costs: Drilling** \$666,275 **Completion** \$352,826 **Well Total** \$1,019,101  
**MD** 9,466 **TVD** 9,466 **Progress** 0 **Days** 12 **MW** 0.0 **Visc** 0.0  
**Formation** : MEASEVERDE **PBTD** : 9524.0 **Perf** : 8661'-9301' **PKR Depth** : 0.0

**Activity at Report Time:** FISH SETTING TOOL AND PERF GUNS.

Start	End	Hrs	Activity Description
07:00	17:00	10.0	HOLD SAFETY MTG. MIRUSU. ND FRAC VALVE. NU 4 1/16" 15M BOPE. MU FISHING TOOLS. TALLY AND PU TBG. RIH TO 4360'. DRAIN UP. SIFN.

**01-11-2008** **Reported By** BAUSCH  
**Daily Costs: Drilling** \$0 **Completion** \$6,897 **Daily Total** \$6,897  
**Cum Costs: Drilling** \$666,275 **Completion** \$359,723 **Well Total** \$1,025,998  
**MD** 9,466 **TVD** 9,466 **Progress** 0 **Days** 13 **MW** 0.0 **Visc** 0.0  
**Formation** : MESAVERDE **PBTD** : 9524.0 **Perf** : 8661'-9301' **PKR Depth** : 0.0

**Activity at Report Time:** FISH PERF GUNS AND SETTING TOOL.

Start	End	Hrs	Activity Description
07:00	06:00	23.0	HOLD SAFETY MTG. SITP 200 PSIG. CP 200 PSIG. BLOW WELL DN. TALLY AND PU TBG. RIH TO 6200'. CIRCULATE GAS OUT. RIH. TAGGED FISH TOP @ 8584'. RU TO WASH DN OVER FISH. LATCH ONTO FISH. PUT 1500 PSIG ON ANULUS. JARRED SETTING TOOL OFF OF PLUG. LEFT PLUG @ 8625'. BLEAD OFF TBG. LD 9 JTS. EOT @ 8298'. DRAIN UP. FLOW WELL.

FLOWED 16 HRS. 24/64 CHOKE. FCP 1150 PSIG. 75 BFPH. RECOVERED 1200 BBLs, 2444- BLWTR.

**01-12-2008** **Reported By** BAUSCH  
**Daily Costs: Drilling** \$0 **Completion** \$3,580 **Daily Total** \$3,580  
**Cum Costs: Drilling** \$666,275 **Completion** \$363,303 **Well Total** \$1,029,578  
**MD** 9,466 **TVD** 9,466 **Progress** 0 **Days** 14 **MW** 0.0 **Visc** 0.0  
**Formation** : MESAVERDE **PBTD** : 9524.0 **Perf** : 8661'-9301' **PKR Depth** : 0.0

**Activity at Report Time:** FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FCP 450 PSIG. 40 BFPH. RECOVERED 960 BLW. 1280 BLWTR.

**01-13-2008**      **Reported By**            BAUSCH

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$3,580	<b>Daily Total</b>	\$3,580
<b>Cum Costs: Drilling</b>	\$666,275	<b>Completion</b>	\$366,883	<b>Well Total</b>	\$1,033,158

**MD**      9,466    **TVD**      9,466    **Progress**    0    **Days**      15    **MW**      0.0    **Visc**      0.0

**Formation : MESAVERDE**      **PBTD : 9524.0**      **Perf : 8661'-9301'**      **PKR Depth : 0.0**

**Activity at Report Time: FLOW TEST**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 32/64" CHOKE. FCP 50 PSIG. 12 BFPH. RECOVERED 300 BLW. 980 BLWTR.

**01-14-2008**      **Reported By**            BAUSCH

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$3,580	<b>Daily Total</b>	\$3,580
<b>Cum Costs: Drilling</b>	\$666,275	<b>Completion</b>	\$370,463	<b>Well Total</b>	\$1,036,738

**MD**      9,466    **TVD**      9,466    **Progress**    0    **Days**      16    **MW**      0.0    **Visc**      0.0

**Formation : MESAVERDE**      **PBTD : 9524.0**      **Perf : 8661'-9301'**      **PKR Depth : 0.0**

**Activity at Report Time: POH W FISH.**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. NO CHOKE. FCP 50 PSIG. 6 BFPH. RECOVERED 152 BBLS, 828 BLWTR.

**01-15-2008**      **Reported By**            BAUSCH

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$19,455	<b>Daily Total</b>	\$19,455
<b>Cum Costs: Drilling</b>	\$666,275	<b>Completion</b>	\$389,918	<b>Well Total</b>	\$1,056,193

**MD**      9,466    **TVD**      9,466    **Progress**    0    **Days**      17    **MW**      0.0    **Visc**      0.0

**Formation : MEASEVERDE**      **PBTD : 9524.0**      **Perf : 8661'-9301'**      **PKR Depth : 0.0**

**Activity at Report Time: RDMOSU**

Start	End	Hrs	Activity Description
06:00	17:30	11.5	FCP 50 PSIG. SITP 500 PSIG. BLEW TBG DOWN. TBG STRING WAS FREE. POH TO 1500'. PUMPED 100 BLS TREATED WTR DN ANNULUS. POH. RECOVERED PERFORATING GUNS AND SETTING TOOL. RIH W/BIT TO 8244'. SDFN.

**01-16-2008**      **Reported By**            BAUSCH

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$30,589	<b>Daily Total</b>	\$30,589
<b>Cum Costs: Drilling</b>	\$666,275	<b>Completion</b>	\$420,507	<b>Well Total</b>	\$1,086,782

**MD**      9,466    **TVD**      9,466    **Progress**    0    **Days**      18    **MW**      0.0    **Visc**      0.0

**Formation : MEASEVERDE**      **PBTD : 9524.0**      **Perf : 8661'-9301'**      **PKR Depth : 0.0**

**Activity at Report Time: RDMOSU**

Start	End	Hrs	Activity Description
07:00	17:30	10.5	SICP 500 PSIG. BLEW WELL DOWN. RIH TO TAG @ 8610'. UNABLE TO CLEAN OUT DEEPER. CIRCULATED CLEAN. POH. RUWL. RIH W/SINKER BARS TO CHECK PLUG DEPTH. TAGGED @ 8622'. SET CBP @ 8620'. RDWL. RIH W/TBG. LD 30 JTS. SDFN.

**01-17-2008**      **Reported By**            BAUSCH

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$5,580	<b>Daily Total</b>	\$5,580
<b>Cum Costs: Drilling</b>	\$666,275	<b>Completion</b>	\$426,087	<b>Well Total</b>	\$1,092,362

**MD**      9,466    **TVD**      9,466    **Progress**    0    **Days**      19    **MW**      0.0    **Visc**      0.0

**Formation : MEASEVERDE**      **PBTD : 9524.0**      **Perf : 8661'-9301'**      **PKR Depth : 0.0**

**Activity at Report Time: PREP TO FRAC**

Start	End	Hrs	Activity Description
07:00	16:30	9.5	LD TBG. ND BOP. NU 10K FRAC TREE. RDMOSU. PREP TO FRAC.

01-29-2008 Reported By CARLSON

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$1,650	<b>Daily Total</b>	\$1,650
<b>Cum Costs: Drilling</b>	\$666,275	<b>Completion</b>	\$427,737	<b>Well Total</b>	\$1,094,012

<b>MD</b>	9,466	<b>TVD</b>	9,466	<b>Progress</b>	0	<b>Days</b>	20	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MEASEVERDE</b>			<b>PBTD : 9524.0</b>		<b>Perf : 7715'-9301'</b>			<b>PKR Depth : 0.0</b>			

Activity at Report Time: FRAC

Start End Hrs Activity Description

06:00	06:00	24.0	SICP 1300 PSIG. RUWL. PERFORATED MPR FROM 8499'-8500', 8504'-05', 8511'-12', 8520'-21', 8529'-30', 8544'-45', 8568'-69', 8578'-79', 8583'-84', 8597'-98', 8604'-05' & 8609'-10' @ 3 SPF & 120° PHASING. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5223 GAL YF116 ST+ PAD, 42545 GAL YF116 ST+ W/121900# 20/40 SAND @ 1-4 PPG. MTP 6251 PSIG. MTR 50.9 BPM. ATP 5111 PSIG. ATR 48.2 BPM. ISIP 3780 PSIG. RD SCHLUMBERGER.
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RUWL. SET CFP @ 8465'. PERFORATED MPR FROM 8297'-98' (MISFIRE), 8305'-06', 8314'-15', 8323'-24', 8332'-33', 8385'-86', 8392'-93', 8404'-05', 8412'-13', 8429'-30', 8433'-34' & 8444'-45' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 5188 GAL YF116 ST+ PAD, 43177 GAL YF116 ST+ W/122800# 20/40 SAND @ 1-5 PPG. MTP 6136 PSIG. MTR 50.2 BPM. ATP 5065 PSIG. ATR 47.6 BPM. ISIP 2850 PSIG. RD SCHLUMBERGER.

RUWL. SET CFP @ 8270'. PERFORATED MPR FROM 8053'-54', 8082'-83', 8128'-29', 8141'-42', 8152'-53', 8161'-62', 8197'-98', 8205'-06', 8233'-34', 8240'-41', 8251'-52' & 8257'-58' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 5197 GAL YF116 ST+ PAD, 41639 GAL YF116 ST+ W/118800# 20/40 SAND @ 1-4 PPG. MTP 6068 PSIG. MTR 50.5 BPM. ATP 5018 PSIG. ATR 47.9 BPM. ISIP 3200 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7955'. PERFORATED UPR FROM 7715'-16', 7736'-37', 7748'-49', 7767'-68', 7777'-78', 7792'-93', 7832'-33', 7839'-40', 7867'-68', 7892'-93', 7900'-01' & 7938'-39' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 5202 GAL YF116ST+ PAD, 51113 GAL YF116ST+ W/150800# 20/40 SAND @ 1-5 PPG. MTP 5999 PSIG. MTR 50.3 BPM. ATP 4695 PSIG. ATR 48.3 BPM. ISIP 2850 PSIG. RD SCHLUMBERGER. SDFN.

01-30-2008 Reported By CARLSON

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$263,521	<b>Daily Total</b>	\$263,521
<b>Cum Costs: Drilling</b>	\$666,275	<b>Completion</b>	\$691,258	<b>Well Total</b>	\$1,357,534

<b>MD</b>	9,466	<b>TVD</b>	9,466	<b>Progress</b>	0	<b>Days</b>	21	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MEASEVERDE</b>			<b>PBTD : 9524.0</b>		<b>Perf : 7263'-9301'</b>			<b>PKR Depth : 0.0</b>			

Activity at Report Time: PREP TO MIRUSU

Start End Hrs Activity Description

06:00	06:00	24.0	SICP 1940 PSIG. RUWL. SET 10K CFP AT 7630'. PERFORATED UPR FROM 7452'-53', 7457'-58', 7472'-73', 7485'-86', 7495'-96', 7508'-09', 7517'-18', 7554'-55', 7567'-68', 7576'-77', 7596'-97' & 7605'-06' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 5404 GAL YF116ST+ PAD, 51025 GAL YF116ST+ W/150100# 20/40 SAND @ 1-5 PPG. MTP 5222 PSIG. MTR 50.2 BPM. ATP 3980 PSIG. ATR 47.1 BPM. ISIP 1930 PSIG. RD SCHLUMBERGER.
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RUWL. SET 10K CFP AT 7425'. PERFORATED UPR FROM 7263'-64', 7269'-70', 7276'-77', 7293'-94', 7321'-22', 7335'-36', 7342'-43', 7356'-57', 7374'-75', 7386'-87', 7399'-7400' & 7409'-10' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 5205 GAL YF116ST+ PAD, 56164 GAL YF116ST+ W/161900# 20/40 SAND @ 1-5 PPG. MTP 5269 PSIG. MTR 50.7 BPM. ATP 3749 PSIG. ATR 49 BPM. ISIP 2000 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 7154'. BLEED OFF PRESSURE. RDWL.

02-01-2008		Reported By		HISLOP	
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$28,021	<b>Daily Total</b>	\$28,021
<b>Cum Costs: Drilling</b>	\$666,275	<b>Completion</b>	\$719,279	<b>Well Total</b>	\$1,385,555
<b>MD</b>	9,466	<b>TVD</b>	9,466	<b>Progress</b>	0
		<b>Days</b>	22	<b>MW</b>	0.0
		<b>Visc</b>			0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 9524.0</b>		<b>Perf : 7263'-9301'</b>	
<b>PKR Depth : 0.0</b>					
<b>Activity at Report Time: CLEAN OUT AFTER FRAC</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	MIRUSU. SICP 0 PSIG. RIH W/BIT & PUMP OFF SUB TO 7154'. SDFN.		

02-02-2008		Reported By		HISLOP	
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$62,796	<b>Daily Total</b>	\$62,796
<b>Cum Costs: Drilling</b>	\$666,275	<b>Completion</b>	\$782,075	<b>Well Total</b>	\$1,448,351
<b>MD</b>	9,466	<b>TVD</b>	9,466	<b>Progress</b>	0
		<b>Days</b>	23	<b>MW</b>	0.0
		<b>Visc</b>			0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 9524.0</b>		<b>Perf : 7263'-9301'</b>	
<b>PKR Depth : 0.0</b>					
<b>Activity at Report Time: FLOW TEST</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7154', 7425', 7630', 7955', 8270', 8465', 8620', 8622', 8835' & 9100'. RIH. CLEANED OUT TO 9415'. LANDED TUBING @ 8009' KB. ND BOP. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.		

FLOWED 13 HRS. 16/64" CHOKE. FTP 1850 PSIG. CP 2400 PSIG. 29 BFPH. RECOVERED 368 BLW. 6960 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF BIT SUB .91'  
 1 JT 2-3/8" 4.7# L-80 TBG 32.86'  
 XN NIPPLE 1.30'  
 242 JTS 2-3/8" 4.7# L-80 TBG 7961.31'  
 BELOW KB 13.00'  
 LANDED @ 8009.38' KB

02-03-2008		Reported By		HISLOP	
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$3,604	<b>Daily Total</b>	\$3,604
<b>Cum Costs: Drilling</b>	\$666,275	<b>Completion</b>	\$785,679	<b>Well Total</b>	\$1,451,955
<b>MD</b>	9,466	<b>TVD</b>	9,466	<b>Progress</b>	0
		<b>Days</b>	24	<b>MW</b>	0.0
		<b>Visc</b>			0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 9524.0</b>		<b>Perf : 7263'-9301'</b>	
<b>PKR Depth : 0.0</b>					
<b>Activity at Report Time: FLOW TEST</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1750 PSIG. CP 2400 PSIG. 20 BFPH. RECOVERED 490 BLW. 6470 BLWTR.		

02-04-2008		Reported By		HISLOP	
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$666,275	<b>Completion</b>	\$785,679	<b>Well Total</b>	\$1,451,955

**MD** 9,466 **TVD** 9,466 **Progress** 0 **Days** 25 **MW** 0.0 **Visc** 0.0

**Formation : MESAVERDE** **PBTD : 9524.0** **Perf : 7263'-9301'** **PKR Depth : 0.0**

**Activity at Report Time: WO FACILITIES**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1750 PSIG. CP 2400 PSIG. 14 BFPH. RECOVERED 80 BLW. 6390 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 2/3/08

**02-05-2008** **Reported By** TIGAR MILLER

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$666,275	<b>Completion</b>	\$785,679	<b>Well Total</b>	\$1,451,955

**MD** 9,466 **TVD** 9,466 **Progress** 0 **Days** 26 **MW** 0.0 **Visc** 0.0

**Formation : MESAVERDE** **PBTD : 9524.0** **Perf : 7263'-9301'** **PKR Depth : 0.0**

**Activity at Report Time: INITIAL PRODUCTION-FIRST GAS SALES**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION. FIRST GAS SALES: OPENING PRESSURE: TP 1800 & CP 2800 PSI. TURNED WELL TO QUESTAR SALES AT 12:30 PM, 02/04/08. FLOWED 460 MCFD RATE ON 10/64" POS CHOKE. STATIC 235.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

5. Lease Serial No.  
UTU0284A

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

6. If Indian, Allottee or Tribe Name  
7. Unit or CA Agreement Name and No.  
CHAPITA WELLS UNI

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

8. Lease Name and Well No.  
CHAPITA WELLS UNIT 1087-22

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

9. API Well No.  
43-047-37875

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
 At surface NWNE 320FNL 1638FEL 40.02784 N Lat, 109.42249 W Lon  
 At top prod interval reported below NWNE 320FNL 1638FEL 40.02784 N Lat, 109.42249 W Lon  
 At total depth NWNE 320FNL 1638FEL 40.02784 N Lat, 109.42249 W Lon

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

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

12. County or Parish  
UINTAH 13. State  
UT

14. Date Spudded  
05/30/2007 15. Date T.D. Reached  
08/12/2007 16. Date Completed  
 D & A  Ready to Prod.  
02/04/2008

17. Elevations (DF, KB, RT, GL)\*  
4871 GL

18. Total Depth: MD 9585 TVD  
19. Plug Back T.D.: MD 9524 TVD  
20. Depth Bridge Plug Set: MD TVD

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

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
7.875	4.500 P-110	11.6							
12.250	9.625 J-55	36.0	0	2390		670			
7.875	4.500 N-80	11.6	0	9568		1945			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	8009							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	7263	9301	9148 TO 9301		3	
B)			8927 TO 9079		3	
C)			8661 TO 8821		3	
D)			8499 TO 8610		3	

26. Perforation Record

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

Depth Interval	Amount and Type of Material
9148 TO 9301	45,092 GALS GELLED WATER & 113,300# 20/40 SAND
8927 TO 9079	46,645 GALS GELLED WATER & 114,900# 20/40 SAND
8661 TO 8821	30,443 GALS GELLED WATER & 56,900# 20/40 SAND
8499 TO 8610	47,933 GALS GELLED WATER & 121,900# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
02/04/2008	02/11/2008	24	→	33.0	439.0	196.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 1600	Csg. Press. 2600.0	24 Hr. Rate →	Oil BBL 33	Gas MCF 439	Water BBL 196	Gas:Oil Ratio	Well Status	PGW

28a. Production - Interval B

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

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

ELECTRONIC SUBMISSION #58947 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

RECEIVED

MAR 06 2008

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
MESAVERDE	7263	9301		GREEN RIVER MAHOGANY WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER MIDDLE PRICE RIVER LOWER PRICE RIVER	1779 2370 4759 5345 6036 7235 8081 8873

32. Additional remarks (include plugging procedure):

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

Item #40: The P-110 casing used were marker joints.

33. Circle enclosed attachments:

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

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

**Electronic Submission #58947 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal**

Name (please print) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature

*Mary A. Maestas*  
(Electronic Submission)

Date 03/05/2008

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

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

**Chapita Wells Unit 1087-22 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

8305-8445	3/spf
8053-8258	3/spf
7715-7939	3/spf
7452-7606	3/spf
7263-7410	3/spf

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

8305-8445	48,365 GALS GELLED WATER & 122,800# 20/40 SAND
8053-8258	46,836 GALS GELLED WATER & 118,800# 20/40 SAND
7715-7939	56,315 GALS GELLED WATER & 150,800# 20/40 SAND
7452-7606	56,429 GALS GELLED WATER & 150,100# 20/40 SAND
7263-7410	61,369 GALS GELLED WATER & 161,900# 20/40 SAND

Perforated the Lower Price River from 9148-50', 9158-60', 9178-80', 9186-88', 9210-11', 9233-34', 9286-87', 9292-94' & 9300-01' w/ 3 spf.

Perforated the Lower Price River from 8927-28', 8933-34', 8950-51', 8962-63', 8994-95', 9004-05', 9035-36', 9055-56' & 9078-79' w/ 3 spf.

Perforated the Middle Price River from 8661-62', 8668-69', 8684-86', 8730-31', 8739-41', 8768-70', 8796-97', 8802-03' & 8820-21' w/ 3 spf.

Perforated the Middle Price River from 8499-8500', 8504-05', 8511-12', 8520-21', 8529-30', 8544-45', 8568-69', 8578-79', 8583-84', 8597-98', 8604-05' & 8609-10' w/ 3 spf.

Perforated the Middle Price River from 8305-06', 8314-15', 8323-24', 8332-33', 8385-86', 8392-93', 8404-05', 8412-13', 8429-30', 8433-34' & 8444-45' w/ 3 spf.

Perforated the Middle Price River from 8053-54', 8082-83', 8128-29', 8141-42', 8152-53', 8161-62', 8197-98', 8205-06', 8233-34', 8240-41', 8251-52' & 8257-58' w/ 3 spf.

Perforated the Upper Price River from 7715-16', 7736-37', 7748-49', 7767-68', 7777-78', 7792-93', 7832-33', 7839-40', 7867-68', 7892-93', 7900-01' & 7938-39' w/ 3 spf.

Perforated the Upper Price River from 7452-53', 7457-58', 7472-73', 7485-86', 7495-96', 7508-09', 7517-18', 7554-55', 7567-68', 7576-77', 7596-97' & 7605-06' w/ 3 spf.

Perforated the Upper Price River from 7263-64', 7269-70', 7276-77', 7293-94', 7321-22', 7335-36', 7342-43', 7356-57', 7374-75', 7386-87', 7399-7400' & 7409-10' w/ 3 spf.

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

SEGO	9373
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**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 7

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**REPORT OF WATER ENCOUNTERED DURING DRILLING**

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Well name and number: CWU 1087-22

API number: 4304737875

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

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: PRO PETRO

Address: PO BOX 827

city VERNAL state UT zip 84078

Phone: (435) 789-4729

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,770	1,790	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.

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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 3/5/2008