

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

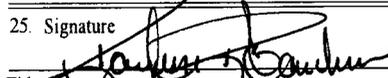
**APPLICATION FOR PERMIT TO DRILL OR REENTER**

5. Lease Serial No. <b>U-43916</b>	
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA Agreement, Name and No.	
8. Lease Name and Well No. <b>NORTH CHAPITA 337-34</b>	
9. API Well No. <b>43-047-38042</b>	
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER	10. Field and Pool, or Exploratory <b>NATURAL BUTTES</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	11. Sec., T. R. M. or Blk. and Survey or Area <b>SEC. 34, T8S, R22E S.L.B.&amp;M</b>
2. Name of Operator <b>EOG RESOURCES, INC.</b>	12. County or Parish <b>UINTAH</b>
3a. Address <b>P.O. Box 1815 Vernal, UT 84078</b>	13. State <b>UT</b>
3b. Phone No. (include area code) <b>435-781-9111</b>	14. Distance in miles and direction from nearest town or post office* <b>33.5 MILES SOUTH OF VERNAL</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <b>SENW 1588 FNL 1957 FWL 40.082481 LAT 109.428739 LON</b> At proposed prod. zone <b>SAME 634023X 40.082569 4437895f -109.428087</b>	15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>1588'</b> <b>268'</b>
16. No. of acres in lease <b>1360</b>	17. Spacing Unit dedicated to this well <b>40</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>1250'</b>	20. BLM/BIA Bond No. on file <b>NM 2308</b>
19. Proposed Depth <b>10,150'</b>	21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4783' GL</b>
22. Approximate date work will start*	23. Estimated duration <b>45 DAYS</b>

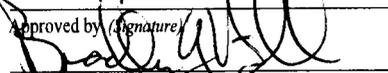
24. Attachments

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

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

25. Signature 	Name (Printed Typed) <b>Kaylene R. Gardner</b>	Date <b>04/21/2006</b>
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Title <b>Regulatory Assistant</b>		
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Approved by (Signature) 	Name (Printed Typed) <b>BRADLEY G. HILL</b>	Date <b>08-24-06</b>
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Title <b>g ENVIRONMENTAL MANAGER</b>		
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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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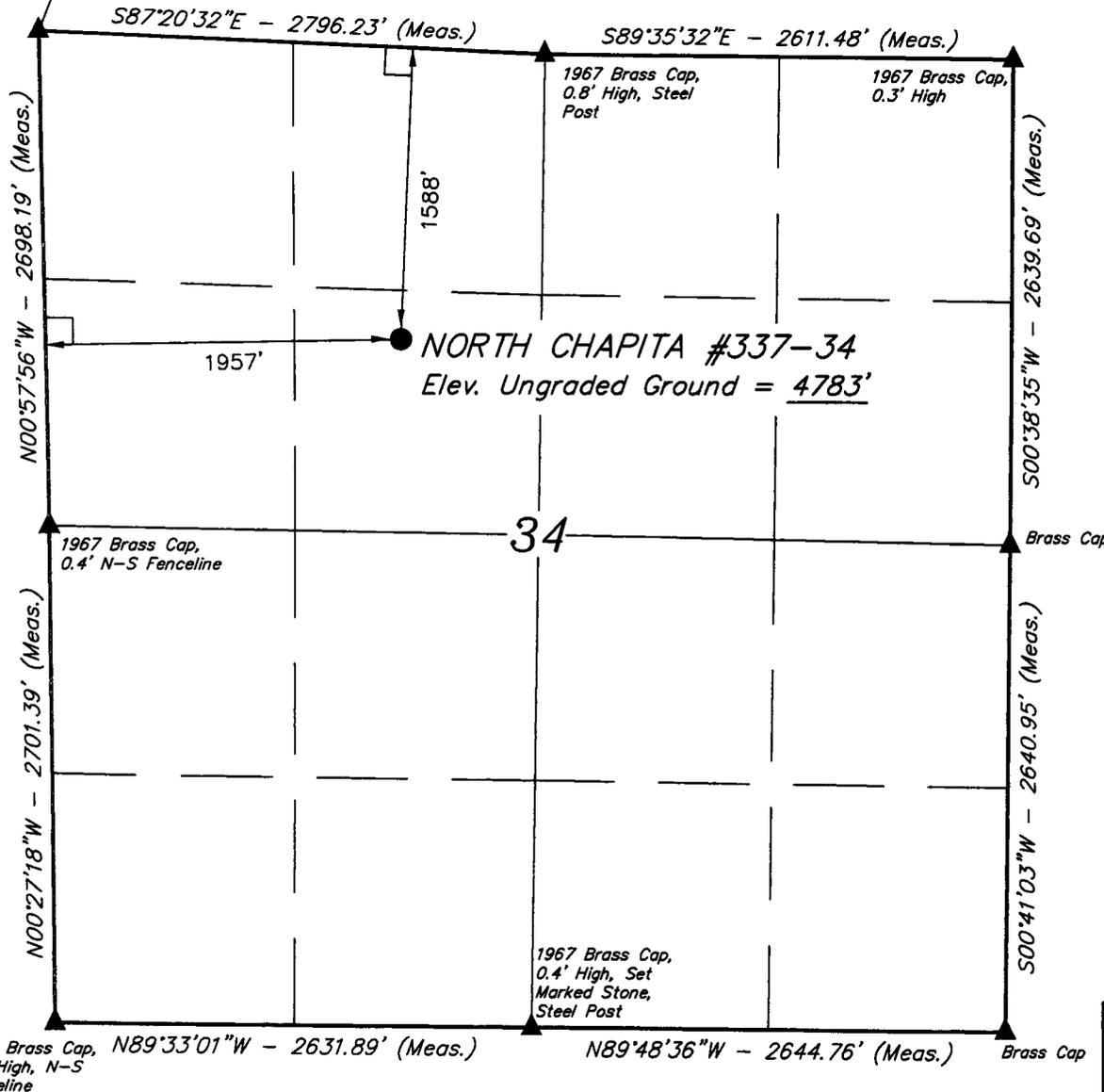
DIV. OF OIL, GAS & MINING

**EOG RESOURCES, INC.**

**T8S, R22E, S.L.B.&M.**

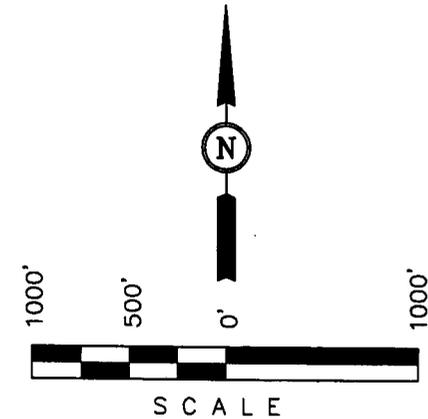
Well location, NORTH CHAPITA #337-34, located as shown in the SE 1/4 NW 1/4 of Section 34, T8S, R22E, S.L.B.&M. Uintah County, Utah.

1967 Brass Cap,  
0.7' High, N-S  
Fenceline



**BASIS OF ELEVATION**

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



**CERTIFICATE**

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

*Robert L. Hays*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH

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

**LEGEND:**

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

(NAD 83)  
 LATITUDE =  $40^{\circ}04'56.93''$  (40.082481)  
 LONGITUDE =  $109^{\circ}25'43.46''$  (109.428739)

(NAD 27)  
 LATITUDE =  $40^{\circ}04'57.06''$  (40.082517)  
 LONGITUDE =  $109^{\circ}25'41.00''$  (109.428056)

SCALE 1" = 1000'	DATE SURVEYED: 03-13-06	DATE DRAWN: 03-14-06
PARTY B.J. A.F. L.K.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**

**NORTH CHAPITA WELLS 337-34**  
**SE/NW, SEC. 34, T8S, 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	2,191'
Wasatch	5,197'
Chapita Wells	5,777'
Buck Canyon	6,494'
North Horn	7,067'
Island	7,611'
KMV Price River	7,865'
KMV Price River Middle	8,621'
KMV Price River Lower	9,367'
Sego	9,931'

Estimated TD: 10,150' or 200'± below Sego top

**Anticipated BHP: 5,540 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 ⅝"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12-1/4"	45' – 2,300'KB±	9-⅝"	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/9-⅝" 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**

**NORTH CHAPITA WELLS 337-34**  
**SE/NW, SEC. 34, T8S, 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. 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**

**EIGHT POINT PLAN**

**NORTH CHAPITA WELLS 337-34**  
**SE/NW, SEC. 34, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**9. CEMENT PROGRAM:**

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

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

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

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

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

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

**Lead:** 166 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 948 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., 5.9 gps 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.

**EIGHT POINT PLAN**  
**NORTH CHAPITA WELLS 337-34**  
**SE/NW, SEC. 34, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**11. STANDARD REQUIRED EQUIPMENT:**

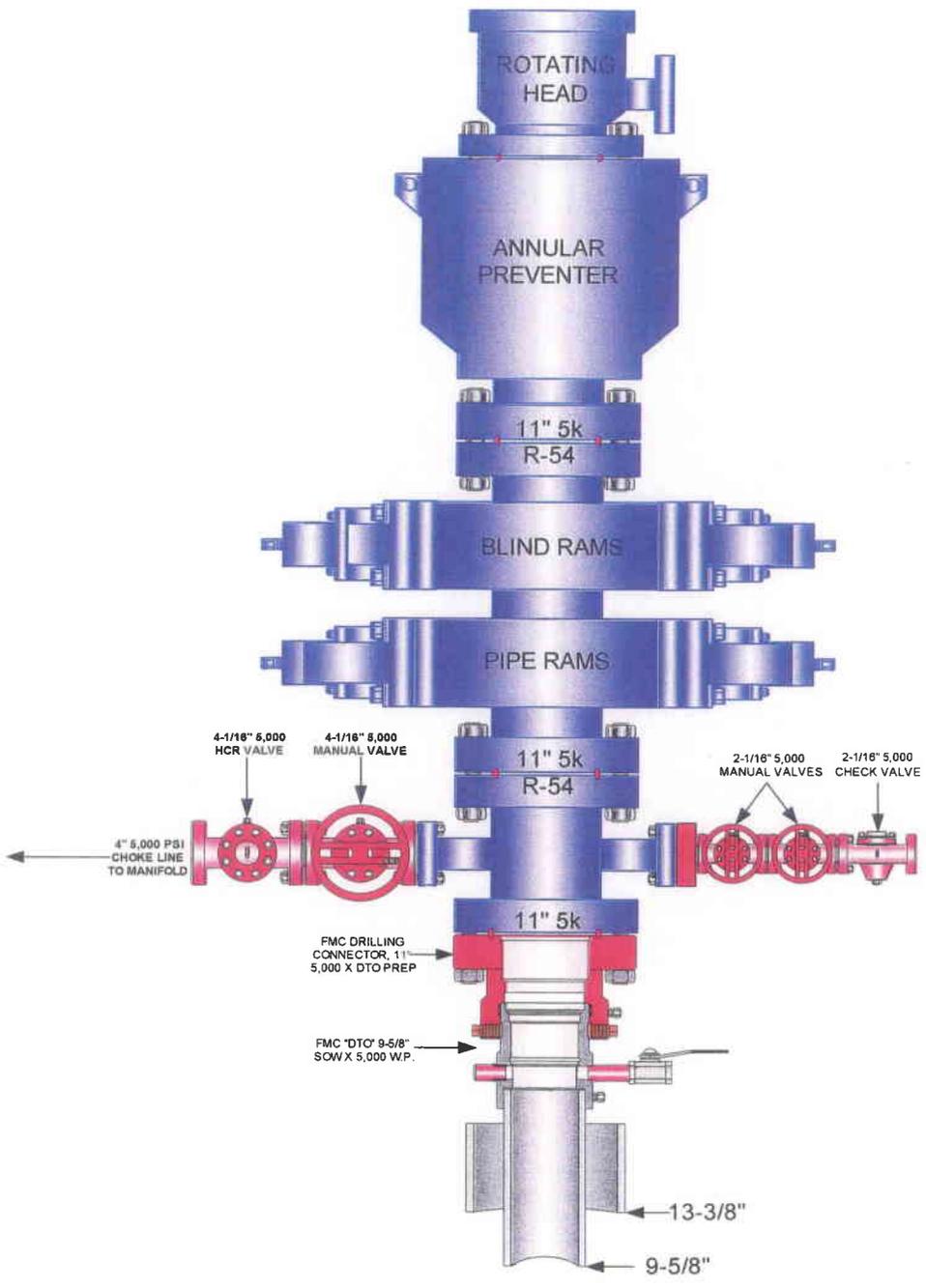
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

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

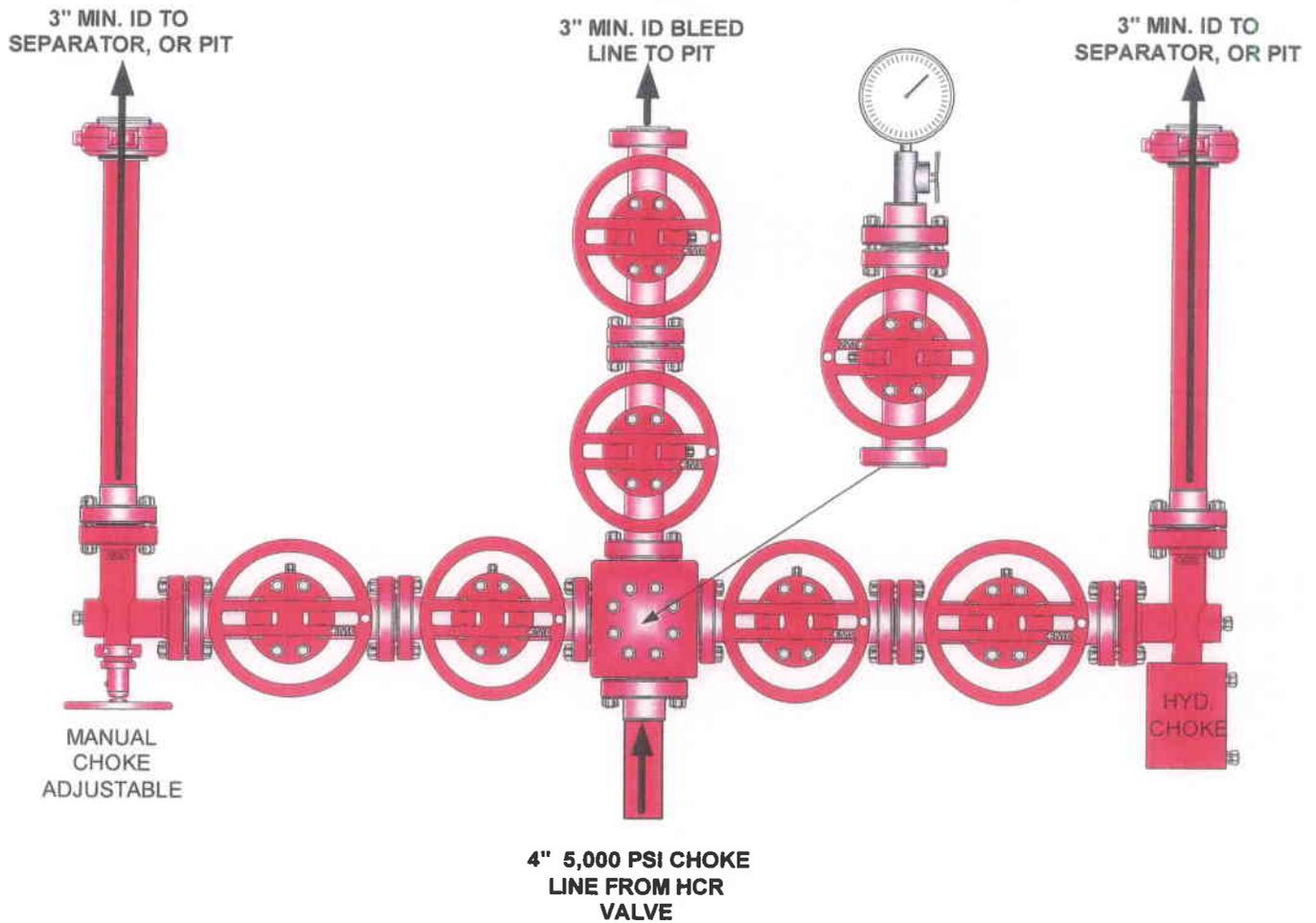
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF



**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. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, **whichever is greater.**
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



**NORTH CHAPITA WELLS 337-34  
SE/NW, Section 34, T8S, R22E  
Uintah County, Utah**

***SURFACE USE PLAN***

**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.**

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 1056 feet long with a 30-foot right-of-way, disturbing approximately 0.73 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.57 acres. The pipeline is approximately 575 feet long within Federal Lease U 43916 disturbing approximately 0.53 acres.

**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 36.2 miles south of Vernal, 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.

**2. PLANNED ACCESS ROAD:**

- A. The access road will be approximately 1056' in length. See attached Topo Map "B".
- B. The access road has a 30 foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

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

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 or 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 then avoided.

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

Traveling off the 30 foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

**3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:**

- A. Abandoned Wells – 2\*
- B. Producing Wells – 32\*
- C. Shut-in Wells – 2\*

(See attached TOPO map "C" for the location of wells within a one-mile radius.)

**4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION 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, two (2) 400 BBL vertical tanks 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. The length of the new proposed pipeline is 575' x 40'. The proposed pipeline leaves the eastern edge of the well pad (U-43916) turning and proceeding in a westerly direction for an approximate distance of 575'. The pipe will tie into existing pipeline located in the SENW of Section 34, T8S, R22E.
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, unless more stringent protective requirements are deemed necessary by the authorized officer.

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

**5. LOCATION AND TYPE OF WATER SUPPLY:**

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

**6. SOURCE OF CONSTRUCTION MATERIALS:**

- 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. 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 by 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.

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 millimeter plastic liner.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

**8. ANCILLARY FACILITIES:**

None anticipated.

**9. WELL SITE 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.

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

The stockpiled pit topsoil will be stored separate from the location topsoil Northwest of Corner #5. The stockpiled location topsoil will be stored between Corners #8 and #2. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the West.

**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 distances 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 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 regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted 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 RECLAMATION OF THE 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>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
Crested Wheatgrass	9.0
Kochia Prostrata	3.0

\*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

**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 appropriated surface rehabilitation conditions of approval.

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
Wyoming Big Sage	3.0
Needle and Thread Grass	3.0
Hi-Crest Crested Wheat Grass	1.0
Winter Fat	1.0

\*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

**11. SURFACE OWNERSHIP:**

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

Bureau of Land Management

**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 Authorized Officer. Within five working days the Authorized Officer 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 Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer 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 Authorized Officer 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 Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer 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 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.)

All lease and/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 approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources and paleontology survey will be conducted and submitted by Montgomery Archaeological Consultants.

**Additional Surface Stipulations:**

No construction, drilling or completion activities shall be conducted between March 1 and July 15 due to Ferruginous Hawk stipulations. This stipulation shall not apply to routine maintenance and operation of existing wells, associated facilities and roads

Where initial production volumes allow, low profile tanks will be used in the facilities that are in view of an active nest.

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

**PERMITTING AGENT**

Kaylene R. Gardner  
EOG Resources, Inc.  
P.O. Box 1815  
Vernal, Ut 84078  
(435) 781-9111

**DRILLING OPERATIONS**

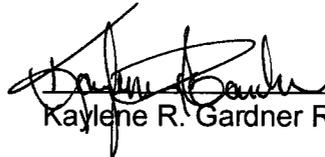
Donald Presenkowski  
EOG Resources, Inc.  
P.O. Box 250  
Big Piney, WY 83113  
307-276-4865

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this 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. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the North Chapita 337-34 Well, located in the SENW, of Section 34, T8S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

April 21, 2006 \_\_\_\_\_

Date



\_\_\_\_\_  
Kaylene R. Gardner Regulatory Assistant

**Request for Exception to Buried Pipeline Requirement  
For the North Chapita 337-34  
Sec. 34, T 8S, R22E  
Lease Number U 43916**

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 50' X Length acres.
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.**  
**NORTH CHAPITA #337-34**  
 LOCATED IN UINTAH COUNTY, UTAH  
 SECTION 34, T8S, R22E, S.L.B.&M.

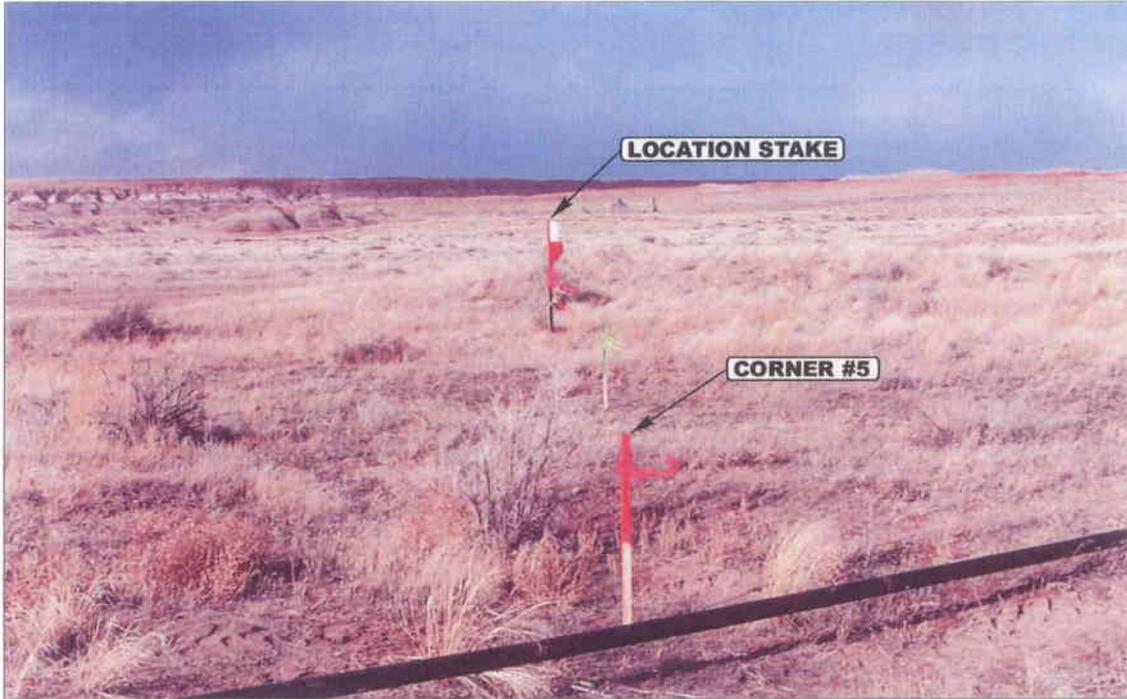


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY

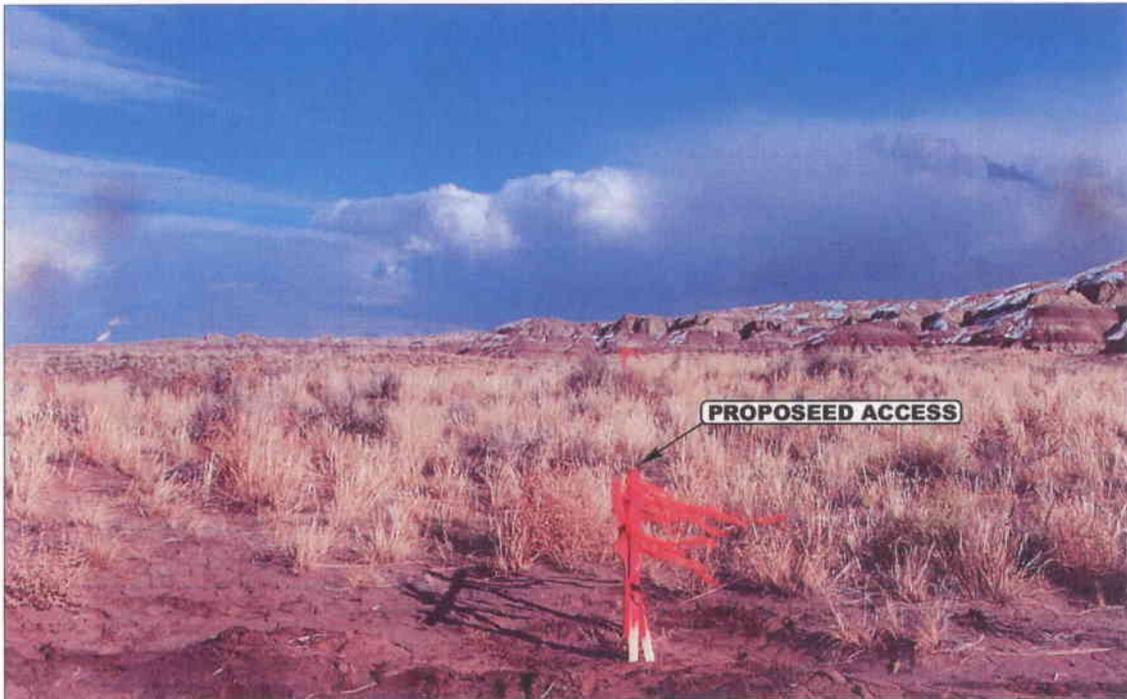


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: EASTERLY



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

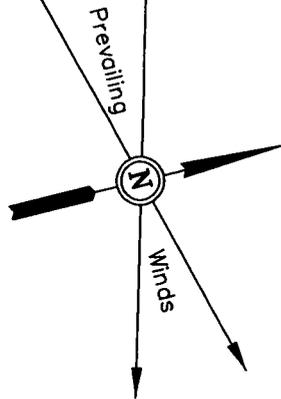
- Since 1964 -

<b>LOCATION PHOTOS</b>	<b>03</b>	<b>14</b>	<b>06</b>	<b>PHOTO</b>
TAKEN BY: G.S.	MONTH	DAY	YEAR	
DRAWN BY: L.K.	REVISED: 00-00-00			

**EOG RESOURCES, INC.**

LOCATION LAYOUT FOR  
 NORTH CHAPITA #337-34  
 SECTION 34, T8S, R22E, S.L.B.&M.  
 1588' FNL 1957' FWL

Proposed Access Road



SCALE: 1" = 50'  
 DATE: 03-14-06  
 Drawn By: L.K.

C-4.0'  
 El. 87.4'

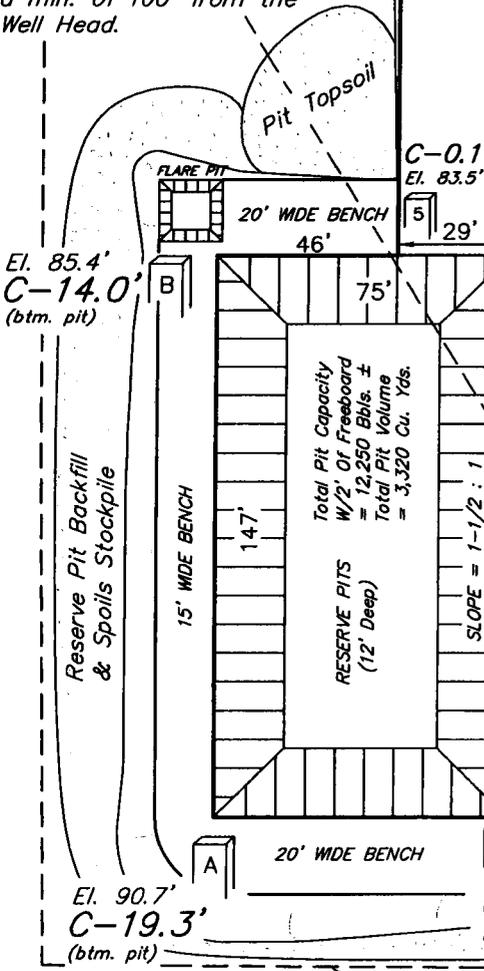
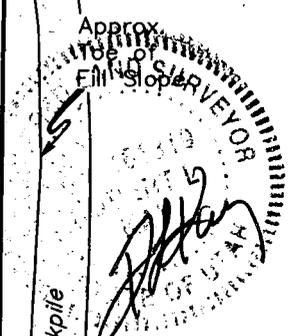
F-3.2'  
 El. 80.2'

Sta. 3+25

Approx.  
 Top of  
 Cut Slope

**NOTE:**

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



**NOTES:**

CONSTRUCT  
 PIPELINE  
 RE-ROUTE

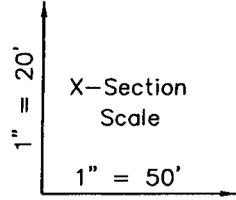
**FIGURE #1**

Elev. Ungraded Ground At Loc. Stake = 4783.3'  
 FINISHED GRADE ELEV. AT LOC. STAKE = 4783.4'

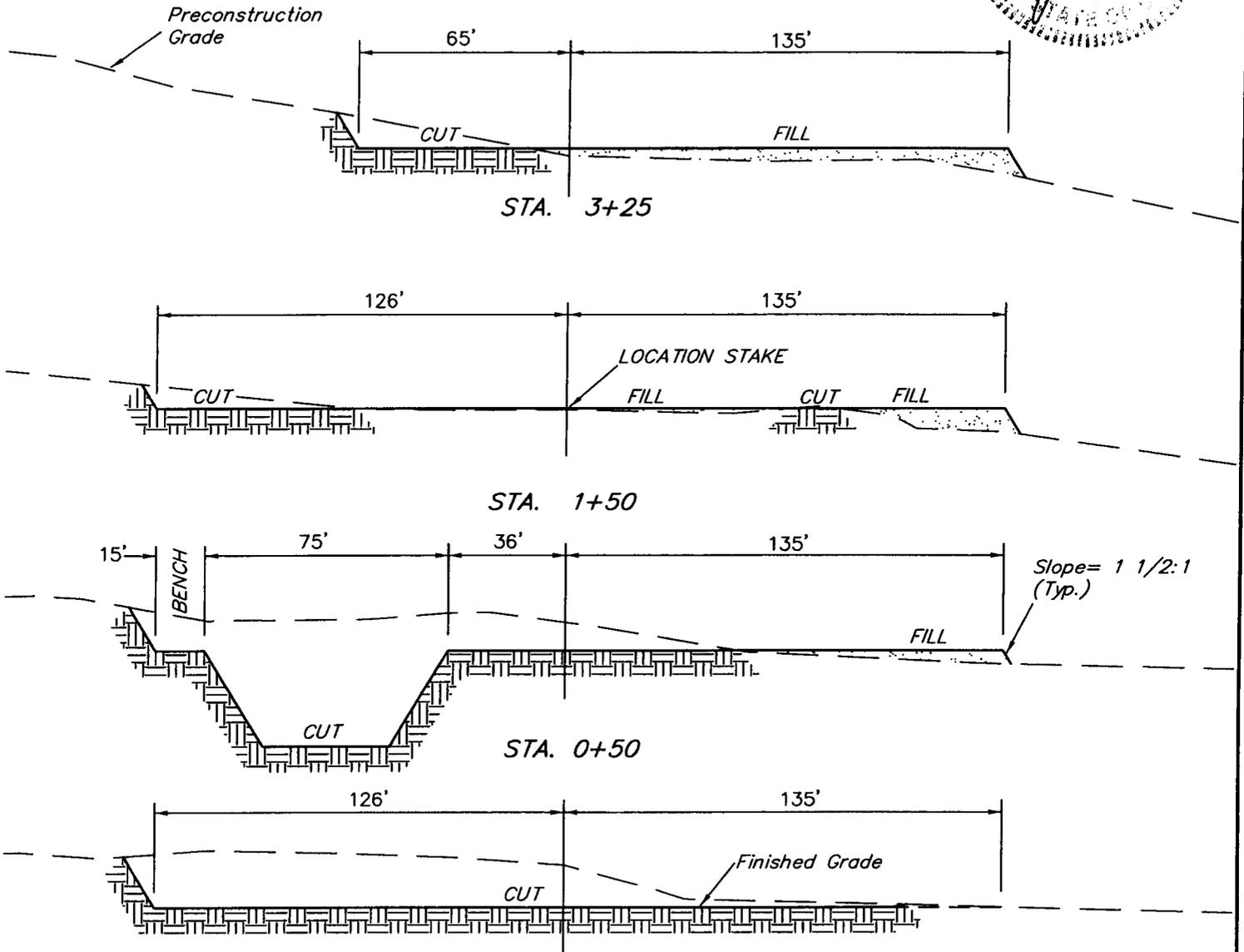
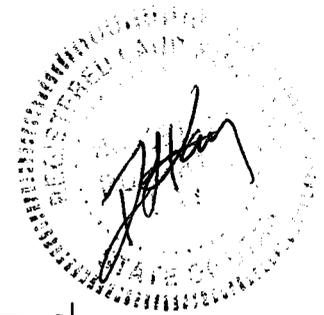
EOG RESOURCES, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR  
NORTH CHAPITA #337-34  
SECTION 34, T8S, R22E, S.L.B.&M.  
1588' FNL 1957' FWL



DATE: 03-14-06  
Drawn By: L.K.



NOTE:

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

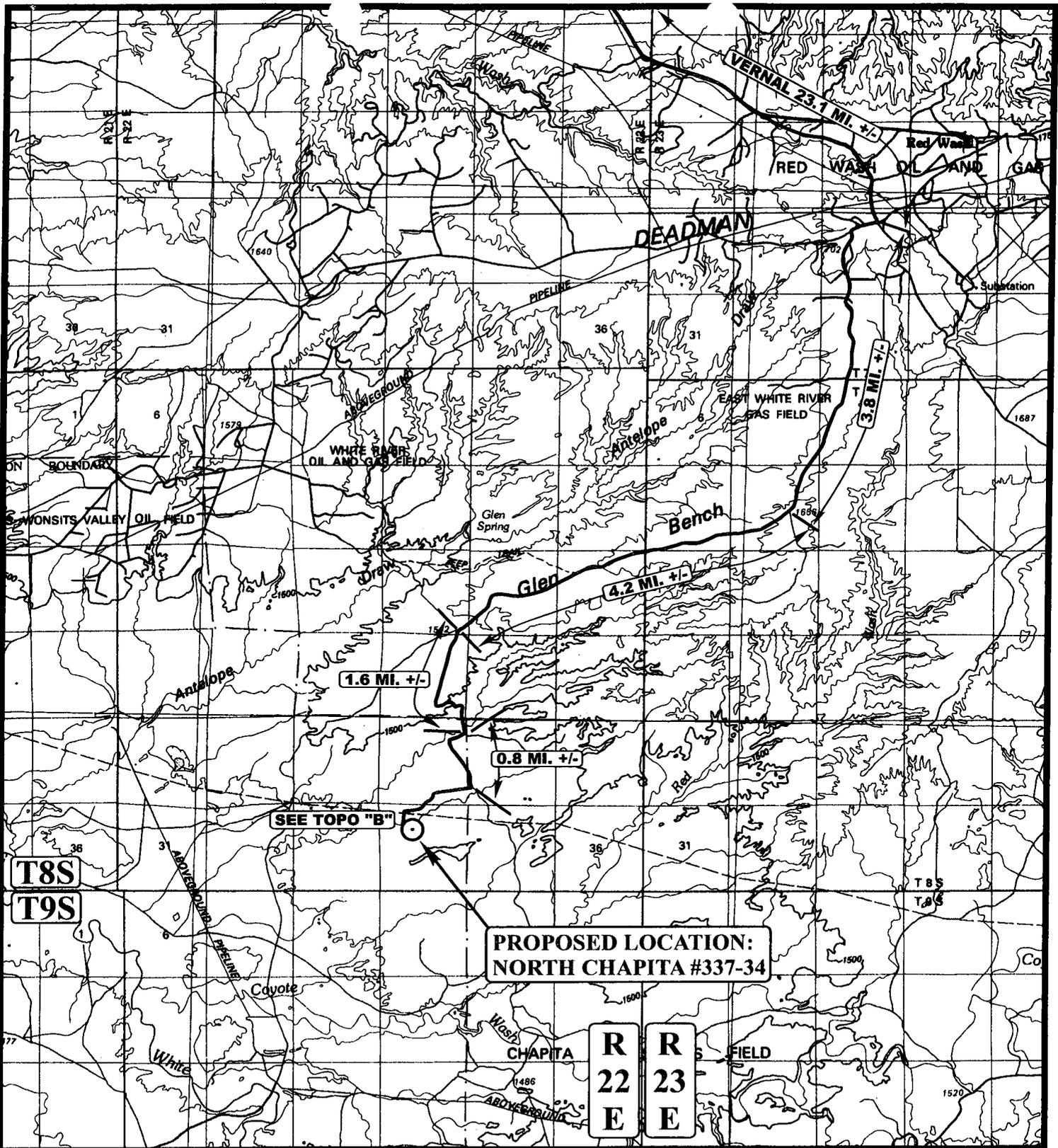
\* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,580 Cu. Yds.
Remaining Location	= 6,570 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 8,150 CU.YDS.</b>
<b>FILL</b>	<b>= 4,910 CU.YDS.</b>

EXCESS MATERIAL	= 3,240 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,240 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.



**PROPOSED LOCATION:  
NORTH CHAPITA #337-34**

**LEGEND:**

⊙ PROPOSED LOCATION



**EOG RESOURCES, INC.**

**NORTH CHAPITA #337-34  
SECTION 34, T8S, R22E, S.L.B.&M.  
1588' FNL 1957' FWL**



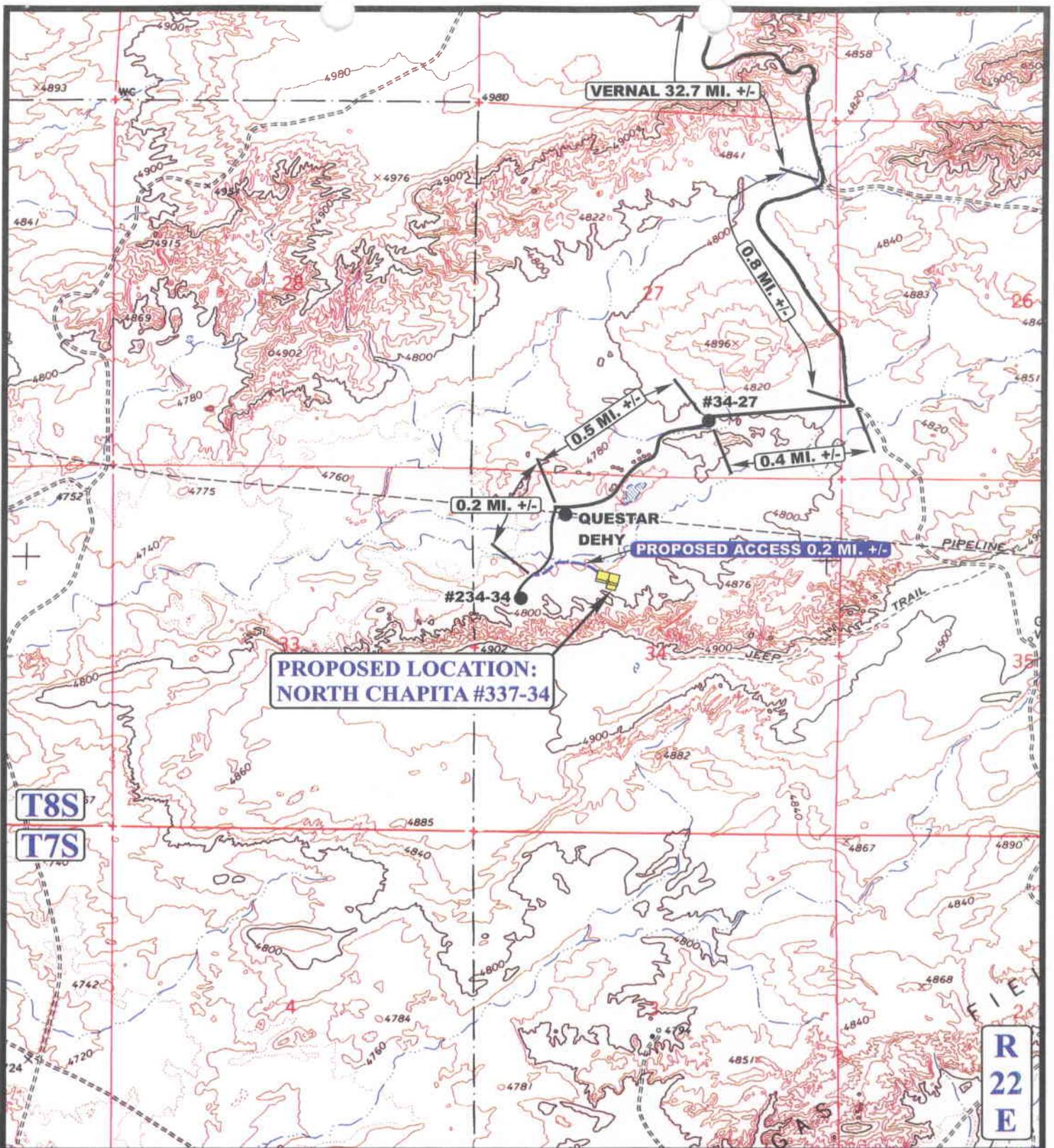
**Utah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC MAP**

<b>03</b>	<b>14</b>	<b>06</b>
MONTH	DAY	YEAR

SCALE: 1:100,000 | DRAWN BY: L.K. | REVISED: 00-00-00





**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD



**EOG RESOURCES, INC.**

**NORTH CHAPITA #337-34**  
**SECTION 34, T8S, R22E, S.L.B.&M.**  
**1588' FNL 1957' FWL**



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

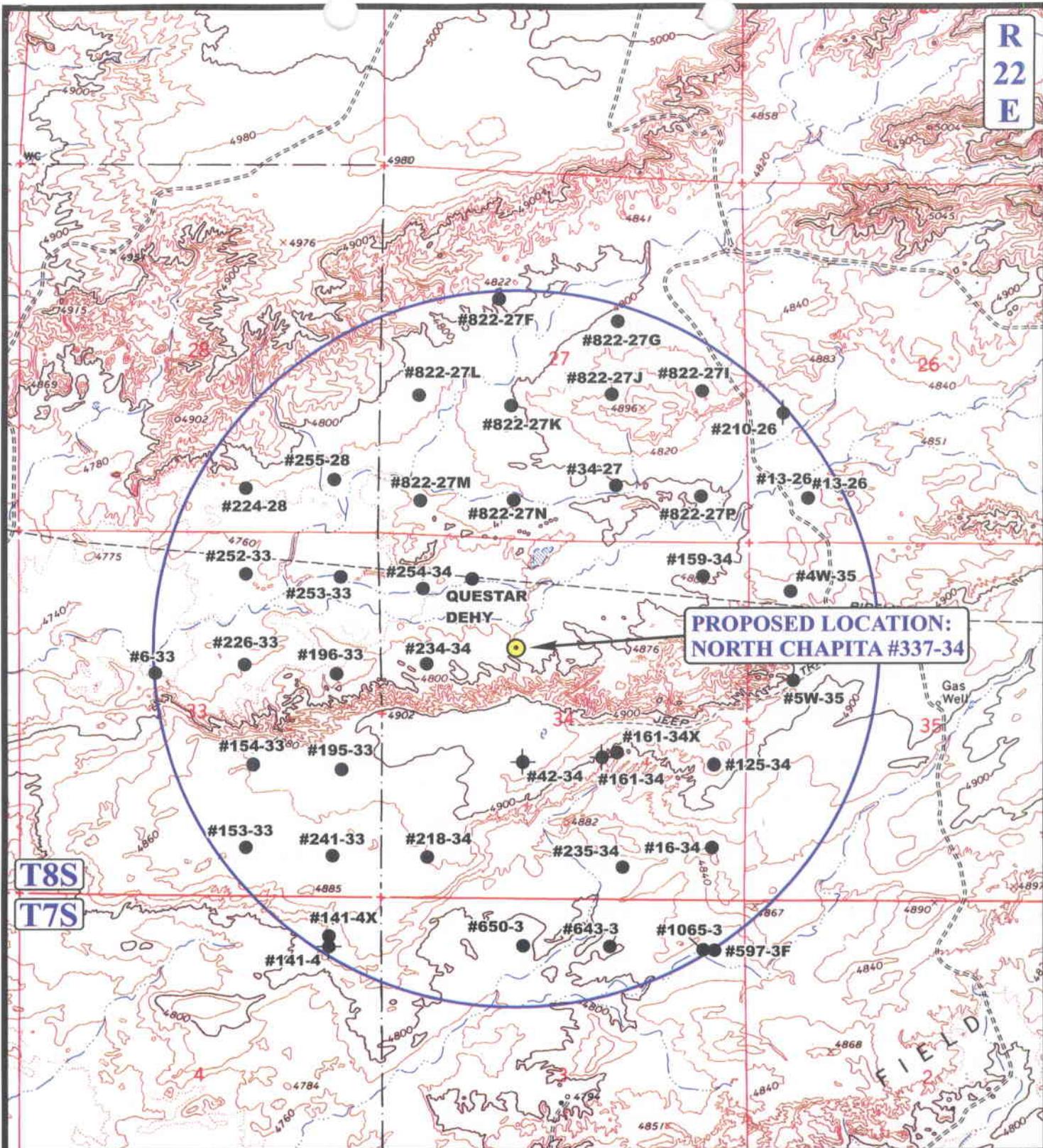
**TOPOGRAPHIC**  
**MAP**

**03 14 06**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00



R  
22  
E



**PROPOSED LOCATION:  
NORTH CHAPITA #337-34**

T8S

T7S

**LEGEND:**

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



**EOG RESOURCES, INC.**

**NORTH CHAPITA #337-34**  
**SECTION 34, T8S, R22E, S.L.B.&M.**  
**1588' FNL 1957' FWL**



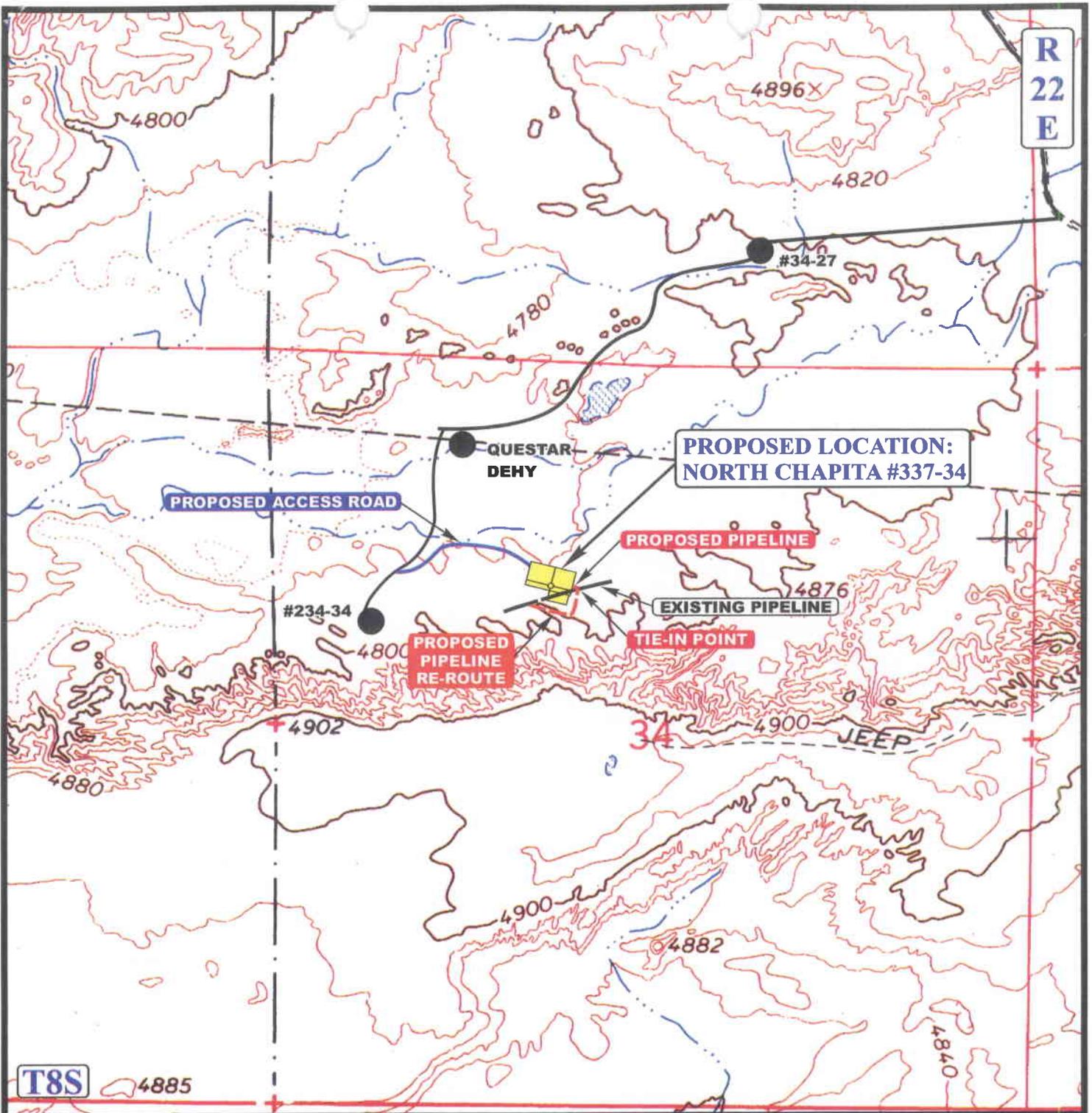
**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

**03 14 06**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 40' +/-  
 APPROXIMATE TOTAL PIPELINE RE-ROUTE DISTANCE = 535' +/-

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED PIPELINE (SERVICING OTHER WELLS)



**EOG RESOURCES, INC.**

**NORTH CHAPITA #337-34**  
**SECTION 34, T8S, R22E, S.L.B.&M.**  
**1588' FNL 1957' FWL**



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

**TOPOGRAPHIC MAP** **03 14 06**  
 MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 00-00-00



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 04/27/2006

API NO. ASSIGNED: 43-047-38042

WELL NAME: N CHAPITA 337-34

OPERATOR: EOG RESOURCES INC ( N9550 )

PHONE NUMBER: 435-781-9111

CONTACT: KAYLENE GARDNER

PROPOSED LOCATION:

SENW 34 080S 220E  
 SURFACE: 1588 FNL 1957 FWL  
 BOTTOM: 1588 FNL 1957 FWL  
 COUNTY: UINTAH  
 LATITUDE: 40.08257 LONGITUDE: -109.4281  
 UTM SURF EASTINGS: 634023 NORTHINGS: 4437895  
 FIELD NAME: NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-43916

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

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

LOCATION AND SITING:

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

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

STIPULATIONS: 1 - Federal Approval

2 - Spacing Stip



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 34 T. 8S R. 22E

FIELD: NATURAL BUTTES (630)

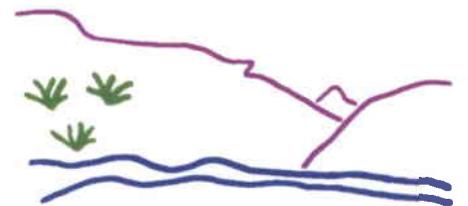
COUNTY: UINTAH

SPACING: R649-3-3 / EXCEPTION LOCATION

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

- Unit Status**
- EXPLORATORY
  - GAS STORAGE
  - NF PP OIL
  - NF SECONDARY
  - PENDING
  - PI OIL
  - PP GAS
  - PP GEOTHERML
  - PP OIL
  - SECONDARY
  - TERMINATED

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



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY  
DATE: 2-MAY-2006



**EOG Resources, Inc.**  
600 Seventeenth Street  
Suite 1000N  
Denver, CO 80202  
Main: 303-572-9000  
Fax: 303-824-5400

May 12, 2006

Questar Exploration and Production Company  
Independence Plaza  
1050 17<sup>th</sup> Street, Suite 500  
Denver, Colorado 80265

Attention: J.D. Herman

III Exploration Company  
410 17<sup>th</sup> Street, Suite 1230  
Denver, Colorado 80202

Attention: Mr. Phil Shepardson

RE: Request for Consent to  
Exception Well Location  
North Chapita 337-34  
SE/4NW/4 of Sec. 34-8S-22E, SLM  
Uintah County, Utah  
White River Prospect  
1505-G06, 0050554-000

Ladies and Gentlemen:

EOG Resources, Inc. ("EOG") has staked and proposes to drill the North Chapita 337-34, a 10,150' Wasatch/Mesaverde formation test well, at a location 1588' FNL, 1957' FWL (SE/4NW/4) of Section 34, Township 8 South, Range 22 East, SLM, Uintah County, Utah (see enclosed copy of plat).

The State of Utah Board of Oil, Gas and Mining established General Rule R649-3-2, which requires a well be located in the center of a 40-acre quarter-quarter section with a tolerance of 200' in any direction (a window 400' square) and not less than 920' from any other well drilling to, completed in and/or capable of producing from same pool.

Inasmuch as the location of the proposed North Chapita 337-34 well is not in compliance with this general rule, EOG will request the State of Utah Division of Oil, Gas and Mining's administrative approval of such location as an exception location in accordance with General Rule R649-3-3. Such Rule requires EOG to submit written consent from all owners within a 460' radius of the proposed well.

Therefore, if you have no objections to EOG's drilling this proposed Wasatch/Mesaverde test, the North Chapita 337-34 well at the above-described location, EOG respectfully requests you so indicate such written consent to same by having this letter dated and executed in the spaces provided below and returning one (1) originally executed copy to my attention at the letterhead address at your very earliest opportunity.

Thank you for your favorable consideration of this request. If you have any questions, please don't hesitate to call the undersigned at (303) 824-5430.

Sincerely,

**EOG RESOURCES, INC.**



Debbie Spears  
Lead Land Technician

/das  
exloc\nc337-34

On this 26 day of May, 2006, the undersigned hereby grants its written consent to EOG Resources, Inc.'s drilling the proposed Wasatch/Mesaverde test, the North Chapita 337-34, at a location 1588' FNL, 1957' FWL (SE/4NW/4) of Section 34, Township 8 South, Range 22 East, SLM, Uintah County, Utah, which location is an exception to State of Utah Board of Oil, Gas and Mining's General Rule R649-3-2.

**QUESTAR EXPLORATION AND PRODUCTION COMPANY**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**III EXPLORATION COMPANY**

By:  \_\_\_\_\_

Title: Lead NGU



**EOG Resources, Inc.**  
600 Seventeenth Street  
Suite 1000N  
Denver, CO 80202  
Main: 303-572-9000  
Fax: 303-824-5400

May 12, 2006

Questar Exploration and Production Company  
Independence Plaza  
1050 17<sup>th</sup> Street, Suite 500  
Denver, Colorado 80265

Attention: J.D. Herman

III Exploration Company  
410 17<sup>th</sup> Street, Suite 1230  
Denver, Colorado 80202

Attention: Mr. Phil Shepardson

**RECEIVED**

**AUG 21 2006**

EOG Resources, Inc.

RE: Request for Consent to  
Exception Well Location  
North Chapita 337-34  
SE/4NW/4 of Sec. 34-8S-22E, SLM  
Uintah County, Utah  
White River Prospect  
1505-G06, 0050554-000

Ladies and Gentlemen:

EOG Resources, Inc. ("EOG") has staked and proposes to drill the North Chapita 337-34, a 10,150' Wasatch/Mesaverde formation test well, at a location 1588' FNL, 1957' FWL (SE/4NW/4) of Section 34, Township 8 South, Range 22 East, SLM, Uintah County, Utah (see enclosed copy of plat).

The State of Utah Board of Oil, Gas and Mining established General Rule R649-3-2, which requires a well be located in the center of a 40-acre quarter-quarter section with a tolerance of 200' in any direction (a window 400' square) and not less than 920' from any other well drilling to, completed in and/or capable of producing from same pool.

Inasmuch as the location of the proposed North Chapita 337-34 well is not in compliance with this general rule, EOG will request the State of Utah Division of Oil, Gas and Mining's administrative approval of such location as an exception location in accordance with General Rule R649-3-3. Such Rule requires EOG to submit written consent from all owners within a 460' radius of the proposed well.

Therefore, if you have no objections to EOG's drilling this proposed Wasatch/Mesaverde test, the North Chapita 337-34 well at the above-described location, EOG respectfully requests you so indicate such written consent to same by having this letter dated and executed in the spaces provided below and returning one (1) originally executed copy to my attention at the letterhead address at your very earliest opportunity.

Thank you for your favorable consideration of this request. If you have any questions, please don't hesitate to call the undersigned at (303) 824-5430.

Sincerely,

**EOG RESOURCES, INC.**



Debbie Spears  
Lead Land Technician

/das  
exloc\nc337-34

On this 4<sup>th</sup> day of August, 2006, the undersigned hereby grants its written consent to EOG Resources, Inc.'s drilling the proposed Wasatch/Mesaverde test, the North Chapita 337-34, at a location 1588' FNL, 1957' FWL (SE/4NW/4) of Section 34, Township 8 South, Range 22 East, SLM, Uintah County, Utah, which location is an exception to State of Utah Board of Oil, Gas and Mining's General Rule R649-3-2.

**QUESTAR EXPLORATION AND PRODUCTION COMPANY**

By:   
Title: General Mgr.

**III EXPLORATION COMPANY**

By: \_\_\_\_\_

Title: \_\_\_\_\_



**EOG Resources, Inc.**  
600 Seventeenth Street  
Suite 1000N  
Denver, CO 80202  
Main: 303-572-9000  
Fax: 303-824-5400

August 21, 2006

State of Utah  
Division of Oil, Gas and Mining  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

Attention: Ms. Diana Whitney

RE: Request for Exception to Location  
and Siting of Wells  
North Chapita 337-34  
SE/4NW/4 of Sec. 34-8S-22E, SLM  
Uintah County, Utah  
White River Prospect  
1505-G06, 0050554-000

Ladies and Gentlemen:

EOG Resources, Inc. ("EOG") proposes and respectfully requests permission to drill the North Chapita 337-34, a 10,150' Wasatch/Mesaverde test well, at a location 1588' FNL, 1957' FWL (SE/4NW/4) of Section 34, Township 8 South, Range 22 East, SLM, Uintah County, Utah, which is not a location at which a well could be drilled in compliance with General Rule R649-3-2.

The subject North Chapita 337-34 location was first selected based on geology. EOG endeavored to stake it at a legal location in accordance with General Rule R649-3-2, but found that a legal location could not be staked due to topography and a ferruginous hawk nest. Therefore, EOG is requesting this exception location.

Enclosed herewith is a copy of the survey plat for the proposed well and another plat labeled Exhibit "A" which depicts the outlines of the locations at which oil and gas wells could be drilled in compliance with General Rule R649-3-2, the location at which EOG requests permission to drill the proposed North Chapita 337-34 well, and the Wasatch/Mesaverde formation well(s) which have been drilled within the area.

EOG, Questar Exploration and Production Company ("Questar") and III Exploration Company ("III") are the only owners of operating rights within a 460' radius of the proposed North Chapita 337-34 well (see Exhibit "B" enclosed). A letter dated May 12, 2006, on which Questar and III have evidenced their written consent to EOG's proposed drilling of the North Chapita 337-34 well at the requested exception location is also enclosed.

**RECEIVED**

**AUG 23 2006**

Division of Oil, Gas and Mining  
August 21, 2006  
Page 2 of 2

EOG respectfully requests the Utah Division of Oil, Gas and Mining review and grant administrative approval of this application for an exception well location and permission to drill the proposed Wasatch/Mesaverde formation well described herein at its earliest opportunity.

If you have any questions or need any additional information, please do not hesitate to contact the undersigned.

Yours very truly,

**EOG RESOURCES, INC.**



Debbie Spears  
Lead Land Technician

/das

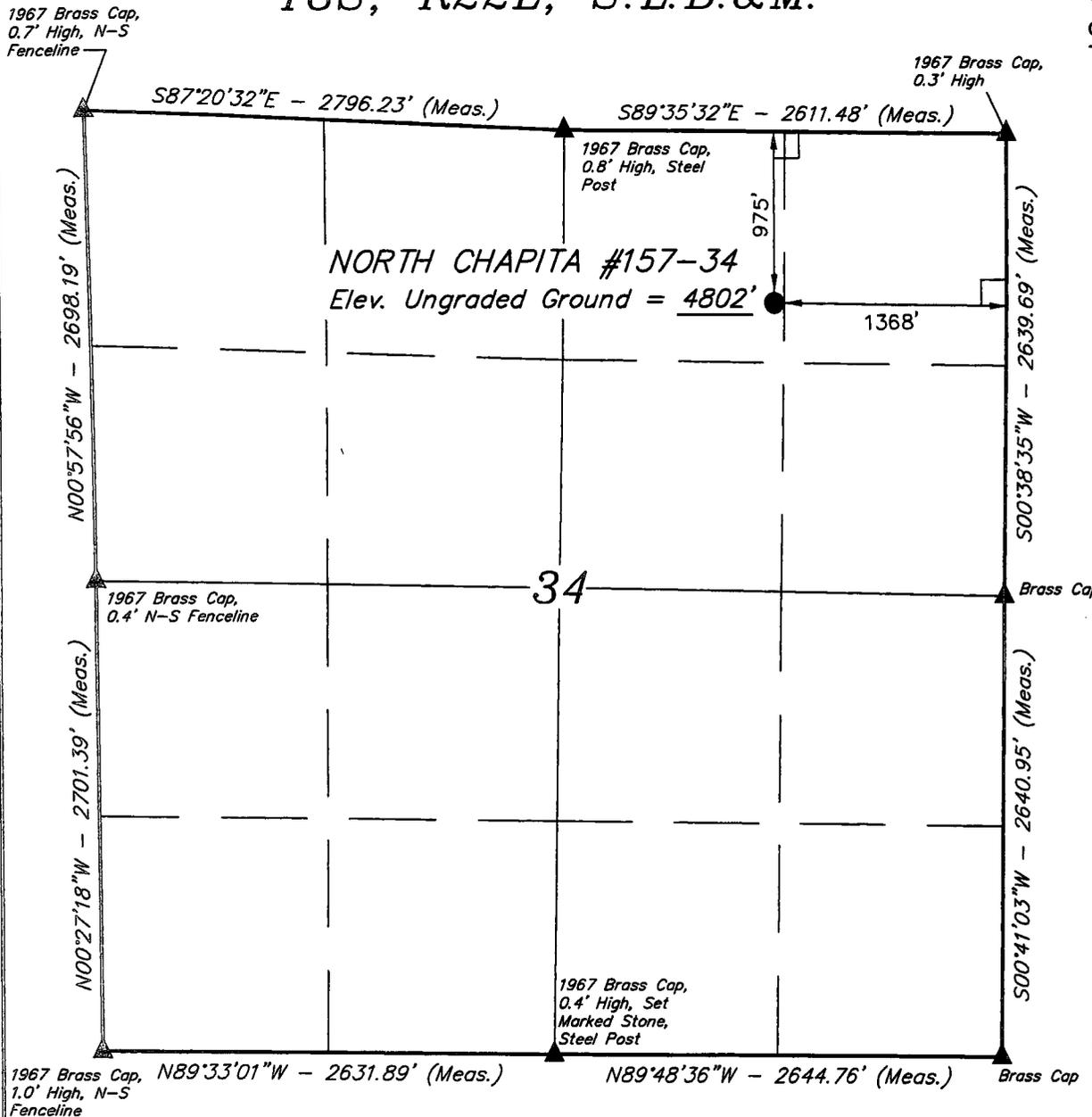
Enclosures

M:\das\exceptionlocation\NC 337-34.doc

cc: Ed Trotter (with copies of enclosures)  
Denver Well File

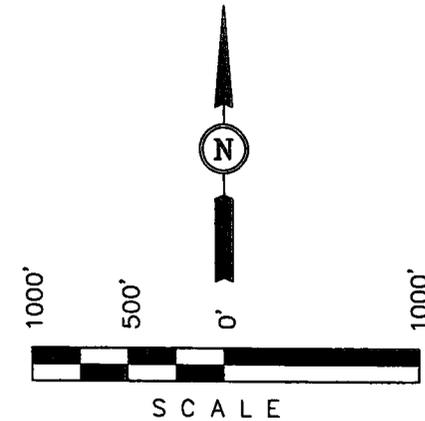
T8S, R22E, S.L.B.&M.

Well location, NORTH CHAPITA #157-34, located as shown in the NW 1/4 NE 1/4 of Section 34, T8S, 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 SERIES (TOPOGRAPHICAL 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.

*Salvatore*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH

REVISED: 03-10-06 L.K.

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

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

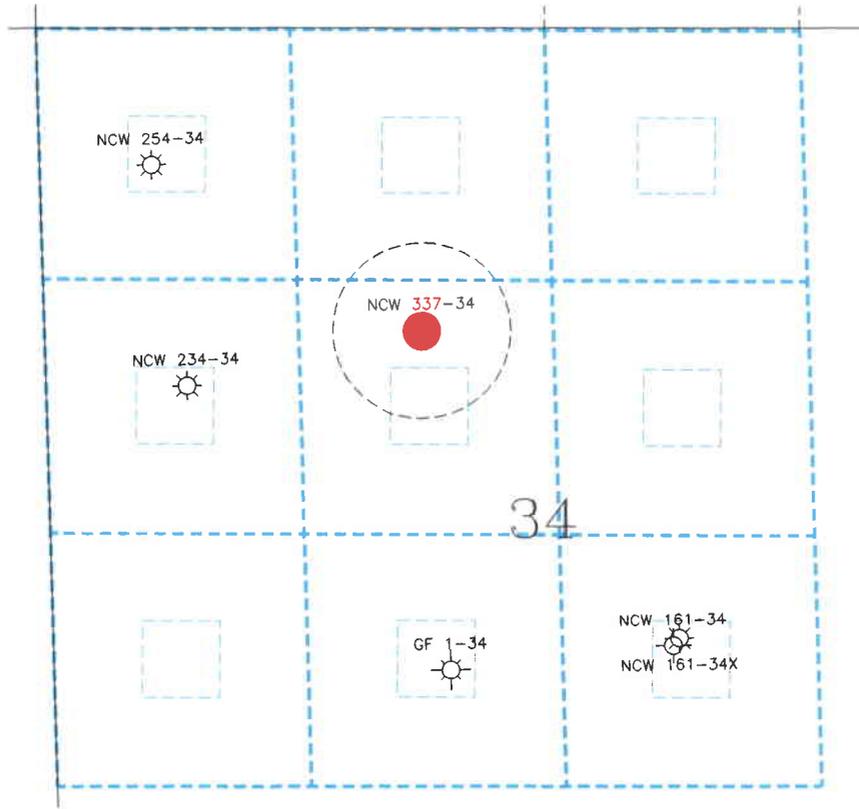
(NAD 83)  
 LATITUDE = 40°05'02.53" (40.084036)  
 LONGITUDE = 109°25'17.23" (109.421453)

(NAD 27)  
 LATITUDE = 40°05'02.66" (40.084072)  
 LONGITUDE = 109°25'14.77" (109.420769)

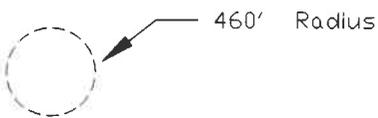
SCALE 1" = 1000'	DATE SURVEYED: 2-7-01	DATE DRAWN: 2-12-01
PARTY S.H. W.W. C.G.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE EOG RESOURCES, INC.	

# R 22 E

# T 8 S

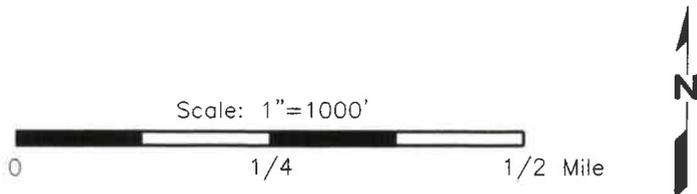


- Oil or Gas Well Location Pattern pursuant to Utah Administrative Code Rule R 649-3-2
- Legal window within which an oil and gas well could be drilled in compliance with R 649-3-2.



Locations at which oil or gas wells have been drilled

Location at which applicant requests permission to drill the proposed North Chapita 337-34 Well  
1588' FNL, 1957' FWL (SENW) of Sec. 34, T8S-R22E



## Exhibit "A"



Denver Division

Application for  
Exception Well Location

**North Chapita 337-34 Well**

UINTAH COUNTY, UTAH

Scale: 1"=1000'

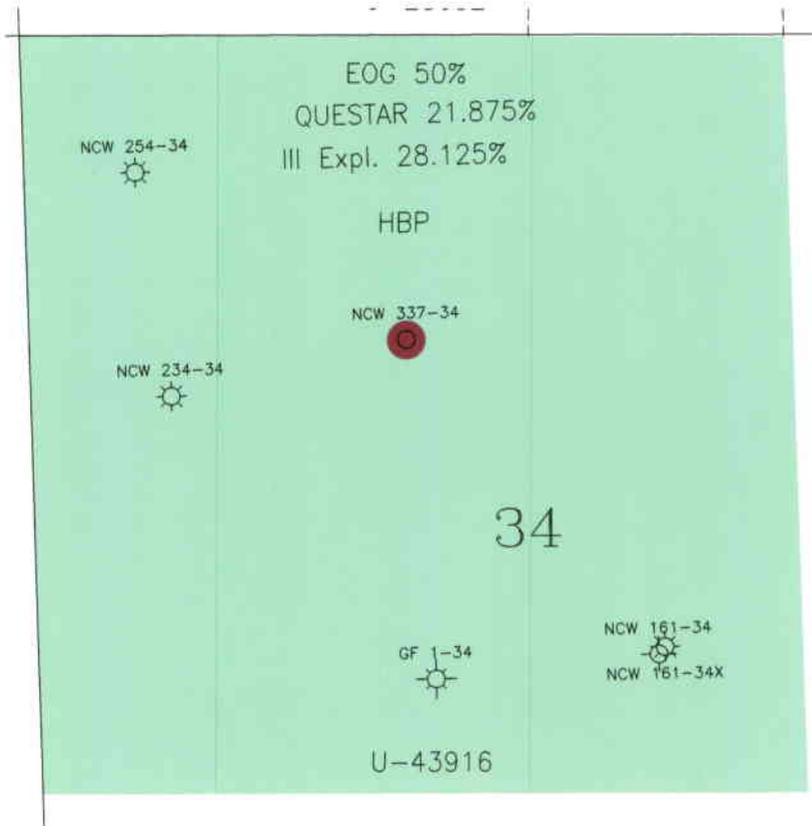
D:\utah\exception\_plat\exc22e-34.dwg  
exc\_A\_40

Author

gt

May 15, 2008 -  
10:28am

# R 22 E



T  
8  
S

## Working Interest (All Depths)



EOG 50%, QUESTAR 21.875%, III EXPL. 28.125%



Location at which applicant requests permission to drill the proposed North Chapita 337-34 Well  
1588' FNL, 1957' FWL (SENW) of Sec. 34, T8S-R22E

## Exhibit "B"



Denver Division

Application for  
Exception Well Location

**North Chapita 337-34 Well**

UINTAH COUNTY, UTAH



Scale: 1" = 1000'

D:\utah\exception\_plat\exc0822e-34.dwg  
exc\_B\_40

Author

May 15, 2006 -  
10:29am



**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*

August 24, 2006

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

Re: North Chapita 337-34 Well, 1588' FNL, 1957' FWL, SE NW, Sec. 34,  
T. 8 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.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby 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 43-047-38042.

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** North Chapita 337-34  
**API Number:** 43-047-38042  
**Lease:** U-43916

**Location:** SE NW                      **Sec.** 34                      **T.** 8 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. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APR 29 2006

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-43916
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 EOG RESOURCES, INC.		7. If Unit or CA Agreement, Name and No.
3a. Address P.O. Box 1815 Vernal, UT 84078		8. Lease Name and Well No. NORTH CHAPITA 337-34
3b. Phone No. (include area code) 435-781-9111		9. API Well No. 43-047-38042
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SENW 1588 FNL 1957 FWL 40.082481 LAT 109.428739 LON At proposed prod. zone SAME		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 33.5 MILES SOUTH OF VERNAL		11. Sec., T. R. M. or Blk. and Survey or Area SEC. 34, T8S, R22E S.L.B.&M
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1588' 268'	16. No. of acres in lease 1360	12. County or Parish UINTAH
17. Spacing Unit dedicated to this well 40	13. State UT	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1250'	19. Proposed Depth 10,150'	20. BLM/BIA Bond No. on file NM 2308
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4783' GL	22. Approximate date work will start*	23. Estimated duration 45 DAYS

RECEIVED  
DEC 21 2006

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must 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 must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond for (GAS & MINING Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

25. Signature 	Name (Printed/Typed) Kaylene R. Gardner	Date 04/21/2006
Title Regulatory Assistant		

Approved by (Signature) 	Name (Printed/Typed) Jerry Kenczka	Date 12-8-2006
Title Assistant Field Manager Lands & Mineral Resources		
Office VERNAL FIELD 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)

06BM 1387A

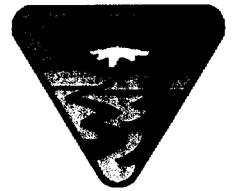
NOTICE OF APPROVAL





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

170 South 500 East VERNAL, UT 84078 (435) 781-4400



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

Company: EOG Resources, Inc.  
Well No: North Chapita 337-34  
API No: 43-047-38042

Location: SENW, Sec 34, T8S, R22E  
Lease No: UTU-43916  
Agreement: N/A

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Petroleum Engineer:	Jim Ashley	Office: 435-781-4470	
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
Natural Resource Specialist:	Chuck MacDonald	Office: 435-781-4441	
Natural Resource Specialist:	Darren Williams	Office: 435-781-4447	
Natural Resource Specialist:	Scott Ackerman	Office: 435-781-4437	
<b>After Hours Contact Number:</b>	<b>435-781-4513</b>	<b>Fax:</b>	<b>435-781-4410</b>

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

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

**NOTIFICATION REQUIREMENTS**

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

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

1. Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:

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

2. If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.
3. Low profile tanks will be used.
4. Request that work over rig activity and general maintenance for this well occur only in cases of emergency between March 1 and July 15.

### ***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. Production casing cement shall be brought up and into the surface casing. The minimum cement top is 200 ft above the surface casing shoe.
2. A cement Bond Log (CBL) shall be run from the production casing shoe to the surface casing shoe. A field copy of the CBL shall be submitted to the BLM Vernal Field Office.

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

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. All shows of fresh water and minerals shall be reported and protected. A sample shall be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.

6. 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.
7. 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.

8. 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\_Wellogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**

9. 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.

10. 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.
11. 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.
12. 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.
13. 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.
14. 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

15. 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.
16. 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.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well  
 Oil Well     Gas Well     Other

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

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

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

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

**1588' FNL & 1957' FWL (SENW)  
 Sec. 34-T8S-R22E 40.082481 LAT 109.428739 LON**

5. Lease Serial No.  
**U-43916**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**North Chapita 337-34**

9. API Well No.  
**43-047-38042**

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

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

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

**EOG Resources, Inc. requests permission to change drilling plan to include the Wasatch formation.**

**A revised drilling plan is attached.**

3-30-07  
Rm

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

**Mary A. Maestas**

Title **Regulatory Assistant**

Signature

*Mary A. Maestas*

Date

**03/21/2007**

**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.

Accepted by the  
 Utah Division of  
 Oil, Gas and Mining  
 Office

Date \_\_\_\_\_ Federal Approval Of This  
 Action Is Necessary

Date **3/29/07**

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)

By: *[Signature]* **RECEIVED**

**MAR 23 2007**

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

**EIGHT POINT PLAN**

**NORTH CHAPITA 337-34**  
**SE/NW, SEC. 34, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	2,192		Shale	
Wasatch	5,198	Primary	Sandstone	Gas
Chapita Wells	5,778	Primary	Sandstone	Gas
Buck Canyon	6,495	Primary	Sandstone	Gas
North Horn	7,068	Primary	Sandstone	Gas
KMV Price River	7,866	Primary	Sandstone	Gas
KMV Price River Middle	8,622	Primary	Sandstone	Gas
KMV Price River Lower	9,368	Primary	Sandstone	Gas
Sego	9,932		Sandstone	
<b>TD</b>	<b>10,150</b>			

Estimated TD: 10,150' or 200'± below Segó top

Anticipated BHP: 5,542 Psig

- Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
- 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:**

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 1/2"	0 – 45'	13 3/4"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 1/4"	0' – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-1/2"	11.6#	P-110	LTC	7560 PSI	10,690 Psi	279,000#

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

**All casing will be new or inspected.**

**EIGHT POINT PLAN**

**NORTH CHAPITA 337-34**  
**SE/NW, SEC. 34, T8S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**5. Float Equipment:**

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

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

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

**EIGHT POINT PLAN**

**NORTH CHAPITA 337-34**  
**SE/NW, SEC. 34, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**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:** 185 sks 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:** 207 sks Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2  
gps water.

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

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

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

**Lead:** 168 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44  
(Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29  
(cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 960 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.**

**EIGHT POINT PLAN**

**NORTH CHAPITA 337-34**  
**SE/NW, SEC. 34, T8S, R22E, S.L.B.&M.,**  
**UINTAH COUNTY, UTAH**

**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)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well  
 Oil Well     Gas Well     Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1588' FNL & 1957' FWL (SENW)  
 Section 34-T8S-R22E 40.082481 LAT 109.428739 LON**

5. Lease Serial No.  
**U-43916**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**North Chapita 337-34**

9. API Well No.  
**43-047-38042**

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

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

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

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

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

6-29-07  
RM

**RECEIVED  
JUN 04 2007**

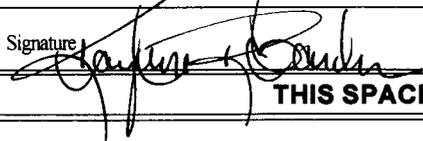
14. I hereby certify that the foregoing is true and correct  
 Name (Printed/Typed)

**Kaylene R. Gardner**

Title **Sr. Regulatory Assistant**

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

Signature



Date

**05/31/2007**

**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

Office

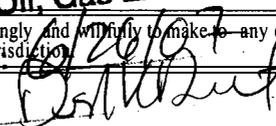
**Accepted by the  
Utah Division of  
Oil, Gas and Mining**

Date

**Federal Approval Of This  
Action Is Necessary**

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)

Date: **6/26/07**  
By: 

STATE OF UTAH    )  
                                  )ss  
COUNTY OF UINTAH    )

**AFFIDAVIT**

Kaylene R. Gardner, of lawful age, being first duly sworn upon oath, deposes and says:  
She is the Sr. Regulatory Assistant of EOG Resources, Inc., of Vernal, Utah. EOG Resources, Inc. is the operator of the following described well:

**NORTH CHAPITA 337-34  
1588' FNL & 1957' FWL (SENW)  
SECTION 34, T8S, R22E  
UINTAH COUNTY, UTAH**

EOG Resources, Inc., Questar Exploration and Production Company, and III Exploration Company, Exhibit A are the only owners in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

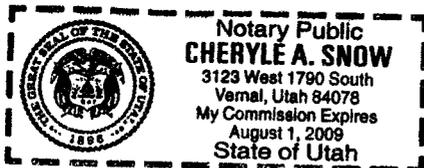
On the 31<sup>st</sup> day of May, 2007 he placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

Said envelope which contained these instruments was addressed to the Utah Division of Oil, Gas & Mining, Bureau of Land Management, Questar Exploration and Production Company, and III Exploration Company.

Further affiant saith not.

  
Kaylene R. Gardner  
Sr. Regulatory Assistant

Subscribed and sworn before me this 31<sup>st</sup> day of May, 2007.



  
Notary Public

My Commission Expires:

**August 1, 2009**

Exhibit "A" to Affidavit  
North Chapita 337-34 Application to Commingle

Questar Exploration and Production Company  
Independence Plaza  
1050 17<sup>th</sup> Street, Suite 500  
Denver, Colorado 80265  
Attention: Ms. Angela Page

III Exploration Company  
555 South Cole Road  
P.O. Box 7608  
Boise, Idaho 83707  
Attention: Mr. Ken Smith

R 22 E

NCW 254-34



NCW 337-34



NCW 234-34



34

T  
8  
S

GF 1-34



NCW 161-34



NCW 161-34X

HBP  
U-43916

○ NORTH CHAPITA 337-34

Scale: 1"=1000'



**Geog resources**

Denver Division

**EXHIBIT "A"**

NORTH CHAPITA 337-34

Commingling Application

Uintah County, Utah

Scale:  
1"=1000'

D:\utah\Commingling\page\_NC337-34\_commingling.well

Author

TLM

Mar 13, 2007 -  
9:59am

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

FORM 9

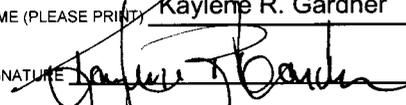
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>U-43916</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: <b>North Chapita 337-34</b>	
2. NAME OF OPERATOR: <b>EOG Resources, Inc.</b>		9. API NUMBER: <b>43-047-38042</b>
3. ADDRESS OF OPERATOR: <b>1060 East Highway 40 VERNAL UT 84078</b>	PHONE NUMBER: <b>(435) 789-0790</b>	10. FIELD AND POOL, OR WILDCAT: <b>Natural Buttes</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1588 FNL &amp; 1957 FWL 40.082481 Lat 109.428739 Lon</b>		COUNTY: <b>Uintah</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SENW 34 8S 22E S.L.B. &amp; M</b>		STATE: <b>UTAH</b>

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

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

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 08-21-07  
By: 

NAME (PLEASE PRINT) <u>Kaylene R. Gardner</u>	TITLE <u>Lead Regulatory Assistant</u>
SIGNATURE 	DATE <u>8/15/2007</u>

(This space for State use only)

8-22-07  
RM

**RECEIVED**  
**AUG 20 2007**

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

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

**API:** 43-047-38042  
**Well Name:** North Chapita 337-34  
**Location:** 1588 FNL 1957 FWL (SENW), Section 34, T8S, R22E S.L.B.&M  
**Company Permit Issued to:** EOG Resources, Inc.  
**Date Original Permit Issued:** 8/24/2006

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

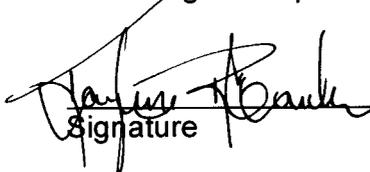
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

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

8/15/2007

Date

Title: Lead Regulatory Assistant

Representing: EOG Resources, Inc.

RECEIVED

AUG 20 2007

DIV. OF OIL, GAS & MINING

# DIVISION OF OIL, GAS AND MINING

## **SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: N CHAPITA 337-34

Api No: 43-047-38042 Lease Type: FEDERAL

Section 34 Township 08S Range 22E County UINTAH

Drilling Contractor ROCKR DRILLING RIG # RATHOLE

### **SPUDDED:**

Date 09/04/07

Time 7:30 PM

How DRY

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

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 09/05/07 Signed CHD

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

FORM 6

**ENTITY ACTION FORM**

Operator: EOG RESOURCES, INC. Operator Account Number: N 9550  
 Address: 1060 East Highway 40  
city Vernal  
state UT zip 84078 Phone Number: (435) 781-9111

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38042	NORTH CHAPITA 337-34		SENV	34	8S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	16342	9/4/2007			9/25/07	
Comments: <u>PRRV = MVRD</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38045	NORTH CHAPITA 334-34		SESE	34	8S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	16343	9/6/2007			9/25/07	
Comments: <u>PRRV = MVRD</u>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38434	Chapita Wells Unit 2-29 SWD		NENW	29	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	16344	7/28/2007			9/25/07	
Comments: <u>GRRV possible Disposal well</u>							

**ACTION CODES:**

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

Kaylene R. Gardner

Name (Please Print)

Signature

Lead Regulatory Assistant

Title

9/11/2007

Date

**RECEIVED**

**SEP 11 2007**

(5/2000)

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.  
UTU43916

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. NORTH CHAPITA 337-34
2. Name of Operator EOG RESOURCES, INC.		9. API Well No. 43-047-38042
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		10. Field and Pool, or Exploratory NATURALBUTTES/WASATCH/KMV
3b. Phone No. (include area code) Ph: 435-781-9111		11. County or Parish, and State UINTAH COUNTY, UT
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 34 T8S R22E SENW 1588FNL 1957FWL 40.08248 N Lat, 109.42874 W Lon		

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

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

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

The referenced well spud 9/4/2007.

RECEIVED  
SEP 13 2007

DIV. OF OIL, GAS & MINING

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

**Electronic Submission #56293 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) <b>KAYLENE R GARDNER</b>	Title <b>LEAD REGULATORY ASSISTANT</b>
Signature  (Electronic Submission)	Date <b>09/11/2007</b>

**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. 1004-0135  
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.  
UTU43916

6. If Indian, Allottee or Tribe Name

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

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

8. Well Name and No.  
NORTH CHAPITA 337-34

9. API Well No.  
43-047-38042

10. Field and Pool, or Exploratory  
NATURALBUTTES/WASATCH/KMV

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
EOG RESOURCES, INC.

Contact: KAYLENE R GARDNER  
E-Mail: kaylene\_gardner@eogresources.com

3a. Address  
1060 EAST HIGHWAY 40  
VERNAL, UT 84078

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 34 T8S R22E SENW 1588FNL 1957FWL  
40.08248 N Lat, 109.42874 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 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

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

1. Natural Buttes 21-20B SWD
2. Chapita Wells Unit 550-30N SWD
3. Chapita Wells Unit 2-29 SWD
4. Ace Disposal
5. RN Industries

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

**RECEIVED**  
**SEP 13 2007**  
DIV. OF OIL, GAS & MINING

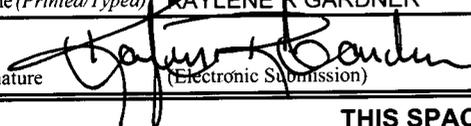
14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #56296 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) KAYLENE R GARDNER

Title LEAD REGULATORY ASSISTANT

Signature



(Electronic Submission)

Date 09/11/2007

**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. 1004-0135  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
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UTU43916

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
NORTH CHAPITA 337-34

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

9. API Well No.  
43-047-38042

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/WASATCH/MV

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 34 T8S R22E SENW 1588FNL 1957FWL  
40.08248 N Lat, 109.42874 W Lon

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

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

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

EOG Resources, Inc. requests permission to sidetrack the referenced well as per the attached procedure.

Accepted by the  
Utah Division of  
Oil, Gas and Mining

Federal Approval Of This  
Action Is Necessary

Date: 12/7/07  
By: *[Signature]*

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #57420 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 <i>Mary A Maestas</i> (Electronic Submission)	Date 12/05/2007

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

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

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

COPY SENT TO OPERATOR  
Date: 12-10-2007  
Initials: *[Signature]*

**RECEIVED**

DEC 06 2007

DIV. OF OIL, GAS & MINING

**North Chapita #337-34**

API # 43-047-38042

Uintah County, UT

Sundry to Sidetrack Wellbore

While tripping in the hole with a new bit the BHA was dropped in the hole. The BHA was 7 5/8" Bit, 6 1/2" od mud motor, 6- 6 1/4" od Steel Drill Collars and 6 Jts- 4 1/2" Heavy Weight Drill Pipe. ( Total of 406.00 ft.) After attempts to retrieve the fish have failed ( we have been unable to wash and ream below 5400', and had to jar out of the hole to 3800' ) we will spot a cement kick-off plug and sidetrack the wellbore and then proceed as per the approved wellplan in the APD.

TD = 8608'

Top of fish = 8202'

Bottom of fish = 8608'

Fish left in hole: 7 7/8" PDC bit + 6 1/2" mud motor + 6 - 6 1/4" drill collar + 6 - 4 1/2" heavy weight drill pipe (total = 406.00')

Plan forward:

1. Set a 1000' balanced cement plug from 3686' to 2686'. (9.625" casing set at 2686')  
660 sx      Class G + 1.0% D65 (dispersant) + 0.20% D13 (retarder)  
17.5ppg, 0.95 cuft/sx, 3.48 gal/sx freshwater

Note:      Volume based on 10" hole (Hole was drilled 7 7/8")  
±1200' of 2 7/8" tubing (tail pipe) will be used to obtain a good cement plug.

2. Sidetrack from existing wellbore using directional tools (bent motor, MWD, etc...).
3. Achieve 15-20' of separation from existing wellbore, then let wellbore drop back to vertical.
4. Proceed as per approved wellplan in the APD.

Jim Tilley  
Drilling Superintendent  
EOG Resources  
Vernal, Utah

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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UTU43916

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.

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
NORTH CHAPITA 337-34

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

9. API Well No.  
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<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	

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The referenced well was turned to sales on 2/7/2008. 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 #58546 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature *Mary A. Maestas*

Date 02/08/2008

**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.

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

**RECEIVED**  
**FEB 11 2008**  
DIV. OF OIL, GAS & MINING

## WELL CHRONOLOGY REPORT

Report Generated On: 02-08-2008

<b>Well Name</b>	NCW 337-34	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-38042	<b>Well Class</b>	1SA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	11-25-2007	<b>Class Date</b>	02-07-2008
<b>Tax Credit</b>	N	<b>TVD / MD</b>	10,150/ 10,150	<b>Property #</b>	059032
<b>Water Depth</b>	0	<b>Last CSG</b>	2.375	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	4,798/ 4,783				
<b>Location</b>	Section 34, 8S, R22E, SENW, 1588 FNL & 1957 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	50.0	<b>NRI %</b>	39.75

<b>AFE No</b>	303985	<b>AFE Total</b>	2,271,800	<b>DHC / CWC</b>	1,078,900/ 1,192,900
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #15	<b>Start Date</b>	04-25-2007
				<b>Release Date</b>	12-24-2007
<b>04-25-2006</b>	<b>Reported By</b>	SHARON WHITLOCK			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
		<b>Days</b>	0	<b>MW</b>	0.0
		<b>Visc</b>			0.0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
				<b>PKR Depth : 0.0</b>	

**Activity at Report Time:** LOCATION DATA

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	LOCATION DATA
			1588' FNL & 1957' FWL (SE/NW)
			SECTION 34, T8S, R22E
			UINTAH COUNTY, UTAH
			LAT 40.082481, LONG 109.428739 (NAD 83)
			LAT 40.082517, LONG 109.428056 (NAD 27)

RIG: TRUE #15

OBJECTIVE: 10150' TD, MESAVERDE

DW/GAS

NORTH CHAPITA PROSPECT

DD&A: CHAPITA DEEP

NATURAL BUTTES FIELD

LEASE: U-43916

ELEVATION: 4783.3' NAT GL, 4783.4' PREP GL (DUE TO ROUNDING 4783' IS THE PREP GL), 4798' KB (15')

EOG WI 50%, NRI 39.75%

<b>08-29-2007</b>	<b>Reported By</b>	TERRY CSERE
-------------------	--------------------	-------------

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

**Activity at Report Time: BUILD LOCATION**

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

**08-30-2007      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 :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time: BUILD LOCATION**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 40% COMPLETE.

**08-31-2007      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**              0      **TVD**              0      **Progress**      0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time: BUILD LOCATION**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 50% COMPLETE.

**09-04-2007      Reported By      TERRY CSERE**

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

**Activity at Report Time: BUILD LOCATION**

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

**09-05-2007      Reported By      TERRY CSERE**

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

**Activity at Report Time: BUILD LOCATION**

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

**09-11-2007      Reported By      JERRY BARNES**



**Cum Costs: Drilling** \$290,454 **Completion** \$0 **Well Total** \$290,454  
**MD** 2,686 **TVD** 2,686 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time: RIG REPAIR**

Start	End	Hrs	Activity Description
06:00	18:00	12.0	HELD SAFETY MEETING W/RIG CREWS & RIG MOVERS. RDRT. LOWERED DERRICK @ 0800 HRS. MOVED RIG FROM NCW 336-34 TO LOCATION. SET MATS & SUBSTRUCTURE. PLACED DERRICK ON FLOOR AND DERRICK STAND. SPOTTED REMAINING EQUIPMENT LEAVING ACCESS TO BACK AND SIDE OF FLOOR FOR FINAL RIG UP FOLLOWING DRAWWORKS REPAIR. 30% RIGGED UP.  OLD LOCATION NCW 336-34 CLEARED AND CLEANED. 14 MEN, 117 MAN-HOURS. NO ACCIDENTS.
18:00	06:00	12.0	SUSPENDED OPERATION FOR NIGHT.

**11-23-2007** **Reported By** DAN LINDSEY

**Daily Costs: Drilling** \$22,815 **Completion** \$0 **Daily Total** \$22,815  
**Cum Costs: Drilling** \$312,384 **Completion** \$0 **Well Total** \$312,384  
**MD** 2,686 **TVD** 2,686 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time: INSTALL SHAFTS IN DRAWWORKS**

Start	End	Hrs	Activity Description
06:00	14:00	8.0	WORKED ON DRAWWORKS PREPARING FOR MECHANIC TO INSTALL REBUILT SHAFTS. 3 MEN, 24 MAN-HOURS. NO ACCIDENTS.
14:00	06:00	16.0	SUSPENDED OPERATIONS FOR NIGHT.

**11-24-2007** **Reported By** DAN LINDSEY

**Daily Costs: Drilling** \$21,930 **Completion** \$0 **Daily Total** \$21,930  
**Cum Costs: Drilling** \$334,314 **Completion** \$0 **Well Total** \$334,314  
**MD** 2,686 **TVD** 2,686 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time: TEST BOPE**

Start	End	Hrs	Activity Description
06:00	07:00	1.0	OPERATION SUSPENDED UNTIL DAYLIGHT.
07:00	10:00	3.0	HELD SAFETY MEETING W/RIG CREWS, MECHANICS, & RIG MOVERS. RURT. SET IN EQUIPMENT IN FRONT OF RIG.
10:00	15:00	5.0	WORKED ON DRAWWORKS.
15:00	19:00	4.0	SET DRAWWORKS & MOTORS ON FLOOR. SET PUMPS & TANKS. RELEASED TRUCKS & CRANE @ 1900 HRS. 14 MEN, 154 MAN-HOURS. NO ACCIDENTS. NOTIFIED JAMIE SPARGER/BLM/VERNAL @ 1530 HRS 11/21/07 OF BOP TEST @ 1700 HRS 11/24/07.
19:00	06:00	11.0	SUSPENDED OPERATION FOR NIGHT.

**11-25-2007** **Reported By** DAN LINDSEY

**Daily Costs: Drilling** \$56,329 **Completion** \$0 **Daily Total** \$56,329  
**Cum Costs: Drilling** \$390,643 **Completion** \$0 **Well Total** \$390,643  
**MD** 2,686 **TVD** 2,686 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: TESTING BOPE

Start	End	Hrs	Activity Description
06:00	07:00	1.0	OPERATION SUSPENDED WAITING ON DAYLIGHT.
07:00	20:00	13.0	HELD SAFETY MEETING W/RIG CREWS. RURT. RAISED DERRICK @ 1400 HRS. FINISHED RURT. 15 MEN, 103 MAN-HOURS. NO ACCIDENTS.
20:00	23:00	3.0	*****RIG ACCEPTED FOR DAYWORK @ 2000 HRS 11/24/07***** TESTED BOPE(KELLY VALVES & FLOOR VALVES 250/5000 PSI, FOUND BAD 4-WAY VALVE & PIPE RAMS BAD)
23:00	05:00	6.0	REBUILT PIPE RAMS & 4-WAY VALVE.
05:00	06:00	1.0	TESTED BOPE(PIPE RAMS 250/5000 PSI, ANNULAR 250/2500 PSI). MUDLOGGER: CHRIS SMITH 1 DAY(ON LOCATION 2000 HRS 11/24/07). DIESEL 5351 GALS(HAULED 4400), PROPANE 3960 GALS(HAULED 2776). BOILER 8 HRS. NO ACCIDENTS. FULL CREWS.

---

11-26-2007	Reported By	DAN LINDSEY									
<b>Daily Costs: Drilling</b>	\$44,372	<b>Completion</b>	\$0	<b>Daily Total</b>	\$44,372						
<b>Cum Costs: Drilling</b>	\$435,015	<b>Completion</b>	\$0	<b>Well Total</b>	\$435,015						
<b>MD</b>	3,800	<b>TVD</b>	3,800	<b>Progress</b>	1,114	<b>Days</b>	1	<b>MW</b>	9.7	<b>Visc</b>	32.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	07:30	1.5	FINISHED TESTING BOPE(ALL RAMS, VALVES, & MANIFOLD 250/5000 PSI, ANNULAR 250/2500 PSI, CASING 1500 PSI). NO BLM WITNESS.
07:30	08:00	0.5	INSTALLED WEAR BUSHING.
08:00	09:00	1.0	RU WEATHERFORD LD MACHINE. HELD SAFETY MEETING.
09:00	12:00	3.0	PU BHA & DP. TAGGED @ 2594.
12:00	12:30	0.5	RD LD MACHINE.
12:30	13:30	1.0	INSTALLED ROTATING HEAD RUBBER & DRIVE BUSHING. TORQUED KELLY.
13:30	16:30	3.0	DRILLED CEMENT & FLOAT EQUIP TO 2711(FELL OUT OF CEMENT @ 2695).
16:30	17:00	0.5	PERFORMED F.I.T. @ 2711, 11.5 PPG EMW(325 PSI W/9.2 PPG MUD).
17:00	03:00	10.0	DRILLED 2711 TO 3585' (874' @ 87.4 FPH), WOB 7-20K, GPM 414, RPM 45-55/MOTOR 66, SPP 1200, NO FLARE.
03:00	03:30	0.5	SURVEY @ 3506, 1.0 DEGREE.
03:30	06:00	2.5	DRILLED 3585 TO 3800(215' @ 86.0 FPH), WOB 20K, GPM 414, RPM 45/MOTOR 66, SPP 1250, NO FLARE. THIS A.M. MUD 9.2 PPG, VIS 29.
GAS: BG 541-1334, CONN 4744-6931, HG 5650 @ 2854'. 5 SHOWS.			
MUDLOGGER: CHRIS SMITH 2 DAYS.			
LOCATION DIMENSIONS: FRONT 174', BACK 145', HOUSE 137', PIT 36'.			
DIESEL 4333 GALS(USED1018), PROPANE 3420 GALS(USED 540). BOILER 24 HRS.			
NO ACCIDENTS. FULL CREWS.			
06:00		18.0	SPUD 7 7/8" HOLE @ 17:00 HRS, 11/25/07.

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11-27-2007	Reported By	DAN LINDSEY							
<b>Daily Costs: Drilling</b>	\$105,785	<b>Completion</b>	\$0	<b>Daily Total</b>	\$105,785				
<b>Cum Costs: Drilling</b>	\$540,801	<b>Completion</b>	\$0	<b>Well Total</b>	\$540,801				

MD 5,095 TVD 5,095 Progress 1,295 Days 2 MW 9.2 Visc 29.0  
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILLED 3800 TO 4052(252' @ 63.0 FPH), WOB 18K, GPM 414, RPM 50/MOTOR 66, SPP 1200, NO FLARE.
10:00	10:30	0.5	SERVICED RIG. CHECKED COM. FUNCTION PIPE RAMS.
10:30	06:00	19.5	DRILLED 4052 TO 5095(1043' @ 53.5 FPH), WOB 18-20K, GPM 414, RPM 45-55/MOTOR 66, SPP 1450, NO FLARE. THIS A.M. MUD 9.5 PPG, VIS 32. GAS: BG 30-164, CONN 125-172, HG 2380 @ 3765'. 1 SHOW. MUDLOGGER: CHRIS SMITH 3 DAYS. DIESEL 3031 GALS(USED 1302), PROPANE 2820 GALS(USED 600). BOILER 20 HRS. NO ACCIDENTS. FULL CREWS. HELD 3 BOP DRILLS.

11-28-2007 Reported By DAN LINDSEY

Daily Costs: Drilling \$55,061 Completion \$800 Daily Total \$55,861  
 Cum Costs: Drilling \$595,863 Completion \$800 Well Total \$596,663

MD 5,915 TVD 5,915 Progress 820 Days 3 MW 9.5 Visc 35.0  
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILLED 5095 TO 5211(116' @ 29.0 FPH), WOB 19K, GPM 414, RPM 50/MOTOR 66, SPP 1350, NO FLARE.
10:00	10:30	0.5	SERVICED RIG. CHECKED COM. FUNCTION PIPE RAMS.
10:30	06:00	19.5	DRILLED 5211 TO 5915(X' @ X FPH), WOB 18-20K, GPM 414, RPM 45-55/MOTOR 66, SPP 1550, NO FLARE. THIS A.M. MUD 9.7 PPG, VIS 33. GAS: BG 36-75, CONN 187-375, HG 1601 @ 5818'. 1 SHOW. MUDLOGGER: CHRIS SMITH 4 DAYS. DIESEL X GALS(HAULED 4500, USED X), PROPANE X GALS(USED X). BOILER 24 HRS. NO ACCIDENTS. FULL CREWS. SAFETY TOPIC-FORKLIFT OPERATION. MORNING TOUR SET & FUNCTIONED COM ON FIRST CONN.

11-29-2007 Reported By DAN LINDSEY/BRIAN DUTTON

Daily Costs: Drilling \$34,137 Completion \$0 Daily Total \$34,137  
 Cum Costs: Drilling \$630,000 Completion \$800 Well Total \$630,800

MD 6,700 TVD 6,700 Progress 785 Days 4 MW 9.8 Visc 35.0  
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	11:00	5.0	DRILLED 5,915' TO 6,088' (173' @ 34.6 FPH), WOB 15-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1506, MUD WT. 9.8, VIS 34, NO FLARE.
11:00	11:30	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC FUNCTION TEST PIPE RAMS.
11:30	06:00	18.5	DRILLED 6,088' TO 6,700' (612' @ 33.0 FPH), WOB 15-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1506, MUD WT. 10.1+, VIS 36, NO FLARE. NO ACCIDENTS. FULL CREWS. SAFETY MEETING. WORKING ON AND AROUND LIGHT PLANT. DIESEL FUEL ON HAND 4502 GALS USED 1722.

PROPANE ON HAND 2040 GALS USED 420.

MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN.

MUDLOGGERS: CHRIS SMITH 5 DAYS ON LOCATION.

LITHOLOGY: 20% REDSH, 40% SS, 40% SH, BG GAS 27 - 44 UNITS, CONN GAS 90 - 108 UNITS, HIGH GAS 2240 UNITS @ 6,364'.

FORMATION TOPS: GREEN RIVER @ 2,192', WASATCH @ 5,210', CHAPITA WELLS @ 5,818', BUCK CANYON @ 6,514'.

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<b>11-30-2007</b>	<b>Reported By</b>	BRIAN DUTTON									
<b>Daily Costs: Drilling</b>	\$45,158	<b>Completion</b>	\$0	<b>Daily Total</b>	\$45,158						
<b>Cum Costs: Drilling</b>	\$675,159	<b>Completion</b>	\$800	<b>Well Total</b>	\$675,959						
<b>MD</b>	7,201	<b>TVD</b>	7,201	<b>Progress</b>	501	<b>Days</b>	5	<b>MW</b>	10.2	<b>Visc</b>	34.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** TRIP OUT OF HOLE WITH BIT #1

Start	End	Hrs	Activity Description
06:00	11:00	5.0	DRILLED 6,700' TO 6,838' (138' @ 27.6 FPH), WOB 15-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1578, MUD WT. 10.2, VIS 37, NO FLARE.
11:00	11:30	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC FUNCTION TEST PIPE RAMS.
11:30	05:00	17.5	DRILLED 6,838' TO 7,201' (363' @ 20.7 FPH), WOB 15-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1730, MUD WT. 10.4, VIS 35, NO FLARE.
05:00	05:30	0.5	DROP SURVEY,PUMP PILL.
05:30	06:00	0.5	TRIP OUT OF HOLE WITH BIT #1 @ 7,201'.
NO ACCIDENTS.			
FULL CREWS.			
SAFETY MEETING. INSPECTING CABLES AND SNUB LINES ON TONGS.			
DIESEL FUEL ON HAND 3031 GALS USED 1470.			
PROPANE ON HAND 1560 GALS USED 480.			
MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN AND FIRST STAND OUT OF HOLE.			
MUDLOGGERS: CHRIS SMITH 6 DAYS ON LOCATION.			
LITHOLOGY: 10% REDSH, 30% SS, 60% SH, BG GAS 30 - 137 UNITS, CONN GAS 95 - 221 UNITS, HIGH GAS 860 UNITS @ 6,788'.			
FORMATION TOPS: GREEN RIVER @ 2,192', WASATCH @ 5,210', CHAPITA WELLS @ 5,818', BUCK CANYON @ 6,514'.			

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<b>12-01-2007</b>	<b>Reported By</b>	BRIAN DUTTON									
<b>Daily Costs: Drilling</b>	\$56,178	<b>Completion</b>	\$2,921	<b>Daily Total</b>	\$59,099						
<b>Cum Costs: Drilling</b>	\$731,337	<b>Completion</b>	\$3,721	<b>Well Total</b>	\$735,058						
<b>MD</b>	7,617	<b>TVD</b>	7,617	<b>Progress</b>	416	<b>Days</b>	6	<b>MW</b>	10.5	<b>Visc</b>	37.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** DRILLING

Start	End	Hrs	Activity Description
06:00	09:00	3.0	TRIP OUT OF THE HOLE WITH BIT #1.
09:00	09:30	0.5	L/D ROLLER REAMERS, MUD MOTOR, BIT. P/U BIT #2 AND NEW MUD MOTOR.
09:30	14:00	4.5	TRIP IN HOLE WITH BIT #2 7,150'. FILL PIPE @ 2,602'.
14:00	15:00	1.0	WASH/REAM OUT OF GUAGE HOLE F/7,150 TO 7,201'.

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15:00 20:30 5.5 DRILLED 7,201' TO 7,384' (183' @ 33.2 FPH), WOB 15-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1730, MUD WT. 10.4, VIS 35, NO FLARE.

20:30 22:00 1.5 SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC FUNCTION TEST POWER CHOKE. FUNCTION BLIND RAM WHILE OUT OF THE HOLE.

22:00 06:00 8.0 DRILLED 7,384' TO 7,617' (233' @ 29.1 FPH), WOB 15-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1730, MUD WT. 10.4, VIS 35, NO FLARE.

NO ACCIDENTS.  
 FULL CREWS.  
 SAFETY MEETING. CHANGING ROTATING HEAD RUBBER.  
 DIESEL FUEL ON HAND 1844 GALS USED 1187.  
 PROPANE ON HAND 4260 GALS USED 625.  
 MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN.  
 MUDLOGGERS: CHRIS SMITH 7 DAYS ON LOCATION.  
 LITHOLOGY: 10% REDSH, 30% SS, 60% SH, BG GAS 36 - 59 UNITS, CONN GAS 92 - 150 UNITS, HIGH GAS 1552 UNITS @ 7,488', TRIP GAS 450 UNITS.  
 FORMATION TOPS: GREEN RIVER @ 2,192', WASATCH @ 5,210', CHAPITA WELLS @ 5,818', BUCK CANYON @ 6,514', NORTH HORN @ 7,207'.

<b>12-02-2007</b>	<b>Reported By</b>	BRIAN DUTTON									
<b>Daily Costs: Drilling</b>	\$64,610	<b>Completion</b>	\$0	<b>Daily Total</b>	\$64,610						
<b>Cum Costs: Drilling</b>	\$795,948	<b>Completion</b>	\$3,721	<b>Well Total</b>	\$799,669						
<b>MD</b>	7,970	<b>TVD</b>	7,970	<b>Progress</b>	353	<b>Days</b>	7	<b>MW</b>	10.45	<b>Visc</b>	37.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: DRILLING</b>											

Start	End	Hrs	Activity Description
06:00	10:30	4.5	DRILLED 7,617' TO 7,696' (79' @ 17.5 FPH), WOB 15-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1730, MUD WT. 10.5, VIS 35, NO FLARE.
10:30	11:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC FUNCTION TEST PIPE RAMS.
11:00	06:00	19.0	DRILLED 7,696' TO 7,970' (274' @ 14.4 FPH), WOB 15-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1830, MUD WT. 10.5, VIS 36, NO FLARE.
NO ACCIDENTS. FULL CREWS. SAFETY MEETING. BEING PREPARED FOR COLD WEATHER CONDITIONS. DIESEL FUEL ON HAND 8305 GALS USED 1539. PROPANE ON HAND 3780 GALS USED 480. MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN. MUDLOGGERS: CHRIS SMITH 8 DAYS ON LOCATION.  LITHOLOGY: 50% SS, 45% SH, SLTSTN 5%, BG GAS 52 - 143 UNITS, CONN GAS 161 - 995 UNITS, HIGH GAS 3474 UNITS @ 7,880'. FORMATION TOPS: GREEN RIVER @ 2,192', WASATCH @ 5,210', CHAPITA WELLS @ 5,818', BUCK CANYON @ 6,514', NORTH HORN @ 7,207', Kmv PRICER RIVER @ 7,872'.			

<b>12-03-2007</b>	<b>Reported By</b>	BRIAN DUTTON									
<b>Daily Costs: Drilling</b>	\$32,367	<b>Completion</b>	\$0	<b>Daily Total</b>	\$32,367						
<b>Cum Costs: Drilling</b>	\$828,315	<b>Completion</b>	\$3,721	<b>Well Total</b>	\$832,036						
<b>MD</b>	8,493	<b>TVD</b>	8,493	<b>Progress</b>	523	<b>Days</b>	8	<b>MW</b>	10.7	<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	09:30	3.5	DRILLED 7,970' TO 8,044' (74' @ 21.1 FPH), WOB 15-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1830, MUD WT. 10.7, VIS 38, NO FLARE.
09:30	10:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC FUNCTION TEST ANNULAR.
10:00	06:00	20.0	DRILLED 8,044' TO 8,493' (449' @ 22.4 FPH), WOB 15-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1830, MUD WT. 10.8, VIS 37, NO FLARE. LOST 81 BBLS @ 8,119'. NO ACCIDENTS. FULL CREWS. SAFETY MEETING. WORKING ON POP OFFS. DIESEL FUEL ON HAND 6573 GALS USED 1732. PROPANE ON HAND 3240 GALS USED 540. MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN. MUDLOGGERS: CHRIS SMITH 9 DAYS ON LOCATION.  LITHOLOGY: 40% SS, 50% SH, SLTSTN 10%, BG GAS 50 - 175 UNITS, CONN GAS 152 - 432 UNITS, HIGH GAS 3641 UNITS @ 7,938'. FORMATION TOPS: GREEN RIVER @ 2,192', WASATCH @ 5,210', CHAPITA WELLS @ 5,818', BUCK CANYON @ 6,514', NORTH HORN @ 7,207', Kmv PRICER RIVER @ 7,872'.

<b>12-04-2007</b>	<b>Reported By</b>	BRIAN DUTTON									
<b>Daily Costs: Drilling</b>	\$30,702	<b>Completion</b>	\$0	<b>Daily Total</b>	\$30,702						
<b>Cum Costs: Drilling</b>	\$859,017	<b>Completion</b>	\$3,721	<b>Well Total</b>	\$862,738						
<b>MD</b>	8,608	<b>TVD</b>	8,608	<b>Progress</b>	115	<b>Days</b>	9	<b>MW</b>	10.8	<b>Visc</b>	41.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: TOH W/FISHING TOOLS**

Start	End	Hrs	Activity Description
06:00	11:00	5.0	DRILLED 8,493' TO 8,602' (449' @ 21.8 FPH), WOB 15-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1830, MUD WT. 10.8, VIS 37, NO FLARE.
11:00	11:30	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC FUNCTION TEST KELLY VALVES.
11:30	12:00	0.5	DRILLED 8,602' TO 8,608' (6' @ 12.0 FPH), WOB 15-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 2100, MUD WT. 10.9, VIS 37, NO FLARE.
12:00	12:30	0.5	DROPPED SURVEY DEPTH @ 8,529' 2 DEGREES.
12:30	13:00	0.5	MIX AND PUMP PILL.
13:00	16:30	3.5	TRIP OUT OF HOLE WITH BIT #2 @ 8,506'.
16:30	17:00	0.5	CHANGE OUT BIT AND MUD MOTOR.
17:00	17:30	0.5	TRIP IN HOLE WITH BIT #3 TO 405.52'. DROPPED BHA WHEN ELEVATORS FOULED ON SLIP HANDLES. LOST BIT, MUD MOTOR, 6 DC AND 6 HWDP DOWN HOLE.
17:30	19:30	2.0	SLIP & CUT DRILL LINE.
19:30	21:00	1.5	WAIT ON FISHING HAND AND FISHING TOOLS.
21:00	22:00	1.0	PU/FISHING STRING AS FOLLOWS: SCREW IN SUB 2.63, BUMPER SUB 5.99, JARS 12.07, CROSS OVER 2.41, 5 DRILL COLLARS 150.82, 15 HWDP 465.18, CROSS OVER 2.04, INTENSIFIER 8.98, CROSS OVER 2.05, 2 HWDP 62.03, TOTAL FISHING STRING LENGTH 714.20.
22:00	02:00	4.0	TRIP IN THE HOLE WITH FISHING TOOLS TAGGED @ 4,089'.
02:00	03:00	1.0	WASH/REAM F/4,089' TO 4,121'.
03:00	06:00	3.0	TRIP OUT OF HOLE WITH FISHING TOOLS FOR CLEAN OUT BIT. NO ACCIDENTS.

FULL CREWS.

SAFETY MEETING. WITH RIG CREWS AND FISHING HAND PRIOR TO P/U FISHING TOOLS.

DIESEL FUEL ON HAND 5180 GALS USED 1393.

PROPANE ON HAND 2640 GALS USED 600.

MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST STAND IN AND OUT OF HOLE.

MUDLOGGERS: CHRIS SMITH 10 DAYS ON LOCATION.

LITHOLOGY: 50% SS, 30% SH, SLTSTN 20%, BG GAS 183 – 287 UNITS, CONN GAS 417 – 5073 UNITS, HIGH GAS 3377 UNITS @ 8,573'.

FORMATION TOPS: GREEN RIVER @ 2,192', WASATCH @ 5,210', CHAPITA WELLS @ 5,818', BUCK CANYON @ 6,514', NORTH HORN @ 7,207', Kmv PRICER RIVER @ 7,872'.

<b>12-05-2007</b>	<b>Reported By</b>	BRIAN DUTTON									
<b>Daily Costs: Drilling</b>	\$35,135	<b>Completion</b>	\$0	<b>Daily Total</b>	\$35,135						
<b>Cum Costs: Drilling</b>	\$894,153	<b>Completion</b>	\$3,721	<b>Well Total</b>	\$897,874						
<b>MD</b>	8,608	<b>TVD</b>	8,608	<b>Progress</b>	0	<b>Days</b>	10	<b>MW</b>	11.0	<b>Visc</b>	42.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** WASH & REAM

Start	End	Hrs	Activity Description
06:00	08:30	2.5	TRIP IN HOLE WITH CLEAN OUT BIT TAGGED @ 4,089'.
08:30	16:00	7.5	WASH/REAM F/4,089' TO 4,966', LOST 500 PSI PUMP PRESSURE AND 10,000 STRING WT. SET BACK DOWN UNTIL TOOK WT. ROTATED GAINED PRESSURE AND STRING WT. BACK.
16:00	19:00	3.0	TRIP OUT OF HOLE TO CHECK OUT STRING.
19:00	00:00	5.0	TRIP IN HOLE CHECKING ALL CONN. ON THE HWDP, TAGGED UP @ 4,843'.
00:00	06:00	6.0	WASH/REAM F/4,843' TO 5,045.

NO ACCIDENTS.  
FULL CREWS.  
SAFETY MEETING. HIGH PRESSURE LINES.  
DIESEL FUEL ON HAND 4165 GALS USED 1015 GALS.  
PROPANE ON HAND 5040 GALS USED 450 GALS.  
MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN. AND STAND IN AND OUT OF HOLE.  
MUDLOGGERS: CHRIS SMITH 11 DAYS ON LOCATION.

LITHOLOGY: 50% SS, 30% SH, SLTSTN 20%, BG GAS 0 – 70 UNITS, CONN GAS 417 – 5076 UNITS, HIGH GAS 3377 UNITS @ 8,573', TRIP GAS 1369 UNITS.  
FORMATION TOPS: GREEN RIVER @ 2,192', WASATCH @ 5,210', CHAPITA WELLS @ 5,818', BUCK CANYON @ 6,514', NORTH HORN @ 7,207', Kmv PRICER RIVER @ 7,872'.

<b>12-06-2007</b>	<b>Reported By</b>	BRIAN DUTTON									
<b>Daily Costs: Drilling</b>	\$74,238	<b>Completion</b>	\$0	<b>Daily Total</b>	\$74,238						
<b>Cum Costs: Drilling</b>	\$968,392	<b>Completion</b>	\$3,721	<b>Well Total</b>	\$972,113						
<b>MD</b>	8,608	<b>TVD</b>	8,608	<b>Progress</b>	0	<b>Days</b>	11	<b>MW</b>	11.0	<b>Visc</b>	39.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** LDDP AND 2 7/8" TUBING

Start	End	Hrs	Activity Description
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06:00 11:00 5.0 WASH/REAM F/5,045' TO 5,327'.  
 11:00 13:30 2.5 PUMP PILL AND TRIP OUT OF HOLE WITH CLEAN OUT BIT TO THE CASING SHOE @ 2,686'.  
 13:30 15:00 1.5 BREAK DOWN AND L/D ALL FISHING TOOLS.  
 15:00 16:00 1.0 TRIP OUT OF HOLE WITH CLEAN OUT BIT.  
 16:00 16:30 0.5 SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC FUNCTION TEST PIPE RAMS.  
 16:30 20:00 3.5 RURT AND P/U 1214' OF 2 7/8" TUBING.  
 20:00 22:00 2.0 TRIP IN HOLE WITH 1,211.50' OF 2 7/8" TBG.  
 22:00 00:30 2.5 PREPARE TO PUMP CEMENT PLUG.  
 00:30 01:00 0.5 TRIP IN HOLE TO 3,686' WITH 2 7/8" TUBING.  
 01:00 01:30 0.5 DISPLACE 11.0 PPG MUD OUT WITH 8.5 WATER F/3,686' BACK TO SURFACE.  
 01:30 02:00 0.5 RU SCHLUMBERGER AND HELD SAFETY MEETING PRIOR TO JOB.  
  
 02:00 03:00 1.0 PUMPED BALANCED PLUG F/3,686' TO 2,686' AS FOLLOWS: PUMPED 10 BBLS CHEM WASH, 10 BBLS FW, & 660 SX, 111 BBLS CLASS G CEMENT (17.5 PPG, 0.95 CFS, 1.0% D065, 0.2% D013). DISPLACED WITH 31.9 BBLS FW. HAD FULL CIRCULATION DURING JOB.  
  
 03:00 04:00 1.0 TRIP OUT OF HOLE 13 STANDS @ 2 MIN. A STAND. DEPTH 2432'  
 04:00 04:30 0.5 KELLY UP AND CIRCULATE BOTTOMS UP ( GOT 10 BBLS CEMENT BACK TO THE PIT).  
 04:30 06:00 1.5 LDDP AND 2 7/8" TUBING.

NO ACCIDENTS.

FULL CREWS.

SAFETY MEETING. PUMPING 17.5 PPG BALANCED PLUG WITH SCHLUMBERGER.

DIESEL FUEL ON HAND 3188 GALS USED 977 GALS.

PROPANE ON HAND 4500 GALS USED 540 GALS.

MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN. AND STAND IN AND OUT OF HOLE.

MUDLOGGERS: CHRIS SMITH 12 DAYS ON LOCATION.

LITHOLOGY: 50% SS, 30% SH, SLTSTN 20%, BG GAS 0 - 70 UNITS, CONN GAS 417 - 5076 UNITS, HIGH GAS 3377 UNITS @ 8,573', TRIP GAS 1369 UNITS.

FORMATION TOPS: GREEN RIVER @ 2,192', WASATCH @ 5,210', CHAPITA WELLS @ 5,818', BUCK CANYON @ 6,514', NORTH HORN @ 7,207', KmV PRICER RIVER @ 7,872'.

<b>12-07-2007</b>	<b>Reported By</b>	BRIAN DUTTON									
<b>Daily Costs: Drilling</b>	\$238,195	<b>Completion</b>	\$0	<b>Daily Total</b>	\$238,195						
<b>Cum Costs: Drilling</b>	\$1,206,588	<b>Completion</b>	\$3,721	<b>Well Total</b>	\$1,210,309						
<b>MD</b>	8,608	<b>TVD</b>	8,608	<b>Progress</b>	0	<b>Days</b>	12	<b>MW</b>	10.6	<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:** TRIP IN HOLE WITH DIRECTIONAL TOOLS

Start	End	Hrs	Activity Description
06:00	09:00	3.0	RURT TO LD 2 7/8" TUBING, LD 2 7/8" TUBING AND RDRT.
09:00	11:00	2.0	TRIP IN HOLE TO 2,676' TO TAG CEMENT, NO CEMENT IN CASING.
11:00	12:00	1.0	CIRCULATE BOTTOMS UP NO CEMENT IN RETURNS.
12:00	13:00	1.0	SHORT TRIP BACK TO THE HWDP TO CHECK PIPE COUNT ( PIPE COUNT CORRECT ) 21 STANDS AND A DOUBLE WITH 19' KELLY IN = 2,676'.
13:00	13:30	0.5	TRIP IN ONE MORE STAND TO 2,793 AND TAG CEMENT @ 2,793'.

13:30 14:00 0.5 CIRCULATE BOTTOMS UP 2 BBLs CEMENT TO THE PIT.  
 14:00 17:00 3.0 PULL ONE STAND FROM 2,793' TO CASING SHOE @ 2,686' AND WAIT ON CEMENT.  
 17:00 17:30 0.5 SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC FUNCTION TEST PIPE RAMS.  
 17:30 18:30 1.0 CIRCULATE WAIT FOR CEMENT TO SET.  
 18:30 20:00 1.5 DRESS OFF CEMENT F/2,795' TO 2,804', (9' @ 6.0 FPH) 5-10K WOB, 50/65 RMP, 414 GPM. PLUG BACK DEPTH @ 2,801'.  
 20:00 22:00 2.0 TRIP OUT OF HOLE AND LDDP OUT OF DERRICK.  
 22:00 23:00 1.0 RU WEATHERFORD L/D MACHINE, HELD SAFETY MEETING.  
 23:00 01:00 2.0 FINISH LDDP WITH WEATHERFORD L/D MACHINE.  
 01:00 01:30 0.5 RD WEATHERFORD L/D MACHINE.  
 01:30 02:30 1.0 TRIP OUT OF HOLE WITH BHA AND CLEAN OUT BIT.  
 02:30 04:30 2.0 PU DIRECTIONAL TOOLS AS FOLLOWS: BIT, MUD MOTOR, UBHO SUD, NM MONEL.  
 04:30 06:00 1.5 TRIP IN HOLE WITH DIRCTIONAL TOOLS, TEST TOOLS @ 882'.  
 NO ACCIDENTS.  
 FULL CREWS.  
 SAFETY MEETING. WITH RIG CREW AND WEATHERFORD PRIOR TO LDDP.  
 DIESEL FUEL ON HAND 2124 GALS USED 1064 GALS.  
 PROPANE ON HAND 4080 GALS USED 420 GALS.  
 MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN. AND STAND IN AND OUT OF HOLE.  
 MUDLOGGERS: CHRIS SMITH 13 DAYS ON LOCATION.

LITHOLOGY:

FORMATION TOPS: GREEN RIVER @ 2,192'.

12-08-2007 Reported By BRIAN DUTTON

<b>Daily Costs: Drilling</b>	\$76,775	<b>Completion</b>	\$0	<b>Daily Total</b>	\$76,775						
<b>Cum Costs: Drilling</b>	\$1,283,363	<b>Completion</b>	\$3,721	<b>Well Total</b>	\$1,287,084						
<b>MD</b>	2,836	<b>TVD</b>	2,836	<b>Progress</b>	32	<b>Days</b>	13	<b>MW</b>	10.5	<b>Visc</b>	42.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

Activity at Report Time: TIME DRILLING

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILL CEMENT F/2,804' - 2,810'.
06:30	07:00	0.5	ORIENT TOOL FACE, AND TROUGH WHILE HOLDING TOOL FACE @ 360.
07:00	06:00	23.0	TIME DRILL SLIDE 1.0 FPH F/2,810' TO 2,836', GPM 425, WOB 2-4K, MOTOR RPM 116, SPP 1350, TOOL FACE @ 360M, MUD WT. 10.6, VIS 37. NO ACCIDENTS. FULL CREWS. SAFETY MEETING. PINCH POINTS WHILE WORKING ON MUD PUMPS. DIESEL FUEL ON HAND 8813 GALS USED 1311 GALS. PROPANE ON HAND 3600 GALS USED 480 GALS. MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN. MUDLOGGERS: CHRIS SMITH 14 DAYS ON LOCATION.  LITHOLOGY: 85% CEMENT, 15% SH, TR% SS, BG GAS 7 - 28 UNITS, CONN GAS 2 UNITS, HIGH GAS 28 UNITS @ 2,834'.

## FORMATION TOPS: GREEN RIVER @ 2,192'.

**12-09-2007**      **Reported By**      BRIAN DUTTON

**Daily Costs: Drilling**      \$39,729      **Completion**      \$0      **Daily Total**      \$39,729

**Cum Costs: Drilling**      \$1,323,092      **Completion**      \$3,721      **Well Total**      \$1,326,813

**MD**      2,911      **TVD**      2,911      **Progress**      75      **Days**      14      **MW**      10.5      **Visc**      40.0

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

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	06:30	0.5	MWD QUIT WORKING TRY TO REGAIN SIGNAL.
06:30	07:00	0.5	MIX AND PUMP PILL.
07:00	08:00	1.0	TRIP OUT OF FOR MWD TOOL.
08:00	08:30	0.5	CHANGE OUT MWD TOOLS.
08:30	09:30	1.0	TRIP IN HOLE WITH NEW MWD TOOL.
09:30	10:00	0.5	ORIENT TOOL FACE TO 360M.
10:00	13:00	3.0	TIME DRILL SLIDE 1.0 FPH F/2,836' TO 2,839', GPM 425, WOB 2-4K, MOTOR RPM 116, SPP 1300, TOOL FACE @ 360M, MUD WT. 10.6, VIS 39.
13:00	19:30	6.5	TIME DRILL SLIDE 2.0 FPH F/2,839' TO 2,851', GPM 425, WOB 2-4K, MOTOR RPM 116, SPP 1300, TOOL FACE @ 360M, MUD WT. 10.6, VIS 39.
19:30	03:00	7.5	TIME DRILL SLIDE 3.0 FPH F/2,839' TO 2,870', GPM 425, WOB 2-4K, MOTOR RPM 116, SPP 1300, TOOL FACE @ 360M, MUD WT. 10.6, VIS 39.
03:00	05:00	2.0	TIME DRILL SLIDE 5.0 FPH F/2,870' TO 2,879', GPM 425, WOB 2-4K, MOTOR RPM 116, SPP 1300, TOOL FACE @ 360M, MUD WT. 10.6, VIS 39.
05:00	06:00	1.0	DRILLED 2,879' TO 2,911' (32' @ 32.0 FPH), WOB 5-15K, GPM 414, RPM 40-50/MOTOR 116, SPP 1437, MUD WT. 10.5+, VIS 37, NO FLARE.
			NO ACCIDENTS.
			FULL CREWS.
			SAFETY MEETING. MIXING CAUSTIC THROUGH CHEMICAL BARREL.
			DIESEL FUEL ON HAND 7277 GALS USED 1536 GALS.
			PROPANE ON HAND 3180 GALS USED 420 GALS.
			MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN.
			MUDLOGGERS: CHRIS SMITH 15 DAYS ON LOCATION.
			LITHOLOGY: 100% SH, TR% CEMENT, BG GAS 49 - 91 UNITS, CONN GAS 117 UNITS, HIGH GAS 134 UNITS @ 2,871'.
			FORMATION TOPS: GREEN RIVER @ 2,192'.

**12-10-2007**      **Reported By**      BRIAN DUTTON

**Daily Costs: Drilling**      \$44,847      **Completion**      \$0      **Daily Total**      \$44,847

**Cum Costs: Drilling**      \$1,367,939      **Completion**      \$3,721      **Well Total**      \$1,371,660

**MD**      4,043      **TVD**      4,043      **Progress**      1,132      **Days**      15      **MW**      10.5      **Visc**      40.0

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

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRILLED F/2,911' TO 3,040' (129' @ 43.0 FPH), WOB 5-15K, GPM 414, RPM 40-50/MOTOR 116, SPP 1437, MUD WT. 10.5+, VIS 37, NO FLARE.
09:00	09:30	0.5	DRILL SLIDE F/3,040' TO 3,055' ( 15' @ 30.0 FPH ), GPM 414, WOB 2-10K, MOTOR RPM 116, SPP 1350, TOOL FACE @ 360M, MUD WT. 10.6, VIS 36.

09:30 10:00 0.5 DRILLED F/3,055' TO 3,102' (47' @ 94.0 FPH), WOB 5-15K, GPM 414, RPM 40-50/MOTOR 116, SPP, 1450 MUD WT. 10.6, VIS 37, NO FLARE.

10:00 10:30 0.5 DRILL SLIDE F/3,102' TO 3,116' ( 14' @ 28.0 FPH ), GPM 414, WOB 2-10K, MOTOR RPM 116, SPP 1350, TOOL FACE @ 360M, MUD WT. 10.6, VIS 36.

10:30 11:00 0.5 SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC FUNCTION TEST PIPE RAMS.

11:00 16:00 5.0 DRILLED F/3,116' TO 3,668' (552' @ 110.0 FPH), WOB 5-15K, GPM 414, RPM 40-50/MOTOR 116, SPP 1900 MUD WT. 10.6, VIS 37, NO FLARE.

16:00 18:00 2.0 SHORT TRIP TO THE SHOE @ 2,684', TRIP IN HOLE TAKE CHECK SHOT @ 3,181' AND 3,591' TO MAKE SURE IN THE NEW HOLE.

18:00 18:30 0.5 CIRCULATE BOTTOMS UP AND BUILD PILL.

18:30 19:30 1.0 PUMP PILL, TRIP OUT OF HOLE WITH DIRECTIONAL TOOLS.

19:30 21:00 1.5 L/D DIRECTIONAL TOOLS, P/U BIT, MUD MOTOR AND 6-6 1/4" D.C.

21:00 22:30 1.5 TRIP IN HOLE WITH SLICK B.H.A., FILL PIPE @ 2,600'.

22:30 00:30 2.0 DRILLED 3,668' TO 3,730' (62' @ 31.0 FPH), WOB 15-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1450, MUD WT. 10.6, VIS 37, NO FLARE.

00:30 01:00 0.5 WIRE LINE SURVEY DEPTH @ 3,749' 1.0 DEGREES.

01:00 06:00 5.0 DRILLED 3,730' TO 4,043' (313' @ 62.6 FPH), WOB 15-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1450, MUD WT. 10.6, VIS 37, NO FLARE.

NO ACCIDENTS.

FULL CREWS.

SAFETY MEETING. L/D DIRECTIONAL TOOL WITH AIR HOIST.

DIESEL FUEL ON HAND 6045 GALS USED 1229 GALS.

PROPANE ON HAND 2640 GALS USED 540 GALS.

MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN AND FIRST STAND COMING OUT AND GOING IN HOLE.

MUDLOGGERS: CHRIS SMITH 16 DAYS ON LOCATION.

LITHOLOGY: 70% SH, 20% SS, 10% LS, BG GAS 27 - 53 UNITS, CONN GAS 205 - 619 UNITS, HIGH GAS 4310 UNITS @ 3,423', TRIP GAS 379 UNITS.

FORMATION TOPS: GREEN RIVER @ 2,192'.

<b>12-11-2007</b>	<b>Reported By</b>	BRIAN DUTTON									
<b>Daily Costs: Drilling</b>	\$36,367	<b>Completion</b>	\$0	<b>Daily Total</b>	\$36,367						
<b>Cum Costs: Drilling</b>	\$1,404,307	<b>Completion</b>	\$3,721	<b>Well Total</b>	\$1,408,028						
<b>MD</b>	5,168	<b>TVD</b>	5,168	<b>Progress</b>	1,125	<b>Days</b>	16	<b>MW</b>	10.5	<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	DRILLED 4,043' TO 4,105' (62' @ 62.0 FPH), WOB 15-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1450, MUD WT. 10.6, VIS 37, NO FLARE.
07:00	07:30	0.5	SURVEY DEPTH @ 4,023' 1.5 DEGREES.
07:30	08:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC FUNCTION TEST PIPE RAMS AND KELLY VALVE.
08:00	06:00	22.0	DRILLED 4,105' TO 5,168' (1063' @ 48.3 FPH), WOB 15-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1561, MUD WT. 10.5, VIS 37, NO FLARE.
			NO ACCIDENTS.
			FULL CREWS.
			SAFETY MEETING. WORKING AROUND STEAM LINES.
			DIESEL FUEL ON HAND 4501 GALS USED 1547 GALS.

PROPANE ON HAND 2280 GALS USED 360 GALS.

DAYLIGHTS B.O.P DRILL 70 SECONDS TO SECURE WELL, MORNING TOUR B.O.P. DRILL 92 SECOND TO SECURE WELL.

MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN.

MUDLOGGERS: CHRIS SMITH 17 DAYS ON LOCATION.

LITHOLOGY: 60% SH, 30% SS, 10% LS, BG GAS 27 - 68 UNITS, CONN GAS 98 - 198 UNITS, HIGH GAS 1223 UNITS @ 4,626'.

FORMATION TOPS: GREEN RIVER @ 2,192'.

<b>12-12-2007</b>	<b>Reported By</b>	BRIAN DUTTON/DAN LINDSEY									
<b>Daily Costs: Drilling</b>	\$35,603	<b>Completion</b>	\$0	<b>Daily Total</b>	\$35,603						
<b>Cum Costs: Drilling</b>	\$1,439,910	<b>Completion</b>	\$3,721	<b>Well Total</b>	\$1,443,631						
<b>MD</b>	5,796	<b>TVD</b>	5,796	<b>Progress</b>	628	<b>Days</b>	17	<b>MW</b>	10.6	<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	DRILLED 5,168' TO 5,200' (32' @ 32.0 FPH), WOB 15-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1561, MUD WT. 10.6, VIS 38, NO FLARE.
07:00	09:30	2.5	WIPER TRIP/SHORT TRIP F/5,168' TO 2,681'.
09:30	10:00	0.5	DRILLED 5,200' TO 5,231' (31' @ 62.0 FPH), WOB 15-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1561, MUD WT. 10.6, VIS 38, NO FLARE.
10:00	10:30	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC FUNCTION TEST HCR VALVE AND SUPPER CHOKE.
10:30	06:00	19.5	DRILLED 5,231' TO 5,796' (565' @ 28.9 FPH), WOB 15-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1600, MUD WT. 10.5+, VIS 37, NO FLARE.
NO ACCIDENTS.			
FULL CREWS.			
SAFETY MEETING. USING GRINDERS AND WIRE WHEELS.			
DIESEL FUEL ON HAND 3188 GALS USED 1313 GALS.			
PROPANE ON HAND 1800 GALS USED 480 GALS.			
MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN. AND FIRST TRIP OUT AND IN THE HOLE.			
MUDLOGGERS: CHRIS SMITH 18 DAYS ON LOCATION.			
LITHOLOGY: 40% SH, 40% SS, 20% REDSH, BG GAS 36 - 114 UNITS, CONN GAS 108 - 187 UNITS, HIGH GAS 646 UNITS @ 5,225'.			
FORMATION TOPS: GREEN RIVER @ 2,192', WASATCH @ 5221'.			

<b>12-13-2007</b>	<b>Reported By</b>	BRIAN DUTTON/DAN LINDSEY									
<b>Daily Costs: Drilling</b>	\$37,367	<b>Completion</b>	\$0	<b>Daily Total</b>	\$37,367						
<b>Cum Costs: Drilling</b>	\$1,477,278	<b>Completion</b>	\$3,721	<b>Well Total</b>	\$1,480,999						
<b>MD</b>	6,378	<b>TVD</b>	6,378	<b>Progress</b>	582	<b>Days</b>	18	<b>MW</b>	10.6	<b>Visc</b>	41.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** DRILLING

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILLED 5796 TO 5954(158' @ 24.3 FPH), WOB 20K, GPM 414, RPM 45-50/MOTOR 66, SPP 1550, NO FLARE.
12:30	13:00	0.5	SERVICED RIG. FUNCTION PIPE RAMS & ANNULAR. FUNCTION COM.
13:00	06:00	17.0	DRILLED 5954 TO 6378(424' @ 25.0 FPH), WOB 18-22K, GPM 414, RPM 45-55/MOTOR 66, SPP 1550, NO FLARE. THIS A.M. MUD 10.6 PPG, VIS 35.

GAS: BG 23-34, CONN 101-108, HG 355 @ 5811'. NO SHOWS.  
 MUDLOGGER: CHRIS SMITH 19 DAYS.  
 DIESEL 1575 GALS(USED 1613), PROPANE 1320 GALS(USED 480). BOILER 24 HRS.  
 NO ACCIDENTS. FULL CREWS. ALL CREWS FUNCTION COM ON FIRST CONN OF TOUR.  
 SAFETY TOPIC PPE & LEADERSHIP TRAINING.

<b>12-14-2007</b>	<b>Reported By</b>	DAN LINDSEY									
<b>Daily Costs: Drilling</b>	\$53,872	<b>Completion</b>	\$0	<b>Daily Total</b>	\$53,872						
<b>Cum Costs: Drilling</b>	\$1,531,151	<b>Completion</b>	\$3,721	<b>Well Total</b>	\$1,534,872						
<b>MD</b>	6,893	<b>TVD</b>	6,893	<b>Progress</b>	515	<b>Days</b>	19	<b>MW</b>	10.6	<b>Visc</b>	37.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILLED 6378 TO 6513(135' @ 24.5 FPH), WOB 18-22K, GPM 414, RPM 45-50/MOTOR 66, SPP 1500, NO FLARE.
11:30	12:00	0.5	SERVICED RIG. FUNCTION PIPE RAMS. FUNCTION COM.
12:00	06:00	18.0	DRILLED 6513 TO 6893(380' @ 21.1 FPH), WOB 18-22K, GPM 414, RPM 40-50/MOTOR 66, SPP 1600, NO FLARE. THIS A.M. MUD 10.6 PPG, VIS 39.
GAS: BG 33-48, CONN 94-108, HG 762 @ 6359'. NO SHOWS.			
TOPS: CHAPITA WELLS 5840, BUCK CANYON 6524. MUDLOGGER: CHRIS SMITH 20 DAYS.			
DIESEL 5575 GALS(HAULED 4000, USED 1739), PROPANE 3720 GALS(HAULED 2920, USED 520). BOILER 24 HRS.			
NO ACCIDENTS. 2 FULL CREWS, DAYLIGHT 1 MAN SHORT. SAFETY TOPIC-BOILER OPERATION.			
ALL CREWS FUNCTION COM FIRST CONN ON TOUR.			

<b>12-15-2007</b>	<b>Reported By</b>	DAN LINDSEY									
<b>Daily Costs: Drilling</b>	\$61,659	<b>Completion</b>	\$0	<b>Daily Total</b>	\$61,659						
<b>Cum Costs: Drilling</b>	\$1,592,810	<b>Completion</b>	\$3,721	<b>Well Total</b>	\$1,596,531						
<b>MD</b>	7,295	<b>TVD</b>	7,295	<b>Progress</b>	402	<b>Days</b>	20	<b>MW</b>	10.5	<b>Visc</b>	43.0
<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 6893 TO 6983(90' @ 30.0 FPH), WOB 22K, GPM 414, RPM 45/MOTOR 66, SPP 1700, NO FLARE.
09:00	09:30	0.5	SERVICED RIG. FUNCTION PIPE RAMS. FUNCTION COM.
09:30	11:00	1.5	DRILLED 6983 TO 7014(31' @ 20.7 FPH), WOB 22K, GPM 414, RPM 40-50/MOTOR 66, SPP 1700, NO FLARE.
11:00	11:30	0.5	DROPPED SURVEY. PUMPED PILL.
11:30	15:00	3.5	TOOH W/BIT #5.
15:00	16:00	1.0	CHANGED MUD MOTOR & BIT.
16:00	16:30	0.5	TIH TO CSG SHOE W/BIT #6.
16:30	17:30	1.0	SLIP & CUT 110' DRILL LINE.
17:30	18:30	1.0	TIH
18:30	19:00	0.5	WASHED & REAMED 80' TO 7014(10' FILL). RESET & FUNCTION COM.
19:00	06:00	11.0	DRILLED 7014 TO 7295(281' @ 25.5 FPH), WOB 5-18K, GPM 414, RPM 40-50/MOTOR 66, SPP 1650, NO FLARE. THIS A.M. MUD 10.6 PPG, VIS 36.
GAS: BG 15-95, CONN 95-250, TG 215, HG 234 @ 7000'. NO SHOWS.			
TOP: NORTH HORN 7204. MUDLOGGER: CHRIS SMITH 21 DAYS.			
DIESEL 6751 GALS(HAULED 4400, USED 1505), PROPANE 3180 GALS(USED 600). BOILER 24 HRS.			

NO ACCIDENTS. FULL CREWS. SAFETY TOPIC-PPE.

ALL CREWS FUNCTION COM FIRST CONN ON TOUR, AT START OF TRIP, ON CREW CHANGE DURING TRIP, BEFORE TIH, & BEFORE RESUMING DRILLING.

12-16-2007		Reported By		DAN LINDSEY							
<b>Daily Costs: Drilling</b>	\$53,347	<b>Completion</b>	\$0	<b>Daily Total</b>	\$53,347						
<b>Cum Costs: Drilling</b>	\$1,643,618	<b>Completion</b>	\$3,721	<b>Well Total</b>	\$1,647,339						
<b>MD</b>	7,882	<b>TVD</b>	7,882	<b>Progress</b>	587	<b>Days</b>	21	<b>MW</b>	10.6	<b>Visc</b>	37.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: DRILLING</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	11:30	5.5	DRILLED 7295 TO 7478(183' @ 33.3 FPH), WOB 18-20K, GPM 414, RPM 45-50/MOTOR 66, SPP 1800, NO FLARE.								
11:30	12:00	0.5	SERVICED RIG. FUNCTION PIPE RAMS. FUNCTION COM.								
12:00	06:00	18.0	DRILLED 7478 TO 7882(404' @ 22.4 FPH), WOB 18-22K, GPM 414, RPM 40-50/MOTOR 66, SPP 1800, NO FLARE. THIS A.M. MUD 10.6 PPG, VIS 37.								
GAS: BG 15-140, CONN 110-450, HG 1639 @ 7842'. 2 SHOWS.											
MUDLOGGERS: CHRIS SMITH 21 DAYS, LELAND CHAPMAN 1 DAY.											
DIESEL 5180 GALS(USED 1571), PROPANE 2580 GALS(USED 600). BOILER 24 HRS.											
NO ACCIDENTS. FULL CREWS. SAFETY TOPIC-LOCK OUT/TAG OUT, WORKING ON ELEC. MOTOR											

12-17-2007		Reported By		DAN LINDSEY							
<b>Daily Costs: Drilling</b>	\$34,396	<b>Completion</b>	\$0	<b>Daily Total</b>	\$34,396						
<b>Cum Costs: Drilling</b>	\$1,675,259	<b>Completion</b>	\$3,721	<b>Well Total</b>	\$1,678,980						
<b>MD</b>	8,375	<b>TVD</b>	8,375	<b>Progress</b>	493	<b>Days</b>	22	<b>MW</b>	10.5	<b>Visc</b>	38.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: DRILLING</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	12:00	6.0	DRILLED 7882 TO 8009(127' @ 21.2 FPH), WOB 20K, GPM 414, RPM 45-55/MOTOR 66, SPP 1850, NO FLARE.								
12:00	12:30	0.5	SERVICED RIG. FUNCTION PIPE RAMS. FUNCTION COM.								
12:30	06:00	17.5	DRILLED 8009 TO 8375(366' @ 20.9 FPH, 10% SILTSTONE), WOB 18K, GPM 432, RPM 40-50/MOTOR 69, SPP 2000, NO FLARE. THIS A.M. MUD 10.7 PPG, VIS 40.								
GAS: BG 100-250, CONN 230-1735, HG 1670 @ 8146'. 1 SHOW.											
TOP: UPPER PRICE RIVER 7882. MUDLOGGERS: CHRIS SMITH 21 DAYS, LELAND CHAPMAN 2 DAYS.											
DIESEL 5349 GALS(USED 1831), PROPANE 2040 GALS(USED 540). BOILER 24 HRS.											
NO ACCIDENTS. FULL CREWS. SAFETY TOPIC-SAFETY LEADERSHIP TRAINING. 1 BOP DRILL.											
ALL CREWS FUNCTION COM FIRST CONN ON TOUR.											

12-18-2007		Reported By		DAN LINDSEY							
<b>Daily Costs: Drilling</b>	\$40,890	<b>Completion</b>	\$0	<b>Daily Total</b>	\$40,890						
<b>Cum Costs: Drilling</b>	\$1,710,917	<b>Completion</b>	\$3,721	<b>Well Total</b>	\$1,714,638						
<b>MD</b>	8,907	<b>TVD</b>	8,907	<b>Progress</b>	532	<b>Days</b>	23	<b>MW</b>	10.7	<b>Visc</b>	40.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: DRILLING</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	10:30	4.5	DRILLED 8375 TO 8508(133' @ 29.6 FPH), WOB 18K, GPM 432, RPM 45/MOTOR 69, SPP 2050, NO FLARE.								
10:30	11:00	0.5	SERVICED RIG. FUNCTION PIPE RAMS. FUNCTION COM.								

11:00 06:00 19.0 DRILLED 8508 TO 8907(399' @ 21.0 FPH, WOB 18-20K, GPM 414-432, RPM 40-60/MOTOR 66, SPP 1800-2100, NO FLARE. THIS A.M. MUD 10.7, VIS 39.  
 GAS: BG 150-450, CONN 390-2250, HG 4507 @ 5428. 3 SHOWS.  
 TOP: MIDDLE PRICE RIVER 8690.  
 MUDLOGGERS: CHRIS SMITH 21 DAYS, LELAND CHAPMAN 3 DAYS.  
 DIESEL 1707 GALS(USED 1642), PROPANE 1680 GALS(USED 360). BOILER 24 HRS.  
 NO ACCIDENTS. FULL CREWS. SAFETY TOPIC-USING SPINNING CHAIN.  
 ALL CREWS FUNCTION COM FIRST CONN ON TOUR.

<b>12-19-2007</b>	<b>Reported By</b>	DAN LINDSEY									
<b>Daily Costs: Drilling</b>	\$66,676	<b>Completion</b>	\$0	<b>Daily Total</b>	\$66,676						
<b>Cum Costs: Drilling</b>	\$1,777,593	<b>Completion</b>	\$3,721	<b>Well Total</b>	\$1,781,314						
<b>MD</b>	9,082	<b>TVD</b>	9,082	<b>Progress</b>	175	<b>Days</b>	24	<b>MW</b>	10.8	<b>Visc</b>	39.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: DRILLING</b>											

Start	End	Hrs	Activity Description								
06:00	10:30	4.5	DRILLED 8907 TO 9009(102' @ 22.7 FPH), WOB 18K, GPM 414, RPM 45/MOTOR 66, SPP 2050, NO FLARE. FUNCTION COM.								
10:30	11:00	0.5	SERVICED RIG. FUNCTION PIPE RAMS. PUMPED PILL. SET & FUNCTION COM FOR TRIP.								
11:00	17:00	6.0	TOOH W/BIT #6.								
17:00	19:00	2.0	CHANGED BIT, MUD MOTOR, DC & 1 HWDP.								
19:00	21:30	2.5	TIH W/BIT #7.								
21:30	22:00	0.5	CIRC. REPLACED SLIP DIES.								
22:00	01:00	3.0	TIH.								
01:00	01:30	0.5	WASHED & REAMED 40' TO 9009, NO FILL. SET COM FOR DRLG & FUNCTION.								
01:30	06:00	4.5	DRILLED 9009 TO 9082(73' @ 16.2 FPH), WOB 5-18K, GPM 414, RPM X/MOTOR 66, SPP 1900, NO FLARE. THIS A.M. MUD 10.8 PPG, VIS 40. GAS: BG MUDLOGGERS: CHRIS SMITH 21 DAYS, LELAND CHAPMAN 4 DAYS. DIESEL 8477 GALS(HAULED 8000, USED 1230), PROPANE 2640 GALS(HAULED 1590, USED 600). BOILER 24 HRS. 1 ACCIDENT(REPORTED TO KENT DEVENPORT) @ 2115 HRS MOTOR MAN WAS CUT WHEN CHAIN TONG BROKE & CHAIN CUT HIS FOREHEAD. HE WAS TAKEN TO HOSPITAL FOR STITCHES & RETURNED TO WORK. 2 FULL CREWS, DAYLIGHT SHORT 1 MAN. SAFETY TOPICS-SETTING COM, TOOL INSPECTION.								

<b>12-20-2007</b>	<b>Reported By</b>	DAN LINDSEY									
<b>Daily Costs: Drilling</b>	\$35,841	<b>Completion</b>	\$0	<b>Daily Total</b>	\$35,841						
<b>Cum Costs: Drilling</b>	\$1,813,435	<b>Completion</b>	\$3,721	<b>Well Total</b>	\$1,817,156						
<b>MD</b>	9,580	<b>TVD</b>	9,580	<b>Progress</b>	498	<b>Days</b>	25	<b>MW</b>	10.8	<b>Visc</b>	40.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: DRILLING</b>											

Start	End	Hrs	Activity Description								
06:00	12:00	6.0	DRILLED 9082 TO 9293(211' @ 35.2 FPH), WOB 18-20K, GPM 414, RPM 45-50/MOTOR 66, SPP 2100. NO FLARE.								
12:00	12:30	0.5	SERVICED RIG. FUNCTION PIPE RAMS. FUNCTION COM.								
12:30	06:00	17.5	DRILLED 9293 TO 9580(287' @ 16.4 FPH, 5-15% SILTSTONE), WOB 20K, RPM 40-55/MOTOR 66, SPP 1850, NO FLARE. THIS A.M. MUD 10.9 PPG, VIS 40.								

GAS: BG 200-900, CONN 420-4300, HG 7502 @ 9547. 3 SHOWS.  
 TOP: LOWER PRICE RIVER 9450.  
 MUDLOGGERS: CHRIS SMITH 21 DAYS, LELAND CHAPMAN 6 DAYS.  
 DIESEL 6573 GALS(USED 1904), PROPANE 3540 GALS(HAULED 1500, USED 540). BOILER 24 HRS.  
 NO ACCIDENTS. FULL CREWS. SAFETY TOPIC-INCIDENT REVIEW, TOOL INSPECTION.  
 ALL CREWS FUNCTION COM FIRST CONN ON TOUR.

<b>12-21-2007</b>		<b>Reported By</b>		DAN LINDSEY							
<b>Daily Costs: Drilling</b>		\$57,087	<b>Completion</b>		\$0	<b>Daily Total</b>		\$57,087			
<b>Cum Costs: Drilling</b>		\$1,870,523	<b>Completion</b>		\$3,721	<b>Well Total</b>		\$1,874,244			
<b>MD</b>	9,780	<b>TVD</b>	9,780	<b>Progress</b>	200	<b>Days</b>	26	<b>MW</b>	10.8	<b>Visc</b>	41.0
<b>Formation :</b>			<b>PBTD : 0.0</b>			<b>Perf :</b>			<b>PKR Depth : 0.0</b>		
<b>Activity at Report Time: DRILLING</b>											

Start	End	Hrs	Activity Description								
06:00	08:30	2.5	DRILLED 9580 TO 9592(12' @ 4.8 FPH, 10% SILTSTONE), WOB 20K, GPM 414, RPM 50/MOTOR 66, SPP 1850, NO FLARE.								
08:30	12:30	4.0	PUMPED PILL. SET & FUNCTION COM. TOOH W/BIT #6.								
12:30	13:00	0.5	CHANGED BIT. FUNCTION BLIND RAMS, PIPE RAMS, COM.								
13:00	15:00	2.0	TIH W/BIT #7 TO CSG SHOE.								
15:00	16:00	1.0	SLIP & CUT 75' DRILL LINE.								
16:00	19:00	3.0	TIH. FUNCTION ANNULAR.								
19:00	19:30	0.5	WASHED & REAMED 30' TO 9592, 10' FILL. SET & FUNCTION COM.								
19:30	20:30	1.0	DRILLED 9592 TO 9601(9'), WOB 5-10K, GPM 414, RPM 40/MOTOR 66, SPP 1950, 15' FLARE.								
20:30	21:00	0.5	SERVICED RIG.								
21:00	06:00	9.0	DRILLED 9601 TO 9780(179' @ 19.9 FPH, 15% SILTSTONE), WOB 10-17K, GPM 414, RPM 40-55/MOTOR 66, SPP 2050, NO FLARE. THIS A.M. MUD 11.0 PPG, VIS 38. GAS: BG 1000-2000, CONN 2750-3800, TG 8965. 1 SHOW. MUDLOGGERS: CHRIS SMITH 21 DAYS, LELAND CHAPMAN 6 DAYS. DIESEL 5351 GALS(USED 1222), PROPANE 3060 GALS(USED 480). BOILER 24 HRS. NO ACCIDENTS. FULL CREWS. SAFETY TOPIC-TRIPPING. ALL CREWS FUNCTION COM FIRST CONN ON TOUR.								

<b>12-22-2007</b>		<b>Reported By</b>		DAN LINDSEY							
<b>Daily Costs: Drilling</b>		\$34,355	<b>Completion</b>		\$0	<b>Daily Total</b>		\$34,355			
<b>Cum Costs: Drilling</b>		\$1,904,878	<b>Completion</b>		\$3,721	<b>Well Total</b>		\$1,908,599			
<b>MD</b>	10,150	<b>TVD</b>	10,150	<b>Progress</b>	370	<b>Days</b>	27	<b>MW</b>	11.0	<b>Visc</b>	40.0
<b>Formation :</b>			<b>PBTD : 0.0</b>			<b>Perf :</b>			<b>PKR Depth : 0.0</b>		
<b>Activity at Report Time: LD DP</b>											

Start	End	Hrs	Activity Description								
06:00	13:00	7.0	DRILLED 9780 TO 9979(199' @ 28.4 FPH), WOB 17K, GPM 414, RPM 45-50/MOTOR 66, SPP 2150, NO FLARE.								
13:00	13:30	0.5	SERVICED RIG. FUNCTION PIPE RAMS. FUNCTION COM.								
13:30	19:30	6.0	DRILLED 9979 TO 10150' TD, (171' @ 28.5 FPH), WOB 15-18K, GPM 414, RPM 45-50/MOTOR 66, SPP 2100, NO FLARE.								
19:30	22:30	3.0	CIRCULATED & CONDITIONED MUD & HOLE. FINAL MUD 11.2 PPG, VIS 38. PUMPED PILL. SET & FUNCTION COM.								
22:30	03:00	4.5	SHORT TRIPPED 40 STDS TO 6380, NO FILL.								
03:00	05:00	2.0	CIRCULATED GAS OUT. RU WEATHERFORD LD MACHINE.								

GAS: BG 1200-1800, CONN 2500-4300, HG 4807 @ 10083, TG 4174. 2 SHOWS.

TOP: SEGO 10086.

MUDLOGGERS: CHRIS SMITH 21 DAYS, LELAND CHAPMAN 7 DAYS.

05:00 05:30 0.5 DROPPED SURVEY. PUMPED PILL. HELD SAFETY MEETING.  
 05:30 06:00 0.5 LDDP.

DIESEL 3671 GALS(USED 1680), PROPANE 2400 GALS(USED 660). BOILER 24 HRS.

NO ACCIDENTS. FULL CREWS. SAFETY TOPIC-SNOW REMOVAL.

ALL CREWS SET & FUNCTION COM FIRST CONN ON TOUR WHILE DRILLING.

**12-23-2007**      **Reported By**      DAN LINDSEY

**Daily Costs: Drilling**      \$35,318                              **Completion**      \$135,501                              **Daily Total**      \$170,819  
**Cum Costs: Drilling**      \$1,940,196                              **Completion**      \$139,222                              **Well Total**      \$2,079,418

**MD**      10,150      **TVD**      10,150      **Progress**      0      **Days**      28      **MW**      0.0      **Visc**      0.0

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

**Activity at Report Time:** CEMENTING

Start	End	Hrs	Activity Description
06:00	12:00	6.0	LDDP.
12:00	13:00	1.0	BROKE KELLY, SPINNER, & SWIVEL.
13:00	15:00	2.0	LD BHA. FUNCTION BLIND RAMS.
15:00	15:30	0.5	PULLED WEAR BUSHING.
15:30	16:00	0.5	RU WEATHERFORD CSG CREW. HELD SAFETY MEETING.
16:00	04:30	12.5	RAN 241 JTS 4.5" 11.6# HCP-110 LTC CSG(FS, 1 JT, FC, 237 JTS & 2 MARKERS #1 @ 7867' & #2 @ 4737', TAG JT). RAN 35 CENTRALIZERS(MIDDLE OF SHOE JT, TOP OF #2, EVERY 2ND JT TO 7251). TAGGED @ 10150. LD TAG JT & PU LANDING JT W/CSG HANGER.
04:30	06:00	1.5	CIRCULATED GAS OUT. RD WEATHERFORD CSG CREW & LD MACHINE. RU SLB CEMENTER. HELD SAFETY MEETING. RELEASED MUDLOGGERS 0600 HRS 12/22/07. MUDLOGGERS: CHRIS SMITH 21 DAYS, LELAND CHAPMAN 7 DAYS. DIESEL 2569 GALS(USED 1162), PROPANE 2700 GALS(HAULED 800, USED 500). BOILER 24 HRS. NO ACCIDENTS. FULL CREWS. NOTIFIED JAMIE SPARGER/BLM/VERNAL @ 1630 HRS 12/21/07 OF CSG JOB.

**12-24-2007**      **Reported By**      DAN LINDSEY

**Daily Costs: Drilling**      \$27,461                              **Completion**      \$74,117                              **Daily Total**      \$101,578  
**Cum Costs: Drilling**      \$1,967,657                              **Completion**      \$213,339                              **Well Total**      \$2,180,996

**MD**      10,150      **TVD**      10,150      **Progress**      0      **Days**      29      **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	09:00	3.0	CEMENTED CSG AS FOLLOWS: PUMPED 20 BBLs CHEM WASH, 20 BBLs FW SPACER, 780 SX 35/65 POZ G (314 BBLs @ 12.0 PPG, 2.26 CFS, 5 SX CemNET IN FIRST 160 BBLs LEAD) & 1610 SX 50/50 POZ G(370 BBLs @ 14.1 PPG, 1.29 CFS). DROPPED PLUG. DISP W/156.5 BTW(GOOD RETURN THROUGHOUT JOB). FINAL LIFT PRESSURE 2500 PSI, BUMPED PLUG TO 3500 PSI. BLED OFF, FLOATS HELD.
09:00	10:00	1.0	LANDED CSG @ 10147(FC @ 10101, MARKERS @ 7846-67 & 4737-58). TESTED CSG HANGER TO 5000 PSI. RD SLB.
10:00	14:00	4.0	HAULED 950 BBLs MUD TO STORAGE. CLEANED MUD TANKS. NO ACCIDENTS. FULL CREWS.

MUDLOGGERS: CHRIS SMITH 21 DAYS, LELAND CHAPMAN 7 DAYS  
 ON LOCATION @ 2000 HRS 11/24/07, RELEASED @ 0600 HRS 12/22/07.

TRANSFERRED 6 JTS(251.26') 4.5" 11.6# HCP-110 LTC CASING TO NCW 339-34.  
 TRANSFERRED 2271 GALS DIESEL & 2700 GALS PROPANE TO NCW 339-34.  
 HELD SAFETY MEETING W/RIG MOVERS.  
 TRUCKS STARTED MOVING RIG @ 0900 HRS 12/23/07, MOVE IS APPROX. 4.2 MILES.  
 RIG 20% MOVED, TRUCKS LEFT @ 1500 HRS, WILL RETURN @ 0700 HRS 12/24/07.

14:00 06:00 16.0 RDRT. LOWERED DERRICK @ 1600 HRS. CONTINUED RDRT.  
 15 MEN, 100 MAN-HOURS. NO ACCIDENTS.

06:00 18.0 RELEASED RIG @ 1400 HRS 12/23/07.  
 CASING POINT COST: \$1,967,658

12-30-2007		Reported By		TORR MCCURDY							
<b>Daily Costs: Drilling</b>		\$0			<b>Completion</b>		\$48,128	<b>Daily Total</b>		\$48,128	
<b>Cum Costs: Drilling</b>		\$1,967,657			<b>Completion</b>		\$261,467	<b>Well Total</b>		\$2,229,124	
<b>MD</b>	10,150	<b>TVD</b>	10,150	<b>Progress</b>	0	<b>Days</b>	30	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>			<b>PBTD : 10101.0</b>			<b>Perf :</b>		<b>PKR Depth : 0.0</b>			
<b>Activity at Report Time: WO COMPLETION</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
14:00	15:00	1.0	28/DEC/2007 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 240'. EST CEMENT @ 450'. RD SCHLUMBERGER.								

NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 8500 PSIG. WO COMPLETION.

01-08-2008		Reported By		TORR MCCURDY							
<b>Daily Costs: Drilling</b>		\$0			<b>Completion</b>		\$2,655	<b>Daily Total</b>		\$2,655	
<b>Cum Costs: Drilling</b>		\$1,967,657			<b>Completion</b>		\$264,122	<b>Well Total</b>		\$2,231,779	
<b>MD</b>	10,150	<b>TVD</b>	10,150	<b>Progress</b>	0	<b>Days</b>	31	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>			<b>PBTD : 10101.0</b>			<b>Perf : 8693'-10014'</b>		<b>PKR Depth : 0.0</b>			
<b>Activity at Report Time: FRAC MPR/ UPR</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	19:00	13.0	MIRU CUTTERS WIRELINE & PERFORATE LPR FROM 9805'-06', 9818'-19', 9845'-46', 9850'-51', 9886'-87', 9919'-20', 9927'-28', 9936'-37', 9979'-80', 9994'-94', 10007'-08', 10013'-14' @ 3 SPF @ 120° PHASING. RDWL. MIRU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5159 GAL WF120 LINEAR PAD, 6311 GAL WF120 LINEAR 1# & 1.5#, 39760 GAL YF116ST+ WITH 109900 # 20/40 SAND @ 1-4 PPG. MTP 8108 PSIG. MTR 50.7 BPM. ATP 5561 PSIG. ATR 46.1 BPM. ISIP 3300 PSIG. RD SCHLUMBERGER.								

RUWL SET 10K CFP AT 9770'. PERFORATE LPR FROM 9543'-44', 9567'-68', 9573'-74', 9577'-78', 9619'-20', 9637'-38', 9641'-42', 9658'-59', 9663'-64', 9683'-84', 9693'-94', 9749'-50' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5159 GAL WF120 LINEAR PAD, 6310 GAL WF120 LINEAR 1# & 1.5# SAND, 39760 GAL YF116ST+ WITH 109900 # 20/40 SAND @ 1-4 PPG. MTP 8101 PSIG. MTR 50.7 BPM. ATP 5561 PSIG. ATR 46.1 BPM. ISIP 3300 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 9460'. PERFORATE MPR FROM 9257'-58', 9268'-69', 9288'-89', 9292'-93', 9309'-10', 9320'-21', 9368'-69', 9390'-91', 9428'-29', 9431'-32', 9436'-37', 9443'44' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 6118 GAL WF120 LINEAR PAD, 6315 GAL WF120 LINEAR 1# & 1.5# SAND, 40277 GAL YF116ST+ WITH 116900 # 20/40 SAND @ 1-4 PPG. MTP 8385 PSIG. MTR 51.3 BPM. ATP 6411 PSIG. ATR 47.2 BPM. ISIP 3360 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 9190'. PERFORATE MPR FROM 8992'-93', 9024'-25', 9033'-34', 9043'-44', 9073'-74', 9117'-18', 9129'-30', 9141'-42', 9144'-45', 9163'-64', 9172'-73', 9176'-77' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 6144 GAL WF120 LINEAR PAD, 7375 GAL WF120 LINEAR 1# & 1.5# SAND, 50993 GAL YF116ST+ WITH 152600 # 20/40 SAND @ 1-4 PPG. MTP 8428 PSIG. MTR 51.1 BPM. ATP 5807 PSIG. ATR 46.4 BPM. ISIP 2030 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 8960'. PERFORATE MPR FROM 8693'-94', 8701'-02', 8745'-46', 8754'-55', 8764'-65', 8811'-12', 8871'-72', 8899'-8900', 8906'-07', 8912'-13', 8945'-46', 8952'-53' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4164 GAL WF120 LINEAR PAD, 7368 GAL WF120 LINEAR 1# & 1.5# SAND, 50964 GAL YF116ST+ WITH 153600 # 20/40 SAND @ 1-4 PPG. MTP 7387 PSIG. MTR 49.7 BPM. ATP 5175 PSIG. ATR 46.8 BPM. ISIP 3100 PSIG. RD SCHLUMBERGER. SWIFN.

<b>01-09-2008</b>	<b>Reported By</b>	TORR MCCURDY, MITCH CARLSON									
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$32,842	<b>Daily Total</b>	\$32,842						
<b>Cum Costs: Drilling</b>	\$1,967,657	<b>Completion</b>	\$296,964	<b>Well Total</b>	\$2,264,622						
<b>MD</b>	10,150	<b>TVD</b>	10,150	<b>Progress</b>	0	<b>Days</b>	32	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE / WASATCH</b>		<b>PBTD : 10101.0</b>		<b>Perf : 7006'-10014'</b>			<b>PKR Depth : 0.0</b>				

Activity at Report Time: FRAC WASATCH

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 2080 PSIG .RUWL SET 10K CFP AT 8580'. PERFORATE UPR FROM 8304'-05', 8309'-10', 8328'-29', 8346'-47', 8363'-64', 8372'-73', 8421'-22', 8426'-27', 8464'-65', 8485'-86', 8553'-54', 8560'-61' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4142 GAL WF120 LINEAR PAD, 7369 GAL WF120 LINEAR 1# & 1.5# SAND, 45580 GAL YF116ST+ WITH 155000 # 20/40 SAND @ 1-4 PPG. MTP 7130 PSIG. MTR 49.7 BPM. ATP 4826 PSIG. ATR 47.0 BPM. ISIP 3050 PSIG. RD SCHLUMBERGER.
			RUWL SET 10K CFP AT 8274'. PERFORATE UPR FROM 8077'-78', 8082'-83', 8090'-91', 8106'-07', 8114'-15', 8122'-23', 8131'-32', 8140'-41', 8177'-78', 8197'-98', 8205'-06', 8254'-55' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4139 GAL WF120 LINEAR PAD, 7369 GAL WF120 LINEAR 1# & 1.5# SAND, 44632 GAL YF116ST+ WITH 150200 # 20/40 SAND @ 1-4 PPG. MTP 6340 PSIG. MTR 49.6 BPM. ATP 4100 PSIG. ATR 47.5 BPM. ISIP 2300 PSIG. RD SCHLUMBERGER.
			RUWL SET 10K CFP AT 7975'. PERFORATE NORTH HORN / UPR FROM 7720'-21', 7735'-36', 7760'-61', 7778'-79', 7783'-84', 7834'-35', 7877'-78', 7880'-81', 7904'-05', 7933'-34', 7939'-40', 7947'-48', @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4130 GAL WF120 LINEAR PAD, 7367 GAL WF120 LINEAR 1# & 1.5# SAND, 33376 GAL YF116ST+ WITH 116500 # 20/40 SAND @ 1-4 PPG. MTP 6294 PSIG. MTR 49.6 BPM. ATP 4191 PSIG. ATR 47.0 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER.
			RUWL SET 10K CFP AT 7675'. PERFORATE NORTH HORN FROM 7405'-06', 7429'-30', 7474'-75', 7480'-81', 7487'-88', 7493'-94', 7530'-31', 7544'45', 7572'-73', 7638'-39', 7646'-47', 7657'-58' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4391 GAL WF120 LINEAR PAD, 6317 GAL WF120 LINEAR 1# & 1.5# SAND, 31128 GAL YF116ST+ WITH 108000 # 20/40 SAND @ 1-4 PPG. MTP 6297 PSIG. MTR 49.6 BPM. ATP 4478 PSIG. ATR 46.3 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 7220'. PERFORATE Ba FROM 7006'-07', 7021'-22', 7029'-30', 7038'-39', 7051'-52', 7067'-69', 7096'-97', 7122'-23', 7171'-72', 7179'-80', 7200'-7201' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4147 GAL WF120 LINEAR PAD, 6319 GAL WF120 LINEAR 1# & 1.5# SAND, 28763 GAL YF116ST+ WITH 99600 # 20/40 SAND @ 1-4 PPG. MTP 6315 PSIG. MTR 49.6 BPM. ATP 3791 PSIG. ATR 46.5 BPM. ISIP 1920 PSIG. RD SCHLUMBERGER. SWIFN

<b>01-10-2008</b>		<b>Reported By</b>		TORR MCCURDY, MITCH CARLSON							
<b>Daily Costs: Drilling</b>	\$0			<b>Completion</b>	\$458,527			<b>Daily Total</b>	\$458,527		
<b>Cum Costs: Drilling</b>	\$1,967,657			<b>Completion</b>	\$755,491			<b>Well Total</b>	\$2,723,149		
<b>MD</b>	10,150	<b>TVD</b>	10,150	<b>Progress</b>	0	<b>Days</b>	33	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE / WASATCH</b>		<b>PBTD : 0.0</b>		<b>Perf : 5797'-10014'</b>				<b>PKR Depth : 0.0</b>			

Activity at Report Time: MIRUSU CLEAN OUT SAND, DRILL OUT FRAC PLUGS.

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 1180PSIG RUWL SET 10K CFP AT 6965'. PERFORATE Ba FROM 6578'-79', 6619'-20', 6657'-58', 6674'-75', 6701'-02', 6715'-16', 6790'-91', 6813'-15', 6899'-6900', 6939'40', 6946'-47' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4153 GAL WF120 LINEAR PAD, 10523 GAL WF120 LINEAR 1# & 1.5# SAND, 24341 GAL YF116ST+ WITH 89400 # 20/40 SAND @ 1-4 PPG. MTP 5062 PSIG. MTR 49.7 BPM. ATP 3220 PSIG. ATR 46.8 BPM. ISIP 1510 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 6400'. PERFORATE Ca FROM 6337'-6341', 6344'-6352' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2082 GAL WF120 LINEAR PAD, 4219 GAL WF120 LINEAR 1# & 1.5# SAND, 20734 GAL YF116ST+ WITH 70000 # 20/40 SAND @ 1-4 PPG. MTP 4644 PSIG. MTR 47.4 BPM. ATP 2536 PSIG. ATR 38.3 BPM. ISIP 1640 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 6000'. PERFORATE Ca FROM 5936'-5942', 5947'-5949', 5952'-5956' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2071 GAL WF120 LINEAR PAD, 4247 GAL WF120 LINEAR 1# & 1.5# SAND, 19284 GAL YF116ST+ WITH 62700 # 20/40 SAND @ 1-4 PPG. MTP 5525 PSIG. MTR 40.9 BPM. ATP 3674 PSIG. ATR 38.2 BPM. ISIP 2540 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 5880'. PERFORATE Pp/Ca FROM 5797'-5800', 5808'-5811', 5831'-32', 5842'-5844', 5845'-5848' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2069 GAL WF120 LINEAR PAD, 4205 GAL WF120 LINEAR 1# & 1.5# SAND, 21078 GAL YF116ST+ WITH 72900 # 20/40 SAND @ 1-4 PPG. MTP 5016 PSIG. MTR 40.9 BPM. ATP 3368 PSIG. ATR 38.1 BPM. ISIP 2480 PSIG. RDMO SCHLUMBERGER.

RUWL. SET 10K CBP AT 5705'. RDMO CUTTERS WIRELINE.

<b>01-11-2008</b>		<b>Reported By</b>		HISLOP							
<b>Daily Costs: Drilling</b>	\$0			<b>Completion</b>	\$34,631			<b>Daily Total</b>	\$34,631		
<b>Cum Costs: Drilling</b>	\$1,967,657			<b>Completion</b>	\$790,122			<b>Well Total</b>	\$2,757,780		
<b>MD</b>	10,150	<b>TVD</b>	10,150	<b>Progress</b>	0	<b>Days</b>	34	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE / WASATCH</b>		<b>PBTD : 10101.0</b>		<b>Perf : 5797'-10014'</b>				<b>PKR Depth : 0.0</b>			

Activity at Report Time: DRILL PLUGS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. MIRUSU. ND TREE. NU BOP RIH W/MILL & PUMP OFF SUB TO 5705'. RU TO DRILL PLUGS. SDFN.

<b>01-12-2008</b>		<b>Reported By</b>		HISLOP							
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**Daily Costs: Drilling** \$0 **Completion** \$11,930 **Daily Total** \$11,930  
**Cum Costs: Drilling** \$1,967,657 **Completion** \$802,052 **Well Total** \$2,769,710  
**MD** 10,150 **TVD** 10,150 **Progress** 0 **Days** 35 **MW** 0.0 **Visc** 0.0  
**Formation** : MESAVERDE / **PBTD** : 10101.0 **Perf** : 5797'-10014' **PKR Depth** : 0.0  
 WASATCH

**Activity at Report Time:** CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5705', 5880', 6000', 6400', 6965', 7220', 7675', 7975', 8274', 8530', 8968' & 9190'. POH ABOVE PERFS TO 5775'. SDFN.

**01-13-2008** **Reported By** HISLOP

**Daily Costs: Drilling** \$0 **Completion** \$67,445 **Daily Total** \$67,445  
**Cum Costs: Drilling** \$1,967,657 **Completion** \$869,497 **Well Total** \$2,837,155  
**MD** 10,150 **TVD** 10,150 **Progress** 0 **Days** 36 **MW** 0.0 **Visc** 0.0  
**Formation** : MESAVERDE / **PBTD** : 10101.0 **Perf** : 5797'-10014' **PKR Depth** : 0.0  
 WASATCH

**Activity at Report Time:** FLOW TESTING

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 1000 PSIG. RIH WITH TUBING. CLEANED OUT & DRILLED OUT PLUGS @ 9460', & 9770'. RIH CLEANED OUT TO 10120'. LANDED TUBING @ 8577' KB. ND BOP. NU TREE. PUMPED OFF BIT & SUB. RDMOSU. FLOWED 15 HRS. 16/64 CHOKE. FTP 1300 PSIG. CP 1300 PSIG. 45 BFPH. RECOVERED 758 BLW. 15642 BLWTR. TUBING DETAIL LENGTH PUMP OFF BIT SUB .91' 1 JT 2-3/8" 4.7# L-80 TBG 32.41' XN NIPPLE 1.30' 263 JTS 2-3/8" 4.7# L-80 TBG 8527.36' BELOW KB 15.00' LANDED @ 8576.98' KB

**01-14-2008** **Reported By** HISLOP

**Daily Costs: Drilling** \$0 **Completion** \$2,775 **Daily Total** \$2,775  
**Cum Costs: Drilling** \$1,967,657 **Completion** \$872,272 **Well Total** \$2,839,930  
**MD** 10,150 **TVD** 10,150 **Progress** 0 **Days** 37 **MW** 0.0 **Visc** 0.0  
**Formation** : MESAVERDE / **PBTD** : 10101.0 **Perf** : 5797'-10014' **PKR Depth** : 0.0  
 WASATCH

**Activity at Report Time:** FLOW TESTING

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64 CHOKE. FTP 1150 PSIG. CP 1850 PSIG. 40 BFPH. RECOVERED 830 BLW. 14812 BLWTR.

**01-15-2008** **Reported By** HISLOP

**Daily Costs: Drilling** \$0 **Completion** \$2,400 **Daily Total** \$2,400  
**Cum Costs: Drilling** \$1,967,657 **Completion** \$874,672 **Well Total** \$2,842,330  
**MD** 10,150 **TVD** 10,150 **Progress** 0 **Days** 38 **MW** 0.0 **Visc** 0.0  
**Formation** : MESAVERDE / **PBTD** : 10101.0 **Perf** : 5797'-10014' **PKR Depth** : 0.0  
 WASATCH

**Activity at Report Time:** FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64 CHOKE. FTP 950 PSIG. CP 1950 PSIG. 55 BFPH. RECOVERED 1327 BLW. 13485 BLWTR.

**01-16-2008**      **Reported By**      HISLOP

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$14,896	<b>Daily Total</b>	\$14,896
<b>Cum Costs: Drilling</b>	\$1,967,657	<b>Completion</b>	\$889,568	<b>Well Total</b>	\$2,857,226

<b>MD</b>	10,150	<b>TVD</b>	10,150	<b>Progress</b>	0	<b>Days</b>	39	<b>MW</b>	0.0	<b>Visc</b>	0.0
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**Formation :** MESAVERDE /      **PBTD :** 10101.0      **Perf :** 5797'-10014'      **PKR Depth :** 0.0  
WASATCH

**Activity at Report Time:** FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 900 PSIG. CP 1900 PSIG. 50 BFPH. RECOVERED 1220 BLW. 12265 BLWTR.

**01-17-2008**      **Reported By**      HISLOP

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,725	<b>Daily Total</b>	\$2,725
<b>Cum Costs: Drilling</b>	\$1,967,657	<b>Completion</b>	\$892,293	<b>Well Total</b>	\$2,859,951

<b>MD</b>	10,150	<b>TVD</b>	10,150	<b>Progress</b>	0	<b>Days</b>	40	<b>MW</b>	0.0	<b>Visc</b>	0.0
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**Formation :** MESAVERDE /      **PBTD :** 10101.0      **Perf :** 5797'-10014'      **PKR Depth :** 0.0  
WASATCH

**Activity at Report Time:** FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 900 PSIG. CP 1800 PSIG. 40 BFPH. RECOVERED 1185 BLW. 11270 BLWTR.

**01-18-2008**      **Reported By**      HISLOP

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,725	<b>Daily Total</b>	\$2,725
<b>Cum Costs: Drilling</b>	\$1,967,657	<b>Completion</b>	\$895,018	<b>Well Total</b>	\$2,862,676

<b>MD</b>	10,150	<b>TVD</b>	10,150	<b>Progress</b>	0	<b>Days</b>	41	<b>MW</b>	0.0	<b>Visc</b>	0.0
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**Formation :** MESAVERDE /      **PBTD :** 10101.0      **Perf :** 5797'-10014'      **PKR Depth :** 0.0  
WASATCH

**Activity at Report Time:** FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 900 PSIG. CP 1700 PSIG. 35 BFPH. RECOVERED 904 BLW. 10175 BLWTR.

**01-19-2008**      **Reported By**      HISLOP

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,926	<b>Daily Total</b>	\$2,926
<b>Cum Costs: Drilling</b>	\$1,967,657	<b>Completion</b>	\$897,944	<b>Well Total</b>	\$2,865,602

<b>MD</b>	10,150	<b>TVD</b>	10,150	<b>Progress</b>	0	<b>Days</b>	42	<b>MW</b>	0.0	<b>Visc</b>	0.0
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**Formation :** MESAVERDE /      **PBTD :** 10101.0      **Perf :** 5797'-10014'      **PKR Depth :** 0.0  
WASATCH

**Activity at Report Time:** FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 850 PSIG. CP 1750 PSIG. 30 BFPH. RECOVERED 805 BLW. 9370 BLWTR.

**01-20-2008**      **Reported By**      HISLOP

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,775	<b>Daily Total</b>	\$2,775
<b>Cum Costs: Drilling</b>	\$1,967,657	<b>Completion</b>	\$900,719	<b>Well Total</b>	\$2,868,377

<b>MD</b>	10,150	<b>TVD</b>	10,150	<b>Progress</b>	0	<b>Days</b>	43	<b>MW</b>	0.0	<b>Visc</b>	0.0
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Formation : MESAVERDE / PBTB : 10101.0 Perf : 5797'-10014' PKR Depth : 0.0  
 WASATCH

Activity at Report Time: FLOW TESTING

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64 CHOKE. FTP 850 PSIG. CP 1400 PSIG. 28 BFPH. RECOVERED 685 BLW. 8685 BLWTR.

01-21-2008 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,775	Daily Total	\$2,775
Cum Costs: Drilling	\$1,967,657	Completion	\$903,494	Well Total	\$2,871,152

MD	10,150	TVD	10,150	Progress	0	Days	44	MW	0.0	Visc	0.0
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Formation : MESAVERDE / PBTB : 10101.0 Perf : 5797'-10014' PKR Depth : 0.0  
 WASATCH

Activity at Report Time: WO FACILITIES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 800 PSIG. CP 1450 PSIG. 20 BFPH. RECOVERED 425 BLW. 8260 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 1/20/08

02-08-2008 Reported By DUANE COOK

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$1,967,657	Completion	\$903,494	Well Total	\$2,871,152

MD	10,150	TVD	10,150	Progress	0	Days	45	MW	0.0	Visc	0.0
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Formation : MESAVERDE / PBTB : 10101.0 Perf : 5797'-10014' PKR Depth : 0.0  
 WASATCH

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 1600 & CP 2200 PSI. TURNED WELL TO QUESTAR SALES AT 10:00 AM, 02/07/08. FLOWED 552 MCFD RATE ON 12/64" POS CHOKE. STATIC 312.

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.  
UTU43916

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other			6. If Indian, Allottee or Tribe Name		
b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____			7. Unit or CA Agreement Name and No.		
2. Name of Operator EOG RESOURCES, INC. Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com			8. Lease Name and Well No. NORTH CHAPITA 337-34		
3. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202			3a. Phone No. (include area code) Ph: 303-824-5526		9. API Well No. 43-047-38042
4. Location of Well (Report location clearly and in accordance with Federal requirements)*					
At surface SENW 1588FNL 1957FWL 40.08248 N Lat, 109.42874 W Lon					
At top prod interval reported below SENW 1588FNL 1957FWL 40.08248 N Lat, 109.42874 W Lon					
At total depth SENW 1588FNL 1957FWL 40.08248 N Lat, 109.42874 W Lon					
14. Date Spudded 09/04/2007		15. Date T.D. Reached 12/21/2007		16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 02/07/2008	
17. Elevations (DF, KB, RT, GL)* 4783 GL					
18. Total Depth: MD 10150 TVD		19. Plug Back T.D.: MD 10101 TVD		20. Depth Bridge Plug Set: MD TVD	
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) RST/CBL/CCL/WDL/GR <b>TEMP.</b>				22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)	

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2686		700			
7.875	4.500 P-110	11.6	0	10147		2390			

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	8577							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH/MESAVERDE	5797	10014	9805 TO 10014		3	
B)			9543 TO 9750		3	
C)			9257 TO 9444		3	
D)			8992 TO 9177		3	

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

Depth Interval	Amount and Type of Material
9805 TO 10014	51,395 GALS GELLED WATER & 109,900# 20/40 SAND
9543 TO 9750	51,394 GALS GELLED WATER & 109,900# 20/40 SAND
9257 TO 9444	52,875 GALS GELLED WATER & 116,900# 20/40 SAND
8992 TO 9177	64,677 GALS GELLED WATER & 152,600# 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
02/07/2008	02/14/2008	24	→	30.0	354.0	160.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 1325 SI	Csg. Press. 2000.0	24 Hr. Rate →	Oil BBL 30	Gas MCF 354	Water BBL 160	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. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

RECEIVED

MAR 06 2008

DIV. OF OIL, GAS & MINING

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

ELECTRONIC SUBMISSION #58949 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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



**North Chapita 337-34 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

8693-8953	3/spf
8304-8561	3/spf
8077-8255	3/spf
7720-7948	3/spf
7405-7658	3/spf
7006-7201	3/spf
6578-6947	3/spf
6337-6352	3/spf
5936-5956	3/spf
5797-5848	3/spf

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

8693-8953	62,661 GALS GELLED WATER & 153,600# 20/40 SAND
8304-8561	57,256 GALS GELLED WATER & 155,000# 20/40 SAND
8077-8255	56,305 GALS GELLED WATER & 150,200# 20/40 SAND
7720-7948	45,038 GALS GELLED WATER & 116,500# 20/40 SAND
7405-7658	42,001 GALS GELLED WATER & 108,000# 20/40 SAND
7006-7201	39,394 GALS GELLED WATER & 99,600# 20/40 SAND
6578-6947	39,182 GALS GELLED WATER & 89,400# 20/40 SAND
6337-6352	27,200 GALS GELLED WATER & 70,000# 20/40 SAND
5936-5956	25,767 GALS GELLED WATER & 62,700# 20/40 SAND
5797-5848	27,517 GALS GELLED WATER & 72,900# 20/40 SAND

Perforated the Lower Price River from 9805-06', 9818-19', 9845-46', 9850-51', 9886-87', 9919-20', 9927-28', 9936-37', 9979-80', 9994-95', 10007-08' & 10013-14' w/ 3 spf.

Perforated the Lower Price River from 9543-44', 9567-68', 9573-74', 9577-78', 9619-20', 9637-38', 9641-42', 9658-59', 9663-64', 9683-84', 9693-94' & 9749-50' w/ 3 spf.

Perforated the Middle Price River from 9257-58', 9268-69', 9288-89', 9292-93', 9309-10', 9320-21', 9368-69', 9390-91', 9428-29', 9431-32', 9436-37' & 9443-44' w/ 3 spf.

Perforated the Middle Price River from 8992-93', 9024-25', 9033-34', 9043-44', 9073-74', 9117-18', 9129-30', 9141-42', 9144-45', 9163-64', 9172-73' & 9176-77' w/ 3 spf.

Perforated the Middle Price River from 8693-94', 8701-02', 8745-46', 8754-55', 8764-65', 8811-12', 8871-72', 8899-8900', 8906-07', 8912-13', 8945-46' & 8952-53' w/ 3 spf.

Perforated the Upper Price River from 8304-05', 8309-10', 8328-29', 8346-47', 8363-64', 8372-73', 8421-22', 8426-27', 8464-65', 8485-86', 8553-54' & 8560-61' w/ 3 spf.

Perforated the Upper Price River from 8077-78', 8082-83', 8090-91', 8106-07', 8114-15', 8122-23', 8131-32', 8140-41', 8177-78', 8197-98', 8205-06' & 8254-55' w/ 3 spf.

Perforated the North Horn/Upper Price River from 7720-21', 7735-36', 7760-61', 7778-79', 7783-84', 7834-35', 7877-78', 7880-81', 7904-05', 7933-34', 7939-40' & 7947-48' w/ 3 spf.

Perforated the North Horn from 7405-06', 7429-30', 7474-75', 7480-81', 7487-88', 7493-94', 7530-31', 7544-45', 7572-73', 7638-39', 7646-47' & 7657-58' w/ 3 spf.

Perforated the Ba from 7006-07', 7021-22', 7029-30', 7038-39', 7051-52', 7067-69', 7096-97', 7122-23', 7171-72', 7179-80' & 7200-01' w/ 3 spf.

Perforated the Ba from 6578-79', 6619-20', 6657-58', 6674-75', 6701-02', 6715-16', 6790-91', 6813-15', 6899-6900', 6939-40' & 6946-47' w/ 3 spf.

Perforated the Ca from 6337-41' & 6344-52' w/ 3 spf.

Perforated the Ca from 5936-42', 5947-49' & 5952-56' w/ 3 spf.

Perforated the Pp/Ca from 5797-5800', 5808-11', 5831-32', 5842-44' & 5845-48' w 3 spf.

## 52. FORMATION (LOG) MARKERS

SEGO	10,090
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**STATE OF UTAH**  
 DEPARTMENT OF NATURAL RESOURCES  
 DIVISION OF OIL, GAS AND MINING

FORM 7

**REPORT OF WATER ENCOUNTERED DURING DRILLING**

Well name and number: NCW 337-34

API number: 4304738042

Well Location: QQ SENW Section 34 Township 8S 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		
NO WATER			

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

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

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

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE *Mary A. Maestas*

DATE 3/5/2008

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU43916

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.

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
NORTH CHAPITA 337-34

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

9. API Well No.  
43-047-38042

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/WASATCH/MV

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 34 T8S R22E SENW 1588FNL 1957FWL  
40.08248 N Lat, 109.42874 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 checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

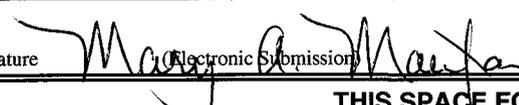
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths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

EOG Resources, Inc. requests authorization to use a low-profile evaporation unit in the reserve pit for the referenced location.

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

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #60678 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  Date 06/06/2008

**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  
JUN 09 2008  
DIV. OF OIL, GAS & MINING**