

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

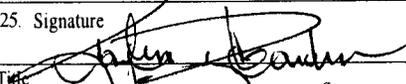
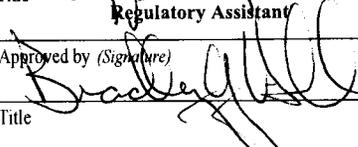
APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No. U-43916	
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA Agreement, Name and No.	
8. Lease Name and Well No. NORTH CHAPITA 338-34	
9. API Well No. 4304738059	
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER	10. Field and Pool, or Exploratory NATURAL BUTTES
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 SEC. 34, T8S, R22E S.L.B.&M
2. Name of Operator EOG RESOURCES, INC.	12. County or Parish UINTAH
3a. Address P.O. Box 1815 Vernal, UT 84078	13. State UT
3b. Phone No. (include area code) 435-781-9111	14. Distance in miles and direction from nearest town or post office* 33.6 MILES SOUTH OF VERNAL
4. Location of Well (Report location clearly and in accordance with any State requirements *) At surface SENE 1824 FNL 850 FEL 40.081694 LAT 109.419636 LON At proposed prod. zone SAME 634798X 40.081720 4437815Y -109.419008	15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drng. unit line, if any) 850' 470'
16. No. of acres in lease 1360	17. Spacing Unit dedicated to this well 40
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 3960'	19. Proposed Depth 10,125'
20. BLM/BIA Bond No. on file NM 2308	21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4818'
22. Approximate date work will start*	23. Estimated duration 45 DAYS

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) Kaylene R. Gardner	Date 04/26/2006
Title Regulatory Assistant		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 05-08-06
Title ENVIRONMENTAL MANAGER		

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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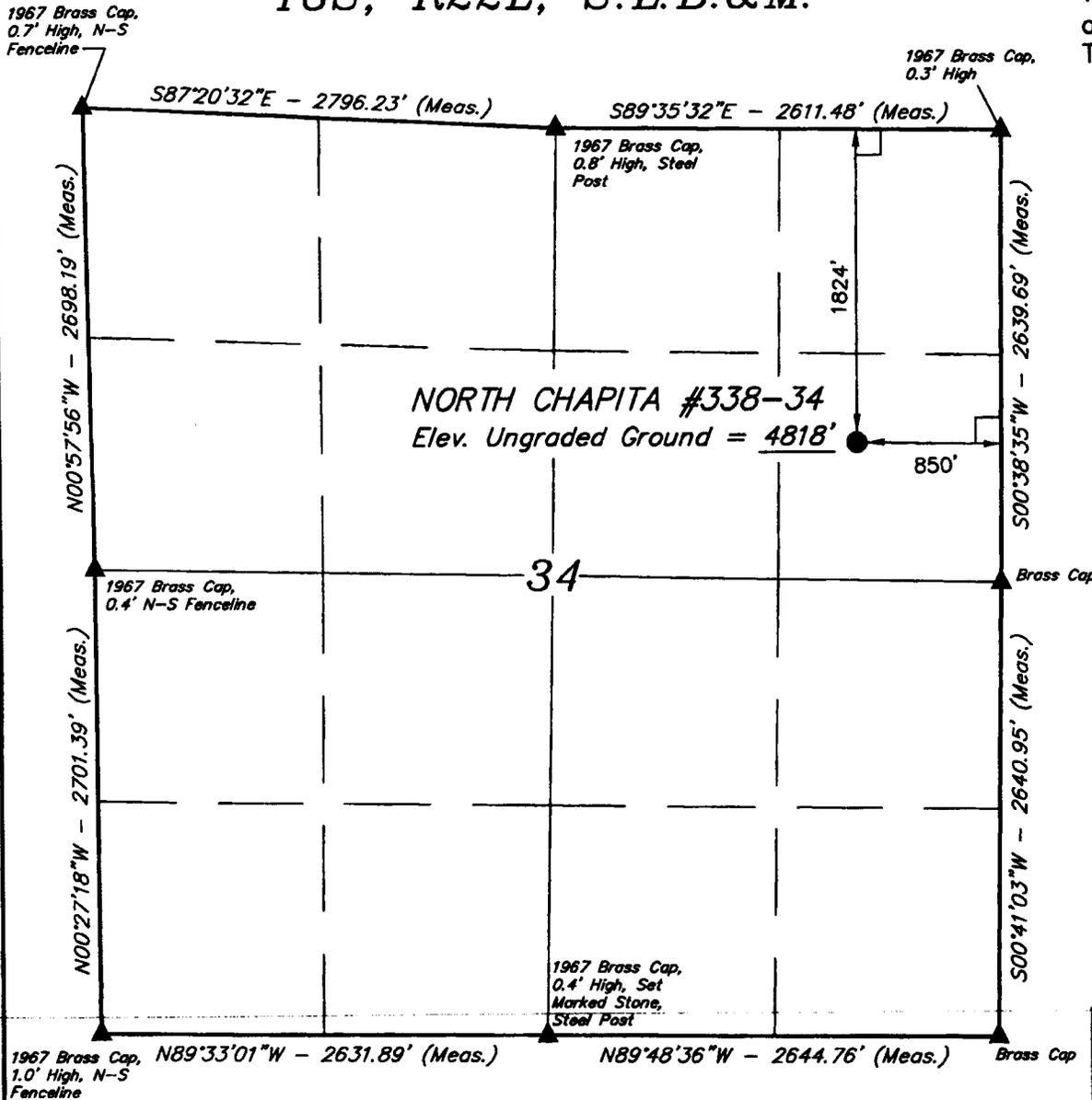
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DIV. OF OIL, GAS & MINING

EOG RESOURCES, INC.

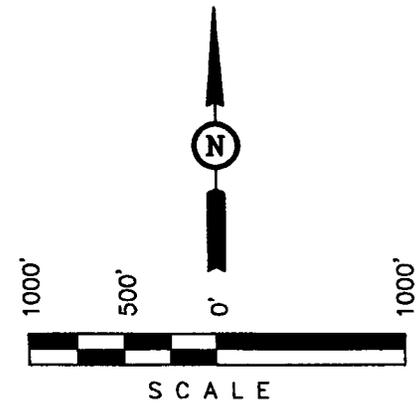
T8S, R22E, S.L.B.&M.

Well location, NORTH CHAPITA #338-34, located as shown in the SE 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, UTAH 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.

[Signature]
 REGISTERED SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

REVISED: 03-20-06

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

LEGEND:

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

(NAD 83)
 LATITUDE = 40°04'54.10" (40.081694)
 LONGITUDE = 109°25'10.69" (109.419636)
 (NAD 27)
 LATITUDE = 40°04'54.23" (40.081731)
 LONGITUDE = 109°25'08.23" (109.418953)

SCALE 1" = 1000'	DATE SURVEYED: 03-01-06	DATE DRAWN: 03-11-06
PARTY G.S. T.C. L.K.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN

NORTH CHAPITA WELLS 338-34
SE/NE, SEC. 34, T8S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

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

FORMATION	DEPTH (KB)
Green River FM	2,190'
Wasatch	5,208'
Chapita Wells	5,824'
Buck Canyon	6,506'
North Horn	7,105'
Island	7,568'
KMV Price River	7,836'
KMV Price River Middle	8,589'
KMV Price River Lower	9,347'
Sego	9,922'

Estimated TD: 10,125' or 200'± below Sego top

Anticipated BHP: 5,530 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 1/2"	0' – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12-1/4"	45' – 2,300'KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production:	7-7/8"	2,300'± – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

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

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

EIGHT POINT PLAN
NORTH CHAPITA WELLS 338-34
SE/NE, 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. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

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

7. VARIANCE REQUESTS:

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

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

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.
Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

EIGHT POINT PLAN

NORTH CHAPITA WELLS 338-34
SE/NE, 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% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

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

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

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

Production Hole Procedure (2300'± - TD)

Lead: **165 sks:** 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: **944 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

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

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

EIGHT POINT PLAN
NORTH CHAPITA WELLS 338-34
SE/NE, SEC. 34, T8S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

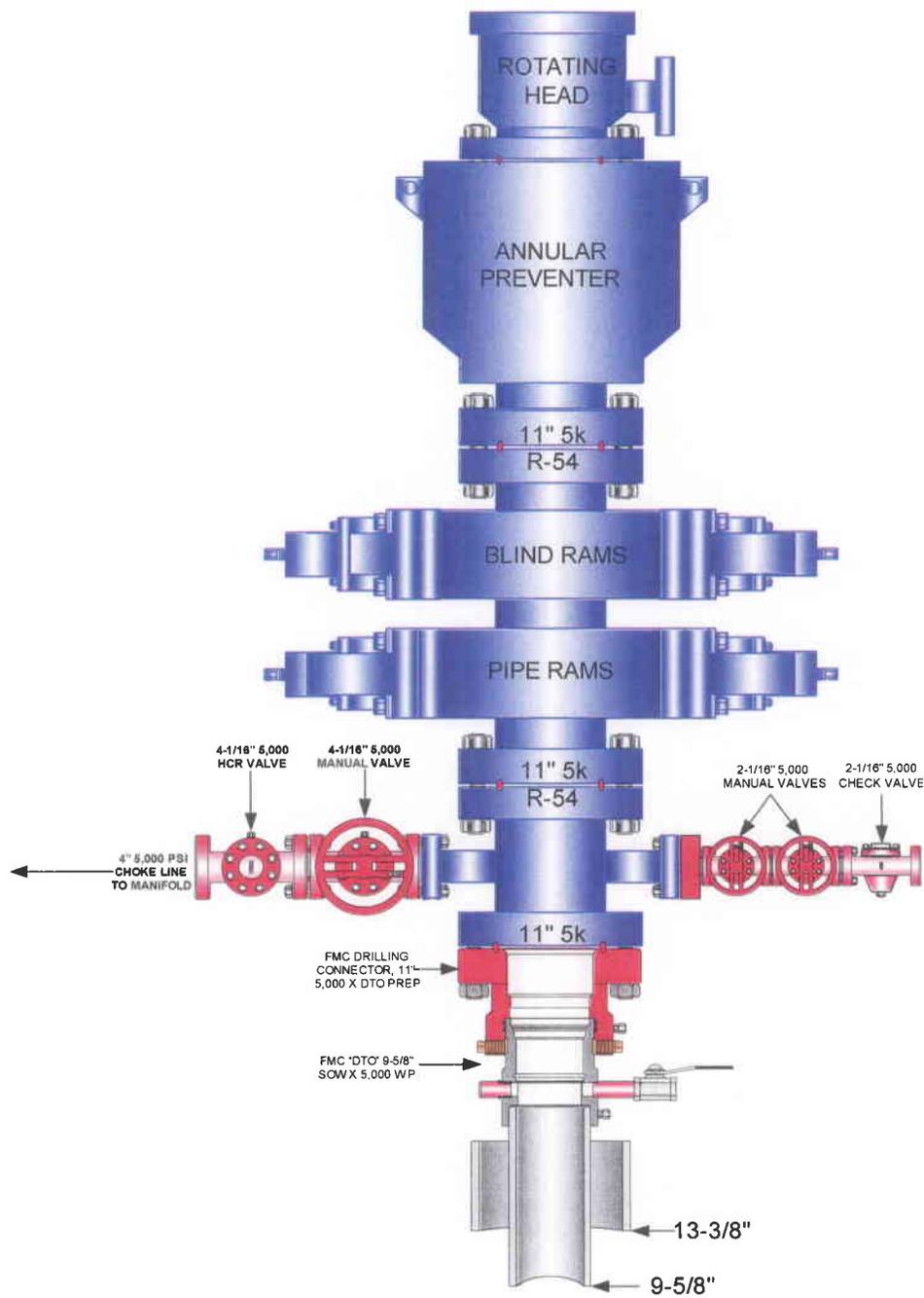
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

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.

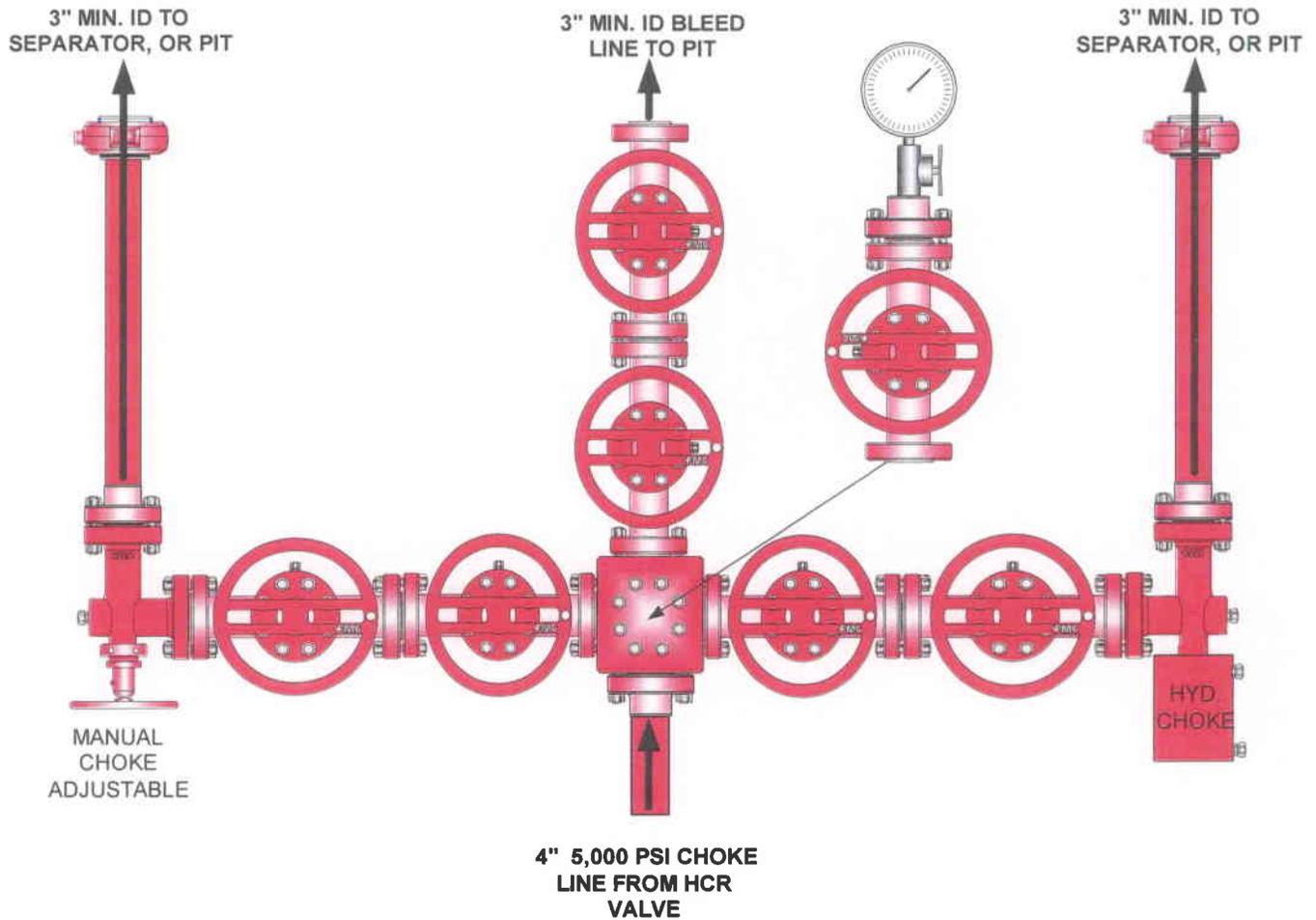
(Attachment: BOP Schematic Diagram)

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 338-34
SE/NE, 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 1584 feet long with a 30-foot right-of-way, disturbing approximately 1.09 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.93 acres. The pipeline is approximately 2196 feet long within Federal Lease U 43916 disturbing approximately 2.02 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 1584' 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 them avoided.

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

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 – 3*
- B. Producing Wells – 33*
- 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 2196' x 40'. The proposed pipeline leaves the southern edge of the well pad (U-43916) turning and proceeding in a northerly direction for an approximate distance of 2196'. The pipe will tie into existing pipeline located in the NENE 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.

Two (2) silt catchment ponds will be constructed one (1) north of pit corner "B", one (1) south of corner "2".

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 northeast.

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.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
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.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
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 or 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

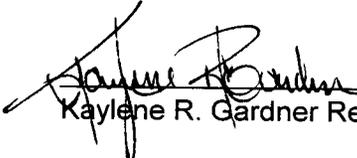
DRILLING OPERATIONS

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 338-34 Well, located in the SENE, 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 26, 2006
Date



Kaylene R. Gardner Regulatory Assistant

EOG RESOURCES, INC.
NORTH CHAPITA #338-34
 LOCATED IN UINTAH COUNTY, UTAH
 SECTION 34, T8S, R22E, S.L.B.&M.

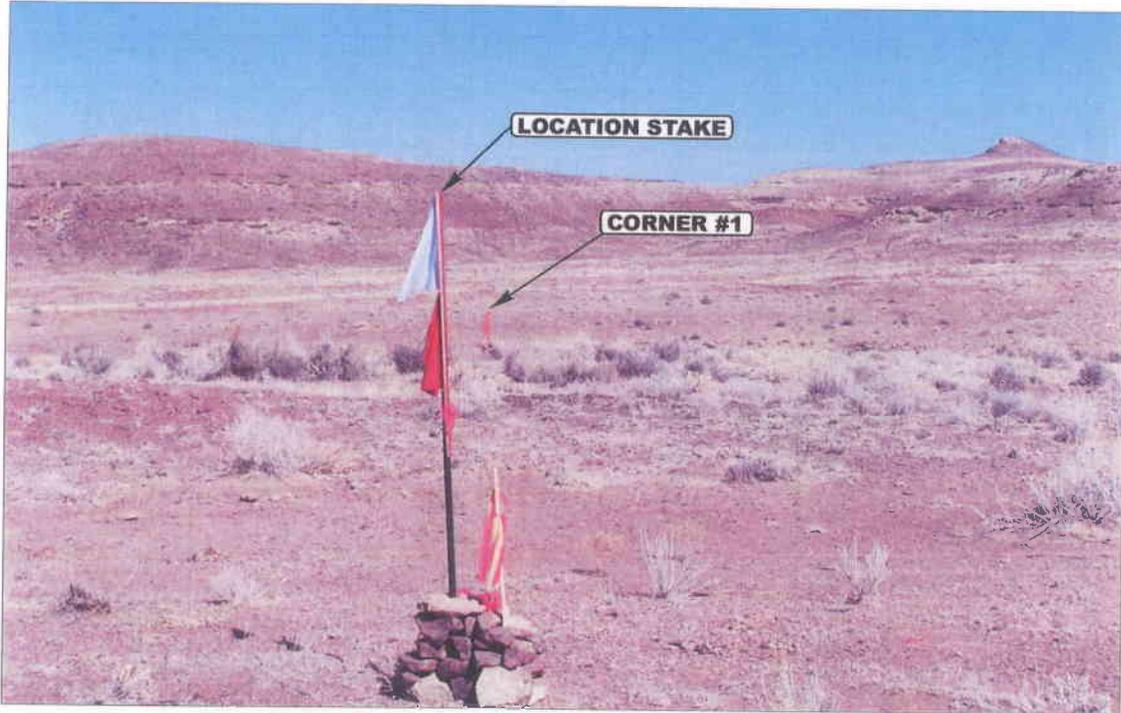


PHOTO: VIEW FROM LOCATION STAKE TO CORNER #1

CAMERA ANGLE: SOUTHEASTERLY

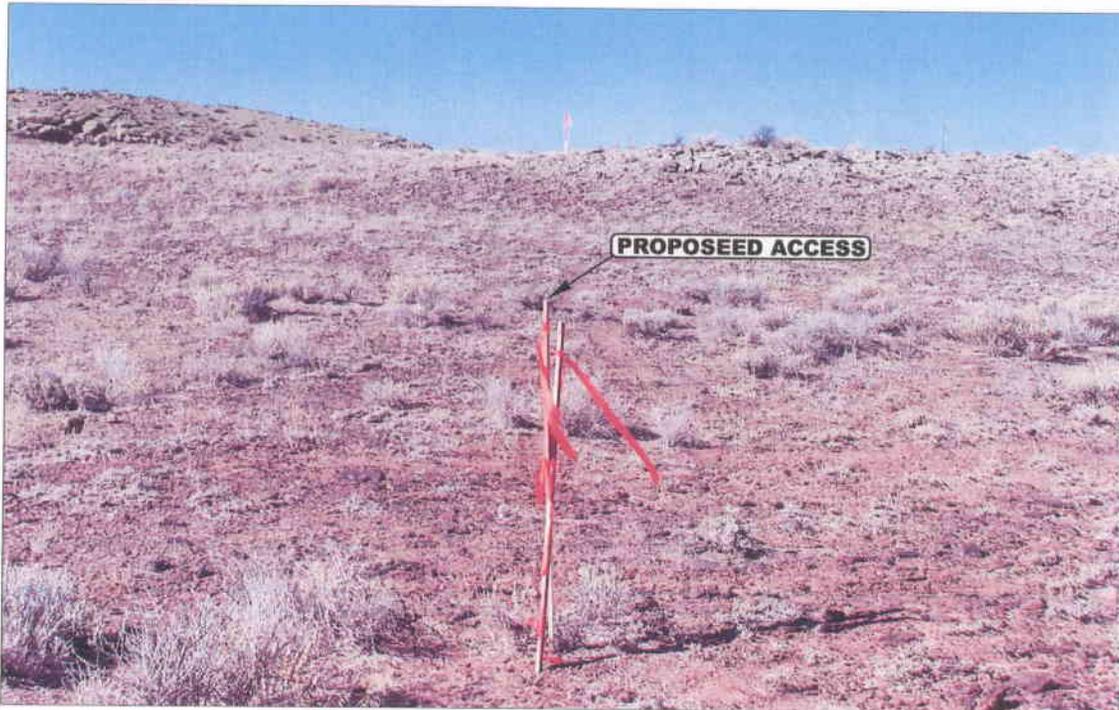


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHERLY



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

LOCATION PHOTOS

03 09 06
 MONTH DAY YEAR

PHOTO

TAKEN BY: G.S. | DRAWN BY: L.K. | REVISED: 00-00-00

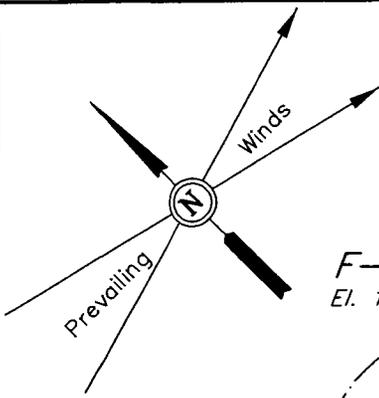
EOG RESOURCES, INC.

**LOCATION LAYOUT FOR
NORTH CHAPITA #338-34
SECTION 34, T8S, R22E, S.L.B.&M.
1824' FNL 850' FEL**

Proposed Access Road

Install CMP As Needed

Approx. Toe of Fill Slope



F-2.0'
El. 16.0'

Sta. 3+25
F-3.6'
El. 14.4'

SCALE: 1" = 50'
DATE: 03-11-06
Drawn By: L.K.

Round Corners as needed

NOTE:
Earthwork Calculations Require a Fill of 0.5' @ the Location Stake For Balance. All Fill is to be Compacted to a Minimum of 95% of the Maximum Dry Density Obtained by AASHTO Method t-99.

CONSTRUCT DIVERSION DITCH

CONSTRUCT DIVERSION DITCH

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

Existing Drainage

PIPE RACKS

Existing Drainage

F-0.5'
El. 17.5'

Sta. 1+50

FLARE PIT

20' WIDE BENCH

46'

C-0.5'
El. 18.5'

DOG HOUSE

135'

C-0.6'
El. 18.6'

El. 21.5'
C-15.5'
(btm. pit)

Reserve Pit Backfill & Spoils Stockpile

15' WIDE BENCH

75'

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

RESERVE PITS
(12' Deep)

SLOPE = 1-1/2 : 1

F-1.3'
El. 16.7'

RIG

WATER

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

Sta. 0+50

TRAILER

TOILET

FUEL

STORAGE TANK

Sta. 0+00

El. 22.1'
C-16.1'
(btm. pit)

20' WIDE BENCH

4'

Reserve Pit Backfill & Spoils Stockpile

C-1.5'
El. 19.5'

Topsoil Stockpile

Approx. Top of Cut Slope

C-3.7'
El. 21.7'

NOTES:

Elev. Ungraded Ground At Loc. Stake = 4817.5'

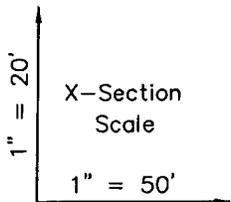
FINISHED GRADE ELEV. AT LOC. STAKE = 4818.0'

FIGURE #1

EOG RESOURCES, INC.

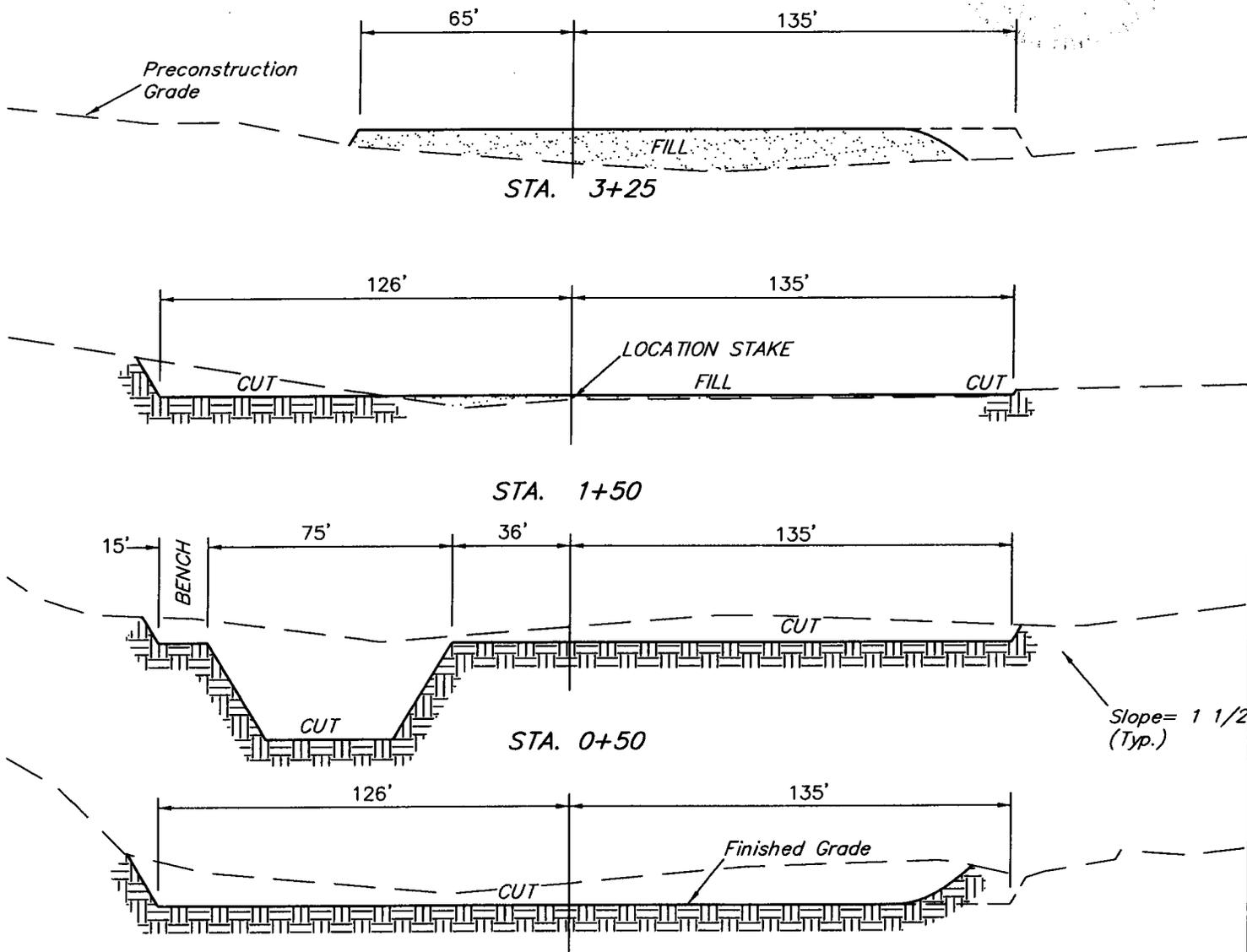
FIGURE #2

TYPICAL CROSS SECTIONS FOR
 NORTH CHAPITA #338-34
 SECTION 34, T8S, R22E, S.L.B.&M.
 1824' FNL 850' FEL



DATE: 03-11-06
 Drawn By: L.K.

[Handwritten Signature]



NOTE:

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

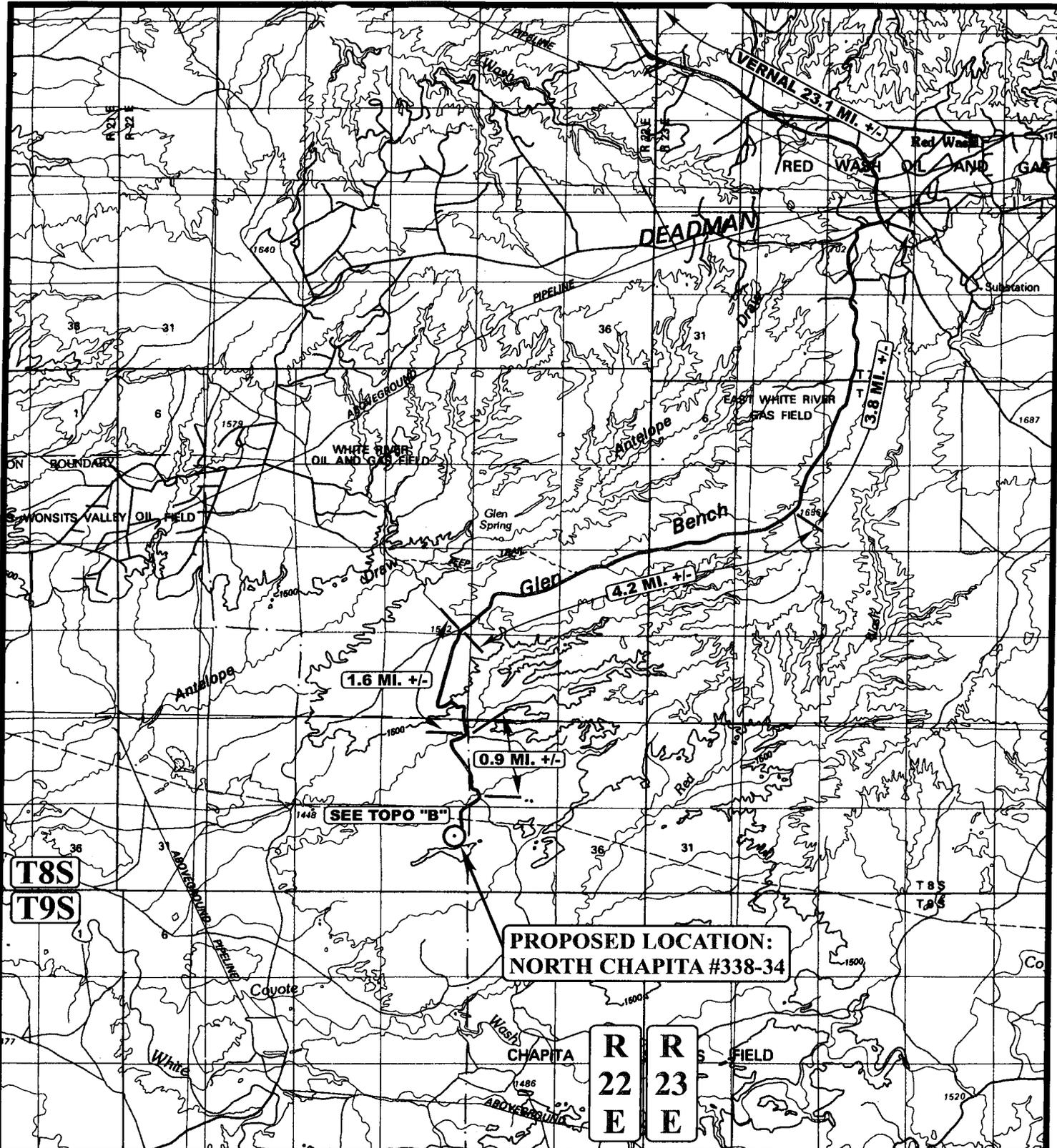
* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,560 Cu. Yds.
Remaining Location	= 5,630 Cu. Yds.
TOTAL CUT	= 7,190 CU.YDS.
FILL	= 3,970 CU.YDS.

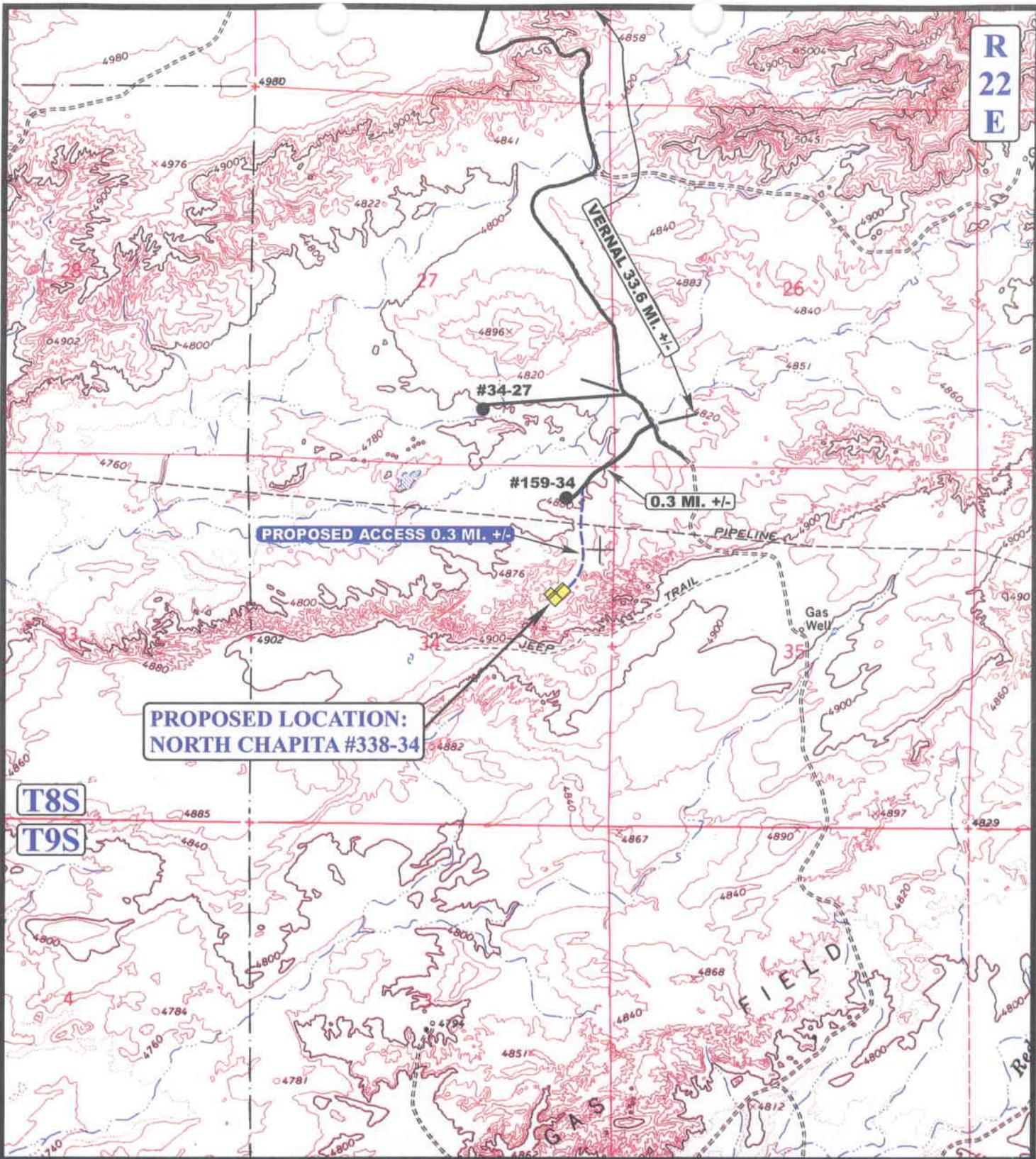
EXCESS MATERIAL	= 3,220 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,220 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.



LEGEND:
 ○ PROPOSED LOCATION

EOG RESOURCES, INC.
 NORTH CHAPITA #338-34
 SECTION 34, T8S, R22E, S.L.B.&M.
 1824' FNL 850' FEL

U E S	Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 (435) 789-1017 * FAX (435) 789-1813		TOPOGRAPHIC	03	09	06	A TOPO
			MAP	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 #338-34
SECTION 34, T8S, R22E, S.L.B.&M.
1824' FNL 850' FEL

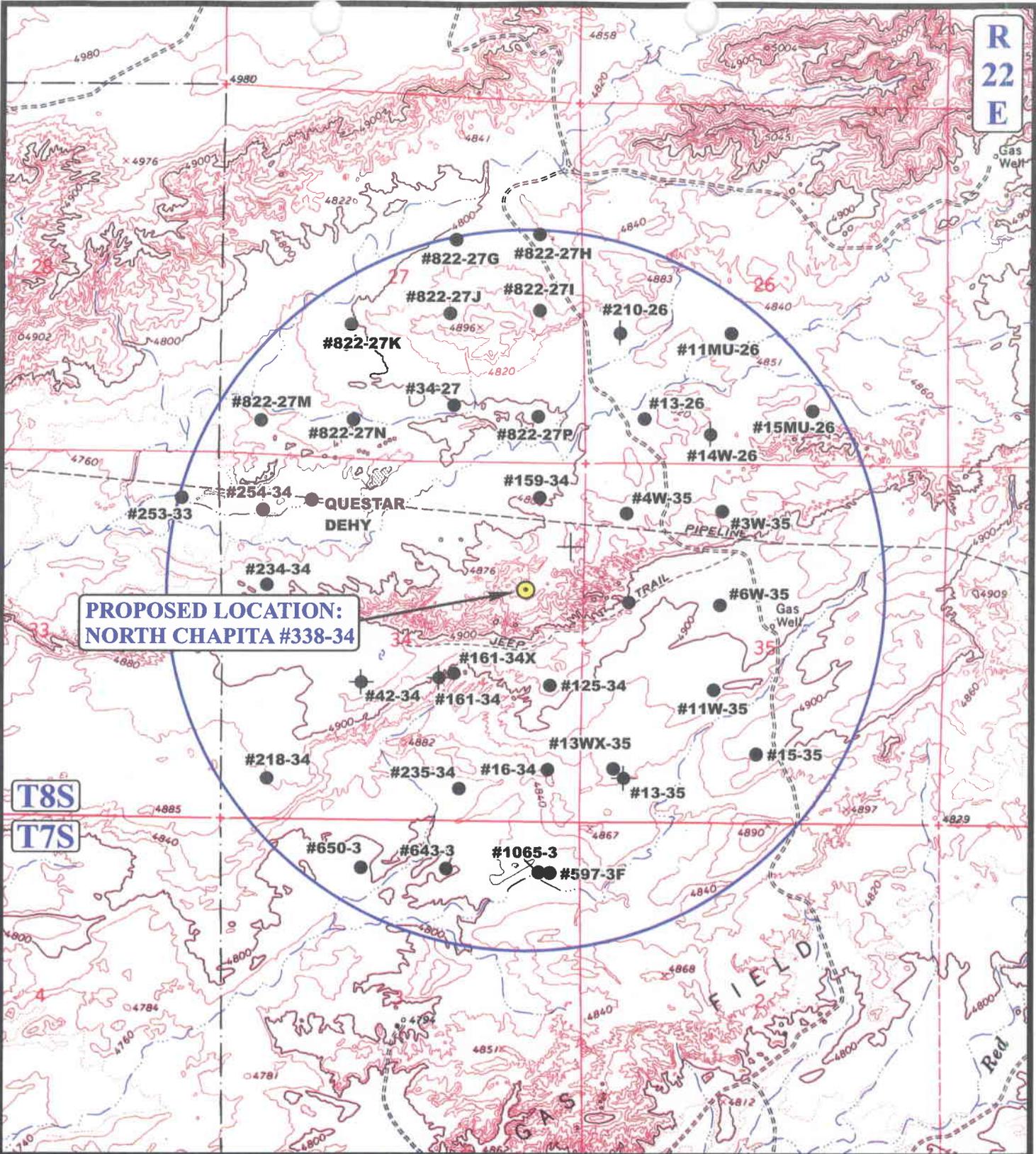


Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	03	09	06
	MONTH	DAY	YEAR
SCALE: 1" = 2000'	DRAWN BY: L.K.		REVISED: 00-00-00



R
22
E



**PROPOSED LOCATION:
NORTH CHAPITA #338-34**

T8S
T7S

LEGEND:

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



EOG RESOURCES, INC.

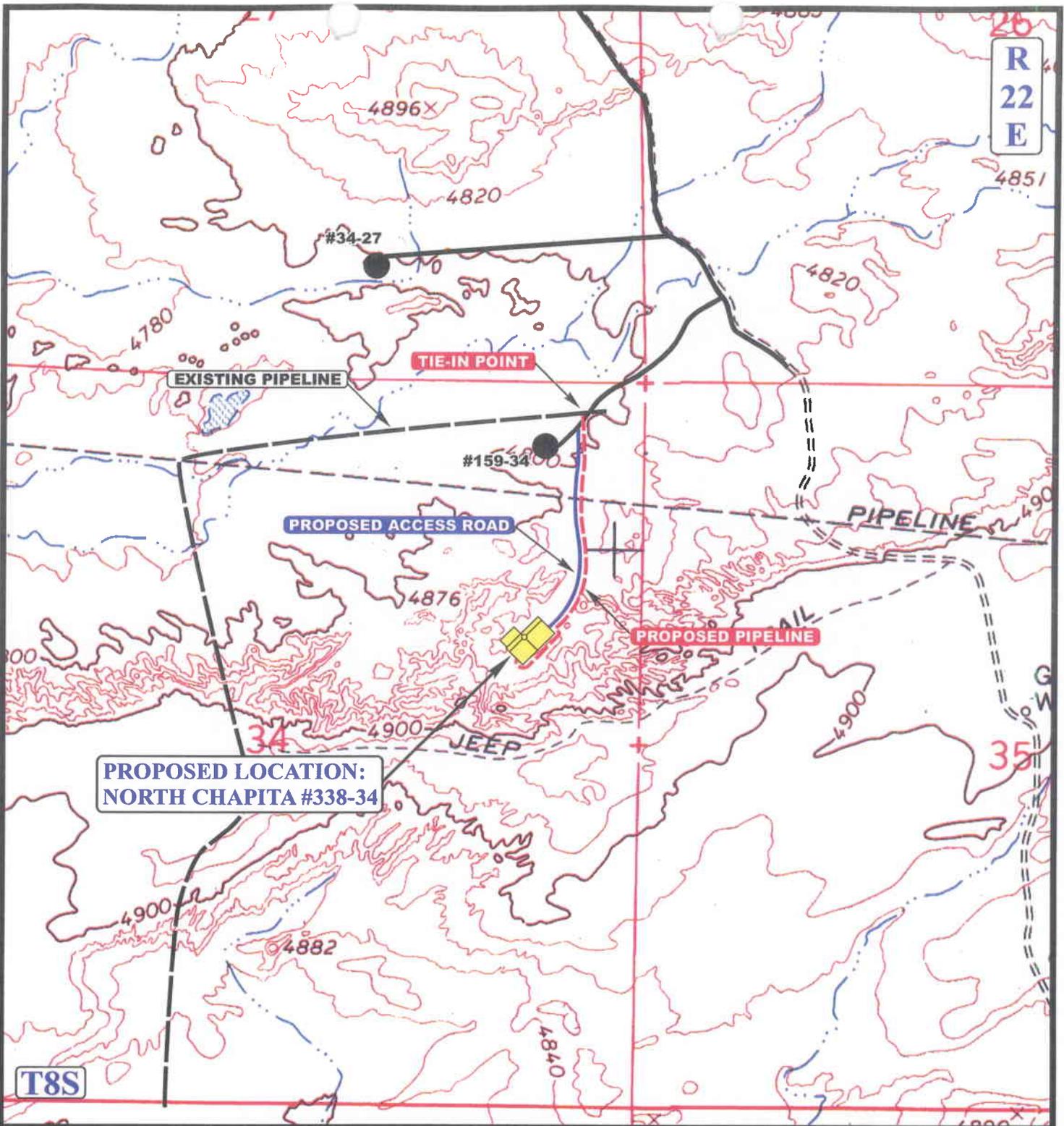
**NORTH CHAPITA #338-34
SECTION 34, T8S, R22E, S.L.B.&M.
1824' FNL 850' FEL**



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

TOPOGRAPHIC MAP 03 09 06
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 2,196' +/-

LEGEND:

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



EOG RESOURCES, INC.

**NORTH CHAPITA #338-34
SECTION 34, T8S, R22E, S.L.B.&M.
1824' FNL 850' FEL**



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

**TOPOGRAPHIC
MAP**

03	09	06
MONTH	DAY	YEAR

SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 00-00-00

**D
TOPO**

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/03/2006

API NO. ASSIGNED: 43-047-38059

WELL NAME: N CHAPITA 338-34
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:
 SENE 34 080S 220E
 SURFACE: 1824 FNL 0850 FEL
 BOTTOM: 1824 FNL 0850 FEL
 COUNTY: UINTAH
 LATITUDE: 40.08172 LONGITUDE: -109.4190
 UTM SURF EASTINGS: 634798 NORTHINGS: 4437815
 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 Strip



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

May 8, 2006

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

Re: North Chapita 338-34 Well, 1824' FNL, 850' FEL, SE NE, 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.

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 43-047-38059.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

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 338-34

API Number: 43-047-38059

Lease: U-43916

Location: SE NE 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.

RECEIVED

APR 28 2006

Form 3160-3
(February 2005)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

BLM VERNAL, UTAH

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		6. If Indian, Allottee or Tribe Name	
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		7. If Unit or CA Agreement, Name and No.	
2. Name of Operator EOG RESOURCES, INC.		8. Lease Name and Well No. NORTH CHAPITA 338-34	
3a. Address P.O. Box 1815 Vernal, UT 84078		9. API Well No. 43-047-38059	
3b. Phone No. (include area code) 435-781-9111		10. Field and Pool, or Exploratory NATURAL BUTTES	
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SENE 1824 FNL 850 FEL 40.081694 LAT 109.419636 LON At proposed prod. zone SAME		11. Sec., T, R, M. or Blk. and Survey or Area SEC. 34, T8S, R22E S.L.B.&M	
14. Distance in miles and direction from nearest town or post office* 33.6 MILES SOUTH OF VERNAL		12. County or Parish UINTAH	13. State UT
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 850' 470'	16. No. of acres in lease 1360	17. Spacing Unit dedicated to this well 40	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 3960'	19. Proposed Depth 10,125'	20. BLM/BIA Bond No. on file NM 2308	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4818'	22. Approximate date work will start*	23. Estimated duration 45 DAYS	

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 on file (see 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 04/26/2006
Title Regulatory Assistant		

Approved by (Signature) 	Name (Printed/Typed) JERRY KENZKA	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)

NOTICE OF APPROVAL

RECEIVED

DEC 21 2006

DIV. OF OIL, GAS & MINING

UDOGM

06 BM 1397 A



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 338-34**
API No: **43-047-38059**

Location: **SENE, 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	
After Hours Contact Number:	435-781-4513	Fax: 435-781-4410	

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

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

NOTIFICATION REQUIREMENTS

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

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

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

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

2. If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.
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. To reach the annulus of the surface casing and production casing, operator is required to pump additional cement beyond the stated amounts of sacks in application.
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_Welllogs@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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. U-43916
2. Name of Operator EOG Resources, Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 600 17th Street, Suite 1000N, Denver, CO 80202	3b. Phone No. (include area code) 303-824-5526	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1824' FNL & 850' FEL (SENE) Sec. 34-T8S-R22E 40.081694 LAT 109.419636 LON		8. Well Name and No. North Chapita 338-34
		9. API Well No. 43-047-38059
		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"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input 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
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input type="checkbox"/> Other _____

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

EOG Resources, Inc. requests permission to change the TD on the referenced well from

**10,125'
to
10,180'**

The drilling plan has also changed to include the Wasatch formation.

A revised drilling plan is attached.

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

Date: 03-26-07
By: [Signature]

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Mary A. Maestas		Title Regulatory Assistant
Signature <u>Mary A. Maestas</u>		Date 03/21/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

(Instructions on page 2)

RECEIVED

MAR 23 2007

DIV. OF OIL, GAS & MINING

EIGHT POINT PLAN

NORTH CHAPITA 338-34
SE/NE, 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	2,191		Shale	
Wasatch	5,209	Primary	Sandstone	Gas
Chapita Wells	5,825	Primary	Sandstone	Gas
Buck Canyon	6,507	Primary	Sandstone	Gas
North Horn	7,106	Primary	Sandstone	Gas
KMV Price River	7,637	Primary	Sandstone	Gas
KMV Price River Middle	8,590	Primary	Sandstone	Gas
KMV Price River Lower	9,348	Primary	Sandstone	Gas
Sego	9,923		Sandstone	
TD	10,180			

Estimated TD: 10,180' or 200'± below Segó top

Anticipated BHP: 5,560 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 5/8"	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 338-34
SE/NE, 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 5th 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 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

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

7. VARIANCE REQUESTS:

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

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

EIGHT POINT PLAN

NORTH CHAPITA 338-34
SE/NE, 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% CaCl₂, 3 lb/sx GR3
¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: 207 sks Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2
gps water.

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

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

Production Hole Procedure (2300'± - TD)

Lead: 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 ft³/sk., 24.5 gps water.

Tail: 965 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13
(Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at
14.1 ppg, 1.28 ft³/sk., 5.9gps water.

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

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

EIGHT POINT PLAN

NORTH CHAPITA 338-34
SE/NE, 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)

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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.

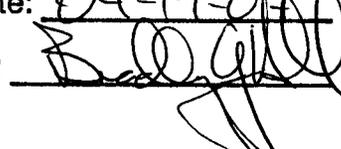
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: U-43916
2. NAME OF OPERATOR: EOG Resources, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1000N CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,824' FNL & 850' FEL 40.081694 LAT 109.419636 LON QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 34 8S 22E S.L.B. & M		8. WELL NAME and NUMBER: North Chapita 338-34
PHONE NUMBER: (303) 262-2812		9. API NUMBER: 43-047-38059
COUNTY: UINTAH STATE: UTAH		10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverde

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

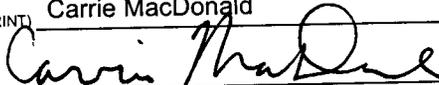
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> 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 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: 04-19-07
By: 

SEAL AND OPERATOR
4-19-07
RM

NAME (PLEASE PRINT) <u>Carrie MacDonald</u>	TITLE <u>Operations Clerk</u>
SIGNATURE 	DATE <u>4/17/2007</u>

(This space for State use only)

RECEIVED
APR 19 2007
DIV. OF OIL, GAS & MINING

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

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

API: 43-047-38059
Well Name: NORTH CHAPITA 338-34
Location: 1824 FNL 850 FEL (SENE), SECTION 34, T8S, R22E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 5/8/2006

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

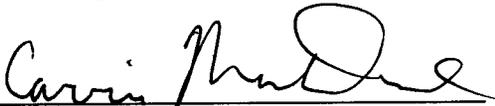
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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

4/17/2007

Date

Title: Operations Clerk

Representing: EOG Resources, Inc.

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APR 19 2007

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. U-43916
2. Name of Operator EOG Resources Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 1060 East Highway 40, Vernal, UT 84078	3b. Phone No. (include area code) 435-781-9111	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1824' FNL & 850' FEL (SENE) Section 34-T8S-R22E 40.081694 LAT 109.419636 LON		8. Well Name and No. North Chapita 338-34
		9. API Well No. 43-047-38059
		10. Field and Pool, or Exploratory Area Natural Buttes/Wasatch/Mesaverde
		11. County or Parish, State Utah 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 <u>Commingling</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports 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.

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 **Accepted by the** Date _____
Office **Utah Division of Oil, Gas and Mining**
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:
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:

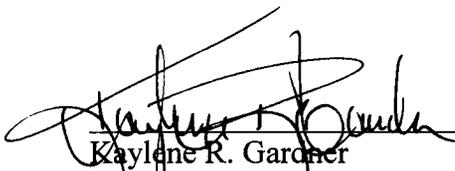
**NORTH CHAPITA 338-34
1824' FNL & 850' FEL (SENE)
SECTION 34, T8S, R22E
UINTAH COUNTY, UTAH**

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 31st 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.

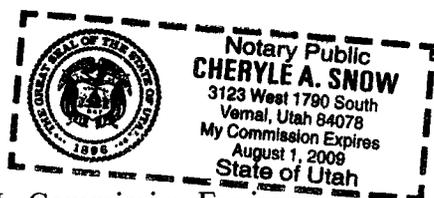
Said envelope which contained these instruments was addressed to the Utah Division of Oil, Gas & Mining, Bureau of Land Management, Questar Exploration and Production Company, and III Exploration Company.

Further affiant saith not.

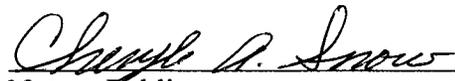


Kaylene R. Gardner
Sr. Regulatory Assistant

Subscribed and sworn before me this 31st day of May, 2007.



My Commission Expires:



Notary Public

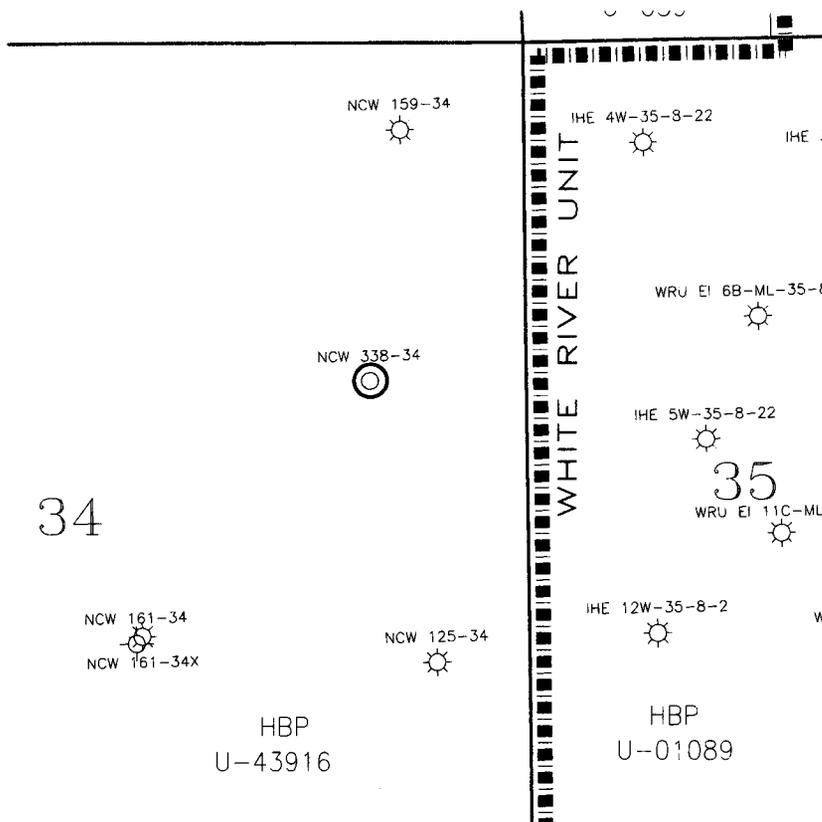
August 1, 2009

Exhibit "A" to Affidavit
North Chapita 338-34 Application to Commingle

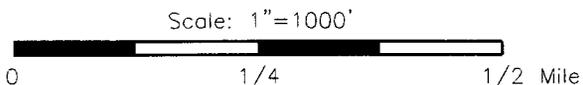
Questar Exploration and Production Company
Independence Plaza
1050 17th Street, Suite 500
Denver, Colorado 80265
Attention: Ms. Angela Page

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

R 22 E



○ NORTH CHAPITA 338-34



Geog resources

Denver Division

EXHIBIT "A"

NORTH CHAPITA 338-34

Commingling Application

Uintah County, Utah

Scale: 1" = 1000'	D:\utah\Commingled\ page_NC338-34_commingled.dwg WELL	Author TLM	Mar 13, 2007 - 10:14am
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DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: N CHAPITA 338-34

Api No: 43-047-38059 Lease Type: FEDERAL

Section 34 Township 08S Range 22E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # RATHOLE

SPUDDED:

Date 07/21/07

Time 12:30 PM

How DRY

Drilling will Commence: _____

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 07/25/07 Signed CHD

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

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES, INC.
Address: 600 17th Street
city Denver
state CO zip 80202

Operator Account Number: N 9550
Phone Number: (303) 262-2812

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38059	NORTH CHAPITA 338-34		SENE	34	8S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	16262	7/21/2007			7/26/07	
Comments: <u>PRRU = MVRD</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38066	CHAPITA WELLS UNIT 1236-21		NESE	21	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	16263	7/22/2007			7/26/07	
Comments: <u>PRRU = MVRD</u>							

Well 3

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

ACTION CODES:

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

Carrie MacDonald

Name (Please Print)

Signature

Operations Clerk

Title

7/23/2007

Date

RECEIVED

JUL 26 2007

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1,824' FNL & 850' FEL (SENE)
 Sec. 34-T8S-R22E 40.081694 LAT 109.419636 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 338-34

9. API Well No.
43-047-38059

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

11. County or Parish, State
Uintah County, Utah

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

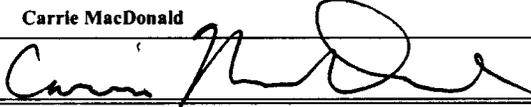
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/>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

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

The referenced well spud on 7/21/2007.

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

Name (Printed/Typed) **Carrie MacDonald** Title **Operations Clerk**

Signature  Date **07/23/2007**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

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

Office _____

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

(Instructions on page 2)

RECEIVED

JUL 26 2007

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. U-43916
2. Name of Operator EOG Resources, Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 600 17th Street, Suite 1000N, Denver, CO 80202	3b. Phone No. (include area code) 303-262-2812	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1,824' FNL & 850' FEL (SENE) Sec. 34-T8S-R22E 40.081694 LAT 109.419636 LON		8. Well Name and No. North Chapita 338-34
		9. API Well No. 43-047-38059
		10. Field and Pool, or Exploratory Area Natural Buttes/Wasatch/Mesaverde
		11. County or Parish, State Utah County, Utah

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

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

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

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

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

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

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Carrie MacDonald	Title Operations Clerk
Signature 	Date 07/23/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

(Instructions on page 2)

**RECEIVED
JUL 26 2007**

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

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		5. Lease Serial No. UTU43916
2. Name of Operator EOG RESOURCES, INC. Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		6. If Indian, Allottee or Tribe Name
3a. Address 600 17TH ST., SUITE 1000N DENVER, CO 80202	3b. Phone No. (include area code) Ph: 303-824-5526 Fx: 303-824-5527	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 34 T8S R22E SENE 1824FNL 850FEL 40.08169 N Lat, 109.41964 W Lon		8. Well Name and No. NORTH CHAPITA 338-34
		9. API Well No. 43-047-38059
		10. Field and Pool, or Exploratory NATURAL BUTTES/WASATCH/MV
		11. County or Parish, and State UINTAH COUNTY, UT

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

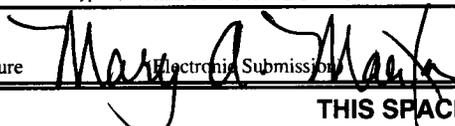
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/>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

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

The referenced well was turned to sales on 9/26/2007. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

RECEIVED
OCT 04 2007

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct. Electronic Submission #56589 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal	
Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT
Signature  Electronic Submission	Date 10/02/2007

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 ****

WELL CHRONOLOGY REPORT

Report Generated On: 10-02-2007

Well Name	NCW 338-34	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API #	43-047-38059	Well Class	ISA
County, State	UINTAH, UT	Spud Date	08-24-2007	Class Date	09-26-2007
Tax Credit	N	TVD / MD	10,180/ 10,180	Property #	059033
Water Depth	0	Last CSG	0.0	Shoe TVD / MD	0/ 0
KB / GL Elev	4,833/ 4,818				
Location	Section 34, T8S, R22E, SENE, 1824 FNL & 850 FEL				

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

AFE No	303986	AFE Total	2,272,300	DHC / CWC	1,078,900/ 1,193,400
Rig Contr	TRUE	Rig Name	TRUE #15	Start Date	05-01-2006
				Release Date	09-03-2007
05-01-2006	Reported By	SHARON WHITLOCK			
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0
MD	0	TVD	0	Progress	0
		Days	0	MW	0.0
		Visc		PKR Depth	0.0
Formation :	PBTD : 0.0		Perf :		

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA: (SUNDRY 3/28/07 TD CHANGED)
			1824' FNL & 850' FEL (SE/NE)
			SECTION 34, T8S, R22E
			UINTAH COUNTY, UTAH
			 LAT 40.081694, LONG 109.419636 (NAD 83)
			LAT 40.081731, LONG 109.418953 (NAD 27)
			 RIG: TRUE #15
			OBJECTIVE: 10180' TD, MESAVERDE (SUNDRY 3/28/07 TD CHANGED)
			DW/GAS
			NORTH CHAPITA PROSPECT
			DD&A FIELD: CHAPITA DEEP
			NATURAL BUTTES FIELD
			 LEASE: U-43916
			ELEVATION: 4817.5' NAT GL, 4818.0' PREP GL (DUE TO ROUNDING 4818' IS THE PREP GL), 4833' KB (15')
			 EOG WI 50%, NRI 39.75%

07-17-2007 Reported By SHARON WHITLOCK

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.

07-18-2007 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 STARTED.

07-19-2007 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 30% COMPLETE.

07-20-2007 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.

07-23-2007 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. ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 7/21/2007 @ 12:30 PM. SET 70' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 7/21/2007 @ 11:30 AM.

08-07-2007 Reported By JERRY BARNES

Daily Costs: Drilling \$209,416 Completion \$0 Daily Total \$209,416

Cum Costs: Drilling \$247,416 Completion \$0 Well Total \$247,416

MD 2,712 TVD 2,712 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

Start End Hrs Activity Description

06:00 06:00 24.0 MIRU CRAIG'S AIR RIG #2 ON 7/23/2007. DRILLED 12-1/4" HOLE TO 2760' GL. ENCOUNTERED NO WATER. RAN 67 JTS (2697.00') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH DAVIS/LYNCH GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2712' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO AIR RIG.

MIRU PRO PETRO CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 200 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 260 SX (176.9 BBLs) OF PREMIUM LEAD CEMENT W/ 16% GEL, 10#/ SX GILSONITE, 3#/ SX GR-3, 3% SALT & 1/4 #/ SX FLOCELE. MIXED LEAD CEMENT @ 11.0 PPG W/ YIELD OF 3.82 CF/SX.

TAILED IN W/ 200 SX (41 BBLs) OF PREMIUM CEMENT W/ 2% CACL2 & 1/4 #/ SX FLOCELE. MIXED TAIL CEMENT TO 15.8 PPG W/ YIELD OF 1.15 CF/SX. DISPLACED CEMENT W/ 205.3 BBLs FRESH WATER. BUMPED PLUG W/ 1000# @ 6:19 AM, 7/26/2007. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 20 BBL INTO LEAD CEMENT. CIRCULATED 10 BBLs OF LEAD CEMENT TO PIT. CEMENT FELL BACK AT SURFACE WHEN PLUG BUMPED.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 125 SX (25.6 BBLs) OF PREMIUM CEMENT W/ 4% CACL2 & 1/4 #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/ YIELD OF 1.15 CF/SX. HOLE FILLED & CIRCULATED APPROXIMATELY 2 BBLs LEAD CEMENT TO PIT. HOLE FELL BACK WHEN PUMPING STOPPED. WOC 2 HRS 20 MINUTES.

TOP JOB # 2: MIXED & PUMPED 100 SX (20.5 BBLs) OF PREMIUM CEMENT W/ 4% CACL2 & 1/4 #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/ YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO PRO PETRO CEMENTERS.

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

NO SURVEY AT THIS TIME.

KYLAN COOK NOTIFIED JAMIE SPARGER W/ BLM OF THE SURFACE CASING & CEMENT JOB ON 7/24/2007 @ 11:00 AM.

08-23-2007 Reported By DAN LINDSEY

Daily Costs: Drilling \$23,663 Completion \$700 Daily Total \$24,363

Cum Costs: Drilling \$271,079 Completion \$700 Well Total \$271,779

MD 2,712 TVD 2,712 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RURT

Start End Hrs Activity Description

06:00 18:00 12.0 HELD SAFETY MEETING W/RIG CREWS & RIG MOVERS. MOVED RIG FROM ECW 27-03 TO LOCATION, MOVE WAS 9.3 MILES. RURT. RELEASED TRUCKS @ 1800 HRS.

OLD LOCATION ECW 27-03 CLEARED & CLEANED.

LOCATION DIMENSIONS: FRONT 179', PIT 35', BACK 145', HOUSE 132'.

TRANSFERRED 8 JTS(337.52') 4.5" 11.6# N-80 LTC CASING FROM ECW 27-03 TO NCW 338-34.
 TRANSFERRED 2 JTS(86.48') 4.5" 11.6# HCP-110 LTC CASING FROM ECW 27-03 TO NCW 338-34.
 TRANSFERRED 1 JT(20.24') 4.5" 11.6# HCP-110 LTC CASING FROM ECW 27-03 TO NCW 338-24.

TRANSFERRED 2271 GALS DIESEL & 1560 GALS PROPANE TO NCW 338-34.

NO ACCIDENTS. 10 MEN, 120 MAN HOURS.

08-24-2007		Reported By		DAN LINDSEY							
Daily Costs: Drilling		\$53,274	Completion		\$0	Daily Total		\$53,274			
Cum Costs: Drilling		\$324,353	Completion		\$700	Well Total		\$325,053			
MD	2,712	TVD	2,712	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		
Activity at Report Time: TESTING BOPE											
Start	End	Hrs	Activity Description								
07:00	17:00	10.0	HELD SAFETY MEETING W/RIG CREWS. RURT, RAISED DERRICK @0930 HRS, FINISHED RURT. 100% RIGGED UP. READY FOR BOP TEST.								

NO ACCIDENTS. 15 MEN, 150 MAN-HOURS.

08-25-2007		Reported By		DAN LINDSEY							
Daily Costs: Drilling		\$44,060	Completion		\$0	Daily Total		\$44,060			
Cum Costs: Drilling		\$368,413	Completion		\$700	Well Total		\$369,113			
MD	4,427	TVD	4,427	Progress	1,715	Days	1	MW	8.5	Visc	26.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		
Activity at Report Time: DRILLING											
Start	End	Hrs	Activity Description								
06:00	11:30	5.5	*****RIG ACCEPTED FOR DAYWORK @ 0600 8/24/07*****								
NOTIFIED JAMIE SPARGER/BLM/VERNAL @ 0930 HRS 8/23/07 OF BOP TEST.											
TESTED BOPE(ALL RAMS, VALVES, & MANIFOLD 250/5000 PSI, ANNULAR 250/2500 PSI, CASING 1500 PSI). PERFORMED ACCUMULATOR FUNCTION TEST. BLM WITNESS, CAROL SCOTT.											
11:30	12:00	0.5	INSTALLED WEAR BUSHING. RU CALIBER LD MACHINE. HELD SAFETY MEETING.								
12:00	15:30	3.5	PU BHA & DP. TAGGED @ 2609.								
15:30	16:00	0.5	INSTALLED DRIVE BUSHING & ROTATING HEAD RUBBER.								
16:00	16:30	0.5	DRILLED CEMENT & FLOAT EQUIP(FELL OUT OF CEMENT @ 2739, RIH TO 2770).								
16:30	17:00	0.5	PERFORMED F.I.T. @ 2770 TO 11.5 PPG EMW(443 PSI).								
17:00	23:00	6.0	*****SPUDED 7 7/8" HOLE @ 1700 HRS 8/24/07*****								

DRILLED 2770 TO 3522(752' @ 125.3 FPH), WOB 10-20K, GPM 400, RPM 40-60/MOTOR 64, SPP 1200, NO FLARE.
 *****SPUDED 7 7/8" HOLE @ 1700 HRS 8/24/07*****

DRILLED 2770 TO 3522(752' @ 125.3 FPH), WOB 10-20K, GPM 400, RPM 40-60/MOTOR 64, SPP 1200, NO FLARE.

23:00 23:30 0.5 SURVEY @ 3441, 1.0 DEGREE.
 23:30 06:00 6.5 DRILLED 3522 TO 4427(905' @ 139.2 FPH), WOB 20K, GPM 400, RPM 55-60/MOTOR 64, SPP 1400, NO FLARE.
 THIS A.M. MUD 8.8 PPG, VIS 30

GAS: BG 600-1197, CONN 1498-1706, HG 4958 @ 3282'. 4 SHOWS.
 MUDLOGGER: CHRIS SMITH - 2 DAYS(ON LOCATION @ NOON, 8/24/07).

DIESEL 9595 GALS(HAULED 7798, USED 523), PROPANE 3960 GALS(HAULED 2420, USED 360).

NO ACCIDENTS. FULL CREWS. 1 BOP DRILL. SAFETY TOPIC: PU BHA & DP W/LD MACHINE.

06:00 18.0 *****SPUDED 7 7/8" HOLE @ 1700 HRS 8/24/07*****

DRILLED 2770 TO 3522(752' @ 125.3 FPH), WOB 10-20K, GPM 400, RPM 40-60/MOTOR 64, SPP 1200, NO FLARE.

08-26-2007	Reported By	DAN LINDSEY									
Daily Costs: Drilling	\$31,589	Completion	\$0	Daily Total	\$31,589						
Cum Costs: Drilling	\$400,002	Completion	\$700	Well Total	\$400,702						
MD	5,581	TVD	5,581	Progress	1,154	Days	2	MW	9.0	Visc	33.0
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 4427 TO 4737(310' @ 103.3 FPH), WOB 20K, GPM 400, RPM 45-60/MOTOR 64, SPP 1300, NO FLARE.
09:00	09:30	0.5	SERVICED RIG, CHECKED COM, FUNCTION PIPE RAMS.
09:30	06:00	20.5	DRILLED 4737 TO 5581(844' @ 41.2 FPH), WOB 18-22K, GPM 400, RPM 40-55/MOTOR 64, SPP 1300, NO FLARE. THIS A.M. MUD 9.3 PPG, VIS 34.

GAS: BG 79-151, CONN 145-238, HG 2032 @ 4707'. 2 SHOWS.
 TOP: WASATCH 5218.
 MUDLOGGER: CHRIS SMITH 3 DAYS.

DIESEL 8645 GALS(USED 950), PROPANE 3360 GALS(USED 600).

NO ACCIDENTS. FULL CREWS. 3 BOP DRILLS.

08-27-2007	Reported By	DAN LINDSEY									
Daily Costs: Drilling	\$31,830	Completion	\$0	Daily Total	\$31,830						
Cum Costs: Drilling	\$431,833	Completion	\$700	Well Total	\$432,533						
MD	5,756	TVD	5,756	Progress	175	Days	3	MW	9.4	Visc	34.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Table with columns: Start, End, Hrs, Activity Description. Contains drilling activity logs from 06:00 to 05:30.

GAS: BG 28-110, CONN 51-106, HG 304 @ 5644'. NO SHOWS. MUDLOGGER: CHRIS SMITH 4 DAYS.

DIESEL 7798 GALS(USED 847), PROPANE 2880 GALS(USED 480).

NO ACCIDENTS. FULL CREWS.

Summary table for 08-28-2007 with columns: Reported By, Daily Costs: Drilling, Cum Costs: Drilling, Completion, Days, MW, Visc.

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Table with columns: Start, End, Hrs, Activity Description. Contains drilling activity logs from 06:00 to 10:00.

GAS: BG 29-93, CONN 73-80, HG 2528 @ 6235'. 2 SHOWS. TOPS: CHAPITA WELLS 5854, BUCK CANYON 6519. MUDLOGGER: CHRIS SMITH 5 DAYS.

DIESEL 6926 GALS(USED 872), PROPANE 2340 GALS(USED 540)

NO ACCIDENTS. FULL CREWS. SAFETY MEETING-KEEPING WORK AREAS CLEAR & CLEAN

Summary table for 08-29-2007 with columns: Reported By, Daily Costs: Drilling, Cum Costs: Drilling, Completion, Days, MW, Visc.

Daily Costs: Drilling	\$106,990	Completion	\$0	Daily Total	\$106,990						
Cum Costs: Drilling	\$587,487	Completion	\$700	Well Total	\$588,187						
MD	7,659	TVD	7,659	Progress	974	Days	5	MW	9.8	Visc	36.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILLED 6685 TO 6874(189' @ 54.0 FPH), WOB 20K, GPM 400, RPM 50/MOTOR 64, SPP 1500, NO FLARE.
09:30	10:00	0.5	SERVICED RIG. CHECKED COM. FUNCTION PIPE RAMS.
10:00	06:00	20.0	DRILLED 6874 TO 7659(785' @ 39.3 FPH), WOB 20K, GPM 400, RPM 40-50/MOTOR 64, SPP 1500, NO FLARE. THIS A.M. MUD 9.9 PPG, VIS 33.

GAS: BG 37-94, CONN 119-167, HG 1590 @ 6821'. 2 SHOWS.

TOP: NORTH HORN 7167.

MUDLOGGER: CHRIS SMITH 6 DAYS.

DIESEL 6223 GALS(USED 703), PROPANE 1800 GALS(USED 540).

NO ACCIDENTS. FULL CREWS. SAFETY MEETING-HOUSEKEEPING.

08-30-2007 **Reported By** DAN LINDSEY

Daily Costs: Drilling	\$31,862	Completion	\$0	Daily Total	\$31,862						
Cum Costs: Drilling	\$619,350	Completion	\$700	Well Total	\$620,050						
MD	8,330	TVD	8,330	Progress	671	Days	6	MW	10.0	Visc	33.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILLED 7659 TO 7752 (93' @ 26.6 FPH), WOB 19-22K, GPM 400, RPM 40-50/MOTOR 64, SPP 1500, NO FLARE.
09:30	10:00	0.5	SERVICED RIG. CHECKED COM. FUNCTION PIPE RAMS.
10:00	19:00	9.0	DRILLED 7752 TO 8033 (281' @ 31.2 FPH), WOB 20K, GPM 400, RPM 30-50/MOTOR 64, SPP 1600, NO FLARE.
19:00	19:30	0.5	WASHED & REAMED 45' TO REMOVE "HITCHIKER" @ 8033'.
19:30	06:00	10.5	DRILLED 8033 TO 8330 (297' @ 28.3 FPH), WOB 18-23K, GPM 400, RPM 30-45/MOTOR 64, SPP 1800, NO FLARE. THIS A.M. MUD 10.3 PPG, VIS 35.

GAS: BG 150-250, CONN 248-798, HG 2038 @ 7790'. 2 SHOWS.

TOP: UPPER PRICE RIVER AT 7850'.

MUDLOGGER: CHRIS SMITH 7 DAYS.

DIESEL 5180 GALS (USED 1043), PROPANE 1320 GALS (USED 480).

NO ACCIDENTS. FULL CREWS.

SAFETY MEETING-PROPER USE OF CHAINS, WIRE ROPE & BOOMERS.

08-31-2007 **Reported By** DAN LINDSEY

Daily Costs: Drilling	\$45,045	Completion	\$9,599	Daily Total	\$54,644						
Cum Costs: Drilling	\$664,395	Completion	\$10,299	Well Total	\$674,694						
MD	9,128	TVD	9,128	Progress	798	Days	7	MW	10.3	Visc	34.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:30	2.5	DRILLED 8330 TO 8439(109' @ 43.6 FPH), WOB 18K, GPM 400, RPM 50/MOTOR 64, SPP 1800, NO FLARE.
08:30	09:00	0.5	SERVICED RIG. CHECKED COM. FUNCTION PIPE RAMS.
09:00	06:00	21.0	DRILLED 8439 TO 9128(689' @ 32.8 FPH), WOB 18-23K, GPM 400, RPM 30-50/MOTOR 64, SPP 1950, NO FLARE. THIS A.M. MUD 10.4 PPG, VIS 35. GAS: BG 213-543, CONN 469-952, HG 2384 @ 8658'. 6 SHOWS. TOP: MIDDLE PRICE RIVER 8621. MUDLOGGER: CHRIS SMITH 8 DAYS. DIESEL 4165 GALS(USED 1015), PROPANE 3480 GALS(HAULED 2553, USED 393). NO ACCIDENTS. FULL CREWS. SAFETY TOPIC-FORKLIFT TRAINING.

09-01-2007 Reported By DAN LINDSEY

Daily Costs: Drilling	\$55,371	Completion	\$0	Daily Total	\$55,371						
Cum Costs: Drilling	\$719,767	Completion	\$10,299	Well Total	\$730,066						
MD	9,670	TVD	9,670	Progress	542	Days	8	MW	10.4	Visc	35.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILLED 9128 TO 9190(68' @ 34.0 FPH), WOB 20K, GPM 400, RPM 45/MOTOR 64, SPP 1900, NO FLARE.
08:00	08:30	0.5	SERVICED RIG. CHECKED COM. FUNCTION PIPE RAMS.
08:30	10:00	1.5	DRILLED 9190 TO 9210(30' @ 20.0 FPH), WOB 20K, GPM 400, RPM 45/MOTOR 64, SPP 1900, NO FLARE.
10:00	14:00	4.0	PUMPED PILL. TOO H W/BIT #2RR.
14:00	15:00	1.0	FUNCTION BLIND RAMS. CHANGED BIT & MUD MOTOR.
15:00	16:30	1.5	TIH W/BIT #3 TO CSG SHOE.
16:30	17:00	0.5	SLIP & CUT 110' DRILL LINE.
17:00	19:00	2.0	TIH W/BIT #3.
19:00	20:00	1.0	WASHED & REAMED 90' TO 9210(40' FILL).
20:00	06:00	10.0	DRILLED 9210 TO 9670(460' @ 46.0 FPH), WOB 10-20K, GPM 400, RPM 40-50/MOTOR 64, SPP 1975, INTERMITTENT FLARE. THIS A.M. MUD 10.7 PPG, VIS 35. GAS: BG 1662-2065, CONN 2918-3412, TG 4799, HG 6202 @ 9265'. 3 SHOWS. TOP: LOWER PRICE RIVER 9380. MUDLOGGER: CHRIS SMITH 9 DAYS. DIESEL 4165 GALS(USED 1015), PROPANE 2820 GALS(USED 660 GALS). NO ACCIDENTS. FULL CREWS. SAFETY TOPICS-LOCK OUT/TAG OUT, SETTING KELLY BACK.

09-02-2007 Reported By DAN LINDSEY

Daily Costs: Drilling	\$36,931	Completion	\$0	Daily Total	\$36,931						
Cum Costs: Drilling	\$756,698	Completion	\$10,299	Well Total	\$766,997						
MD	9,943	TVD	9,943	Progress	273	Days	9	MW	10.7	Visc	36.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILLED 9670 TO 9850(180' @ 51.4 FPH), WOB 17K, GPM 400, RPM 50/MOTOR 64, SPP 1900, INTERMITTENT FLARE.

09:30 10:00 0.5 SERVICED RIG. CHECKED COM. FUNCTION PIPE RAMS.
 10:00 20:00 10.0 DRILLED 9850 TO 9943(60' TO 9910 @ 40.0 FPH, 33' TO 9943 @ 3.9 FPH DUE TO FORMATION CHANGE @ 9910, 30% SILTSTONE, 50% SAND, 20% SHALE, TRACE PYRITE), WOB 17-22K, RPM 30-50/MOTOR 64, SPP 1900, INTERMITTENT FLARE. MUD 10.9 PPG, VIS 36.
 20:00 00:30 4.5 PUMPED PILL. TOOH W/BIT #3.
 00:30 01:00 0.5 FUNCTION BLIND RAMS. CHANGED BIT.
 01:00 05:00 4.0 TIH W/BIT #4.
 05:00 06:00 1.0 WASHED & REAMED 80' TO 9943(30' FILL).
 GAS: BG 504-1750, CONN 2475-2662, TG 1413, HG 4300 @ 9822'. NO SHOWS.
 MUDLOGGER: CHRIS SMITH 10 DAYS.
 DIESEL 4165 GALS(HAULED 1500, USED 684), PROPANE 2160 GALS(USED 660).
 NO ACCIDENTS. FULL CREWS. SAFETY TOPIC-BRAKE ADJUSTMENT.

09-03-2007		Reported By		DAN LINDSEY							
Daily Costs: Drilling	\$46,603	Completion	\$647	Daily Total	\$47,250						
Cum Costs: Drilling	\$803,302	Completion	\$10,946	Well Total	\$814,248						
MD	10,180	TVD	10,180	Progress	237	Days	10	MW	11.1	Visc	37.0
Formation :		PBTD : 0.0		Perf :		PKR Depth : 0.0					
Activity at Report Time: RU CSG CREW											

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILLED 9943 TO 10069(126' @ 36.0 FPH), WOB 16K, GPM 387, RPM 50/MOTOR 62, SPP 1900, 5-10' FLARE.
09:30	10:00	0.5	SERVICED RIG. CHECKED COM. FUNCTION PIPE RAMS.
10:00	15:30	5.5	DRILLED 10069 TO 10180' TD (111' @ 20.2 FPH), WOB 16-22K, GPM 387, RPM 30-60/MOTOR 62, SPP 2100, NO FLARE. FINAL MUD 11.1 PPG, VIS 37. REACHED TD AT 15:30 HRS, 9/2/07.

NOTIFIED JAMIE SPARGER/BLM/VERNAL @1600 HRS OF CSG & CMT JOB.

GAS: BG 1229-1697, CONN 2020-2502, TG 5638(BIT TRIP), HG 2351 @ 10148. 2 SHOWS.

TOP: SEGO 9983.

MUDLOGGER: CHRIS SMITH 10 DAYS.

15:30	17:30	2.0	CIRCULATED, CONDITIONED HOLE & MUD. PUMPED PILL.
17:30	19:30	2.0	SHORT TRIPPED 30 STANDS TO 7350, HOLE SLICK, NO FILL.
19:30	21:30	2.0	CIRCULATED GAS OUT. CONDITIONED MUD & HOLE. RU WEATHERFORD LD MACHINE.
21:30	22:00	0.5	DROPPED SURVEY. HELD SAFETY MEETING. PUMPED PILL.
22:00	04:00	6.0	LDDP.
04:00	05:30	1.5	BROKE KELLY. LD BHA.
05:30	06:00	0.5	PULLED WEAR BUSHING.

DIESEL 3510 GALS(USED 655), PROPANE 1500 GALS(USED 660).

NO ACCIDENTS. FULL CREWS. SAFETY TOPICS-DRILL LINE INSPECTION, TRIPPING, LDDP.

09-04-2007		Reported By		DAN LINDSEY							
Daily Costs: Drilling	\$51,646	Completion	\$187,919	Daily Total	\$239,565						
Cum Costs: Drilling	\$854,949	Completion	\$198,865	Well Total	\$1,053,814						
MD	10,180	TVD	10,180	Progress	0	Days	11	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0		Perf :		PKR Depth : 0.0					
Activity at Report Time: RDRT/NO COMPLETION											

Start	End	Hrs	Activity Description
06:00	07:00	1.0	RU WEATHERFORD CSG CREW. HELD SAFETY MEETING.
07:00	14:00	7.0	RAN 234 JTS 4.5" 11.6# HCP-110 LTC CSG(FS, 1 JT, FC, 230 JTS & 3 MARKERS) & TAG JT. FS 10162' KB, FC 10,116' TOP, MJ TOPS 7817', 4823' & 22'. RAN 35 CENTRALIZERS(MIDDLE OF SHOE JT, TOP OF #2, EVERY 2ND JT TO 7155). TAGGED @ 10180. LD TAG JT & PU LANDING JT W/CSG HANGER.
14:00	15:30	1.5	CIRCULATED GAS OUT. RD WEATHERFORD CSG CREW & LD MACHINE. RU SLB CEMENTER. HELD SAFETY MEETING.
15:30	19:00	3.5	CEMENTED CSG AS FOLLOWS: PUMPED 20 BBLs CHEM WASH, 20 BBLs FW SPACER, 390 SX 35/65 POZ G (157 BBLs @ 12.0 PPG, 2.26 CFS) & 1615 SX 50/50 POZ G(371 BBLs @ 14.1 PPG, 1.29 CFS). DROPPED PLUG. DISP W/155 BTW(LOST RETURNS WITH 60 BBLs DISPLACEMENT PUMPED). FINAL LIFT PRESSURE 2400 PSI. BUMPED PLUG TO 3400 PSI. BLEED OFF, FLOATS HELD.
19:00	20:00	1.0	LANDED CSG @ 10162(FC @ 10115, MARKERS @ 7817-40 & 4823-45). TESTED CSG HANGER TO 5000 PSI. RD SLB. HAULED 900 BBLs MUD TO STORAGE. CLEANED MUD TANKS DURING DISPLACEMENT. NO ACCIDENTS. FULL CREWS. MUDLOGGER: CHRIS SMITH - 10 DAYS(ON LOCATION @ 1200 HRS 8/24/07, RELEASED @ 2100 HRS 9/2/07. TRANSFERRED 11 JTS(480.12') 4.5" 11.6# HCP-110 LTC CASING TO NCW 157-34. TRANSFERRED 2 JTS(20.16') 4.5" 11.6# HCP-110 LTC CASING TO NCW 157-34. TRANSFERRED 3510 GALS DIESEL & 2500 GALS PROPANE TO NCW 157-34.
20:00	06:00	10.0	RDRT. LOWERED DERRICK. FINISHED RDRT, READY FOR TRUCKS. TRUCKS SCHEDULED FOR 0700 HRS 9/4/07, MOVE IS 0.4 MILES. 10 MEN, 50 MAN-HOURS. NO ACCIDENTS.
06:00		18.0	RELEASED RIG @ 20:00 HRS. 9/3/07. CASING POINT COST \$854,950

09-11-2007		Reported By	MCCURDY								
Daily Costs: Drilling	\$0	Completion	\$46,026	Daily Total	\$46,026						
Cum Costs: Drilling	\$854,949	Completion	\$244,891	Well Total	\$1,099,840						
MD	10,180	TVD	10,180	Progress	0	Days	12	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							
Activity at Report Time: WO COMPLETION											

Start	End	Hrs	Activity Description
06:00	06:00	24.0	9/6/2007: RU SCHLUMBERGER. RAN RST/CBL/VDL/GR/CCL FROM PBTD TO 966'. CEMENT TOP @ 2090'. RD SCHLUMBERGER.

09-15-2007		Reported By	MCCURDY								
Daily Costs: Drilling	\$0	Completion	\$1,780	Daily Total	\$1,780						
Cum Costs: Drilling	\$854,949	Completion	\$246,671	Well Total	\$1,101,620						
MD	10,180	TVD	10,180	Progress	0	Days	13	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							
Activity at Report Time: PREP FOR FRAC											

Start	End	Hrs	Activity Description
09:00	10:00	1.0	NU 10M FRAC TREE. PRESSURE TEST FRAC TREE & CASING TO 8500 PSIG, HELD OK. PREP FOR FRAC .

09-18-2007		Reported By	HOOLEY								
Daily Costs: Drilling	\$0	Completion	\$900	Daily Total	\$900						

Cum Costs: Drilling \$854,949 **Completion** \$247,571 **Well Total** \$1,102,520
MD 10,180 **TVD** 10,180 **Progress** 0 **Days** 14 **MW** 0.0 **Visc** 0.0
Formation : MESAVERDE **PBTD : 0.0** **Perf : 8730-10029** **PKR Depth : 0.0**

Activity at Report Time: FRAC

Start **End** **Hrs** **Activity Description**
 06:00 17:30 11.5 SICIP 0 PSIG. RU CUTTERS WIRELINE. PERFORATED SEGO/LPR FROM 10028-29', 10020-21', 9971-72', 9957-58', 9941-42', 9937-38', 9933-34', 9913-14', 9885-86', 9881-02', 9876-77', 9870-72', 9862-63' AND 9827-29' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4163 GAL WF120 PAD, 43129 GAL WF120 & YF116ST+ WITH 112500# 20/40 SAND @ 1-5 PPG. MTP 7894 PSIG. MTR 52.0 BPM. ATP 5433 PSIG. ATR 47.1 BPM. ISIP 3050 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 9770'. PERFORATED LPR FROM 9756-57', 9739-40', 9725-26', 9702-03', 9683-84', 9662-63', 9653-54', 9625-26', 9619-20', 9610-11', 9594-95' AND 9566-67' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4123 GAL WF120 PAD, 42329 GAL WF120 & YF116ST+ WITH 108100# 20/40 SAND @ 1-5 PPG. MTP 8032 PSIG. MTR 51.9 BPM. ATP 5749 PSIG. ATR 47.1 BPM. ISIP 3150 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 9400'. PERFORATED MPR FROM 9377-78', 9342-43', 9319-20', 9310-11', 9271-72', 9264-65', 9252-53', 9229-30', 9211-12', 9203-04' AND 9190-92' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4778 GAL WF120 PAD, 50116 GAL WF120 & YF116ST+ WITH 127000# 20/40 SAND @ 1-4 PPG. MTP 8303 PSIG. MTR 50.7 BPM. ATP 6129 PSIG. ATR 47.4 BPM. ISIP 4150 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 9150'. PERFORATE MPR FROM 9133-34', 9123-24', 9114-15', 9072-73', 9065-66', 9058-59', 9051-52', 9020-21', 8997-98', 8983-84', 8966-67' AND 8942-43' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4129 GAL WF120 PAD, 55889 GAL WF120 & YF116ST+ WITH 152800# 20/40 SAND @ 1-5 PPG. MTP 7926 PSIG. MTR 51.8 BPM. ATP 4913 PSIG. ATR 46.0 BPM. ISIP 2900 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8890'. PERFORATED MPR FROM 8876-77', 8868-70', 8862-63', 8825-26', 8819-20', 8814-15', 8781-83', 8739-40', 8735-36' AND 8730-31' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3097 GAL WF120 PAD, 35669 GAL WF120 & YF116ST+ WITH 87300# 20/40 SAND @ 1-5 PPG. MTP 8432 PSIG. MTR 51.6 BPM. ATP 5716 PSIG. ATR 45.9 BPM. ISIP 2400 PSIG. RD SCHLUMBERGER. SDFN.

09-19-2007 **Reported By** HOOLEY

Daily Costs: Drilling \$0 **Completion** \$39,296 **Daily Total** \$39,296
Cum Costs: Drilling \$854,949 **Completion** \$286,867 **Well Total** \$1,141,816
MD 10,180 **TVD** 10,180 **Progress** 0 **Days** 15 **MW** 0.0 **Visc** 0.0
Formation : MESAVERDE / WASATCH **PBTD : 0.0** **Perf : 7585-10029** **PKR Depth : 0.0**

Activity at Report Time: FRAC WASATCH

Start **End** **Hrs** **Activity Description**
 06:00 18:00 12.0 SICIP 2400 PSIG. RAUWL. STACKED OUT WITH CFP @ 8670'. RDWL. FLOWED ON 24/64" CHOKE FOR 1-1/2 HRS TO CLEAN UP. RUWL. SET 10K CFP AT 8710'. PERFORATED MPR/UPR FROM 8692-93', 8685-87', 8662-63', 8648-49', 8637-38', 8610-11', 8597-98', 8589-90', 8557-58', 8549-50' AND 8544-45' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4132 GAL WF120 PAD, 58952 GAL WF120 & YF116ST+ WITH 159100# 20/40 SAND @ 1-4 PPG. MTP 7778 PSIG. MTR 51.0 BPM. ATP 5292 PSIG. ATR 46.6 BPM. ISIP 3000 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8510'. PERFORATED UPR FROM 8492-93', 8487-88', 8482-83', 8469-70', 8436-37', 8431-32', 8392-93', 8364-65', 8358-59', 8326-27', 8320-21' AND 8315-16' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3118 GAL WF120 PAD, 40352 GAL WF120 & YF116ST+ WITH 105200# 20/40 SAND @ 1-5 PPG. MTP 6418 PSIG. MTR 50.9 BPM. ATP 4058 PSIG. ATR 47.0 BPM. ISIP 2450 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8280'. PERFORATED UPR FROM 8263-65', 8236-37', 8223-24', 8218-19', 8213-14', 8205-06', 8170-71', 8150-51', 8142-43' AND 8091-93' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2047 GAL WF120 PAD, 28571 GAL WF120 & YF116ST+ WITH 68500# 20/40 SAND @ 1-5 PPG. MTP 7497 PSIG. MTR 52.0 BPM. ATP 5020 PSIG. ATR 45.5 BPM. ISIP 2700 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8065'. PERFORATED UPR FROM 8049-50', 8044-45', 8039-40', 8016-18', 7989-90', 7979-80', 7969-70', 7950-51', 7934-35', 7922-23' AND 7910-11' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4144 GAL WF120 PAD, 55328 GAL WF120 & YF116ST+ WITH 153000# 20/40 SAND @ 1-5 PPG. MTP 7604 PSIG. MTR 51.7 BPM. ATP 4333 PSIG. ATR 48.7 BPM. ISIP 2150 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7835'. PERFORATED NORTH HORN FROM 7813-14', 7780-81', 7772-73', 7750-51', 7745-46', 7716-17', 7678-79', 7653-54', 7648-49', 7612-13', 7598-99' AND 7585-86' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3496 GAL WF120 PAD, 39008 GAL WF120 & YF116ST+ WITH 99800# 20/40 SAND @ 1-4 PPG. MTP 6592 PSIG. MTR 51.0 BPM. ATP 4457 PSIG. ATR 46.5 BPM. ISIP 2450 PSIG. RD SCHLUMBERGER. SDFN.

09-20-2007		Reported By		HOOLEY							
Daily Costs: Drilling	\$0			Completion	\$483,714	Daily Total		\$483,714			
Cum Costs: Drilling	\$854,949			Completion	\$770,581	Well Total		\$1,625,530			
MD	10,180	TVD	10,180	Progress	0	Days	16	MW	0.0	Visc	0.0
Formation : MESAVERDE / WASATCH		PBTD : 10116.0		Perf : 5832-10029		PKR Depth : 0.0					

Activity at Report Time: DRILL OUT PLUGS.

Start	End	Hrs	Activity Description
06:00	15:30	9.5	SICP- 2200 PSIG. RUWL. SET 10K CFP AT 7525'. PERFORATE NORTH HORN FROM 7507-08', 7500-01', 7479-80', 7462-63', 7458-59', 7450-51', 7419-20', 7400-01', 7393-94', 7384-85', 7363-64' AND 7062-63' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2685 GAL WF120 PAD, 33,393 GAL WF120 & YF116ST+ WITH 82,700# 20/40 SAND @ 1-4 PPG. MTP 5667 PSIG. MTR 51.0 BPM. ATP 4036 PSIG. ATR 45.4 BPM. ISIP 1500 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7310'. PERFORATE NORTH HORN/Ba FROM 7292-93', 7281-82', 7274-75', 7247-48', 7216-17', 7188-89', 7164-65', 7144-45', 7120-21', 7093-94', 7083-84' AND 7062-63' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 330 GAL 7-1/2% HCL, 3308 GAL WF120 PAD, 38,062 GAL WF120 & YF116ST+ WITH 98,100# 20/40 SAND @ 1-4 PPG. MTP 4690 PSIG. MTR 50.9 BPM. ATP 3613 PSIG. ATR 44.9 BPM. ISIP 1750 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7000'. PERFORATE Ba FROM 6975-76', 6962-63', 6916-17', 6892-93', 6869-70', 6833-34', 6821-22', 6783-84', 6752-53', 6741-42', 6678-79', 6633-34', 6611-12' AND 6601-02' @ 2 SPF @ 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 330 GAL 7-1/2% HCL, 4120 GAL WF120 PAD, 38,468 GAL WF120 & YF116ST+ WITH 93,900# 20/40 SAND @ 1-4 PPG. MTP 6180 PSIG. MTR 51.0 BPM. ATP 3871 PSIG. ATR 46.8 BPM. ISIP 1400 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6430'. PERFORATE Ca FROM 6406-16' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 330 GAL 7-1/2% HCL, 2057 GAL WF120 PAD, 23,899 GAL WF120 & YF116ST+ WITH 53,500# 20/40 SAND @ 1-4 PPG. MTP 5323 PSIG. MTR 50.9 BPM. ATP 3272 PSIG. ATR 46.0 BPM. ISIP 1400 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6365'. PERFORATE Ca FROM 6352-53', 6333-34', 6323-28' AND 6314-19' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 330 GAL 7-1/2% HCL, 2054 GAL WF120 PAD, 24,028 GAL WF120 & YF116ST+ WITH 54,600# 20/40 SAND @ 1-4 PPG. MTP 5001 PSIG. MTR 50.9 BPM. ATP 3259 PSIG. ATR 45.0 BPM. ISIP 1500 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6250'. PERFORATE Ca FROM 6212-24' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 330 GAL 7-1/2% HCL, 2045 GAL WF120 PAD, 25,339 GAL WF120 & YF116ST+ WITH 60,900# 20/40 SAND @ 1-4 PPG. MTP 4892 PSIG. MTR 52.7 BPM. ATP 3228 PSIG. ATR 45.9 BPM. ISIP 1740 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6035'. PERFORATE Ca FROM 6005-07', 5982-84', 5951-52', 5907-08', 5880-81' AND 5832-37' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 330 GAL 7-1/2% HCL, 2043 GAL WF120 PAD, 29,205 GAL WF120 & YF116ST+ WITH 77,300# 20/40 SAND @ 1-4 PPG. MTP 5591 PSIG. MTR 50.9 BPM. ATP 3924 PSIG. ATR 46.0 BPM. ISIP 2300 PSIG. RDMO SCHLUMBERGER.

RUWL. SET 10K CBP @ 5775'. BLEED WELL TO 0 PSIG. RDMOWL. SWIFN.

09-21-2007		Reported By		HAL IVIE							
Daily Costs: Drilling	\$0			Completion	\$41,368			Daily Total	\$41,368		
Cum Costs: Drilling	\$854,949			Completion	\$811,949			Well Total	\$1,666,898		
MD	10,180	TVD	10,180	Progress	0	Days	17	MW	0.0	Visc	0.0
Formation :		PBTB : 10116.0				Perf : 5832-10029		PKR Depth : 0.0			
MESAVERDE/WASATCH											
Activity at Report Time: CLEAN OUT AFTER FRAC											
Start	End	Hrs	Activity Description								
06:00	17:00	11.0	SICP 0 PSIG. MIRU ROYAL RIG # 1.ND FRAC TREE. NU BOP. RIH W/MILL & PUMP OFF BIT SUB TO CBP @ 5775'. RU DRILLING EQUIP. SDFN.								
09-22-2007		Reported By		HAL IVIE							
Daily Costs: Drilling	\$0			Completion	\$7,626			Daily Total	\$7,626		
Cum Costs: Drilling	\$854,949			Completion	\$819,575			Well Total	\$1,674,524		
MD	10,180	TVD	10,180	Progress	0	Days	18	MW	0.0	Visc	0.0
Formation :		PBTB : 10116.0				Perf : 5832 - 10029		PKR Depth : 0.0			
MESAVERDE / WASATCH											
Activity at Report Time: DRLG CFP'S											
Start	End	Hrs	Activity Description								
06:00	18:00	12.0	SICP 0 PSIG. DRILL AND CLEAN OUT CFP'S @ 5775', 6030', 6250', 6365', 6430', 7000', 7310', 7525', 7840', 8065', 8280'. CIRCULATE CLEAN. RIG DN DRLG EQUIPMENT. POH W/78 JTS TBG. EOT @ 5762'. TP @ 5832'. SWI. SDFD.								
09-25-2007		Reported By		HAL IVIE							
Daily Costs: Drilling	\$0			Completion	\$70,217			Daily Total	\$70,217		
Cum Costs: Drilling	\$854,949			Completion	\$889,792			Well Total	\$1,744,741		
MD	10,180	TVD	10,180	Progress	0	Days	19	MW	0.0	Visc	0.0
Formation :		PBTB : 10116.0				Perf : 5832 - 10029		PKR Depth : 0.0			
MESAVERDE / WASATCH											
Activity at Report Time: FLOW TEST											
Start	End	Hrs	Activity Description								

06:00 06:00 24.0 SICP 2500 PSIG. RIH. CLEANED OUT & DRILLED OUT PLUGS @ 8510', 8710', 8890', 9150', 9400' & 9770'. RIH. CLEANED OUT TO PBTD @ 10116'. LANDED TBG @ 8486' KB. ND BOP. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 15 HRS. 16/6"4 CHOKE. FTP 1750 PSIG. CP 2200 PSIG. 30 BFPH. RECOVERED 457 BLW. 16149 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'
 1 JT 2-3/8" 4.7# N-80 TBG 32.40'
 XN NIPPLE 1.10'
 262 JTS 2-3/8" 4.7# N-80 TBG 8436.12'
 BELOW KB 15.00'
 LANDED @ 8485.62' KB

09-26-2007		Reported By		HAL IVIE	
Daily Costs: Drilling	\$0	Completion	\$3,060	Daily Total	\$3,060
Cum Costs: Drilling	\$854,949	Completion	\$892,852	Well Total	\$1,747,801
MD	10,180	TVD	10,180	Progress	0
		Days	20	MW	0.0
		Visc			0.0
Formation : MESAVERDE / WASATCH		PBTD : 10116.0		Perf : 5832 - 10029	
PKR Depth : 0.0					

Activity at Report Time: FLOW BACK WELL

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1700 PSIG. CP 2450 PSIG. 20 BFPH. RECOVERED 484 BLW. 15665 BLWTR.

09-27-2007		Reported By		HAL IVIE	
Daily Costs: Drilling	\$0	Completion	\$1,075	Daily Total	\$1,075
Cum Costs: Drilling	\$854,949	Completion	\$893,927	Well Total	\$1,748,876
MD	10,180	TVD	10,180	Progress	0
		Days	21	MW	0.0
		Visc			0.0
Formation : MESAVERDE / WASATCH		PBTD : 10116.0		Perf : 5832 - 10029	
PKR Depth : 0.0					

Activity at Report Time: FLOW TEST/INITIAL PRODUCTION

Start	End	Hrs	Activity Description
06:00	09:30	3.5	FLOWED 3.5 HRS. 16/64" CHOKE. FTP 1650 PSIG. CP 2450 PSIG. 20 BFPH. RECOVERED 80 BLW. 15585 BLWTR. SI. TURNED TO SALES TO CLEAN UP BEFORE SHUTTING IN FOR CURTAILMENT.

FINAL COMPLETION DATE: 9/26/07

INITIAL PRODUCTION. FIRST GAS SALES: OPENING PRESSURE: TP 1850 & CP 2500 PSI. TURNED WELL TO QUESTAR SALES AT 12:30 PM, 9/26/07. FLOWED 422 MCFD RATE ON 10/64" POS CHOKE. STATIC 360.

09-28-2007		Reported By		ALAN WATKINS	
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$854,949	Completion	\$893,927	Well Total	\$1,748,876
MD	10,180	TVD	10,180	Progress	0
		Days	22	MW	0.0
		Visc			0.0

Formation : MESAVERDE / **PBTD :** 10116.0 **Perf :** 5832 - 10029 **PKR Depth :** 0.0
 WASATCH

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 482 MCF, 45 BC & 95 BW IN 24 HRS ON 10/64" CK, TP 1900 & CP 2450 PSIG.

10-01-2007 **Reported By** ALAN WATKINS

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$854,949	Completion	\$893,927	Well Total	\$1,748,876

MD	10,180	TVD	10,180	Progress	0	Days	23	MW	0.0	Visc	0.0
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Formation : MESAVERDE / **PBTD :** 10116.0 **Perf :** 5832 - 10029 **PKR Depth :** 0.0
 WASATCH

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	9/29/07 FLOWED 465 MCF, 61 BC & 138 BW IN 24 HRS ON 10/64" CK, TP 1875 & CP 2425 PSIG.
			9/30/07 FLOWED 498 MCF, 68 BC & 122 BW IN 24 HRS ON 10/64" CK, TP 1850 & CP 2400 PSIG.
			10/1/07 FLOWED 457 MCF, 60 BC & 90 BW IN 24 HRS ON 10/64" CK, TP 1850 & CP 2400 PSIG.

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.
U-43916

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

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

2. Name of Operator
EOG Resources, Inc.

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

8. Lease Name and Well No.
North Chapita 338-34

9. AFI Well No.
43-047-38059

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface **1824' FNL & 850' FEL (SENE) 40.081694 LAT 109.419636 LON**
 At top prod. interval reported below **Same**
 At total depth **Same**

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

11. Sec., T., R., M., on Block and
Survey or Area **Sec. 34-T8S-R22E**

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

14. Date Spudded **07/21/2007** 15. Date T.D. Reached **09/02/2007** 16. Date Completed **09/26/2007**
 D & A Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*
4818' NAT GL

18. Total Depth: **MD 10.180** 19. Plug Back T.D.: **MD**
TVD **TVD**

20. Depth Bridge Plug Set: **MD**
TVD

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

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	9-5/8"	36.0#	J-55	0-2712		685 sx			
7-7/8"	4-1/2"	11.6#	P-110	0-10,162		2005 sx			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-3/8"	8486'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Wasatch/Mesaverde	5832	10,029	9827-10,029		3/spf	
B)			9566-9757		3/spf	
C)			9190-9378		3/spf	
D)			8942-9134		3/spf	

26. Perforation Record

Perforated Interval	Size	No. Holes	Perf. Status
9827-10,029		3/spf	
9566-9757		3/spf	
9190-9378		3/spf	
8942-9134		3/spf	

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

Depth Interval	Amount and Type of Material
9827-10,029	47,457 GALS GELLED WATER & 112,500# 20/40 SAND
9566-9757	46,617 GALS GELLED WATER & 108,100# 20/40 SAND
9190-9378	55,059 GALS GELLED WATER & 127,000# 20/40 SAND
8942-9134	60,183 GALS GELLED WATER & 152,800# 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
9/26/07	10/2/07	24	→	44	477	100			Flows from well
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
10/64"	1750	2300	→	44	477	100		Producing gas well	

28a. Production - Interval B

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

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

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PROCESSED BY 13

28b. Production - Interval C

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

28c. Production - Interval D

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

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

SOLD

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Wasatch/Mesaverde	5832	10,029		Wasatch	5223
				Chapita Wells	5837
				Buck Canyon	6495
				Price River	7830
				Middle Price River	8633
				Lower Price River	9441
				Sego	9951

32. Additional remarks (include plugging procedure):

See attached sheet.

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

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

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

Name (please print) Mary A. Maestas Title Regulatory Assistant
 Signature Mary A. Maestas Date 11/08/2007

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

North Chapita 338-34 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

8730-8877	3/spf
8544-8693	3/spf
8315-8493	3/spf
8091-8265	3/spf
7910-8050	3/spf
7585-7814	3/spf
7354-7508	3/spf
7062-7293	3/spf
6601-6976	2/spf
6406-6416	3/spf
6314-6353	3/spf
6212-6224	3/spf
5832-6007	3/spf

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

8730-8877	38,931 GALS GELLED WATER & 87,300# 20/40 SAND
8544-8693	63,249 GALS GELLED WATER & 159,100# 20/40 SAND
8315-8493	43,635 GALS GELLED WATER & 105,200# 20/40 SAND
8091-8265	30,783 GALS GELLED WATER & 68,500# 20/40 SAND
7910-8050	59,637 GALS GELLED WATER & 153,000# 20/40 SAND
7585-7814	42,669 GALS GELLED WATER & 99,800# 20/40 SAND
7354-7508	36,243 GALS GELLED WATER & 82,700# 20/40 SAND
7062-7293	330 GALS HCL; 41,535 GALS GELLED WATER & 98,100# 20/40 SAND
6601-6976	330 GALS HCL; 42,588 GALS GELLED WATER & 93,900# 20/40 SAND
6406-6416	330 GALS HCL; 25,956 GALS GELLED WATER & 53,500# 20/40 SAND
6314-6353	330 GALS HCL; 26,082 GALS GELLED WATER & 54,600# 20/40 SAND
6212-6224	330 GALS HCL; 27,384 GALS GELLED WATER & 60,900# 20/40 SAND
5832-6007	330 GALS HCL; 31,248 GALS GELLED WATER & 77,300# 20/40 SAND

Perforated the Segó/Lower Price River from 9827-9829', 9862-9863', 9870-9872', 9876-9877', 9881-9882', 9885-9886', 9913-9914', 9933-9934', 9937-9938', 9941-9942', 9957-9958', 9971-9972', 10020-10021' & 10028-10029' w/ 3 spf.

Perforated the Lower Price River from 9566-9567', 9594-9595', 9610-9611', 9619-9620', 9625-9626', 9653-9654', 9662-9663', 9683-9684', 9702-9703', 9725-9726', 9739-9740' & 9756-9757' w/ 3 spf.

Perforated the Middle Price River from 9190-9192', 9203-9204', 9211-9212', 9229-9230', 9252-9253', 9264-9265', 9271-9272', 9310-9311', 9319-9320', 9342-9343' & 9377-9378' w/ 3 spf.

Perforated the Middle Price River from 8942-8943', 8966-8967', 8983-8984', 8997-8998', 9020-9021', 9051-9052', 9058-9059', 9065-9066', 9072-9073', 9114-9115', 9123-9124' & 9133-9134' w/ 3 spf.

Perforated the Middle Price River from 8730-8731', 8735-8736', 8739-8740', 8781-8783', 8814-8815', 8819-8820', 8825-8826', 8862-8863', 8868-8870' & 8876-8877' w/ 3 spf.

Perforated the Middle/Upper Price River from 8544-8545', 8549-8550', 8557-8558', 8589-8590', 8597-8598', 8610-8611', 8637-8638', 8648-8649', 8662-8663', 8685-8687' & 8692-8693' w/ 3 spf.

Perforated the Upper Price River from 8315-8316', 8320-8321', 8326-8327', 8358-8359', 8364-8365', 8392-8393', 8431-8432', 8436-8437', 8469-8470', 8482-8483', 8487-8488' & 8492-8493' w/ 3 spf.

Perforated the Upper Price River from 8091-8093', 8142-8143', 8150-8151', 8170-8171', 8205-8206', 8213-8214', 8218-8219', 8223-8224', 8236-8237' & 8263-8265' w/ 3 spf.

Perforated the Upper Price River from 7910-7911', 7922-7923', 7934-7935', 7950-7951', 7969-7970', 7979-7980', 7989-7990', 8016-8018', 8039-8040', 8044-8045' & 8049-8050' w/ 3 spf.

Perforated the North Horn from 7585-7586', 7598-7599', 7612-7613', 7648-7649', 7653-7654', 7678-7679', 7716-7717', 7745-7746', 7750-7751', 7772-7773', 7780-7781' & 7813-7814' w/ 3 spf.

Perforated the North Horn from 7354-7355', 7363-7364', 7384-7385', 7393-7394', 7400-7401', 7419-7420', 7450-7451', 7458-7459', 7462-7463', 7479-7480', 7500-7501' & 7507-7508' w/ 3 spf.

Perforated the North Horn/Buck Canyon from 7062-7063', 7083-7084', 7093-7094', 7120-7121', 7144-7145', 7164-7165', 7188-7189', 7216-7217', 7247-7248', 7274-7275', 7281-7282' & 7292-7293' w/ 3 spf.

Perforated the Buck Canyon from 6601-6602', 6611-6612', 6633-6634', 6678-6679', 6741-6742', 6752-6753', 6783-6784', 6821-6822', 6833-6834', 6869-6870', 6892-6893', 6916-6917', 6962-6963' & 6975-6976' w/ 2 spf.

Perforated the Chapita Wells from 6406-6416' w/ 3 spf.

Perforated the Chapita Wells from 6314-6319', 6323-6328', 6333-6334' & 6352-6353' w/ 3 spf.

Perforated the Chapita Wells from 6212-6224' w/ 3 spf.

Perforated the Chapita Wells from 5832-5837', 5880-5881', 5907-5908', 5951-5952', 5982-5984' & 6005-6007' w/ 3 spf.

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: NORTH CHAPITA 338-34

API number: 4304738059

Well Location: QQ SENE 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: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1367

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
		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 11/8/2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
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 338-34

2. Name of Operator
EOG RESOURCES INC

Contact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

9. API Well No.
43-047-38059

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 SENE 1824FNL 850FEL
40.08169 N Lat, 109.41964 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 #60688 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal**

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

Signature *Mary A. Maestas* (Electronic Submission) Date 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.

**RECEIVED
JUN 8 9 2008**

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

DIV. OF OIL, GAS & MINING