

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

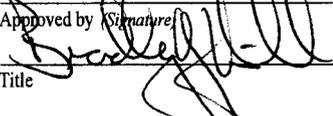
**APPLICATION FOR PERMIT TO DRILL OR REENTER**

5a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-43916
5b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC.		7. If Unit or CA Agreement, Name and No.
3a. Address P.O. Box 1815 Vernal, UT 84078	3b. Phone No. (include area code) 435-781-9111	8. Lease Name and Well No. NORTH CHAPITA 339-34
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface NWSW 2000 FSL 670 FWL 40.077756 LAT 109.433264 LON At proposed prod. zone SAME 633646 X 40.077754 4437354Y -109.432617		9. API Well No. 43-047-38061
14. Distance in miles and direction from nearest town or post office* 36.4 MILES SOUTH OF VERNAL		10. Field and Pool, or Exploratory NATURAL BUTTES
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 670' 640'	16. No. of acres in lease 1360	11. Sec., T. R. M. or Blk. and Survey or Area SEC. 34, T8S, R22E S.L.B.&M
17. Spacing Unit dedicated to this well 40	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 2640'	12. County or Parish UINTAH
19. Proposed Depth 10,250'	20. BLM/BIA Bond No. on file NM 2308	13. State UT
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4895 GL	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 04/27/2006
Title Regulatory Assistant		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL Office ENVIRONMENTAL MANAGER	Date 05-08-06
Title		

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

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

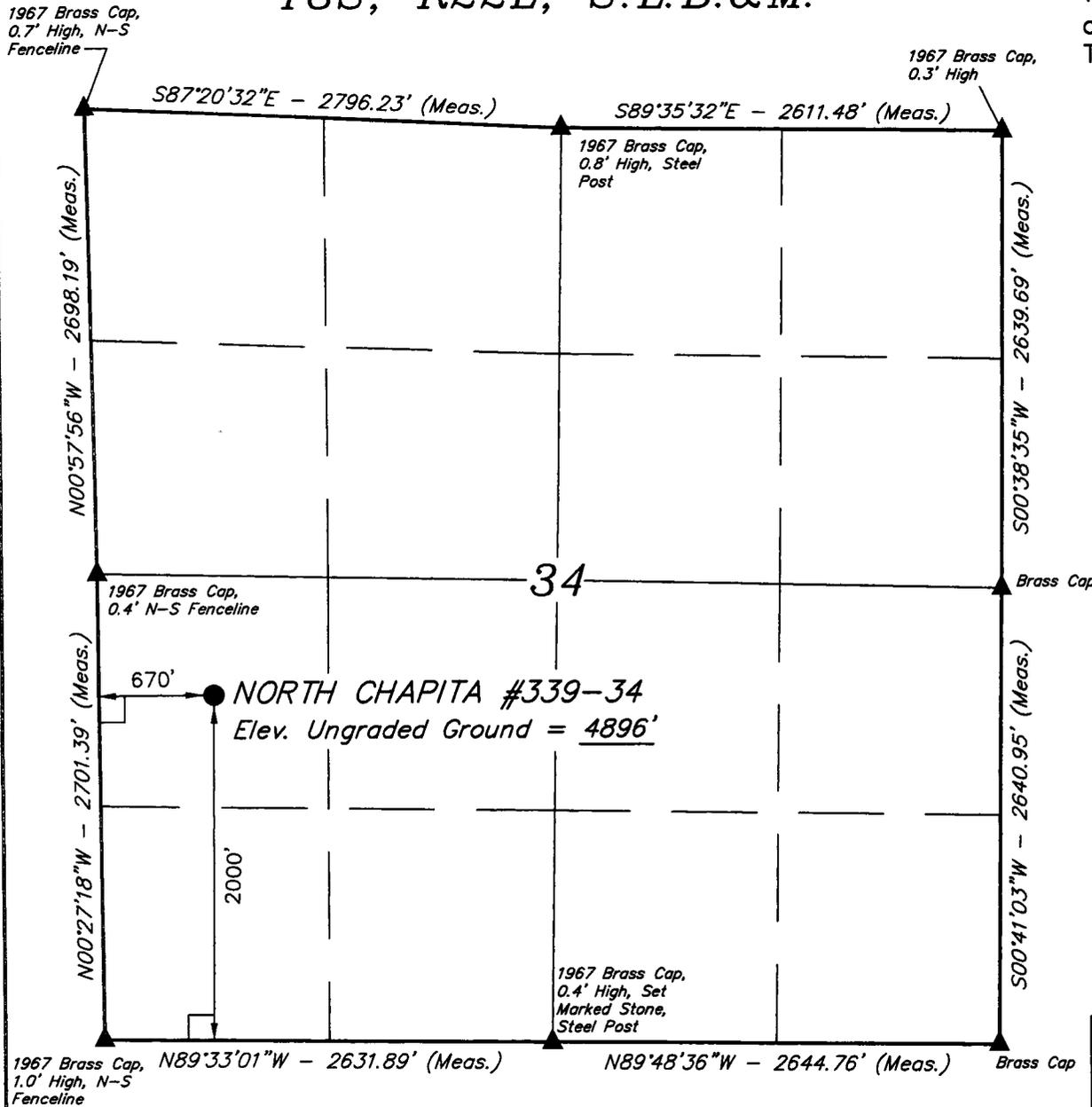
\*(Instructions on page 2)

Federal Approval of this  
Action Is Necessary

RECEIVED  
MAY 03 2006  
DIV. OF OIL, GAS & MINING

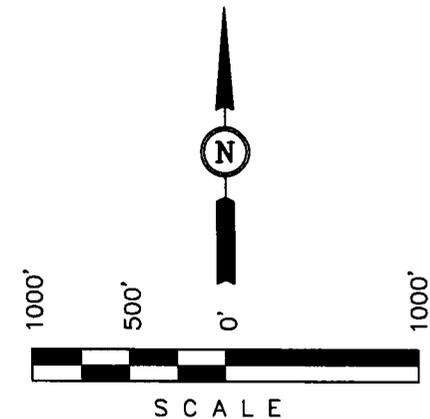
T8S, R22E, S.L.B.&M.

Well location, NORTH CHAPITA #339-34, located as shown in the NW 1/4 SW 1/4 of Section 34, T8S, R22E, S.L.B.&M. Uintah County, Utah.



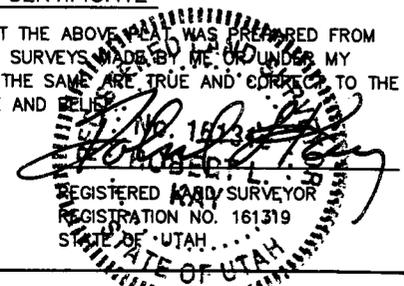
BASIS OF ELEVATION

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.



LEGEND:

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

(NAD 83)  
 LATITUDE = 40°04'39.92" (40.077756)  
 LONGITUDE = 109°25'59.75" (109.433264)  
 (NAD 27)  
 LATITUDE = 40°04'40.05" (40.077792)  
 LONGITUDE = 109°25'57.29" (109.432581)

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

SCALE 1" = 1000'	DATE SURVEYED: 03-03-06	DATE DRAWN: 03-13-06
PARTY G.S. T.C. L.K.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**

**NORTH CHAPITA WELLS 339-34**  
**NW/SW, SEC. 34, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>DEPTH (KB)</b>
Green River FM	2,287'
Wasatch	5,312'
Chapita Wells	5,914'
Buck Canyon	6,624'
North Horn	7,191'
Island	7,739'
KMV Price River	7,996'
KMV Price River Middle	8,734'
KMV Price River Lower	9,511'
Sego	10,048'

Estimated TD: **10,250' or 200'± below Sego top**

**Anticipated BHP: 5,595 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:**

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

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

**5. Float Equipment:**

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

## **EIGHT POINT PLAN**

### **NORTH CHAPITA WELLS 339-34** **NW/SW, 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 2<sup>nd</sup> joint.

#### **6. MUD PROGRAM**

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

Air/air mist or aerated water.

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

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

#### **7. VARIANCE REQUESTS:**

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

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

#### **8. EVALUATION PROGRAM:**

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

## EIGHT POINT PLAN

### NORTH CHAPITA WELLS 339-34 NW/SW, SEC. 34, T8S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 9. CEMENT PROGRAM:

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

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

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

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

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

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

**Lead:** 175 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft<sup>3</sup>/sk., 9.19 gps water.

**Tail:** 941 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9 gps water.

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

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

#### 10. ABNORMAL CONDITIONS:

##### Surface Hole (Surface - 2300'±):

Lost circulation

##### Production Hole (2300'± - TD):

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

**EIGHT POINT PLAN**

**NORTH CHAPITA WELLS 339-34**  
**NW/SW, SEC. 34, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**11. STANDARD REQUIRED EQUIPMENT:**

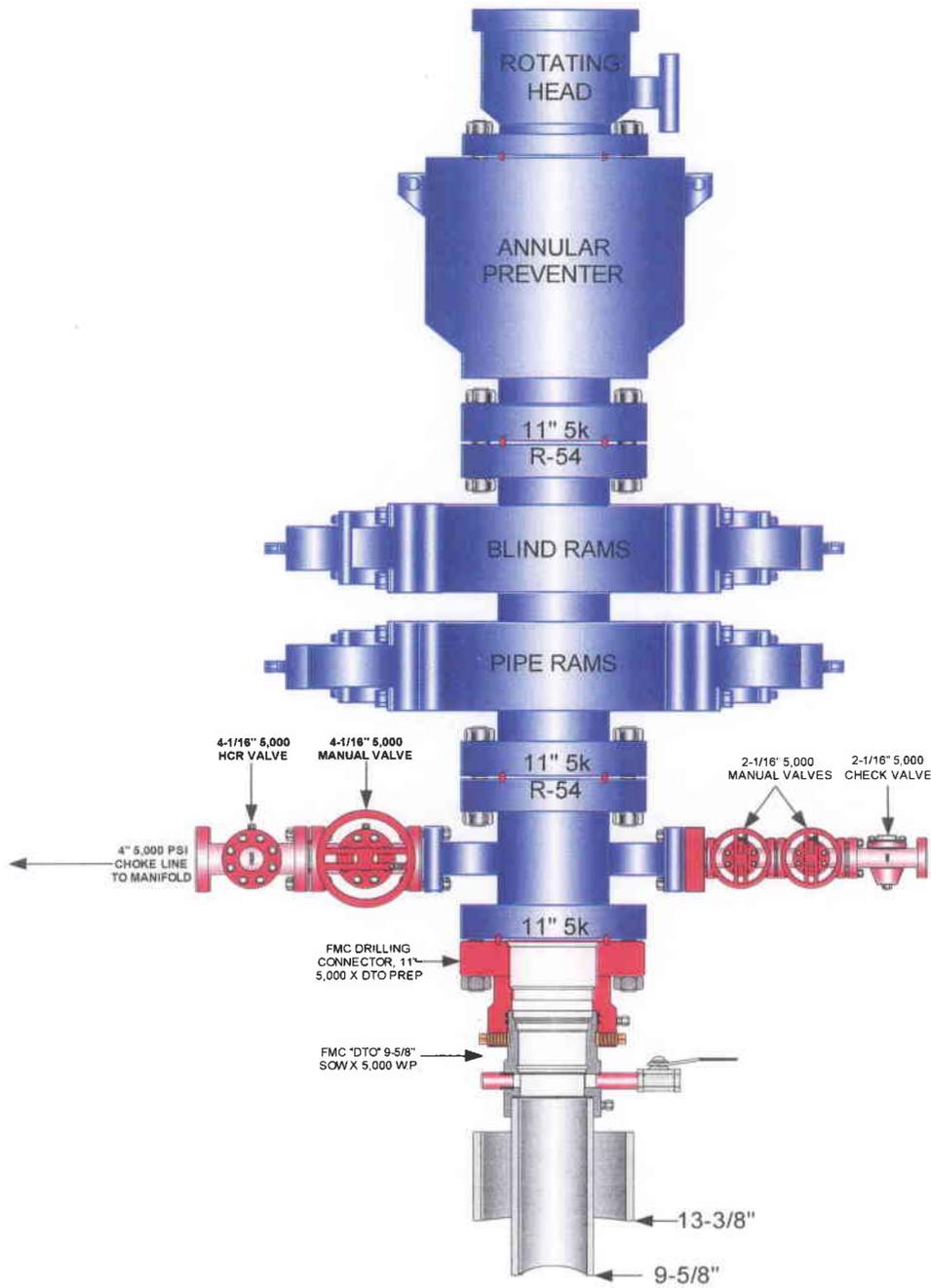
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

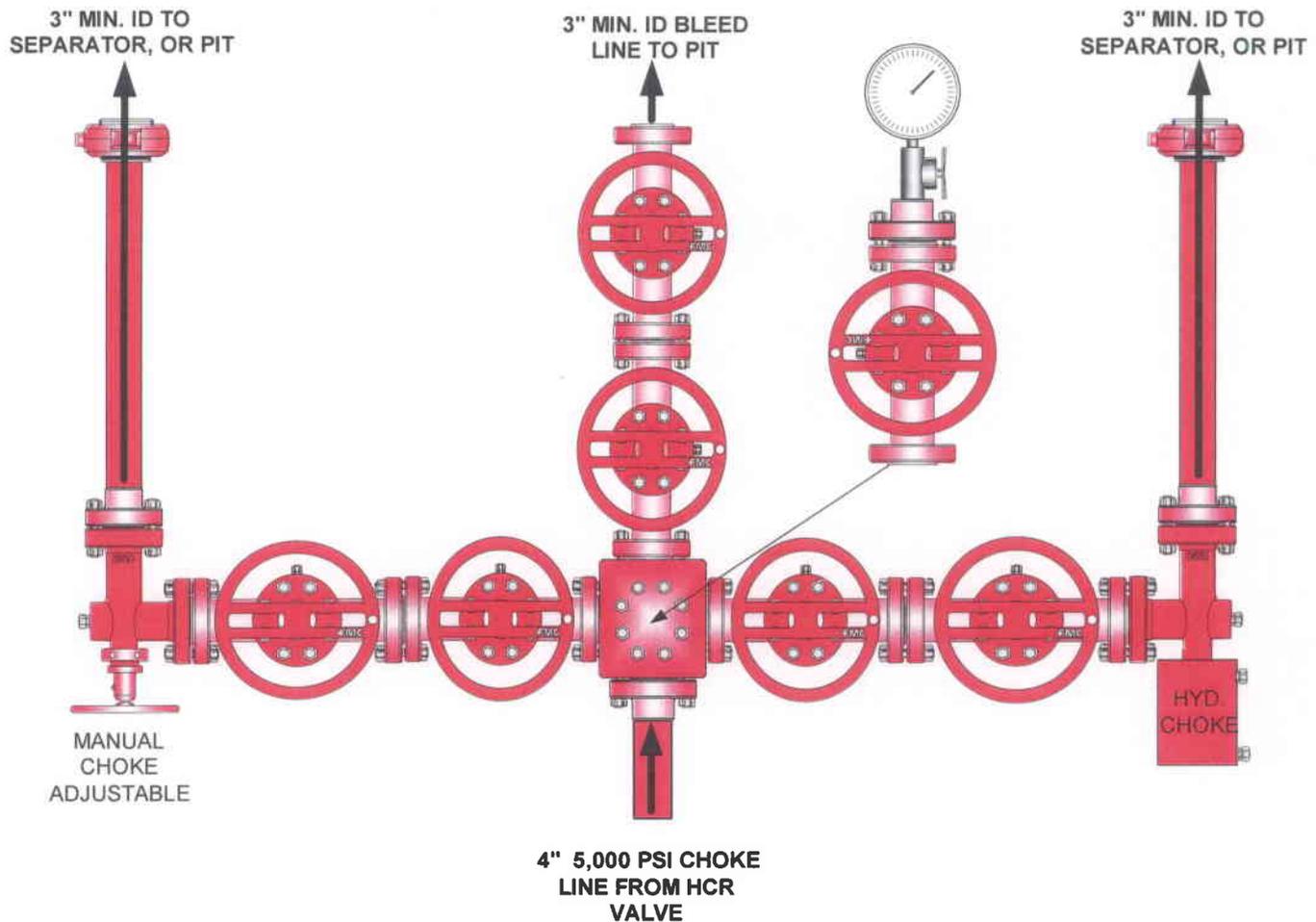
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold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



**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 339-34  
NW/SW, 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 1052 feet long with a 30-foot right-of-way, disturbing approximately 0.72 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.56 acres. The pipeline is approximately 1716 feet long within Federal Lease U 43916 disturbing approximately 1.58 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 36.4 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

**2. PLANNED ACCESS ROAD:**

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

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

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation or debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around then avoided.

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

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

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

- A. Abandoned Wells – 3\*
- B. Producing Wells – 39\*
- C. Shut-in Wells – 0\*

(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 1716' x 40'. The proposed pipeline leaves the western edge of the well pad (U-43916) turning and proceeding in a easterly direction for an approximate distance of 1716'. The pipe will tie into existing pipeline located in the NESW of Section 34, T8S, R22E.
3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface
4. Protective measures and devices for livestock and wildlife will be taken and /or installed where required.

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

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

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

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

**6. SOURCE OF CONSTRUCTION MATERIALS:**

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

**7. METHODS OF HANDLING WASTE DISPOSAL:**

**A. METHODS AND LOCATION**

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

authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

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

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

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

**8. ANCILLARY FACILITIES:**

None anticipated.

**9. WELL SITE LAYOUT:**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

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

The stockpiled pit topsoil will be stored separate from the location topsoil North 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 east.

**FENCING REQUIREMENTS:**

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

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

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

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

**10. PLANS FOR RECLAMATION OF THE SURFACE:**

**A. Producing Location**

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

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

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

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

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
Crested Wheatgrass	9.0
Kochia Prostrata	3.0

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

***B. Dry Hole/Abandoned Location***

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

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

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

**11. SURFACE OWNERSHIP:**

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

Bureau of Land Management

**12. OTHER INFORMATION:**

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might

further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

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

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

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application 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 May 15<sup>th</sup> and June 20<sup>th</sup> due to Antelope stipulations.

***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**

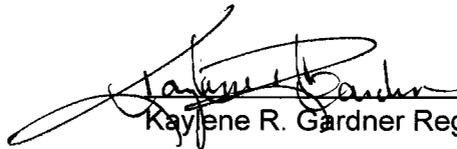
Donald Presenkowski  
EOG Resources, Inc.  
P.O. Box 250  
Big Piney, WY 83113  
307-276-4865

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 339-34 Well, located in the NW/SW, 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 27, 2006 \_\_\_\_\_

Date



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

**EOG RESOURCES, INC.**  
**NORTH CHAPITA #339-34**  
 LOCATED IN UINTAH COUNTY, UTAH  
 SECTION 34, T8S, R22E, S.L.B.&M.

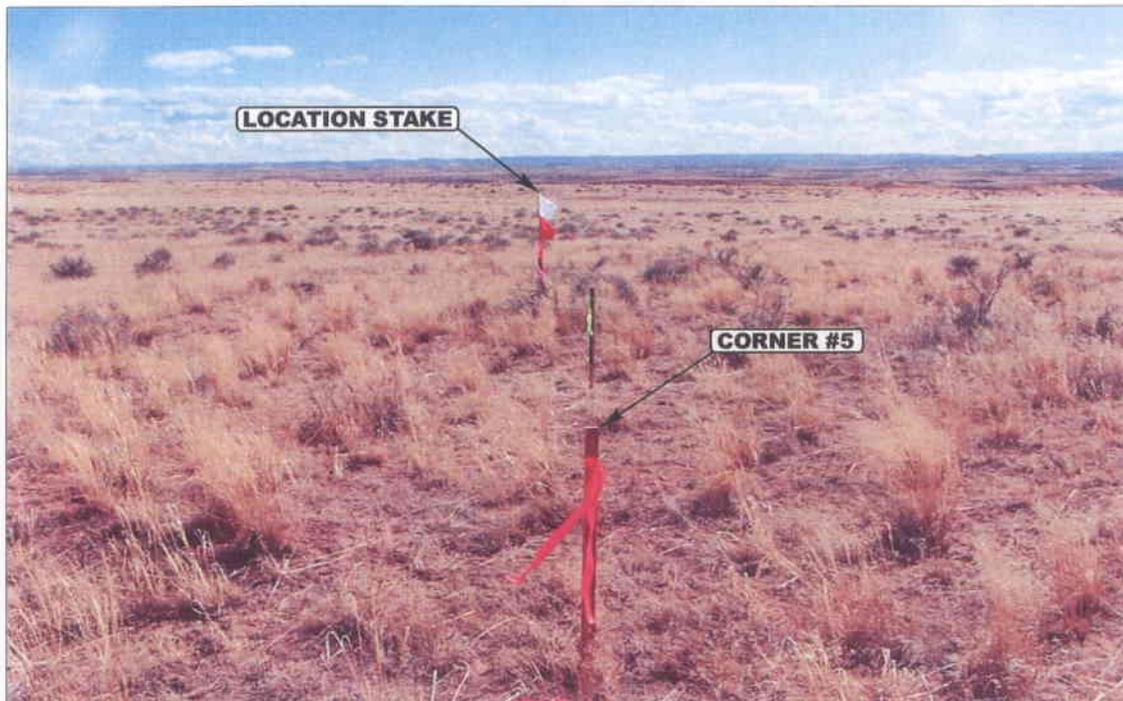


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



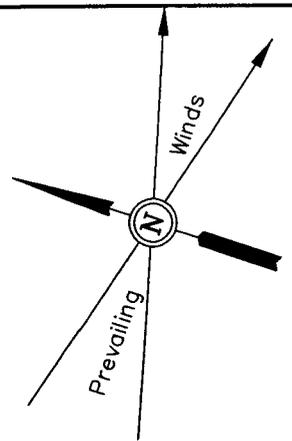
**UELS** Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 435-789-1017 uels@uelsinc.com

- Since 1964 -

<b>LOCATION PHOTOS</b>	<b>03</b>	<b>08</b>	<b>06</b>	<b>PHOTO</b>
	MONTH	DAY	YEAR	
TAKEN BY: G.S.	DRAWN BY: L.K.		REVISED: 00-00-00	

EOG RESOURCES, INC.

LOCATION LAYOUT FOR  
 NORTH CHAPITA #339-34  
 SECTION 34, T8S, R22E, S.L.B.&M.  
 2000' FSL 670' FWL



Proposed Access Road

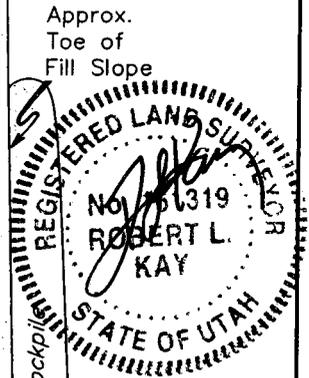
F-1.4'  
 El. 94.0'

Sta. 3+25

SCALE: 1" = 50'  
 DATE: 03-13-06  
 Drawn By: L.K.

Approx. Top of Cut Slope

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



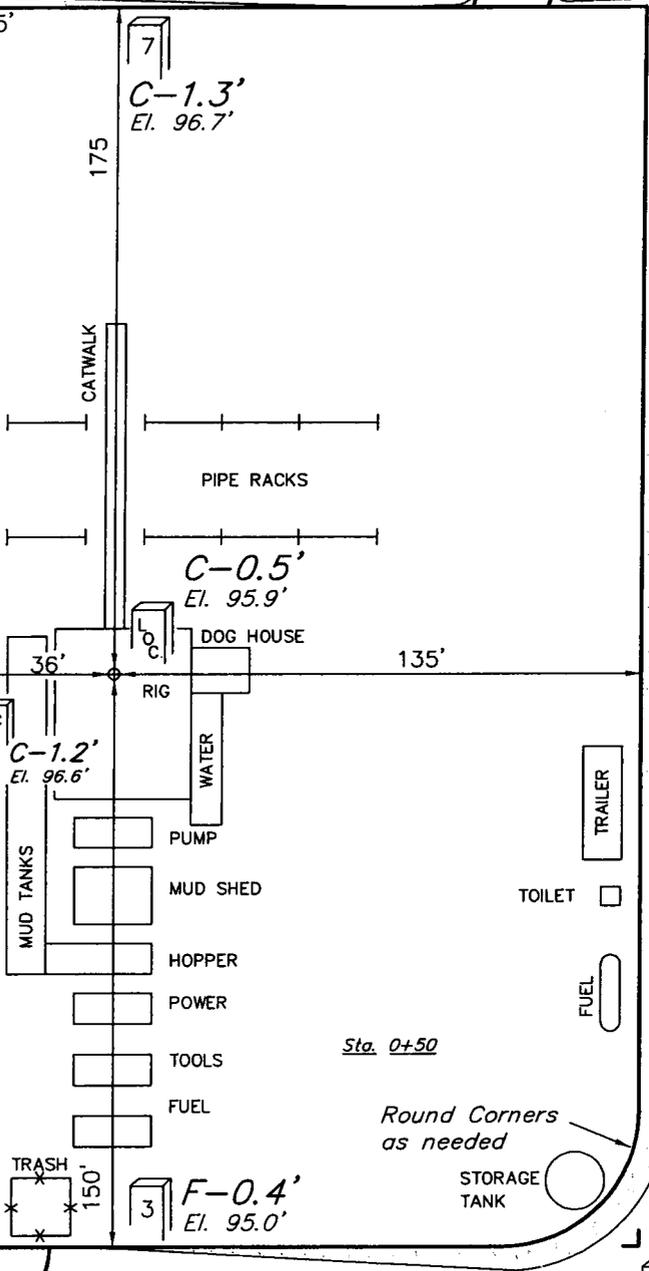
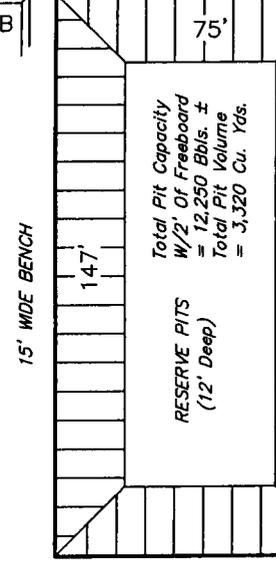
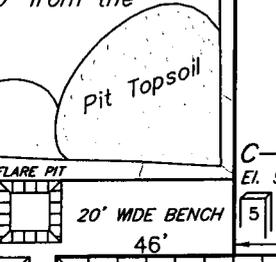
Topsoil Stockpile

Sta. 1+50

F-3.8'  
 El. 91.6'

El. 99.0'  
 C-15.6'  
 (btm. pit)

Reserve Pit Backfill & Spoils Stockpile



Sta. 0+50

Sta. 0+00

El. 99.0'  
 C-15.6'  
 (btm. pit)

C-0.5'  
 El. 95.9'

F-5.3'  
 El. 90.1'

NOTES:

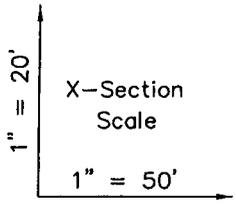
Elev. Ungraded Ground At Loc. Stake = 4895.9'  
 FINISHED GRADE ELEV. AT LOC. STAKE = 4895.4'

FIGURE #1

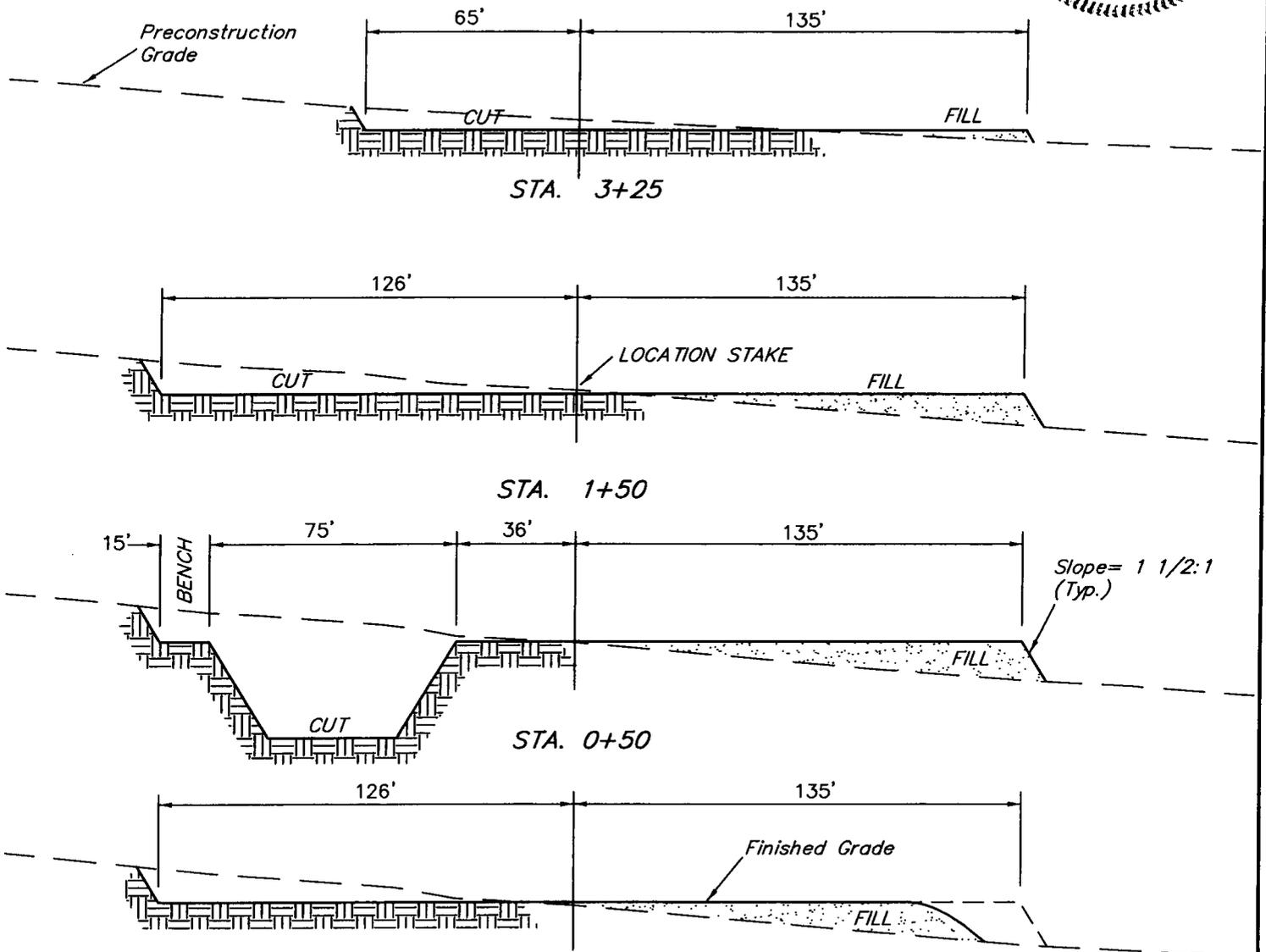
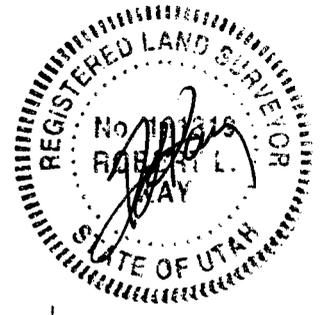
EOG RESOURCES, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR  
 NORTH CHAPITA #339-34  
 SECTION 34, T8S, R22E, S.L.B.&M.  
 2000' FSL 670' FWL



DATE: 03-13-06  
 Drawn By: L.K.



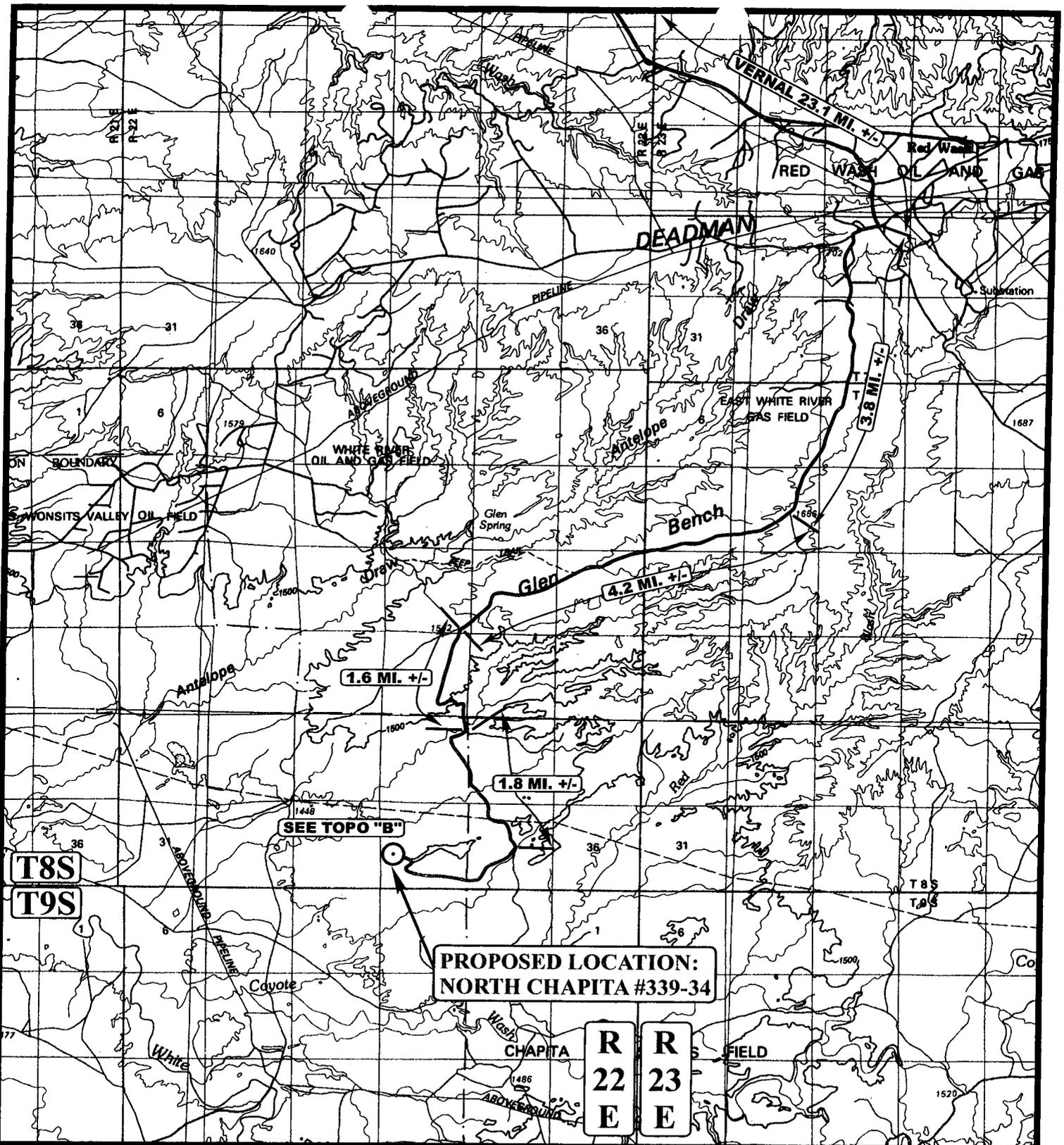
NOTE:  
 Topsoil should not be Stripped Below Finished Grade on Substructure Area.

\* NOTE:  
 FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,570 Cu. Yds.
Remaining Location	= 5,350 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 6,920 CU.YDS.</b>
<b>FILL</b>	<b>= 3,690 CU.YDS.</b>

EXCESS MATERIAL	= 3,230 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,230 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.



**PROPOSED LOCATION:  
NORTH CHAPITA #339-34**

**T8S  
T9S**

**R 22  
E**   **R 23  
E**

**LEGEND:**

⊙ PROPOSED LOCATION



**EOG RESOURCES, INC.**

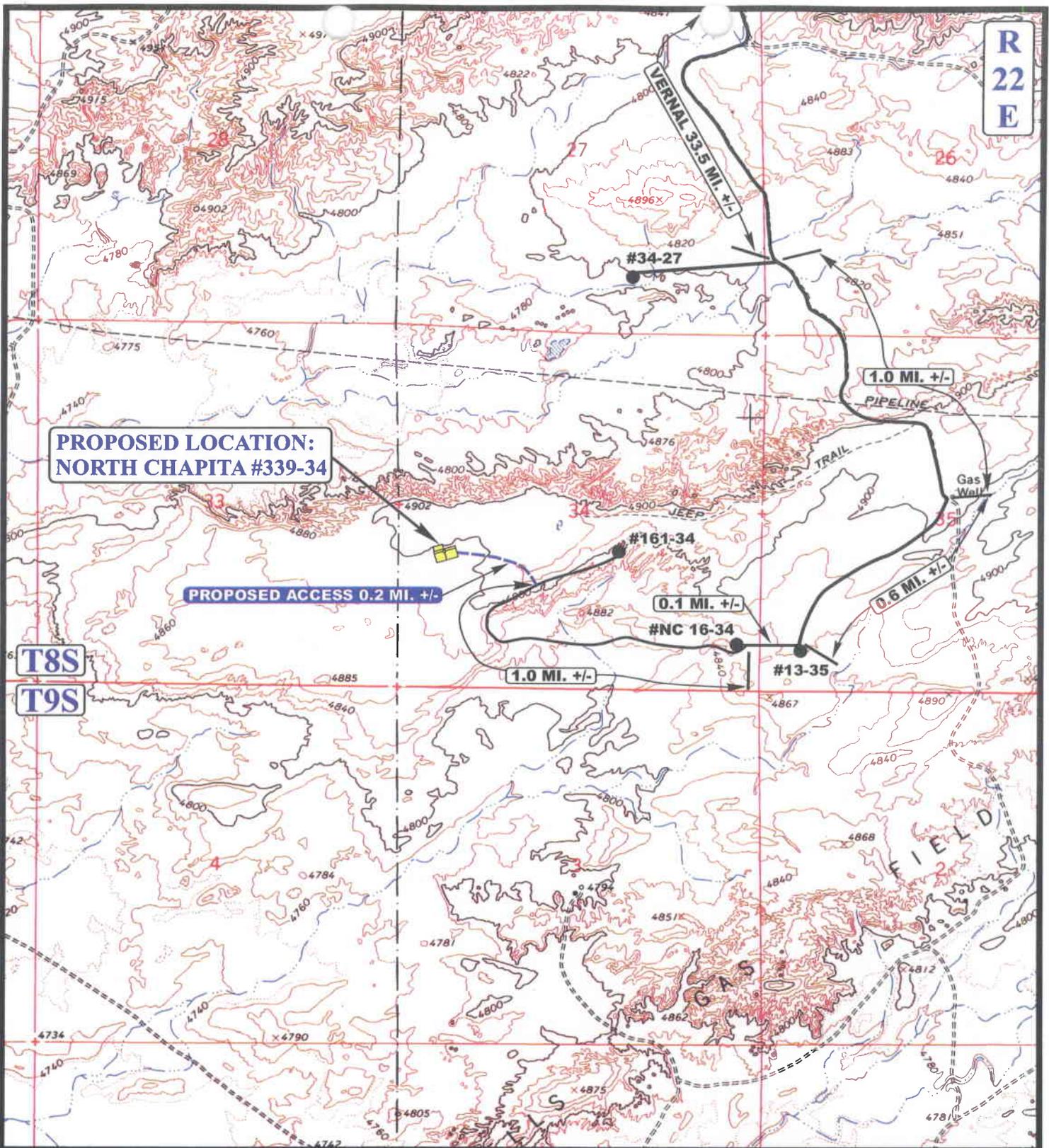
**NORTH CHAPITA #339-34  
SECTION 34, T8S, R22E, S.L.B.&M.  
2000' FSL 670' FWL**



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

**TOPOGRAPHIC MAP**  
SCALE: 1:100,000   DRAWN BY: L.K.   REVISED: 00-00-00

**03 08 06**  
MONTH DAY YEAR  
**A TOPO**



R  
22  
E

**PROPOSED LOCATION:  
NORTH CHAPITA #339-34**

**PROPOSED ACCESS 0.2 MI. +/-**

T8S

T9S

**LEGEND:**

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD



**EOG RESOURCES, INC.**

**NORTH CHAPITA #339-34  
SECTION 34, T8S, R22E, S.L.B.&M.  
2000' FSL 670' FWL**



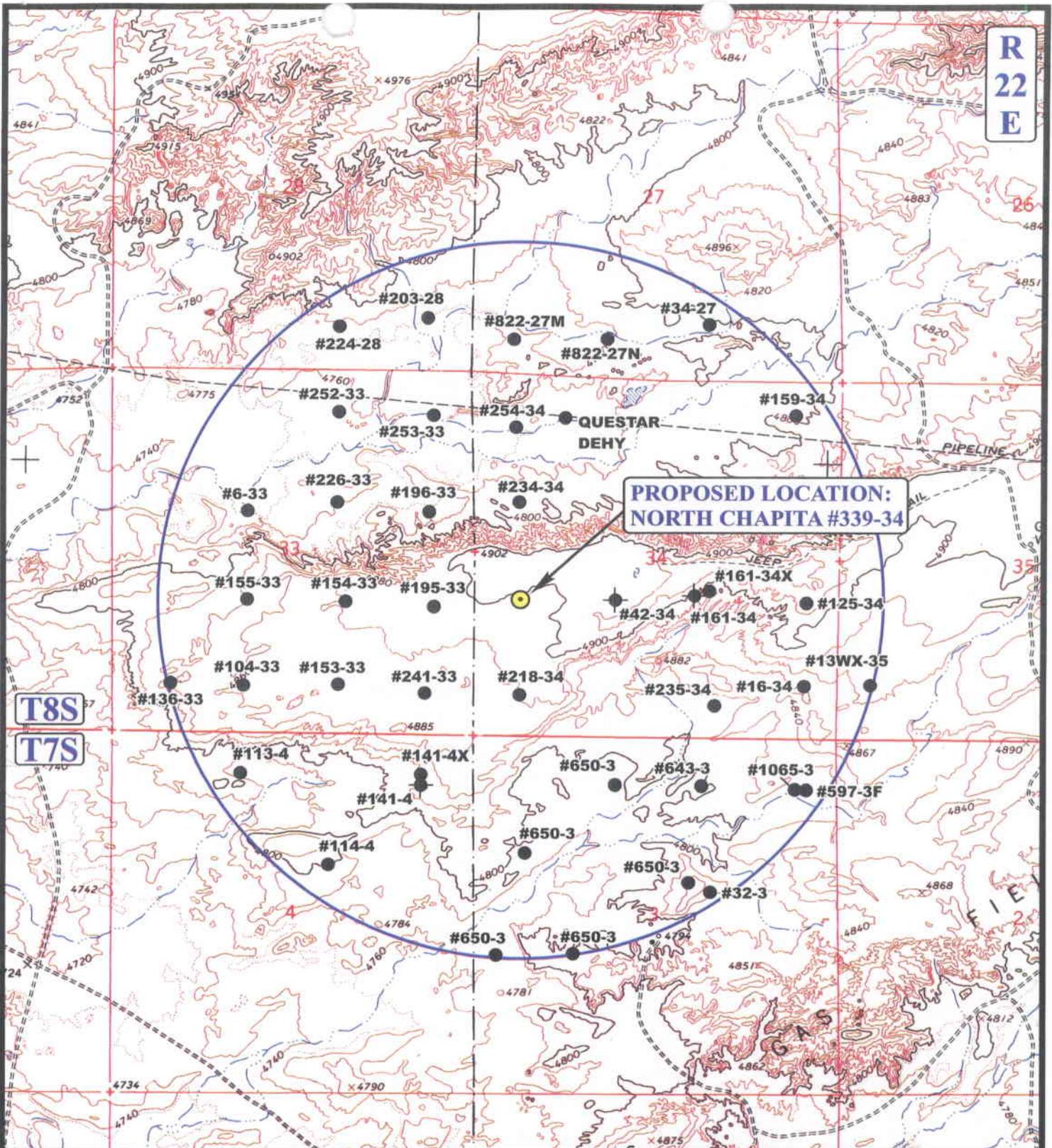
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

<b>03</b>	<b>08</b>	<b>06</b>
MONTH	DAY	YEAR

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





**PROPOSED LOCATION:  
NORTH CHAPITA #339-34**

**LEGEND:**

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

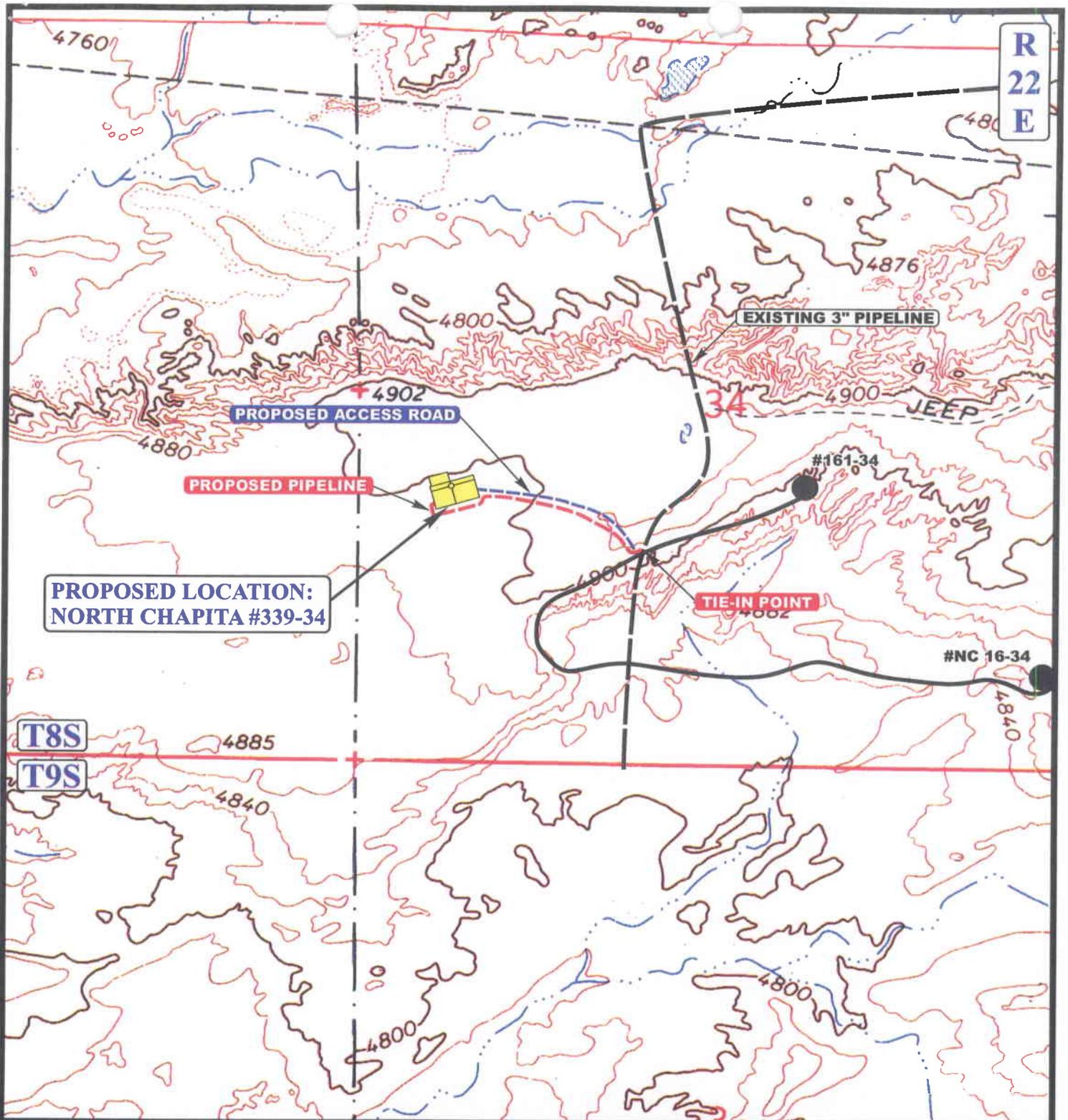
**EOG RESOURCES, INC.**

**NORTH CHAPITA #339-34  
SECTION 34, T8S, R22E, S.L.B.&M.  
2000' FSL 670' FWL**

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



**TOPOGRAPHIC MAP** 03 08 06  
MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00 **C TOPO**



**APPROXIMATE TOTAL PIPELINE DISTANCE = 1716' +/-**

**LEGEND:**

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



**EOG RESOURCES, INC.**

**NORTH CHAPITA #339-34  
SECTION 34, T8S, R22E, S.L.B.&M.  
2000' FSL 670' FWL**



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

**TOPOGRAPHIC MAP** 03 08 06  
MONTH DAY YEAR

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



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/03/2006

API NO. ASSIGNED: 43-047-38061
--------------------------------

WELL NAME: N CHAPITA 339-34  
 OPERATOR: EOG RESOURCES INC ( N9550 )  
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

NWSW 34 080S 220E  
 SURFACE: 2000 FSL 0670 FWL  
 BOTTOM: 2000 FSL 0670 FWL  
 COUNTY: UINTAH  
 LATITUDE: 40.07775 LONGITUDE: -109.4326  
 UTM SURF EASTINGS: 633646 NORTHINGS: 4437354  
 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)

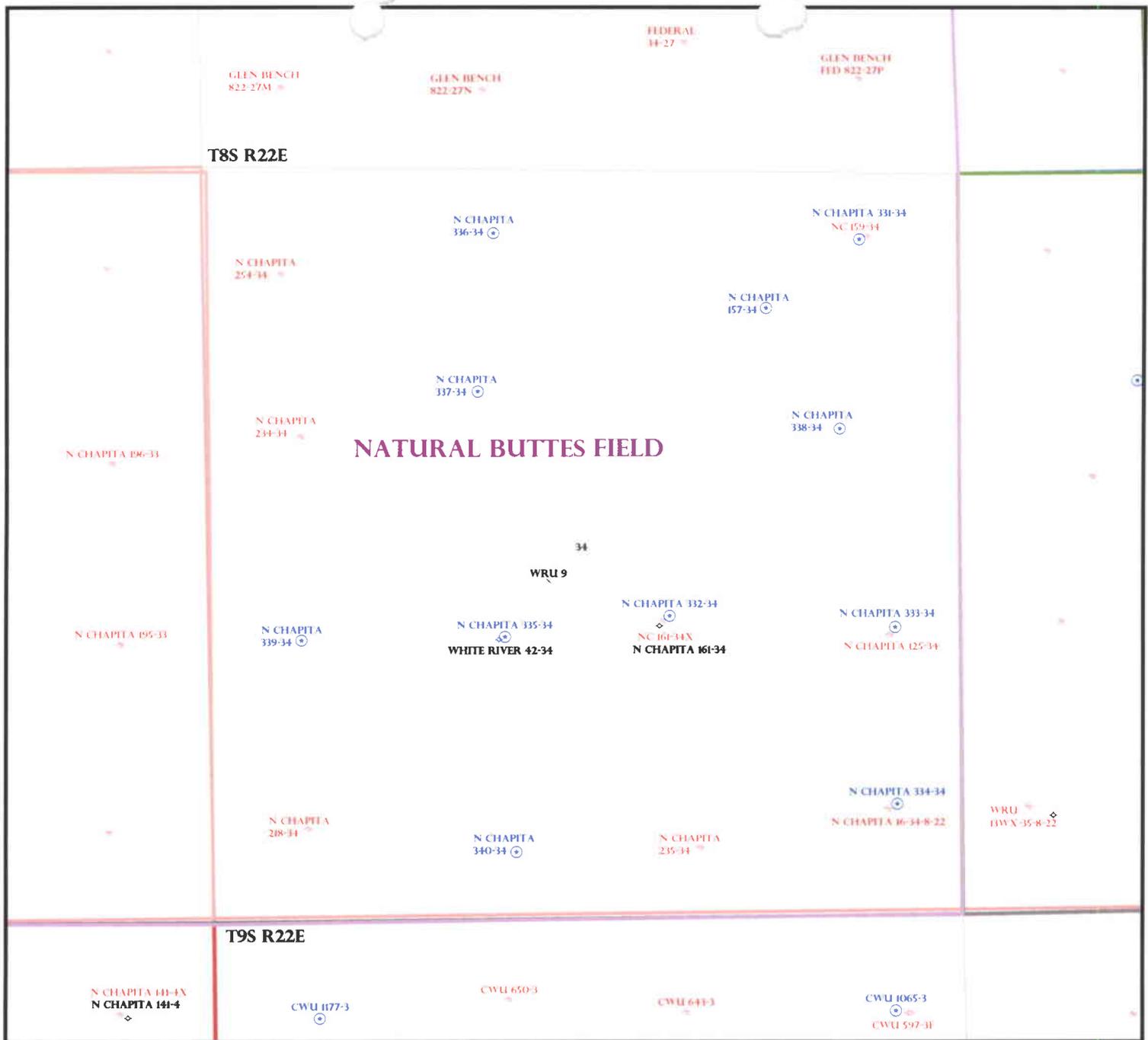
LOCATION AND SITING:

- 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. Density Approval

2. Spacing Strip



## NATURAL BUTTES FIELD

OPERATOR: EOG RESOURCES INC (N9550)

SEC: 34 T. 8S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

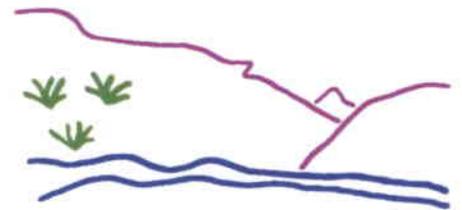
SPACING: R649-3-2 / GENERAL SITING

Field Status	
	ABANDONED
	ACTIVE
	COMBINED
	INACTIVE
	PROPOSED
	STORAGE
	TERMINATED

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

### Wells Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



*Utah Oil Gas and Mining*



PREPARED BY: DIANA WHITNEY  
DATE: 8-MAY-2006



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

May 8, 2006

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

Re: North Chapita 339-34 Well, 2000' FSL, 670' FWL, NW SW, 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 43-047-38061.

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 339-34

**API Number:** 43-047-38061

**Lease:** U-43916

**Location:** NW SW                      **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)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

BLM APPROVED  
On No. 040077  
Expires March 31, 2007  
BLM VERNAL, UTAH

5. Lease Serial No. <b>U-43916</b>	
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA Agreement, Name and No.	
8. Lease Name and Well No. <b>NORTH CHAPITA 339-34</b>	
9. API Well No. <b>43-047-38061</b>	
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER	10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone	11. Sec., T. R. M. or Blk. and Survey or Area <b>SEC. 34, T8S, R22E S.L.B.&amp;M</b>
2. Name of Operator <b>EOG RESOURCES, INC.</b>	12. County or Parish <b>UINTAH</b>
3a. Address <b>P.O. Box 1815 Vernal, UT 84078</b>	13. State <b>UT</b>
3b. Phone No. (include area code) <b>435-781-9111</b>	14. Distance in miles and direction from nearest town or post office* <b>36.4 MILES SOUTH OF VERNAL</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface <b>NWSW 2000 FSL 670 FWL 40.077756 LAT 109.433264 LON</b> At proposed prod. zone <b>SAME</b>	15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>670'</b> <b>640'</b>
16. No. of acres in lease <b>1360</b>	17. Spacing Unit dedicated to this well <b>40</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>2640'</b>	19. Proposed Depth <b>10,250'</b>
20. BLM/BIA Bond No. on file <b>NM 2308</b>	21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4895 GL</b>
22. Approximate date work will start*	23. Estimated duration <b>45 DAYS</b>

24. Attachments

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

- 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) <b>Kaylene R. Gardner</b>	Date <b>04/27/2006</b>
Title <b>Regulatory Assistant</b>		

Approved by (Signature) 	Name (Printed/Typed) <b>TERRY KEIVELLA</b>	Date <b>12-8-2006</b>
Title <b>Assistant Field Manager Lands &amp; Mineral Resources</b>	Office <b>VERNAL FIELD OFFICE</b>	

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**

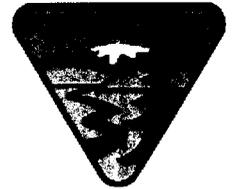
06BM1379A

**UDOGM**



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 339-34  
API No: 43-047-38061

Location: NWSW, 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.
5. Ferruginous Hawk nest located NE of proposed location and No surface disturbing activities shall occur from March 1 through 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\_Wellogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**

9. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.  
  
All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
10. Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
11. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - a. Operator name, address, and telephone number.
  - b. Well name and number.
  - c. Well location (1/4 1/4, Sec., Twn, Rng, and P.M.).
  - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
  - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - g. Unit agreement and / or participating area name and number, if applicable.
  - h. Communitization agreement number, if applicable.

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well  
 Oil Well     Gas Well     Other

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

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

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

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

**2000' FSL & 670' FWL (NWSW)  
 Sec. 34-T8S-R22E 40.077756 LAT 109.433264 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 339-34**

9. API Well No.  
**43-047-38061**

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

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

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

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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or 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 drilling plan to include the Wasatch formation.**

**A revised drilling plan is attached.**

ACCEPTED FOR OPERATIONS  
 3-30-07  
 RM

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

**Mary A. Maestas**

Title **Regulatory Assistant**

Signature

*Mary A. Maestas*

Date

**03/21/2007**

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

Approved by

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

Accepted by  
 Utah Division of  
 Oil, Gas and Mining  
 Office

Federal Approval Of This  
 Action is Necessary

Date: **3/29/07**

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

**RECEIVED**

(Instructions on page 2)

**MAR 23 2007**

DIV. OF OIL, GAS & MINING

**EIGHT POINT PLAN**

**NORTH CHAPITA 339-34**  
**NW/SW, SEC. 34, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>TVD-RKB (ft)</b>	<b>Objective</b>	<b>Lithology</b>	
Green River	2,288		Shale	
Wasatch	5,313	Primary	Sandstone	Gas
Chapita Wells	5,915	Primary	Sandstone	Gas
Buck Canyon	6,625	Primary	Sandstone	Gas
North Horn	7,192	Primary	Sandstone	Gas
KMV Price River	7,997	Primary	Sandstone	Gas
KMV Price River Middle	8,735	Primary	Sandstone	Gas
KMV Price River Lower	9,512	Primary	Sandstone	Gas
Sego	10,049		Sandstone	
<b>TD</b>	<b>10,250</b>			

Estimated TD: 10,250' or 200'± below Segoe top

Anticipated BHP: 5,597 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:**

<b>CASING</b>	<b>Hole Size</b>	<b>Length</b>	<b>Size</b>	<b>WEIGHT</b>	<b>Grade</b>	<b>Thread</b>	<b>Rating Collapse</b>	<b>Factor Burst</b>	<b>Tensile</b>
Conductor	17 1/2"	0 – 45'	13 3/8"	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 339-34**  
**NW/SW, SEC. 34, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**5. Float Equipment:**

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

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

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

**6. MUD PROGRAM**

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

Air/air mist or aerated water.

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

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

**7. VARIANCE REQUESTS:**

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

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

**EIGHT POINT PLAN**

**NORTH CHAPITA 339-34**  
**NW/SW, SEC. 34, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**8. EVALUATION PROGRAM:**

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

**9. CEMENT PROGRAM:**

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

**Lead:** 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

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

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

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

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

**Lead:** 175 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 955 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

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

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

**EIGHT POINT PLAN**

**NORTH CHAPITA 339-34**  
**NW/SW, 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

5. LEASE DESIGNATION AND SERIAL NUMBER:  
**U-43916**

**SUNDRY NOTICES AND REPORTS ON WELLS**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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       GAS WELL       OTHER \_\_\_\_\_

8. WELL NAME and NUMBER:  
**North Chapita 339-34**

2. NAME OF OPERATOR:  
**EOG Resources, Inc.**

9. API NUMBER:  
**43-047-38061**

3. ADDRESS OF OPERATOR:  
**600 17th Street, Suite 1000N** CITY **Denver** STATE **CO** ZIP **80202**

PHONE NUMBER:  
**(303) 262-2812**

10. FIELD AND POOL, OR WILDCAT:  
**Natural Buttes/Wasatch/Mesaverde**

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: **2,000' FSL & 670' FWL 40.077756 LAT 109.433264 LON**

COUNTY: **UINTAH**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NWSW 34 8S 22E S.L.B. & M**

STATE: **UTAH**

**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"/> 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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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: [Signature]

APD SENT TO OPERATOR  
DATE: 4-19-07  
BY: RM

NAME (PLEASE PRINT) Carrie MacDonald  
SIGNATURE [Signature]

TITLE Operations Clerk  
DATE 4/17/2007

(This space for State use only)

**RECEIVED**  
**APR 19 2007**

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

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

**API:** 43-047-38061  
**Well Name:** NORTH CHAPITA 339-34  
**Location:** 2000 FSL 670 FWL (NWSW), 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.

**RECEIVED**  
**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  
 Oil Well     Gas Well     Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**2000' FSL & 670' FWL (NWSW)  
 Section 34-T8S-R22E 40.077756 LAT 109.433264 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 339-34**

9. API Well No.  
**43-047-38061**

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 <b>Commingling</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or 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.**

6-29-07  
RM

**RECEIVED**  
**JUN 04 2007**

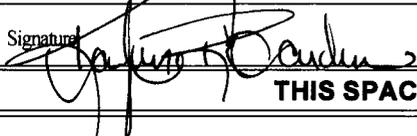
14. I hereby certify that the foregoing is true and correct  
 Name (Printed/Typed)

**Kaylene R. Gardner**

Title **Sr. Regulatory Assistant**

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

Signature



Date

**05/31/2007**

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

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

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

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

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

Date **6/26/07**  
 By **[Signature]**

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:

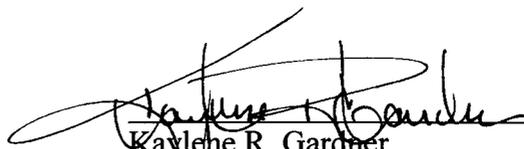
**NORTH CHAPITA 339-34  
2000' FSL & 670' FWL (NWSW)  
SECTION 34, T8S, R22E  
UINTAH COUNTY, UTAH**

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

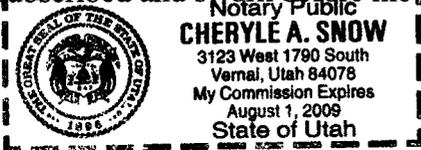
On the 31<sup>st</sup> day of May, 2007 he placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

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

Further affiant saith not.

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

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



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

My Commission Expires:

**August 1, 2009**

Exhibit "A" to Affidavit  
North Chapita 339-34 Application to Commingle

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

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

R 22 E

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NCW 196-33  
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NCW 234-34  
☀

NCW 195-33  
☀

NCW 339-34  
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GF 1-34  
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NCW 241-33  
☀  
HBP  
U-43916

NCW 218-34  
☀

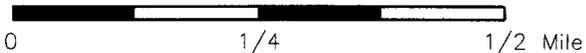
HBP  
U-43916



CHAPITA WELLS UNIT

⊙ NORTH CHAPITA 339-34

Scale: 1"=1000'



 **geog resources**

Denver Division

**EXHIBIT "A"**

NORTH CHAPITA 339-34

Commingleing Application

Uintah County, Utah

Scale, 1" = 1000'

D:\utah\Commingleed\page\_NC339-34\_commingleed.dwg  
WELL

Author

TLM

Mar 13, 2007 - 10:05am

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

FORM 6

**ENTITY ACTION FORM**

Operator: EOG RESOURCES, INC. Operator Account Number: N 9550  
 Address: 600 17th Street  
city Denver  
state CO zip 80202 Phone Number: (303) 262-2812

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38085	CHAPITA WELLS UNIT 1041-22		SWNW	22	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	99999	<i>13650</i>	10/3/2007		<i>10/17/07</i>		
Comments: <i>PRRV = MVRD</i>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38061	NORTH CHAPITA 339-34		NWSW	34	8S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>A</i>	99999	<i>16386</i>	10/4/2007		<i>10/17/07</i>		
Comments: <i>PRRV = MVRD</i>							

**Well 3**

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

**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

10/4/2007

Date

**RECEIVED**

OCT 09 2007

(5/2000)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU43916

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
NORTH CHAPITA 339-34

9. API Well No.  
43-047-38061

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
EOG RESOURCES, INC. Contact: CARRIE E MACDONALD  
E-Mail: carrie\_macdonald@eogresources.com

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 34 T8S R22E NWSW 2000FSL 670FWL  
40.07776 N Lat, 109.43326 W Lon

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

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

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

The referenced well spud on 10/4/2007.

*BoG*

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #56675 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) CARRIE E MACDONALD Title OPERATIONS CLERK

Signature (Electronic Submission) Date 10/05/2007

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

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

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

Office

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

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

**RECEIVED**

**OCT 09 2007**

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

**EIGHT POINT PLAN**

**NORTH CHAPITA 339-34**  
**NW/SW, SEC. 34, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>TVD-RKB (ft)</b>	<b>Objective</b>	<b>Lithology</b>	
Green River	2,288		Shale	
Wasatch	5,313	Primary	Sandstone	Gas
Chapita Wells	5,915	Primary	Sandstone	Gas
Buck Canyon	6,625	Primary	Sandstone	Gas
North Horn	7,192	Primary	Sandstone	Gas
KMV Price River	7,997	Primary	Sandstone	Gas
KMV Price River Middle	8,735	Primary	Sandstone	Gas
KMV Price River Lower	9,512	Primary	Sandstone	Gas
Sego	10,049		Sandstone	
<b>TD</b>	<b>10,250</b>			

Estimated TD: 10,250' or 200'± below Sego top

Anticipated BHP: 5,597 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:**

<b>CASING</b>	<b>Hole Size</b>	<b>Length</b>	<b>Size</b>	<b>WEIGHT</b>	<b>Grade</b>	<b>Thread</b>	<b>Rating Collapse</b>	<b>Factor Burst</b>	<b>Tensile</b>
Conductor	17 1/2"	0 – 45'	13 3/8"	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 339-34**  
**NW/SW, SEC. 34, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**5. Float Equipment:**

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

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

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

**6. MUD PROGRAM**

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

Air/air mist or aerated water.

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

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

**7. VARIANCE REQUESTS:**

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

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

**EIGHT POINT PLAN**

**NORTH CHAPITA 339-34**  
**NW/SW, SEC. 34, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**8. EVALUATION PROGRAM:**

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

**9. CEMENT PROGRAM:**

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

**Lead:** 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

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

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

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

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

**Lead:** 175 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 955 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

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

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

**EIGHT POINT PLAN**

**NORTH CHAPITA 339-34**  
**NW/SW, SEC. 34, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

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

**11. STANDARD REQUIRED EQUIPMENT:**

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

**12. HAZARDOUS CHEMICALS:**

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

(Attachment: BOP Schematic Diagram)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
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.*

<b>SUBMIT IN TRIPLICATE - Other instructions on reverse side.</b>		5. Lease Serial No. UTU43916
		6. If Indian, Allottee or Tribe Name
		7. If Unit or CA/Agreement, Name and/or No.
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	8. Well Name and No. NORTH CHAPITA 339-34	
2. Name of Operator EOG RESOURCES INC	Contact: MARY A MAESTAS E-Mail: mary_maestas@eogresources.com	9. API Well No. 43-047-38061
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 NWSW 2000FSL 670FWL 40.07776 N Lat, 109.43326 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 Change to Original APD
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

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

From:  
10,250'

To:  
10,365'

Attached is a revised drilling plan.

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

Date: 11-06-07  
By: [Signature]

11-6-07  
RM

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #56876 verified by the BLM Well Information System For EOG RESOURCES INC, sent to the Vernal</b>	
Name (Printed/Typed) MARY A MAESTAS	Title REGULATORY ASSISTANT
Signature <u>[Signature]</u>	Date 10/24/2007

**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.

**RECEIVED**

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED OCT 29 2007**

**EIGHT POINT PLAN**

**NORHT CHAPITA WELLS 339-34**  
**NW/SW, SEC. 34, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>TVD-RKB (ft)</b>	<b>Objective</b>	<b>Lithology</b>	
Green River	2,287		Shale	
Wasatch	5,324	Primary	Sandstone	Gas
Chapita Wells	5,944	Primary	Sandstone	Gas
Buck Canyon	6,629	Primary	Sandstone	Gas
North Horn	7,307	Primary	Sandstone	Gas
KMV Price River	7,980	Primary	Sandstone	Gas
KMV Price River Middle	8,771	Primary	Sandstone	Gas
KMV Price River Lower	9,563	Primary	Sandstone	Gas
Sego	10,164		Sandstone	
<b>TD</b>	<b>10,365</b>			

Estimated TD: 10,365' or 200'± below Sego top

**Anticipated BHP: 5,650 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:**

<b>CASING</b>	<b>Hole Size</b>	<b>Length</b>	<b>Size</b>	<b>WEIGHT</b>	<b>Grade</b>	<b>Thread</b>	<b>Rating Collapse</b>	<b>Factor Burst</b>	<b>Tensile</b>
<b>Conductor</b>	17 1/2"	0 – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
<b>Surface</b>	12 1/4"	0' – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
<b>Production</b>	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**

### **NORHT CHAPITA WELLS 339-34 NW/SW, SEC. 34, T8S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH**

#### **5. Float Equipment:**

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

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

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

#### **6. MUD PROGRAM**

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

Air/air mist or aerated water.

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

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

#### **7. VARIANCE REQUESTS:**

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

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

## EIGHT POINT PLAN

### NORHT CHAPITA WELLS 339-34 NW/SW, SEC. 34, T8S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### **8. EVALUATION PROGRAM:**

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

#### **9. CEMENT PROGRAM:**

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

**Lead:** 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

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

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

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

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

**Lead:** 175 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 975 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

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

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

**EIGHT POINT PLAN**

**NORHT CHAPITA WELLS 339-34**  
**NW/SW, SEC. 34, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

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

**11. STANDARD REQUIRED EQUIPMENT:**

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

**12. HAZARDOUS CHEMICALS:**

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

(Attachment: BOP Schematic Diagram)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU43916

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. NORTH CHAPITA 339-34
2. Name of Operator EOG RESOURCES INC Contact: MARY A MAESTAS E-Mail: mary_maestas@eogresources.com		9. API Well No. 43-047-38061
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 NWSW 2000FSL 670FWL 40.07776 N Lat, 109.43326 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 Change to Original A PD
	<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 to change the hole size for the production casing from 7-7/8" to 8-3/4".

Attached is a revised drilling plan.

Accepted by the  
Utah Division of  
Oil, Gas and Mining  
Date: 12/19/07  
By: *[Signature]*

Federal Approval Of This  
Action Is Necessary

**COPY SENT TO OPERATOR**  
Date: 12-20-2007  
Initials: *[Signature]*

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

**Electronic Submission #57493 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal**

Name (Printed/Typed) MARY A MAESTAS	Title REGULATORY ASSISTANT
Signature <i>Mary A Maestas</i> (Electronic Submission)	Date 12/10/2007

**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 \*\***

**EIGHT POINT PLAN**

**NORTH CHAPITA 339-34**  
**NW/SW, SEC. 34, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>TVD-RKB (ft)</b>	<b>Objective</b>	<b>Lithology</b>	
Green River	2,287		Shale	
Wasatch	5,324	Primary	Sandstone	Gas
Chapita Wells	5,944	Primary	Sandstone	Gas
Buck Canyon	6,629	Primary	Sandstone	Gas
North Horn	7,307	Primary	Sandstone	Gas
KMV Price River	7,980	Primary	Sandstone	Gas
KMV Price River Middle	8,771	Primary	Sandstone	Gas
KMV Price River Lower	9,563	Primary	Sandstone	Gas
Sego	10,164		Sandstone	
<b>TD</b>	<b>10,365</b>			

Estimated TD: 10,365' or 200'± below TD

**Anticipated BHP: 5,650 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:**

<b>CASING</b>	<b>Hole Size</b>	<b>Length</b>	<b>Size</b>	<b>WEIGHT</b>	<b>Grade</b>	<b>Thread</b>	<b>Rating Collapse</b>	<b>Factor Burst</b>	<b>Tensile</b>
Conductor	17 1/2"	0 – 45'	13 3/8"	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	8-3/4"	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 339-34**  
**NW/SW, SEC. 34, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**5. Float Equipment:**

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

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

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

**6. MUD PROGRAM**

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

Air/air mist or aerated water.

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

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

**7. VARIANCE REQUESTS:**

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

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

**EIGHT POINT PLAN**

**NORTH CHAPITA 339-34**  
**NW/SW, 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**

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

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**Tail:** 975 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

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

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

**EIGHT POINT PLAN**

**NORTH CHAPITA 339-34**  
**NW/SW, 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)

## NOTICE

Utah Oil and Gas Conservation General Rule R649-3-21 states that,

- A well is considered completed when the well has been adequately worked to be capable of producing oil or gas or when well testing as required by the division is concluded.
- Within 30 days after the completion or plugging of a well, the following shall be filed:
  - Form 8, Well Completion or Recompletion Report and Log
  - A copy of electric and radioactivity logs, if run
  - A copy of drillstem test reports,
  - A copy of formation water analyses, porosity, permeability or fluid saturation determinations
  - A copy of core analyses, and lithologic logs or sample descriptions if compiled
  - A copy of directional, deviation, and/or measurement-while-drilling survey for each horizontal well

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

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As of the mailing of this notice, the division has not received the required reports for

Operator: EOG Resources, Inc Today's Date: 02/14/2008

Well: API Number: Drilling Commenced:

See Attachment

43 047 38061  
N Chapita 339-3A  
8S 22E 3A

To avoid compliance action, required reports should be mailed within 7 business days to:

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

If you have questions or concerns regarding this matter, please call (801) 538-5284.

cc: Well File  
Compliance File

Well:		API Number:	Commenced:
Pete's Wash 10-36	drlg rpts/wcr	4301333094	10/18/2006
Hoss 8-31	wcr	4304738606	11/30/2006
Simoleon 1-26GR	drlg rpts/wcr	4304737507	02/23/2007
Hoss 7-31	drlg rpts/wcr	4304738669	02/23/2007
E Chapita 8-16	drlg rpts/wcr	4304736815	03/17/2007
Hoss 1-36	drlg rpts/wcr	4304738612	03/22/2007
Hoss 11-31	drlg rpts/wcr	4304738670	03/24/2007
Hoss 35-30	drlg rpts/wcr	4304738706	03/24/2007
Hoss 36-30	drlg rpts/wcr	4304738763	03/24/2007
Hoss 21-32	drlg rpts/wcr	4304738714	04/09/2007
Hoss 20-32	drlg rpts/wcr	4304738717	04/17/2007
Hoss 23-32	drlg rpts/wcr	4304738716	04/25/2007
Hoss 4-36	drlg rpts/wcr	4304738609	05/03/2007
Hoss 32-30	drlg rpts/wcr	4304738701	06/12/2007
Hoss 37-30	drlg rpts/wcr	4304738709	06/12/2007
NBU 319-17E	drlg rpts/wcr	4304737511	07/05/2007
NBU 557-18E	drlg rpts/wcr	4304737513	07/07/2007
Hoss 38-30	drlg rpts/wcr	4304738708	07/11/2007
CWU 1237-21	wcr	4304738078	07/27/2007
Hoss 58-35	drlg rpts/wcr	4304738888	08/03/2007
Hoss 31-30	drlg rpts/wcr	4304738702	08/10/2007
Hoss 63-31	drlg rpts/wcr	4304738960	08/10/2007
NBU 556-18E	drlg rpts/wcr	4304737514	08/13/2007
CWU 957-32	drlg rpts/wcr	4304736486	08/16/2007
NBU 555-18E	drlg rpts/wcr	4304737685	08/19/2007
Hoss 62-36	drlg rpts/wcr	4304738972	08/28/2007
NBU 438-19E	drlg rpts/wcr	4304737534	08/31/2007
N Chapita 284-6	drlg rpts/wcr	4304737716	09/05/2007
CWU 1031-32	drlg rpts/wcr	4304737720	09/10/2007
Hoss 64-36	drlg rpts/wcr	4304738964	09/13/2007
CWU 963-33	drlg rpts/wcr	4304738961	09/14/2007
NBU 565-30E	drlg rpts/wcr	4304737533	09/20/2007
CWU 1328-32	drlg rpts/wcr	4304739301	09/27/2007
N Chapita 339-34	drlg rpts/wcr	4304738061	10/04/2007
NBU 562-19E	drlg rpts/wcr	4304737536	10/08/2007
CWU 1112-27	drlg rpts/wcr	4304737384	10/09/2007

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU43916

6. If Indian, Allottee or Tribe Name

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

1. Type of Well

Oil Well     Gas Well     Other

2. Name of Operator  
EOG Resources, Inc.

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

8. Well Name and No.  
North Chapita 339-34

9. API Well No.  
43-047-38061

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
2000' FSL & 670' FWL (NWSW)  
Sec. 34-T8S-R22E 40.077756 LAT 109.433264 LON

11. Country or Parish, State  
Uintah County, Utah

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

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

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

The subject well reached TD on 1/13/2008. Pending further evaluation, completion operations will begin in the first quarter of 2008.

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

Name (Printed/Typed)

Mary A. Maestas

Title Regulatory Assistant

Signature

*Mary A. Maestas*

Date 02/14/2008

**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.

(Instructions on page 2)

**FEB 15 2008**

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

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**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		6. If Indian, Allottee or Tribe Name
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 303-824-5526		8. Well Name and No. NORTH CHAPITA 339-34
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 34 T8S R22E NWSW 2000FSL 670FWL 40.07776 N Lat, 109.43326 W Lon		9. API Well No. 43-047-38061
		10. Field and Pool, or Exploratory NATURAL BUTTES/WASATCH/MV
		11. County or Parish, and State UINTAH COUNTY, UT

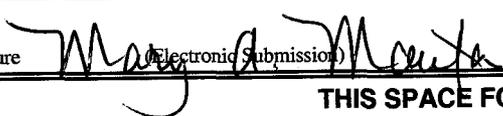
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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 Production Start-up
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

The referenced well was turned to sales on 3/11/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #59088 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 03/13/2008

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

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

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

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

**RECEIVED**

**MAR 17 2008**

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

# WELL CHRONOLOGY REPORT

Report Generated On: 03-13-2008

<b>Well Name</b>	NCW 339-34	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-38061	<b>Well Class</b>	ISA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	12-28-2007	<b>Class Date</b>	03-11-2008
<b>Tax Credit</b>	N	<b>TVD / MD</b>	10,365/ 10,365	<b>Property #</b>	059034
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/0
<b>KB / GL Elev</b>	4,910/ 4,895				
<b>Location</b>	Section 34, T8S, R22E, NWSW, 2000 FSL & 670 FWL				

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

<b>AFE No</b>	303987	<b>AFE Total</b>	2,269,200	<b>DHC / CWC</b>	1,078,900/ 1,190,300
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #15	<b>Start Date</b>	05-01-2006
<b>05-01-2006</b>	<b>Reported By</b>	SHARON WHITLOCK			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time: LOCATION DATA**

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	LOCATION DATA: 2000' FSL & 670' FWL (NW/SW) SECTION 34, T8S, R22E UINTAH COUNTY, UTAH  LAT 40.077792, LONG 109.432581 (NAD 27) LAT 40.077756, LONG 109.433264 (NAD 83)  TRUE #15 OBJECTIVE: 10,365' TD, MESAVERDE DW/GAS NORTH CHAPITA PROSPECT DD&A FIELD: CHAPITA DEEP NATURAL BUTTES FIELD  LEASE: U-43916 ELEVATION: 4895.9' NAT GL, 4895.4' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4895'), 4910' KB (15')
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EOG WI 50%, NRI 39.75%

09-25-2007      Reported By      TERRY CSERE





06:00 06:00 24.0 MIRU PRO PETRO AIR RIG #9 ON 10/5/2007. DRILLED 12-1/4" HOLE TO 2790' GL. ENCOUNTERED WATER @ 2310'. RAN 65 JTS (2737.55') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH TOP-CO GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2752' 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 180 BBLs FRESH WATER & 40 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 250 SX (170 BBLs) OF PREMIUM LEAD CEMENT W/16% GEL, 10#/ SX GILSONITE, 3#/ SX GR-3, 3% SALT, & 1/4#/ SX FLOCELE. MIXED CEMENT TO 11.0 PPG W/YIELD OF 3.82 CF/SX.

TAILED IN W/200 SX (40.9 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/208.1 BBLs FRESH WATER. BUMPED PLUG W/900# @ 9:38 PM, 10/8/2007. CHECK FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (20.4 BBLs) OF PREMIUM CEMENT W/2% CACL2 & 1/4#/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HR 10 MINUTES.

TOP JOB # 2: MIXED & PUMPED 150 SX (30.7 BBLs) OF PREMIUM CEMENT W/2% CACL2 & 1/4#/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS 45 MINUTES

TOP JOB # 3: MIXED & PUMPED 225 SX (46 BBLs) OF PREMIUM CEMENT W/2% CACL2 & 1/4#/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HRS 15 MINUTES.

TOP JOB # 4: MIXED & PUMPED 100 SX (20.4 BBLs) OF PREMMIUM CEMENT W/2% 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.

TAGGED AT 2619'. RAN SURVEY AT 2599' AT 1 1/4 DEGREE.

KYLAN COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 10/6/2007 @ 4:15 PM.

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<b>12-25-2007</b>	<b>Reported By</b>	DAN LINDSEY									
<b>Daily Costs: Drilling</b>	\$26,054	<b>Completion</b>	\$0	<b>Daily Total</b>	\$26,054						
<b>Cum Costs: Drilling</b>	\$255,483	<b>Completion</b>	\$38,000	<b>Well Total</b>	\$293,483						
<b>MD</b>	2,752	<b>TVD</b>	2,752	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time:</b> SHUT DOWN FOR HOLIDAY											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	14:00	8.0	HELD SAFETY MEETING W/RIG MOVERS & RIG CREWS. CONTINUED MOVING RIG FROM NCW 337-34, 60% MOVED IN, NO RIG UP. NO ACCIDENTS. 10 MEN, 60 MAN-HOURS. TRANSFERRED 6 JTS(251.26') 4.5" 11.6# HCP-110 LTC CASING FROM NCW 337-34 TO NCW 339-34. TRANSFERRED 2271 GALS DIESEL & 2700 GALS PROPANE FROM NCW 337-34 TO NCW 339-34								

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<b>12-26-2007</b>	<b>Reported By</b>	DAN LINDSEY									
<b>Daily Costs: Drilling</b>	\$21,526	<b>Completion</b>	\$0	<b>Daily Total</b>	\$21,526						
<b>Cum Costs: Drilling</b>	\$277,009	<b>Completion</b>	\$38,000	<b>Well Total</b>	\$315,009						

MD 2,752 TVD 2,752 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: MIRURT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	OPERATION SUSPENDED DUE TO TRUCKING COMPANIES SHUT-DOWN FOR HOLIDAY.

12-27-2007 Reported By DAN LINDSEY/BRIAN DUTTON

Daily Costs: Drilling \$24,855 Completion \$0 Daily Total \$24,855  
 Cum Costs: Drilling \$301,864 Completion \$38,000 Well Total \$339,864

MD 2,752 TVD 2,752 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RURT

Start	End	Hrs	Activity Description
06:00	12:00	6.0	HELD SAFETY MEETING WITH CREW AND RIG MOVERS. FINISH MOVING RIG OFF NCW 338-34 TO NCW 339-34 4.0 MILES.
12:00	16:00	4.0	RURT. SET DERRICK ON FLOOR AND RELEASED TRUCKS AT 16:00 HRS.
16:00	06:00	14.0	RURT AND PREPAIR FOR B.O.P TEST. ESTIMATED TIME 12:00 HOURS 12/27/07 NO INCIDENTS OR ACCIDENTS REPORTED ESTIMATED SPUD 02:00 12/28/07 BOILER RUNNING: RAISE DERRICK EARLY AM 12/27

12-28-2007 Reported By BRIAN DUTTON

Daily Costs: Drilling \$75,163 Completion \$878 Daily Total \$76,042  
 Cum Costs: Drilling \$377,027 Completion \$38,878 Well Total \$415,906

MD 2,752 TVD 2,752 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING CEMENT AND FLOAT EQPT.

Start	End	Hrs	Activity Description
06:00	13:00	7.0	HELD SAFETY MEETING WITH RIG CREW. FINISHED RURT AND PREPAIRING TO TEST B.O.P.
13:00	16:30	3.5	*****RIG ACCEPTED FOR DAYWORK @ 1300 12/27/07***** HELD SAFETY MEETING W/RIG CREWS & BOP TESTER. TESTED BOPE(ALL RAMS, VALVES, & MANIFOLD 250/5000 PSI, ANNULAR 250/2500 PSI, CASING 1500 PSI). NO BLM WITNESS.
16:30	18:00	1.5	INSTALLED WEAR BUSHING. RU CALIBER LD MACHINE. HELD SAFETY MEETING.
18:00	01:00	7.0	PU BHA & DP. TAGGED @ 2,655'.
01:00	01:30	0.5	R/D CALIBER L/D MACHINE.
01:30	03:00	1.5	TORQUE KELLY, INSTALL ROTATING RUBBER AND DRIVE BUSHING.
03:00	05:00	2.0	UNFREEZE FUCTION VALVES TO BOTH MUD PUMPS
05:00	06:00	1.0	DRILL CEMENT/FLOAT EQUIP. F/2,655' TO 2,705'. NO ACCIDENTS. FULL CREWS. SAFETY MEETING. PRIOR TO TESTING B.O.P. AND P/U BHA. DIESEL FUEL ON HAND 8813 GALS, USED 894 GALS. PROPANE ON HAND 1680 GALS, USED 360 GAL. MUDLOGGERS: CHRIS SMITH 1 DAYS ON LOCATION. LITHOLOGY:

FORMATION TOPS:

<b>12-29-2007</b>		<b>Reported By</b>		<b>BRIAN DUTTON</b>							
<b>Daily Costs: Drilling</b>	\$32,881			<b>Completion</b>	\$0			<b>Daily Total</b>	\$32,881		
<b>Cum Costs: Drilling</b>	\$409,908			<b>Completion</b>	\$38,878			<b>Well Total</b>	\$448,787		
<b>MD</b>	3,990	<b>TVD</b>	3,990	<b>Progress</b>	1,238	<b>Days</b>	1	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>		<b>PBTD : 0.0</b>				<b>Perf :</b>		<b>PKR Depth : 0.0</b>			

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILL CEMENT/FLOAT EQUIP. F/2,705' FELL OUT OF CEMENT @ 2,765'.
08:00	08:30	0.5	PERFORMED F.I.T. @ 2,752 TO 11.5 PPG EMW(437 PSI).
08:30	12:00	3.5	DRILLED 2,752' TO 3,068' (316' @ 90.2 FPH), WOB 10-18K, GPM 414, RPM 40-60/MOTOR 66, SPP 1060, MUD WT. 8.5, VIS 26, NO FLARE.
12:00	12:30	0.5	SURVEY DEPTH @ 2,988' 1.0 DEGREE.
12:30	13:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST PIPE RAMS.
13:00	15:30	2.5	DRILLED 3,068' TO 3,302' (234' @ 93.6 FPH), WOB 10-18K, GPM 414, RPM 40-60/MOTOR 66, SPP 1150, MUD WT. 9.0, VIS 30, NO FLARE.
15:30	16:00	0.5	RIG REPAIR #1 FLOOR MOTOR WENT DOWN.
16:00	06:00	14.0	DRILLED 3,302' TO 3,990' (688' @ 49.1 FPH), WOB 10-18K, GPM 414, RPM 40-60/MOTOR 66, SPP 1150, MUD WT. 9.4, VIS 32, NO FLARE.

NO ACCIDENTS.

FULL CREWS.

SAFETY MEETING. P/U D.P. IN V-DOOR WITH AIR HOIST.

DIESEL FUEL ON HAND 7277 GALS USED 1536 GALS.

PROPANE ON HAND 1320 GALS USED 360 GALS.

DAYLIGHTS B.O.P DRILL 90 SECONDS TO SECURE WELL, MORNING TOUR B.O.P. DRILL 92 SECOND TO SECURE WELL.

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

MUDLOGGERS: CHRIS SMITH 2 DAYS ON LOCATION.

LITHOLOGY: 55% SH, 30% SS, 15% LS, BG GAS 21 - 209 UNITS, CONN GAS 130 - 228 UNITS, HIGH GAS 6408 UNITS @ 3,236'.

FORMATION TOPS: GREEN RIVER @ 2,287'.

06:00 18.0 SPUDDED 8 3/4" HOLE @ 08:00 HRS, 12/28/07.

<b>12-30-2007</b>		<b>Reported By</b>		<b>BRIAN DUTTON</b>							
<b>Daily Costs: Drilling</b>	\$43,095			<b>Completion</b>	\$0			<b>Daily Total</b>	\$43,095		
<b>Cum Costs: Drilling</b>	\$453,004			<b>Completion</b>	\$38,878			<b>Well Total</b>	\$491,883		
<b>MD</b>	5,020	<b>TVD</b>	5,020	<b>Progress</b>	1,030	<b>Days</b>	2	<b>MW</b>	9.7	<b>Visc</b>	32.0
<b>Formation :</b>		<b>PBTD : 0.0</b>				<b>Perf :</b>		<b>PKR Depth : 0.0</b>			

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILLED 3,990' TO 4,348' ( 358' @ 50.0 FPH), WOB 15-22K, GPM 414, RPM 40-60/MOTOR 66, SPP 1200, MUD WT. 9.7, VIS 32, NO FLARE.
12:30	13:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST PIPE RAMS.

13:00 06:00 17.0 DRILLED 4,348' TO 5,020' ( 672' @ 39.5 FPH), WOB 15-22K, GPM 414, RPM 40-60/MOTOR 66, SPP 1200, MUD WT. 9.7, VIS 32, NO FLARE.  
 NO ACCIDENTS.  
 FULL CREWS.  
 SAFETY MEETING. GOOD HOUSE KEEPING PRACTICES.  
 DIESEL FUEL ON HAND 5351 GALS USED 1926 GALS.  
 PROPANE ON HAND 900 GALS USED 420 GALS.  
 MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN.  
 MUDLOGGERS: CHRIS SMITH 3 DAYS ON LOCATION.  
 LITHOLOGY: 50% SH, 30% SS, 20% LS, BG GAS 3 - 21 UNITS, CONN GAS 46 - 59 UNITS, HIGH GAS 398 UNITS @ 4,391'.  
 FORMATION TOPS: GREEN RIVER @ 2,287'.

<b>12-31-2007</b>	<b>Reported By</b>	BRIAN DUTTON									
<b>Daily Costs: Drilling</b>	\$50,359	<b>Completion</b>	\$0	<b>Daily Total</b>	\$50,359						
<b>Cum Costs: Drilling</b>	\$503,364	<b>Completion</b>	\$38,878	<b>Well Total</b>	\$542,242						
<b>MD</b>	5,588	<b>TVD</b>	5,588	<b>Progress</b>	568	<b>Days</b>	3	<b>MW</b>	9.8	<b>Visc</b>	31.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILLED 5,020' TO 5,134' ( 114' @ 16.2 FPH), WOB 15-22K, GPM 414, RPM 40-60/MOTOR 66, SPP 1373, MUD WT. 10.0, VIS 32, NO FLARE.
13:00	13:30	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST BLIND RAMS ON TRIP.
13:30	15:00	1.5	DRILLED 5,134' TO 5,150' ( 16' @ 10.6 FPH), WOB 15-22K, GPM 414, RPM 40-60/MOTOR 66, SPP 1420, MUD WT. 10.0, VIS 32, NO FLARE.
15:00	16:00	1.0	DROP SURVEY DEPTH @ 5,063 1.25 DEGREES. PUMP PILL.
16:00	18:00	2.0	TRIP OUT OF HOLE WITH BIT #1.
18:00	19:30	1.5	L/D ROLLER REAMERS AND CHANGE BITS.
19:30	22:00	2.5	TRIP IN HOLE WITH BIT #2, FILL PIPE @ 2,639'.
22:00	22:30	0.5	WASH/REAM F/5,120' TO 5,150'.
22:30	06:00	7.5	DRILLED 5,150' TO 5,588' ( 438' @ 58.4 FPH), WOB 15-22K, GPM 435, RPM 40-60/MOTOR 69, SPP 1750, MUD WT. 10.0, VIS 35, NO FLARE. NO ACCIDENTS. FULL CREWS. SAFETY MEETING. KEEPING WALK WAYS CLEAR OF ICE. DIESEL FUEL ON HAND 3836 GALS USED 1515 GALS. PROPANE ON HAND 3300 GALS USED 815 GALS. B.O.P. DRILL MORNING TOUR 85 SEC. TO SECURE WELL. MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN, AND FIRST STAND OUT AND IN THE HOLE WHILE TRIPPING. MUDLOGGERS: CHRIS SMITH 4 DAYS ON LOCATION. LITHOLOGY: 45% SH, 45% SS, 19% REDSH, BG GAS 3 - 79 UNITS, CONN GAS 150 - 216 UNITS, HIGH GAS 1062 UNITS @ 5,308'. FORMATION TOPS: GREEN RIVER @ 2,287', WASATCH @ 5,327'.

<b>01-01-2008</b>	<b>Reported By</b>	BRIAN DUTTON									
<b>Daily Costs: Drilling</b>	\$134,177	<b>Completion</b>	\$0	<b>Daily Total</b>	\$134,177						

**Cum Costs: Drilling**      \$637,542                      **Completion**      \$38,878                      **Well Total**      \$676,420  
**MD**      6,007    **TVD**      6,007    **Progress**      419    **Days**      4    **MW**      10.1    **Visc**      34.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time: TOH WITH BIT #2**

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILLED 5,588' TO 5,776' ( 188' @ 34.1 FPH), WOB 15-20K, GPM 435, RPM 40-60/MOTOR 69, SPP 1750, MUD WT. 10.0, VIS 35, NO FLARE.
11:30	12:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST PIPE RAMS.
12:00	04:30	16.5	DRILLED 5,776' TO 6,007' ( 231' @ 14.0 FPH), WOB 15-20K, GPM 435, RPM 40-60/MOTOR 69, SPP 1550, MUD WT. 10.3, VIS 38, NO FLARE.
04:30	05:00	0.5	PUMP PILL.
05:00	06:00	1.0	TRIP OUT OF HOLE @ 6,007' WITH BIT #2.
			NO ACCIDENTS.
			FULL CREWS.
			SAFETY MEETING. USING STEAM AROUND THE RIG .
			DIESEL FUEL ON HAND 10276 GALS USED 1560 GALS.
			PROPANE ON HAND 2940 GALS USED 360 GALS.
			MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN, AND FIRST STAND OUT. .
			MUDLOGGERS: CHRIS SMITH 5 DAYS ON LOCATION.
			LITHOLOGY: 50% SH, 30% SS, 1920% REDSH, BG GAS 9 - 26 UNITS, CONN GAS 92 - 463 UNITS, HIGH GAS 463 UNITS @ 5,932'.
			FORMATION TOPS: GREEN RIVER @ 2,287', WASATCH @ 5,327', CHAPITA WELLS 5,950'.

**01-02-2008      Reported By      BRIAN DUTTON**

**Daily Costs: Drilling**      \$51,979                      **Completion**      \$0                      **Daily Total**      \$51,979  
**Cum Costs: Drilling**      \$689,521                      **Completion**      \$38,878                      **Well Total**      \$728,400  
**MD**      6,575    **TVD**      6,575    **Progress**      568    **Days**      5    **MW**      10.4    **Visc**      37.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	07:30	1.5	TRIP OUT OF HOLE WITH BIT #2 @ 6,007'.
07:30	08:30	1.0	CHANGE BIT AND MUD MOTOR.
08:30	11:00	2.5	TRIP IN HOLE WITH BIT #3, FILL PIPE @ 2,650'.
11:00	12:30	1.5	DRILLED 6,007' TO 6,026' ( 20' @ 13.0 FPH), WOB 10-15K, GPM 435, RPM 40-60/MOTOR 69, SPP 1600, MUD WT. 10.4, VIS 35, NO FLARE.
12:30	13:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST BLIND RAMS ON TRIP.
13:00	06:00	17.0	DRILLED 6,026' TO 6,575' ( 549' @ 32.2 FPH), WOB 15-20K, GPM 435, RPM 40-60/MOTOR 69, SPP 1695, MUD WT. 10.4, VIS 34, NO FLARE. LOST 41 BBLs @ 6,485'.
			NO ACCIDENTS.
			FULL CREWS.
			SAFETY MEETING. INSPECTING TONGS AND TONG LINES.
			DIESEL FUEL ON HAND 8645 GALS USED 1631 GALS.
			PROPANE ON HAND 2520 GALS USED 420 GALS.

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

MUDLOGGERS: CHRIS SMITH 6 DAYS ON LOCATION.

LITHOLOGY: 50% SH, 40% SS, 10% REDSH, BG GAS11 - 37 UNITS, CONN GAS 87 - 116 UNITS, HIGH GAS 1593 UNITS @ 6,341'.

FORMATION TOPS: GREEN RIVER @ 2,287', WASATCH @ 5,327', CHAPITA WELLS 5,950'.

01-03-2008 Reported By BRIAN DUTTON

<b>Daily Costs: Drilling</b>	\$34,218	<b>Completion</b>	\$0	<b>Daily Total</b>	\$34,218
<b>Cum Costs: Drilling</b>	\$723,739	<b>Completion</b>	\$38,878	<b>Well Total</b>	\$762,618
<b>MD</b>	7,300	<b>TVD</b>	7,300	<b>Progress</b>	725
		<b>Days</b>	6	<b>MW</b>	10.3
<b>Visc</b>					34.0
<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>		<b>PKR Depth : 0.0</b>	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILLED 6,575' TO 6,810' ( 235' @ 36.1 FPH), WOB 15-20K, GPM 435, RPM 40-60/MOTOR 69, SPP 1695, MUD WT. 10.4, VIS 34, NO FLARE.
12:30	13:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST POWER CHOKE AND HCR.
13:00	06:00	17.0	DRILLED 6,810' TO 7,300' ( 490' @ 28.8 FPH), WOB 15-20K, GPM 425, RPM 40-60/MOTOR 68, SPP 1750, MUD WT. 10.3, VIS 38, NO FLARE.
			NO ACCIDENTS.
			FULL CREWS.
			SAFETY MEETING. WORKING WITH AND TRAINING NEW HANDS.
			DIESEL FUEL ON HAND 6751 GALS USED 1894 GALS.
			PROPANE ON HAND 1980 GALS USED 540 GALS.
			MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN.
			MUDLOGGERS: CHRIS SMITH 7 DAYS ON LOCATION.
			LITHOLOGY: 40% SH, 40% SS, 20% REDSH, BG GAS 71 - 216 UNITS, CONN GAS 145 - 314 UNITS, HIGH GAS 3097 UNITS @ 6,802'.
			FORMATION TOPS: GREEN RIVER @ 2,287', WASATCH @ 5,327', CHAPITA WELLS 5,950' BUCK CANYON @ 6,6629'.

01-04-2008 Reported By BRIAN DUTTON

<b>Daily Costs: Drilling</b>	\$33,601	<b>Completion</b>	\$0	<b>Daily Total</b>	\$33,601
<b>Cum Costs: Drilling</b>	\$757,341	<b>Completion</b>	\$38,878	<b>Well Total</b>	\$796,219
<b>MD</b>	7,782	<b>TVD</b>	7,782	<b>Progress</b>	482
		<b>Days</b>	7	<b>MW</b>	10.3
<b>Visc</b>					36.0
<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>		<b>PKR Depth : 0.0</b>	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILLED 7,300' TO 7,435' (135' @ 22.5 FPH), WOB 15-20K, GPM 425, RPM 40-60/MOTOR 68, SPP 1750, MUD WT. 10.3, VIS 38, NO FLARE.
12:00	13:00	1.0	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST PIPE RAMS.
13:00	06:00	17.0	DRILLED 7,435' TO 7,782' (347' @ 20.4 FPH), WOB 18-24K, GPM 425, RPM 40-60/MOTOR 68, SPP 1800, MUD WT. 10.5, VIS 35, NO FLARE.
			NO ACCIDENTS.
			FULL CREWS.

SAFETY MEETING. KEEPING FOCUSED ON THE JOB.  
 DIESEL FUEL ON HAND 5180 GALS, USED 1571 GALS.  
 PROPANE ON HAND 1500 GALS, USED 480 GALS.  
 BOP DRILL EVENING TOUR 90 SEC.  
 MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN.

MUD LOGGERS: CHRIS SMITH 8 DAYS ON LOCATION.  
 LITHOLOGY: 50% SH, 30% SS, 20% REDSH, BG GAS 48 - 98 UNITS, CONN GAS 173 - 696 UNITS, HIGH GAS 2700 UNITS @ 7,569'.  
 FORMATION TOPS: GREEN RIVER @ 2,287', WASATCH @ 5,327', CHAPITA WELLS 5,950', BUCK CANYON @ 6,6629', NORTH HORN @ 7,325'.

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<b>01-05-2008</b>	<b>Reported By</b>	BRIAN DUTTON									
<b>Daily Costs: Drilling</b>	\$68,340	<b>Completion</b>	\$3,416	<b>Daily Total</b>	\$71,756						
<b>Cum Costs: Drilling</b>	\$825,682	<b>Completion</b>	\$42,294	<b>Well Total</b>	\$867,976						
<b>MD</b>	8,180	<b>TVD</b>	8,180	<b>Progress</b>	398	<b>Days</b>	8	<b>MW</b>	10.6	<b>Visc</b>	36.0
<b>Formation :</b>	PBTID : 0.0			<b>Perf :</b>	PKR Depth : 0.0						

Activity at Report Time: TFNB #4

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILLED 7,782' TO 7,846' ( 64' @ 16.0 FPH), WOB 18-24K, GPM 425, RPM 40-60/MOTOR 68, SPP 1800, MUD WT. 10.6, VIS 36, NO FLARE.
10:00	10:30	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST PIPE RAMS.
10:30	03:30	17.0	DRILLED 7,846' TO 8,180' ( 334' @ 19.6 FPH), WOB 18-24K, GPM 425, RPM 40-60/MOTOR 68, SPP 1950, MUD WT. 10.8, VIS 33, NO FLARE.
03:30	04:00	0.5	DROP SURVEY DEPTH @ 8,098'.
04:00	04:30	0.5	PUMP PILL AND BLOW KELLY DRY.
04:30	06:00	1.5	TRIP OUT OF HOLE WITH BIT #3 @ 8,180'.
NO ACCIDENTS.			
FULL CREWS.			
SAFETY MEETING. 602 AND 1502 HAMMER UNIONS.			
DIESEL FUEL ON HAND 5645 GALS USED 1535 GALS.			
PROPANE ON HAND 3900 GALS USED 480 GALS.			
MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN AND FIRST STAND OUT OF HOLE.			
MUDLOGGERS: CHRIS SMITH 9 DAYS ON LOCATION.			
LITHOLOGY: 50% SS, 30% SH, 20% SLTSTN, BG GAS 138 - 328 UNITS, CONN GAS 830 - 1379 UNITS, HIGH GAS 6493 UNITS @ 8,005'.			
FORMATION TOPS: GREEN RIVER @ 2,287', WASATCH @ 5,327', CHAPITA WELLS 5,950' BUCK CANYON @ 6,6629', NORTH HORN @ 7,325', Kmv PRICE RIVER 7,976'.			

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<b>01-06-2008</b>	<b>Reported By</b>	BRIAN DUTTON									
<b>Daily Costs: Drilling</b>	\$47,252	<b>Completion</b>	\$0	<b>Daily Total</b>	\$47,252						
<b>Cum Costs: Drilling</b>	\$872,934	<b>Completion</b>	\$42,294	<b>Well Total</b>	\$915,229						
<b>MD</b>	8,460	<b>TVD</b>	8,460	<b>Progress</b>	280	<b>Days</b>	9	<b>MW</b>	11.0	<b>Visc</b>	35.0
<b>Formation :</b>	PBTID : 0.0			<b>Perf :</b>	PKR Depth : 0.0						

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:00	2.0	TRIP OUT OF HOLE WITH BIT #3.
08:00	08:30	0.5	CHANGE MUD MOTOR AND BIT.
08:30	10:00	1.5	TRIP IN HOLE WITH BIT #4, FILL PIPE @ 2,641'.
10:00	11:00	1.0	SLIP & CUT DRILL LINE 80'.
11:00	13:30	2.5	TRIP IN THE HOLE WITH BIT #4. ( LOST 100 BBLs MUD ON BIT TRIP ).
13:30	14:00	0.5	WASH/REAM F/8,065' TO 8,180'.
14:00	06:00	16.0	DRILLED 8,180' TO 8,460' ( 280' @ 17.5 FPH), WOB 10-20K, GPM 425, RPM 40-60/MOTOR 68, SPP 1850, MUD WT. 11.0, VIS 36, NO FLARE.
NO ACCIDENTS.			
FULL CREWS.			
SAFETY MEETING. PINCH POINTS WHILE TRIPPING.			
DIESEL FUEL ON HAND 7277 GALS USED 1368 GALS.			
PROPANE ON HAND 3420 GALS USED 480 GALS.			
MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN AND FIRST STAND IN THE HOLE..			
MUDLOGGERS: CHRIS SMITH 10 DAYS ON LOCATION.			
LITHOLOGY: 40% SS, 40% SH, 20% SLTSTN, BG GAS 525 - 1386 UNITS, CONN GAS 1330 - 2983 UNITS, HIGH GAS 6493 UNITS @ 8,005', TRIP GAS 5545 UNITS.			
FORMATION TOPS: GREEN RIVER @ 2,287', WASATCH @ 5,327', CHAPITA WELLS 5,950' BUCK CANYON @ 6,6629', NORTH HORN @ 7,325', Kmv PRICE RIVER 7,976'.			

<b>01-07-2008</b>	<b>Reported By</b>	<b>BRIAN DUTTON</b>									
<b>Daily Costs: Drilling</b>	\$39,385	<b>Completion</b>	\$0	<b>Daily Total</b>	\$39,385						
<b>Cum Costs: Drilling</b>	\$905,879	<b>Completion</b>	\$42,294	<b>Well Total</b>	\$948,173						
<b>MD</b>	8,818	<b>TVD</b>	8,818	<b>Progress</b>	358	<b>Days</b>	10	<b>MW</b>	10.9	<b>Visc</b>	39.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: DRILLING</b>											

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILLED 8,460' TO 8,536' ( 76' @ 13.8 FPH), WOB 10-20K, GPM 425, RPM 40-60/MOTOR 68, SPP 1850, MUD WT. 11.0, VIS 36, NO FLARE.
11:30	12:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST PIPE RAMS.
12:00	06:00	18.0	DRILLED 8,536' TO 8,818' ( 282' @ 15.6 FPH), WOB 15-25K, GPM 425, RPM 40-60/MOTOR 68, SPP 2100, MUD WT. 11.2+, VIS 39, NO FLARE.
NO ACCIDENTS.			
FULL CREWS.			
SAFETY MEETING. MIXING CAUSTIC IN CHEMICAL BARREL.			
DIESEL FUEL ON HAND 5523 GALS USED 1754 GALS.			
PROPANE ON HAND 2880 GALS USED 540 GALS.			
MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN.			
MUDLOGGERS: CHRIS SMITH 11 DAYS ON LOCATION.			
LITHOLOGY: 40% SS, 55% SH, 5% SLTSTN, BG GAS 271 - 448 UNITS, CONN GAS 425 - 568 UNITS, HIGH GAS 4260 UNITS @ 8,638'.			
FORMATION TOPS: GREEN RIVER @ 2,287', WASATCH @ 5,327', CHAPITA WELLS 5,950' BUCK CANYON @ 6,6629', NORTH HORN @ 7,325', Kmv PRICE RIVER 7,976'.			

01-08-2008      Reported By      BRIAN DUTTON

<b>Daily Costs: Drilling</b>	\$38,950	<b>Completion</b>	\$0	<b>Daily Total</b>	\$38,950
<b>Cum Costs: Drilling</b>	\$944,829	<b>Completion</b>	\$42,294	<b>Well Total</b>	\$987,123

MD      9,125    TVD      9,125    Progress    307    Days      11    MW      11.2    Visc      38.0

Formation :                      PBTB : 0.0                      Perf :                      PKR Depth : 0.0

Activity at Report Time: TFNB # 5

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILLED 8,818' TO 8,941' ( 123' @ 22.3 FPH), WOB 15-25K, GPM 425, RPM 40-60/MOTOR 68, SPP 2100, MUD WT. 11.2+, VIS 39, NO FLARE.
11:30	12:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST ANNULAR.
12:00	02:30	14.5	DRILLED 8,941' TO 9,125' ( 184' @ 12.6 FPH), WOB 15-25K, GPM 425, RPM 40-60/MOTOR 68, SPP 2100, MUD WT. 11.2+, VIS 39, NO FLARE.
02:30	03:00	0.5	DROP SURVEY DEPTH @ 9,053'.
03:00	03:30	0.5	PUMP PILL AND BLOW KELLY DRY.
03:30	06:00	2.5	TRIP OUT OF HOLE WITH BIT #4 @ 9,125'.
			NO ACCIDENTS.
			FULL CREWS.
			SAFETY MEETING. PROPER LIFTING TECHNIQUE.
			DIESEL FUEL ON HAND 3997 GALS USED 1526 GALS.
			PROPANE ON HAND 2460 GALS USED 420 GALS.
			MORNING TOUR, DAY LIGHTS & EVENING TOUR FUNCTIONED COM ON FIRST CONN AND FIRST STAND OUT OF THE HOLE.
			MUDLOGGERS: CHRIS SMITH 12 DAYS ON LOCATION.
			LITHOLOGY: 60% SS, 30% SH, 10% SLTSTN, BG GAS 208 - 457 UNITS, CONN GAS 500 - 912 UNITS, HIGH GAS 5001 UNITS @ 8,757'.
			FORMATION TOPS: GREEN RIVER @ 2,287', WASATCH @ 5,327', CHAPITA WELLS 5,950' BUCK CANYON @ 6,6629', NORTH HORN @ 7,325', Kmv PRICE RIVER 7,976', Kmv MIDDLE PRICE RIVER @ 8,778'.
06:00	18:00		

01-09-2008      Reported By      BRIAN DUTTON

<b>Daily Costs: Drilling</b>	\$81,691	<b>Completion</b>	\$0	<b>Daily Total</b>	\$81,691
<b>Cum Costs: Drilling</b>	\$1,026,521	<b>Completion</b>	\$42,294	<b>Well Total</b>	\$1,068,815

MD      9,325    TVD      9,325    Progress    200    Days      12    MW      11.4    Visc      40.0

Formation :                      PBTB : 0.0                      Perf :                      PKR Depth : 0.0

Activity at Report Time: DRILLING @ 9325'

Start	End	Hrs	Activity Description
06:00	07:30	1.5	TRIP OUT OF HOLE WITH BIT #4.
07:30	08:30	1.0	CHANGE MUD MOTOR AND BIT.
08:30	12:00	3.5	TRIP IN HOLE WITH BIT #5, FILL PIPE @ 2,618' and @ 5,980'.
12:00	15:00	3.0	LOST FULL RETURN WHILE TRIP IN HOLE, MIX AND PUMP LCM SWEEPS GAINED FULL RETURNS BACK WITH 30% LCM IN SYSTEM, CIRCULATE AND BUILD VOLUME. TOTAL MUD LOST 1,000 BBLs.
15:00	15:30	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST BLIND RAMS ON TRIP.
15:30	16:00	0.5	WASH/REAM F/9,065' - 9,125' ( 30' OF FILL ).

16:00 06:00 14.0 DRILLED 9,125' - 9,325'. ( 200' @ 14.2 FPH), WOB 10-20K, GPM 410, RPM 40-60/MOTOR 66, SPP 2255, MUD WT. 11.2+, VIS 40, NO FLARE.  
 NO ACCIDENTS.  
 FULL CREWS.  
 SAFETY MEETING. MIXING CHEMICALS.  
 DIESEL FUEL ON HAND 10731 GALS USED 1267 GALS.  
 PROPANE ON HAND 4320 GALS USED 954 GALS.  
 CONTINUE TO ADD LCM 5 SACKS PER HOUR.  
 RUNNING OVER SHAKER AT PRESENT TIME.

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

MUDLOGGERS: CHRIS SMITH 13 DAYS ON LOCATION.

LITHOLOGY: 60% SS, 40% SH, TR% SLTSTN, BG GAS 286 - 567 UNITS, CONN GAS 1134 - 5583 UNITS, HIGH GAS 4441 UNITS @ 9,209'.

FORMATION TOPS: GREEN RIVER @ 2,287', WASATCH @ 5,327', CHAPITA WELLS 5,950' BUCK CANYON @ 6,662', NORTH HORN @ 7,325', Kmv PRICE RIVER 7,976', Kmv MIDDLE PRICE RIVER @ 8,778'.

01-10-2008 Reported By BRIAN DUTTON/DAN LINDSEY

<b>Daily Costs: Drilling</b>	\$61,283	<b>Completion</b>	\$0	<b>Daily Total</b>	\$61,283
<b>Cum Costs: Drilling</b>	\$1,087,804	<b>Completion</b>	\$42,294	<b>Well Total</b>	\$1,130,099
<b>MD</b>	9,401	<b>TVD</b>	9,401	<b>Progress</b>	76
				<b>Days</b>	13
				<b>MW</b>	11.3
				<b>Visc</b>	37.0

**Formation :** PBTB : 0.0 **Perf :** PKR Depth : 0.0

**Activity at Report Time:** BIT TRIP #6

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILLED 9325 TO 9376(51' @ 8.5 FPH), WOB 20K, GPM 414, RPM 45-50/MOTOR 66, SPP 2100, NO FLARE.
12:00	12:30	0.5	SERVICED RIG. FUNCTION PIPE RAMS. FUNCTION COM.
12:30	20:00	7.5	DRILLED 9376 TO 9401(25' @ 3.3 FPH, 15-20% SILTSTONE), WOB 18-22K, GPM 414, RPM 30-50/MOTOR 66, SPP 2100, NO FLARE. MUD 11.3 PPG, VIS 37.
20:00	20:30	0.5	CIRCULATED. PUMPED PILL.
20:30	01:00	4.5	SET & FUNCTION COM. TOOH W/BIT #5.
01:00	02:00	1.0	CHANGED BITS(3 OF 6 JETS PLUGGED IN BIT #5). CHECKED MUD MOTOR. FUNCTION BLIND RAMS & PIPE RAMS. FUNCTION COM.
02:00	06:00	4.0	TIH W/BIT #6. GAS: BG 33-277, CONN 170-456, HG 830 @ 9300'. NO SHOWS. MUDLOGGER: CHRIS SMITH 14 DAYS. DIESEL 8984 GALS(USED 1747), PROPANE 3720 GALS(USED 600). BOILER 24 HRS. NO ACCIDENTS. FULL CREWS. ALL CREWS FUNCTION COM FIRST CONN ON TOUR.
06:00		18.0	

01-11-2008 Reported By DAN LINDSEY

<b>Daily Costs: Drilling</b>	\$39,155	<b>Completion</b>	\$1,982	<b>Daily Total</b>	\$41,137
<b>Cum Costs: Drilling</b>	\$1,126,960	<b>Completion</b>	\$44,276	<b>Well Total</b>	\$1,171,236
<b>MD</b>	9,720	<b>TVD</b>	9,720	<b>Progress</b>	319
				<b>Days</b>	14
				<b>MW</b>	11.4
				<b>Visc</b>	38.0

**Formation :** PBTB : 0.0 **Perf :** PKR Depth : 0.0

**Activity at Report Time:** DRILLING @ 9720'

Start	End	Hrs	Activity Description
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06:00 07:30 1.5 FINISH TIH W/BIT #6(FUNCTION COM AT START OF TOUR).  
 07:30 09:00 1.5 CIRCULATED, CONDITIONED HOLE W/LCM(LOST 200 BBLS MUD WHILE TIH). RESET & FUNCTION COM.  
 09:00 09:30 0.5 WASHED & REAMED 95' TO 9401, 25' FILL.  
 09:30 11:00 1.5 DRILLED 9401 TO 9449(48' @ 32.0 FPH), WOB 5-15K, GPM 414, RPM 45/MOTOR 66, SPP 2100, NO FLARE.  
 11:00 11:30 0.5 SERVICED RIG. FUNCTION PIPE RAMS. FUNCTION COM.  
 11:30 06:00 18.5 DRILLED 9449 TO 9720(271' @ 14.6 FPH), WOB 10-18K, GPM 414, RPM 30-45/MOTOR 66, SPP 2200, 10' FLARE.  
 THIS A.M. MUD 11.2 PPG, VIS 40.  
 GAS: BG 145-1524, CONN 1432-9497, TG 834, HG 9148 @ 9563'. 2 SHOWS.  
 TOP: LOWER PRICE RIVER 9564.  
 MUDLOGGER: CHRIS SMITH 15 DAYS.  
 DIESEL 7451 GALS(USED 1533), PROPANE 3120 GALS(USED 600). BOILER 24 HRS.  
 NO ACCIDENTS. FULL CREWS. SAFETY TOPIC TONG OPERATION  
 ALL CREWS FUNCTION COM FIRST CONN ON TOUR.

djf

<b>01-12-2008</b>		<b>Reported By</b>		<b>DAN LINDSEY</b>							
<b>Daily Costs: Drilling</b>		\$66,121		<b>Completion</b>		\$0		<b>Daily Total</b>		\$66,121	
<b>Cum Costs: Drilling</b>		\$1,193,081		<b>Completion</b>		\$44,276		<b>Well Total</b>		\$1,237,358	
<b>MD</b>	9,935	<b>TVD</b>	9,935	<b>Progress</b>	215	<b>Days</b>	15	<b>MW</b>	11.6	<b>Visc</b>	37.0
<b>Formation :</b>			<b>PBTD : 0.0</b>			<b>Perf :</b>			<b>PKR Depth : 0.0</b>		
<b>Activity at Report Time: DRILLING @ 9935'</b>											

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRILLED 9720' - 9728'. (8' @ 5.3 FPH, 15% SILTSTONE), WOB 20K, GPM 414, RPM 45/MOTOR 66, SPP 2200, 3' FLARE.
07:30	08:00	0.5	SERVICED RIG. FUNCTION PIPE RAMS. FUNCTION COM.
08:00	13:00	5.0	DRILLED 9728' - 9760'. (32' @ 6.4 FPH, 15-20% SILTSTONE), WOB 10-18K, GPM 414, RPM 30-50/MOTOR 66, SPP 2200, 3' FLARE.
13:00	18:00	5.0	PUMPED PILL. SET & FUNCTION COM FOR TRIP. TOO H W/BIT#6(FUNCTION COM @ CREW CHANGE).
18:00	18:30	0.5	CHANGED BITS. FUNCTION BLIND RAMS & PIPE RAMS. FUNCTION COM.
18:30	20:30	2.0	TIH W/BIT #7 TO SHOE.
20:30	22:00	1.5	SLIP & CUT 100' DRILL LINE.
22:00	01:00	3.0	FUNCTION COM. TIH W/BIT #7.
01:00	02:00	1.0	WASHED & REAMED 46' TO 9760, 20' FILL.
02:00	06:00	4.0	DRILLED 9760' - 9935'. (175' @ 43.75 FPH, 10-15% SILTSTONE), WOB 5-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 2200, 5-10' FLARE. MUD 11.4 PPG, VIS 40. GAS: BG 2035-2854, CONN 1903-9054, TG 9054. NO SHOWS. MUDLOGGER: CHRIS SMITH 16 DAYS. DIESEL 5869 GALS(USED 1582), PROPANE 2520 GALS(USED 600). BOILER 24 HRS. NO ACCIDENTS. FULL CREWS. SAFETY TOPIC-ICE ON RIG WORKING SURFACES. ALL CREWS FUNCTION COM FIRST CONN ON TOUR WHILE DRLG.

djf

06:00 18.0

01-13-2008 Reported By DAN LINDSEY

<b>Daily Costs: Drilling</b>	\$45,280	<b>Completion</b>	\$0	<b>Daily Total</b>	\$45,280
<b>Cum Costs: Drilling</b>	\$1,238,362	<b>Completion</b>	\$44,276	<b>Well Total</b>	\$1,282,638

<b>MD</b>	10,302	<b>TVD</b>	10,302	<b>Progress</b>	367	<b>Days</b>	16	<b>MW</b>	11.5	<b>Visc</b>	38.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>		<b>PKR Depth : 0.0</b>						

Activity at Report Time: DRILLING @ 10302'

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILLED 9935 - 10162'. (227' @ 34.9 FPH, WOB 18-20K, GPM 414, RPM 45-50/MOTOR 66, SPP 2100, 3-5' FLARE. LOST 120 BBLs MUD F/0600-1000 HRS.
12:30	13:00	0.5	SERVICED RIG. FUNCTION PIPE RAMS. FUNCTION COM.
13:00	20:00	7.0	DRILLED 10162 - 10228'. (66' @ 9.4 FPH), 15-20% SILTSTONE, TR PRYRITE), WOB 16-18K, GPM 414, RPM 25-45/MOTOR 66, SPP 2050 PSI, 2' FLARE.
20:00	20:30	0.5	REPLACED SWAB IN #2 PUMP. CIRC W/#1 PUMP.
20:30	06:00	9.5	DRILLED 10228' - 10302'. (74' @ 7.8 FPH, 10-20% SILTSTONE, TR PYRITE), WOB 18-22K, GPM 414, RPM 35-50/MOTOR 66, SPP 2200, 2' FLARE.  MUD 11.5 PPG, VIS 36. LOST 180 BBLs F/0400-0600, STOPPED W/LCM SWEEP. GAS: BG 1150-2213, CONN 1971-3471, HG 5005 @ 10281'. 2 SHOWS. TOP: SEGO 10166'. MUDLOGGER: CHRIS SMITH 17 DAYS. DIESEL 4165 GALS(USED 1704), PROPANE 4680 GALS(HAULED 2700, USED 540). BOILER 24 HRS. NO ACCIDENTS. FULL CREWS. SAFETY TOPIC-LOCK OUT/TAG OUT. ALL CREWS FUNCTION COM FIRST COMM ON TOUR.

djf

01-14-2008 Reported By DAN LINDSEY

<b>Daily Costs: Drilling</b>	\$63,342	<b>Completion</b>	\$237	<b>Daily Total</b>	\$63,579
<b>Cum Costs: Drilling</b>	\$1,284,995	<b>Completion</b>	\$44,513	<b>Well Total</b>	\$1,329,509

<b>MD</b>	10,325	<b>TVD</b>	10,325	<b>Progress</b>	23	<b>Days</b>	17	<b>MW</b>	11.5	<b>Visc</b>	36.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>		<b>PKR Depth : 0.0</b>						

Activity at Report Time: RUNNING 4.5" CASING

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRILLED 10302 - 10318'. (16' @ 5.3 FPH, 15% SILTSTONE/TR PYRITE), WOB 18-23K, GPM 414, RPM 45/MOTOR 66, SPP 2100, 3' FLARE.
09:00	09:30	0.5	SERVICED RIG. FUNCTION PIPE RAMS. FUNCTION COM.
09:30	10:30	1.0	DRILLED 10318' - 10325'. (TD PER DANNY FISCHER), WOB 22K, GPM 414, RPM 45/MOTOR 66, SPP 2100, 3' FLARE.
10:30	14:00	3.5	CIRCULATED HOLE CLEAN. CONDITIONED MUD & BUILT VOLUME. PUMPED PILL.
14:00	17:00	3.0	SET & FUNCTION COM. SHORT TRIPPED 30 STDS TO 7490, NO FILL.
17:00	18:30	1.5	CIRCULATED GAS OUT. RU WEATHERFORD LD MACHINE. HELD SAFETY MEETING. GAS: BG 1321-3780, CONN 4697-4932, TG 8578, HG 4708 @ 10289'. NO SHOWS. MUDLOGGER: CHRIS SMITH 18 DAYS, RELEASED @ 1800 HRS 1/13/08.
18:30	19:00	0.5	DROPPED SURVEY. PUMPED PILL.
19:00	02:30	7.5	LDDP.

02:30 04:30 2.0 BROKE KELLY. LD BHA.  
 04:30 05:00 0.5 PULLED WEAR BUSHING.  
 05:00 06:00 1.0 RU WEATHERFORD CSG CREW. HELD SAFETY MEETING.  
 DIESEL 2565 GALS(USED 1600), PROPANE 4080 GALS(USED 600). BOILER 24 HRS.  
 NO ACCIDENTS. FULL CREWS.  
 DAYLIGHT CREW FUNCTION COM FIRST CONN ON TOUR.

djf

**01-15-2008**      **Reported By**      DAN LINDSEY

<b>Daily Costs: Drilling</b>	\$29,371	<b>Completion</b>	\$237,652	<b>Daily Total</b>	\$267,023
<b>Cum Costs: Drilling</b>	\$1,314,366	<b>Completion</b>	\$282,165	<b>Well Total</b>	\$1,596,532

**MD**      10,325    **TVD**      10,325    **Progress**      0    **Days**      18    **MW**      0.0    **Visc**      0.0

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

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	16:00	10.0	RAN 242 JTS 4.5" 11.6# HCP-110 LTC CSG(FS, 1 MARKER JT, FC, 242 JTS & 3 MARKERS) & TAG JT. RAN 35 CENTRALIZERS(MIDDLE OF SHOE JT, TOP OF #2, EVERY 2ND JT TO 7443). TAGGED @ 10325. LD TAG JT & PU LANDING JT W/CSG HANGER.
16:00	18:00	2.0	CIRCULATED GAS OUT. RD WEATHERFORD CSG CREW & LD MACHINE. RU SLB CEMENTER. HELD SAFETY MEETING.
18:00	21:00	3.0	CEMENTED CSG AS FOLLOWS: PUMPED 20 BBLs CHEM WASH, 20 BBLs FW SPACER, 1060 SX 35/65 POZ G (427 BBLs @ 12.0 PPG, 2.26 CFS, 7 SX CemNET IN FIRST 210 BBLs LEAD) & 2210 SX 50/50 POZ G(508 BBLs @ 14.1 PPG, 1.29 CFS). DROPPED PLUG. DISP W/160 BTW(PARTIAL RETURN DURING CEMENT MIXING, NO RETURN DURING DISPLACEMENT). FINAL LIFT PRESSURE 2400 PSI, BUMPED PLUG TO 3450 PSI. BLEED OFF, FLOATS HELD. CEMENT JOB WITNESSED BY ALAN WALKER/BLM/VERNAL
21:00	22:00	1.0	LANDED CSG @ 10317(FC @ 10293, MARKERS @ 7864-86 & 4848-69). TESTED CSG HANGER TO 5000 PSI. RD SLB.
22:00	06:00	8.0	HAULED 950 BBLs MUD TO STORAGE. CLEANED MUD TANKS. NOTIFIED JAMIE SPARGER/BLM/VERNAL 0700 HRS 1/14/08 OF CSG JOB NO ACCIDENTS. FULL CREWS. MUDLOGGERS: CHRIS SMITH 18 DAYS.ON LOCATION @ 1800 HRS 12/27/07, RELEASED @ 1800 HRS 1/13/08.  TRANSFERRED 7 JTS(295.65") 4.5" 11.6# HCP-110 LTC CASING TO CWU 975-12. TRANSFERRED 1844 GALS DIESEL & 3480 GALS PROPANE TO CWU 975-12. TRUCKS SCHEDULED 0700 HRS 1/16/07, MOVE IS APPROX. 4.7 MILES.
06:00		18.0	RIG RELEASED @ 06:00 HRS ON 1/15/08 CASING POINT COST \$1,314,367

**01-22-2008**      **Reported By**      SEARLE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$45,580	<b>Daily Total</b>	\$45,580
<b>Cum Costs: Drilling</b>	\$1,314,366	<b>Completion</b>	\$327,745	<b>Well Total</b>	\$1,642,112

**MD**      10,325    **TVD**      10,325    **Progress**      0    **Days**      19    **MW**      0.0    **Visc**      0.0

Formation : PBTD : 10293.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 500'. EST CEMENT TOP @ 800'. RD SCHLUMBERGER.

02-11-2008 Reported By SEARLE

Daily Costs: Drilling	\$0	Completion	\$750	Daily Total	\$750
Cum Costs: Drilling	\$1,314,366	Completion	\$328,495	Well Total	\$1,642,862

MD	10,325	TVD	10,325	Progress	0	Days	20	MW	0.0	Visc	0.0
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Formation : PBTD : 10293.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TEST TO 8500 PSIG. BLEED OFF PRESSURE. SWI.

02-22-2008 Reported By CARLSON

Daily Costs: Drilling	\$0	Completion	\$1,580	Daily Total	\$1,580
Cum Costs: Drilling	\$1,314,366	Completion	\$330,075	Well Total	\$1,644,442

MD	10,325	TVD	10,325	Progress	0	Days	21	MW	0.0	Visc	0.0
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Formation : MESAVERDE PBTD : 10293.0 Perf : 9665-10178 PKR Depth : 0.0

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RUWL. PERFORATED SEGO/LPR FROM 9946'-47', 9957'-58', 9980'-81', 10002'-03', 10015'-16', 10023'-24', 10080'-81', 10090'-91', 10102'-03', 10111'-12', 10140'-41', 10160'-61', 10170'-71' & 10177'-78' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING W/5329 GAL YF116 ST+ PAD, 51114 GAL YF116 ST+ W/150700# 20/40 SAND @ 1-5 PPG. MTP 7933 PSIG. MTR 54.2 BPM. ATP 5020 PSIG. ATR 48.7 BPM. ISIP 2950 PSIG. RD SCHLUMBERGER.

RUWL. SET CFP @ 9920'. PERFORATED LPR FROM 9665'-66', 9671'-72', 9724'-25' (MISFIRE), 9756'-57', 9788'-89' (MISFIRE), 9807'-08', 9815'-16', 9861'-63', 9869'-70', 9878'-79' & 9905'-06' @ 3 SPF & 120° PHASING. RDWL. WILL RESHOOT TWO GUNS THAT DID NOT FIRE THIS MORNING. SDFN.

02-23-2008 Reported By CARLSON

Daily Costs: Drilling	\$0	Completion	\$1,900	Daily Total	\$1,900
Cum Costs: Drilling	\$1,314,366	Completion	\$331,975	Well Total	\$1,646,342

MD	10,325	TVD	10,325	Progress	0	Days	22	MW	0.0	Visc	0.0
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Formation : MESAVERDE PBTD : 10293.0 Perf : 8354-10178 PKR Depth : 0.0

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 2590 PSIG. RUWL. PERFORATED 9724'-25' & 9788'-89' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING W/4185 GAL YF116 ST+ PAD, 36178 GAL YF116 ST+ W/106000# 20/40 SAND @ 1-5 PPG. MTP 8116 PSIG. MTR 50.6 BPM. ATP 5586 PSIG. ATR 47.3 BPM. ISIP 3170 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 9625'. PERFORATED MPR FROM 9346'-47', 9356'-57', 9363'-64', 9374'-75', 9399'-9400', 9427'-28', 9452'-53', 9509'-10', 9516'-17', 9552'-53', 9587'-88' & 9610'-11' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING W/5197 GAL YF116 ST+ PAD, 43634 GAL YF116 ST+ W/126400# 20/40 SAND @ 1-4 PPG. MTP 8259 PSIG. MTR 50.5 BPM. ATP 6290 PSIG. ATR 47.9 BPM. ISIP 4590 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 9320'. PERFORATED MPR FROM 9113'-14', 9120'-21', 9137'-38', 9185'-86', 9193'-94', 9201'-02', 9225'-26' 9239'-40', 9248'-49', 9255'-56', 9291'-92' & 9299'-9300' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING W/4171 GAL YF116 ST+ PAD, 40896 GAL YF116 ST+ W/119600# 20/40 SAND @ 1-5 PPG. MTP 8069 PSIG. MTR 50.8 BPM. ATP 5506 PSIG. ATR 48.1 BPM. ISIP 2900 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 9085'. PERFORATED MPR FROM 8949'-50', 8958'-59', 8964'-65', 8970'-71', 8986'-87', 8991'-92', 9000'-01', 9010'-11', 9020'-21', 9051'-52', 9067'-68' & 9071'-72' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING W/4171 GAL YF116ST+ PAD, 41195 GAL YF116ST+ W/121000# 20/40 SAND @ 1-5 PPG. MTP 7425 PSIG. MTR 50.6 BPM. ATP 5159 PSIG. ATR 48.2 BPM. ISIP 3260 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 8880'. PERFORATED UPR/MPR FROM 8603'-04', 8628'-29', 8648'-49', 8715'-16', 8740'-41', 8745'-46', 8768'-69', 8790'-91', 8797'-98', 8824'-25', 8836'-37' & 8859'-60' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING W/5205 GAL YF116 ST+ PAD, 54514 GAL YF116 ST+ W/156200# 20/40 SAND @ 1-4 PPG. MTP 7910 PSIG. MTR 50.9 BPM. ATP 5181 PSIG. ATR 48.6 BPM. ISIP 3100 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 8570'. PERFORATED UPR FROM 8354'-55', 8362'-63', 8377'-78', 8386'-87', 8437'-38', 8441'-42', 8483'-83', 8492'-93', 8530'-31', 8538'-39', 8545'-46' & 8551'-52' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING W/4175 GAL YF116 ST+ PAD, 38703 GAL YF116 ST+ W/112800# 20/40 SAND @ 1-5 PPG. MTP 7854 PSIG. MTR 50.9 BPM. ATP 5102 PSIG. ATR 47.4 BPM. ISIP 2700 PSIG. RD SCHLUMBERGER. SDFN.

JRS

02-24-2008		Reported By		CARLSON							
Daily Costs: Drilling		\$0		Completion		\$451,759		Daily Total		\$451,759	
Cum Costs: Drilling		\$1,314,366		Completion		\$783,735		Well Total		\$2,098,101	
MD	10,325	TVD	10,325	Progress	0	Days	23	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBSD : 10293.0			Perf : 6231-10178			PKR Depth : 0.0		

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 1822 PSIG. RUWL. SET 10K CFP AT 8315'. PERFORATED UPR FROM 7979'-80', 7987'-88', 7996'-97', 8109'-10', 8133'-34', 8144'-45', 8155'-56', 8189'-90', 8200'-01', 8212'-13', 8271'-72' & 8298'-99' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING W/5213 GAL YF116 ST+ PAD, 60730 GAL YF116 ST+ W/180400# 20/40 SAND @ 1-5 PPG. MTP 6585 PSIG. MTR 50.8 BPM. ATP 4356 PSIG. ATR 48.6 BPM. ISIP 2600 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7890'. PERFORATED NORTH HORN FROM 7555'-56', 7563'-64', 7568'-69', 7657'-59', 7722'-23', 7735'-36', 7750'-51', 7805'-06', 7817'-18' & 7851'-53' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING W/4188 GAL YF116 ST+ PAD, 35214 GAL YF116 ST+ W/100600# 20/40 SAND @ 1-4 PPG. MTP 7558 PSIG. MTR 50.4 BPM. ATP 4950 PSIG. ATR 47.6 BPM. ISIP 3000 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7410'. PERFORATED Ba/NORTH HORN FROM 7116'-17', 7125'-26', 7132'-33', 7182'-83', 7193'-95', 7233'-34', 7248'-49', 7253'-54', 7275'-76', 7342'-43', 7352'-53' & 7362'-64' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING W/6142 GAL YF116 ST+ PAD, 35273 GAL YF116 ST+ W/93100# 20/40 SAND @ 1-4 PPG. MTP 8275 PSIG. MTR 50.8 BPM. ATP 5797 PSIG. ATR 45.1 BPM. ISIP 1730 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6980'. PERFORATED Ba FROM 6641'-42', 6665'-66', 6724'-26', 6779'-80', 6787'-89', 6807'-08', 6877'-78', 6885'-87' & 6950'-51' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 4166 GAL YF116 ST+ PAD, 35398 GAL YF116ST+ W/93000# 20/40 SAND @ 1-4 PPG. MTP 6926 PSIG. MTR 50.8 BPM. ATP 3723 PSIG. ATR 47.2 BPM. ISIP 1340 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6540'. PERFORATED Ca FROM 6471'-72', 6476'-77', 6481'-82', 6491'-92', 6500'-02', 6511'-13' & 6517'-19' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING W/4167 GAL YF116 ST+ PAD, 38142 GAL YF116 ST+ W/110000# 20/40 SAND @ 1-4 PPG. MTP 4348 PSIG. MTR 37.1 BPM. ATP 2334 PSIG. ATR 35.1 BPM. ISIP 1475 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6400'. PERFORATED Ca FROM 6231'-32', 6236'-38', 6272'-73', 6289'-90', 6312'-15', 6323'-26' & 6353'-54' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING W/4170 GAL YF116 ST+ PAD, 36388 GAL YF116 ST+ W/98100# 20/40 SAND @ 1-4 PPG. MTP 5263 PSIG. MTR 37 BPM. ATP 2983 PSIG. ATR 35.3 BPM. ISIP 2060 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 6135'. BLED OFF PRESSURE. RDWL. SDFN.

JRS

02-26-2008		Reported By		HAL IVIE							
<b>Daily Costs: Drilling</b>		\$0			<b>Completion</b>		\$43,224	<b>Daily Total</b>		\$43,224	
<b>Cum Costs: Drilling</b>		\$1,314,366			<b>Completion</b>		\$826,959	<b>Well Total</b>		\$2,141,325	
<b>MD</b>	10,325	<b>TVD</b>	10,325	<b>Progress</b>	0	<b>Days</b>	24	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>			<b>PBTD : 10293.0</b>			<b>Perf : 6231-10178</b>			<b>PKR Depth : 0.0</b>		
<b>Activity at Report Time: CLEAN OUT AFTER FRAC</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	17:00	11.0	SICP 0 PSIG. MIRU ROYAL RIG # 1. P.U. & RIH W/ MILL & PUMP OFF BIT SUB TO 6135'. SDFN.								

02-27-2008		Reported By		HAL IVIE							
<b>Daily Costs: Drilling</b>		\$0			<b>Completion</b>		\$54,197	<b>Daily Total</b>		\$54,197	
<b>Cum Costs: Drilling</b>		\$1,314,366			<b>Completion</b>		\$881,156	<b>Well Total</b>		\$2,195,522	
<b>MD</b>	10,325	<b>TVD</b>	10,325	<b>Progress</b>	0	<b>Days</b>	25	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>			<b>PBTD : 10293.0</b>			<b>Perf : 6231-10178</b>			<b>PKR Depth : 0.0</b>		
<b>Activity at Report Time: FLOW TEST</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	18:00	12.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6135', 6400', 6540', 6980', 7410', 7890', 8315', 8570', 8880', 9085', 9320', 9625' & 9920'. CLEANED OUT TO PBTD @ 10293'. LANDED TBG @ 7910' KB. ND BOP. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.								

FLOWED 11 HRS. 16/64" CHOKE. FTP 1400 PSIG. CP 1650 PSIG. 58 BFPH. RECOVERED 635 BLW. 15947 BLWTR.

TUBING DETAIL: LENGTH:  
 PUMP OFF SUB 1.00'  
 1 JT 2-3/8" 4.7# N-80 TBG 32.83  
 XN NIPPLE 1.10'  
 240 JTS 2-3/8" 4.7# N-80 TBG 7860.30'  
 BELOW KB 15.00'  
 LANDED @ 7910.23' KB

02-28-2008 Reported By HAL IVIE

Daily Costs: Drilling \$0 Completion \$9,143 Daily Total \$9,143

Cum Costs: Drilling \$1,314,366 Completion \$890,299 Well Total \$2,204,665

MD 10,325 TVD 10,325 Progress 0 Days 26 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTD : 10293.0 Perf : 6231-10178 PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 16/64" CHOKE. FTP 1400 PSIG, CP 2050 PSIG. 45 BFPH. RECOVERED 1069 BBLs, 14878 BLWTR.

02-29-2008 Reported By HAL IVIE

Daily Costs: Drilling \$0 Completion \$2,575 Daily Total \$2,575

Cum Costs: Drilling \$1,314,366 Completion \$892,874 Well Total \$2,207,240

MD 10,325 TVD 10,325 Progress 0 Days 27 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTD : 10293.0 Perf : 6231-10178 PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 16/64" CHOKE. FTP 1450 PSIG, CP 2550 PSIG. 39 BFPH. RECOVERED 936 BBLs, 13942 BLWTR.

03-01-2008 Reported By HAL IVIE

Daily Costs: Drilling \$0 Completion \$2,575 Daily Total \$2,575

Cum Costs: Drilling \$1,314,366 Completion \$895,449 Well Total \$2,209,815

MD 10,325 TVD 10,325 Progress 0 Days 28 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTD : 10293.0 Perf : 6231-10178 PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 16/64" CHOKE. FTP 1450 PSIG, CP 2700 PSIG. 29 BFPH. RECOVERED 700 BBLs, 13242 BLWTR.

03-02-2008 Reported By HAL IVIE

Daily Costs: Drilling \$0 Completion \$2,575 Daily Total \$2,575

Cum Costs: Drilling \$1,314,366 Completion \$898,024 Well Total \$2,212,390

MD 10,325 TVD 10,325 Progress 0 Days 29 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTD : 10293.0 Perf : 6231-10178 PKR Depth : 0.0

Activity at Report Time: WO FACILITIES

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 16/64" CHOKE. FTP 1450 PSIG, CP 2700 PSIG. 23 BFPH. RECOVERED 548 BBLs, 12694 BLWTR. WO FACILITIES.

FINAL COMPLETION DATE: 3/1/08

03-12-2008 Reported By HEATH LEMON

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

Cum Costs: Drilling \$1,314,366 Completion \$898,024 Well Total \$2,212,390

MD 10,325 TVD 10,325 Progress 0 Days 30 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTD : 10293.0 Perf : 6231-10178 PKR Depth : 0.0

**Activity at Report Time: INITIAL PRODUCTION**

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	INITIAL PRODUCTION. FIRST GAS SALES: OPENING PRESSURE: TP 1550 & CP 2900 PSI. TURNED WELL TO QUESTAR SALES AT 8:00 PM, 3/11/08. FLOWED 350 MCFD RATE ON 12/64" POS CHOKE. STATIC 286.

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28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH/MESAVERDE	6231	10178		GREEN RIVER	2300
				MAHOGANY	2914
				UTELAND BUTTE	5140
				WASATCH	5316
				CHAPITA WELLS	5926
				BUCK CANYON	6588
				PRICE RIVER	7976
MIDDLE PRICE RIVER	8781				

32. Additional remarks (include plugging procedure):  
Please see the attached sheet for detailed perforation and additional formation marker information.

33. Circle enclosed attachments:

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

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

**Electronic Submission #59540 Verified by the BLM Well Information System.**  
For EOG RESOURCES, INC., sent to the Vernal

Name (please print) MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature  (Electronic Submission) Date 04/09/2008

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

**North Chapita 339-34 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

8949-9072	3/spf
8603-8860	3/spf
8354-8552	3/spf
7979-8299	3/spf
7555-7853	3/spf
7116-7364	2/spf
6641-6951	3/spf
6471-6519	3/spf
6231-6354	3/spf

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

8949-9072	45,366 GALS GELLED WATER & 121,000# 20/40 SAND
8603-8860	59,719 GALS GELLED WATER & 156,200# 20/40 SAND
8354-8552	42,878 GALS GELLED WATER & 112,800# 20/40 SAND
7979-8299	65,943 GALS GELLED WATER & 180,400# 20/40 SAND
7555-7853	39,402 GALS GELLED WATER & 100,600# 20/40 SAND
7116-7364	41,415 GALS GELLED WATER & 93,100# 20/40 SAND
6641-6951	39,564 GALS GELLED WATER & 93,000# 20/40 SAND
6471-6519	42,309 GALS GELLED WATER & 110,000# 20/40 SAND
6231-6354	40,558 GALS GELLED WATER & 98,100# 20/40 SAND

Perforated the Sego/Lower Price River from 9946-47', 9957-58', 9980-81', 10002-03', 10015-16', 10023-24', 10080-81', 10090-91', 10102-03', 10111-12', 10140-41', 10160-61', 10170-71' & 10177-78' w/ 3 spf.

Perforated the Lower Price River from 9665-66', 9671-72', 9724-25', 9756-57', 9788-89', 9807-08', 9815-16', 9861-63', 9869-70', 9878-79' & 9905-06' w/ 3 spf.

Perforated the Middle Price River from 9346-47', 9356-57', 9363-64', 9374-75', 9399-9400', 9427-28', 9452-53', 9509-10', 9516-17', 9552-53', 9587-88' & 9610-11' w/ 3 spf.

Perforated the Middle Price River from 9113-14', 9120-21', 9137-38', 9185-86', 9193-94', 9201-02', 9225-26', 9239-40', 9248-49', 9255-56', 9291-92' & 9299-9300' w/ 3 spf.

Perforated the Middle Price River from 8949-50', 8958-59', 8964-65', 8970-71', 8986-87', 8991-92', 9000-01', 9010-11', 9020-21', 9051-52', 9067-68' & 9071-72' w/ 3 spf.

Perforated the Upper/Middle Price River from 8603-04', 8628-29', 8648-49', 8715-16', 8740-41', 8745-46', 8768-69', 8790-91', 8797-98', 8824-25', 8836-37' & 8859-60' w/ 3 spf.

Perforated the Upper Price River from 8354-55', 8362-63', 8377-78', 8386-87', 8437-38', 8441-42', 8483-84', 8492-93', 8530-31', 8538-39', 8545-46' & 8551-52' w/ 3 spf.

Perforated the Upper Price River from 7979-80', 7987-88', 7996-97', 8109-10', 8133-34', 8144-45', 8155-56', 8189-90', 8200-01', 8212-13', 8271-72' & 8298-99' w/ 3 spf.

Perforated the North Horn from 7555-56', 7563-64', 7568-69', 7657-59', 7722-23', 7735-36', 7750-51', 7805-06', 7817-18' & 7851-53' w/ 3 spf.

Perforated the Ba/North Horn from 7116-17', 7125-26', 7132-33', 7182-83', 7193-95', 7233-34', 7248-49', 7253-54', 7275-76', 7342-43', 7352-53' & 7362-64' w/ 2 spf.

Perforated the Ba from 6641-42', 6665-66', 6724-26', 6779-80', 6787-89', 6807-08', 6877-78', 6885-87', & 6950-51' w/ 3 spf.

Perforated the Ca from 6471-72', 6476-77', 6481-82', 6491-92', 6500-02', 6511-13' & 6517-19' w/ 3 spf.

Perforated the Ca from 6231-32', 6236-38', 6272-73', 6289-90', 6312-15', 6323-26' & 6353-54' w/ 3 spf.

## 52. FORMATION (LOG) MARKERS

Lower Price River	9644
Sego	10156

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

FORM 7

**REPORT OF WATER ENCOUNTERED DURING DRILLING**

Well name and number: NCW 339-34

API number: 4304738061

Well Location: QQ NWSW Section 34 Township 8S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: PRO PETRO

Address: PO BOX 827

city VERNAL state UT zip 84078

Phone: (435) 789-4729

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
2,310	2,330	NO FLOW	NOT KNOWN

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

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

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

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 4/9/2008

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU43916

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
NORTH CHAPITA 339-34

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

9. API Well No.  
43-047-38061

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 NWSW 2000FSL 670FWL  
40.07776 N Lat, 109.43326 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 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 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 #60692 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.

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

**RECEIVED**

**JUN 09 2008**

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

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-43916
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> N CHAPITA 339-34
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047380610000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2000 FSL 0670 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWSW Section: 34 Township: 08.0S Range: 22.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 9/1/2008	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: Pit Closure

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The reserve pit on the referenced location was closed on 9/1/2008 as per the APD procedure.

Accepted by the  
 Utah Division of  
 Oil, Gas and Mining  
**FOR RECORD ONLY**  
 June 10, 2009

<b>NAME (PLEASE PRINT)</b> Kaylene Gardner	<b>PHONE NUMBER</b> 435 781-9111	<b>TITLE</b> Regulatory Administrator
<b>SIGNATURE</b> N/A	<b>DATE</b> 6/10/2009	