

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

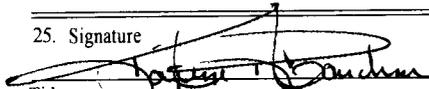
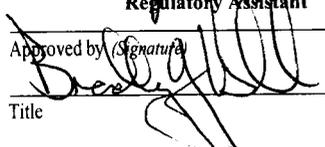
FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNIT
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		8. Lease Name and Well No. CHAPITA WELLS UNIT 1238-22
2. Name of Operator EOG RESOURCES, INC.		9. API Well No. 43-047-38067
3a. Address P.O. Box 1815 Vernal, UT 84078	3b. Phone No. (include area code) 435-781-9111	10. Field and Pool, or Exploratory NATURAL BUTTES
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 2150 FNL 2310 FEL (SW/NE) 40.022786 LAT 109.311833 LON At proposed prod. zone SAME 644112X 4431453Y 40.022832 -109.311164		11. Sec., T. R. M. or Blk. and Survey or Area SEC. 22, T9S, R23E S.L.B.&M
14. Distance in miles and direction from nearest town or post office* 54.2 MILES SOUTH OF VERNAL		12. County or Parish UINTAH
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 830'	16. No. of acres in lease 2520	17. Spacing Unit dedicated to this well
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 6600'	19. Proposed Depth 8830'	20. BLM/BIA Bond No. on file NM 2308
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5084' 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 04/28/2006
Title Regulatory Assistant		
Approved by (Signature) 	Name (Printed Typed) BRADLEY G. HILL	Date 05-08-06
Title ENVIRONMENTAL MANAGER	Office	

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

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

*(Instructions on page 2)

**Federal Approval of this
Action is Necessary**

RECEIVED

MAY 03 2006

DIV. OF OIL, GAS & MINING

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

EOG RESOURCES, INC.

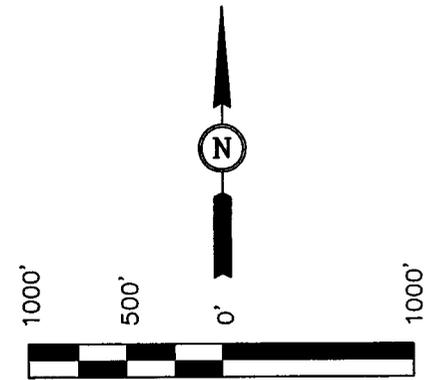
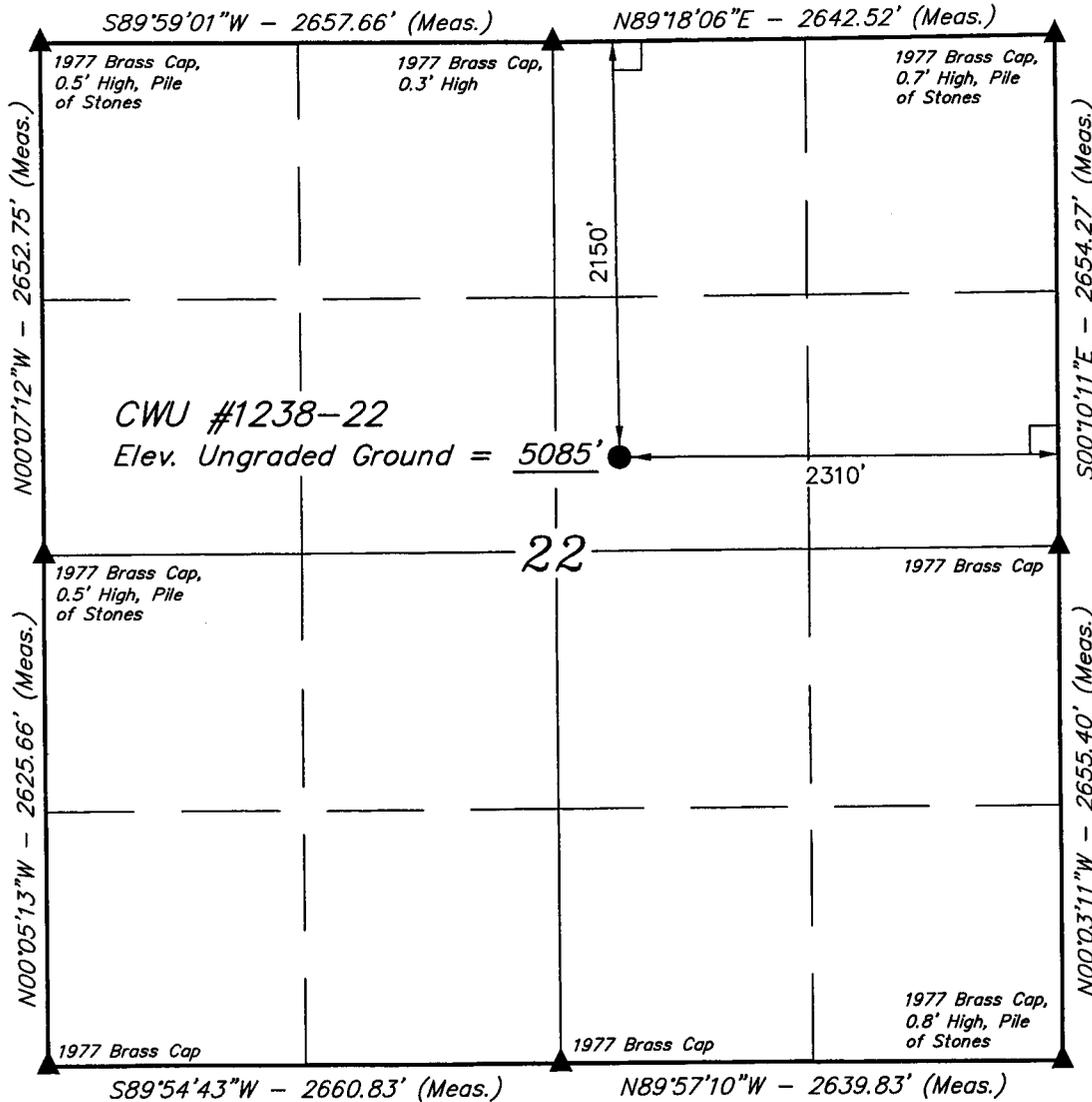
Well location, CWU #1238-22, located as shown in the SW 1/4 NE 1/4 of Section 22, T9S, R23E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

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

BASIS OF BEARINGS

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



SCALE

CERTIFICATE

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

Robert L. ...
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 16009
 STATE OF UTAH

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

LEGEND:

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

(NAD 83)
 LATITUDE = 40°01'22.03" (40.022786)
 LONGITUDE = 109°18'42.60" (109.311833)
 (NAD 27)
 LATITUDE = 40°01'22.15" (40.022819)
 LONGITUDE = 109°18'40.16" (109.311156)

SCALE 1" = 1000'	DATE SURVEYED: 03-20-06	DATE DRAWN: 03-22-06
PARTY G.S. B.J. L.K.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1238-22
SW/NE, SEC. 22, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

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

FORMATION	DEPTH (KB)
Green River FM	1,570'
Wasatch	4,491'
North Horn	6,375'
Island	6,484'
KMV Price River	6,592'
KMV Price River Middle	7,327'
KMV Price River Lower	8,171'
Sego	8,628'

Estimated TD: **8,830' or 200'± below Sego top**

Anticipated BHP: 4,820 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

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

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

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1238-22
SW/NE, SEC. 22, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

Float Equipment: (Cont'd)

Production Hole Procedure (2300'± - TD):

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

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

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

7. VARIANCE REQUESTS:

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

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

8. EVALUATION PROGRAM:

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1238-22
SW/NE, SEC. 22, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

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

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

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

Production Hole Procedure (2300'± - TD)

Lead: 125 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 838 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9 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

CHAPITA WELLS UNIT 1238-22
SW/NE, SEC. 22, T9S, R23E, 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

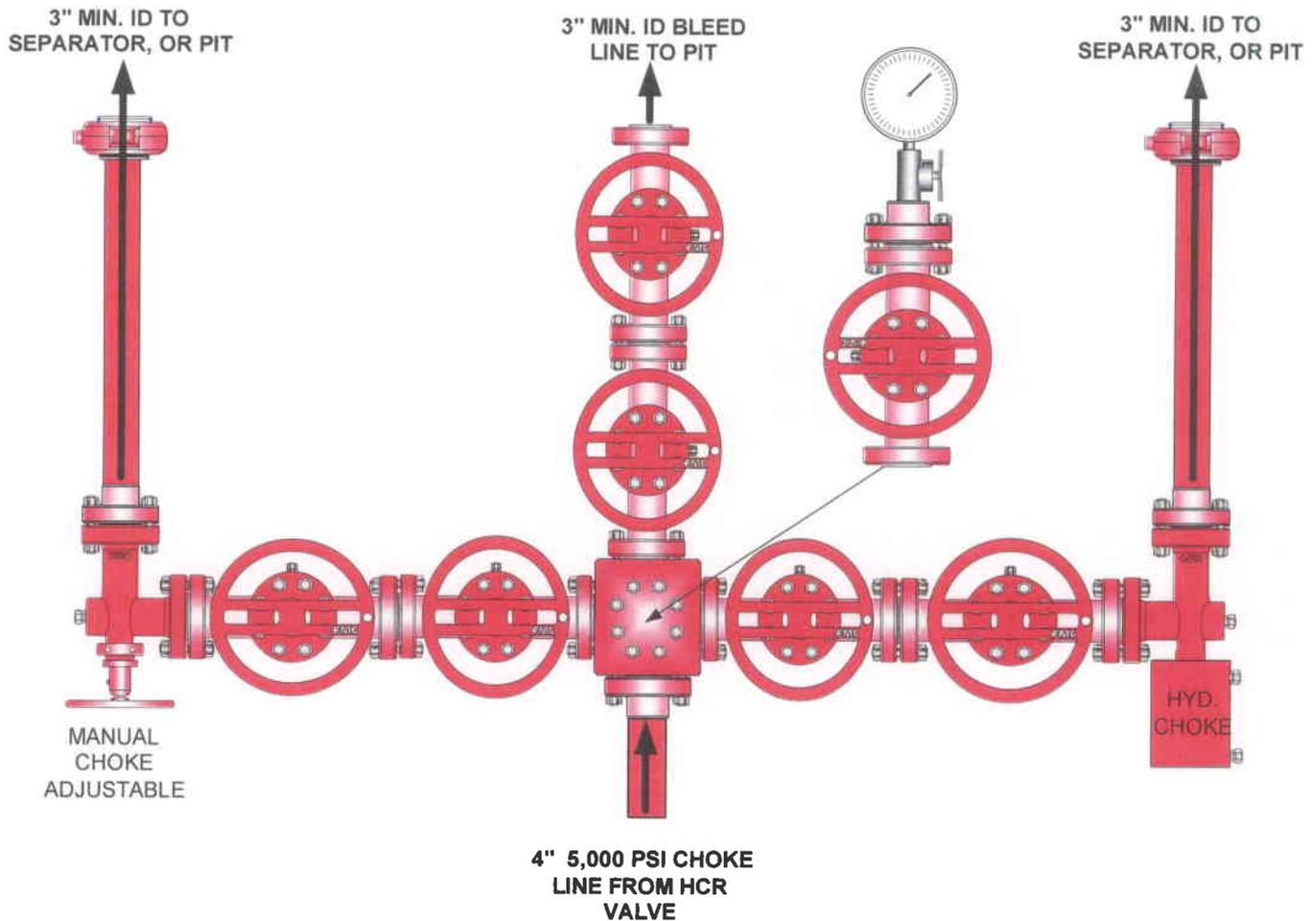
12. HAZARDOUS CHEMICALS:

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

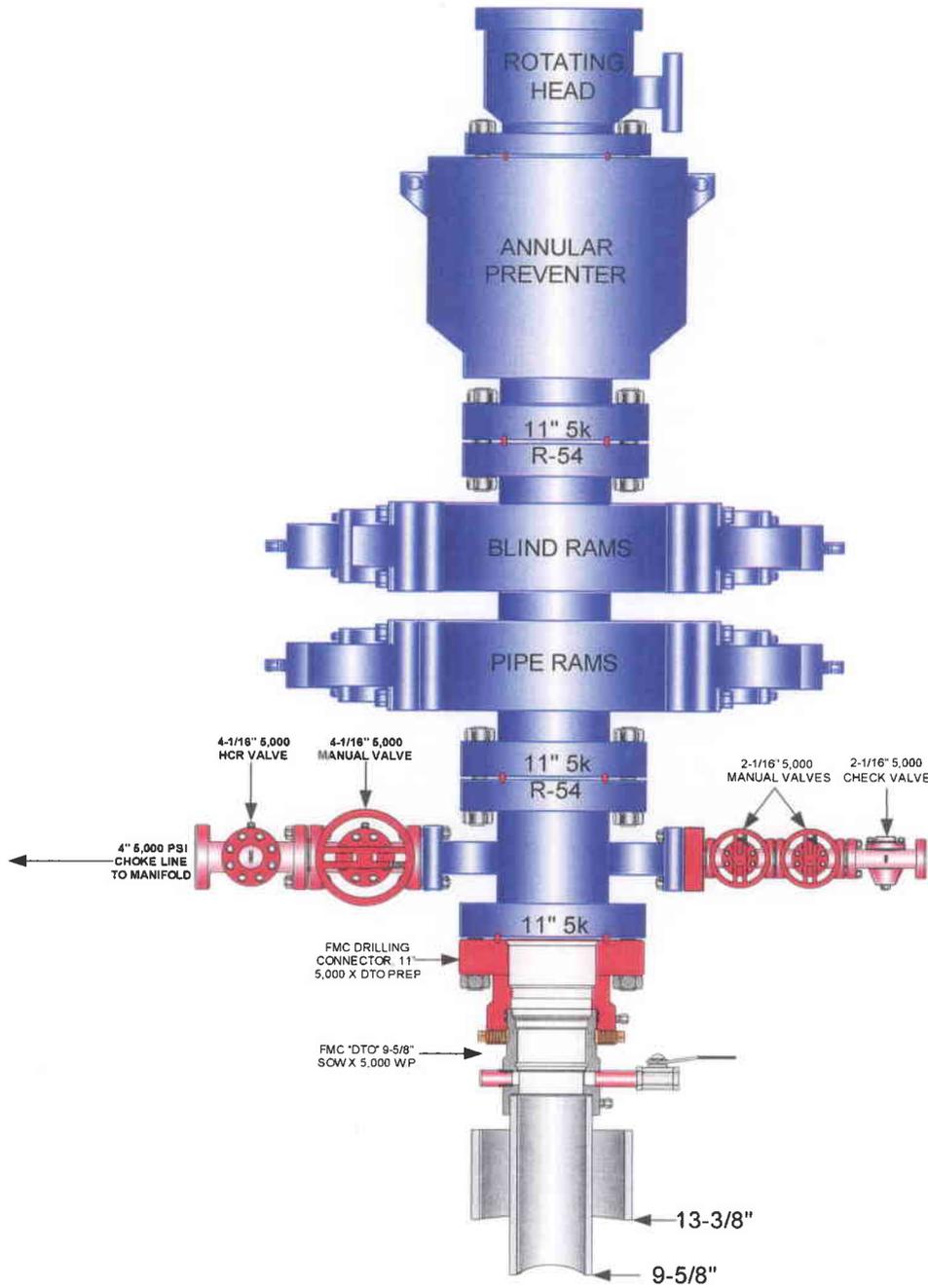
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Testing Procedure:

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.

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





**CHAPITA WELLS UNIT 1238-22
SW/NE, Section 22, T9S, R23E
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 3198 feet long with a 30-foot right-of-way, disturbing approximately 2.20 acres. New surface disturbance associated with access road and the well pad is estimated to be approximately 4.04 acres. The pipeline is approximately 483 feet long within Federal Lease U –01301 disturbing approximately 0.44 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 54.2 miles south of Vernal, Utah – See attached TOPO Map “A”.
- C. Refer to attached Topographic Map “A” showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

- A. The access road will be approximately 3198’ long and will be completed as a single lane, 16’ wide, 30’ sub-grade, crowned road. See attached Topo Map “B”.
- B. Maximum grade of the new access road will be 8 percent.
- C. No turnouts will be required.
- D. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- E. No culverts, bridges, or major cuts and fills will be required.
- F. The access road will be dirt surface.
- G. No gates, cattleguards, or fences will be required or encountered.

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

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

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

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

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

- A. Abandoned Wells – 2*
- B. Producing Wells – 2*
- 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 483' x 40'. The proposed pipeline leaves the eastern edge of the well pad (U-01301) turning and proceeding in a easterly direction for an approximate distance of 483'. The pipe will tie into existing pipeline located in the SWNE of Section 22, T9S, R23E.
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 south 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 west 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.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Hi-Crest Crested Wheatgrass	9.0
Kocha Pastrata	3.0

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

B. Dry Hole/Abandoned Location

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

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Gardner Salt Bush	4.0
Shad Scale	3.0
Hi-Crest Crested Wheat Grass	2.0

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

11. SURFACE OWNERSHIP:

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

Bureau of Land Management

12. OTHER INFORMATION:

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

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

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

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

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

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

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

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

Additional Surface Stipulations:

No construction, or drilling activities shall be conducted February 1st through July 15th due to Golden Eagle stipulations.

No construction, or drilling activities shall be conducted April 1st through July 15th due to Red Tailed Hawk 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

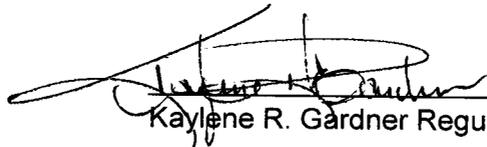
DRILLING OPERATIONS

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 Chapita Wells Unit 1238-21 Well, located in the SWNE, of Section 22, T9S, R23E, 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 28, 2006
Date


Kaylene R. Gardner Regulatory Assistant

EOG RESOURCES, INC.

CWU #1238-22

LOCATED IN UINTAH COUNTY, UTAH
SECTION 22, T9S, R23E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW FROM BEGINING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY



- Since 1964 -

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

LOCATION PHOTOS	03	23	06	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: B.J.	DRAWN BY: L.K.		REVISED: 00-00-00	

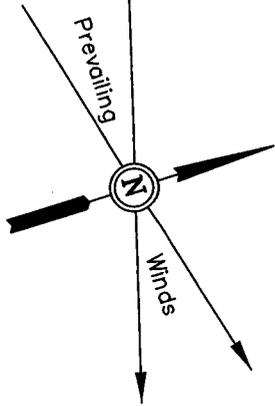
EOG RESOURCES, INC.

LOCATION LAYOUT FOR

CWU #1238-22

SECTION 22, T9S, R23E, S.L.B.&M.

2150' FNL 2310' FEL

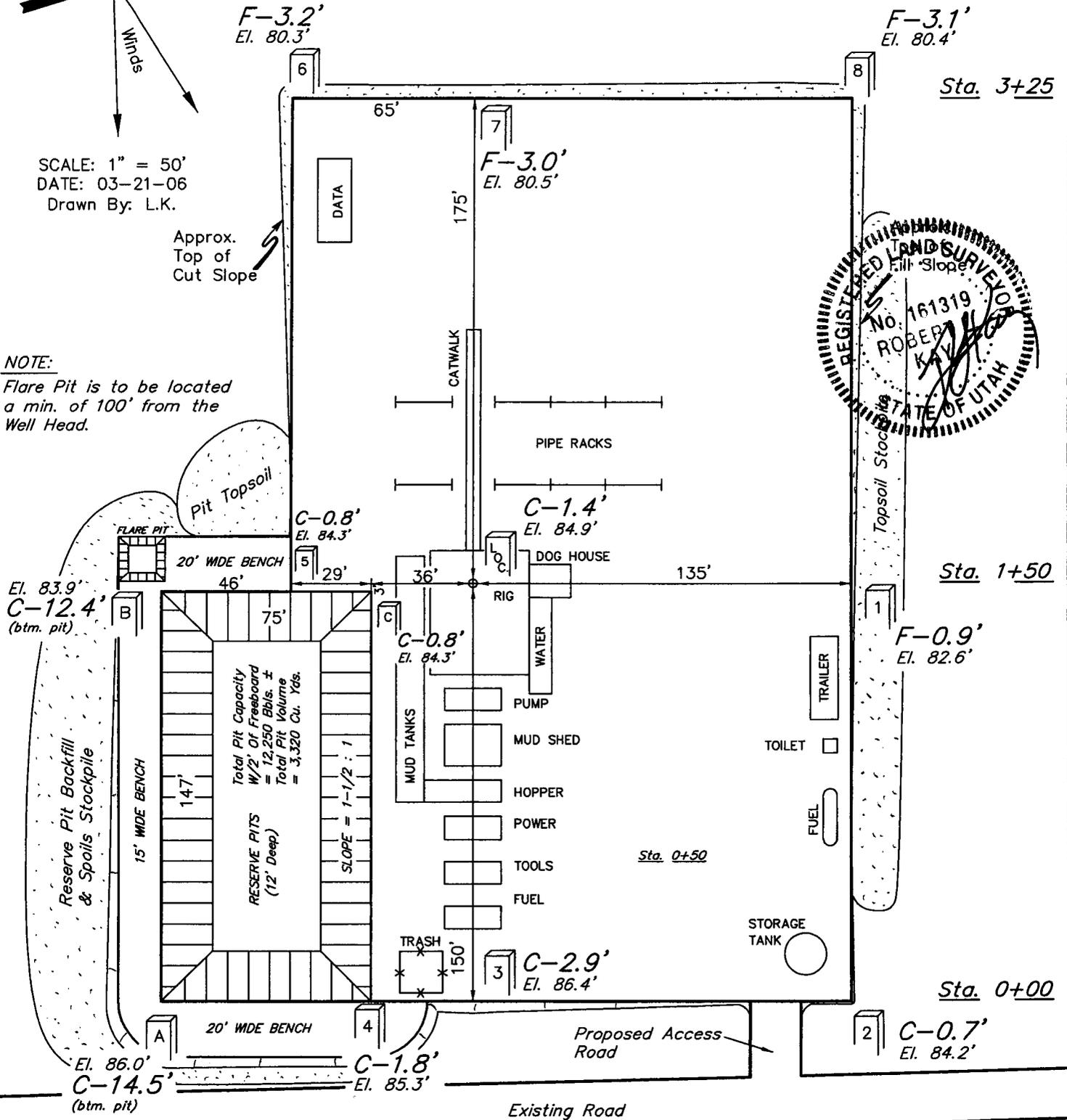
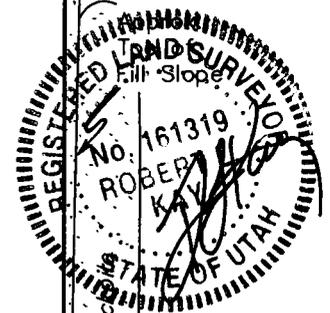


SCALE: 1" = 50'
DATE: 03-21-06
Drawn By: L.K.

Approx. Top of Cut Slope

NOTE:

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



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5084.9'
FINISHED GRADE ELEV. AT LOC. STAKE = 5083.5'

FIGURE #1

EOG RESOURCES, INC.

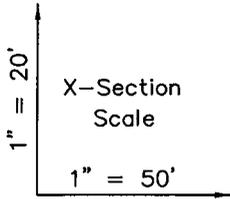
FIGURE #2

TYPICAL CROSS SECTIONS FOR

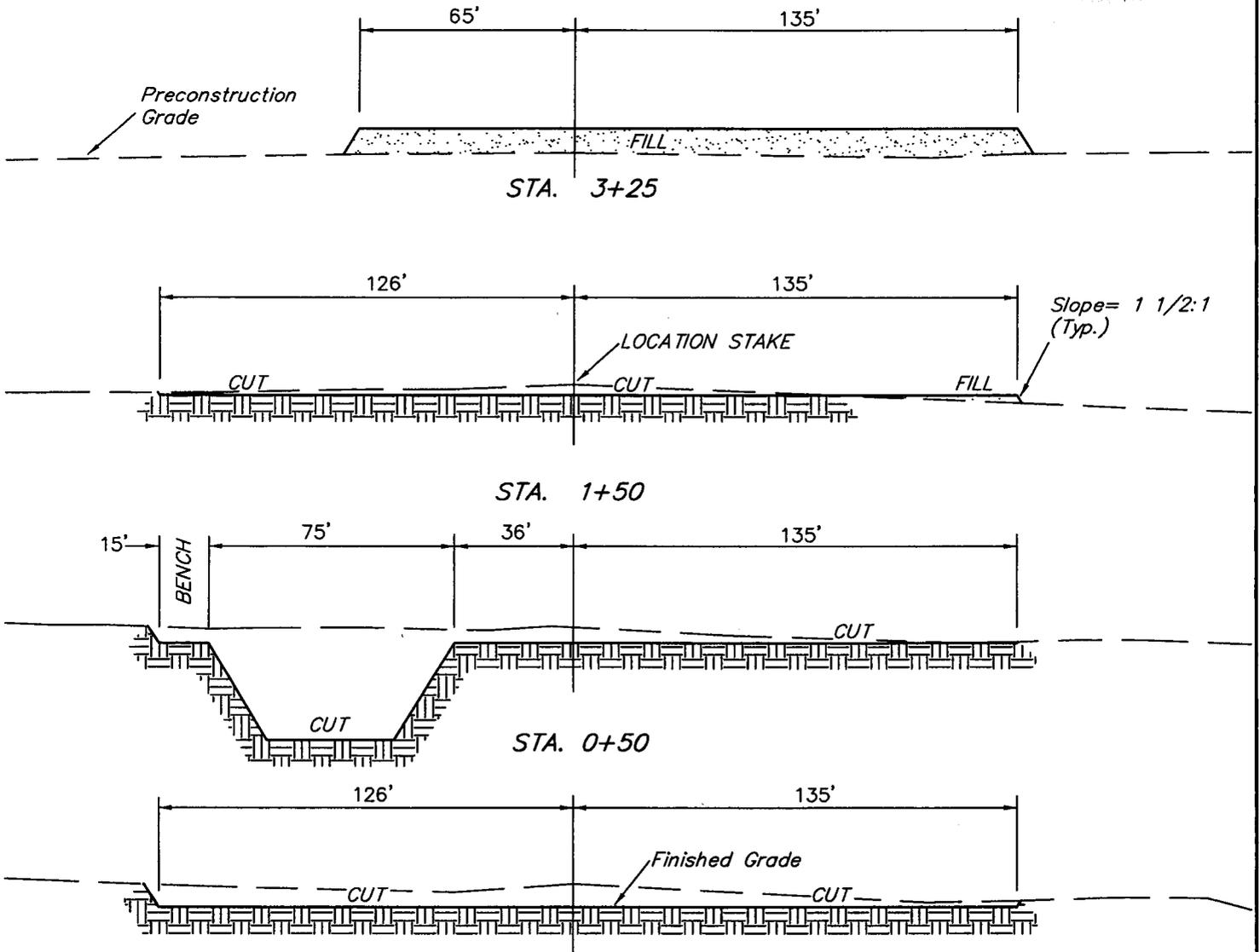
CWU #1238-22

SECTION 22, T9S, R23E, S.L.B.&M.

2150' FNL 2310' FEL



DATE: 03-21-06
Drawn By: L.K.



NOTE:

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

* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

STA. 0+00

APPROXIMATE YARDAGES

CUT

(6") Topsoil Stripping = 1,530 Cu. Yds.
Remaining Location = 4,540 Cu. Yds.

TOTAL CUT = 6,070 CU.YDS.

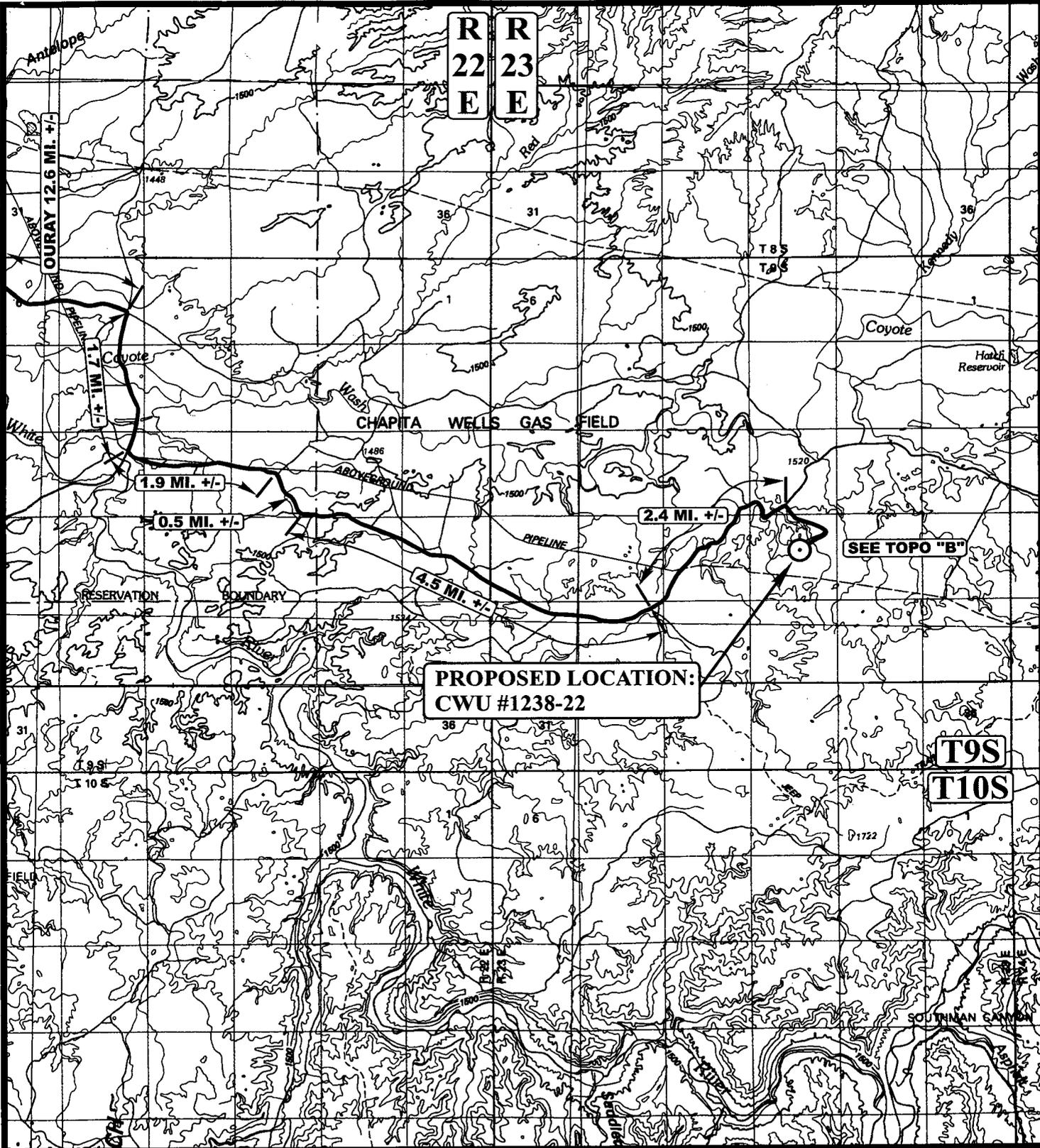
FILL = 2,880 CU.YDS.

EXCESS MATERIAL = 3,190 Cu. Yds.

Topsoil & Pit Backfill = 3,190 Cu. Yds.
(1/2 Pit Vol.)

EXCESS UNBALANCE = 0 Cu. Yds.
(After Interim Rehabilitation)

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



**PROPOSED LOCATION:
CWU #1238-22**

SEE TOPO "B"

LEGEND:

⊙ PROPOSED LOCATION



EOG RESOURCES, INC.

**CWU #1238-22
SECTION 22, T9S, R23E, S.L.B.&M.
2150' FNL 2310' FEL**



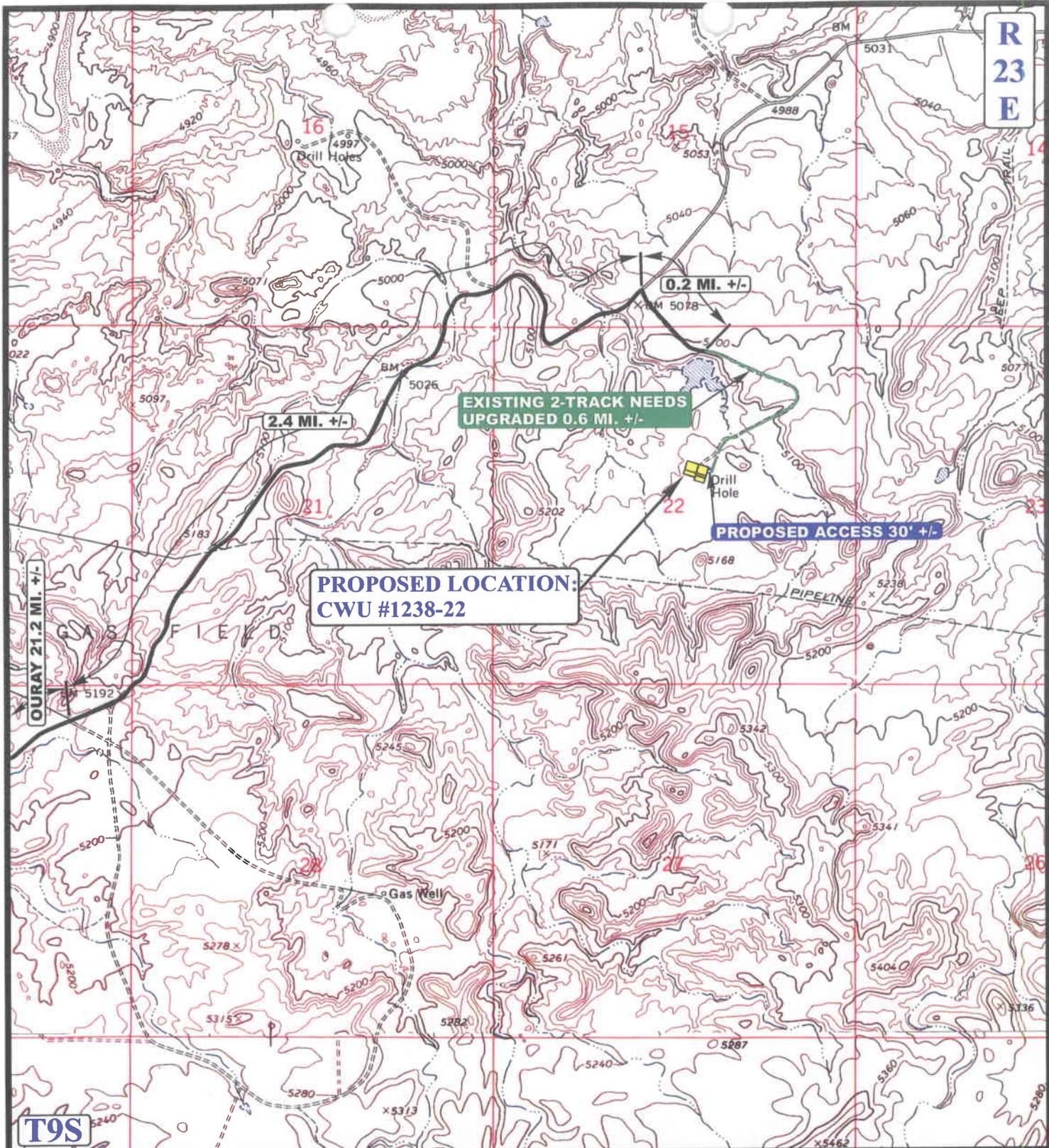
Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

03	23	06
MONTH	DAY	YEAR

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





LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD
- EXISTING 2-TRACK NEEDS UPGRADED

EOG RESOURCES, INC.

CWU #1238-22
SECTION 22, T9S, R23E, S.L.B.&M.
2150' FNL 2310' FEL



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



TOPOGRAPHIC
MAP

03 23 06
 MONTH DAY YEAR

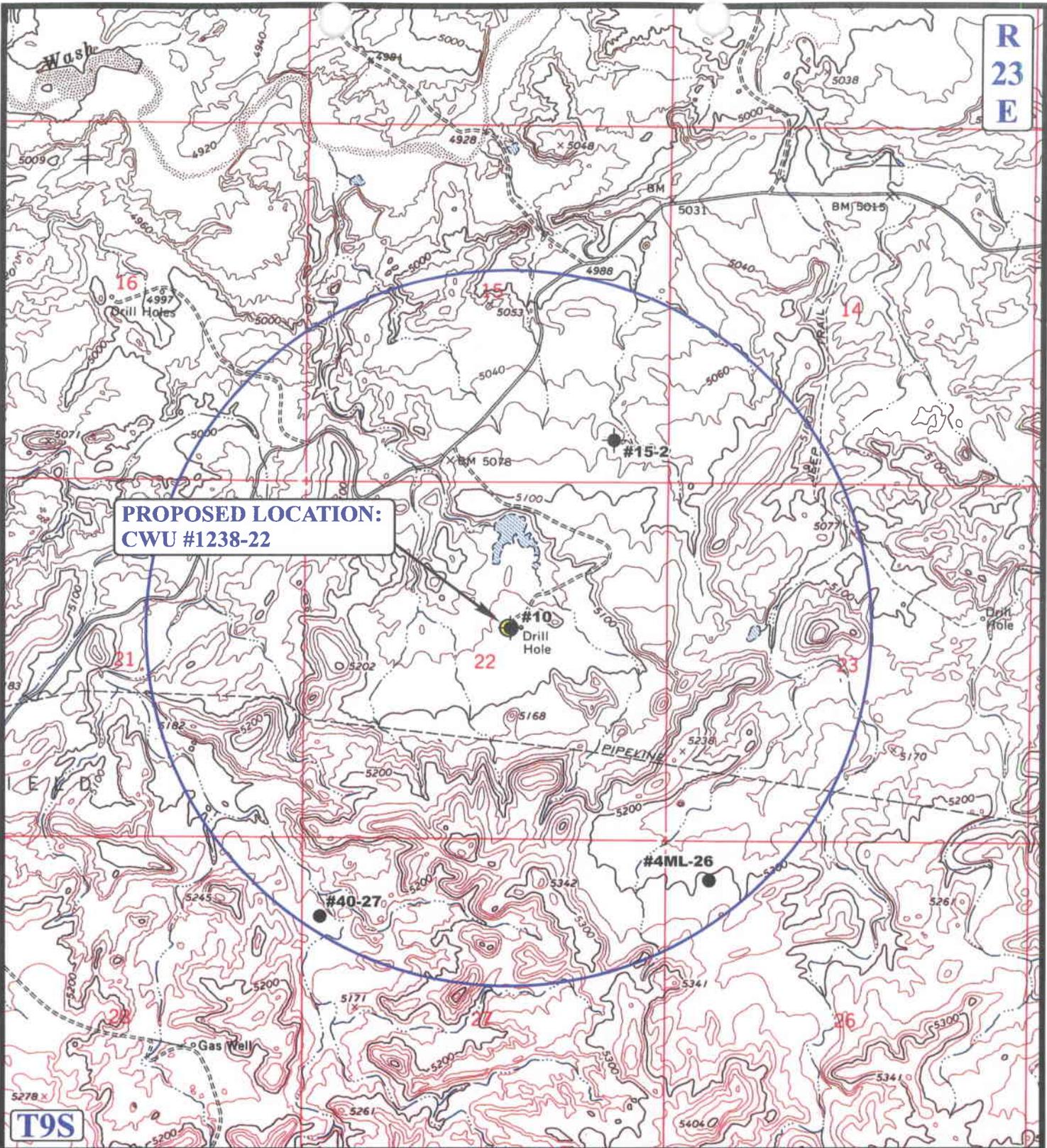
SCALE: 1" = 2000'

DRAWN BY: L.K.

REVISED: 00-00-00



R
23
E



**PROPOSED LOCATION:
CWU #1238-22**

LEGEND:

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



EOG RESOURCES, INC.

CWU #1238-22
SECTION 22, T9S, R23E, S.L.B.&M.
2150' FNL 2310' FEL



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

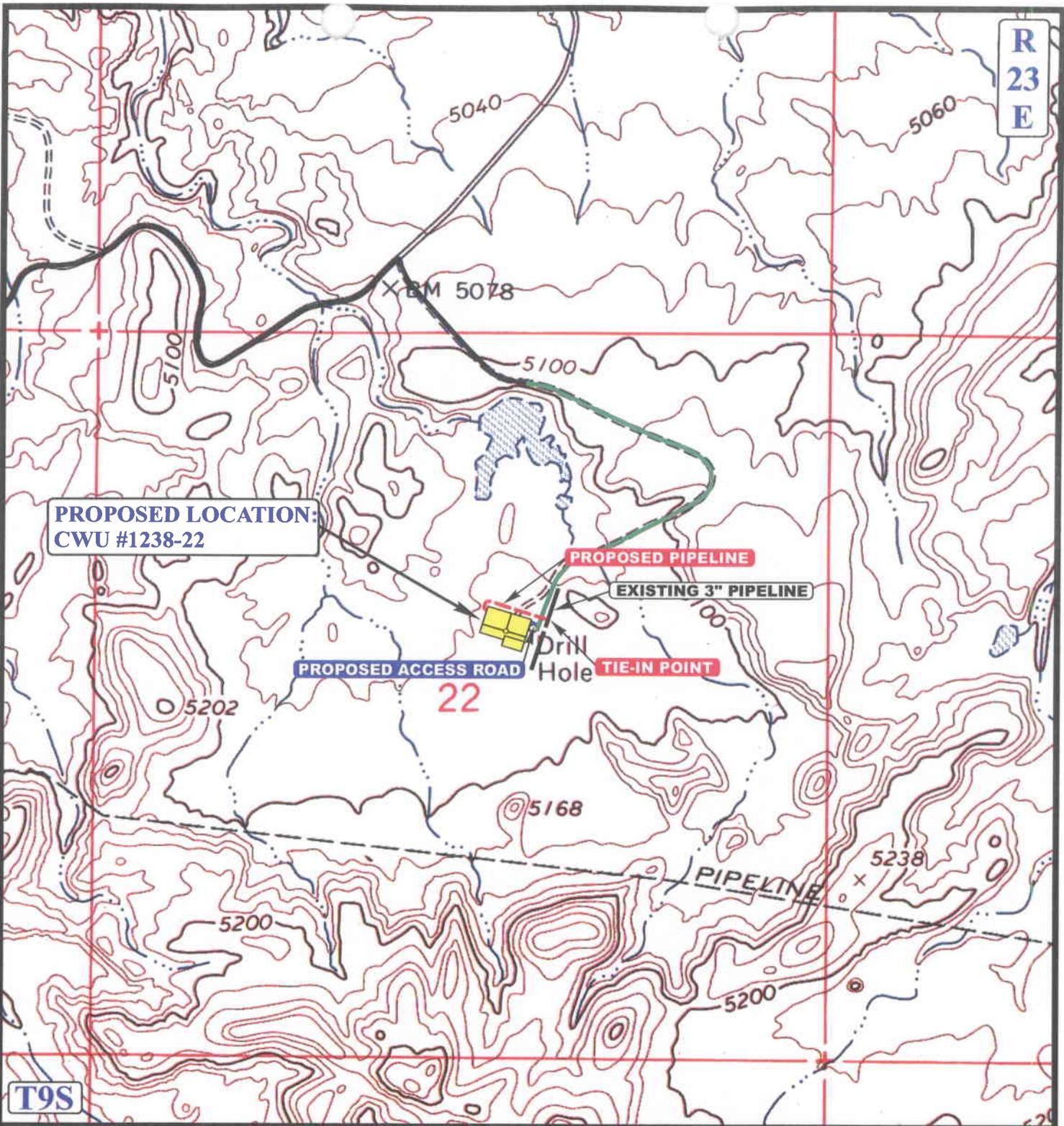
**TOPOGRAPHIC
MAP**

03 23 06
 MONTH DAY YEAR



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

R
23
E



PROPOSED LOCATION:
CWU #1238-22

PROPOSED ACCESS ROAD

PROPOSED PIPELINE

EXISTING 3" PIPELINE

Drill Hole

TIE-IN POINT

22

T9S

APPROXIMATE TOTAL PIPELINE DISTANCE = 483' +/-

LEGEND:

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



EOG RESOURCES, INC.

CWU #1238-22
 SECTION 22, T9S, R23E, S.L.B.&M.
 2150' FNL 2310' FEL



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

TOPOGRAPHIC MAP	03	23	06	D TOPO
	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: 43-047-38067

WELL NAME: CWU 1238-22
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

SWNE 22 090S 230E
 SURFACE: 2150 FNL 2310 FEL
 BOTTOM: 2150 FNL 2310 FEL
 COUNTY: UINTAH
 LATITUDE: 40.02288 LONGITUDE: -109.3112
 UTM SURF EASTINGS: 644118 NORTHINGS: 4431453
 FIELD NAME: UNDESIGNATED (2)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: U-01301
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

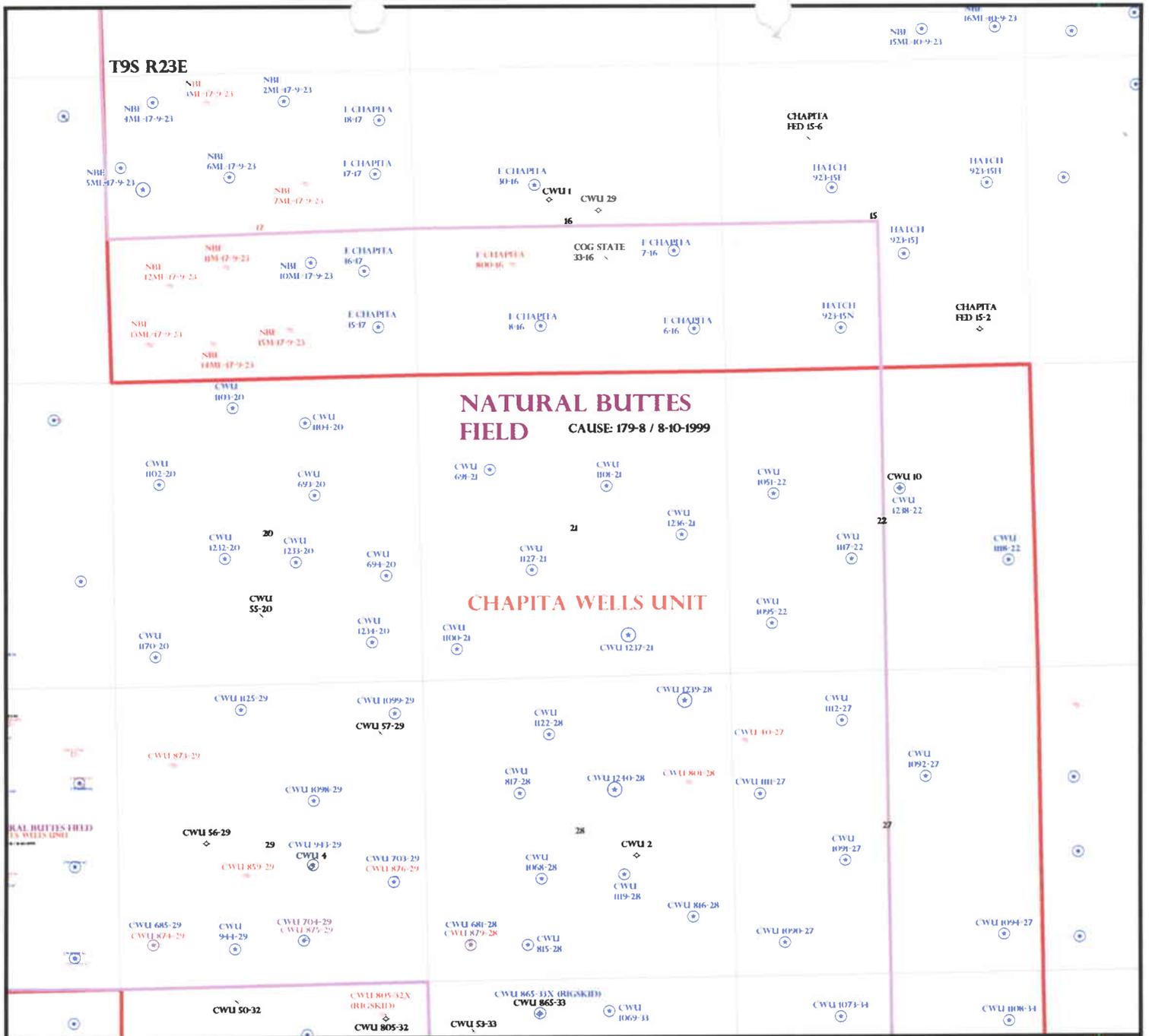
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM 2308)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-1501)
- RDCC Review (Y/N)
(Date:)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

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

COMMENTS: _____

STIPULATIONS: Henry Gardner



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 20,21,22,28 T. 9S R. 23E

FIELD: NATURAL BUTTES (630)

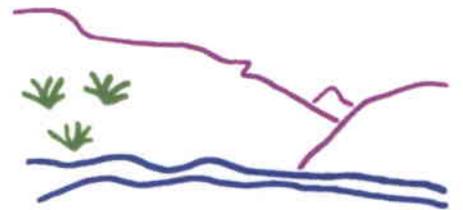
COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999

- 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: 5-MAY-2006

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:
3160
(UT-922)

May 8, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

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

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

API #	WELL NAME	LOCATION
(Proposed PZ Price River)		
43-047-38080	CWU 713-07 Sec 07 T09S R23E 2101 FSL 0635	FWL
43-047-38062	CWU 712-07 Sec 07 T09S R23E 1826 FNL 0600	FWL
43-047-38063	CWU 1234-20 Sec 20 T09S R23E 0643 FSL 0844	FEL
43-047-38064	CWU 1233-20 Sec 20 T09S R23E 2071 FSL 2127	FEL
43-047-38065	CWU 1232-20 Sec 20 T09S R23E 2151 FSL 1933	FWL
43-047-38078	CWU 1237-21 Sec 21 T09S R23E 0689 FSL 1724	FEL
43-047-38066	CWU 1236-21 Sec 21 T09S R23E 2423 FSL 0778	FEL
43-047-38067	CWU 1238-22 Sec 22 T09S R23E 2150 FNL 2310	FEL
43-047-38085	CWU 1041-22 Sec 22 T09S R22E 1585 FNL 0240	FWL
43-047-38076	CWU 1239-28 Sec 28 T09S R23E 0470 FNL 0777	FEL
43-047-38077	CWU 1240-28 Sec 28 T09S R23E 1964 FNL 1999	FEL
43-047-38079	CWU 1083-30 Sec 30 T09S R23E 0579 FNL 2349	FWL
43-047-38084	CWU 447-10 Sec 10 T09S R22E 2047 FNL 1911	FWL
43-047-38083	CWU 975-12 Sec 12 T09S R22E 1635 FSL 0363	FWL
43-047-38081	CWU 1074-25 Sec 25 T09S R22E 1792 FSL 0974	FEL
43-047-38082	CWU 1077-25 Sec 25 T09S R22E 0460 FSL 1970	FEL

This office has no objection to permitting the wells at this time.
/s/ Michael L. Coulthard

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



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

May 8, 2006

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

Re: Chapita Wells Unit 1238-22 Well, 2150' FNL, 2310' FEL, SW NE, Sec. 22,
T. 9 South, R. 23 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38067.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

Operator: EOG Resources, Inc.
Well Name & Number Chapita Wells Unit 1238-22
API Number: 43-047-38067
Lease: U-01301

Location: SW NE **Sec.** 22 **T.** 9 South **R.** 23 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

RECEIVED

Form 3160-3
(February 2005) MAY - 1 2006

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

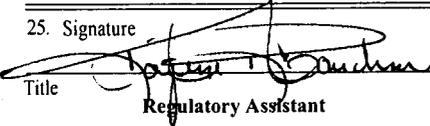
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
BLM VERNAL, UTAH
APPLICATION FOR PERMIT TO DRILL OR REENTER

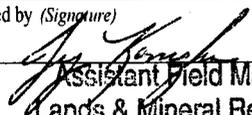
5. Lease Serial No. U-01301	
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNIT	
8. Lease Name and Well No. CHAPITA WELLS UNIT 1238-22	
9. API Well No. 43-047-38067	
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER	10. Field and Pool, or Exploratory NATURAL BUTTES
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone	11. Sec., T, R, M. or Blk. and Survey or Area SEC. 22, T9S, R23E S.L.B.&M
2. Name of Operator EOG RESOURCES, INC.	12. County or Parish UINTAH
3a. Address P.O. Box 1815 Vernal, UT 84078	13. State UT
3b. Phone No. (include area code) 435-781-9111	
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 2150 FNL 2310 FEL (SW/NE) 40.022786 LAT 109.311833 LON At proposed prod. zone SAME	
14. Distance in miles and direction from nearest town or post office* 54.2 MILES SOUTH OF VERNAL	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 830'	16. No. of acres in lease 2520
17. Spacing Unit dedicated to this well	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 6600'	20. BLM/BIA Bond No. on file NM 2308
19. Proposed Depth 8830'	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5084' 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:

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

25. Signature 	Name (Printed Typed) Kaylene R. Gardner	Date 04/28/2006
Title Regulatory Assistant		

Approved by (Signature) 	Name (Printed Typed) JERRY KENZELS	Date 9-29-2006
Title Assistant Field Manager Lands & Mineral Resources	Office	

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

CONDITIONS OF APPROVAL ATTACHED

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

*(Instructions on page 2)

NOTICE OF APPROVAL

RECEIVED

OCT 23 2006

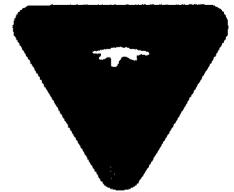
DIV. OF OIL, GAS & MINING

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: CWU 1238-22
API No: 43-047-38067

Location: SWNE, Sec 22, R9S, T23E
Lease No: UTU-01301
Agreement: Chapita Wells Unit

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
Natural Resource Specialist:	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 Michael Lee) | - | 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 Michael Lee) | - | 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 would include the reshaping of the pad to the original contour to the extent possible; the re-spreading 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

3 lbs of Kochia Prostrata.

2. The buried pipeline exception request has been received. It has been determined that the pipeline route has bedrock exposed at the surface. The exception is granted for a surface pipeline.

DOWNHOLE CONDITIONS OF APPROVAL

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

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

1. 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. The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).

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

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

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

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

10. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if

performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

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

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

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

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

12. Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.

13. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.

14. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:

- a. Operator name, address, and telephone number.
- b. Well name and number.
- c. Well location ($\frac{1}{4}$ / $\frac{1}{4}$, 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.

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

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: U-01301
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit
2. NAME OF OPERATOR: EOG Resources, Inc.		8. WELL NAME and NUMBER: Chapita Wells Unit 1238-22
3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1000N CITY Denver STATE CO ZIP 80202		9. API NUMBER: 43-047-38067
PHONE NUMBER: (303) 262-2812		10. FIELD AND POOL, OR WLD/CAT: Natural Buttes
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2,150' FNL & 2,310' FEL 40.022786 LAT 109.311833 LON		COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 22 9S 23E 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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: APD EXTENSION REQUEST
	<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: 04-23-07
By: [Signature]

SENT TO OPERATOR
4-23-07
RM

NAME (PLEASE PRINT) <u>Carrie MacDonald</u>	TITLE <u>Operations Clerk</u>
SIGNATURE <u>[Signature]</u>	DATE <u>4/18/2007</u>

(This space for State use only)

RECEIVED
APR 20 2007

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

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

API: 43-047-38067
Well Name: CHAPITA WELLS UNIT 1238-22
Location: 2150 FNL 2310 FEL (SWNE), SECTION 22, T9S, R23E 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

4/18/2007
Date

Title: Operations Clerk

Representing: EOG Resources, Inc.

**RECEIVED
APR 20 2007**

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU01301

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.
UTU63013X

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
CWU 1238-22

2. Name of Operator
EOG RESOURCES INC

Contact: KAYLENE R GARDNER
E-Mail: KAYLENE_GARDNER@EOGRESOURCES.COM

9. API Well No.
43-047-38067-00-X1

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

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

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 22 T9S R23E SWNE 2150FNL 2310FEL

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	Change to Original APD
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate 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 the APD for the referenced well originally approved 9/29/2006 be extended for one year.

RECEIVED

CONDITIONS OF APPROVAL ATTACHED

NOV 07 2007

DIV. OF OIL, GAS & MINING

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

**Electronic Submission #56503 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal
Committed to AFMSS for processing by GAIL JENKINS on 09/25/2007 (07GXJ5786SE)**

Name (Printed/Typed) KAYLENE R GARDNER Title LEAD REGULATORY ASSISTANT

Signature (Electronic Submission) Date 09/25/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By  Title **Petroleum Engineer** Date 10/01/2007

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 Vernal

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.



**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Revisions to Operator-Submitted EC Data for Sundry Notice #56503

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	OTHER NOI	APDCH NOI
Lease:	UTU01301	UTU01301
Agreement:	CHAPITA WELLS UNI	UTU63013X
Operator:	EOG RESOURCES, INC. 1060 EAST HIGHWAY 40 VERNAL, UT 84078 Ph: 435-781-9111	EOG RESOURCES INC 1060 EAST HIGHWAY 40 VERNAL, UT 84078 Ph: 435.781.9111
Admin Contact:	KAYLENE R GARDNER LEAD REGULATORY ASSISTANT E-Mail: kaylene_gardner@eogresources.com Ph: 435-781-9111	KAYLENE R GARDNER LEAD REGULATORY ASSISTANT E-Mail: KAYLENE_GARDNER@EOGRESOURCES.COM Cell: 435-621-9099 Ph: 435-781-9111
Tech Contact:	KAYLENE R GARDNER LEAD REGULATORY ASSISTANT E-Mail: kaylene_gardner@eogresources.com Ph: 435-781-9111	KAYLENE R GARDNER LEAD REGULATORY ASSISTANT E-Mail: KAYLENE_GARDNER@EOGRESOURCES.COM Cell: 435-621-9099 Ph: 435-781-9111
Location: State: County:	UT UINTAH	UT UINTAH
Field/Pool:	NATURAL BUTTES	NATURAL BUTTES
Well/Facility:	CHAPITA WELLS UNIT 1238-22 Sec 22 T9S R23E SWNE 2150FNL 2310FEL 40.02279 N Lat, 109.31183 W Lon	CWU 1238-22 Sec 22 T9S R23E SWNE 2150FNL 2310FEL

CONDITIONS OF APPROVAL

EOG Resources Inc.

Notice of Intent APD Extension

Lease: UTU-01301
Well: CWU 1238-22
Location: SWNE Sec 22-T9S-R23E

An extension for the referenced APD is granted with the following conditions:

1. The extension and APD shall expire on 09/29/08
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Matt Baker of this office at (435) 781-4490

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: U-01301
			6. IF INDIAN, ALLOTTEE OR TRIBE 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.			7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			8. WELL NAME and NUMBER: Chapita Wells Unit 1238-22
2. NAME OF OPERATOR: EOG Resources, Inc.			9. API NUMBER: 43-047-38067
3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1000N <small>CITY</small> Denver		STATE CO ZIP 80202	10. FIELD AND POOL, OR WILDCAT: Natural Buttes
		PHONE NUMBER: (303) 262-2812	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2,150' FNL & 2,310' FEL 40.022786 LAT 109.311833 LON			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 22 9S 23E S.L.B. & M			STATE: UTAH

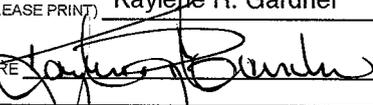
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: APD EXTENSION REQUEST
	<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: 04-14-08
By: 

NAME (PLEASE PRINT) <u>Kaylene R. Gardner</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE 	DATE <u>4/8/2008</u>

(This space for State use only)

COPY SENT TO OPERATOR
Date: 4-15-2008
Initials: KS

(See Instructions on Reverse Side)

RECEIVED

APR 10 2008

DIV. OF OIL, GAS & MINING

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

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

API: 43-047-38067
Well Name: CHAPITA WELLS UNIT 1238-22
Location: 2150 FNL 2310 FEL (SWNE), SECTION 22, T9S, R23E 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

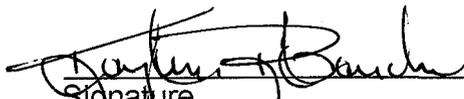
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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

4/8/2008

Date

Title: Lead Regulatory Assistant

Representing: EOG Resources, Inc.

RECEIVED

APR 10 2008

DIV. OF OIL, GAS & MINING

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 1238-22

Api No: 43-047-38067 Lease Type: FEDERAL

Section 22 Township 09S Range 23E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # RATHOLE

SPUDDED:

Date 06/16/08

Time 1:00 PM

How DRY

Drilling will Commence: _____

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 06/16//08 Signed CHD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU01301

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. CHAPITA WELLS UNIT 1238-22
2. Name of Operator EOG RESOURCES INC Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		9. API Well No. 43-047-38067
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202	3b. Phone No. (include area code) Ph: 303-824-5526	10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 22 T9S R23E SWNE 2150FNL 2310FEL 40.02279 N Lat, 109.31183 W Lon		11. County or Parish, and State UINTAH COUNTY, UT

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other 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 6/16/2008.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #60898 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 06/16/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

RECEIVED

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED JUN 17 2008**

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 St., Suite 1000N
city Denver
state CO zip 80202 Phone Number: (303) 824-5526

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38537	Natural Buttes Unit 568-17E		NENE	17	10S	21E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	2910	6/13/2008		7/15/08		
Comments: Wasatch/Mesaverde well PRRU = WSMVD							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39437	Wild Horse Federal 123-35		NENE	35	10S	19E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	16960	6/13/2008		7/15/08		
Comments: Wasatch/Mesaverde well							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38067	Chapita Wells Unit 1238-22		SWNE	22	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	16961	6/16/2008		7/15/08		
Comments: Mesaverde well PRRU = MVRD							

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)

Mary A. Maestas

Name (Please Print)

Signature

Regulatory Assistant

Title

6/16/2008

Date

RECEIVED

JUL 14 2008

(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.
UTU01301

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
CHAPITA WELLS UNIT 1238-22

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

9. API Well No.
43-047-38067

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 22 T9S R23E SWNE 2150FNL 2310FEL
40.02279 N Lat, 109.31183 W Lon

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

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

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

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

The referenced well was turned to condensate sales on 7/24/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

RECEIVED
AUG 05 2008
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.
**Electronic Submission #61863 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal**

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

Signature *Mary A. Maestas* Date 07/30/2008

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 ****

WELL CHRONOLOGY REPORT

Report Generated On: 07-29-2008

Well Name	CWU 1238-22	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API #	43-047-38067	Well Class	COMP
County, State	UINTAH, UT	Spud Date	06-26-2008	Class Date	
Tax Credit	N	TVD / MD	8,830/ 8,830	Property #	059171
Water Depth	0	Last CSG	2.375	Shoe TVD / MD	0/ 0
KB / GL Elev	5,100/ 5,084				
Location	Section 22, T9S, R23E, SWNE, 2150 FNL & 2310 FEL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	100.0	NRI %	84.75

AFE No	304043	AFE Total	1,798,100	DHC / CWC	880,700/ 917,400
Rig Contr	TRUE	Rig Name	TRUE #31	Start Date	05-01-2006
		Release Date			07-01-2008
05-01-2006	Reported By	SHARON WHITLOCK			
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0
MD	0	TVD	0	Progress	0
		Days	0	MW	0.0
		Visc			0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA: 2150' FNL & 2310' FEL (SW/NE) SECTION 22, T9S, R23E UINTAH COUNTY, UTAH LAT 40.022819, LONG 109.311156 (NAD 27) LAT 40.022786, LONG 109.311833 (NAD 83) TRUE #31 OBJECTIVE: 8830' TD, MESAVERDE DW/GAS CHAPITA WELLS DEEP PROSPECT DD&A FIELD: CHAPITA DEEP NATURAL BUTTES FIELD LEASE: U-01301 ELEVATION: 5084.9' NAT GL, 5083.5' PREP GL (DUE TO ROUNDING 5084' IS THE PREP GL), 5100' KB (16') EOG BPO WI 100%, NRI 84.75% EOG APO WI 75%, NRI 21.25%

06-12-2008 **Reported By** TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

06-16-2008 **Reported By** TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

06-17-2008 **Reported By** KAYLENE GARDNER/TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$38,000 **Completion** \$0 **Well Total** \$38,000
MD 60 **TVD** 60 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: SPUD NOTIFICATION

Start **End** **Hrs** **Activity Description**
 06:00 06:00 24.0 LOCATION COMPLETE. - CRAIG'S ROUSTABOUT SERVICE SPUD A 20" HOLE ON 6/16/2008 @ 1:00 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MIKE LEE W/BLM OF THE SPUD 6/16/2008 @ 12:00 PM (NOON).

06-25-2008 **Reported By** KYLAN COOK

Daily Costs: Drilling \$184,446 **Completion** \$0 **Daily Total** \$184,446
Cum Costs: Drilling \$222,446 **Completion** \$0 **Well Total** \$222,446
MD 2,227 **TVD** 2,227 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: WORT

Start **End** **Hrs** **Activity Description**
 06:00 06:00 24.0 MIRU CRAIG'S AIR RIG #2 ON 6/20/2008. DRILLED 12-1/4" HOLE TO 2227' GL. ENCOUNTERED WATER @ 1630'. RAN 51 JTS (2224.14') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2240' KB. RDMO CRAIGS RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1500 PSIG. PUMPED 172 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 400 SX (84 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/168.5 BBLs FRESH WATER. BUMPED PLUG W/600# @ 8:40 PM, 6/22/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB # 1: MIXED & PUMPED 100 SX (20.5 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HRS 40 MINUTES.

TOP JOB # 2: MIXED & PUMPED 150 SX (30.7 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS 30 MINUTES.

TOP JOB # 3: MIXED & PUMPED 80 SX (16.4 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

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

MIRU GLENN'S WIRELINE SERVICE. RUN IN HOLE WITH STRAIGHT HOLE SURVEY. TAGGED CEMENT @ 2150'. PICKED UP TO 2130' AND TOOK SURVEY -- 0.5 DEGREE.

CONDUCTOR LEVEL RECORD: PS= 90.0 OPS= 89.9 VDS= 90.0 MS= 89.8.

9 5/8 CASING LEVEL RECORD: PS= 89.7 OPS= 89.8 VDS= 89.9 MS= 89.4.

KYLAN COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 6/21/2008 @ 2:10 PM.

06-26-2008 **Reported By** PAT CLARK

Daily Costs: Drilling	\$19,582	Completion	\$0	Daily Total	\$19,582
Cum Costs: Drilling	\$242,028	Completion	\$0	Well Total	\$242,028
MD	2,227	TVD	2,227	Progress	0
				Days	0
				MW	0.0
				Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: RURT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU. WESTROC HAD 8 TRUCKS, 1 FORKLIFT, 1 CRANE. RELEASED CRANE @ 17:00. TRUCKS @ 18:00. DERRICK IN AIR @ 19:00. 5 HANDS. 24 HOURS.

TRANSFER 5 JTS 4 1/2". 11.6#, N-80, LTC CASING (215.40 TOL) TO CWU 1238-22.

TRANSFER 2305 GALS DIESEL FUEL @ \$4.42/GAL TO CWU 1238-22.

FULL CREWS, NO ACCIDENTS.

SAFETY MEETING - RIG MOVE, OVERHEAD LOADS.

RIG MOVE 6.5 MILES FROM CWU 1105-34 TO 12338-22

06-27-2008 **Reported By** PAT CLARK

Daily Costs: Drilling	\$70,497	Completion	\$0	Daily Total	\$70,497
Cum Costs: Drilling	\$312,525	Completion	\$0	Well Total	\$312,525
MD	3,818	TVD	3,818	Progress	1,571
				Days	1
				MW	8.7
				Visc	27.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: DRILLING @ 3818'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	N/U BOP. RIG ON DAYWORK @ 06:00, 6/26/08.
08:00	11:00	3.0	TESTED PIPE RAMS, BLIND RAMS, HCR, CHOKE VALVE, CHOKE LINE & MANIFOLD. KILL LINE VALVES TO 5000 PSI FOR 10 MINUTES. TESTED UPPER & LOWER KELLY COCKS, FLOOR & INSIDE BOP TO 5000 PSI FOR 10 MINUTES. TESTED ANNULAR PREVENTER TO 2500 PSI FOR 10 MINUTES. TESTED CASING TO 1500 PSI FOR 30 MINUTES. R/D TESTER. NO BLM REP ON LOCATION TO WITNESS TEST.

11:00	13:00	2.0	HSM, R/U WEATHERFORD TRS, PU/LD BHA & TOOLS. TAG CEMENT @ 2152'. R/D TRS.
13:00	14:00	1.0	DRILL CEMENT/FLOAT EQUIP. FC @ 2200', FS @ 2247'. DRILL 10' TO 2257'.
14:00	14:30	0.5	PERFORM FIT TO 235 PSI FOR 10.5 EMW.
14:30	17:30	3.0	DRILL 2257' - 2498'. WOB 10-16K, RPM 60/67, SPP 800 PSI, DP 300 PSI, ROP 80 FPH. SPUD WELL @ 14:30.
17:30	18:00	0.5	SURVEY @ 2413' - 1 DEG.
18:00	02:00	8.0	DRILL 2498' - 3475'. SAME PARAMETERS. ROP 122 FPH.
02:00	02:30	0.5	SURVEY @ 3400' - 2 DEG
02:30	06:00	3.5	DRILL 3475' - 3818'. SAME PARAMETERS. ROP 98 FPH.

FULL CREWS, NO ACCIDENTS.
 SAFETY MEETINGS - PAINTING, FORKLIFT.
 FUEL - 7495 GALS, DEL - 6500 GALS, USED - 1310 GALS.
 FORMATION - MAHOGANY.
 CURRENT MW - 8.7 PPG, VIS - 27 SPQ.
 UNMANNED LOGGING UNIT DAY #1 6-26-08

06:00 06:00 24.0 SPUD 7-7/8" HOLE AT 14:30, 6/26/08

06-28-2008 **Reported By** PAT CLARK

Daily Costs: Drilling	\$39,802	Completion	\$0	Daily Total	\$39,802
Cum Costs: Drilling	\$352,327	Completion	\$0	Well Total	\$352,327

MD	6,460	TVD	6,460	Progress	2,642	Days	2	MW	9.0	Visc	28.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: DRILLING @ 6460'

Start End Hrs Activity Description

06:00	10:30	4.5	DRILL 3818' - 4473'. WOB 14-17K, RPM 60/67, SPP 1200 PSI, DP 350 PSI, ROP 146 FPH.
10:30	11:00	0.5	SURVEY @ 4398' - 2 DEG. RIG SERVICE, CHECK COM, FUNCTION PIPE RAMS.
11:00	06:00	19.0	DRILL 4473' - 6460'. SAME PARAMETERS. ROP 105 FPH. FULL CREWS, NO ACCIDENTS, BOP DRILL DAYLIGHTS. SAFETY MEETINGS - FIRST AID, RIG CHECK. FUEL - 6177 GAL, USED - 1318 GAL. FORMATION - NORTH HORN. CURRENT MW - 9.7 PPG, VIS - 32 SPQ. UNMANNED ML UNIT - 2 DAYS.

06-29-2008 **Reported By** PAT CLARK

Daily Costs: Drilling	\$36,987	Completion	\$0	Daily Total	\$36,987
Cum Costs: Drilling	\$389,315	Completion	\$0	Well Total	\$389,315

MD	7,820	TVD	7,820	Progress	1,360	Days	3	MW	9.4	Visc	32.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: DRILLING @ 7820'

Start End Hrs Activity Description

06:00	14:30	8.5	DRILL 6460' - 7056'. WOB 15-20K, RPM 60/67, SPP 1450 PSI, DP 350 PSI, ROP 70 FPH.
14:30	15:00	0.5	RIG SERVICE. CHECK COM, FUNCTION PIPE RAMS, BOP DRILL.
15:00	06:00	15.0	DRILL 7056' - 7820'. SAME PARAMETERS. ROP 51 FPH.

FULL CREWS, NO ACCIDENTS.
 SAFETY MEETINGS – FIRST DAY BACK, PPE.
 FUEL – 4685 GALS, USED – 1493 GALS.
 FORMATION – MIDDLE PRICE RIVER.
 CURRENT MW – 10 PPG, VIS – 33 SPQ.
 UNMANNED ML UNIT 3 DAYS.

06-30-2008 **Reported By** PAT CLARK

Daily Costs: Drilling	\$39,212	Completion	\$0	Daily Total	\$39,212
Cum Costs: Drilling	\$428,527	Completion	\$0	Well Total	\$428,527
MD	8,755	TVD	8,755	Progress	935
		Days	4	MW	10.0
Formation :		PBTD : 0.0		Perf :	PKR Depth : 0.0

Activity at Report Time: DRILLING @ 8755'

Start	End	Hrs	Activity Description
06:00	09:00	3.0	PUMP PILL, TOH F/NEW BIT. L/D REAMERS, MM, BIT. FUNCTION BLIND RAMS.
09:00	11:30	2.5	P/U NEW MM, BIT, TIH.
11:30	12:00	0.5	WASH AND REAM 50 ' TO BOTTOM.
12:00	20:00	8.0	DRILL 7820' – 8290'. WOB 10-18K, RPM 60/67, SPP 1500 PSI, DP 350 PSI, ROP 59 FPH.
20:00	20:30	0.5	RIG SERVICE. CHECK COM, FUNCTION PIPE RAMS.
20:30	06:00	9.5	DRILL 8290' – 8755'. SAME PARAMETERS, ROP 49 FPH.

FULL CREWS, NO ACCIDENTS.
 SAFETY MEETINGS – TRIPPING, COM.
 FUEL – 3390 GALS, USED – 1295 GALS.
 FORMATION – SEGO.
 CURRENT MW – 10.8 PPG, VIS – 34 SPQ.
 UNMANNED ML UNIT – 4 DAYS.

07-01-2008 **Reported By** PAT CLARK

Daily Costs: Drilling	\$90,847	Completion	\$147,847	Daily Total	\$238,694
Cum Costs: Drilling	\$519,375	Completion	\$147,847	Well Total	\$667,222
MD	8,830	TVD	8,830	Progress	75
		Days	5	MW	10.6
Formation :		PBTD : 0.0		Perf :	PKR Depth : 0.0

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRILL 8755' – 8830' TD WOB 20K, RPM 60/67, SPP 1550 PSI, DP 300 PSI, ROP 25 FPH. REACHED TD AT 09:00 HRS, 6/30/08.
09:00	10:00	1.0	SHORT TRIP.
10:00	11:30	1.5	CIRCULATE AND CONDITION FOR LDDP. PUMP PILL.
11:30	17:00	5.5	LDDP. BREAK KELLY, L/D BHA. PULL WEAR RING.
17:00	22:00	5.0	HSM. RUN 4 1/2", 11.6#, N-80, LTC CASING AS FOLLOWS: FLOAT SHOE @ 8823.6', 1 JT CSG, FLOAT COLLAR @ 8780', 65 JTS CSG, MARKER JOINT @ 6152', 52 JTS CSG, MJ @ 4033', 100 JTS CSG (218 TOTAL). P/U JT # 219, TAG BOTTOM @ 8830'. L/D JT # 219, P/U LANDING JT, CASING HANGER AND PUP, LAND IN CASING HEAD W/ 66,000#. R/D WEATHERFORD TRS.
22:00	23:00	1.0	CIRCULATE AND CONDITION FOR CEMENT.

23:00 01:00 2.0 HSM, R/U SCHLUMBERGER. PRESSURE TEST LINES TO 5000 PSI, CEMENT WELL AS FOLLOWS: DROP BOTTOM PLUG, PUMP 20 BBLs MUD FLUSH, 20 BBLs FRESH WATER, MIX AND PUMP 265 SX (141 BBLs, 790 CU/FT) LEAD G CEMENT @ 11.5 PPG, 2.98 YLD, H2O 18.227 GAL/SK + 10% D020 + .2% D046 + .2% D167 + .5% D065 + .125 LB/SK D130. MIX AND PUMP 1430 SX (329 BBLs, 1845 CU/FT) TAIL 50/50 POZ G CEMENT @ 14.1 PPG, 1.29 YLD, H2O 5.963 GAL/SK + 2% D020 + .1% D046 + .2% D065 + .2% D167 + .1% D013. WASH UP TO PIT, DROP TOP PLUG AND DISPLACE W/137 BBLs H2O W/2 GALS/1000 L064. FULL RETURNS. MAX PRESSURE 2187 PSI. BUMPED PLUG TO 3224 PSI. BLEED BACK 2 BBLs. FLOAT HELD. R/D SCHLUMBERGER. NOTIFIED JAMIE SPARGER \VERNAL BLM\CSG & CEM\6-29-08\09:00.

01:00 03:00 2.0 PACK OFF AND TEST CASING HEAD. NDBOP, CLEAN MUD TANKS.

03:00 06:00 3.0 RDRT.

FULL CREWS, NO ACCIDENTS.
 SAFETY MEETINGS - L/D DP, RUN CSG, CEMENTING.
 FUEL - 2000 GALS, USED - 1390 GALS.
 WESTROC TRUCKING TO MOVE RIG AND CAMPS 5 MILES TO CWU 1096-22 @ 07:00.
 TRANSFER 7 JTS 4 1/2", 11.6#, N-80, LTC CSG (280.07' TOL) TO CWU 1096-22.
 TRANSFER 2000 GALS DIESEL @ \$4.42/GAL TO CWU 1096-22.

06:00 06:00 24.0 RIG RELEASED @ 03:00 HRS, 7/1/08.
 CASING POINT COST \$512,264

07-05-2008 **Reported By** SEARLE

Daily Costs: Drilling	\$0	Completion	\$41,821	Daily Total	\$41,821
Cum Costs: Drilling	\$519,375	Completion	\$189,668	Well Total	\$709,043

MD 8.830 **TVD** 8.830 **Progress** 0 **Days** 6 **MW** 0.0 **Visc** 0.0

Formation : **PBTD :** 8781.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 50'. EST CEMENT TOP @ 130'. RD SCHLUMBERGER.

07-11-2008 **Reported By** MCCURDY

Daily Costs: Drilling	\$0	Completion	\$1,723	Daily Total	\$1,723
Cum Costs: Drilling	\$519,375	Completion	\$191,391	Well Total	\$710,766

MD 8.830 **TVD** 8.830 **Progress** 0 **Days** 7 **MW** 0.0 **Visc** 0.0

Formation : **PBTD :** 8781.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

07-16-2008 **Reported By** KERN

Daily Costs: Drilling	\$0	Completion	\$7,052	Daily Total	\$7,052
Cum Costs: Drilling	\$519,375	Completion	\$198,443	Well Total	\$717,818

MD 8.830 **TVD** 8.830 **Progress** 0 **Days** 8 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 8781.0 **Perf :** 8576'-8374' **PKR Depth :** 0.0

Activity at Report Time: FRAC MESAVERDE

Start	End	Hrs	Activity Description
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06:00 06:00 24.0 RU CUTTERS WIRELINE & PERFORATE LPR FROM 8373'-74', 8386'-87', 8413'-14', 8419'-20', 8438'-39', 8463'-64', 8481'-82', 8493'-94', 8499'-8500', 8522'-23', 8534'-35', 8576'-77' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON. SDFN.

07-17-2008 Reported By KERN

Daily Costs: Drilling \$0 Completion \$282,050 Daily Total \$282,050

Cum Costs: Drilling \$519,375 Completion \$480,493 Well Total \$999,868

MD 8,830 TVD 8,830 Progress 0 Days 9 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTB : 8781.0 Perf : 6576'-8374' PKR Depth : 0.0

Activity at Report Time: PREP TO MIRUSU

Start End Hrs Activity Description

06:00 06:00 24.0 FRAC DOWN CASING W/165 GAL GYPTRON T-106, 3150 GAL DELTA 140 PAD, 8417 GAL LINEAR DELTA 140 W/1# & 1.5# 20/40 SAND, 36972 GAL DELTA 140 W/134500# 20/40 SAND @ 1-5 PPG. MTP 5749 PSIG. MTR 53.5 BPM. ATP 4328 PSIG. ATR 47.6 BPM. ISIP 2922 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 8330'. PERFORATE LPR FROM 8149'-50', 8167'-68', 8191'-92', 8195'-96', 8204'-05', 8220'-21', 8255'-56', 8264'-65', 8265'-66', 8278'-79', 8291'-92', 8312'-13' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6370 GAL LINEAR DELTA 140 W/1# & 1.5# 20/40 SAND, 20307 GAL DELTA 140 W/77400# 20/40 SAND @ 1-5 PPG. MTP 6462 PSIG. MTR 53.6 BPM. ATP 4653 PSIG. ATR 47.4 BPM. ISIP 3110 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 8125'. PERFORATE MPR FROM 7879'-80', 7887'-88', 7905'-06', 7928'-29', 7932'-33', 7980'-81', 8026'-27', 8032'-33', 8037'-38', 8085'-86', 8096'-97', 8106'-07' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6381 GAL LINEAR DELTA 140 W/1# & 1.5# 20/40 SAND, 18268 GAL DELTA 140 W/63500# 20/40 SAND @ 1-4 PPG. MTP 6378 PSIG. MTR 51.5 BPM. ATP 5875 PSIG. ATR 44.4 BPM. ISIP 2932 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 7840'. PERFORATE MPR FROM 7616'-17', 7635'-36', 7650'-51', 7657'-58', 7709'-10', 7722'-23', 7736'-37', 7759'-60', 7772'-73', 7779'-80', 7816'-17', 7822'-23' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6354 GAL LINEAR DELTA 140 W/1# & 1.5# 20/40 SAND, 37207 GAL DELTA 140 W/135100# 20/40 SAND @ 1-5 PPG. MTP 6326 PSIG. MTR 52 BPM. ATP 4988 PSIG. ATR 46.7 BPM. ISIP 1990 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 7590'. PERFORATE MPR FROM 7414'-15', 7421'-22', 7442'-43', 7450'-51', 7457'-58', 7470'-71', 7519'-20', 7528'-29', 7539'-40', 7548'-49', 7557'-58', 7568'-69' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6354 GAL LINEAR DELTA 140 W/1# & 1.5# 20/40 SAND, 35874 GAL DELTA 140 W/ 132400 # 20/40 SAND @ 1-5 PPG. MTP 6354 PSIG. MTR 51.2 BPM. ATP 4145 PSIG. ATR 48.2 BPM. ISIP 2051 PSIG. RD HALLIBURTON.

RUWL SET 6K CFP AT 7390'. PERFORATE UPR FROM 7178'-79', 7187'-88', 7194'-95', 7220'-21', 7228'-29', 7248'-49', 7308'-09', 7313'-14', 7337'-38', 7341'-42', 7351'-52', 7363'-64' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 6493 GAL LINEAR DELTA 140 W/1# & 1.5 # 20/40 SAND, 37596 GAL DELTA 140 W/140200# 20/40 SAND @ 1-5 PPG. MTP 5715 PSIG. MTR 52.1 BPM. ATP 4002 PSIG. ATR 49.2 BPM. ISIP 2286 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 7120'. PERFORATE UPR FROM 6806'-07', 6815'-16', 6854'-55', 6858'-59', 6910'-11', 6974'-75', 6978'-79', 7015'-16', 7046'-47', 7051'-52', 7062'-63', 7104'-05' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6313 GAL LINEAR DELTA 140 W/1# & 1.5# 20/40 SAND, 27355 GAL DELTA 140 W/102300# 20/40 SAND @ 1-5 PPG. MTP 6705 PSIG. MTR 53.7 BPM. ATP 4836 PSIG. ATR 43.7 BPM. ISIP 2255 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 6770'. PERFORATE UPR FROM 6576'-77', 6592'-93', 6593'-94', 6608'-09', 6621'-22', 6658'-59', 6665'-66', 6671'-72', 6694'-95', 6698'-99', 6726'-27', 6749'-50' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106. 6358 GAL LINEAR DELTA 140 W/1# & 1.5# 20/40 SAND. 27090 GAL DELTA 140 W/98300 # 20/40 SAND @ 1-4 PPG. SCREENED OUT 2200 GAL INTO FLUSH. MTP 6801 PSIG. MTR 52.5 BPM. ATP 4515 PSIG. ATR 45.7 BPM. RD HALLIBURTON.

RUWL. SET 6K CBP AT 6228'. RDWL. SDFN.

07-18-2008 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$24,293	Daily Total	\$24,293
Cum Costs: Drilling	\$519,375	Completion	\$504,786	Well Total	\$1,024,161
MD	8.830	TVD	8.830	Progress	0
		Days	10	MW	0.0
		Visc			0.0
Formation : MESAVERDE	PBTD : 8781.0	Perf : 6576'-8374'		PKR Depth : 0.0	

Activity at Report Time: DRILL PLUGS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. MIRUSU. ND TREE. NU BOP RIH W/BIT & PUMP OFF SUB TO TAG @ 5767'. RU TO DRILL PLUGS. CLEANED OUT 461' SAND TO CBP @ 6228'. CIRCULATE CLEAN SDFN.

07-19-2008 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$51,960	Daily Total	\$51,960
Cum Costs: Drilling	\$519,375	Completion	\$556,746	Well Total	\$1,076,121
MD	8.830	TVD	8.830	Progress	0
		Days	11	MW	0.0
		Visc			0.0
Formation : MESAVERDE	PBTD : 8781.0	Perf : 6576'-8374'		PKR Depth : 0.0	

Activity at Report Time: FLOW TESTING

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6228', 6770', 7120', 7390', 7590', 7840', 8125', & 8330'. RIH CLEANED OUT TO 8675'. LANDED TUBING @ 7379' KB. ND BOP. NU TREE. PUMPED OFF BIT & SUB. RD MOSU.

FLOWED 17 HRS. 16/64 FTP 1250 PSIG. CP 1600 PSIG. 43 FPH. RECOVERED 971 BLW. 7229 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF BIT SUB .91'
 1 JT 2-3/8" 4.7# N-80 TBG 32.52'
 XN NIPPLE 1.30'
 227 JTS 2-3/8" 4.7# N-80 TBG 7328.63'
 BELOW KB 16.00'
 LANDED @ 7379.36' KB

07-20-2008 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,765	Daily Total	\$2,765
Cum Costs: Drilling	\$519,375	Completion	\$559,511	Well Total	\$1,078,886
MD	8.830	TVD	8.830	Progress	0
		Days	12	MW	0.0
		Visc			0.0
Formation : MESAVERDE	PBTD : 8781.0	Perf : 6576'-8374'		PKR Depth : 0.0	

Activity at Report Time: FLOW TESTING

Start	End	Hrs	Activity Description
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06:00 06:00 24.0 FLOWED 24 HRS. 24/64 FTP 950 PSIG. CP 1350 PSIG. 60 FPH. RECOVERED 1708 BLW. 5521 BLWTR.

07-21-2008 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,765	Daily Total	\$2,765
Cum Costs: Drilling	\$519,375	Completion	\$562,276	Well Total	\$1,081,651

MD	8,830	TVD	8,830	Progress	0	Days	13	MW	0.0	Visc	0.0
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Formation : MESAVERDE **PBTD : 8781.0** **Perf : 6576'-8374'** **PKR Depth : 0.0**

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 900 PSIG. CP 1575 PSIG. 47 BFPH. RECOVERED 1168 BLW. 4353 BLWTR.

07-22-2008 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$3,635	Daily Total	\$3,635
Cum Costs: Drilling	\$519,375	Completion	\$565,911	Well Total	\$1,085,286

MD	8,830	TVD	8,830	Progress	0	Days	14	MW	0.0	Visc	0.0
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Formation : MESAVERDE **PBTD : 8781.0** **Perf : 6576'-8374'** **PKR Depth : 0.0**

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 900 PSIG. CP 2000 PSIG. 39 BFPH. RECOVERED 1013 BLW. 3340 BLWTR.

07-23-2008 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,765	Daily Total	\$2,765
Cum Costs: Drilling	\$519,375	Completion	\$568,676	Well Total	\$1,088,051

MD	8,830	TVD	8,830	Progress	0	Days	15	MW	0.0	Visc	0.0
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Formation : MESAVERDE **PBTD : 8781.0** **Perf : 6576'-8374'** **PKR Depth : 0.0**

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 800 PSIG. CP 1800 PSIG. 30 FPH. RECOVERED 794 BLW. 2546 BLWTR.

07-24-2008 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$3,423	Daily Total	\$3,423
Cum Costs: Drilling	\$519,375	Completion	\$572,099	Well Total	\$1,091,474

MD	8,830	TVD	8,830	Progress	0	Days	16	MW	0.0	Visc	0.0
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Formation : MESAVERDE **PBTD : 8781.0** **Perf : 6576'-8374'** **PKR Depth : 0.0**

Activity at Report Time: WO FACILITIES

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 725 PSIG. CP 1725 PSIG. 17 FPH. RECOVERED 513 BLW. 2033 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 7/23/08

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU01301

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

6. If Indian, Allottee or Tribe Name

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

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

8. Lease Name and Well No.
CHAPITA WELLS UNIT 1238-22

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

9. API Well No.
43-047-38067

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
At surface SWNE 2150FNL 2310FEL 40.02279 N Lat, 109.31183 W Lon
At top prod interval reported below SWNE 2150FNL 2310FEL 40.02279 N Lat, 109.31183 W Lon
At total depth SWNE 2150FNL 2310FEL 40.02279 N Lat, 109.31183 W Lon

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

11. Sec., T., R., M., or Block and Survey
or Area Sec 22 T9S R23E Mer SLB

12. County or Parish
UINTAH 13. State
UT

14. Date Spudded
06/16/2008 15. Date T.D. Reached
06/30/2008 16. Date Completed
 D & A Ready to Prod.
07/24/2008

17. Elevations (DF, KB, RT, GL)*
5085 GL

18. Total Depth: MD 8830 TVD
19. Plug Back T.D.: MD 8781 TVD
20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
RST/CBL/CCL/VDL/GR 22. Was well cored? No Yes (Submit analysis)
Was DST run? No Yes (Submit analysis)
Directional Survey? No Yes (Submit analysis)

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2240		730			
7.875	4.500 N-80	11.6	0	8824		1695			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	7379							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	6576	8577	8373 TO 8577		3	
B)			8149 TO 8313		3	
C)			7879 TO 8107		3	
D)			7616 TO 7823		3	

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

Depth Interval	Amount and Type of Material
8373 TO 8577	48,704 GALS GELLED WATER & 134,500# 20/40 SAND
8149 TO 8313	26,842 GALS GELLED WATER & 77,400# 20/40 SAND
7879 TO 8107	24,814 GALS GELLED WATER & 63,500# 20/40 SAND
7616 TO 7823	43,726 GALS GELLED WATER & 135,100# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
07/24/2008	08/11/2008	24	→	10.0	562.0	350.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
14/64"	SI 1400	2300.0	→	10	562	350		PGW	

28a. Production - Interval B

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

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

ELECTRONIC SUBMISSION #62713 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

RECEIVED

SEP 04 2008

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

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

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

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
MESAVERDE	6576	8577		GREEN RIVER MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER MIDDLE PRICE RIVER	1597 2243 4368 4484 5083 5726 6562 7332

32. Additional remarks (include plugging procedure):

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

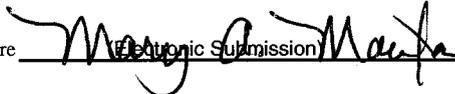
33. Circle enclosed attachments:

- 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 #62713 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  Date 09/03/2008

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.

Chapita Wells Unit 1238-22 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

7414-7569	3/spf
7178-7364	3/spf
6806-7105	3/spf
6576-6750	3/spf

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

7414-7569	42,393 GALS GELLED WATER & 132,400# 20/40 SAND
7178-7364	44,254 GALS GELLED WATER & 140,200# 20/40 SAND
6806-7105	33,833 GALS GELLED WATER & 102,300# 20/40 SAND
6576-6750	33,613 GALS GELLED WATER & 98,300# 20/40 SAND

Perforated the Lower Price River from 8373-74', 8386-87', 8413-14', 8419-20', 8438-39', 8463-64', 8481-82', 8493-94', 8499-8500', 8522-23', 8534-35', 8576-77' w/ 3 spf.

Perforated the Lower Price River from 8149-50', 8167-68', 8191-92', 8195-96', 8204-05', 8220-21', 8255-56', 8264-65', 8265-66', 8278-79', 8291-92', 8312-13' w/ 3 spf.

Perforated the Middle Price River from 7879-80', 7887-88', 7905-06', 7928-29', 7932-33', 7980-81', 8026-27', 8032-33', 8037-38', 8085-86', 8096-97', 8106-07' w/ 3 spf.

Perforated the Middle Price River from 7616-17', 7635-36', 7650-51', 7657-58', 7709-10', 7722-23', 7736-37', 7759-60', 7772-73', 7779-80', 7816-17', 7822-23' w/ 3 spf.

Perforated the Middle Price River from 7414-15', 7421-22', 7442-43', 7450-51', 7457-58', 7470-71', 7519-20', 7528-29', 7539-40', 7548-49', 7557-58', 7568-69' w/ 3 spf.

Perforated the Upper Price River from 7178-79', 7187-88', 7194-95', 7220-21', 7228-29', 7248-49', 7308-09', 7313-14', 7337-38', 7341-42', 7351-52', 7363-64' w/ 3 spf.

Perforated the Upper Price River from 6806-07', 6815-16', 6854-55', 6858-59', 6910-11', 6974-75', 6978-79', 7015-16', 7046-47', 7051-52', 7062-63', 7104-05' w/ 3 spf.

Perforated the Upper Price River from 6576-77', 6592-93', 9593-94', 6608-09', 6621-22', 6658-59', 6665-66', 6671-72', 6694-95', 6698-99', 6726-27', 6749-50' w/ 3 spf.

32. FORMATION (LOG) MARKERS

Lower Price River	8108
Sego	8646

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: CWU 1238-22

API number: 4304738067

Well Location: QQ SWNE Section 22 Township 9S Range 23E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,630	1,650	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 9/3/2008

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.
UTU01301

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

8. Well Name and No.
CHAPITA WELLS UNIT 1238-22

9. API Well No.
43-047-38067

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG RESOURCES, INC. Contact: MICKENZIE THACKER
E-Mail: MICKENZIE_THACKER@EOGRESOURCES.COM

3a. Address
1060 E. HWY 40
VERNAL, UT 84078

3b. Phone No. (include area code)
Ph: 453-781-9145

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 22 T9S R23E SWNE 2150FNL 2310FEL
40.02279 N Lat, 109.31183 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 checked="" type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input 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.)

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat. Interim reclamation was completed in November 2008.

14. I hereby certify that the foregoing is true and correct.
**Electronic Submission #66295 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MICKENZIE THACKER Title OPERATIONS CLERK

Signature *Mickenzie Thacker* Date 01/14/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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

Office _____

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

RECEIVED

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****
JAN 20 2009

DIV. OF OIL, GAS & MINING

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

FORM 6

ENTITY ACTION FORM

Operator: EOG Resources, Inc. Operator Account Number: N 9550
 Address: 1060 East Highway 40
city Vernal
state UT zip 84078 Phone Number: (435) 781-9145

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38067	CHAPITA WELLS UNIT 1238-22		SWNE	22	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	16961	13650	6/16/2008			7/1/2008	
Comments: MESAVERDE — 7/30/09							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38608	CHAPITA WELLS UNIT 1096-22		SWSE	22	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	16935	13650	6/21/2008			8/1/2008	
Comments: MESAVERDE — 7/30/09							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38862	CHAPITA WELLS UNIT 722-32		NESE	32	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	16862	15871	5/12/2008			8/1/2008	
Comments: WASATCH — 7/30/09							

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)

Mickenzie Thacker

Name (Please Print)

Mickenzie Thacker

Signature

Operations Clerk

7/30/2009

Title

Date

RECEIVED

JUL 30 2009

DIV. OF OIL, GAS & MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov/ut/st/en.html>



IN REPLY REFER TO
3180
UT-922

July 7, 2009

Debbie Spears
EOG Resources, Inc.
600 17th Street, Suite 1000N
Denver, CO 80202

Re: 7th Revision to the Consolidated
Mesaverde Formation PA
"A-Z, AA-BB" Chapita Wells Unit
Uintah County, Utah

Dear Ms. Spears:

The 7th Revision to the Consolidated Mesaverde Formation PA "A-Z, AA-BB", Chapita Wells Unit, CRS No. UTU63013BF, AFS No. 892000905BF, is hereby approved effective as of July 1, 2008, pursuant to Section 11 of the Chapita Wells Unit Agreement, Uintah County, Utah.

The 7th Revision to the Consolidated Mesaverde Formation PA "A-Z, AA-BB" results in an initial consolidated participating area of 18,437.30 acres and is based upon the completion of Well No. 1238-22, API No. 43-047-38067, located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 22, Township 9 South, Range 23 East, SLM&B, Federal Unit Tract No. 13, Lease No. UTU01301 as a well capable of producing unitized substances in paying quantities. *To 13650 from 16961*

Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the approval of the 7th Revision to the Consolidated Mesaverde Formation PA "A-Z, AA-BB", Chapita Wells Unit, and the effective date.

If you have any questions pertaining to this matter, please contact Leslie Wilcken at (801)539-4112.

Sincerely,

/s/ Becky J. Hammond

Becky J. Hammond
Chief, Branch of Fluid Minerals

Enclosure

RECEIVED

JUL 13 2009

DIV. OF OIL, GAS & MINING