

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

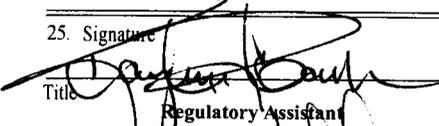
**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No. <b>CHAPITA WELLS UNIT</b>
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		8. Lease Name and Well No. <b>CHAPITA WELLS UNIT 975-12</b>
2. Name of Operator <b>EOG RESOURCES, INC.</b>		9. API Well No. <b>43-047-38083</b>
3a. Address <b>P.O. Box 1815 Vernal, UT 84078</b>	3b. Phone No. (include area code) <b>435-781-9111</b>	10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface <b>1635 FSL 363 FSL (NW/SW) 40.047731 LAT 109.396386 LON</b> At proposed prod. zone <b>SAME 636245X 40.047776 4434083Y -109.375803</b>		11. Sec., T. R. M. or Blk. and Survey or Area <b>SEC. 12, T9S, R22E S.L.B.&amp;M</b>
14. Distance in miles and direction from nearest town or post office* <b>48.3 MILES SOUTH OF VERNAL, UTAH</b>		12. County or Parish <b>UINTAH</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>363</b>	16. No. of acres in lease <b>2558</b>	13. State <b>UT</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>900'</b>	19. Proposed Depth <b>9540'</b>	17. Spacing Unit dedicated to this well
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4807 GL</b>	20. BLM/BIA Bond No. on file <b>NM 2308</b>	22. Estimated duration <b>45 DAYS</b>
23. Approximate date work will start*		

**24. Attachments**

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

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

25. Signature 	Name (Printed Typed) <b>Kaylene R. Gardner</b>	Date <b>05/03/2006</b>
Title <b>Regulatory Assistant</b>		
Approved by (Signature) 	Name (Printed Typed) <b>BRADLEY G. HILL</b>	Date <b>05-08-06</b>
Title <b>ENVIRONMENTAL MANAGER</b>		

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

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

\*(Instructions on page 2)

**RECEIVED**

**MAY 05 2006**

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

Federal Approval  
Action is Required

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

EOG RESOURCES, INC.

1977 Brass Cap  
0.7' High, Steel  
Post

S89°04'45"W - 2638.57' (Meas.)

S89°50'22"W - 2636.16' (Meas.)

1977 Brass Cap  
0.5' High, Pile  
of Stones

1977 Brass Cap  
1.5' High

N00°32'18"W - 2650.50' (Meas.)

(NAD 83)  
LATITUDE = 40°02'51.83" (40.047731)  
LONGITUDE = 109°23'46.99" (109.396386)

(NAD 27)  
LATITUDE = 40°02'51.96" (40.047767)  
LONGITUDE = 109°23'44.53" (109.395703)

N00°05'10"W - 2631.47' (Meas.)

Well location, CWU #975-12, located as shown  
in the NW 1/4 SW 1/4 of Section 12, T9S,  
R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION  
35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE,  
QUADRANGLE, UTAH, 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 4697 FEET.

BASIS OF BEARINGS

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

Brass Cap

12

1977 Brass Cap  
0.5' High, Post

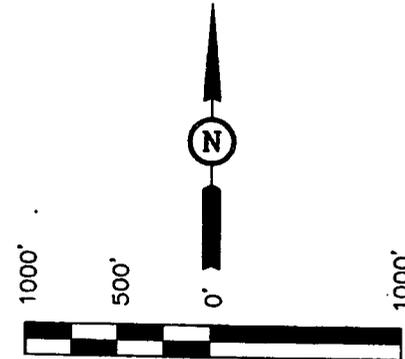
CWU #975-12  
Elev. Graded Ground = 4807'

N00°08'14"E - 2641.32' (Meas.)

363'

1635'

N00°02'37"E  
2637.97' (Meas.)



SCALE

Section Corner  
Re-Established By  
Double Proportion  
Method (Not Set)

S89°59'01"W  
2650.82' (Meas.)

S89°22'55"W - 2654.51' (Meas.)

S89°02'41"W - 2603.74' (Meas.)

1977 Brass  
Cap 0.5' High,  
Loose Stones

1977 Brass  
Cap 1.0' High,  
Steel Post,  
Pile of Stones

R R  
22 23  
E E

S 1/4 Cor.  
Sec. 11  
Brass Cap

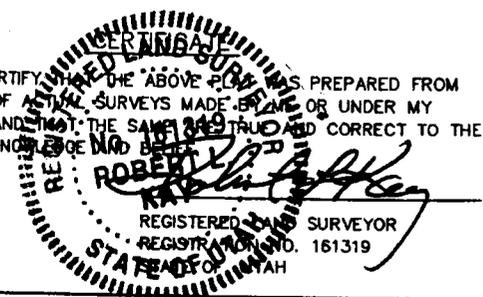
N00°28'33"E  
2640.76' (Meas.)

E 1/4 Cor. Sec. 14  
Brass Cap

LEGEND:

- └ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED.  
(Not Set On Ground)

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



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

1" = 1000'	DATE SURVEYED: 8-30-04	DATE DRAWN: 9-22-04
PARTY D.A. T.A. C.G.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**

**CHAPITA WELL UNIT 975-12**  
**NW/SW, SEC. 12, T9S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>DEPTH (KB)</b>
Green River FM	1,888'
Wasatch	4,860'
North Horn	6,718'
Island	7,177'
KMV Price River	7,312'
KMV Price River Middle	8,099'
KMV Price River Lower	8,846'
Sego	9,337'

Estimated TD: **9,540' or 200'± below Sego top**

**Anticipated BHP: 5,210 Psig**

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

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

**4. CASING PROGRAM:**

	<b><u>HOLE SIZE</u></b>	<b><u>INTERVAL</u></b>	<b><u>SIZE</u></b>	<b><u>WEIGHT</u></b>	<b><u>GRADE</u></b>	<b><u>THREAD</u></b>	<b><u>RATING FACTOR</u></b>		
							<b><u>COLLAPSE</u></b>	<b><u>BURST</u></b>	<b><u>TENSILE</u></b>
<b>Conductor:</b>	17 ½"	0' – 45'	13 ⅜"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
<b>Surface</b>	12-1/4"	45' – 2,300'KB±	9-⅝"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
<b>Production:</b>	7-7/8"	2,300'± – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

**Note:** 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-⅝" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone. **All casing will be new or inspected.**

**5. Float Equipment:**

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

**EIGHT POINT PLAN**  
**CHAPITA WELL UNIT 975-12**  
**NW/SW, SEC. 12, T9S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

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

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

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

**6. MUD PROGRAM**

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

Air/air mist or aerated water.

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

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

**7. VARIANCE REQUESTS:**

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

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

**8. EVALUATION PROGRAM:**

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

## EIGHT POINT PLAN

### CHAPITA WELL UNIT 975-12 NW/SW, SEC. 12, T9S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

#### 9. CEMENT PROGRAM:

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

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

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

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

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

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

**Lead:** 146 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft<sup>3</sup>/sk., 9.19 gps water.

**Tail:** 900 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9 gps water.

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

#### 10. ABNORMAL CONDITIONS:

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

Lost circulation

##### Production Hole (2300'± - TD):

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

**EIGHT POINT PLAN**

**CHAPITA WELL UNIT 975-12**  
**NW/SW, SEC. 12, T9S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**11. STANDARD REQUIRED EQUIPMENT:**

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

**12. HAZARDOUS CHEMICALS:**

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

(Attachment: BOP Schematic Diagram)



**CHAPITA WELLS UNIT 975-12  
NW/SW, Section 12, T9S, R22E  
Uintah County, Utah**

**SURFACE USE PLAN**

**NOTIFICATION REQUIREMENTS**

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

Location Completion: Prior to moving on the drilling rig.

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

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

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

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

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

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 275' feet long with a 30-foot right-of-way, disturbing approximately 0.19 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.03 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 53.7 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 275' in length. See attached Topo Map "B".
- B. The access road has a 30 foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

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

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

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

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

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

- A. Abandoned Wells – 3\*
- B. Producing Wells – 34\*
- C. Shut-in Wells – 1\*

(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**

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 double 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 #4 and #2. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the west.

**FENCING REQUIREMENTS:**

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

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

E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

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

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

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

##### **A. Producing Location**

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

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

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

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

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

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

**B. Dry Hole/Abandoned Location**

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

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
Four Wing Salt Bush	3.0
Indian Rice Grass	2.0
Hi-Crest Crested Wheat Grass	1.0
Needle and Thread 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 or herbicides or other pesticides or possible hazardous chemicals.
- C. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.
- D. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

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

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

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

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

**Additional Surface Stipulations:**

No construction or drilling activities shall be conducted April 1st through July 15th due to Red Tail 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 975-12 Well, located in the NW/SW, of Section 12, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

May 3, 2006

Date

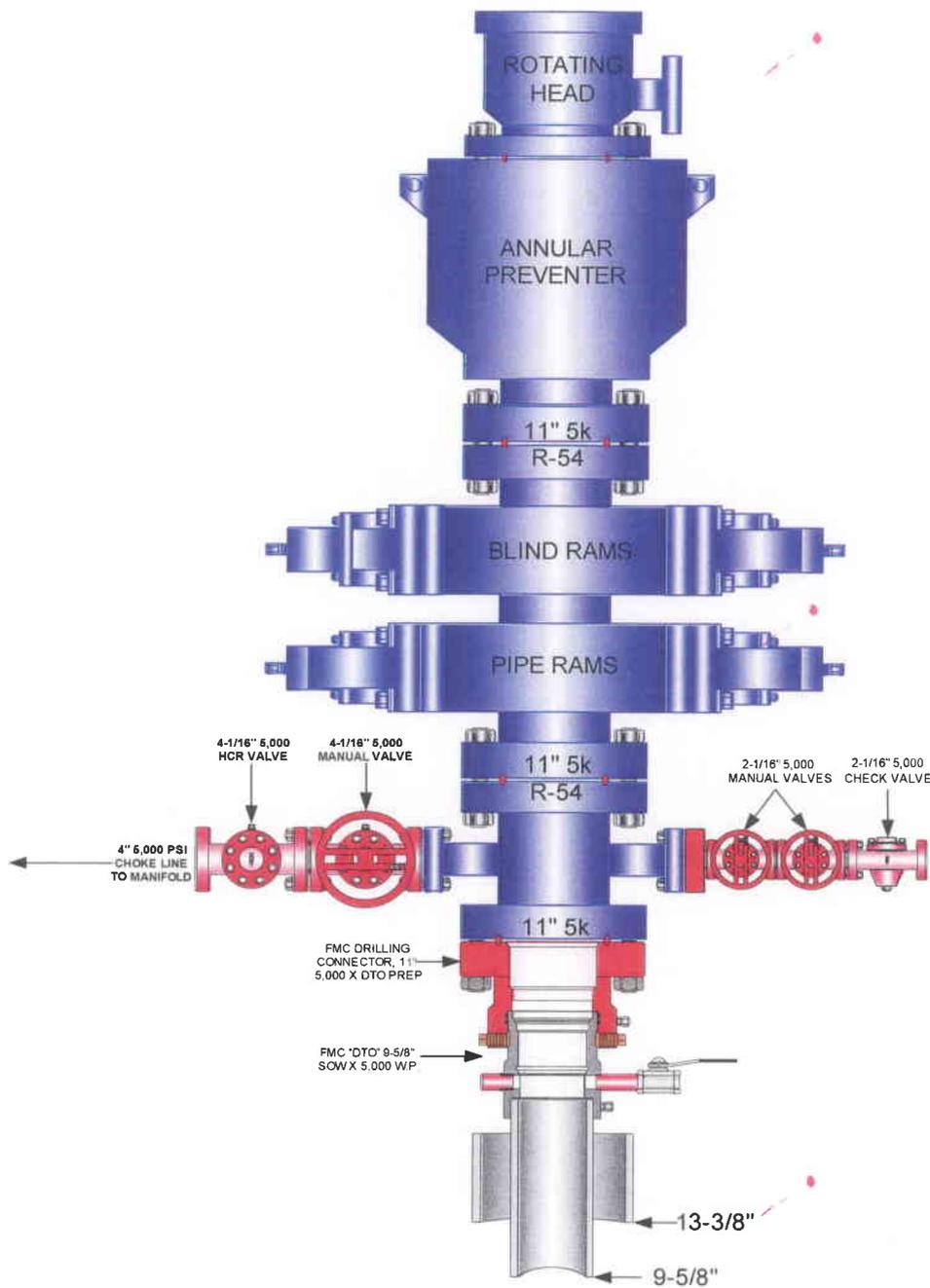
  
\_\_\_\_\_  
Kaylene R. Gardner Regulatory Assistant

EOG RESOURCES, INC.  
CWU #975-12  
SECTION 12, T9S, R22E, S.L.B.&M.

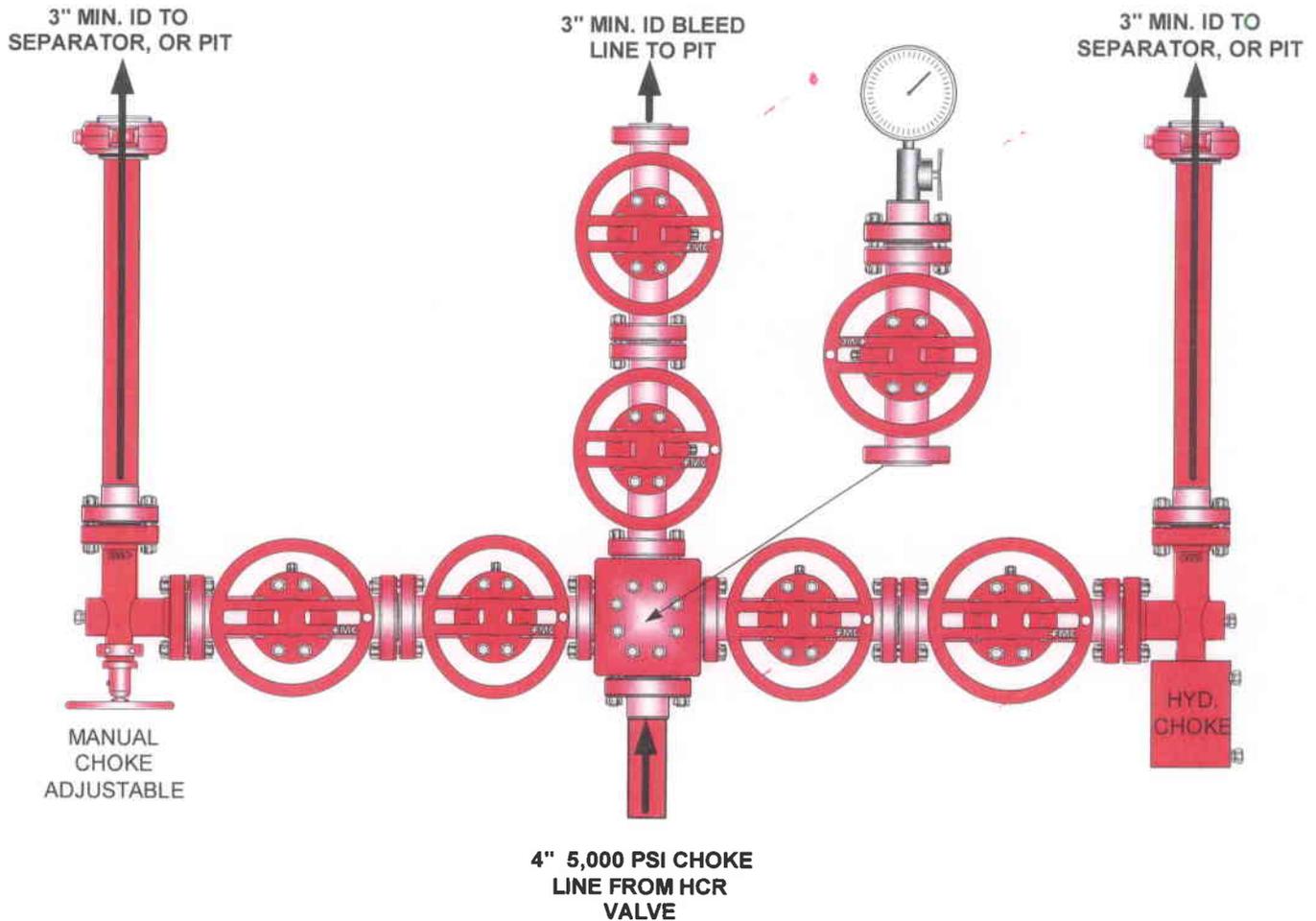
PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; PROCEED IN A SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 2.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN AN EASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN AN EASTERLY DIRECTION APPROXIMATELY 1.5 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTH; PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 275' TO THE WELL #574-12N AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 48.3 MILES.

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



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



**Testing Procedure:**

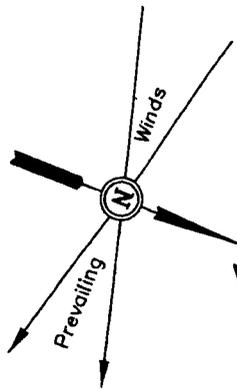
1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70%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

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

CWU #975-12  
SECTION 12, T9S, R22E, S.L.B.&M.  
1635' FSL 363' FWL

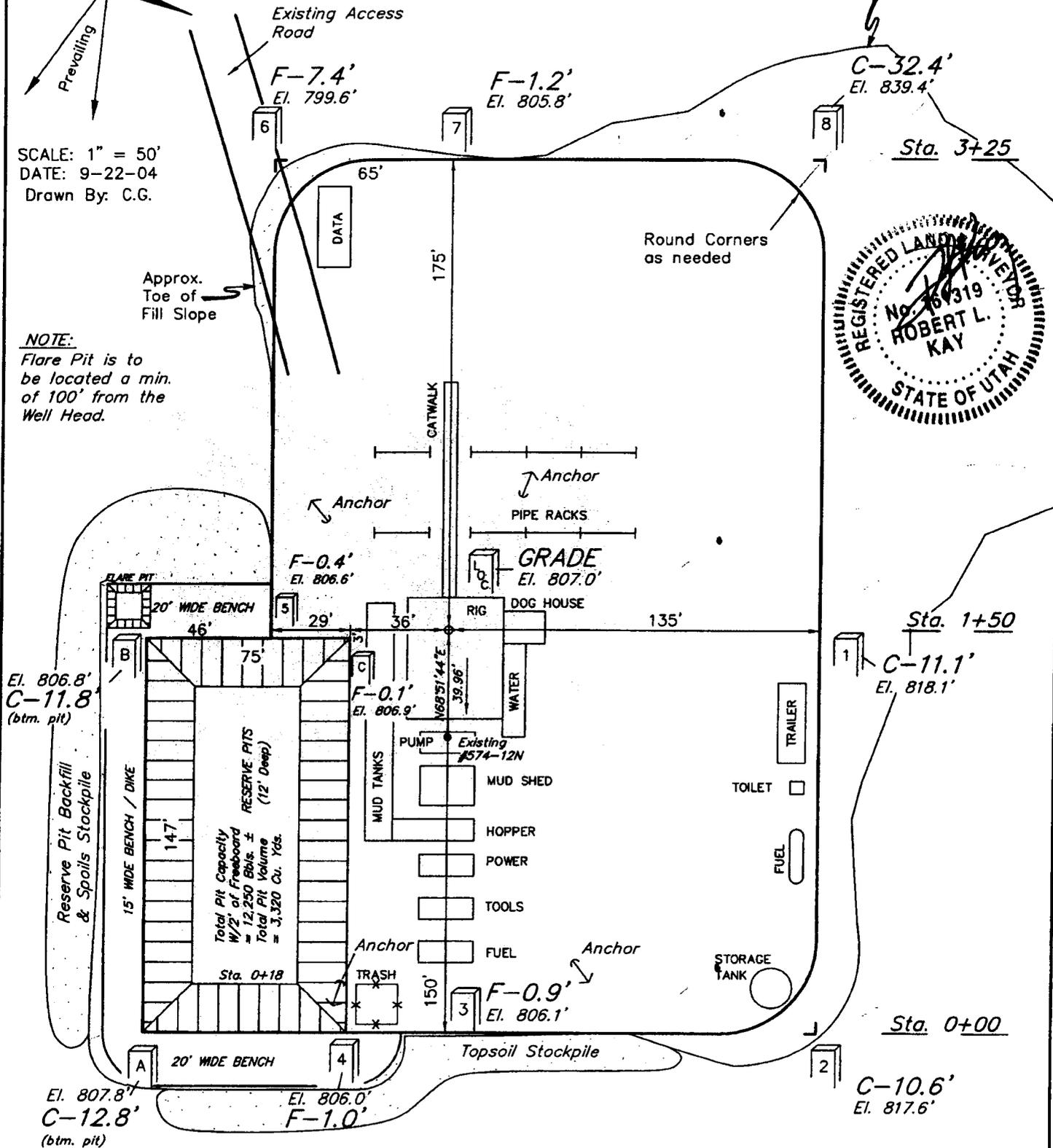
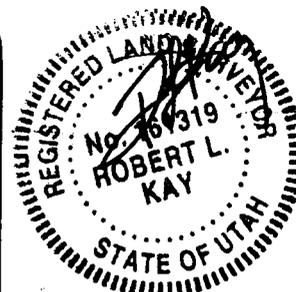
Approx.  
Top of  
Cut Slope



SCALE: 1" = 50'  
DATE: 9-22-04  
Drawn By: C.G.

Approx.  
Toe of  
Fill Slope

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



Elev. Graded Ground at Location Stake = 4807.0'

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

EOG RESOURCES, INC.

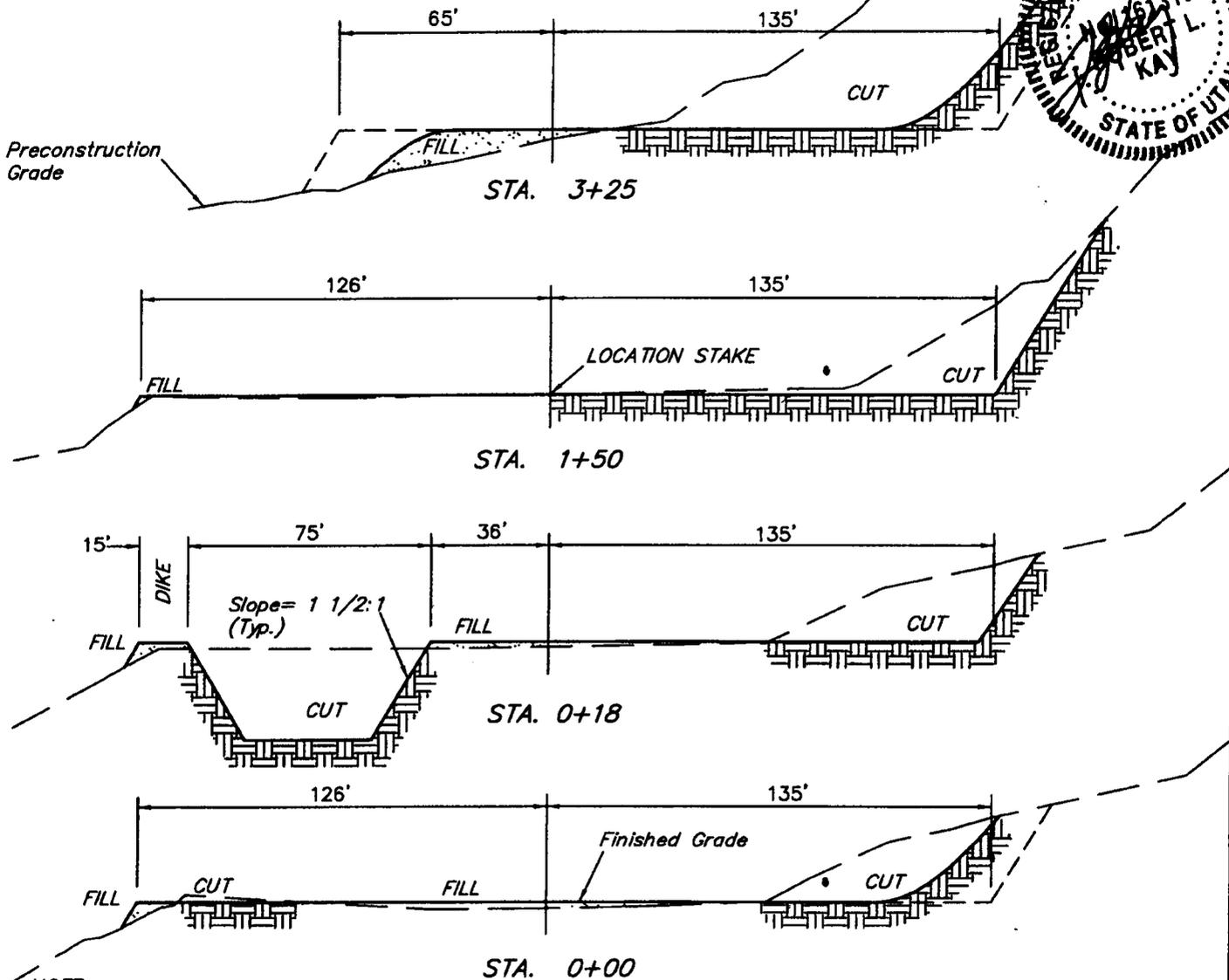
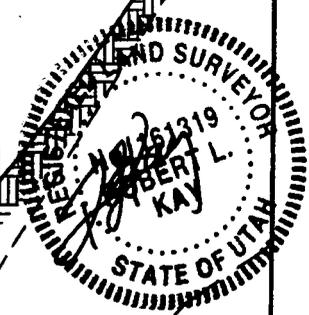
TYPICAL CROSS SECTIONS FOR

CWU #975-12

SECTION 12, T9S, R22E, S.L.B.&M.,  
1635' FSL 363' FWL

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

DATE: 9-22-04  
Drawn By: C.G.



NOTE:

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

\* NOTE:  
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	700	Cu. Yds.
(New Construction Only)			
Remaining Location	=	19,010	Cu. Yds.
<b>TOTAL CUT</b>	<b>=</b>	<b>19,710</b>	<b>CU.YDS.</b>
<b>FILL</b>	<b>=</b>	<b>1,010</b>	<b>CU.YDS.</b>

EXCESS MATERIAL	=	18,700	Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	2,360	Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	16,340	Cu. Yds.

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

# EOG RESOURCES, INC.

## CWU #975-12

LOCATED IN UTAH COUNTY, UTAH  
SECTION 12, T9S, R22E, S.1.B.&M.

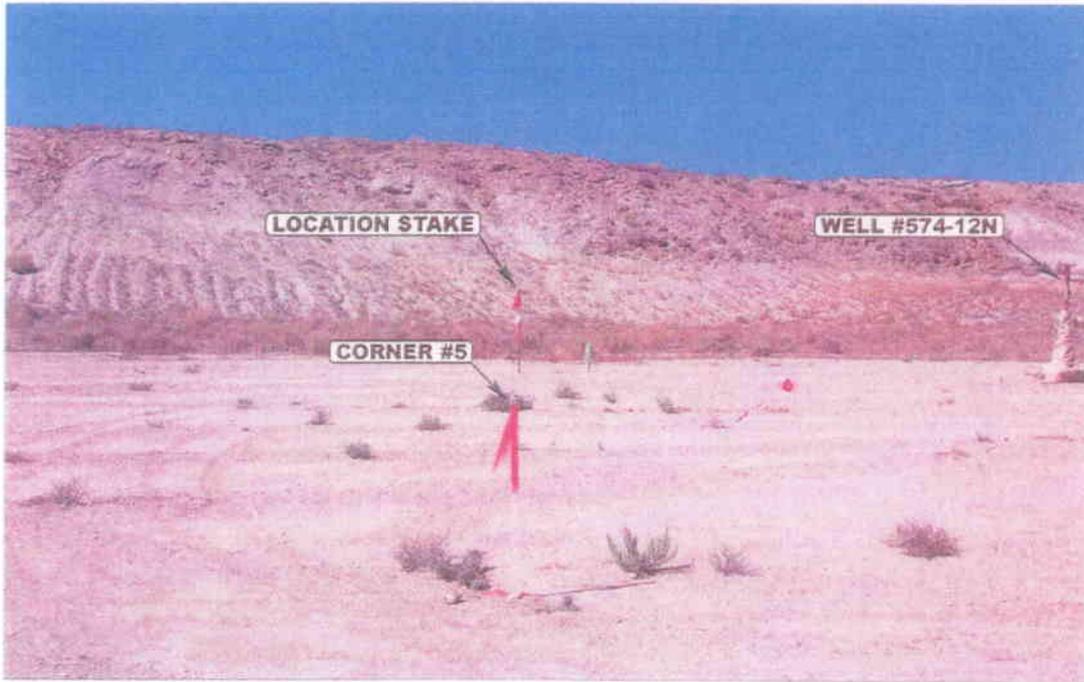


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

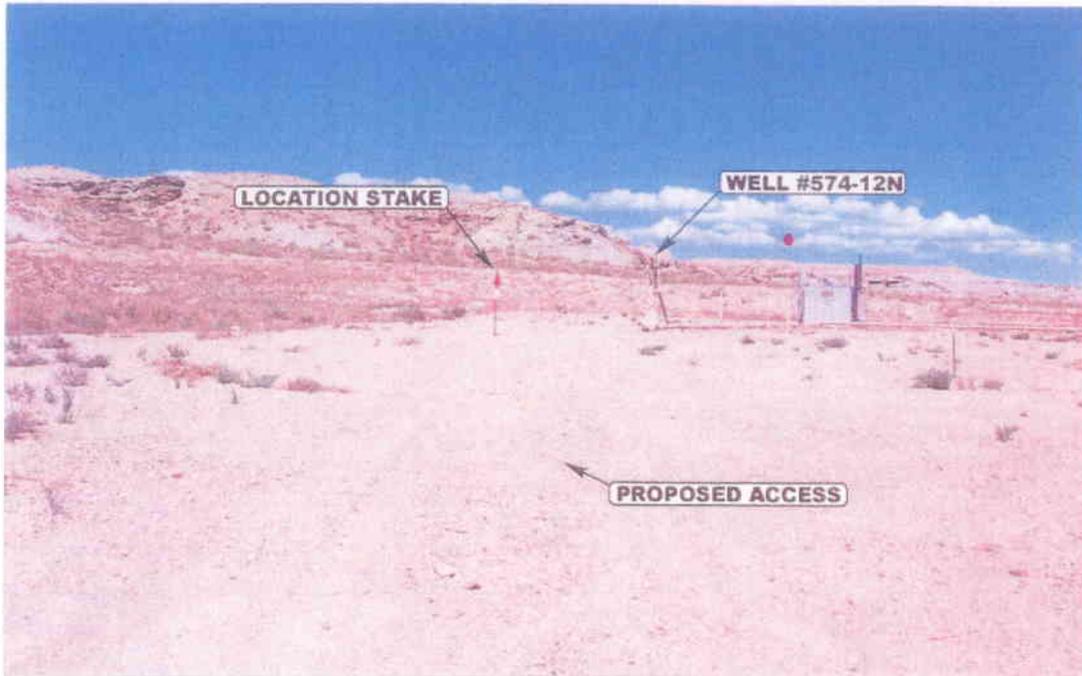


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



Since 1964

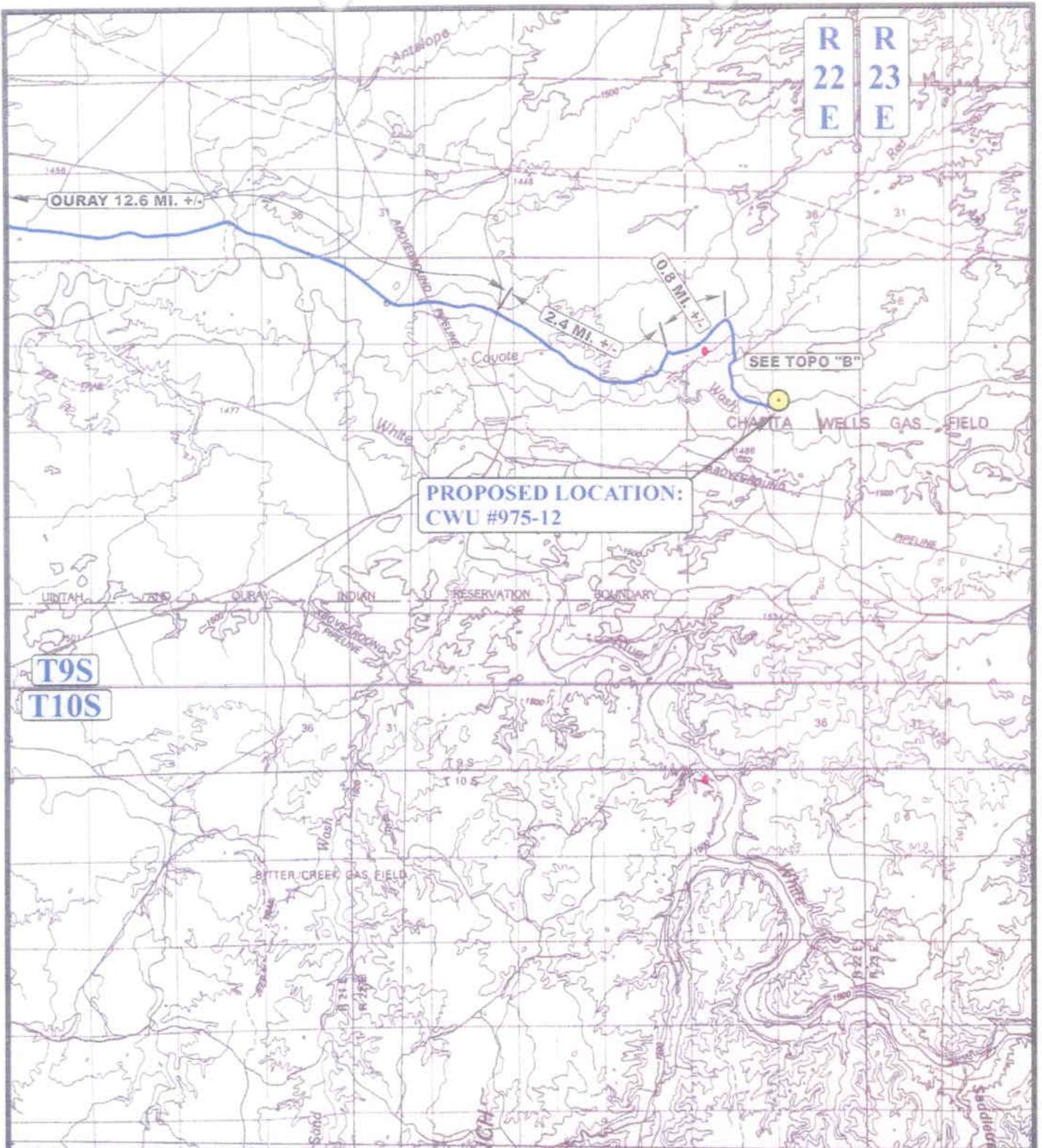
**UELS** Uintah Engineering & Land Surveying  
85 South 200 East, Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

09 23 04  
MONTH DAY YEAR

PHOTO

TAKEN BY: D.A. DRAWN BY: L.K. REVISED: 00-00-00



**PROPOSED LOCATION:  
CWU #975-12**

**R  
22  
E**      **R  
23  
E**

**T9S**  
**T10S**

**LEGEND:**

 **PROPOSED LOCATION**



**EOG RESOURCES, INC.**

**• CWU #975-12**  
**SECTION 12, T9S, R22E, S.L.B.&M.**  
**1635' FSL 363' FWL**



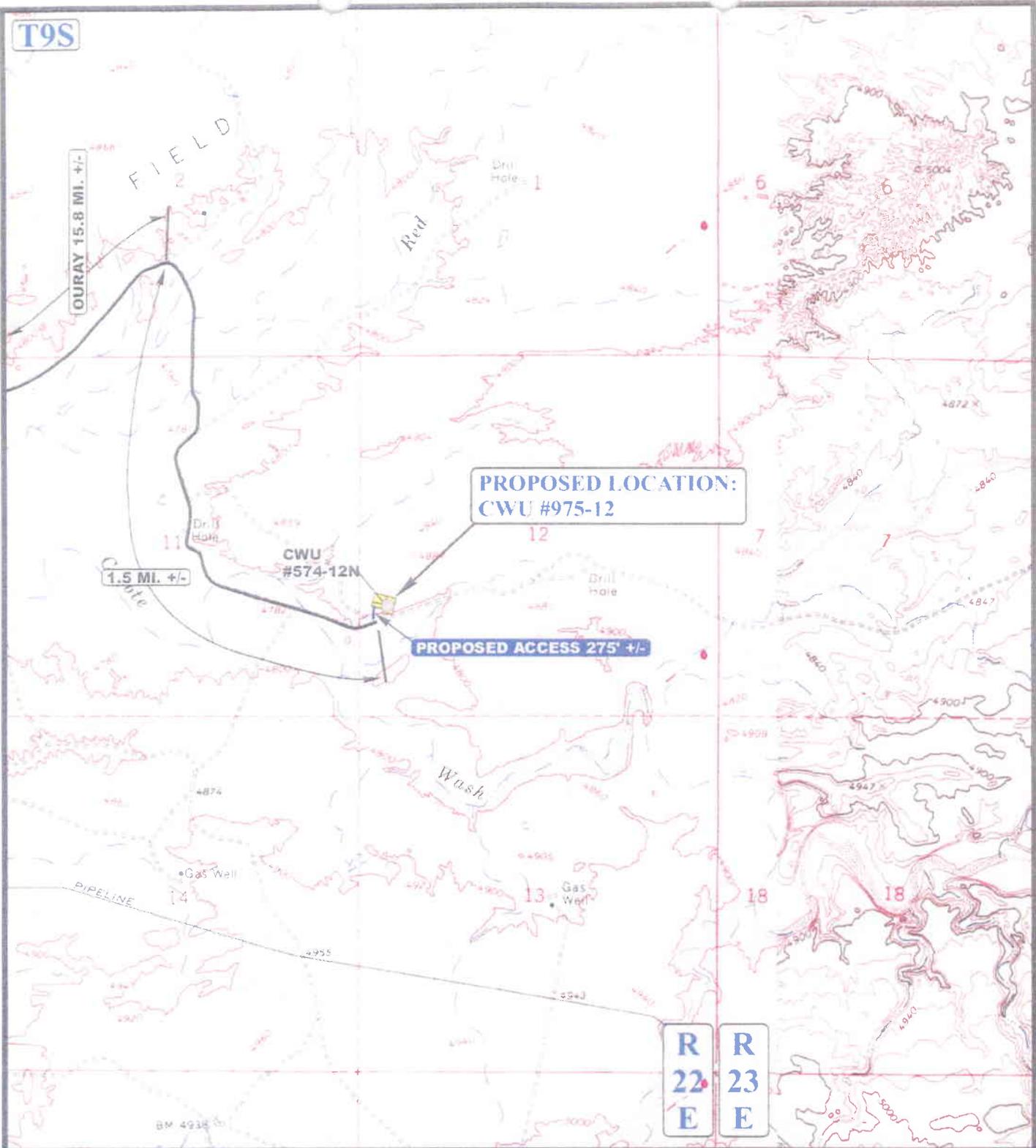
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** **09 23 04**  
**MAP**      MONTH    DAY    YEAR

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



T9S



**LEGEND:**

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD

**EOG RESOURCES, INC.**

**CWU #975-12**  
**SECTION 12, T9S, R22E, S.L.B.&M.**  
**1635' FSL 363' FWL**



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



**TOPOGRAPHIC MAP** **09 23 04**  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00



T9S

FIELD

GAS

Drill Hole

PROPOSED LOCATION:  
CWU #970-12

R  
22  
E  
R  
23  
E

LEGEND:

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

EOG RESOURCES, INC.

CWU #975-12  
SECTION 12, T9S, R22E, S.L.B.&M.  
1635' FSL 363' FWL



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



TOPOGRAPHIC  
MAP

09 23 04  
MONTH DAY YEAR

SCALE: 1" = 2000'

DRAWN BY: L.K. REVISED: 00-00-00



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/05/2006

API NO. ASSIGNED: 43-047-38083

WELL NAME: CWU 975-12

OPERATOR: EOG RESOURCES INC ( N9550 )

CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

NWSW 12 090S 220E  
 SURFACE: 1635 FSL 0363 FWL  
 BOTTOM: 1635 FSL 0363 FWL  
 COUNTY: UINTAH  
 LATITUDE: 40.04778 LONGITUDE: -109.3958  
 UTM SURF EASTINGS: 636845 NORTHINGS: 4434083  
 FIELD NAME: NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: U-0281  
 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: 8-10-1999  
 Siting: Suspended General Siting  
 \_\_\_\_\_ R649-3-11. Directional Drill

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

STIPULATIONS: 1- EOG Approval

2- OIL SHALE

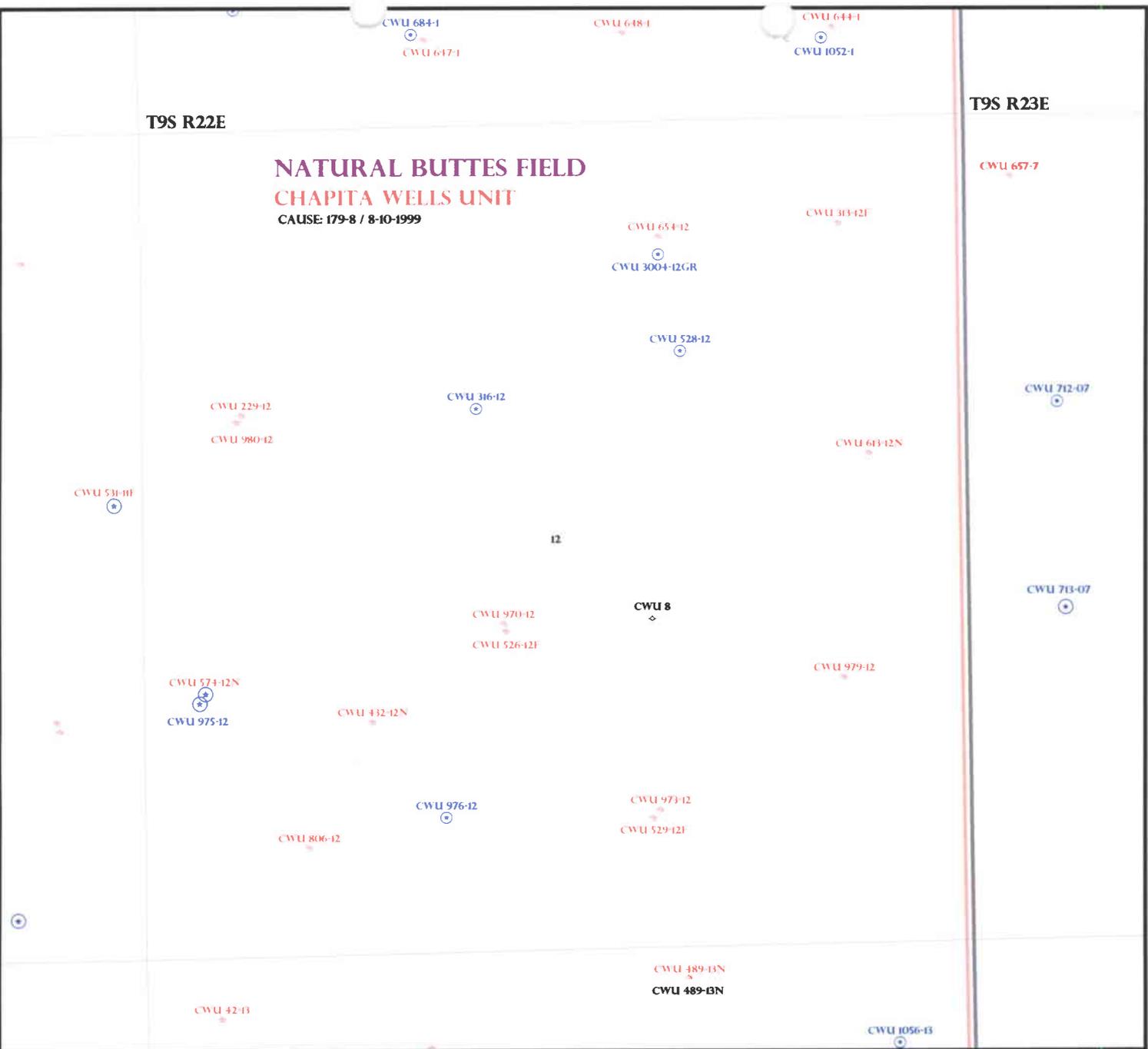
T9S R22E

T9S R23E

# NATURAL BUTTES FIELD

## CHAPITA WELLS UNIT

CAUSE: 179-8 / 8-10-1999



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 12 T. 9S R. 22E

FIELD: NATURAL BUTTES (630)

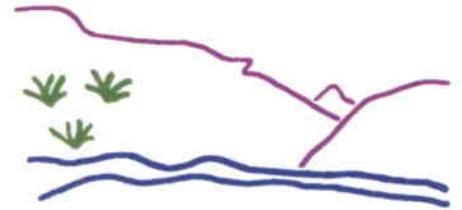
COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999

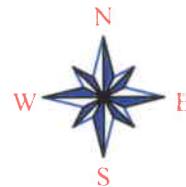
- Field Status**
- ABANDONED
  - ACTIVE
  - COMBINED
  - INACTIVE
  - PROPOSED
  - STORAGE
  - TERMINATED

- 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 975-12 Well, 1635' FSL, 363' FWL, NW SW, Sec. 12,  
T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38083.

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 975-12

**API Number:** 43-047-38083

**Lease:** U-0281

**Location:** NW SW                      **Sec.** 12                      **T.** 9 South                      **R.** 22 East

### **Conditions of Approval**

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**RECEIVED**  
MAY 5 2006

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

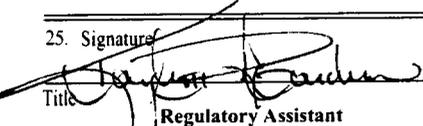
**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-0281	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator EOG RESOURCES, INC.		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNIT	
3a. Address P.O. Box 1815 Vernal, UT 84078		8. Lease Name and Well No. CHAPITA WELLS UNIT 975-12	
3b. Phone No. (include area code) 435-781-9111		9. API Well No. 4304738083	
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 1635 FSL 363 FWL (NW/SW) 40.047731 LAT 109.396386 LON At proposed prod. zone SAME		10. Field and Pool, or Exploratory NATURAL BUTTES	
14. Distance in miles and direction from nearest town or post office* 48.3 MILES SOUTH OF VERNAL, UTAH		12. County or Parish UINTAH	13. State UT
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 363	16. No. of acres in lease 2558	17. Spacing Unit dedicated to this well	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 900'	19. Proposed Depth 9540'	20. BLM/BIA Bond No. on file NM 2308	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4807 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 05/03/2006
--	--	--------------------

Title: Regulatory Assistant

Approved by (Signature) 	Name (Printed Typed) Terry Kevicka	Date 3-2-2007
--	---------------------------------------	------------------

Title: Assistant Field Manager  
Lands & Mineral Resources  
Office: VERNAL FIELD OFFICE

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

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)

**CONDITIONS OF APPROVAL ATTACHED**

**NOTICE OF APPROVAL**

**RECEIVED**

**MAR 09 2007**

DIV. OF OIL, GAS & MINING

078M4971A



**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**

<b>Company:</b>	<b>EOG Resources</b>	<b>Location:</b>	<b>NWSW, Sec 12, T9S, R22E</b>
<b>Well No:</b>	<b>CWU 975-12</b>	<b>Lease No:</b>	<b>UTU-0281</b>
<b>API No:</b>	<b>43-047-38083</b>	<b>Agreement:</b>	<b>Chapita Wells Unit</b>

<b>Title</b>	<b>Name</b>	<b>Office Phone Number</b>	<b>Cell Phone Number</b>
Petroleum Engineer:	Matt Baker	435-781-4490	435-828-4470
Petroleum Engineer:	Michael Lee	435-781-4432	435-828-7875
Petroleum Engineer:	James Ashley	435-781-4470	435-828-7874
Petroleum Engineer:	Ryan Angus	435-781-4430	
Supervisory Petroleum Technician:	Jamie Sparger	435-781-4502	435-828-3913
NRS/Enviro Scientist:	Paul Buhler	435-781-4475	435-828-4029
NRS/Enviro Scientist:	Karl Wright	435-781-4484	
NRS/Enviro Scientist:	Holly Villa	435-781-4404	
NRS/Enviro Scientist:	Melissa Hawk	435-781-4476	435-828-7381
NRS/Enviro Scientist:	Chuck MacDonald	435-781-4441	
NRS/Enviro Scientist:	Jannice Cutler	435-781-3400	
NRS/Enviro Scientist:	Michael Cutler	435-781-3401	
NRS/Enviro Scientist:	Anna Figueroa	435-781-3407	
NRS/Enviro Scientist:	Verlyn Pindell	435-781-3402	
NRS/Enviro Scientist:	Darren Williams	435-781-4447	
NRS/Enviro Scientist:	Nathan Packer	435-781-3405	
		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 NRS/Enviro Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify NRS/Enviro Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supervisory Petroleum Technician)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings
BOP & Related Equipment Tests (Notify Supervisory Petroleum Technician)	-	Twenty-Four (24) hours prior to initiating pressure tests
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days

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

Conditions for Approval are in the APD

**General Surface COAs**

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A report will be prepared by a BLM permitted paleontologist and submitted to the AO at the completion of surface disturbing activities.

**Specific Surface COAs**

- 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 respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.
- This location is on an existing location so there would be no buried pipeline.
- EOG will be responsible for the protection of the site during the period of drilling. This indicates that EOG will pay for the restoration of the site if damage occurs to the petroglyph panel during the period of time it takes to drill the well. In addition, the western edge of the pad for the twin well be curved so as to provide additional protection to the site.

## **DOWNHOLE CONDITIONS OF APPROVAL**

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

- Electronic/mechanical mud monitoring equipment shall be required, from surface casing shoe to TD, which shall include as a minimum: pit volume totalizer (PVT); stroke counter; and flow sensor.
- A formation integrity test shall be performed at the surface casing shoe.
- A Cement Bond Log (CBL) shall be run in the production casing from the TD to the top of cement. A field copy of the CBL shall be submitted to the BLM Vernal Field Office for review.

#### Variance Granted:

75 foot long blooie line approved.

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

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

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- 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.
- **Cement baskets shall not be run on surface casing.**

- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to 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.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- 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.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

## **OPERATING REQUIREMENT REMINDERS:**

- 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.
- 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.
- 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:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - 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).
  - 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.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- 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.
- 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.

- 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.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal 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. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- 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.
- 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 and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- 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.
- 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.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

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

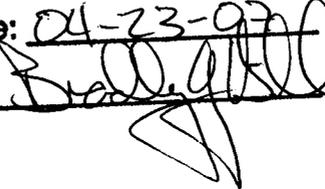
FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>U-0281</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: <b>Chapita Wells Unit</b>
2. NAME OF OPERATOR: <b>EOG Resources, Inc.</b>		8. WELL NAME and NUMBER: <b>Chapita Wells Unit 975-12</b>
3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1000N CITY Denver STATE CO ZIP 80202		9. API NUMBER: <b>43-047-38083</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,635' FSL & 363' FWL 40.047731 LAT 109.396386 LON QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 12 9S 22E S.L.B. & M		10. FIELD AND POOL, OR WLD CAT: <b>Natural Buttes/Mesaverde</b>
		COUNTY: <b>UINTAH</b> STATE: <b>UTAH</b>

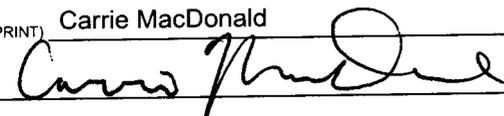
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____  <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) 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: <b>APD EXTENSION REQUEST</b>
	<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: 

4 23 07  
RM

NAME (PLEASE PRINT) <u>Carrie MacDonald</u>	TITLE <u>Operations Clerk</u>
SIGNATURE 	DATE <u>4/19/2007</u>

(This space for State use only)

**RECEIVED**  
**APR 20 2007**  
DIV. OF OIL, GAS & MINING

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

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

**API:** 43-047-38083  
**Well Name:** CHAPITA WELLS UNIT 975-12  
**Location:** 1635 FSL 363 FWL (NWSW), SECTION 12, T9S, R22E S.L.B.&M  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 5/8/2006

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

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

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

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

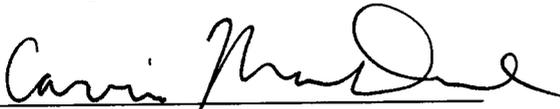
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

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

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

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

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

  
Signature

4/19/2007  
Date

Title: Operations Clerk

Representing: EOG Resources, Inc.

**RECEIVED**  
**APR 20 2007**  
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: 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
43-047-37873	Chapita Wells Unit 1183-10		NESW	10	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>AB</i>	99999	<i>13650</i>	11/25/2007			<i>11/29/07</i>	
Comments: <i>PRRV = MVRD</i>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38083	Chapita Wells Unit 975-12		NWSW	12	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>A</i>	99999	<i>13650</i>	11/26/2007			<i>11/29/07</i>	
Comments: <i>PRRV = MVRD</i>							

**Well 3**

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

**ACTION CODES:**

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

Mary A. Maestas

Name (Please Print)

Signature

Regulatory Assistant

11/27/2007

Date

**RECEIVED**

NOV 27 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.  
UTU0281

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
CHAPITA WELLS UNIT 975-12

9. API Well No.  
43-047-38083

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 12 T9S R22E NWSW 1635FSL 363FWL  
40.04773 N Lat, 109.39639 W Lon

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

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

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

The referenced well was turned to sales on 3/13/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #59107 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 03/14/2008

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

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

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

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

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

**RECEIVED**

**MAR 17 2008**

## WELL CHRONOLOGY REPORT

Report Generated On: 03-14-2008

<b>Well Name</b>	CWU 975-12	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-38083	<b>Well Class</b>	1SA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	01-19-2008	<b>Class Date</b>	03-13-2008
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,540/ 9,540	<b>Property #</b>	055968
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	4,822/ 4,807				
<b>Location</b>	Section 12, T9S, R22E, NWSW, 1635 FSL & 363 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	100.0	<b>NRI %</b>	82.096

<b>AFE No</b>	303222	<b>AFE Total</b>	1,842,900	<b>DHC / CWC</b>	912,100/ 930,800
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #15	<b>Start Date</b>	05-11-2006
<b>05-11-2006</b>	<b>Reported By</b>	SHARON WHITLOCK			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time: LOCATION DATA**

Start	End	Hrs	Activity Description
-------	-----	-----	----------------------

06:00	06:00	24.0	LOCATION DATA
1635' FSL & 363' FSL (NW/SW)			
SECTION 12, T9S, R22E			
UINTAH COUNTY, UTAH			
LAT 40.047731, LONG 109.396386 (NAD 83)			
LAT 40.047767, LONG 109.395703 (NAD 27)			
TRUE #15			
OBJECTIVE: 9540' TD, MESAVERDE			
DW/GAS			
CHAPITA WELLS DEEP PROSPECT			
DD&A: CHAPITA DEEP			
NATURAL BUTTES FIELD			
LEASE: U-0281			
ELEVATION: 4807' NAT GL, 4807.0' PREP GL (DUE TO ROUNDING THE PREP GL IS 4807'), 4822' KB (15')			
EOG BPO WI 100%, NRI 82.09576%			
EOG APO WI 56.3053%, NRI 48.24336%			

<b>11-02-2007</b>	<b>Reported By</b>	TERRY CSERE
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**Daily Costs: Drilling**      \$38,000                      **Completion**      \$0                      **Daily Total**      \$38,000  
**Cum Costs: Drilling**      \$38,000                      **Completion**      \$0                      **Well Total**      \$38,000  
**MD**              0      **TVD**              0      **Progress**      0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

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

**11-05-2007**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

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

**11-06-2007**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

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

**11-07-2007**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

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

**11-08-2007**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

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

**11-09-2007**      **Reported By**      TERRY CSERE

**RECEIVED**  
**MAR 17 2008**  
 DIV. OF OIL, GAS & MINING







RAN IN HOLE W/STRAIGHT HOLE SURVEY. TAGGED CEMENT @ 2033'. PICKED UP TO 2013' & TOOK SURVEY. 2 DEGREE.

LESTER FARNSWORTH NOTIFIED JAMIE SPARGER W/ BLM OF THE SURFACE CASING & CEMENT JOB ON 12/1/2007 @ 2:30 PM.

**01-16-2008**      **Reported By**                      DAN LINDSEY

**Daily Costs: Drilling**              \$28,082                      **Completion**              \$0                      **Daily Total**              \$28,082

**Cum Costs: Drilling**              \$281,196                      **Completion**              \$0                      **Well Total**              \$281,196

**MD**              2,171      **TVD**              2,171      **Progress**              0      **Days**              0      **MW**              0.0      **Visc**              0.0

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

**Activity at Report Time:** MIRURT

**Start**      **End**      **Hrs**      **Activity Description**

06:00      17:00      11.0 RDRT ON NCW 339-34. LOWERED DERRICK @ 1300 HRS. RELEASED MUDLOGGER HOUSE AND HAULED TO TOWN. FINISHED RDRT. READY FOR TRUCKS 0700 HRS 1/16/08, MOVE IS 4.7 MILES.  
15 MEN, 105 MAN-HOURS.  
NO ACCIDENTS.

17:00      06:00      13.0 OPERATION SUSPENDED FOR NIGHT.

**01-17-2008**      **Reported By**                      DAN LINDSEY

**Daily Costs: Drilling**              \$22,909                      **Completion**              \$0                      **Daily Total**              \$22,909

**Cum Costs: Drilling**              \$304,105                      **Completion**              \$0                      **Well Total**              \$304,105

**MD**              2,171      **TVD**              2,171      **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      18:00      12.0 HELD SAFETY MEETING W/RIG CREWS & RIG MOVERS. MOVED RIG FROM NCW 339-34. ALL EQUIPMENT IN PLACE, 30% RIGGED UP. RELEASED TRUCKS @ 1800 HRS.  
MOVE WAS 4.7 MILES.  
TEST SET FOR 22:00 1/17/08.

TRANSFERRED 7 JTS(295.65') 4.5" 11.6# HCP-110 LTC CASING FROM NCW 339-34 TO CWU 975-12.

TRANSFERRED 1844 GALS DIESEL & 3480 GALS PROPANE FROM NCW 339-34 TO CWU 975-12.

OLD LOCATION NCW 339-34 CLEARED & CLEANED.

NEW LOCATION DIMENSIONS: FRONT 170', BACK 143', HOUSE 128', PIT 40'.

NO ACCIDENTS. 15 MEN, 130 MAN-HOURS.

18:00      06:00      12.0 OPERATION SUSPENDED FOR NIGHT.

**01-18-2008**      **Reported By**                      DAN LINDSEY

**Daily Costs: Drilling**              \$70,175                      **Completion**              \$0                      **Daily Total**              \$70,175

**Cum Costs: Drilling**              \$374,280                      **Completion**              \$0                      **Well Total**              \$374,280

**MD**              2,171      **TVD**              2,171      **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 WORKED WITH AIR HEATER TO WARM RIG FLOOR MOTORS. STARTED MOTORS. RAISED DERRICK @ 1430 HRS. RU FLOOR. WORKED ON BOILER(CALLED OUT ELECTRICIAN), GOT BOILER FIRED. RU RIG FLOOR. INSPECTED & ADJUSTED BRAKE BANDS. NUBOPE & CHOKE LINES.

15 MEN, 150 MAN-HOURS. NO ACCIDENTS. SAFETY TOPIC-WORKING IN SEVERE COLD.

djf

<b>01-19-2008</b>		<b>Reported By</b>		DAN LINDSEY							
<b>Daily Costs: Drilling</b>		\$47,033	<b>Completion</b>		\$0	<b>Daily Total</b>		\$47,033			
<b>Cum Costs: Drilling</b>		\$421,313	<b>Completion</b>		\$0	<b>Well Total</b>		\$421,313			
<b>MD</b>	2,390	<b>TVD</b>	2,390	<b>Progress</b>	219	<b>Days</b>	1	<b>MW</b>	8.5	<b>Visc</b>	28.0
<b>Formation :</b>		<b>PBTD : 0.0</b>			<b>Perf :</b>		<b>PKR Depth : 0.0</b>				
<b>Activity at Report Time: DRILLING @ 2390'</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	09:00	3.0	FINISHED RURT. 5 MEN, 15 MAN-HOURS.								
09:00	16:00	7.0	*****RIG ACCEPTED FOR DAYWORK @ 0900 HRS 1/18/08***** TESTED BOPE(ALL RAMS, VALVES, & CHOKE MANIFOLD 250/5000 PSI, ANNULAR 250/2500 PSI, CSG 1500 PSI). PERFORMED ACCUMULATOR FUNCTION TEST. TEST WITNESSED BY JOHN BOWEN/BLM/VERNAL.								
16:00	17:00	1.0	INSTALLED WEAR BUSHING								
17:00	18:00	1.0	RU CALIBER LD MACHINE. HELD SAFETY MEETING.								
18:00	21:30	3.5	PU BHA. TAGGED @ 2103.								
21:30	22:30	1.0	RD CALIBER LD MACHINE.								
22:30	23:00	0.5	TORQUED KELLY.								
23:00	03:00	4.0	DRILLED CEMENT & FLOAT EQUIP 2103 TO 2200(FELL OUT OF CMT @ 2180).								
03:00	03:30	0.5	CIRCULATED. MIXED PILL.								
03:30	04:00	0.5	PERFORMED F.I.T. @ 2200 TO 11.0 PPG EMW(300 PSI).								
04:00	06:00	2.0	DRILLED 2200 TO 2390' @ 95.0 FPH), WOB 18K, GPM 414, RPM 45/MOTOR 66, SPP 1050, NO FLARE. THIS A.M. MUD 8.5 PPG, VIS 28.								
DIESEL 5012 GALS, PROPANE 2340 GALS. BOILER 24 HRS.											
NO ACCIDENTS. FULL CREWS. 1 BOP DRILL.											
SET & FUNCTION COM											
06:00	18.0 SPUDED 7 7/8" HOLE @ 04:00 HRS, 1/19/08.										

<b>01-20-2008</b>		<b>Reported By</b>		DAN LINDSEY							
<b>Daily Costs: Drilling</b>		\$93,136	<b>Completion</b>		\$0	<b>Daily Total</b>		\$93,136			
<b>Cum Costs: Drilling</b>		\$514,449	<b>Completion</b>		\$0	<b>Well Total</b>		\$514,449			
<b>MD</b>	4,505	<b>TVD</b>	4,505	<b>Progress</b>	2,115	<b>Days</b>	2	<b>MW</b>	8.9	<b>Visc</b>	28.0
<b>Formation :</b>		<b>PBTD : 0.0</b>			<b>Perf :</b>		<b>PKR Depth : 0.0</b>				
<b>Activity at Report Time: DRILLING @ 4505'</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	13:00	7.0	DRILLED 2390 - 2986'. (596' @ 85.1 FPH), WOB 18-20K, GPM 414, RPM 45-60/MOTOR 66, SPP 1050, 5' FLARE.								
13:00	13:30	0.5	SERVICED RIG. FUNCTION PIPE RAMS. FUNCTION COM.								
13:30	14:00	0.5	DRILLED 2986 - 3064'. (78' @ 156.0 FPH), WOB 18K, GPM 414, RPM 45/MOTOR 66, SPP 1050, 3' FLARE.								
14:00	15:00	1.0	REPAIRED ROTARY CHAIN GUARD GASKET LEAK.								
15:00	21:00	6.0	DRILLED 3064 - 3611'. (547' @ 91.2 FPH), WOB 18K, GPM 414, RPM 45/MOTOR 66, SPP 1300, NO FLARE.								
21:00	21:30	0.5	SURVEY @ 3546, 2.0 DEGREES.								

21:30 06:00 8.5 DRILLED 3611 - 4505'. (894' @ 105.2 FPH), WOB 18-20K, GPM 414, RPM 45-50/MOTOR 66, SPP 1450, NO FLARE. THIS A.M. MUD 9.1 PPG, VIS 30.  
DIESEL 3680 GALS(USED 1332), PROPANE 1740 GALS(USED 600). BOILER 24 HRS.  
NO ACCIDENTS. FULL CREWS. 2 BOP DRILLS.  
ALL CREWS FUNCTION COM FIRST CONN ON TOUR.

01-21-2008 Reported By DAN LINDSEY

<b>Daily Costs: Drilling</b>	\$65,935	<b>Completion</b>	\$0	<b>Daily Total</b>	\$65,935
<b>Cum Costs: Drilling</b>	\$576,436	<b>Completion</b>	\$0	<b>Well Total</b>	\$576,436
<b>MD</b>	5,835	<b>TVD</b>	5,835	<b>Progress</b>	1,330
				<b>Days</b>	3
				<b>MW</b>	9.1
				<b>Visc</b>	29.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: DRILLING @ 5835'

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILLED 4505' - 4737'. (232' @ 58.0 FPH), WOB 18K, GPM 414, RPM 45/MOTOR 66, SPP 1450, NO FLARE.
10:00	10:30	0.5	SERVICED RIG. FUNCTION PIPE RAMS. FUNCTION COM.
10:30	22:00	11.5	DRILLED 4737' - 5449'. (712' @ 61.9 FPH), WOB 15-20K, GPM 414, RPM 35-50/MOTOR 66, SPP 1650, NO FLARE.
22:00	22:30	0.5	REPAIRED ROTARY CHAIN
22:30	06:00	7.5	DRILLED 5449' - 5835'. (386' @ 51.5 FPH), WOB 20K, GPM 414, RPM 45-55/MOTOR 66, SPP 1650, NO FLARE. THIS A.M. MUD 9.5 PPG, VIS 31. DIESEL 10290 GALS(HAULED 8000, USED 1390), PROPANE 1320 GALS(USED 420). BOILER 24 HRS. NO ACCIDENTS. FULL CREWS. 1 BOP DRILL.

01-22-2008 Reported By DAN LINDSEY

<b>Daily Costs: Drilling</b>	\$48,603	<b>Completion</b>	\$800	<b>Daily Total</b>	\$49,403
<b>Cum Costs: Drilling</b>	\$625,039	<b>Completion</b>	\$800	<b>Well Total</b>	\$625,839
<b>MD</b>	6,720	<b>TVD</b>	6,720	<b>Progress</b>	885
				<b>Days</b>	4
				<b>MW</b>	9.4
				<b>Visc</b>	30.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILLED 5835 TO 6015(180' @ 45.0 FPH), WOB 18K, GPM 414, RPM 40-50/MOTOR 66, SPP 1650, NO FLARE. SLIGHT MUD CUT DUE TO WATER.
10:00	10:30	0.5	SERVICED RIG. FUNCTION PIPE RAMS. FUNCTION COM.
10:30	06:00	19.5	DRILLED 6015 TO 6720(705' @ 36.2 FPH), WOB 15-20K, GPM 414, RPM 40-45/MOTOR 66, SPP 1750, NO FLARE. SLIGHT MUD CUT DUE TO WATER. THIS A.M. MUD 9.9 PPG, VIS 33. DIESEL 8550 GALS(USED 1740), PROPANE 3900 GALS(HAULED 3186, USED 606). BOILER 24 HRS. NO ACCIDENTS. FULL CREWS. SAFETY TOPIC-SAFETY CHAINS, GUARDS, COVERS ALL CREWS FUNCTION COM FIRST CONN ON TOUR.

01-23-2008 Reported By DAN LINDSEY

<b>Daily Costs: Drilling</b>	\$49,043	<b>Completion</b>	\$0	<b>Daily Total</b>	\$49,043
<b>Cum Costs: Drilling</b>	\$674,083	<b>Completion</b>	\$800	<b>Well Total</b>	\$674,883
<b>MD</b>	7,425	<b>TVD</b>	7,425	<b>Progress</b>	705
				<b>Days</b>	5
				<b>MW</b>	10.0
				<b>Visc</b>	32.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: DRILLING @ 7425'

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILLED 6720' - 6921'. (201' @ 28.7 FPH), WOB 18K, GPM 414, RPM 45-55/MOTOR 66, SPP 1850, NO FLARE.

13:00 13:30 0.5 SERVICED RIG. FUNCTION PIPE RAMS. FUNCTION COM.  
 13:30 06:00 16.5 DRILLED 6921' - 7425'. (504' @ 30.5 FPH), WOB 18-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1950, NO FLARE. THIS AM MUD 10.4 PPG, VIS 34.

DIESEL 6700 GALS (USED 1850), PROPANE 3360 GALS (USED 540). BOILER 24 HRS.  
 NO ACCIDENTS. FULL CREWS. SAFETY TOPIC-BURNS.  
 ALL CREWS FUNCTION COM FIRST CONN ON TOUR.

djf

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**01-24-2008**      **Reported By**      DAN LINDSEY/BRIAN DUTTON

<b>Daily Costs: Drilling</b>	\$45,085	<b>Completion</b>	\$5,805	<b>Daily Total</b>	\$50,890
<b>Cum Costs: Drilling</b>	\$719,168	<b>Completion</b>	\$6,605	<b>Well Total</b>	\$725,773

**MD**      8,090      **TVD**      8,090      **Progress**      665      **Days**      6      **MW**      10.4      **Visc**      34.0

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

**Activity at Report Time:** DRILLING @ 8090"

Start	End	Hrs	Activity Description
06:00	11:00	5.0	DRILLED 7,425 - 7,577'. (152' @ 30.4 FPH), WOB 18-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1950, MUD WT. 10.4, VIS 36, NO FLARE.
11:00	11:30	0.5	SERVICE RIG, COMP, DRAW TOOL, TBA, FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST ANNULAR.
11:30	06:00	18.5	DRILLED 7,577' - 8,090'. (513' @ 27.7 FPH), WOB 18-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1950, MUD WT. 10.5, VIS 36, NO FLARE.

DIESEL 4850 GALS (USED 1850), PROPANE 2880 GALS (USED 480)  
 BOILER 24 HRS.  
 NO ACCIDENTS  
 FULL CREWS  
 SAFETY TOPIC: UNLOADING CASING.  
 ALL CREWS FUNCTION COM FIRST CONN ON TOUR.  
 DAY #6 UNMANNED LOGGING UNIT 1/18/08

djf

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**01-25-2008**      **Reported By**      BRIAN DUTTON

<b>Daily Costs: Drilling</b>	\$46,219	<b>Completion</b>	\$5,805	<b>Daily Total</b>	\$52,024
<b>Cum Costs: Drilling</b>	\$765,388	<b>Completion</b>	\$12,410	<b>Well Total</b>	\$777,798

**MD**      8,472      **TVD**      8,472      **Progress**      382      **Days**      7      **MW**      10.5      **Visc**      34.0

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

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

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILLED 8,090' - 8,234'. (144' @ 26.1 FPH), WOB 18-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1950, MUD WT. 10.5, VIS 36, NO FLARE.
11:30	12:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN-O- MATIC AND FUNCTION TEST PIPE RAMS.

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12:00 04:30 16.5 DRILLED 8,234' - 8,472'. (238' @ 14.4 FPH), WOB 18-20K, GPM 414, RPM 40-50/MOTOR 66, SPP 1950, MUD WT. 10.7, VIS 35, NO FLARE.  
 04:30 05:00 0.5 DROP SURVEY DEPTH @ 8,402'.  
 05:00 05:30 0.5 PUMP PILL AND BLOW KELLY DRY.  
 05:30 06:00 0.5 TRIP OUT OF HOLE WITH BIT #1 @ 8,472'.

DIESEL 3070 GALS (USED 1780)  
 PROPANE 2400 GALS (USED 480).  
 BOILER 24 HRS.  
 NO ACCIDENTS.  
 FULL CREWS.  
 SAFETY TOPIC-WORKING AROUND STEAM LINES.  
 ALL CREWS FUNCTION COM FIRST CONN ON TOUR.  
 UNMANNED MUD LOGGING UNIT 7 DAYS ON LOCATION.

djf

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<b>01-26-2008</b>	<b>Reported By</b>	BRIAN DUTTON									
<b>Daily Costs: Drilling</b>	\$86,457	<b>Completion</b>	\$5,805	<b>Daily Total</b>	\$92,262						
<b>Cum Costs: Drilling</b>	\$851,846	<b>Completion</b>	\$18,215	<b>Well Total</b>	\$870,061						
<b>MD</b>	8,472	<b>TVD</b>	8,472	<b>Progress</b>	0	<b>Days</b>	8	<b>MW</b>	10.7	<b>Visc</b>	35.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

Activity at Report Time: BIT TRIP

Start	End	Hrs	Activity Description
06:00	06:30	0.5	TRIP OUT OF HOLE TO 7,719'. WELL STARTED TO FLOW. TRIP BACK TO BOTTOM.
06:30	18:30	12.0	SLOWLY RAISE MUD WT. FROM 10.8 PPG TO 11.0 PPG AND CHECK FOR FLOW. WELL WAS STILL FLOWING. SLOWLY RAISE WT. FROM 11.0 PPG TO 11.2 PPG CHECK FOR FLOW. WELL IS NOT FLOWING.
18:30	19:00	0.5	PUMP 30 BBL PILL AND BLOW KELLY DRY.
19:00	23:30	4.5	TRIP OUT OF THE HOLE WITH BIT #1.
23:30	00:00	0.5	CHANGE BIT AND MUD MOTOR.
00:00	03:30	3.5	TRIP IN HOLE WITH BIT #2, FILL PIPE @ 2,175', TAG BRIDGE @ 4,503.
03:30	04:00	0.5	WASH/REAM F/4,507' TO 4,537'.
04:00	05:00	1.0	TRIP IN HOLE WITH BIT #2 FROM 4,537' AND TAG BRIDGE @ 7,613'.
05:00	06:00	1.0	WASH/REAM F/7,596' TO 7,627', RAN TWO STAND TAG. WASH AND REAM F/7,815' TO 7,878'. DIESEL 6048 GALS(USED 1522), PROPANE 1800 GALS(USED 600). BOILER 24 HRS. NO ACCIDENTS. FULL CREWS. SAFETY TOPIC-PROPER PPE WHILE MIXING CHEMICALS. ALL CREWS FUNCTION COM FIRST CONN ON TOUR AND FISRT STAND OUT OF HOLE. UNMANNED MUD LOGGING UNIT 8 DAYS ON LOCATION.

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<b>01-27-2008</b>	<b>Reported By</b>	BRIAN DUTTON									
<b>Daily Costs: Drilling</b>	\$40,403	<b>Completion</b>	\$0	<b>Daily Total</b>	\$40,403						
<b>Cum Costs: Drilling</b>	\$892,249	<b>Completion</b>	\$18,215	<b>Well Total</b>	\$910,464						
<b>MD</b>	9,453	<b>TVD</b>	9,453	<b>Progress</b>	881	<b>Days</b>	9	<b>MW</b>	10.9	<b>Visc</b>	34.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

Activity at Report Time: DRILLING @ 9453'

Start	End	Hrs	Activity Description
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06:00 08:00 2.0 WASH/REAM f/8,386' TO 8,472'.  
 08:00 09:30 1.5 DRILLED F/8,472' TO 8,503' (31' @ 20.6 FPH), WOB 10-20K, GPM 360, RPM 40-50/MOTOR 58, SPP 1850, MUD WT. 11.1, VIS 35, NO FLARE.  
 09:30 10:00 0.5 SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST PIPE RAMS.  
 10:00 06:00 20.0 DRILLED 8,503' - 9,453'. (850' @ 47.5 FPH), WOB 10-20K, GPM 378, RPM 40-50/MOTOR 60, SPP 1850, MUD WT. 11.2, VIS 36, 3' FLARE.  
 DIESEL 4590 GALS(USED 1460), PROPANE 1200 GALS(USED 600). BOILER 24 HRS.  
 NO ACCIDENTS. FULL CREWS. SAFETY TOPIC-WATCHING FOR ICE PLUGS WHILE TRIPPING.  
 ALL CREWS FUNCTION COM FIRST CONN.  
 DAY LIGHT TOWER HELD B.O.P DRILL 1.5 MIN.  
 UNMANED MUD LOGGING UNIT 8 DAYS ON LOCATION.

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<b>01-28-2008</b>	<b>Reported By</b>	BRIAN DUTTON									
<b>Daily Costs: Drilling</b>	\$47,971	<b>Completion</b>	\$0	<b>Daily Total</b>	\$47,971						
<b>Cum Costs: Drilling</b>	\$940,221	<b>Completion</b>	\$18,215	<b>Well Total</b>	\$958,436						
<b>MD</b>	9,540	<b>TVD</b>	9,540	<b>Progress</b>	87	<b>Days</b>	10	<b>MW</b>	11.0	<b>Visc</b>	35.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: LD DP

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILLED F/9,453' TO 9,520' (67' @ 12.1 FPH), WOB 10-20K, GPM 378, RPM 40-50/MOTOR 60, SPP 1850, MUD WT. 11.2, VIS 36, 3' FLARE.
11:30	12:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST PIPE RAMS.
12:00	14:00	2.0	DRILLED F/9,520' TO 9,540' TD (20' @ 10.0 FPH), WOB 10-20K, GPM 378, RPM 40-50/MOTOR 60, SPP 1850, MUD WT. 11.3, VIS 36, 3' FLARE. REACHED TD AT 14:00 HRS, 1/27/08.
14:00	16:00	2.0	CIRCULATE FOR SHORT TRIP.
16:00	17:00	1.0	SHORT TRIP 5 STANDS TO 9,056'.
17:00	20:00	3.0	PREPARE 280 BBL 13.3 PPG PILL TO SPOT PRIOR TO LDDP.
20:00	22:00	2.0	PUMP 280 BBL PILL AND BLOW KELLY DRY.
22:00	06:00	8.0	HELD SAFETYMEETING. LDDP STRIPPING OUT THROUGH ANNULAR. DIESEL 3349 GALS(USED 1241), PROPANE 800 GALS(USED 400). BOILER 24 HRS. NO ACCIDENTS. FULL CREWS. SAFETY TOPIC-LDDP. ALL CREWS FUNCTION COM FIRST CONN. UNMANED MUD LOGGING UNIT 10 DAYS ON LOCATION..

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<b>01-29-2008</b>	<b>Reported By</b>	BRIAN DUTTON									
<b>Daily Costs: Drilling</b>	\$57,738	<b>Completion</b>	\$0	<b>Daily Total</b>	\$57,738						
<b>Cum Costs: Drilling</b>	\$997,959	<b>Completion</b>	\$18,215	<b>Well Total</b>	\$1,016,174						
<b>MD</b>	9,540	<b>TVD</b>	9,540	<b>Progress</b>	0	<b>Days</b>	11	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: RUNNING 4.5" CSG

Start	End	Hrs	Activity Description
06:00	07:00	1.0	LDDP STRIPPING THROUGH ANNULAR TO 2,157'.
07:00	10:00	3.0	RAISE MUD WT. FROM 11.2 PPG TO 11.5 PPG AND KILL WATER FLOW.
10:00	11:30	1.5	BREAK DOWN KELLY AND RIG DOWN KELLY SPINNER.

11:30 14:00 2.5 LDDP AND BHA.  
 14:00 18:00 4.0 PULL WEAR BUSHING. WEAR BUSHING STUCK IN ANNULAR TRY TO WORK FREE.  
 18:00 00:00 6.0 NIPPLE DOWN ROTATING HEAD AND TAKE TOP CAP OFF ANNULAR. REMOVED WEAR BUSHING.  
 00:00 03:00 3.0 INSTALL TOP CAP AND NIPPLE UP ROTATING HEAD AND FLOW LINE.  
 03:00 04:00 1.0 HELD SAFETY MEETING. R/U B&C QUICK TEST AND TEST ANNULAR 250 PSI LOW FOR 10 MIN. AND 2,500 HIGH FOR 10 MIN.  
 04:00 05:00 1.0 RU CALIBER CSG CREW. HELD SAFETY MEETING.  
 05:00 06:00 1.0 RUNNING 4.5" 11.6# LTC CSG AT REPORT TIME.  
 DIESEL 2200 GALS(USED 1149), PROPANE 2100 GALS(USED 700). BOILER 24 HRS.  
 NO ACCIDENTS. FULL CREWS. SAFETY TOPIC-RUNNING 4.5" CSG.  
 ALL CREWS FUNCTION COM FIRST CONN.  
 UNMANED MUD LOGGING UNIT 10 DAYS ON LOCATION..

<b>01-30-2008</b>		<b>Reported By</b>		BRIAN DUTTON							
<b>Daily Costs: Drilling</b>		\$50,949	<b>Completion</b>		\$184,148	<b>Daily Total</b>		\$235,097			
<b>Cum Costs: Drilling</b>		\$1,048,908	<b>Completion</b>		\$202,363	<b>Well Total</b>		\$1,251,271			
<b>MD</b>	9,540	<b>TVD</b>	9,540	<b>Progress</b>	0	<b>Days</b>	12	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>			<b>PBTD : 0.0</b>			<b>Perf :</b>			<b>PKR Depth : 0.0</b>		

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	15:30	9.5	RAN 227 JTS 4.5" 11.6# N80 LTC CSG (FS, 1 JT, FC, 223 JTS & 3 MARKERS) & TAG JT. RAN 27 CENTRALIZERS (MIDDLE OF SHOE JT, TOP OF #2, EVERY 3RD JT TO 6282). TAGGED @ 9450. LD TAG JT & PU LANDING JT W/CSG HANGER. LANDED CSG @ 9,537 (FC @ 9511', MARKERS @ 7250' & 4397'). NOTIFIED JOHNNY BOWEN/BLM/VERNAL @ 16:30 HRS 1/27/08 OF CSG & CMT JOB.
15:30	17:00	1.5	CIRCULATED THROUGH FLOAT. RD CALIBER CSG CREW & LD MACHINE. RU SLB CEMENTER. HELD SAFETY MEETING.
17:00	19:00	2.0	CEMENTED CSG AS FOLLOWS: PUMPED 20 BBLS CHEM WASH, 20 BBLS FW SPACER, 850 SX 35/65 POZ G (342.1 BBLS @ 12.0 PPG, 2.26 CFS) & 1530 SX 50/50 POZ G(351.5 BBLS @ 14.1 PPG, 1.29 CFS). DROPPED PLUG. DISP W/147.4 BTW FINAL LIFT PRESSURE 2600 PSI, BUMPED PLUG TO 3500 PSI. BLEED OFF, FLOATS HELD. LOST FULL RETURNS @ 320 BBLS IN TO LEAD AND NEVER GOT THEM BACK.
19:00	21:00	2.0	L/D LANDING JT. AND PACK OFF CSG HANGER. TESTED CSG HANGER TO 5000 PSI. RD SLB.
21:00	00:00	3.0	CLEAN MUD TANKS.
NO ACCIDENTS. FULL CREWS. UNMANED MUD LOGGING UNIT 11 DAYS ON LOCATION. TRANSFERRED 5 JTS(211.74) 4.5" 11.6# N80 LTC CASING TO CWU 1255-7. TRANSFERRED 1316 GALS DIESEL & 1860 GALS PROPANE TO CWU 1255-7. TRUCKS SCHEDULED FOR 0700 HRS 1/30/08. MOVE IS APPROXIMATELY 2.0 MILES.			
00:00	06:00	6.0	RDRT AND PREPARE FOR TRUCKS.
06:00		18.0	RIG RELEASED @ 00:00 HRS, 1/30/08. CASING POINT COST \$1,043,134

<b>02-02-2008</b>		<b>Reported By</b>		SEARLE							
<b>Daily Costs: Drilling</b>		\$0	<b>Completion</b>		\$44,850	<b>Daily Total</b>		\$44,850			
<b>Cum Costs: Drilling</b>		\$1,048,908	<b>Completion</b>		\$247,213	<b>Well Total</b>		\$1,296,121			
<b>MD</b>	9,540	<b>TVD</b>	9,540	<b>Progress</b>	0	<b>Days</b>	13	<b>MW</b>	0.0	<b>Visc</b>	0.0

Formation : PBTB : 9511.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FORM PBTB TO 300'. EST CEMENT TOP @ 1080'. RD SCHLUMBERGER.

02-17-2008 Reported By MCCURDY

Daily Costs: Drilling	\$0	Completion	\$1,653	Daily Total	\$1,653
Cum Costs: Drilling	\$1,048,908	Completion	\$248,866	Well Total	\$1,297,774

MD	9,540	TVD	9,540	Progress	0	Days	14	MW	0.0	Visc	0.0
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Formation : PBTB : 9511.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
08:00	09:00	1.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

02-26-2008 Reported By JOE VIGIL

Daily Costs: Drilling	\$0	Completion	\$7,829	Daily Total	\$7,829
Cum Costs: Drilling	\$1,048,908	Completion	\$256,695	Well Total	\$1,305,603

MD	9,540	TVD	9,540	Progress	0	Days	15	MW	0.0	Visc	0.0
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Formation : MESAVERDE PBTB : 9511.0 Perf : 8290' - 9407' PKR Depth : 0.0

Activity at Report Time: FRAC UPR

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU CUTTERS WL. PERFORATED LPR FROM 9181'-82', 9196'-97', 9208'-09', 9229'-30', 9236'-37', 9283'-84', 9315'-16', 9334'-35', 9351'-52', 9362'-63', 9375'-76', 9387'-88', 9398'-99' & 9406'-07' @ 3 SPF & 120° PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5470 GAL 16# DELTA 200 PAD, 9468 GAL 16# DELTA 200 W/1# & 1.5# 20/40 SAND, 43723 GAL 16# DELTA 200+ W/150400# 20/40 SAND @ 1-5 PPG. MTP 6567 PSIG. MTR 53 BPM. ATP 4373 PSIG. ATR 48 BPM. ISIP 2983 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 9150'. PERFORATED LPR FROM 8797'-98', 8882'-83', 8918'-19', 8949'-50', 8971'-73', 8918'-19', 8949'-50', 8971'-73', 9002'-04', 9019'-20', 9030'-31', 9106'-07' & 9126'-27' @ 3 SPF & 120° PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 6537 GAL 16# DELTA 200 PAD, 9518 GAL 16# DELTA 200 W/1# & 1.5# 20/40 SAND, 43417 GAL 16# DELTA 200+ W/150500# 20/40 SAND @ 1-5 PPG. MTP 6634 PSIG. MTR 50.9 BPM. ATP 5489 PSIG. ATR 37.8 BPM. ISIP 3236 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 8740'. PERFORATED MPR FROM 8531'-32', 8540'-41', 8545'-46', 8591'-92', 8603'-04', 8612'-13', 8624'-25', 8648'-49', 8652'-53', 8670'-71', 8680'-81' & 8714'-15' @ 3 SPF & 120° PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5383 GAL 16# DELTA 200 PAD, 10059 GAL 16# DELTA 200 W/1# & 1.5# 20/40 SAND, 45912 GAL 16# DELTA 200+ W/158400# 20/40 SAND @ 1-5 PPG. MTP 6653 PSIG. MTR 50.2 BPM. ATP 5832 PSIG. ATR 35.5 BPM. ISIP 4061 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 8500'. PERFORATED MPR FROM 8290'-91', 8303'-04', 8343'-44', 8355'-56', 8374'-75', 8391'-92', 8399'-8400', 8411'-12', 8434'-35', 8460'-61', 8467'-68' & 8483'-84' @ 3 SPF & 120° PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5427 16# DELTA 200 PAD, 9833 GAL 16# DELTA 200 W/1# & 1.5# 20/40 SAND, 45031 GAL 16# DELTA 200+ W/158500# 20/40 SAND @ 1-5 PPG. MTP 6546 PSIG. MTR 50.2 BPM. ATP 4862 PSIG. ATR 41.2 BPM. ISIP 2682 PSIG. RD HALLIBURTON. SDFN.

02-27-2008 Reported By JOE VIGIL

Daily Costs: Drilling	\$0	Completion	\$308,896	Daily Total	\$308,896
Cum Costs: Drilling	\$1,048,908	Completion	\$565,591	Well Total	\$1,614,500

MD	9,540	TVD	9,540	Progress	0	Days	16	MW	0.0	Visc	0.0
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Formation : MESAVERDE / WASATCH      PBTID : 9511.0      Perf : 7349' - 9407'      PKR Depth : 0.0

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RUWL. SET 6K CFP AT 8260'. PERFORATED MPR FROM 8007'-08', 8019'-20', 8026'-27', 8050'-51', 8062'-63', 8103'-04', 8161'-62', 8189'-91', 8201'-02', 8216'-17' & 8248'-49' @ 3 SPF & 120° PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4332 GAL 16# DELTA 200 PAD, 7287 GAL 16# DELTA 200 W/1# & 1.5# 20/40 SAND, 32691 GAL 16# DELTA 200+ W/112800# 20/40 SAND @ 1-5 PPG. MTP 6086 PSIG. MTR 50.5 BPM. ATP 4659 PSIG. ATR 47.7 BPM. ISIP 2915 PSIG. RD HALLIBURTON.
			RUWL. SET 6K CFP AT 7930'. PERFORATED UPR FROM 7624'-25', 7634'-35', 7643'-44', 7658'-59', 7713'-14', 7721'-22', 7735'-36', 7742'-43', 7767'-68', 7796'-97', 7805'-06', 7816'-17', 7863'-64' & 7897'-98' @ 2 SPF & 180° PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5459 GAL 16# DELTA 200 PAD, 12212 GAL 16# DELTA 200 W/1# & 1.5# 20/40 SAND, 53897 GAL 16# DELTA 200+ W/188600# 20/40 SAND @ 1-5 PPG. MTP 6533 PSIG. MTR 52.9 BPM. ATP 4469 PSIG. ATR 50.6 BPM. ISIP 2272 PSIG. RD HALLIBURTON.
			RUWL. SET 6K CFP AT 7500'. PERFORATED UPR FROM 7349'-50', 7355'-56', 7365'-66', 7370'-71', 7379'-80', 7386'-87', 7424'-25', 7436'-37', 7443'-44', 7448'-49', 7473'-74' & 7477'-78' @ 3 SPF & 120° PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4339GAL 16# DELTA 200 PAD, 6524 GAL 16# DELTA 200 W/1# & 1.5# 20/40 SAND, 25971 GAL 16# DELTA 200+ W/93300# 20/40 SAND @ 1-4 PPG. MTP 5342 PSIG. MTR 52.5 BPM. ATP 3910 PSIG. ATR 49.4 BPM. ISIP 2144 PSIG. RD HALLIBURTON.
			RUWL. SET 6K CBP AT 7186'. BLEED OFF PRESSURE. RDWL. SDFN.

<b>03-01-2008</b>	<b>Reported By</b>	POWELL									
<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$5,462	<b>Daily Total</b>	\$5,462						
<b>Cum Costs: Drilling</b>	\$1,048,908	<b>Completion</b>	\$571,053	<b>Well Total</b>	\$1,619,962						
<b>MD</b>	9,540	<b>TVD</b>	9,540	<b>Progress</b>	0	<b>Days</b>	17	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE / WASATCH</b>	<b>PBTID : 9511.0</b>	<b>Perf : 7349' - 9407'</b>	<b>PKR Depth : 0.0</b>								

Activity at Report Time: SDFWE

Start	End	Hrs	Activity Description
07:00	15:00	8.0	MIRUSU. ND TREE. NU BOPE. RIH. W/BIT & PUMP OFF SUB TO 7186. RU TO DRILL OUT PLUGS. SDFWE.

<b>03-04-2008</b>	<b>Reported By</b>	POWELL									
<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$3,360	<b>Daily Total</b>	\$3,360						
<b>Cum Costs: Drilling</b>	\$1,048,908	<b>Completion</b>	\$574,413	<b>Well Total</b>	\$1,623,322						
<b>MD</b>	9,540	<b>TVD</b>	9,540	<b>Progress</b>	0	<b>Days</b>	18	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE / WASATCH</b>	<b>PBTID : 9511.0</b>	<b>Perf : 7349' - 9407'</b>	<b>PKR Depth : 0.0</b>								

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
07:00	16:00	9.0	CLEANED OUT & DRILLED OUT PLUGS @ 7186', 7500', 7930', 8265', 8500', 8740' & 9150'. RIH. CLEANED OUT TO PBTID @ 9511'. LANDED TBG AT 7964' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.
			FLOWED 15 HRS. 24/64" CHOKE. FTP 1250 PSIG. CP 1350 PSIG. 80 BFPH. RECOVERED 1216 BLW. 9022 BLWTR.
			TUBING DETAIL: LENGTH:

PUMP OFF SUB 1.00'  
 1 JT 2-3/8" 4.7# N-80 TBG 32.80'  
 XN NIPPLE 1.10'  
 242 JTS 2-3/8" 4.7# N-80 TBG 7917.20'  
 BELOW KB 12.00'  
 LANDED @ 7964.10' KB

**03-05-2008**      **Reported By**      POWELL

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,860	<b>Daily Total</b>	\$2,860
<b>Cum Costs: Drilling</b>	\$1,048,908	<b>Completion</b>	\$577,273	<b>Well Total</b>	\$1,626,182
<b>MD</b>	9,540	<b>TVD</b>	9,540	<b>Progress</b>	0
		<b>Days</b>	19	<b>MW</b>	0.0
		<b>Visc</b>			0.0

**Formation :** MESAVERDE / **PBTD :** 9511.0      **Perf :** 7349' - 9407'      **PKR Depth :** 0.0  
 WASATCH

**Activity at Report Time:** FLOW TEST

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1100 PSIG. CP 1250 PSIG. 63 BFPH. RECOVERED 1505 BLW. 7437 BLWTR.

**03-06-2008**      **Reported By**      POWELL

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,860	<b>Daily Total</b>	\$2,860
<b>Cum Costs: Drilling</b>	\$1,048,908	<b>Completion</b>	\$580,133	<b>Well Total</b>	\$1,629,042
<b>MD</b>	9,540	<b>TVD</b>	9,540	<b>Progress</b>	0
		<b>Days</b>	20	<b>MW</b>	0.0
		<b>Visc</b>			0.0

**Formation :** MESAVERDE / **PBTD :** 9511.0      **Perf :** 7349' - 9407'      **PKR Depth :** 0.0  
 WASATCH

**Activity at Report Time:** FLOW TEST

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1000 PSIG. CP 2200 PSIG. 44 BFPH. RECOVERED 1066 BLW. 6312 BLWTR.

**03-07-2008**      **Reported By**      POWELL

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,860	<b>Daily Total</b>	\$2,860
<b>Cum Costs: Drilling</b>	\$1,048,908	<b>Completion</b>	\$582,993	<b>Well Total</b>	\$1,631,902
<b>MD</b>	9,540	<b>TVD</b>	9,540	<b>Progress</b>	0
		<b>Days</b>	21	<b>MW</b>	0.0
		<b>Visc</b>			0.0

**Formation :** MESAVERDE / **PBTD :** 9511.0      **Perf :** 7349' - 9407'      **PKR Depth :** 0.0  
 WASATCH

**Activity at Report Time:** FLOW TEST

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1000 PSIG. CP 1950 PSIG. 36 BFPH. RECOVERED 858 BLW. 5412 BLWTR.

**03-08-2008**      **Reported By**      POWELL

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,860	<b>Daily Total</b>	\$2,860
<b>Cum Costs: Drilling</b>	\$1,048,908	<b>Completion</b>	\$585,853	<b>Well Total</b>	\$1,634,762
<b>MD</b>	9,540	<b>TVD</b>	9,540	<b>Progress</b>	0
		<b>Days</b>	22	<b>MW</b>	0.0
		<b>Visc</b>			0.0

**Formation :** MESAVERDE / **PBTD :** 9511.0      **Perf :** 7349' - 9407'      **PKR Depth :** 0.0  
 WASATCH

**Activity at Report Time:** SHUT IN

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 900 PSIG. CP 1800 PSIG. 27 BFPH. RECOVERED 661 BLW. 4717 BLWTR. SHUT IN.

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03-14-2008      Reported By      DUANE COOK

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0						
<b>Cum Costs: Drilling</b>	\$1,048,908	<b>Completion</b>	\$585,853	<b>Well Total</b>	\$1,634,762						
<b>MD</b>	9,540	<b>TVD</b>	9,540	<b>Progress</b>	0	<b>Days</b>	23	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE /</b>		<b>PBTD : 9511.0</b>		<b>Perf : 7349' - 9407'</b>		<b>PKR Depth : 0.0</b>					
<b>WASATCH</b>											

**Activity at Report Time: INITIAL PRODUCTION**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION. TURNED TO GAS SALES. SITP 2100 & SICP 2900 PSIG. TURNED WELL TO QUESTAR SALES AT 01:30 PM, 3/13/08. FLOWING 882 MCFD RATE ON 12/64" CK.

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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.  
UTU0281

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 975-12

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

9. API Well No.  
43-047-38083

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
 At surface NWSW 1635FSL 363FWL 40.04773 N Lat, 109.39639 W Lon  
 At top prod interval reported below NWSW 1635FSL 363FWL 40.04773 N Lat, 109.39639 W Lon  
 At total depth NWSW 1635FSL 363FWL 40.04773 N Lat, 109.39639 W Lon

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

11. Sec., T., R., M., or Block and Survey  
or Area Sec 12 T9S R22E Mer SLB

12. County or Parish  
UINTAH  
 13. State  
UT

14. Date Spudded  
11/26/2007  
 15. Date T.D. Reached  
01/27/2008  
 16. Date Completed  
 D & A  Ready to Prod.  
03/13/2008

17. Elevations (DF, KB, RT, GL)\*  
4807 GL

18. Total Depth: MD 9540 TVD  
 19. Plug Back T.D.: MD 9511 TVD  
 20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
RST/CBL/CCL/M/LGR  
 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 Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2171		875			
7.875	4.500 N-80	11.6	0	9537		2380			

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	7964							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	7349	9407	9181 TO 9407		3	
B)			8797 TO 9127		3	
C)			8531 TO 8715		3	
D)			8290 TO 8484		3	

26. Perforation Record

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

Depth Interval	Amount and Type of Material
9181 TO 9407	58,826 GALS GELLED WATER & 150,400# 20/40 SAND
8797 TO 9127	59,637 GALS GELLED WATER & 150,500# 20/40 SAND
8531 TO 8715	61,519 GALS GELLED WATER & 158,400# 20/40 SAND
8290 TO 8484	60,456 GALS GELLED WATER & 158,500# 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
03/13/2008	03/20/2008	24	→	20.0	497.0	180.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
12/64"	SI 1300	2225.0	→	20	497	180		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 #59543 VERIFIED BY THE BLM WELL INFORMATION SYSTEM  
 \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

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APR 11 2008

28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
MESAVERDE	7349	9407		GREEN RIVER MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER MIDDLE PRICE RIVER	1902 2512 4746 4871 5458 6138 7301 8169

32. Additional remarks (include plugging procedure):

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

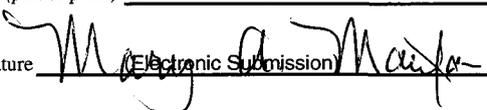
33. Circle enclosed attachments:

- 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 #59543 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 04/09/2008

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

**Chapita Wells Unit 975-12 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

8007-8249	3/spf
7624-7898	2/spf
7349-7478	3/spf

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

8007-8249	44,475 GALS GELLED WATER & 112,800# 20/40 SAND
7624-7898	71,733 GALS GELLED WATER & 188,600# 20/40 SAND
7349-7478	36,999 GALS GELLED WATER & 93,300# 20/40 SAND

Perforated the Lower Price River from 9181-82', 9196-97', 9208-09', 9229-30', 9236-37', 9283-84', 9315-16', 9334-35', 9351-52', 9362-63', 9375-76', 9387-88', 9398-99' & 9406-07' w/ 3 spf.

Perforated the Lower Price River from 8797-98', 8882-83', 8918-19', 8949-50', 8971-73', 8918-19', 8949-50', 8971-73', 9002-04', 9019-20', 9030-31', 9106-07', & 9126-27' w/ 3 spf.

Perforated the Middle Price River from 8531-32', 8540-41', 8545-46', 8591-92', 8603-04', 8612-13', 8624-25', 8648-49', 8652-53', 8670-71', 8680-81' & 8714-15' w/ 3 spf.

Perforated the Middle Price River from 8290-91', 8303-04', 8343-44', 8355-56', 8374-75', 8391-92', 8399-8400', 8411-12', 8434-35', 8460-61', 8467-68' & 8483-84' w/ 3 spf.

Perforated the Middle Price River from 8007-08', 8019-20', 8026-27', 8050-51', 8062-63', 8103-04', 8161-62', 8189-91', 8201-02', 8216-17' & 8248-49' w/ 3 spf.

Perforated the Upper Price River from 7624-25', 7634-35', 7643-44', 7658-59', 7713-14', 7721-22', 7735-36', 7742-43', 7767-68', 7796-97', 7805-06', 7816-17', 7863-64' & 7897-98' w/ 2 spf.

Perforated the Upper Price River from 7349-50', 7355-56', 7365-66', 7370-71', 7379-80', 7386-87', 7424-25', 7436-37', 7443-44', 7448-49', 7473-74' & 7477-78' w/ 3 spf.

**52. FORMATION (LOG) MARKERS**

Lower Price River	8922
Sego	9444

**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 975-12

API number: 4304738083

Well Location: QQ NWSW Section 12 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: 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		
27	31	NO FLOW	NOT KNOWN
870	875	NO FLOW	NOT KNOWN
1,300	1,380	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  
 SIGNATURE *Mary A. Maestas*

TITLE Regulatory Assistant  
 DATE 4/9/2008

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU0281

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
CHAPITA WELLS UNIT 975-12

9. API Well No.  
43-047-38083

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

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 12 T9S R22E NWSW 1635FSL 363FWL  
40.04773 N Lat, 109.39639 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 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.)

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 on 12/29/2008.

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #67019 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal**

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

Signature *Mary A Maestas* Date 02/05/2009

**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 \*\***

**FEB 10 2009**