

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

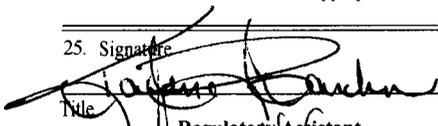
**APPLICATION FOR PERMIT TO DRILL OR REENTER**

|  |  |  |
|--|--|--|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER   |  | 7. If Unit or CA Agreement, Name and No.<br><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.<br><b>CHAPITA WELLS UNIT 1229-07</b>                          |
| 2. Name of Operator<br><b>EOG RESOURCES, INC.</b>  |  | 9. API Well No.<br><b>43047-38113</b>  |
| 3a. Address <b>P.O. Box 1815 Vernal Ut 84078</b>   | 3b. Phone No. (include area code)<br><b>435-789-0790</b> | 10. Field and Pool, or Exploratory<br><b>NATURAL BUTTES <del>Field</del> Field</b>       |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)*<br>At surface <b>649 FNL 495 FEL (NE/NE) 40.055975 LAT 109.362036 LON</b><br>At proposed prod. zone <b>SAME 639768X 4435050Y 40-055975 -109-362036</b> |  | 11. Sec., T. R. M. or Blk. and Survey or Area<br><b>SECTION 7, T9S, R23E S.L.B&amp;M</b> |
| 14. Distance in miles and direction from nearest town or post office*<br><b>51.6 MILES SOUTH OF VERNAL, UTAH</b>   |  | 12. County or Parish<br><b>UINTAH</b>  |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)<br><b>495'</b>   |  | 13. State<br><b>UT</b>   |
| 16. No. of acres in lease<br><b>632</b>  |  | 17. Spacing Unit dedicated to this well  |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.<br><b>5940'</b>   |  | 20. BLM/BIA Bond No. on file<br><b>NM 2308</b>   |
| 19. Proposed Depth<br><b>9480'</b>   |  | 21. Elevations (Show whether DF, KDB, RT, GL, etc.)<br><b>4850' GL</b>                   |
| 22. Approximate date work will start*  |  | 23. Estimated duration<br><b>45 DAYS</b>   |

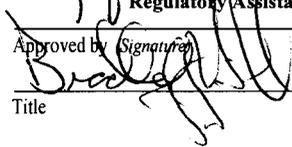
**24. Attachments**

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

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

|   |   |                           |
|---|---|---------------------------|
| 25. Signature<br> | Name (Printed Typed)<br><b>Kaylene R. Gardner</b> | Date<br><b>05/16/2006</b> |
|---|---|---------------------------|

|                                      |  |  |
|--------------------------------------|--|--|
| Title<br><b>Regulatory Assistant</b> |  |  |
|--------------------------------------|--|--|

|  |  |                         |
|--|--|-------------------------|
| Approved by (Signature)<br> | Name (Printed Typed)<br><b>BRADLEY G. HILL</b> | Date<br><b>05-25-06</b> |
|--|--|-------------------------|

|                                       |  |  |
|---------------------------------------|--|--|
| Title<br><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)

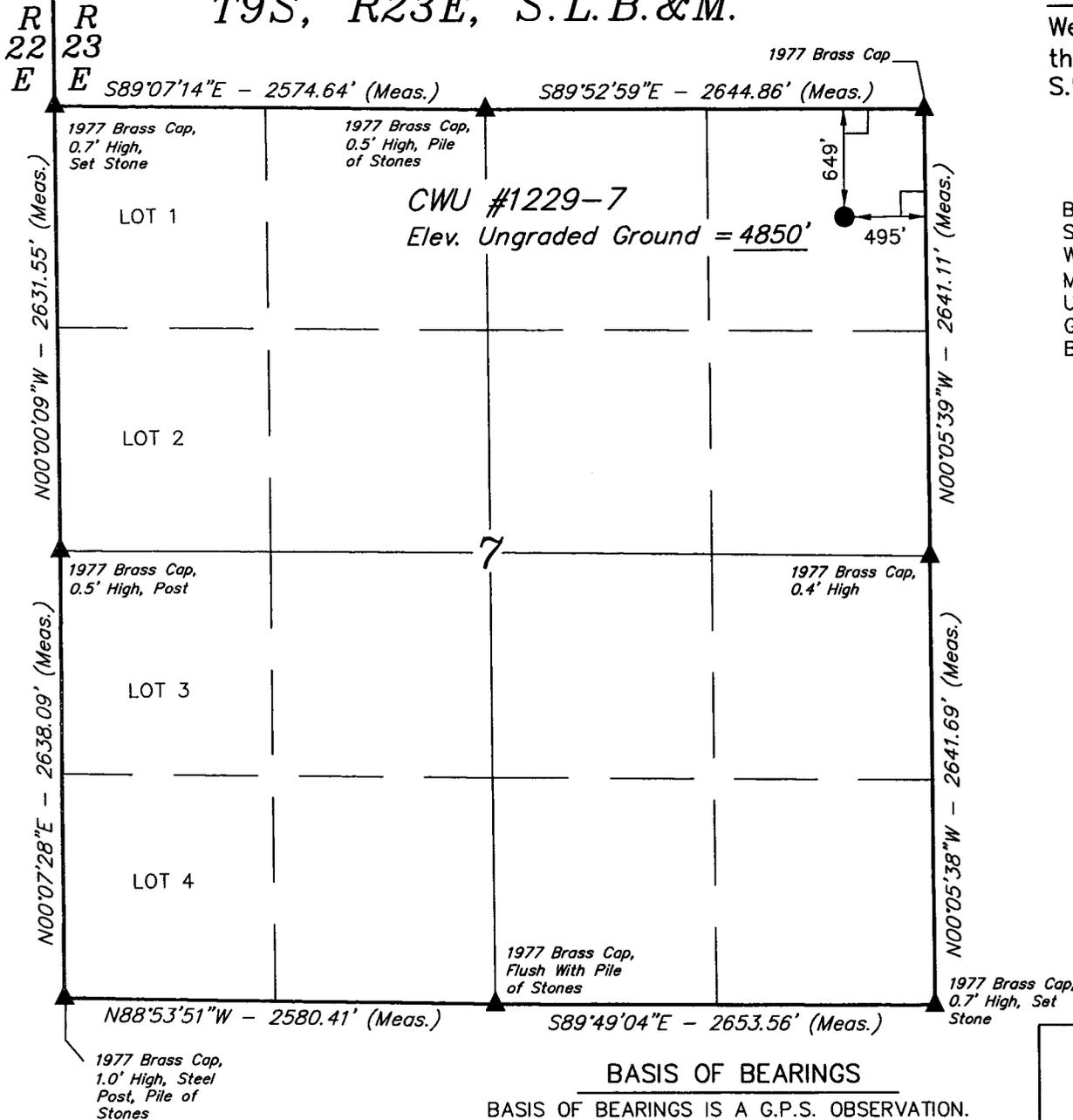
**Federal Approval of this  
Action is Necessary**

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**MAY 17 2006**

DIV. OF OIL, GAS & MINING

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

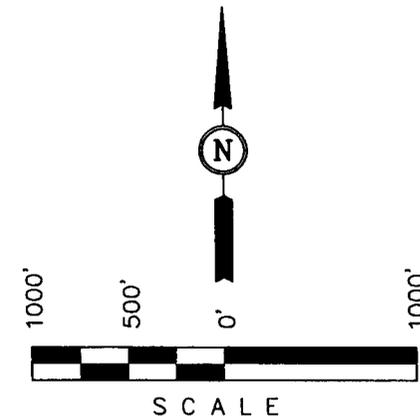


## EOG RESOURCES, INC.

Well location, CWU #1229-7, located as shown in the NE 1/4 NE 1/4 of Section 7, T9S, R23E, S.L.B.&M. Uintah County, Utah.

### BASIS OF ELEVATION

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



### CERTIFICATE

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

*Robert J. Gray*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH

### BASIS OF BEARINGS

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

(NAD 83)  
 LATITUDE = 40°03'21.51" (40.055975)  
 LONGITUDE = 109°21'43.33" (109.362036)  
 (NAD 27)  
 LATITUDE = 40°03'21.64" (40.056011)  
 LONGITUDE = 109°21'40.88" (109.361356)

### LEGEND:

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

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

|                         |                             |                         |
|-------------------------|-----------------------------|-------------------------|
| SCALE<br>1" = 1000'     | DATE SURVEYED:<br>03-07-06  | DATE DRAWN:<br>03-14-06 |
| PARTY<br>G.S. T.C. S.L. | REFERENCES<br>G.L.O. PLAT   |                         |
| WEATHER<br>COOL         | FILE<br>EOG RESOURCES, INC. |                         |

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1229-07**  
**NE/NE, SEC. 07, T9S, R23E, 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         | 1,877'            |
| Wasatch                | 4,831'            |
| Chapita Wells          | 5,437'            |
| Buck Canyon            | 6,116'            |
| North Horn             | 6,730'            |
| Island                 | 7,001'            |
| KMV Price River        | 7,266'            |
| KMV Price River Middle | 7,996'            |
| KMV Price River Lower  | 8,773'            |
| Sego                   | 9,280'            |

Estimated TD: **9,480' or 200'± below Sego top**

**Anticipated BHP: 5,175 Psig**

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

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

**4. CASING PROGRAM:**

|                    | <u>HOLE SIZE</u> | <u>INTERVAL</u> | <u>SIZE</u> | <u>WEIGHT</u> | <u>GRADE</u> | <u>THREAD</u> | <u>RATING FACTOR</u> |              |                |
|--------------------|------------------|-----------------|-------------|---------------|--------------|---------------|----------------------|--------------|----------------|
|                    |                  |                 |             |               |              |               | <u>COLLAPSE</u>      | <u>BURST</u> | <u>TENSILE</u> |
| <b>Conductor:</b>  | 17 ½"            | 0' – 45'        | 13 ¾"       | 48.0#         | H-40         | STC           | 770 PSI              | 1730 PSI     | 322,000#       |
| <b>Surface</b>     | 12-1/4"          | 45' – 2,300'KB± | 9-5/8"      | 36.0#         | J-55         | STC           | 2020 PSI             | 3520 Psi     | 394,000#       |
| <b>Production:</b> | 7-7/8"           | 2,300'± – TD    | 4-½"        | 11.6#         | N-80         | LTC           | 6350 PSI             | 7780 Psi     | 223,000#       |

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

**5. Float Equipment:**

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

## **EIGHT POINT PLAN**

### **CHAPITA WELLS UNIT 1229-07** **NE/NE, SEC. 07, T9S, R23E, S.L.B.&M..** **UINTAH COUNTY, UTAH**

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

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

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 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 WELLS UNIT 1229-07**  
**NE/NE, SEC. 07, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**9. CEMENT PROGRAM:**

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

**Lead:** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% 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:** 144 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 898 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 WELLS UNIT 1229-07**  
**NE/NE, SEC. 07, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**11. STANDARD REQUIRED EQUIPMENT:**

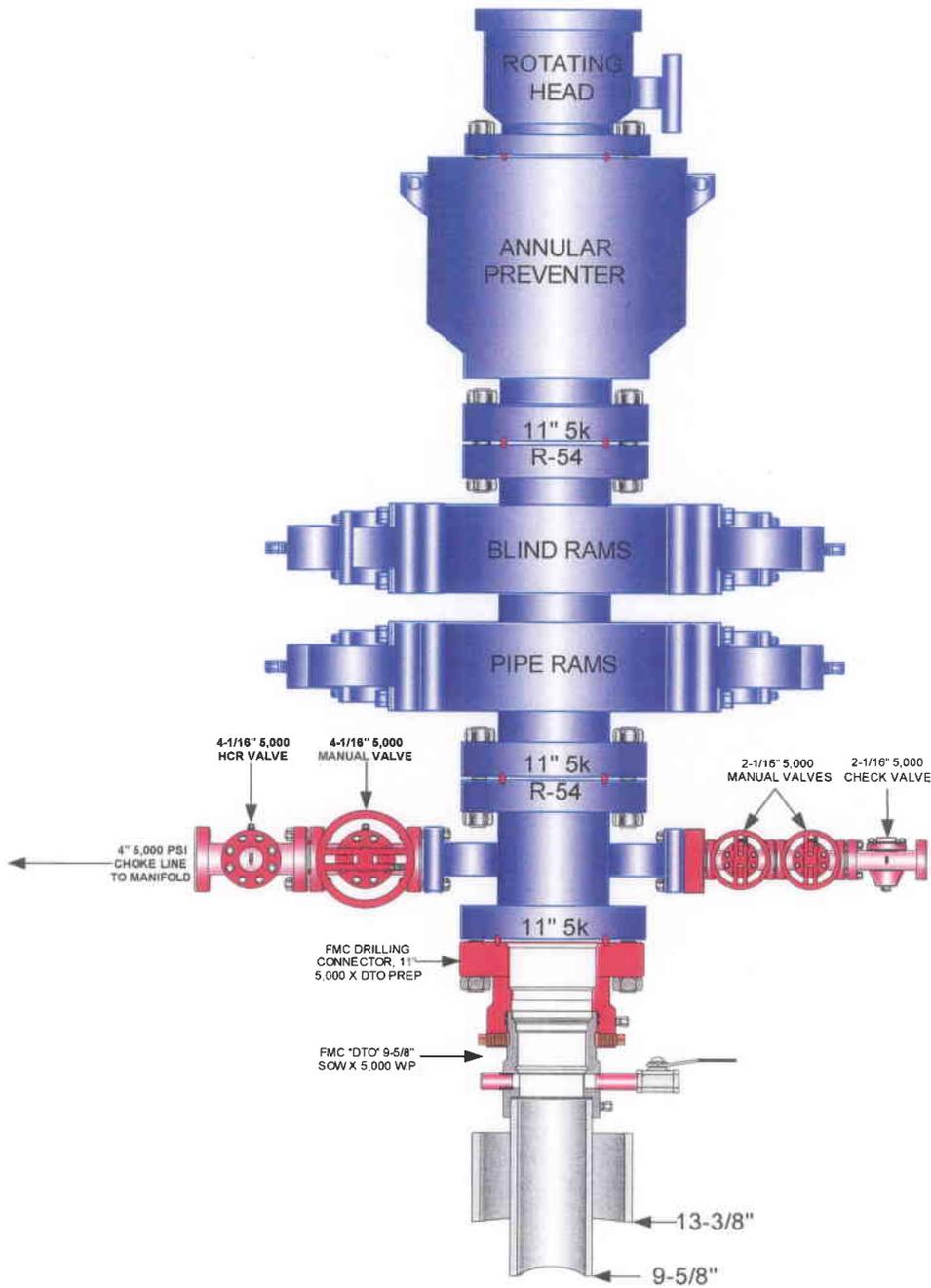
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

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

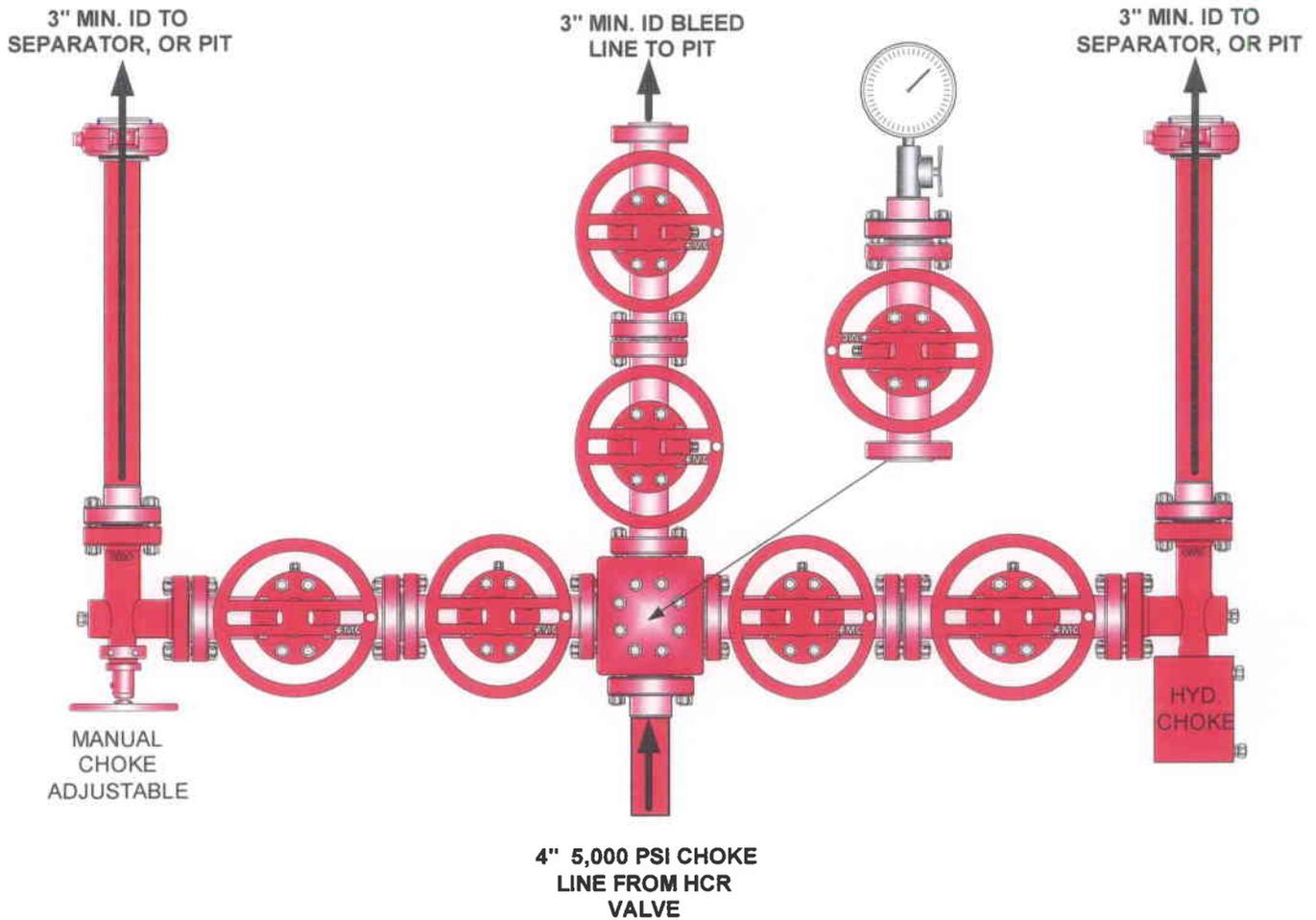
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF



Testing Procedure:

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



**CHAPITA WELLS UNIT 1229-07  
NENE, Section 7, T9S, R23E  
Uintah County, Utah**

**SURFACE USE PLAN**

**NOTIFICATION REQUIREMENTS**

- Location Construction: Forty-eight (48) hours prior to construction of location and access roads.
- Location Completion: Prior to moving on the drilling rig.
- Spud Notice: At least twenty-four (24) hours prior to spudding the well.
- Casing String and Cementing: Twenty-four (24) hours prior to running casing and cementing all casing strings.
- BOP and related Equipment Tests: Twenty-four (24) hours prior to running casing and tests.
- First Production Notice: Within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

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

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 1584 feet long with a 30-foot right-of-way, disturbing approximately 1.09 acres. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.93 acres. The pipeline is approximately 2339 feet long within Federal Lease U-0343 disturbing approximately 2.15 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 51.6 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

**2. PLANNED ACCESS ROAD:**

- A. The access road will be approximately 1584' in length.
- 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 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.

The road shall be constructed/upgraded to meet the standards to the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. 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.

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 – 0\*
- B. Producing Wells – 4\*
- C. Shut-in Wells – 0\*

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

**4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:**

**A. On Well Pad**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400 BBL vertical tanks and attaching piping.
2. Gas gathering lines – A 4” gathering line will be buried from dehy to the edge of the location.

**B. Off Well Pad**

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. The length of the new proposed pipeline is 2339' x 40'. The proposed pipeline leaves the eastern edge of the well pad (Lease U-0343) turning and proceeding in a westerly direction for an approximate distance of 2339' tying into an proposed pipeline for Chapita Wells Unit 711-07 located in the NENW of Section 7, T9S, R23E. Pipe will be 4” NOM, 0.156 wall, Grade X42, Zap-Lok, electric weld with a 35 mil X-Tru coating.
3. Proposed pipeline will be a 4” OD steel, welded line laid on the surface
4. Protective measures and devices for livestock and wildlife will be taken and /or installed where required.

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

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

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

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

**6. SOURCE OF CONSTRUCTION MATERIALS:**

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

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

**A. METHODS AND LOCATION**

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

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

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 northwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the north 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 #6, #8 and Corner #2 and the proposed access road. 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<br/>(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<br/>(lbs./acre PLS*)</b> |
|------------------------------|--|
| Gardner Saltbush             | 3.0                                      |
| Shad Scale                   | 3.0                                      |
| Hi-Crest Crested Wheat Grass | 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.

**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" and "Right-of-Way grant", if applicable, 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.

***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

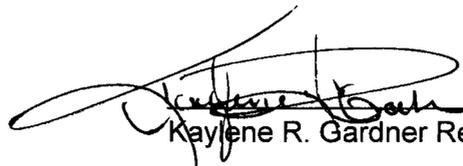
**DRILLING OPERATIONS**

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 1229-07 Well, located in the NE/NE, of Section 7, T9S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

May 16, 2006  
Date

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

# EOG RESOURCES, INC.

CWU #1229-7

LOCATED IN Uintah COUNTY, UTAH  
SECTION 7, T9S, R23E, S.L.B.&M.

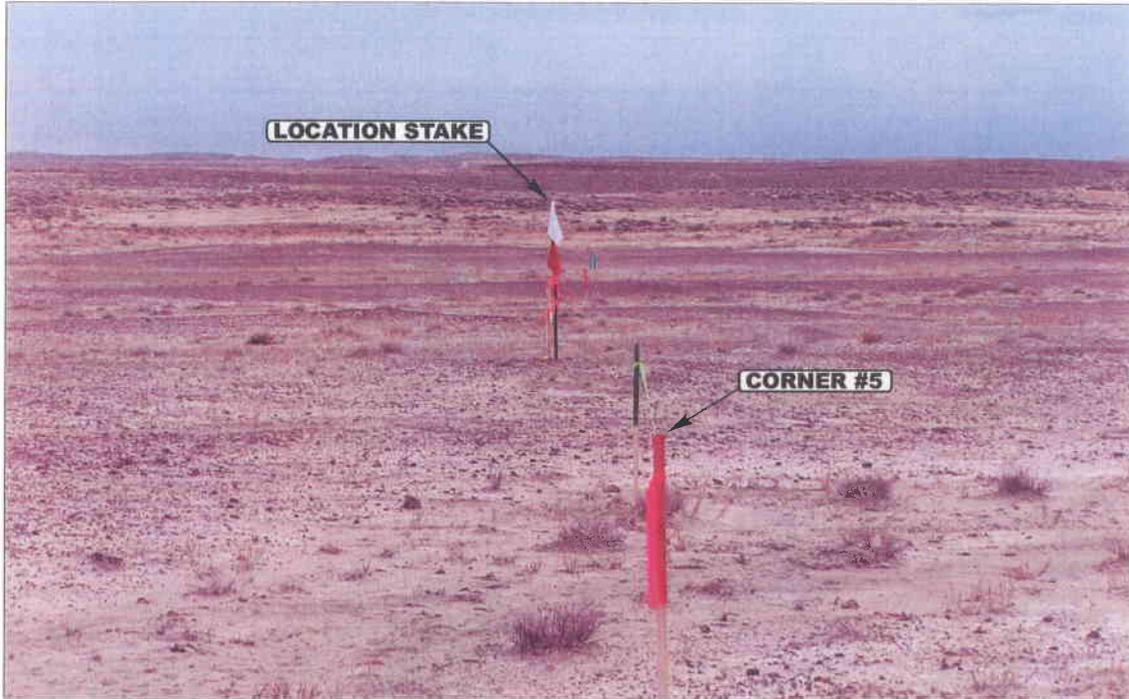


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

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

**LOCATION PHOTOS**

**03 09 06**  
MONTH DAY YEAR

PHOTO

TAKEN BY: G.S.

DRAWN BY: L.K.

REVISED: 00-00-00

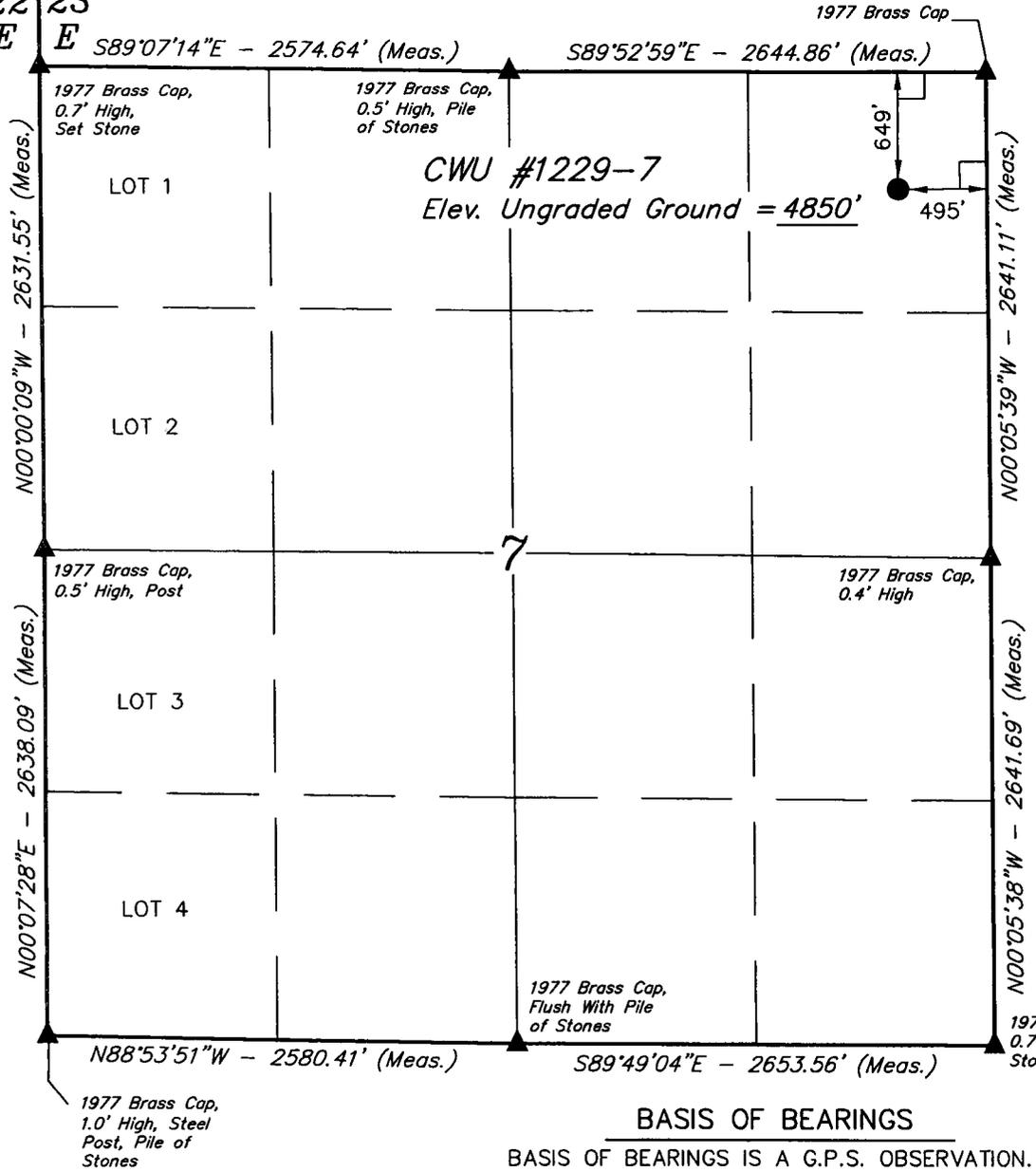
# T9S, R23E, S.L.B.&M.

R  
22  
E

R  
23  
E

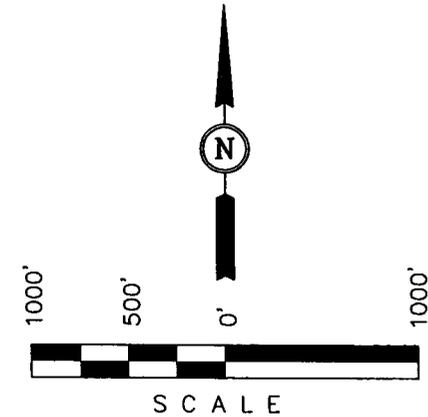
## EOG RESOURCES, INC.

Well location, CWU #1229-7, located as shown in the NE 1/4 NE 1/4 of Section 7, T9S, R23E, S.L.B.&M. Uintah County, Utah.



### BASIS OF ELEVATION

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



### CERTIFICATE

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

*Robert A. [Signature]*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

### BASIS OF BEARINGS

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

(NAD 83)  
LATITUDE = 40°03'21.51" (40.055975)  
LONGITUDE = 109°21'43.33" (109.362036)  
(NAD 27)  
LATITUDE = 40°03'21.64" (40.056011)  
LONGITUDE = 109°21'40.88" (109.361356)

### LEGEND:

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

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

|                         |                             |                         |
|-------------------------|-----------------------------|-------------------------|
| SCALE<br>1" = 1000'     | DATE SURVEYED:<br>03-07-06  | DATE DRAWN:<br>03-14-06 |
| PARTY<br>G.S. T.C. S.L. | REFERENCES<br>G.L.O. PLAT   |                         |
| WEATHER<br>COOL         | FILE<br>EOG RESOURCES, INC. |                         |

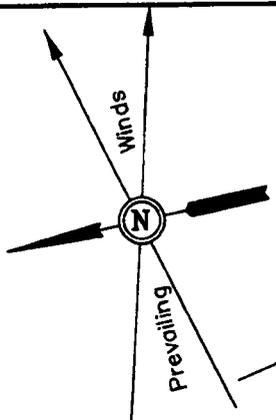
**EOG RESOURCES, INC.**

**LOCATION LAYOUT FOR**

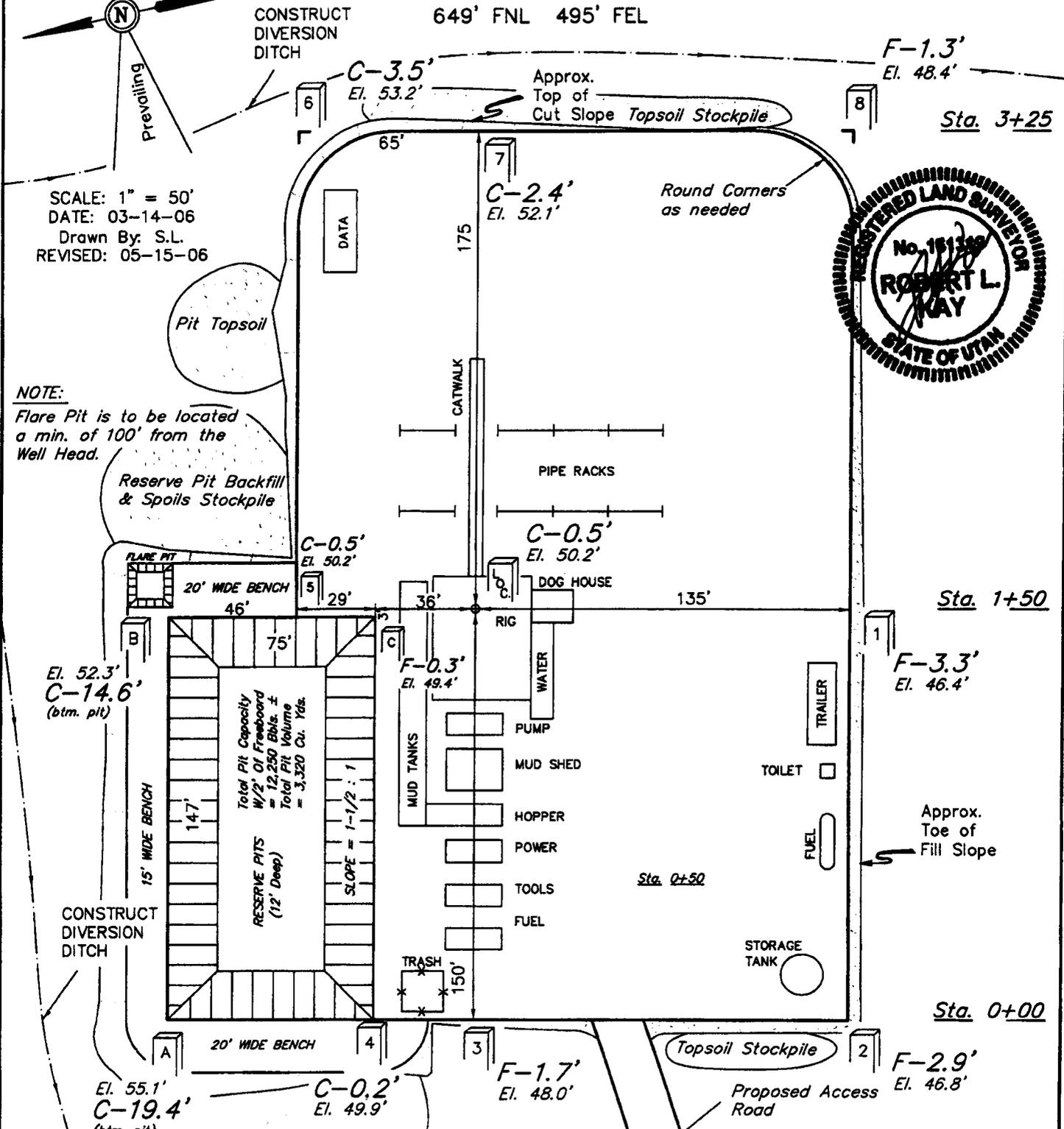
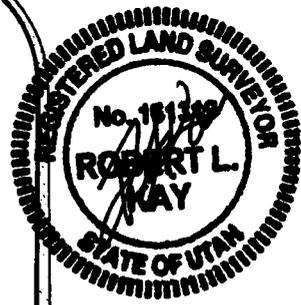
**CWU #1229-7**

**SECTION 7, T9S, R23E, S.L.B.&M.**

**649' FNL 495' FEL**



SCALE: 1" = 50'  
DATE: 03-14-06  
Drawn By: S.L.  
REVISED: 05-15-06



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

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

**NOTES:**

Reserve Pit Backfill & Spoils Stockpile

Elev. Ungraded Ground At Loc. Stake = 4850.2'  
FINISHED GRADE ELEV. AT LOC. STAKE = 4849.7'

**FIGURE #1**

EOG RESOURCES, INC.

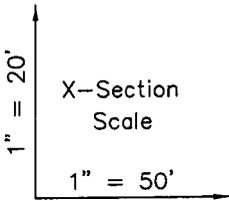
FIGURE #2

TYPICAL CROSS SECTIONS FOR

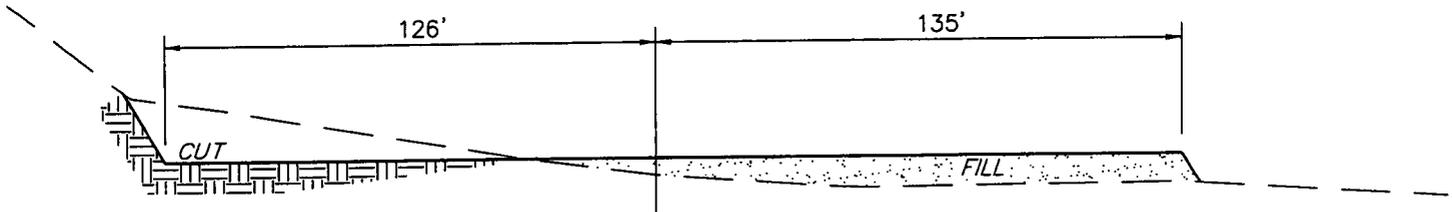
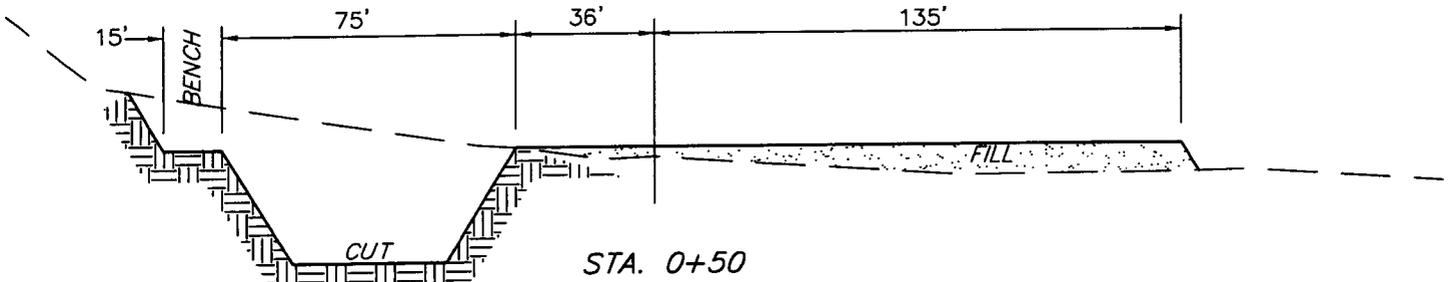
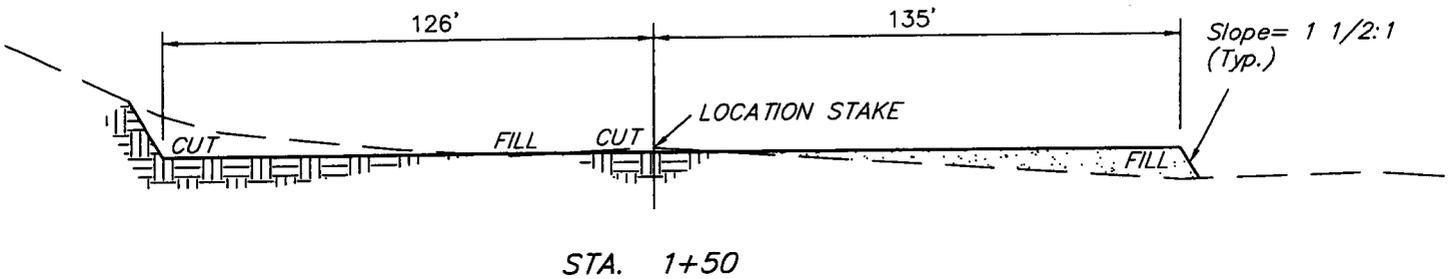
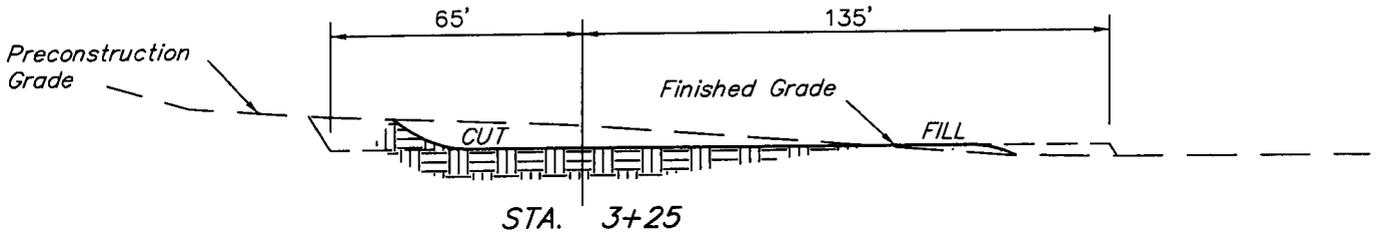
CWU #1229-7

SECTION 7, T9S, R23E, S.L.B.&M.

649' FNL 495' FEL



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



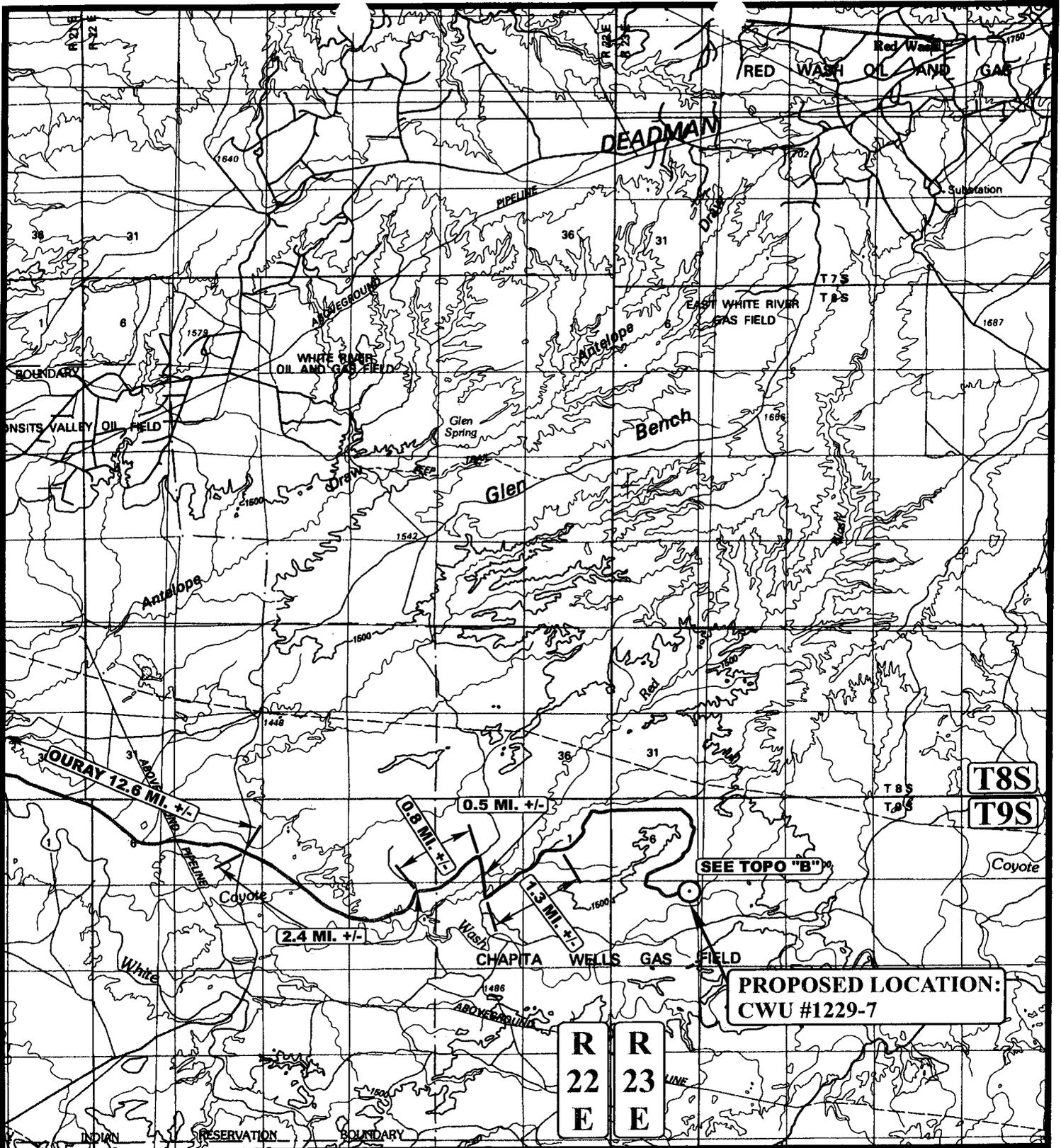
NOTE:  
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

\* NOTE:  
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

|                        |                        |
|------------------------|------------------------|
| CUT                    |                        |
| (6") Topsoil Stripping | = 1,570 Cu. Yds.       |
| Remaining Location     | = 5,380 Cu. Yds.       |
| <b>TOTAL CUT</b>       | <b>= 6,950 CU.YDS.</b> |
| <b>FILL</b>            | <b>= 3,720 CU.YDS.</b> |

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



**LEGEND:**

⊙ PROPOSED LOCATION

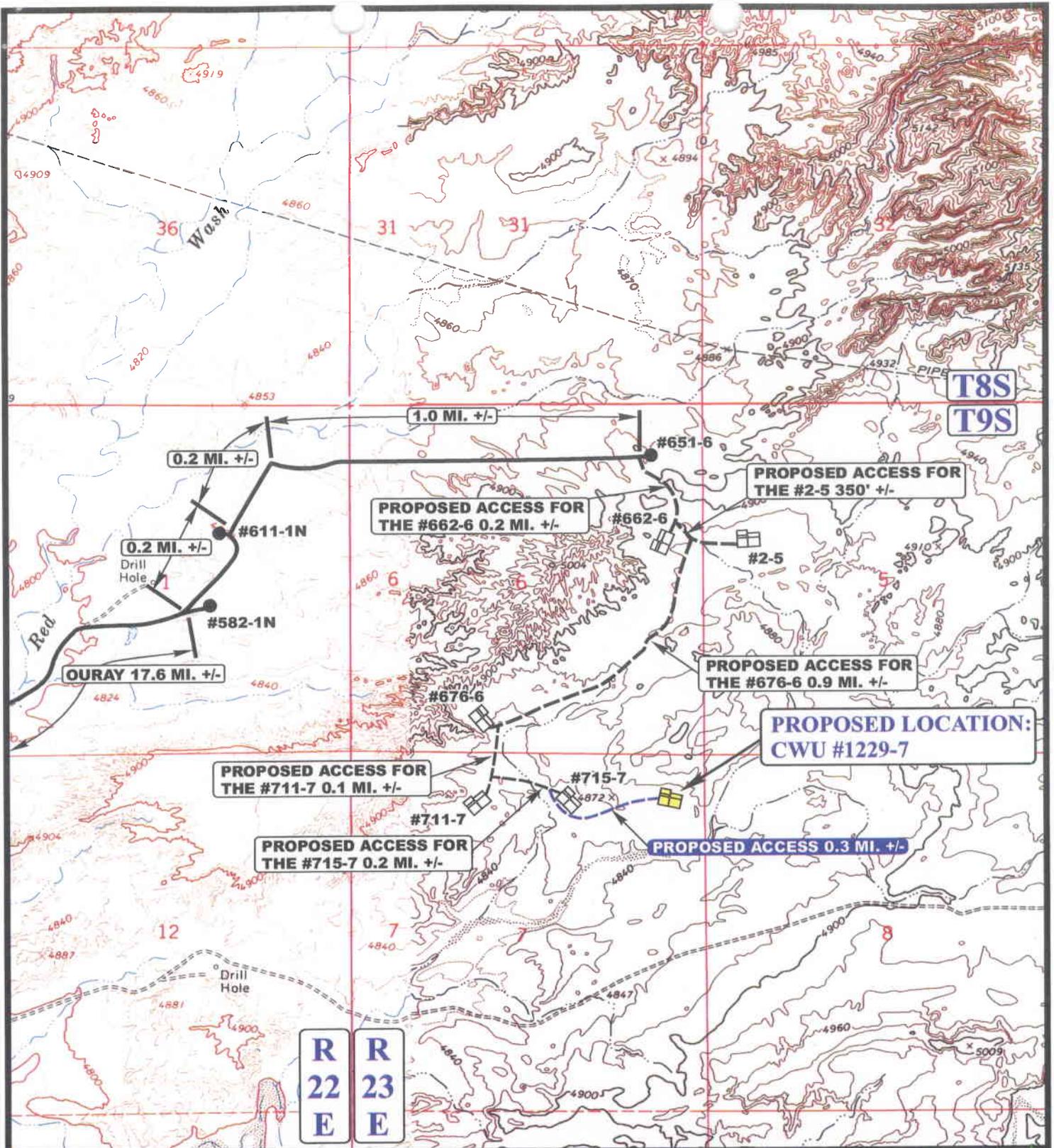


**EOG RESOURCES, INC.**

CWU #1229-7  
 SECTION 7, T9S, R23E, S.L.B.&M.  
 649' FNL 495' FEL

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

**TOPOGRAPHIC MAP** 03 09 06  
 MONTH DAY YEAR  
 SCALE: 1:100,000 DRAWN BY: L.K. REVISED: 00-00-00 **A TOPO**



**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD



**EOG RESOURCES, INC.**

**CWU #1229-7  
SECTION 7, T9S, R23E, S.L.B.&M.  
649' FNL 495' FEL**



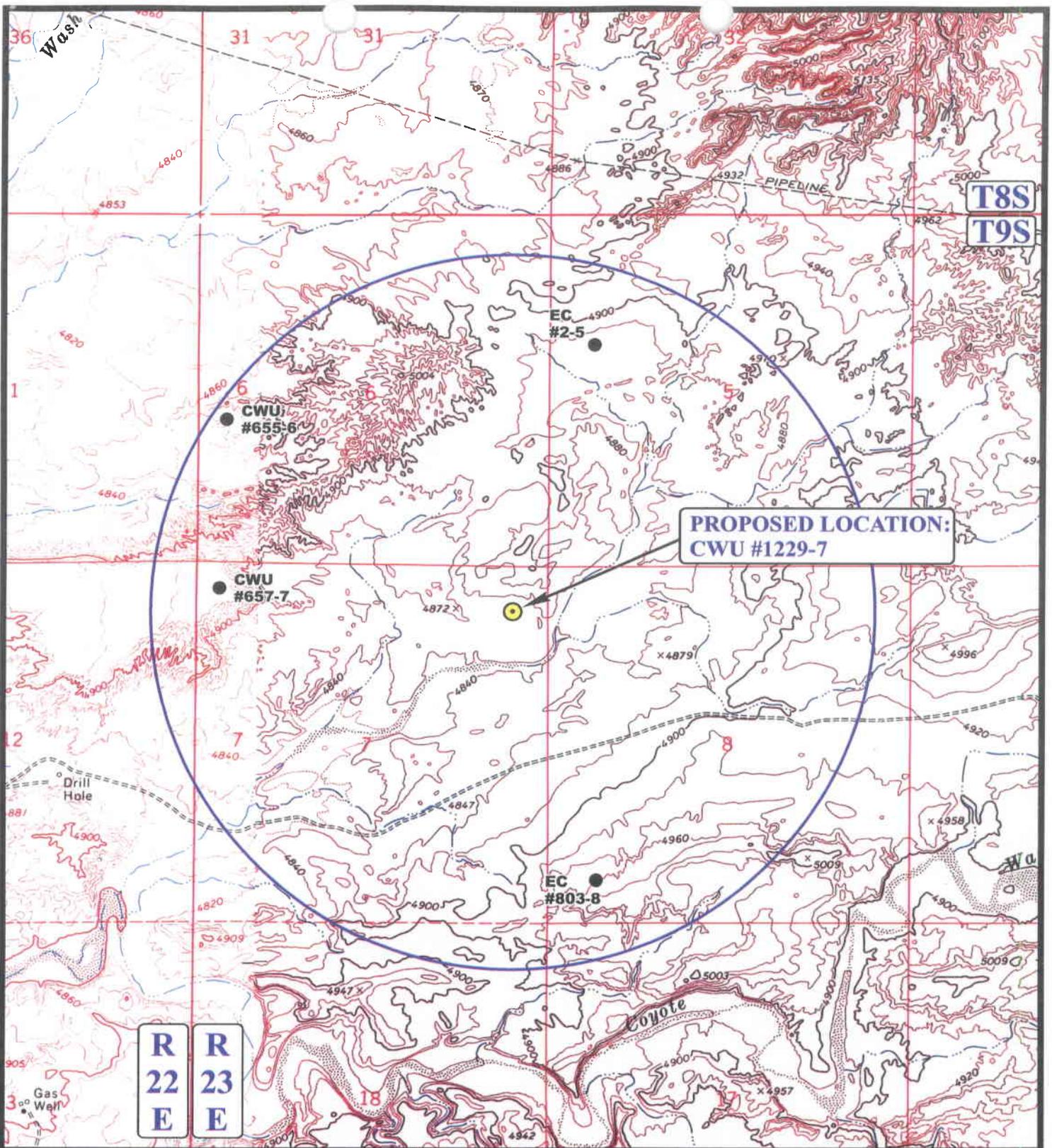
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

**03 09 06**  
MONTH DAY YEAR

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

**B  
TOPO**



**PROPOSED LOCATION:  
CWU #1229-7**

**LEGEND:**

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

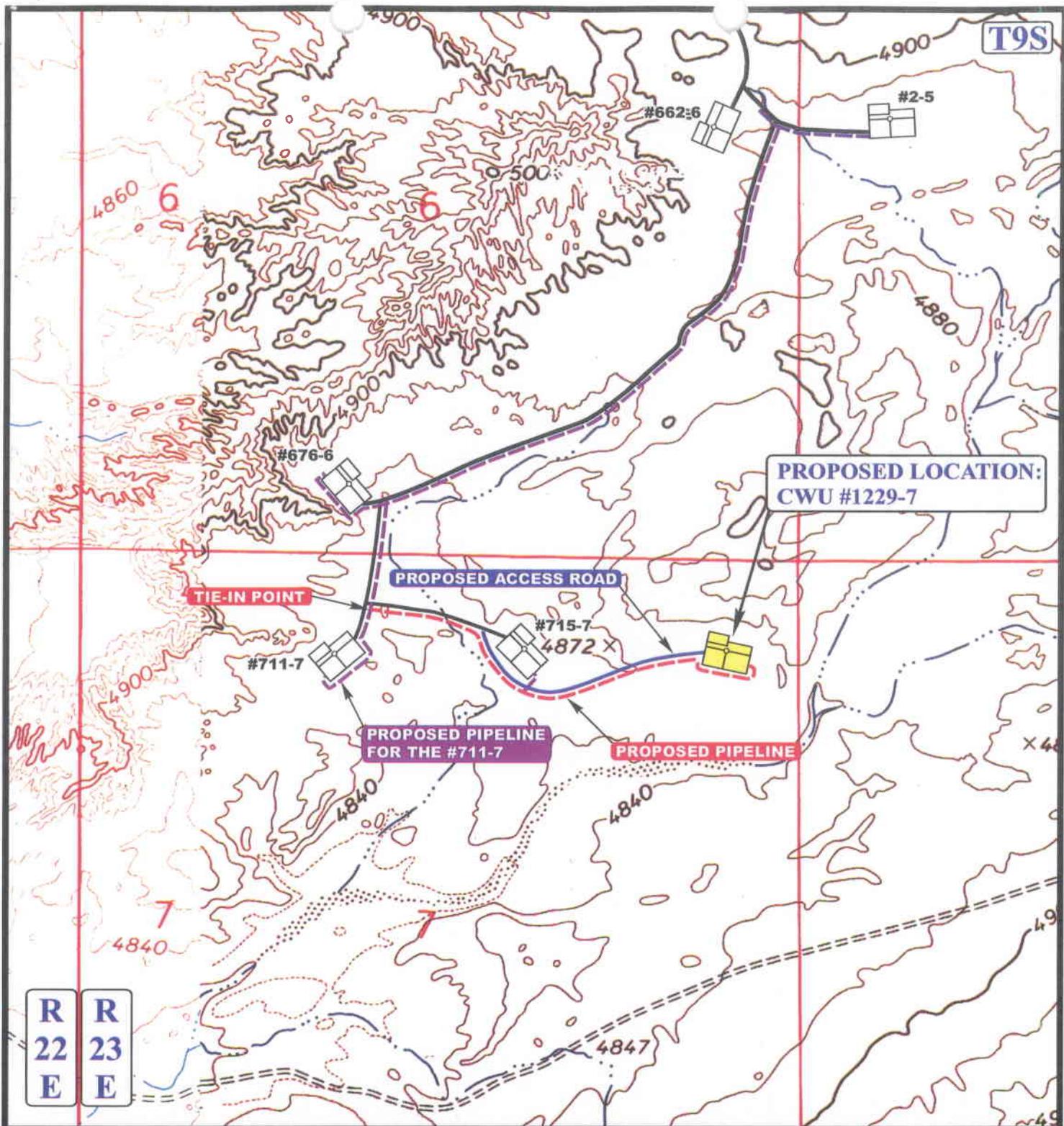


**EOG RESOURCES, INC.**

**CWU #1229-7  
SECTION 7, T9S, R23E, S.L.B.&M.  
649' FNL 495' FEL**

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

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



**APPROXIMATE TOTAL PIPELINE DISTANCE = 2,339' +/-**

**LEGEND:**

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



**EOG RESOURCES, INC.**

**CWU #1229-7**  
**SECTION 7, T9S, R23E, S.L.B.&M.**  
**649' FNL 495' FEL**



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

**TOPOGRAPHIC MAP**

**03 09 06**  
 MONTH DAY YEAR

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



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/17/2006

API NO. ASSIGNED: 43-047-38113

WELL NAME: CWU 1229-07

OPERATOR: EOG RESOURCES INC ( N9550 )

CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-789-0790

PROPOSED LOCATION:

NENE 07 090S 230E  
 SURFACE: 0649 FNL 0495 FEL  
 BOTTOM: 0649 FNL 0495 FEL  
 COUNTY: UINTAH  
 LATITUDE: 40.05601 LONGITUDE: -109.3613  
 UTM SURF EASTINGS: 639768 NORTHINGS: 4435050  
 FIELD NAME: NATURAL BUTTES ( 630 )

|                        |                 |             |
|------------------------|-----------------|-------------|
| INSPECT LOCATN BY: / / |                 |             |
| <b>Tech Review</b>     | <b>Initials</b> | <b>Date</b> |
| Engineering            |                 |             |
| Geology                |                 |             |
| Surface                |                 |             |

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: U-0343  
 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: Suspends General Drilling
- R649-3-11. Directional Drill

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

STIPULATIONS: 1- Federal Approval



**NATURAL BUTTES FIELD**  
**CHAPITA WELLS UNIT**  
 CAUSE: 179-8 / 8-10-1999

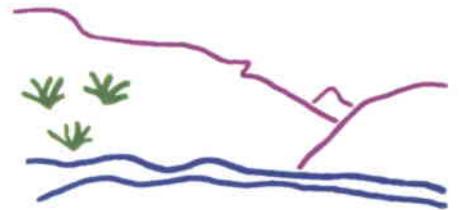
OPERATOR: EOG RESOURCES INC (N9550)

SEC: 7 T. 9S R. 23E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999



*Utah Oil Gas and Mining*

- 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



PREPARED BY: DIANA WHITNEY  
 DATE: 24-MAY-2006

- 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

# 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 24, 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 well is planned for calendar year 2006 within the Chapita Wells Unit, Uintah County, Utah.

| API # | WELL NAME | LOCATION |
|-------|-----------|----------|
|-------|-----------|----------|

(Proposed PZ Price River)

43-047-38113 CWU 1229-07 Sec 7 T09S R23E 0649 FNL 0495 FEL

This office has no objection to permitting the well 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

MCoulthard:mc:5-24-06



**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 25, 2006

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

Re: Chapita Wells Unit 1229-07 Well, 649' FNL, 495' FEL, NE NE, Sec. 7,  
T. 9 South, R. 23 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38113.

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 1229-07  
**API Number:** 43-047-38113  
**Lease:** U-0343

**Location:** NE NE                      **Sec.** 7                      **T.** 9 South                      **R.** 23 East

### **Conditions of Approval**

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

RECEIVED  
VERNAL FIELD OFFICE

2006 MAY 17 PM 1:36  
UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
BUREAU OF LAND MGMT.  
APPLICATION FOR PERMIT TO DRILL OR REENTER

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

|  |                                       |   |
|--|---------------------------------------|---|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER   |                                       | 5. Lease Serial No.<br>U-0343   |
| 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<br>EOG RESOURCES, INC.   |                                       | 7. If Unit or CA Agreement, Name and No.<br>CHAPITA WELLS UNIT  |
| 3a. Address P.O. Box 1815 Vernal Ut 84078  |                                       | 8. Lease Name and Well No.<br>CHAPITA WELLS UNIT 1229-07  |
| 3b. Phone No. (include area code)<br>435-789-0790  |                                       | 9. API Well No.<br>43-047-3813  |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)<br>At surface 649 FNL 495 FEL (NE/NE) 40.055975 LAT 109.362036 LON<br>At proposed prod. zone SAME                         |                                       | 10. Field and Pool, or Exploratory<br>NATURAL BUTTES UNIT   |
| 11. Sec., T. R. M. or Blk. and Survey or Area<br>SECTION 7, T9S, R23E S.L.B&M  |                                       | 12. County or Parish<br>UINTAH  |
| 13. State<br>UT  |                                       | 14. Distance in miles and direction from nearest town or post office*<br>51.6 MILES SOUTH OF VERNAL, UTAH |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)<br>495'  | 16. No. of acres in lease<br>632      | 17. Spacing Unit dedicated to this well   |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.<br>5940'  | 19. Proposed Depth<br>9480'           | 20. BLM/BIA Bond No. on file<br>NM 2308   |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.)<br>4850' GL  | 22. Approximate date work will start* | 23. Estimated duration<br>45 DAYS   |

24. Attachments

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

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

|                               |  |                    |
|-------------------------------|--|--------------------|
| 25. Signature<br>             | Name (Printed/Typed)<br>Kaylene R. Gardner | Date<br>05/16/2006 |
| Title<br>Regulatory Assistant |  |                    |

|   |                                       |                   |
|---|---------------------------------------|-------------------|
| Approved by (Signature)<br>                                   | Name (Printed/Typed)<br>JERRY KENCZKA | Date<br>4-10-2007 |
| Title<br>Assistant Field Manager<br>Lands & Mineral Resources | Office<br>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)

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

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APR 24 2007

DIV. OF OIL, GAS & MINING

UDDGM

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

VAS Recd 5-20-06  
07BM2658A



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

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



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

**Company:** EOG Resources  
**Well No:** CWU 1229-07  
**API No:** 43-047- 38113

**Location:** NENE, Sec. 7, T9S, R23E  
**Lease No:** UTU-0343  
**Agreement:** Chapita Wells Unit

| <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             | (435) 828-7368           |
| 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             | (435) 828-7481           |
| 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:             | Vertyn 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<br>(Notify Environmental Scientist)       | - | Forty-Eight (48) hours prior to construction of location and access roads.   |
| Location Completion<br>(Notify Environmental Scientist)         | - | Prior to moving on the drilling rig.   |
| Spud Notice<br>(Notify Petroleum Engineer)                      | - | Twenty-Four (24) hours prior to spudding the well.   |
| Casing String & Cementing<br>(Notify Supv. Petroleum Tech.)     | - | Twenty-Four (24) hours prior to running casing and cementing all casing strings.   |
| BOP & Related Equipment Tests<br>(Notify Supv. Petroleum Tech.) | - | Twenty-Four (24) hours prior to initiating pressure tests.   |
| First Production Notice<br>(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)***

**Site Specific Conditions of Approval**

- 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. During interim management of the surface, use the following seed mix:
  - 9 lbs. of Hycrest Crested Wheatgrass & 3 lbs of Kochia prostrate.

**General Surface COA**

- 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.

## **DOWNHOLE CONDITIONS OF APPROVAL**

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

- Production casing cement shall be brought up and into the surface casing. The minimum cement top is 200 ft above the surface casing shoe.
- COA specification is consistent with operators performance standard stated in APD.
- A variance is granted for Onshore Order #2 Drilling Operations III. E. "Blooie line discharge 100 feet from well bore and securely anchored" Blooie line can be 75 feet.

**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](mailto: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

5. LEASE DESIGNATION AND SERIAL NUMBER:  
**U-0343**

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:  
**Chapita Wells Unit**

1. TYPE OF WELL      OIL WELL       GAS WELL       OTHER \_\_\_\_\_

8. WELL NAME and NUMBER:  
**Chapita Wells Unit 1229-07**

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

9. API NUMBER:  
**43-047-38113**

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

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

10. FIELD AND POOL, OR WLD/CAT:  
**Natural Buttes/Mesaverde**

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: **649' FNL & 495' FEL 40.055975 LAT 109.362036 LON**

COUNTY: **UINTAH**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NENE 7 9S 23E S.L.B. & M.**

STATE: **UTAH**

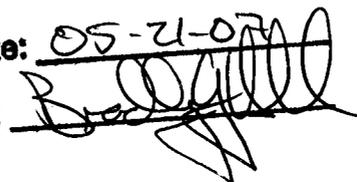
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

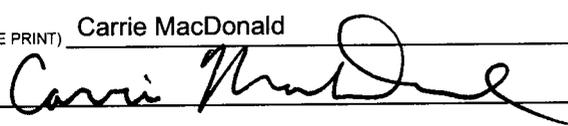
**Approved by the  
Utah Division of  
Oil, Gas and Mining**

Date: 05-21-07  
By: 

5-21-07  
RM

NAME (PLEASE PRINT) Carrie MacDonald

TITLE Operations Clerk

SIGNATURE 

DATE 5/10/2007

(This space for State use only)

**RECEIVED  
MAY 17 2007**

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

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

**API:** 43-047-38113  
**Well Name:** CHAPITA WELLS UNIT 1229-07  
**Location:** 649 FNL 495 FEL (NENE), SECTION 7, T9S, R23E S.L.B.&M.  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 5/25/2006

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

5/9/2007  
Date

Title: Operations Clerk

Representing: EOG Resources, Inc.

RECEIVED  
MAY 17 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.  
UTU0343

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
CHAPITA WELLS UNIT 1229-07

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

9. API Well No.  
43-047-38113

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 7 T9S R23E NENE 649FNL 495FEL  
40.05597 N Lat, 109.36204 W Lon

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

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

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

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

EOG Resources, Inc. requests permission to change the TD of the reaper well by the  
9480'  
to  
7440'  
A revised drilling plan is attached.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 03-05-08  
By: [Signature]

Federal Approval of this  
Action is Necessary

COPY SENT TO OPERATOR  
Date: 3.10.2008  
Initials: KS

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #58909 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 <u>[Signature]</u> (Electronic Submission) | Date 03/03/2008            |

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

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

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

**RECEIVED**

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***  
**MAR 05 2008**

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1229-07**  
**NE/NE, SEC. 7, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

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

| <b>FORMATION</b>       | <b>TVD-RKB (ft)</b> | <b>Objective</b> | <b>Lithology</b> |     |
|------------------------|---------------------|------------------|------------------|-----|
| Green River            | 1,638               |                  | Shale            |     |
| Mahogany Oil Shale Bed | 2,531               |                  | Shale            |     |
| Wasatch                | 4,829               | Primary          | Sandstone        | Gas |
| Chapita Wells          | 5,435               | Primary          | Sandstone        | Gas |
| Buck Canyon            | 6,114               | Primary          | Sandstone        | Gas |
| North Horn             | 6,728               | Primary          | Sandstone        | Gas |
| KMV Price River        | 7,233               |                  | Sandstone        |     |
|                        |                     |                  |                  |     |
|                        |                     |                  |                  |     |
| <b>TD</b>              | <b>7,440</b>        |                  |                  |     |

Estimated TD: 7,440' or 200' ± below TD

**Anticipated BHP: 4,062 Psig**

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

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
 BOP schematic diagrams attached.

**4. CASING PROGRAM:**

| <b>CASING</b> | <b>Hole Size</b> | <b>Length</b>      | <b>Size</b> | <b>WEIGHT</b> | <b>Grade</b> | <b>Thread</b> | <b>Rating Collapse</b> | <b>Factor Burst</b> | <b>Tensile</b> |
|---------------|------------------|--------------------|-------------|---------------|--------------|---------------|------------------------|---------------------|----------------|
| Conductor     | 17 1/2"          | 0 – 45'            | 13 3/8"     | 48.0#         | H-40         | STC           | 770 PSI                | 1730 PSI            | 322,000#       |
| Surface       | 12 1/4"          | 0' – 2,300'<br>KB± | 9-5/8"      | 36.0#         | J-55         | STC           | 2020 PSI               | 3520 Psi            | 394,000#       |
| Production    | 7-7/8"           | Surface – TD       | 4-1/2"      | 11.6#         | N-80         | LTC           | 6350 PSI               | 7780 Psi            | 233,000#       |
|               |                  |                    |             |               |              |               |                        |                     |                |

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

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

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1229-07**  
**NE/NE, SEC. 7, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**5. Float Equipment:**

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

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

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

**6. MUD PROGRAM**

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

Air/air mist or aerated water.

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

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

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1229-07**  
**NE/NE, SEC. 7, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**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 a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, requiring during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by waster mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

**8. EVALUATION PROGRAM:**

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

## EIGHT POINT PLAN

### CHAPITA WELLS UNIT 1229-07 NE/NE, SEC. 7, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 9. CEMENT PROGRAM:

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

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

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

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

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

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

**Lead:** 140 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 543 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 WELLS UNIT 1229-07**  
**NE/NE, SEC. 7, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**11. STANDARD REQUIRED EQUIPMENT:**

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

**12. HAZARDOUS CHEMICALS:**

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

**13. Air Drilling Operations:**

1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

**(Attachment: BOP Schematic Diagram)**

# RECEIVED

Form 3160-5  
(August 2007)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APR 08 2008

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

## SUNDRY NOTICES AND REPORTS ON WELLS

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



5. Lease Serial No.  
UTU-0343

6. If Indian, Allottee or Tribe Name

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

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
EOG Resources, Inc.

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

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

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

8. Well Name and No.  
Chapita Wells Unit 1229-07

9. API Well No.  
43-047-38113

10. Field and Pool or Exploratory Area  
Natural Buttes

11. Country or Parish, State  
Uintah County, Utah

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

| TYPE OF SUBMISSION                                   | TYPE OF ACTION                                |   |  |  |
|--|---|---|--|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off                        |
| <input type="checkbox"/> Subsequent Report           | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input 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 checked="" type="checkbox"/> Other <u>APD Extension</u> |
|  | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |  |
|  | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |  |

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

EOG Resources, Inc. requests the APD for the referenced well originally approved 4/10/2007 be extended for one year.

RECEIVED  
MAY 08 2008  
DIV. OF OIL, GAS & MINING

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

Title Lead Regulatory Assistant

Signature

Date 04/01/2008

### THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Petroleum Engineer

Date APR 15 2008

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

Title \_\_\_\_\_ Office \_\_\_\_\_

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

# CONDITIONS OF APPROVAL

## EOG Resources, Inc.

### Notice of Intent APD Extension

**Lease:** UTU-0343  
**Well:** CWU 1229-07  
**Location:** NENE Sec 7-T9S-R23E

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

---

1. The extension and APD shall expire on 4/10/09.
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Ryan Angus of this office at (435) 781-4430.

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

|   |  |  |
|---|--|--|
| 1. TYPE OF WELL<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ |  | 5. LEASE DESIGNATION AND SERIAL NUMBER:<br><b>U-0343</b>           |
| 2. NAME OF OPERATOR:<br><b>EOG Resources, Inc.</b>  |  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:<br>                          |
| 3. ADDRESS OF OPERATOR:<br>1060 East Highway 40      CITY <b>Vernal</b> STATE <b>UT</b> ZIP <b>84078</b>      |  | 7. UNIT or CA AGREEMENT NAME:<br><b>Chapita Wells Unit</b>         |
| 4. LOCATION OF WELL<br>FOOTAGES AT SURFACE: <b>649' FNL &amp; 495' FEL 40.055975 LAT 109.362036 LON</b>       |  | 8. WELL NAME and NUMBER:<br><b>Chapita Wells Unit 1229-07</b>      |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NENE 7 9S 23E S.L.B. &amp; M.</b>                             |  | 9. API NUMBER:<br><b>43-047-38113</b>                              |
|   |  | 10. FIELD AND POOL, OR WILDCAT:<br><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<br>(Submit in Duplicate)<br><br>Approximate date work will start:<br>_____ | <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"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br><br>Date of work completion:<br>_____              | <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: 05-20-08  
By: [Signature]

COPY SENT TO OPERATOR

Date: 5.21.2008

Initials: KS

|   |  |
|---|--|
| NAME (PLEASE PRINT) <b>Kaylene R. Gardner</b> | TITLE <b>Lead Regulatory Assistant</b> |
| SIGNATURE <u>[Signature]</u>                  | DATE <b>5/19/2008</b>                  |

(This space for State use only)

**RECEIVED**

**MAY 16 2008**

DIV. OF OIL, GAS & MINING



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

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

**API:** 43-047-38113  
**Well Name:** CHAPITA WELLS UNIT 1229-07  
**Location:** 649 FNL 495 FEL (NENE), SECTION 7, T9S, R23E S.L.B.&M.  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 5/25/2006

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

5/9/2008  
 \_\_\_\_\_  
 Date

**Title:** Lead Regulatory Assistant

**Representing:** EOG Resources, Inc.

RECEIVED  
 MAY 16 2008  
 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 |
|---|----------------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 43-047-38113  | Chapita Wells Unit 1229-07 |                   | NENE      | 7   | 9S                               | 23E | Uintah |
| Action Code   | Current Entity Number      | New Entity Number | Spud Date |     | Entity Assignment Effective Date |     |        |
| FA  | 99999                      | 16934             | 6/23/2008 |     | 6/30/08                          |     |        |
| <b>Comments:</b> Wasatch well<br>PRRV = MVRD BUT well is WSTC |                            |                   |           |     |                                  |     |        |

**Well 2**

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

**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 |     |        |
|                  |                       |                   |           |     |                                  |     |        |
| <b>Comments:</b> |                       |                   |           |     |                                  |     |        |

**ACTION CODES:**

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

Mary A. Maestas

Name (Please Print)

Signature

Regulatory Assistant

Title

6/24/2008

Date

**RECEIVED**

**JUN 24 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.  
UTU0343

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
CHAPITA WELLS UNIT 1229-07

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

9. API Well No.  
43-047-38113

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 7 T9S R23E NENE 649FNL 495FEL  
40.05597 N Lat, 109.36204 W Lon

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

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

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

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

The referenced well spud on 6/23/2008.

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #61069 verified by the BLM Well Information System For EOG RESOURCES INC, sent to the Vernal**

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

Signature  (Electronic Submission) Date 06/24/2008

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

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

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

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

**RECEIVED**

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

**JUN 27 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.  
UTU0343

6. If Indian, Allottee or Tribe Name

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

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

|  |   |  |
|--|---|--|
| 1. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other               |   | 8. Well Name and No.<br>CHAPITA WELLS UNIT 1229-07   |
| 2. Name of Operator<br>EOG RESOURCES, INC. Contact: MARY A. MAESTAS<br>E-Mail: mary_maestas@eogresources.com                                   |   | 9. API Well No.<br>43-047-38113                      |
| 3a. Address<br>600 17TH STREET SUITE 1000N<br>DENVER, CO 80202   | 3b. Phone No. (include area code)<br>Ph: 303-824-5526 | 10. Field and Pool, or Exploratory<br>NATURAL BUTTES |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>Sec 7 T9S R23E NENE 649FNL 495FEL<br>40.05597 N Lat, 109.36204 W Lon |   | 11. County or Parish, and State<br>UINTAH COUNTY, UT |

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

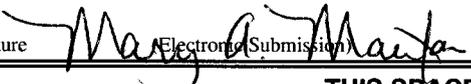
| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |   |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/>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

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

The referenced well was turned to sales on 9/3/2008. 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 #62778 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

|   |                            |
|---|----------------------------|
| Name (Printed/Typed) MARY A. MAESTAS  | Title REGULATORY ASSISTANT |
| Signature  (Electronic Submission) | Date 09/05/2008            |

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

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

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

**RECEIVED**

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*** SEP 08 2008

## WELL CHRONOLOGY REPORT

Report Generated On: 09-04-2008

|                      |   |                  |              |                      |              |
|----------------------|---|------------------|--------------|----------------------|--------------|
| <b>Well Name</b>     | CWU 1229-07                                   | <b>Well Type</b> | DEVG         | <b>Division</b>      | DENVER       |
| <b>Field</b>         | CHAPITA DEEP                                  | <b>API #</b>     | 43-047-38113 | <b>Well Class</b>    | ISA          |
| <b>County, State</b> | UINTAH, UT                                    | <b>Spud Date</b> | 07-12-2008   | <b>Class Date</b>    | 09-04-2008   |
| <b>Tax Credit</b>    | N   | <b>TVD / MD</b>  | 7,440/7,440  | <b>Property #</b>    | 059162       |
| <b>Water Depth</b>   | 0   | <b>Last CSG</b>  | 2.375        | <b>Shoe TVD / MD</b> | 6,871/ 6,871 |
| <b>KB / GL Elev</b>  | 4,863/ 4,850                                  |                  |              |                      |              |
| <b>Location</b>      | Section 7, T9S, R23E, NENE, 649 FNL & 495 FEL |                  |              |                      |              |

|                 |                    |                    |                  |              |      |
|-----------------|--------------------|--------------------|------------------|--------------|------|
| <b>Event No</b> | 1.0                | <b>Description</b> | DRILL & COMPLETE |              |      |
| <b>Operator</b> | EOG RESOURCES, INC | <b>WI %</b>        | 50.0             | <b>NRI %</b> | 43.5 |

|                              |                    |                   |               |                        |                  |
|------------------------------|--------------------|-------------------|---------------|------------------------|------------------|
| <b>AFE No</b>                | 304034             | <b>AFE Total</b>  | 1,315,600     | <b>DHC / CWC</b>       | 694,700/ 620,900 |
| <b>Rig Contr</b>             | ELENBURG           | <b>Rig Name</b>   | ELENBURG #28  | <b>Start Date</b>      | 06-15-2006       |
| <b>06-15-2006</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 (CHANGE OF TD SUNDRY 3/7/08)  |
|       |       |      | 649' FNL & 495' FEL (NE/NE)   |
|       |       |      | SECTION 7, T9S, R23E  |
|       |       |      | UINTAH COUNTY, UTAH   |
|       |       |      | LAT 40.056011, LONG 109.361356 (NAD 27)   |
|       |       |      | LAT 40.055975, LONG 109.362036 (NAD 83)   |
|       |       |      | ELENBURG #28  |
|       |       |      | OBJECTIVE: 7440' WASATCH  |
|       |       |      | DW/GAS  |
|       |       |      | EAST CHAPITA PROSPECT   |
|       |       |      | DD&A: CHAPITA DEEP  |
|       |       |      | NATURAL BUTTES FIELD  |
|       |       |      | LEASE: U-0343   |
|       |       |      | ELEVATION: 4850.2' NAT GL, 4849.7' PREP GL (DUE TO ROUNDING THE PREP GL IS 4850'), 4863' KB (13') |
|       |       |      | EOG WI 50%, NRI 43.50%  |

06-13-2008      Reported By      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

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

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

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

**Activity at Report Time:** BUILD LOCATION

| Start | End   | Hrs  | Activity Description      |
|-------|-------|------|---------------------------|
| 06:00 | 06:00 | 24.0 | LOCATION IS 25% COMPLETE. |

**06-17-2008**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|------------------------|
| 06:00 | 06:00 | 24.0 | LOCATION 30% COMPLETE. |

**06-18-2008**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

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

**06-19-2008**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|------------------------|
| 06:00 | 06:00 | 24.0 | LOCATION 45% COMPLETE. |

**06-20-2008**      **Reported By**      TERRY CSERE



TOP JOB # 1: MIXED & PUMPED 50 SX (10.2 BBLs) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED BUT FELL BACK WHEN PUMPING STOPPED. WOC 1 HRS 45 MINUTES.

TOP JOB # 2 MIXED & PUMPED 50 SX (10.2 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED BUT FELL BACK WHEN PUMPING STOPPED. WOC 2 HRS 30 MINUTES

TOP JOB # 3: MIXED & PUMPED 25 SX (5.3 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT TO 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

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

ASPEN RIG 14 TOOK SURVEYS WHEN DRILLING HOLE @: 337'-0.5°, 1327'-0.25°.

CONDUCTOR LEVEL RECORD: PS= 90 OPS=90 VDS=89.8MS= 89.9.

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

DAN FARNSWORTH NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING JOB ON 7/1/08 @ 6:15 PM.

|                              |                    |                   |       |                    |                        |             |   |           |     |             |      |
|------------------------------|--------------------|-------------------|-------|--------------------|------------------------|-------------|---|-----------|-----|-------------|------|
| <b>07-12-2008</b>            | <b>Reported By</b> | DAVID FOREMAN     |       |                    |                        |             |   |           |     |             |      |
| <b>Daily Costs: Drilling</b> | \$90,386           | <b>Completion</b> | \$0   | <b>Daily Total</b> | \$90,386               |             |   |           |     |             |      |
| <b>Cum Costs: Drilling</b>   | \$438,205          | <b>Completion</b> | \$0   | <b>Well Total</b>  | \$438,205              |             |   |           |     |             |      |
| <b>MD</b>                    | 2,419              | <b>TVD</b>        | 2,419 | <b>Progress</b>    | 110                    | <b>Days</b> | 1 | <b>MW</b> | 9.8 | <b>Visc</b> | 36.0 |
| <b>Formation :</b>           | <b>PBTD : 0.0</b>  |                   |       | <b>Perf :</b>      | <b>PKR Depth : 0.0</b> |             |   |           |     |             |      |

**Activity at Report Time:** DRILLING @ 2419'

| Start | End   | Hrs | Activity Description   |
|-------|-------|-----|--|
| 06:00 | 07:00 | 1.0 | RIG DOWN ELECTRIC LINES PREPARE FOR RIG MOVE.  |
| 07:00 | 07:30 | 0.5 | SAFETY MEETING W/HOWCROFT TRUCKING & RIG CREW.   |
| 07:30 | 10:00 | 2.5 | RIG DOWN MOVE FROM CWU 731-32 TO CWU 1229-7 INSTALL NIGHT CAP W/FMC CLEAN LOCATION. CLEAR LOCATION @ 10:00.  |
| 10:00 | 15:00 | 5.0 | RIG UP SET BOP TEST DTO FLANGE W/ FMC & LOCK DOWN BOP. RIG ON DAY WORK @ 15:00 7-11-08.  |
| 15:00 | 18:00 | 3.0 | N/U BOP & FLARE LINES.   |
| 18:00 | 00:00 | 6.0 | ACCUMULATOR FUNCTION TEST W/B&C QUICK TEST & TEST BOP. PIPE RAMS, BLIND RAMS, ALL KILL LINE VALVES, CHOCK LINE & MANIFOLD, HCR, KELLY UPPER & LOWER KELLY VALVES, SAFETY VALVE, DART VALVE, ALL TO 250. PSI LOW & 5000 PSI HIGH, ANNULAR 250 PSI LOW 2500 HIGH, SURFACE CSG.1500 PSI GOOD TEST. WITNESS JOHN SIDWELL B&C QUICK TEST. |
| 00:00 | 03:00 | 3.0 | INSTALL WEAR BUSHING P/U BHA & DRILL PIPE TAG @ 2265'.   |
| 03:00 | 04:30 | 1.5 | DRILL CEMENT/FLOAT EQUIP 2265' TO 2329', 10' NEW FORMATION.  |
| 04:30 | 05:00 | 0.5 | CIRC CLEAN. SPOT VIS PILL. PERFORMED FIT W/9.8 WT @ 2329' 85 PSI. EMW 10.5 GOOD TEST.  |
| 05:00 | 06:00 | 1.0 | DRILL ROTATE 2319' TO 2429' 110' ROP 110 WOB 12/14 RPM 55/72 TRQ 1220/1360.<br>MUD LOSS LAST 24 HRS. 0 BBLs.<br>MUD WT 9.8 VIS 36.<br>ROT 71 P/U 72 S/O 70.  |

ACCIDENTS NONE REPORTED.  
 FUNCTION CROWN-O-MATIC.  
 SAFETY MEETING: WORKING ON PUMPS, FORKLIFT SAFTEY.  
 CREWS FULL.  
 FUEL: ON HAND: 2836 GALS USED: 126 GALS.  
  
 GAS BG 375 U CONN 456 U.  
 LITHOLOGY SAND/ SHALE.  
 MUD LOGGER UNMANNED ON LOCATION SINCE 7/11/08 (1 DAYS ).

06:00 06:00 24.0 SPUD 7-7/8" HOLE @ 5:00 AM, 7/12/08

|   |                    |                   |       |                    |                        |             |   |           |     |             |      |
|---|--------------------|-------------------|-------|--------------------|------------------------|-------------|---|-----------|-----|-------------|------|
| <b>07-13-2008</b>                                 | <b>Reported By</b> | DAVID FOREMAN     |       |                    |                        |             |   |           |     |             |      |
| <b>Daily Costs: Drilling</b>                      | \$30,807           | <b>Completion</b> | \$0   | <b>Daily Total</b> | \$30,807               |             |   |           |     |             |      |
| <b>Cum Costs: Drilling</b>                        | \$469,013          | <b>Completion</b> | \$0   | <b>Well Total</b>  | \$469,013              |             |   |           |     |             |      |
| <b>MD</b>   | 4,693              | <b>TVD</b>        | 4,693 | <b>Progress</b>    | 2,274                  | <b>Days</b> | 2 | <b>MW</b> | 8.8 | <b>Visc</b> | 32.0 |
| <b>Formation :</b>                                | <b>PBTD : 0.0</b>  |                   |       | <b>Perf :</b>      | <b>PKR Depth : 0.0</b> |             |   |           |     |             |      |
| <b>Activity at Report Time: DRILLING. @ 4693'</b> |                    |                   |       |                    |                        |             |   |           |     |             |      |

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 06:30 | 0.5  | DRILL ROTATE 2419' TO 2529' LOST RETURNES 600 BBLs ±.   |
| 06:30 | 08:30 | 2.0  | MIX & SPOT 3 HEAVY LCM PILLS @ 2529'.   |
| 08:30 | 09:00 | 0.5  | TRIP OUT TO SHOE FILL BACK SIDE.  |
| 09:00 | 10:00 | 1.0  | W/O LCM PILLS TO HEAL FORMATION CIRC. W/ 100 SPM HOLE STABLE.   |
| 10:00 | 10:30 | 0.5  | TRIP IN SLOW & WASH EVERY JT. TO BOTTOM GOOD RETURNS.   |
| 10:30 | 12:30 | 2.0  | DRILLING BY PASS SHAKER W/100 SPM 2529' TO 2700' RETURN MUD OVER SHAKER @ 120 SPM GOOD RETURNS NO LOSS.                   |
| 12:30 | 19:00 | 6.5  | DRILL ROTATE 2700' TO 3516' 816' ROP 125 WOB 14/18 RPM 40/60 TQ 1200/1400.  |
| 19:00 | 20:00 | 1.0  | SURVEY @ 3482' 1 1/4°.  |
| 20:00 | 06:00 | 10.0 | DRILL ROTATE 3516' TO 4693' 1177' 117.7 WOB 14/16 RPM 45/50 TQ. 1200/1450.<br>MUD WT 9.1 VIS 31.<br>ROT 71 P/U 72 S/O 70. |

ACCIDENTS NONE REPORTED.  
 FUNCTION CROWN-O-MATIC.  
 SAFETY MEETING: HOUSEKEEPING.  
 CREWS FULL.  
 FUEL: ON HAND: 1836 GALS USED: 1000 GALS.

GAS BG 85 U CONN 175 U.  
 LITHOLOGY SAND/ SHALE.  
 MUD LOGGER UNMANNED ON LOCATION SINCE 7/11/08 (2 DAYS ).

|                              |                    |                   |       |                    |           |             |   |           |     |             |      |
|------------------------------|--------------------|-------------------|-------|--------------------|-----------|-------------|---|-----------|-----|-------------|------|
| <b>07-14-2008</b>            | <b>Reported By</b> | DAVID FOREMAN     |       |                    |           |             |   |           |     |             |      |
| <b>Daily Costs: Drilling</b> | \$29,516           | <b>Completion</b> | \$0   | <b>Daily Total</b> | \$29,516  |             |   |           |     |             |      |
| <b>Cum Costs: Drilling</b>   | \$498,529          | <b>Completion</b> | \$0   | <b>Well Total</b>  | \$498,529 |             |   |           |     |             |      |
| <b>MD</b>                    | 6,114              | <b>TVD</b>        | 6,114 | <b>Progress</b>    | 1,421     | <b>Days</b> | 3 | <b>MW</b> | 9.4 | <b>Visc</b> | 31.0 |

**Formation :** PBTBTD : 0.0 **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING @ 6114'

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 08:30 | 2.5  | DRILL ROTATE 4693' TO 4780' 87' ROP 34.8 WOB 15/16 ROT 50/55 TQ 1755/2100.  |
| 08:30 | 09:00 | 0.5  | SERVICE RIG.  |
| 09:00 | 19:30 | 10.5 | DRILL ROTATE 4780' TO 5647' 867' ROP 82.5 WOB 16/18 ROT 45/50 TQ 1890/2200.   |
| 19:30 | 23:30 | 4.0  | RIG REPAIR CHG. OUT HYD. VALVE BANK CONTROL FOR ALL HYDRAULICS. WORK PIPE CIRC. & ROTATE.   |
| 23:30 | 06:00 | 6.5  | DRILL ROTATE 5647' TO 6114' 467' ROP 71.8 WOB 16/18 ROT 55/60 TQ. 1200/1465.<br>MUD LOSS LAST 24 HRS. 450 BBLS.<br>MUD WT 9.5, VIS 31<br>ROT 135 P/U 140 S/O 130<br><br>ACCIDENTS NONE REPORTED<br>FUNCTION TEST CROWN-O-MATIC,<br>SAFETY MEETING:LOCK OUT,TAG OUT,TIE OFF<br>CREWS FULL<br>FUEL ON HAND: 1013 GALS. USED 1075 GALS.<br><br>FORMATION TOP: BUCK CANYON.<br>GAS BG.222 U, CONN. 525 U,<br>LITHOLOGY, SAND/ SHALE,<br>MUD LOGGER UNMANED ON LOCATION F/ 7/11/08. = 3 DAYS |

| 07-15-2008                   | Reported By | DAVID FOREMAN     |       |                    |           |             |   |           |     |             |      |
|------------------------------|-------------|-------------------|-------|--------------------|-----------|-------------|---|-----------|-----|-------------|------|
| <b>Daily Costs: Drilling</b> | \$49,758    | <b>Completion</b> | \$0   | <b>Daily Total</b> | \$49,758  |             |   |           |     |             |      |
| <b>Cum Costs: Drilling</b>   | \$548,288   | <b>Completion</b> | \$0   | <b>Well Total</b>  | \$548,288 |             |   |           |     |             |      |
| <b>MD</b>                    | 6,866       | <b>TVD</b>        | 6,866 | <b>Progress</b>    | 752       | <b>Days</b> | 4 | <b>MW</b> | 9.6 | <b>Visc</b> | 33.0 |

**Formation :** PBTBTD : 0.0 **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING @ 6866'

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 06:00 | 10:00 | 4.0  | DRILL ROTATE 6114 TO 6356' 242' ROP 60.5 WOB 18/20 RPM 45/50 TQ. 1835/2570.  |
| 10:00 | 10:30 | 0.5  | SERVICE RIG.   |
| 10:30 | 20:30 | 10.0 | DRILL ROTATE 6356' TO 6685', 329'. ROP 32.9 WOB 18/20 RPM 50/55 TQ. 1875/2345.   |
| 20:30 | 22:00 | 1.5  | RIG REPAIR CIRC. WORK PIPE CHG. OUT SWIVEL PUMP.   |
| 22:00 | 06:00 | 8.0  | DRILL ROTATE 6685' TO 6866' 181' ROP 18.1' WOB 18/19 RPM 45/50 TQ. 1700/1835.<br>MUD LOSS LAST 24 HRS. 550 BBLS.<br>MUD WT.9.5 VIS.35<br>ROT 149 P/U 155 S/O 144<br><br>ACCIDENTS NONE REPORTED<br>FUNCTION TEST CROWN-O-MATIC,<br>SAFETY MEETING:HOUSEKEEPING.<br>CREWS FULL<br>FUEL ON HAND: 4004 GALS. USED 1004 GALS. REC. 4000. |

FORMATION TOP: NORTH HORN  
 GAS BG.222 U, CONN. 525 U,  
 LITHOLOGY, SAND/ SHALE,  
 MUD LOGGER UNMANNED ON LOCATION F/ 7/11/08. = 4 DAYS

**07-16-2008**      **Reported By**      DAVID FOREMAN

|                              |                   |                   |               |                        |           |
|------------------------------|-------------------|-------------------|---------------|------------------------|-----------|
| <b>Daily Costs: Drilling</b> | \$53,094          | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$53,094  |
| <b>Cum Costs: Drilling</b>   | \$601,382         | <b>Completion</b> | \$0           | <b>Well Total</b>      | \$601,382 |
| <b>MD</b>                    | 7,440             | <b>TVD</b>        | 7,440         | <b>Progress</b>        | 574       |
|                              |                   |                   |               | <b>Days</b>            | 5         |
|                              |                   |                   |               | <b>MW</b>              | 9.5       |
|                              |                   |                   |               | <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:** LDDP @ 7440' TD

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 06:00 | 13:30 | 7.5  | DRILL ROTATE 6866' TO 7093' 227' ROP 30.2 WOB 18/20 RPM 50/55 TQ. 900/1245.                            |
| 13:30 | 14:00 | 0.5  | SERVICE RIG.   |
| 14:00 | 01:00 | 11.0 | DRILL ROTATE 7093' TO 7440'. ROP 60.5. WOB 18/20 RPM 45/50 TQ. 1835/2570. REACHED TD @ 01:00, 7/16/08. |
| 01:00 | 03:00 | 2.0  | CIRC. COND. MUD SPOT 11.3 250 BBLs. EMW 10.3 HEIGHT OF PILL 3177'. DROP SURVEY @ 7010'.                |
| 03:00 | 06:00 | 3.0  | L/D DRILL PIPE.  |

MUD LOSS LAST 24 HRS. 300 BBLs.  
 MUD WT.9.5 VIS.35  
 ROT 157 P/U 162 S/O 152  
 ACCIDENTS NONE REPORTED  
 FUNCTION TEST CROWN-O-MATIC,  
 SAFETY MEETING:MIX CHAM. TRIPS.  
 CREWS FULL  
 FUEL ON HAND: 2711 GALS. USED 1293 GALS.

FORMATION TOP: PRICE RIVER  
 GAS BG.84 U, CONN. 325 U, MAX 1500 @ 7090'.  
 LITHOLOGY, SAND/ SHALE,  
 MUD LOGGER UNMANNED ON LOCATION F/ 7/11/08 TO 7/16/08 = 5 DAYS

**07-17-2008**      **Reported By**      DAVID FOREMAN/JIM SCHLENKER

|                              |                   |                   |               |                        |           |
|------------------------------|-------------------|-------------------|---------------|------------------------|-----------|
| <b>Daily Costs: Drilling</b> | \$46,470          | <b>Completion</b> | \$146,352     | <b>Daily Total</b>     | \$192,822 |
| <b>Cum Costs: Drilling</b>   | \$647,853         | <b>Completion</b> | \$146,352     | <b>Well Total</b>      | \$794,205 |
| <b>MD</b>                    | 7,440             | <b>TVD</b>        | 7,440         | <b>Progress</b>        | 0         |
|                              |                   |                   |               | <b>Days</b>            | 6         |
|                              |                   |                   |               | <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 | 11:00 | 5.0 | L/D DRILL PIPE & BHA REMOVE WEAR BUSHING.  |
| 11:00 | 12:00 | 1.0 | SAFETY MEETING RIG UP WEATHERFORD TO RUN CASING.   |
| 12:00 | 21:00 | 9.0 | RUN CASING RAN 4 1/2 11.6# N-80 LTC 173 JTS. + 1 MARKER JT. AS FOLLOWS FLOAT SHOE, 1 JT.CSG, FLOAT COLLAR, 69 JTS. CSG, 1 MARJER JT, 103 JTS.CSG, HANGER ASSEMBLY. FLOAT SHOE @ 7434', FLOAT COLLAR @ 7387', MARKER JT @ 4429', CENTRALIZERS 5 FT. ABOVE SHOE JT, TOP OF JT.#2 & EVERY 3 TH. JT. TOTAL 15. NOTE LOST RETURNS W/ RUNNING CSG. @ 1700' FILL BACK SIDE W/WATER. |

21:00 21:30 0.5 TAG L/D TAG JT.MAKE UP HANGER SPACE OUT AND LAND CSG.@ 7434' W/FULL STRING WT, 65,000#.  
 21:30 22:00 0.5 PUMP 115 BBLs.TO CLEAR PIPE NO RETURNS. & SAFETY MEETING W/ SCHLUMBERGER & ALL RIG PERSONNEL.  
 22:00 01:00 3.0 RIG UP TEST LINES TO 4700 PSI. DROP BOTTOM PLUG PUMP, 20 BBLs CHEM WASH & 20 BBLs WATER SPACER AHEAD OF LEAD AND CEMENT 7434' 4 1/2 N-80 11.6# CSG. LEAD 316.8 BBLs, 455 SKS. G + ADDS AS FOLLOWS, D020-12% EXTENDER, D079-1% EXTENDER, D112-.250% FLUID LOSS, D046-.2% ANTIFOAM, D044-5% SALT, D130-.125LB/SK BLEND LOST CIRC. YIELD 3.91 FT3/SK, H2O 24.583 GAL/SK @ 11.0 PPG TAIL 209 BBLs, 910 SKS, 50/50 POZ G + ADDS AS FOLLOWS, D020-2% EXTENDER, D046 .1% ANTIFOAM, D167-.2% FLUID LOSS, D065-.2% DISPERSANT, S001-1% ACCELERATOR. YIELD 1.29 FT3/SK, H2O 5.941 GAL/SK @ 14.1 PPG. SHUTDOWN, WASH OUT PUMPS & LINES, DROP TOP PLUG & DISP. TO FLOAT COLLAR W/FRESH WATER, 116 BBLs, AVG. DISP. RATE 8 BPM, FULL RETURNS UNTIL STOPPING TO PUMP DISPLACEMENT, LOST RETURNS BUT MAINTAINED PRESSURE. DROPPED TOP PLUG @ 00:28 BUMPED PLUG @ 00:52 TO 2,846 PSI 1100 PSI OVER LIFT PSI, HOLD PRESSURE FOR 1 MIN, 1 BBL. BACK, FLOAT HELD @ 00:55, CEMENT IN PLACE, SOME CEMENT TO SURFACE BEFORE LOSING RETURNS.

01:00 02:00 1.0 W/O/ CEMENT & R/D SLUMBERGER.  
 02:00 03:00 1.0 L/D LANDING JT. INSTALL PACKOFF & TEST TO 5000 PSI. LOOSEN DTO LOCK DOWN BOLTS.

03:00 06:00 3.0 N/D BOP & CLEAN PITS. RDRT.  
 MUD LOSS LAST 24 HRS. 200 BBLs.  
 MUD WT.9.5 VIS.35

ACCIDENTS NONE REPORTED  
 FUNCTION TEST CROWN-O-MATIC,  
 SAFETY MEETING:RUN CSG & CEMENTING W/SCHLUMBERGER  
 CREWS FULL  
 FUEL ON HAND: 2404 GALS. USED 307 GALS.

FORMATION TOP: PRICE RIVER  
 GAS BG.84 U, CONN. 325 U, MAX 1500 @ 7090'.  
 LITHOLOGY, SAND/ SHALE,  
 MUD LOGGER UNMANED ON LOCATION F/ 7/11/08 TO 7/17/08 = 6 DAYS

COST @ START OF LAYING DOWN DRILL PIPE \$413,541  
 COST FROM DRILLING COST REPORT (7/17/2008), DRILL COST COLUMN IS \$441,747  
 TOTAL WELL COST \$748,931

06:00 18.0 RIG RELEASED @ 06:00 ON 7/17/2008  
 CASING POINT COST \$602,579

| 07-23-2008                                     |            | Reported By   |  | SEARLE            |           |                    |     |                    |           |             |     |
|--|------------|---------------|--|-------------------|-----------|--------------------|-----|--------------------|-----------|-------------|-----|
| <b>Daily Costs: Drilling</b>                   | \$0        |               |  | <b>Completion</b> | \$41,176  |                    |     | <b>Daily Total</b> | \$41,176  |             |     |
| <b>Cum Costs: Drilling</b>                     | \$647,853  |               |  | <b>Completion</b> | \$187,528 |                    |     | <b>Well Total</b>  | \$835,381 |             |     |
| <b>MD</b>                                      | 7,440      | <b>TVD</b>    | 7,440  | <b>Progress</b>   | 0         | <b>Days</b>        | 7   | <b>MW</b>          | 0.0       | <b>Visc</b> | 0.0 |
| <b>Formation :</b>                             |            | <b>PBTD :</b> | 7386.0   | <b>Perf :</b>     |           | <b>PKR Depth :</b> | 0.0 |                    |           |             |     |
| <b>Activity at Report Time: PREP FOR FRACS</b> |            |               |  |                   |           |                    |     |                    |           |             |     |
| <b>Start</b>                                   | <b>End</b> | <b>Hrs</b>    | <b>Activity Description</b>  |                   |           |                    |     |                    |           |             |     |
| 06:00  | 06:00      | 24.0          | MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 50'. EST CEMENT TOP @ 180'. RD SCHLUMBERGER. |                   |           |                    |     |                    |           |             |     |

08-03-2008 Reported By MCCURDY

|                              |           |                   |           |                    |           |
|------------------------------|-----------|-------------------|-----------|--------------------|-----------|
| <b>Daily Costs: Drilling</b> | \$0       | <b>Completion</b> | \$1,724   | <b>Daily Total</b> | \$1,724   |
| <b>Cum Costs: Drilling</b>   | \$647,853 | <b>Completion</b> | \$189,252 | <b>Well Total</b>  | \$837,105 |

|                    |                      |            |       |                 |                        |             |   |           |     |             |     |
|--------------------|----------------------|------------|-------|-----------------|------------------------|-------------|---|-----------|-----|-------------|-----|
| <b>MD</b>          | 7,440                | <b>TVD</b> | 7,440 | <b>Progress</b> | 0                      | <b>Days</b> | 8 | <b>MW</b> | 0.0 | <b>Visc</b> | 0.0 |
| <b>Formation :</b> | <b>PBTD : 7386.0</b> |            |       | <b>Perf :</b>   | <b>PKR Depth : 0.0</b> |             |   |           |     |             |     |

Activity at Report Time: WO COMPLETION

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

|       |       |      |   |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION. |
|-------|-------|------|---|

08-06-2008 Reported By MCCURDY

|                              |           |                   |           |                    |           |
|------------------------------|-----------|-------------------|-----------|--------------------|-----------|
| <b>Daily Costs: Drilling</b> | \$0       | <b>Completion</b> | \$968     | <b>Daily Total</b> | \$968     |
| <b>Cum Costs: Drilling</b>   | \$647,853 | <b>Completion</b> | \$190,220 | <b>Well Total</b>  | \$838,073 |

|                    |                      |            |       |                           |                        |             |   |           |     |             |     |
|--------------------|----------------------|------------|-------|---------------------------|------------------------|-------------|---|-----------|-----|-------------|-----|
| <b>MD</b>          | 7,440                | <b>TVD</b> | 7,440 | <b>Progress</b>           | 0                      | <b>Days</b> | 9 | <b>MW</b> | 0.0 | <b>Visc</b> | 0.0 |
| <b>Formation :</b> | <b>PBTD : 7386.0</b> |            |       | <b>Perf : 6297'-7217'</b> | <b>PKR Depth : 0.0</b> |             |   |           |     |             |     |

Activity at Report Time: FRAC STAGE 5 OF 7

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

|       |       |      |   |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | RU CUTTERS WIRELINE & PERFORATE NORTH HORN FROM 7039'-40', 7047'-48', 7059'-60', 7078'-79', 7095'-96', 7126'-27', 7131'-32', 7149'-50', 7166'-67', 7185'-86', 7196'-97', 7216'-17' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4158 GAL YF116 PAD, 44894 GAL YF116ST+ WITH 147900# 20/40 SAND @ 1-5 PPG. MTP 6109 PSIG. MTR 51 BPM. ATP 4716 PSIG. ATR 46.9 BPM. ISIP 2050 PSIG. RD SCHLUMBERGER. |
|-------|-------|------|---|

RUWL. SET 6K CFP AT 7005'. PERFORATE NORTH HORN FROM 6875'-76', 6886'-87', 6906'-07', 6919'-20', 6925'-26', 6929'-30', 6935'-36', 6947'-48', 6962'-63', 6970'-71', 6977'-78', 6985'-86' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2060 GAL YF116 PAD, 42855 GAL YF116ST+ WITH 127200# 20/40 SAND @ 1-4 PPG. MTP 6068 PSIG. MTR 51.9 BPM. ATP 4295 PSIG. ATR 47.8 BPM. ISIP 2440 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6840'. PERFORATE NORTH HORN/ Ba FROM 6545'-46', 6584'-85', 6609'-10', 6613'-14', 6622'-23', 6645'-46', 6657'-58', 6738'-39', 6762'-63', 6780'-81', 6801'-02', 6819'-20' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2070 GAL YF116 PAD, 41505 GAL YF116ST+ WITH 115300# 20/40 SAND @ 1-4 PPG. MTP 6321 PSIG. MTR 51.2 BPM. ATP 4887 PSIG. ATR 47.7 BPM. ISIP 2440 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6510'. PERFORATE Ba FROM 6297'-98', 6312'-13', 6323'-24', 6354'-55', 6374'-75', 6397'-98', 6425'-26', 6459'-60', 6477'-78', 6485'-87', 6489'-90' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. BLENDER HOSE FAILED DURING PAD. SDFN.

08-07-2008 Reported By MCCURDY

|                              |           |                   |           |                    |             |
|------------------------------|-----------|-------------------|-----------|--------------------|-------------|
| <b>Daily Costs: Drilling</b> | \$0       | <b>Completion</b> | \$272,223 | <b>Daily Total</b> | \$272,223   |
| <b>Cum Costs: Drilling</b>   | \$647,853 | <b>Completion</b> | \$462,443 | <b>Well Total</b>  | \$1,110,296 |

|                    |                      |            |       |                           |                        |             |    |           |     |             |     |
|--------------------|----------------------|------------|-------|---------------------------|------------------------|-------------|----|-----------|-----|-------------|-----|
| <b>MD</b>          | 7,440                | <b>TVD</b> | 7,440 | <b>Progress</b>           | 0                      | <b>Days</b> | 10 | <b>MW</b> | 0.0 | <b>Visc</b> | 0.0 |
| <b>Formation :</b> | <b>PBTD : 7386.0</b> |            |       | <b>Perf : 5542'-7217'</b> | <b>PKR Depth : 0.0</b> |             |    |           |     |             |     |

Activity at Report Time: PREP TO MIRUSU

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

|       |       |      |  |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | SICP 1300 PSIG. FRAC DOWN CASING WITH 2989 GAL YF116 PAD, 38902 GAL YF116ST+ WITH 109900# 20/40 SAND @ 1-4 PPG. MTP 6616 PSIG. MTR 49.4 BPM. ATP 5438 PSIG. ATR 44.2 BPM. ISIP 2700 PSIG. RD SCHLUMBERGER. |
|-------|-------|------|--|

RUWL. SET 6K CFP AT 6250'. PERFORATE Ca FROM 5950'-51', 5960'-61', 6026'-27', 6045'-46', 6055'-56', 6065'-66', 6071'-72', 6089'-90', 6105'-06', 6130'-31', 6201'-02', 6227'-28' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 4078 GAL YF116 PAD, 43458 GAL YF116ST+ WITH 121000# 20/40 SAND @ 1-4 PPG. MTP 6530 PSIG. MTR 51.2 BPM. ATP 5394 PSIG. ATR 36.9 BPM. ISIP 2000 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5840'. PERFORATE Ca FROM 5754'-56', 5786'-90', 5799'-801', 5804'-06' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 2070 GAL YF116 PAD, 36352 GAL YF116ST+ WITH 105400# 20/40 SAND @ 1-4 PPG. MTP 6330 PSIG. MTR 51.3 BPM. ATP 4552 PSIG. ATR 46.4 BPM. ISIP 2150 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5710'. PERFORATE Ca FROM 5542'-44', 5548'-50', 5557'-59', 5630'-32', 5672'-74', 5688'-90' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 5998 GAL YF116 PAD, 38629 GAL YF116ST+ WITH 115600# 20/40 SAND @ 1-4 PPG. MTP 5998 PSIG. MTR 51 BPM. ATP 4151 PSIG. ATR 47.7 BPM. ISIP 2671 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 5470'. RDWL. SDFN.

| 08-13-2008   |            | Reported By          |  | HISLOP                    |           |                        |    |             |     |             |     |
|--|------------|----------------------|--|---------------------------|-----------|------------------------|----|-------------|-----|-------------|-----|
| <b>Daily Costs: Drilling</b>                         |            | \$0                  | <b>Completion</b>  |                           | \$25,417  | <b>Daily Total</b>     |    | \$25,417    |     |             |     |
| <b>Cum Costs: Drilling</b>                           |            | \$647,853            | <b>Completion</b>  |                           | \$487,860 | <b>Well Total</b>      |    | \$1,135,713 |     |             |     |
| <b>MD</b>  | 7,440      | <b>TVD</b>           | 7,440  | <b>Progress</b>           | 0         | <b>Days</b>            | 11 | <b>MW</b>   | 0.0 | <b>Visc</b> | 0.0 |
| <b>Formation : WASATCH</b>                           |            | <b>PBTD : 7386.0</b> |  | <b>Perf : 5542'-7217'</b> |           | <b>PKR Depth : 0.0</b> |    |             |     |             |     |
| <b>Activity at Report Time: CLEAN OUT AFTER FRAC</b> |            |                      |  |                           |           |                        |    |             |     |             |     |
| <b>Start</b>   | <b>End</b> | <b>Hrs</b>           | <b>Activity Description</b>  |                           |           |                        |    |             |     |             |     |
| 06:00  | 06:00      | 24.0                 | SICP 0 PSIG. MIRUSU. ND TREE. NU BOP RIH W/BIT & PUMP OFF SUB TO 5470'. RU TO DRILL PLUGS. SDFN. |                           |           |                        |    |             |     |             |     |

| 08-14-2008                                |            | Reported By          |   | HISLOP                    |           |                        |    |             |     |             |     |
|---|------------|----------------------|---|---------------------------|-----------|------------------------|----|-------------|-----|-------------|-----|
| <b>Daily Costs: Drilling</b>              |            | \$0                  | <b>Completion</b>   |                           | \$35,062  | <b>Daily Total</b>     |    | \$35,062    |     |             |     |
| <b>Cum Costs: Drilling</b>                |            | \$647,853            | <b>Completion</b>   |                           | \$522,922 | <b>Well Total</b>      |    | \$1,170,775 |     |             |     |
| <b>MD</b>                                 | 7,440      | <b>TVD</b>           | 7,440   | <b>Progress</b>           | 0         | <b>Days</b>            | 12 | <b>MW</b>   | 0.0 | <b>Visc</b> | 0.0 |
| <b>Formation : WASATCH</b>                |            | <b>PBTD : 7386.0</b> |   | <b>Perf : 5542'-7217'</b> |           | <b>PKR Depth : 0.0</b> |    |             |     |             |     |
| <b>Activity at Report Time: FLOW TEST</b> |            |                      |   |                           |           |                        |    |             |     |             |     |
| <b>Start</b>                              | <b>End</b> | <b>Hrs</b>           | <b>Activity Description</b>   |                           |           |                        |    |             |     |             |     |
| 06:00                                     | 06:00      | 24.0                 | SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5570', 5710', 5840', 6250', 6510', 6840', & 7005'. RIH. CLEANED OUT TO 7323'. LANDED TUBING @ 6872' KB. ND BOP. NU TREE. PUMPED OFF BIT & SUB. RDMOSU. |                           |           |                        |    |             |     |             |     |

FLOWED 18 HRS. 48/64" CHOKE. FTP 290 PSIG. CP 150 PSIG. 64 BFPH. RECOVERED 1368 BLW. 6632 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF BIT SUB 0.91'  
 1 JT 2-3/8" 4.7# J-55 TBG (YB) 31.28'  
 XN NIPPLE 1.30'  
 211 JTS 2-3/8" 4.7# J-55 TBG (YB) 6825.39'  
 BELOW KB 13.00'  
 LANDED @ 6871.88' KB

| 08-15-2008 |  | Reported By |  | HISLOP |  |  |  |  |  |
|------------|--|-------------|--|--------|--|--|--|--|--|
|------------|--|-------------|--|--------|--|--|--|--|--|



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.  
UTU0343

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 1229-07

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

9. API Well No.  
43-047-38113

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
 At surface **NENE 649FNL 495FEL 40.05597 N Lat, 109.36204 W Lon**  
 At top prod interval reported below **NENE 649FNL 495FEL 40.05597 N Lat, 109.36204 W Lon**  
 At total depth **NENE 649FNL 495FEL 40.05597 N Lat, 109.36204 W Lon**

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

11. Sec., T., R., M., or Block and Survey or Area **Sec 7 T9S R23E Mer SLB**

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

14. Date Spudded **06/23/2008** 15. Date T.D. Reached **07/16/2008** 16. Date Completed  
 D & A  Ready to Prod.  
**09/03/2008**

17. Elevations (DF, KB, RT, GL)\*  
4850 GL

18. Total Depth: **MD 7440 TVD** 19. Plug Back T.D.: **MD 7386 TVD** 20. Depth Bridge Plug Set: **MD TVD**

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

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

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sks. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|------------------------------|-------------------|-------------|---------------|
| 12.250    | 9.625 J-55 | 36.0        | 0        | 2319        |                      | 625                          |                   |             |               |
| 7.875     | 4.500 N-80 | 11.6        | 0        | 7434        |                      | 1365                         |                   |             |               |
|           |            |             |          |             |                      |                              |                   |             |               |
|           |            |             |          |             |                      |                              |                   |             |               |
|           |            |             |          |             |                      |                              |                   |             |               |

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 | 6872           |                   |      |                |                   |      |                |                   |

25. Producing Intervals 26. Perforation Record **5542**

| Formation  | Top  | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|------------|------|--------|---------------------|------|-----------|--------------|
| A) WASATCH | 5542 | 7217   | 7039 TO 7217        |      | 3         |              |
| B)         |      |        | 6875 TO 6986        |      | 3         |              |
| C)         |      |        | 6545 TO 6820        |      | 3         |              |
| D)         |      |        | 6297 TO 6490        |      | 3         |              |

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

| Depth Interval | Amount and Type of Material                    |
|----------------|--|
| 7039 TO 7217   | 49,217 GALS GELLED WATER & 147,900# 20/40 SAND |
| 6875 TO 6986   | 45,080 GALS GELLED WATER & 127,200# 20/40 SAND |
| 6545 TO 6820   | 43,740 GALS GELLED WATER & 115,300# 20/40 SAND |
| 6297 TO 6490   | 41,891 GALS GELLED WATER & 109,900# 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 |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| 09/03/2008          | 09/10/2008           | 24           | →               | 6.0     | 689.0   | 123.0     |                       |             | FLOWS FROM WELL   |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio         | Well Status |                   |
| 14/64"              | 1075                 | 1425.0       | →               | 6       | 689     | 123       |                       | PGW         |                   |

28a. Production - Interval B

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

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

ELECTRONIC SUBMISSION #63519 VERIFIED BY THE BLM WELL INFORMATION SYSTEM  
 \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

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OCT 06 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  |
| WASATCH   | 5542 | 7217   |                              | GREEN RIVER<br>MAHOGANY<br>UTELAND BUTTE<br>WASATCH<br>CHAPITA WELLS<br>BUCK CANYON<br>PRICE RIVER | 1889<br>2540<br>4698<br>4832<br>5431<br>6097<br>7223 |

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

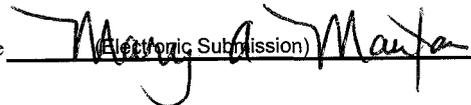
33. Circle enclosed attachments:

- |   |                    |               |                       |
|---|--------------------|---------------|-----------------------|
| 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 #63519 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal**

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

Signature  (Electronic Submission) Date 10/02/2008

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 1229-07 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

|           |       |
|-----------|-------|
| 5950-6228 | 3/spf |
| 5754-5806 | 3/spf |
| 5542-5690 | 3/spf |

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

|           |  |
|-----------|--|
| 5950-6228 | 47,536 GALS GELLED WATER & 121,000# 20/40 SAND |
| 5754-5806 | 38,422 GALS GELLED WATER & 105,400# 20/40 SAND |
| 5542-5690 | 44,627 GALS GELLED WATER & 115,600# 20/40 SAND |

Perforated the North Horn from 7039-40', 7047-48', 7059-60', 7078-79', 7095-96', 7126-27', 7131-32', 7149-50', 7166-67', 7185-86', 7196-97', 7216-17' w/ 3 spf.

Perforated the North Horn from 6875-76', 6886-87', 6906-07', 6919-20', 6925-26', 6929-30', 6935-36', 6947-48', 6962-63', 6970-71', 6977-78', 6985-86' w/ 3 spf.

Perforated the North Horn/Ba from 6545-46', 6584-85', 6609-10', 6613-14', 6622-23', 6645-46', 6657-58', 6738-39', 6762-63', 6780-81', 6801-02', 6819-20' w/ 3 spf.

Perforated the Ba from 6297-98', 6312-13', 6323-24', 6354-55', 6374-75', 6397-98', 6425-26', 6459-60', 6477-78', 6485-87', 6489-90' w/ 3 spf.

Perforated the Ca from 5950-51', 5960-61', 6026-27', 6045-46', 6055-56', 6065-66', 6071-72', 6089-90', 6105-06', 6130-31', 6201-02', 6227-28' w/ 3 spf.

Perforated the Ca from 5754-56', 5786-90', 5799-5801', 5804-06' w/ 3 spf.

Perforated the Ca from 5542-44', 5548-50', 5557-59', 5630-32', 5672-74', 5688-90' w/ 3 spf.





United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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



IN REPLY REFER TO  
3180  
UT-922

July 24, 2009

Debbie Spears  
EOG Resources, Inc.  
600 17<sup>th</sup> Street, Suite 1000N  
Denver, Colorado 80202

Re: Initial Consolidated Wasatch  
Formation PA "A-H, J"  
Chapita Wells Unit  
Uintah County, Utah

Dear Ms. Spears:

The Initial Consolidated Wasatch Formation PA "A-H, J", Chapita Wells Unit, CRS No. UTU63013BM, AFS No. 892000905BM, is hereby approved effective as of September 1, 2008, pursuant to Section 11 of the Chapita Wells Unit Agreement, Uintah County, Utah.

The Initial Consolidated Wasatch Formation PA "A-H, J" results in an initial consolidated participating area of 15,904.22 acres and is based upon the completion of the following wells as capable of producing unitized substances in paying quantities.

*to 4905*

| WELL NO.   | API NO.      | LOCATION                                      | LEASE NO. |
|------------|--------------|---|-----------|
| CWU 731-32 | 43-047-39582 | NE $\frac{1}{4}$ NW $\frac{1}{4}$ , 32-9S-23E | STATE     |
| CWU 717-7  | 43-047-39055 | SE $\frac{1}{4}$ SW $\frac{1}{4}$ , 7-9S-23E  | UTU0343   |
| CWU 1229-7 | 43-047-38113 | NE $\frac{1}{4}$ NE $\frac{1}{4}$ , 7-9S-23E  | UTU0343   |

*from*

16896  
16948  
16934

Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the approval of the Initial Consolidated Wasatch Formation PA "A-H J", Chapita Wells Unit, and the effective date.

*also entity 15871 to 4905*

| API          | WELL NAME  | QTR/QTR | SEC | TWP  | RNG  |
|--------------|------------|---------|-----|------|------|
| ✓ 4304737415 | CWU 695-32 | SWNE    | 32  | 0908 | 230E |
| ✓ 4304737494 | CWU 689-33 | NESW    | 33  | 0908 | 230E |
| ✓ 4304738862 | CWU 722-32 | NESE    | 32  | 0908 | 230E |
| 4304739056   | CWU 719-33 | SWSW    | 33  | 0908 | 230E |
| 4304739197   | CWU 697-32 | SWNW    | 32  | 0908 | 230E |
| 4304739199   | CWU 699-32 | SWSW    | 32  | 0908 | 230E |
| ✓ 4304739216 | CWU 698-32 | SWSE    | 32  | 0908 | 230E |
| ✓ 4304739599 | CWU 732-32 | NESW    | 32  | 0908 | 230E |

Sincerely,

/s/ Terry Catlin

Terry Catlin  
Acting Chief, Branch of Fluid Minerals

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JUL 29 2009

DIV. OF OIL, GAS & MINING

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

FORM 6

**ENTITY ACTION FORM**

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

Well 1

| API Number        | Well Name                 |                   | QQ        | Sec | Twp | Rng                              | County    |
|-------------------|---------------------------|-------------------|-----------|-----|-----|----------------------------------|-----------|
| 43-047-39582      | CHAPITA WELLS UNIT 731-32 |                   | NENW      | 32  | 9S  | 23E                              | UINTAH    |
| Action Code       | Current Entity Number     | New Entity Number | Spud Date |     |     | Entity Assignment Effective Date |           |
| C                 | 16896                     | 4905              | 6/10/2008 |     |     | 9/1/2008                         |           |
| Comments: WASATCH |                           |                   |           |     |     |                                  | — 8/24/09 |

Well 2

| API Number        | Well Name                 |                   | QQ        | Sec | Twp | Rng                              | County    |
|-------------------|---------------------------|-------------------|-----------|-----|-----|----------------------------------|-----------|
| 43-047-39055      | CHAPITA WELLS UNIT 717-07 |                   | SESW      | 7   | 9S  | 23E                              | UINTAH    |
| Action Code       | Current Entity Number     | New Entity Number | Spud Date |     |     | Entity Assignment Effective Date |           |
| C                 | 16948                     | 4905              | 6/29/2008 |     |     | 9/1/2008                         |           |
| Comments: WASATCH |                           |                   |           |     |     |                                  | — 8/24/09 |

Well 3

| API Number        | Well Name                  |                   | QQ        | Sec | Twp | Rng                              | County    |
|-------------------|----------------------------|-------------------|-----------|-----|-----|----------------------------------|-----------|
| 43-047-38113      | CHAPITA WELLS UNIT 1229-07 |                   | NENE      | 7   | 9S  | 23E                              | UINTAH    |
| Action Code       | Current Entity Number      | New Entity Number | Spud Date |     |     | Entity Assignment Effective Date |           |
| C                 | 16934                      | 4905              | 6/23/2008 |     |     | 9/1/2008                         |           |
| Comments: WASATCH |                            |                   |           |     |     |                                  | — 8/24/09 |

**ACTION CODES:**

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

Mickenzie Thacker

Name (Please Print)

*Mickenzie Thacker*

Signature

Operations Clerk

8/20/2009

Title

Date

**RECEIVED**

**AUG 19 2009**

DIV. OF OIL, GAS & MINING

|  |   |
|--|---|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING  | <b>FORM 9</b><br><br><b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>U-0343                                       |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b><br><br><b>7. UNIT or CA AGREEMENT NAME:</b><br>CHAPITA WELLS           |
| <b>1. TYPE OF WELL</b><br>Gas Well   | <b>8. WELL NAME and NUMBER:</b><br>CWU 1229-07  |
| <b>2. NAME OF OPERATOR:</b><br>EOG Resources, Inc.   | <b>9. API NUMBER:</b><br>43047381130000   |
| <b>3. ADDRESS OF OPERATOR:</b><br>1060 East Highway 40 , Vernal, UT, 84078   | <b>PHONE NUMBER:</b><br>435 781-9111 Ext  |
| <b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b><br>0649 FNL 0495 FEL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: NENE Section: 07 Township: 09.0S Range: 23.0E Meridian: S  | <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES<br><br><b>COUNTY:</b><br>UINTAH<br><br><b>STATE:</b><br>UTAH |

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

| TYPE OF SUBMISSION   | TYPE OF ACTION   |   |   |
|--|--|---|---|
| <input type="checkbox"/> <b>NOTICE OF INTENT</b><br>Approximate date work will start:                | <input type="checkbox"/> ACIDIZE                       | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> CASING REPAIR                  |
| <input checked="" type="checkbox"/> <b>SUBSEQUENT REPORT</b><br>Date of Work Completion:<br>9/8/2009 | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS      | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> CHANGE WELL NAME               |
| <input type="checkbox"/> <b>SPUD REPORT</b><br>Date of Spud:   | <input type="checkbox"/> CHANGE WELL STATUS            | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE              |
| <input type="checkbox"/> <b>DRILLING REPORT</b><br>Report Date:                                      | <input type="checkbox"/> DEEPEN                        | <input type="checkbox"/> FRACTURE TREAT                 | <input type="checkbox"/> NEW CONSTRUCTION               |
|  | <input type="checkbox"/> OPERATOR CHANGE               | <input type="checkbox"/> PLUG AND ABANDON               | <input type="checkbox"/> PLUG BACK                      |
|  | <input type="checkbox"/> PRODUCTION START OR RESUME    | <input type="checkbox"/> RECLAMATION OF WELL SITE       | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
|  | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL       | <input type="checkbox"/> TEMPORARY ABANDON              |
|  | <input type="checkbox"/> TUBING REPAIR                 | <input type="checkbox"/> VENT OR FLARE                  | <input type="checkbox"/> WATER DISPOSAL                 |
|  | <input type="checkbox"/> WATER SHUTOFF                 | <input type="checkbox"/> SI TA STATUS EXTENSION         | <input type="checkbox"/> APD EXTENSION                  |
|  | <input type="checkbox"/> WILDCAT WELL DETERMINATION    | <input checked="" type="checkbox"/> OTHER               | OTHER: Pit Closure                                      |

**12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.**  
 The reserve pit on the referenced location was closed on 9/8/2009 as per the APD procedure.

Accepted by the  
 Utah Division of  
 Oil, Gas and Mining  
**FOR RECORD ONLY**  
 October 07, 2009

|   |                                     |                                  |
|---|-------------------------------------|----------------------------------|
| <b>NAME (PLEASE PRINT)</b><br>Mickenzie Gates | <b>PHONE NUMBER</b><br>435 781-9145 | <b>TITLE</b><br>Operations Clerk |
| <b>SIGNATURE</b><br>N/A                       |                                     | <b>DATE</b><br>10/6/2009         |