

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

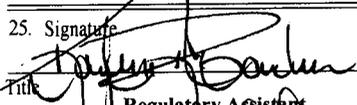
APPLICATION FOR PERMIT TO DRILL OR REENTER

| | | |
|--|--|---|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 7. If Unit or CA Agreement, Name and No. |
| 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. EAST CHAPITA 26-10 |
| 2. Name of Operator EOG RESOURCES, INC. | | 9. API Well No. 43-047-38139 |
| 3a. Address P.O. Box 1815 Vernal Ut 84078 | 3b. Phone No. (include area code) 435-789-0790 | 10. Field and Pool, or Exploratory NATURAL BUTTES Field Field |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 850 FSL 622 FWL (SW/SW) 40.05539 LAT 109.320322 LON At proposed prod. zone SAME 643352 X 40.045570 44339584 -109.319579 | | 11. Sec., T. R. M. or Blk. and Survey or Area SECTION 10, T9S, R23E S.L.B&M |
| 14. Distance in miles and direction from nearest town or post office* 56.0 MILES SOUTH OF VERNAL, UTAH | | 12. County or Parish UINTAH |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 470' | | 13. State UT |
| 16. No. of acres in lease 1079 | 17. Spacing Unit dedicated to this well 40 | |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 4620' | 19. Proposed Depth 9100' | 20. BLM/BIA Bond No. on file NM 2308 |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4983' GL | 22. Approximate date work will start* | 23. Estimated duration 45 DAYS |

24. Attachments

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

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

| | | |
|--|---|---------------------------|
| 25. Signature  | Name (Printed Typed) Kaylene R. Gardner | Date 05/18/2006 |
| Title Regulatory Assistant | | |
| Approved by (Signature)  | Name (Printed Typed) BRADLEY G. HILL | Date 05-25-06 |
| Title ENVIRONMENTAL MANAGER | Off. | |

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

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

*(Instructions on page 2)

**Federal Approval of this
Action is Necessary**

**RECEIVED
MAY 19 2006**

DIV. OF OIL, GAS & MINING

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

EOG RESOURCES, INC.

Well location, EAST CHAPITA #26-10, located as shown in the SW 1/4 SW 1/4 of Section 10, T9S, R23E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK (57 EAM) LOCATED IN THE NE 1/4 NE 1/4 OF SECTION 29, 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 5192 FEET.

BASIS OF BEARINGS

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

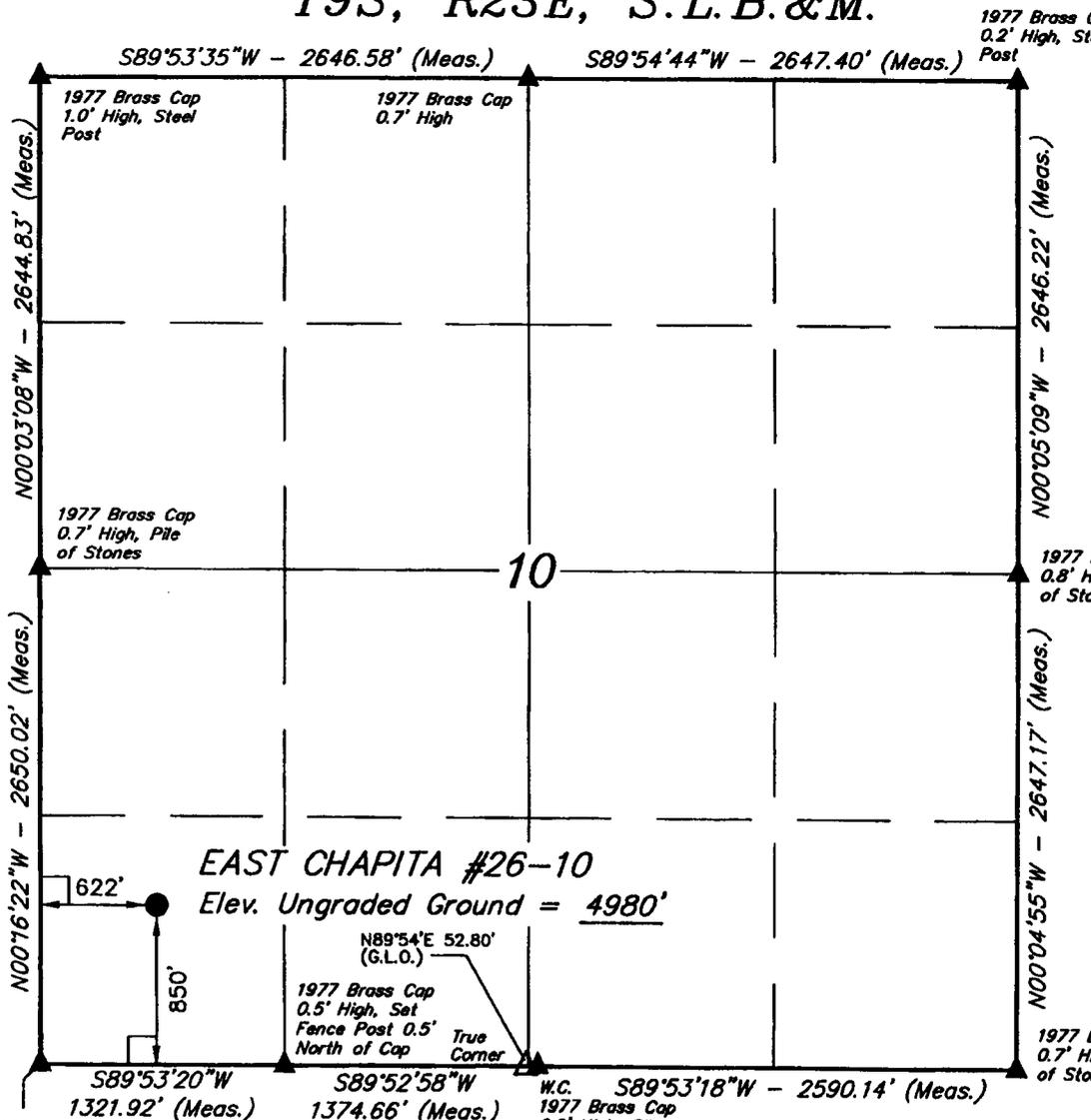


SCALE

CERTIFICATION

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

ROBERT L. JONES
REGISTERED LAND SURVEYOR
STATE OF UTAH



1977 Brass Cap 0.5' High, Set Fence Post 0.5' North of Cap

LEGEND:

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

(AUTONOMOUS NAD 83)
 LATITUDE = 40°02'43.94" (40.05539)
 LONGITUDE = 109°19'13.16" (109.320322)
 (AUTONOMOUS NAD 27)
 LATITUDE = 40°02'44.06" (40.045572)
 LONGITUDE = 109°19'10.72" (109.319644)

| | | |
|--|-----------------------------|-------------------------|
| UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017 | | |
| SCALE 1" = 1000' | DATE SURVEYED: 12-16-05 | DATE DRAWN: 01-04-06 |
| PARTY J.R. N.G. S.L. | REFERENCES G.L.O. PLAT | |
| WEATHER COLD | FILE EOG RESOURCES, INC. | |

EIGHT POINT PLAN

EAST CHAPITA 26-10

**SW/SW, SEC. 10, T9S, R23E, S.L.B.&M.,
UINTAH COUNTY, UTAH**

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

| FORMATION | DEPTH (KB) |
|------------------------|-------------------|
| Green River FM | 1,770' |
| Wasatch | 4,686' |
| Chapita Wells | 5,240' |
| Buck Canyon | 5,942' |
| North Horn | 6,487' |
| Island | 6,763' |
| KMV Price River | 6,841' |
| KMV Price River Middle | 7,704' |
| KMV Price River Lower | 8,536' |
| Sego | 8,887' |

Estimated TD: **9,100' or 200'± below Sego top**

Anticipated BHP: 4,970 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

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

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

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

EIGHT POINT PLAN

EAST CHAPITA 26-10

SW/SW, SEC. 10, 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. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

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

7. VARIANCE REQUESTS:

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

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

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

EIGHT POINT PLAN

EAST CHAPITA 26-10

SW/SW, SEC. 10, T9S, R23E, S.L.B.&M..

UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

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

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

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

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

Production Hole Procedure (2300'± - TD)

Lead: **135 sks:** 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: **854 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9 gps water.

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

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

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

EIGHT POINT PLAN

EAST CHAPITA 26-10
SW/SW, SEC. 10, 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)



**EAST CHAPITA 26-10
SWSW, Section 10, T9S, R23E
Uintah County, Utah**

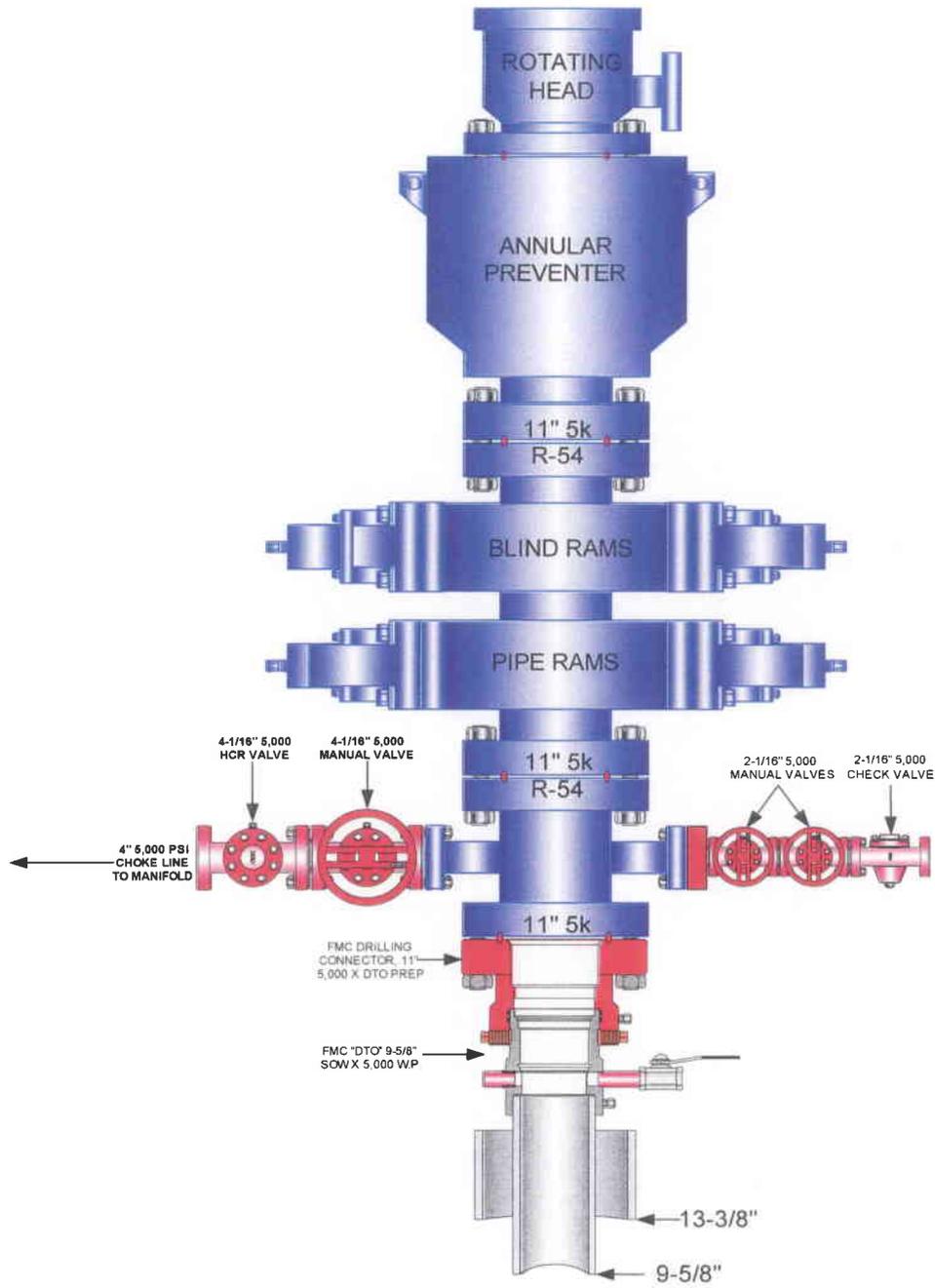
SURFACE USE PLAN

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.

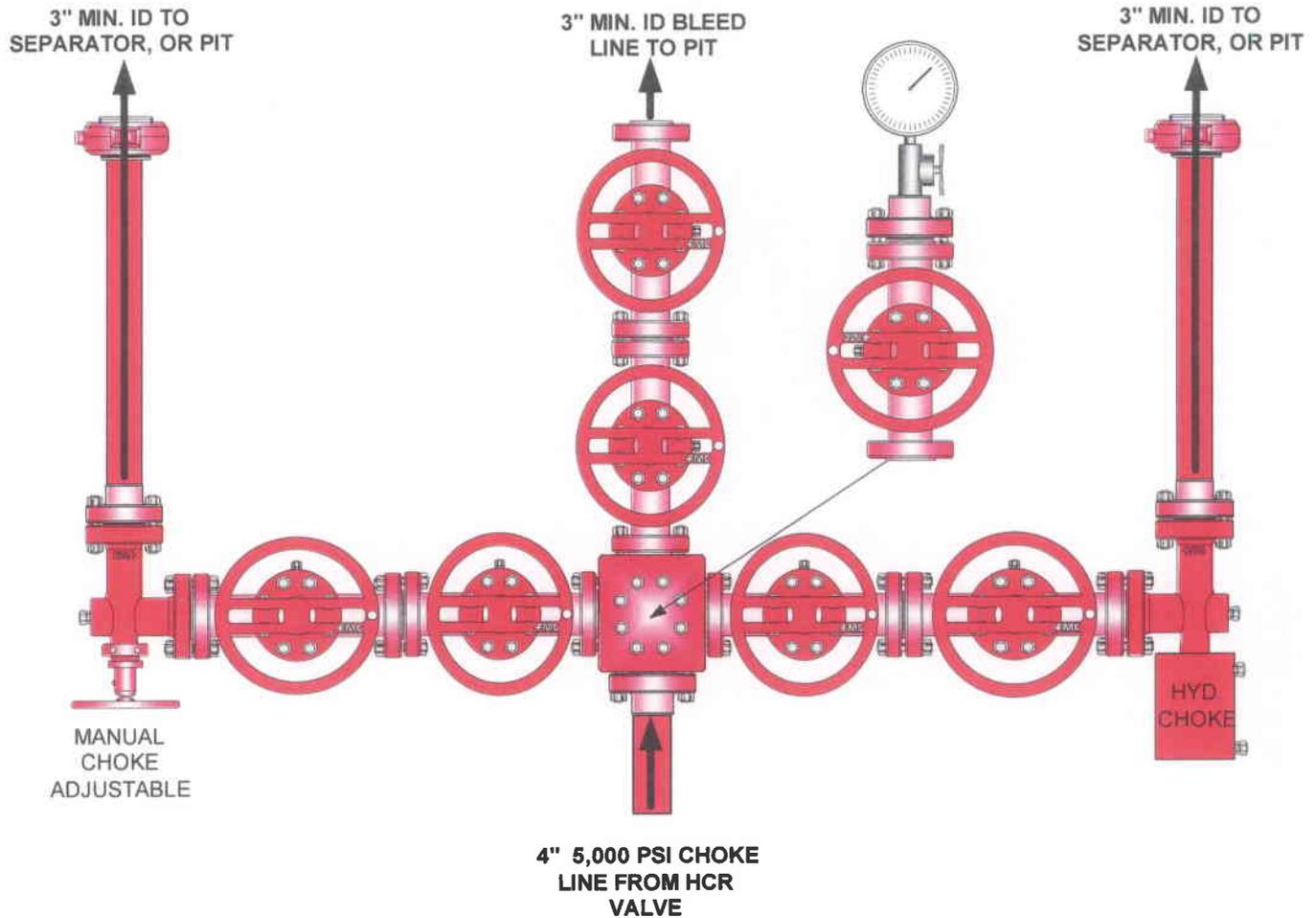
For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

**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.

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 20 feet long with a 30-foot right-of-way, disturbing approximately 0.01 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 1.85 acres. The pipeline is approximately 7784 feet long within Federal Lease U 67868 disturbing approximately 7.15 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 43.6 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 30' 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.

All travel will be confined to existing access road right-of-way.

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 – 2*
- 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 7784' x 40'. The proposed pipeline leaves the southern edge of the well pad (Lease U-67868) proceeding in a westerly direction for an approximate distance of 7784' tying into proposed pipeline for East Chapita 18-17 located in the NENE of Section 17, T9S, R23E. Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lok, electric weld with a 35 mil X-Tru coating. An offlease right-of-way will not be required.
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.

A plastic nylon reinforced liner will be used. It will be a minimum of 12 mil thickness with sufficient bedding (i.e. weed free straw, or hay; felt; or soil) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

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

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

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

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

The reserve pit will be located on the northeast 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 east of Corner #5. The stockpiled location topsoil will be stored between Corners #2 and #8. 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 north.

FENCING REQUIREMENTS:

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

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

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

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

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Producing Location

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

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

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

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

| Seed Mixture | Drilled Rate (lbs./acre PLS*) |
|-----------------------|--|
| HY Crested Wheatgrass | 9.0 |
| Kochia Prostrata | 3.0 |

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

B. Dry Hole/Abandoned Location

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

| Seed Mixture | Drilled Rate (lbs./acre PLS*) |
|-------------------------|--|
| Wyoming Big Sagebrush | 3.0 |
| Shadscale | 2.0 |
| Needle & Thread Grass | 2.0 |
| Hy Crested Wheatgrass | 4.0 |
| Winter Fat/Globe Mellow | 1.0 |

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

11. SURFACE OWNERSHIP:

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

Bureau of Land Management

12. OTHER INFORMATION:

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

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

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

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

on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

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

Additional stipulations

No construction or drilling activities shall be conducted May 15th through June 20th due to Antelope stipulation.

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

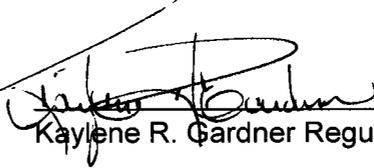
DRILLING OPERATIONS

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 East Chapita 26-10 Well, located in the SW/SW, of Section 10, 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 18, 2006 _____
Date



Kaylene R. Gardner Regulatory Assistant

EOG RESOURCES, INC.
EAST CHAPITA #26-10
 LOCATED IN UINTAH COUNTY, UTAH
 SECTION 10, T9S, R23E, S.L.B.&M.

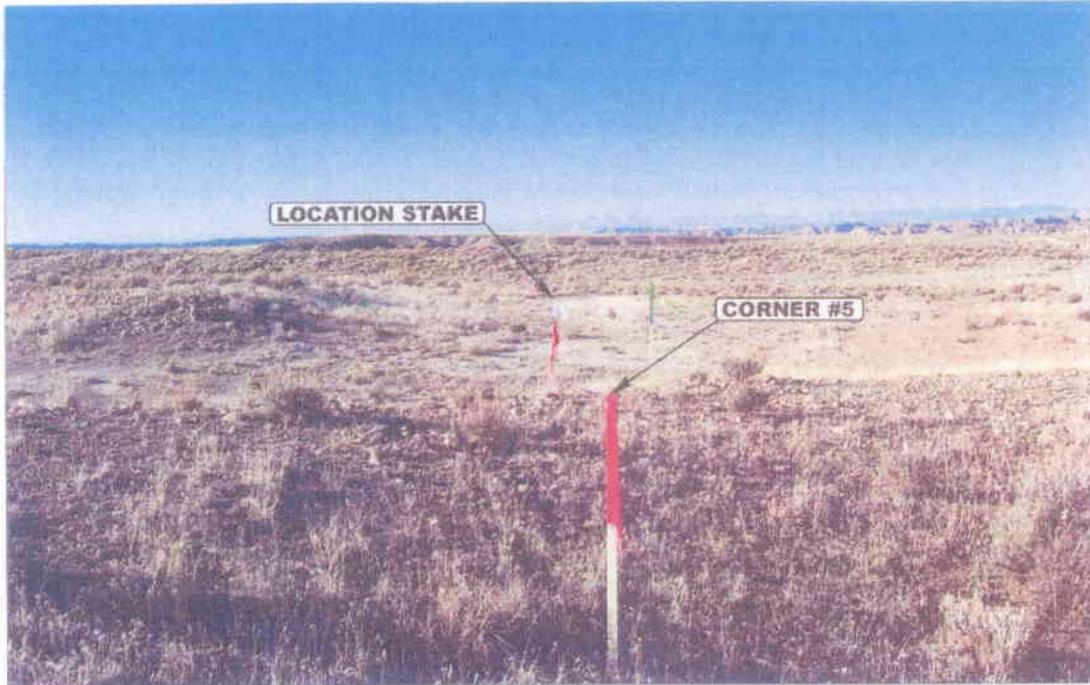


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



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

LOCATION PHOTOS

12 27 05
 MONTH DAY YEAR

PHOTO

TAKEN BY: J.R.

DRAWN BY: B.C.

REVISED: 00-00-00

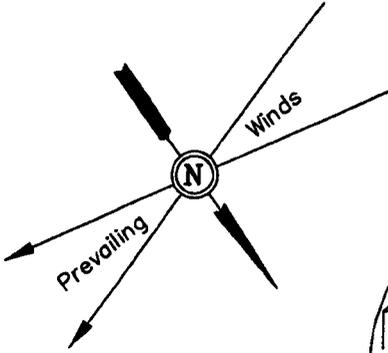
**EOG RESOURCES, INC.
EAST CHAPITA #26-10
SECTION 10, T9S, R23E, S.L.B.&M.**

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 7.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 20' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 56.0 MILES.

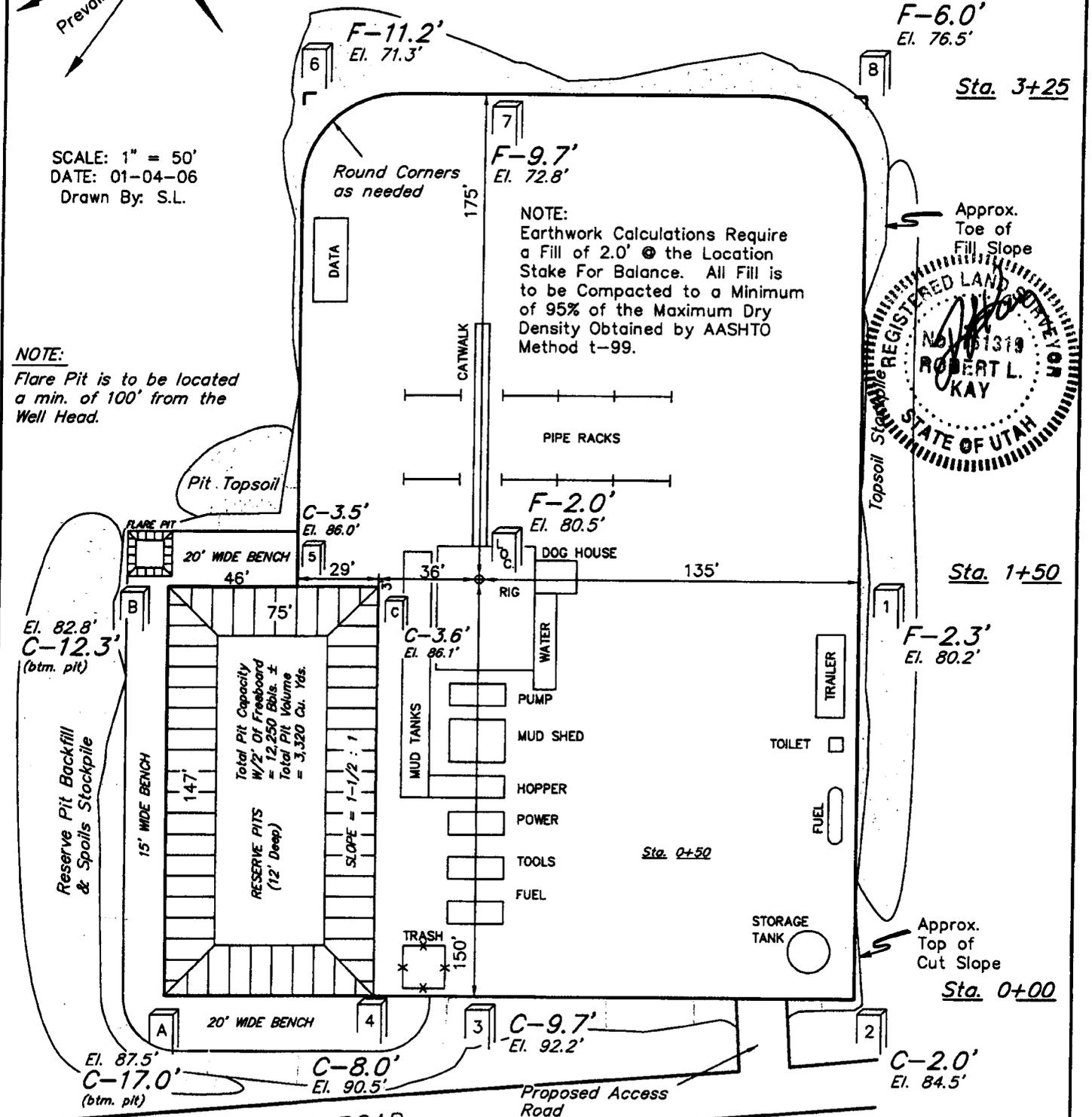
EOG RESOURCES, INC.

LOCATION LAYOUT FOR
EAST CHAPITA #26-10
SECTION 10, T9S, R23E, S.L.B.&M.
850' FSL 622' FEL



SCALE: 1" = 50'
DATE: 01-04-06
Drawn By: S.L.

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



NOTES:

Elev. Ungraded Ground At Loc. Stake = 4980.5'

FINISHED GRADE ELEV. AT LOC. STAKE = 4982.5'

FIGURE #1

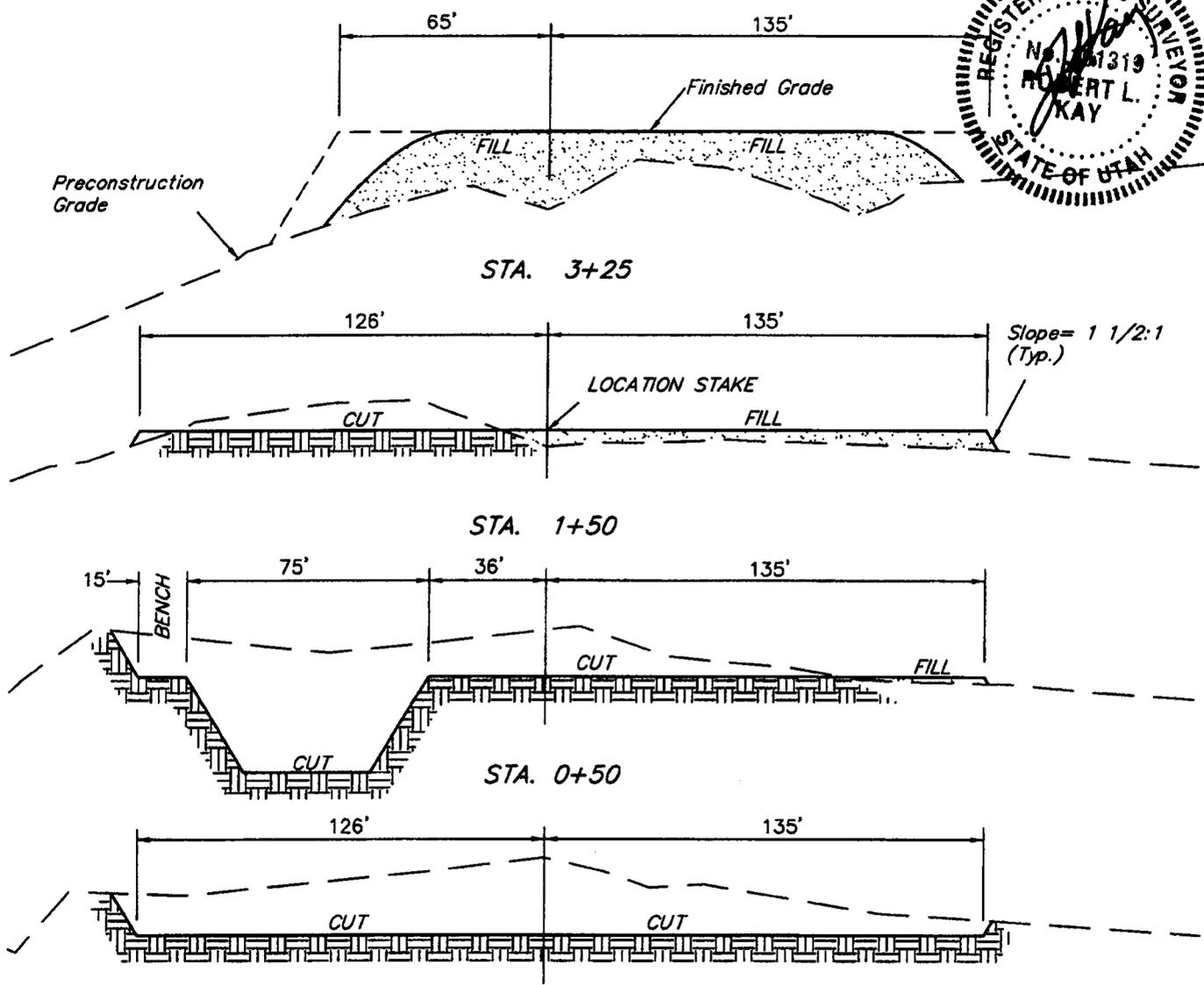
EOG RESOURCES, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR
 EAST CHAPITA #26-10
 SECTION 10, T9S, R23E, S.L.B.&M.
 850' FSL 622' FEL

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

DATE: 01-04-06
 Drawn By: S.L.

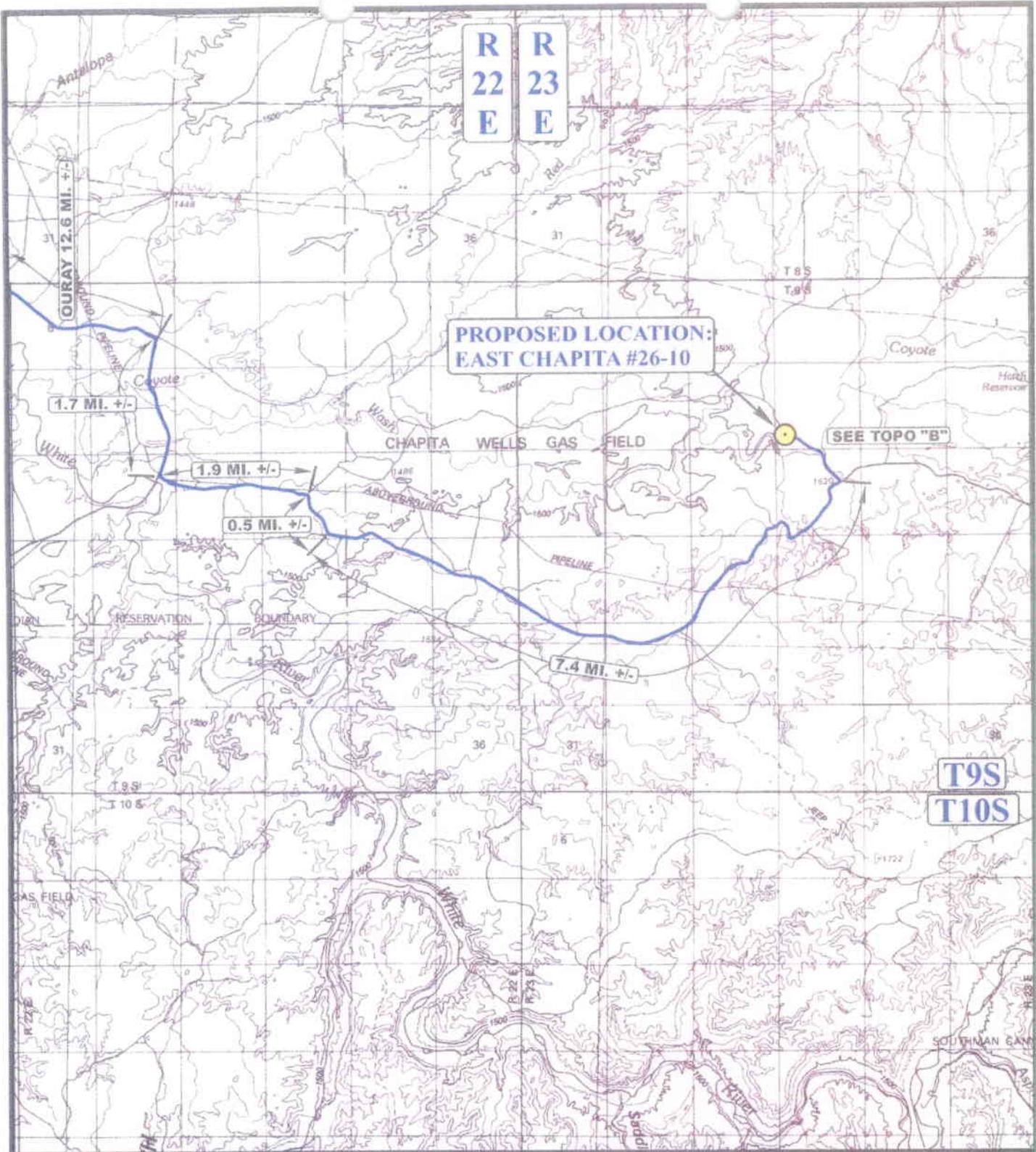


* NOTE:
 FILL QUANTITY INCLUDES
 5% FOR COMPACTION

APPROXIMATE YARDAGES

| | | |
|------------------------|----------|----------------------|
| CUT | | |
| (6") Topsoil Stripping | = | 1,660 Cu. Yds. |
| Remaining Location | = | 7,590 Cu. Yds. |
| TOTAL CUT | = | 9,250 CU.YDS. |
| FILL | = | 5,930 CU.YDS. |

| | | |
|--|---|----------------|
| EXCESS MATERIAL | = | 3,320 Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.) | = | 3,320 Cu. Yds. |
| EXCESS UNBALANCE (After Rehabilitation) | = | 0 Cu. Yds. |



**PROPOSED LOCATION:
EAST CHAPITA #26-10**

SEE TOPO "B"

**T9S
T10S**

LEGEND:

PROPOSED LOCATION



EOG RESOURCES, INC.

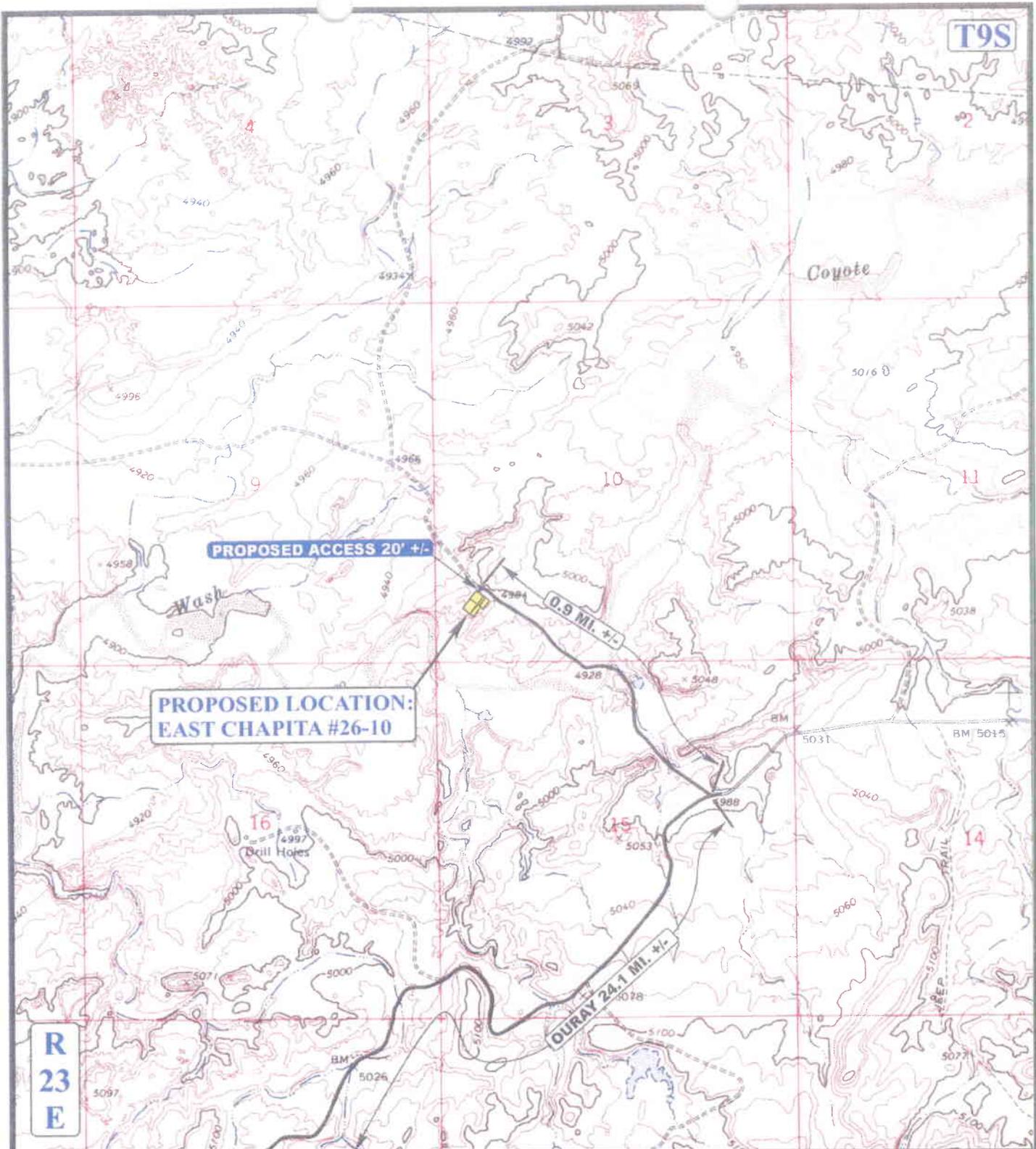
**EAST CHAPITA #26-10
SECTION 10, T9S, R23E, S.L.B.&M.
850' FSL 622' FWL**

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

TOPOGRAPHIC **12 27 05**
MAP MONTH DAY YEAR
SCALE: 1:100,000 DRAWN BY: B.C. REVISED: 00-00-00



T9S



R
23
E

LEGEND:

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD

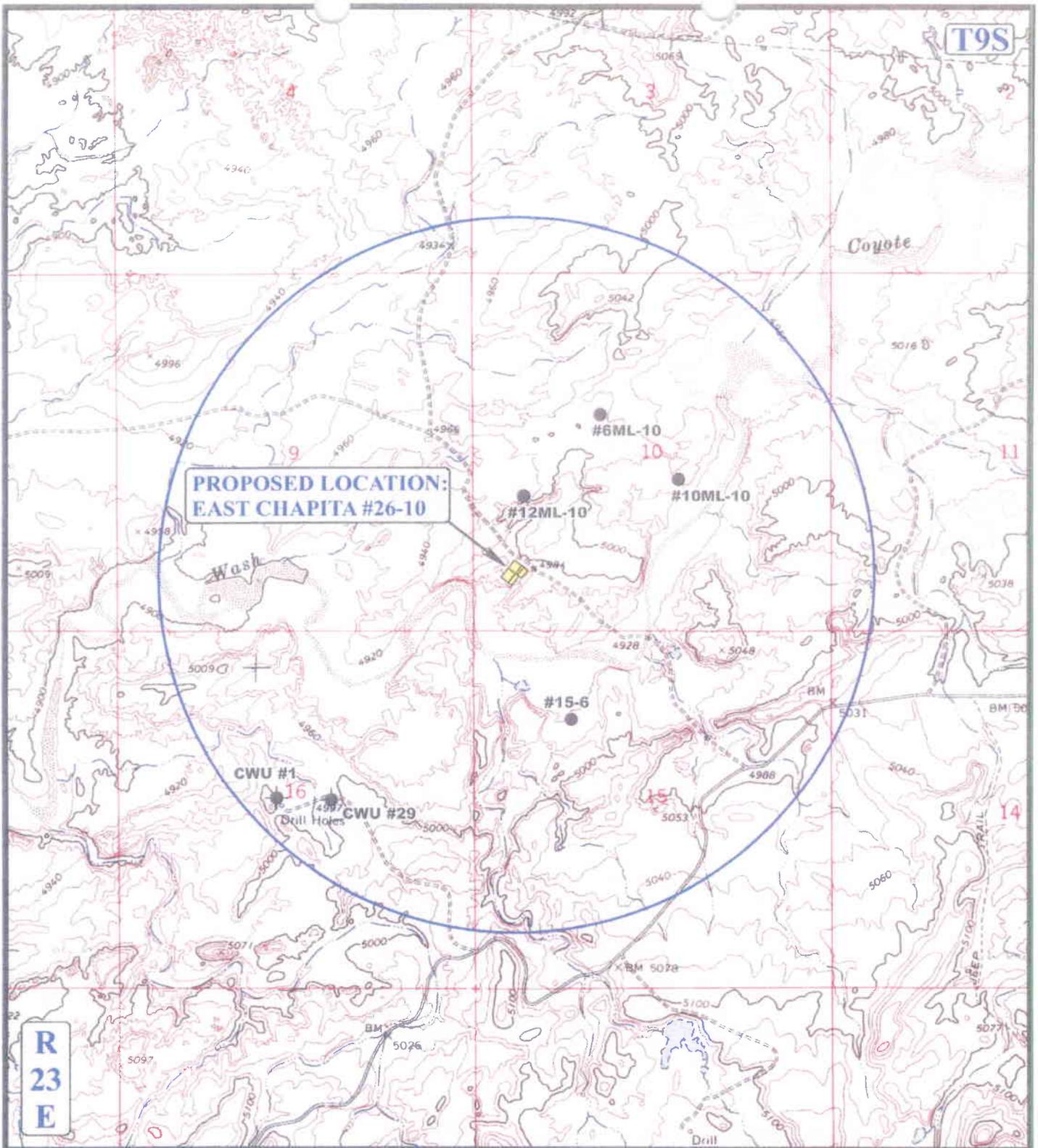


EOG RESOURCES, INC.

EAST CHAPITA #26-10
SECTION 10, T9S, R23E, S.L.B.&M.
850' FSL 622' FWL

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

TOPOGRAPHIC MAP 12 27 05
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: B.C. REVISED: 00-00-00 **B TOPO**



**PROPOSED LOCATION:
EAST CHAPITA #26-10**

**R
23
E**

LEGEND:

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



EOG RESOURCES, INC.

**EAST CHAPITA #26-10
SECTION 10, T9S, R23E, S.L.B.&M.
850' FSL 622' FWL**



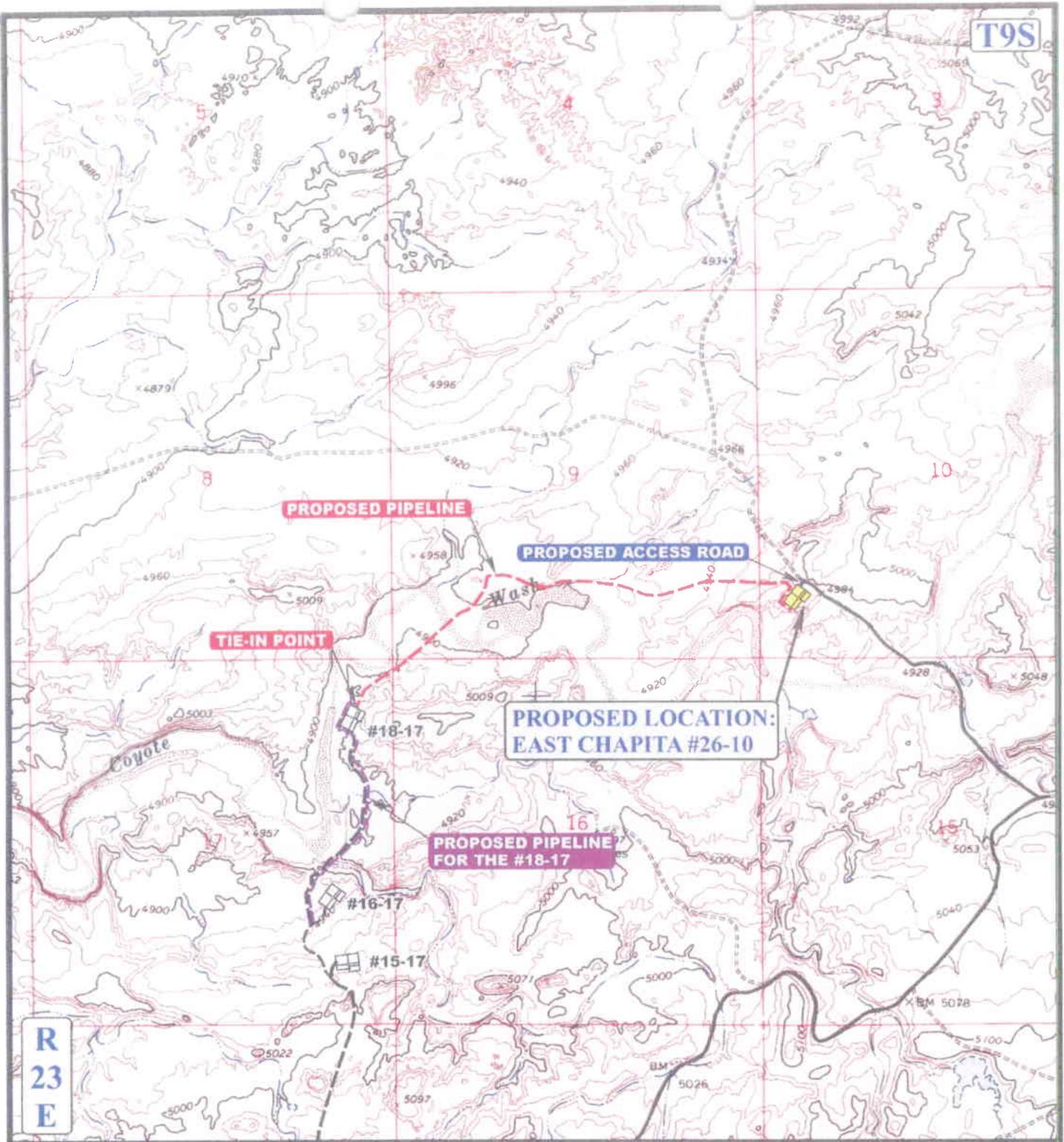
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

12 27 05
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: B.C. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 7784' +/-

LEGEND:

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



EOG RESOURCES, INC.

**EAST CHAPITA #26-10
SECTION 10, T9S, R23E, S.L.B.&M.
850' FSL 622' FWL**



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

TOPOGRAPHIC MAP **12 27 05**
MONTH DAY YEAR
SCALE: 1" = 1000' DRAWN BY: B.C. REVISED: 00-00-00



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/19/2006

API NO. ASSIGNED: 43-047-38139

WELL NAME: E CHAPITA 26-10
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-789-0790

PROPOSED LOCATION:

SWSW 10 090S 230E
 SURFACE: 0850 FSL 0622 FWL
 BOTTOM: 0850 FSL 0622 FWL
 COUNTY: UINTAH
 LATITUDE: 40.04557 LONGITUDE: -109.3196
 UTM SURF EASTINGS: 643352 NORTHINGS: 4433958
 FIELD NAME: NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: U-67868
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

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

LOCATION AND SITING:

- R649-2-3.
- Unit: _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: _____
- Eff Date: _____
- Siting: _____
- R649-3-11. Directional Drill

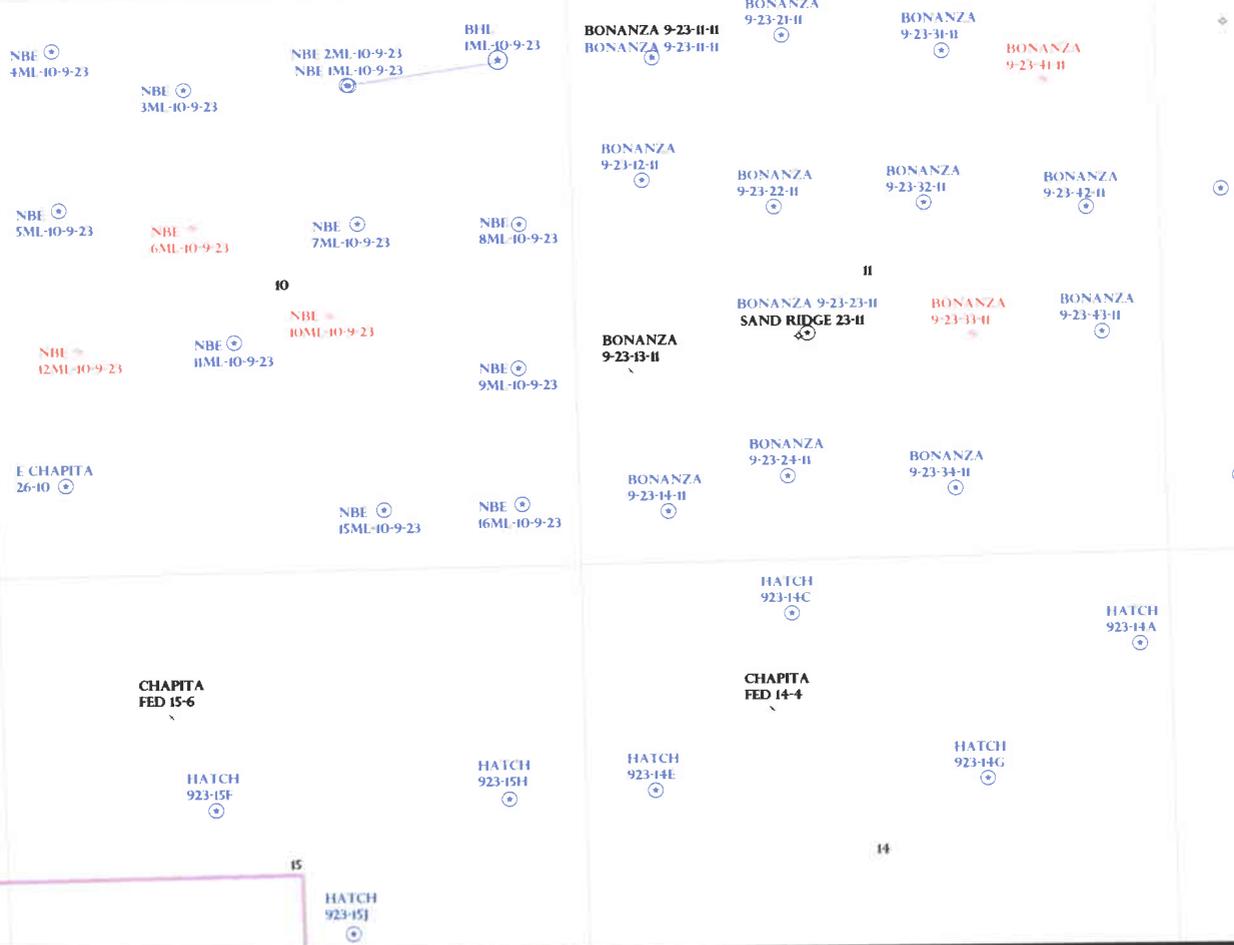
COMMENTS: _____

STIPULATIONS: 1- Federal Approval

2- Spacing SHP

NATURAL BUTTES FIELD

T9S R23E



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 10 T. 9S R. 23E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING



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

| Unit Status | |
|-------------|---------------|
| | EXPLORATORY |
| | GAS STORAGE |
| | NF PP OIL |
| | NF SECONDARY |
| | PENDING |
| | PI OIL |
| | PP GAS |
| | PP GEOTHERMAL |
| | PP OIL |
| | SECONDARY |
| | TERMINATED |

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



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



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

May 25, 2006

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

Re: East Chapita 26-10 Well, 850' FSL, 622' FWL, SW SW, Sec. 10, 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 43-047-38139.

Sincerely,

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

Gil Hunt
Associate Director

mf
Enclosures

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

Operator: EOG Resources Inc.
Well Name & Number East Chapita 26-10
API Number: 43-047-38139
Lease: U-67868

Location: SW SW **Sec.** 10 **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.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

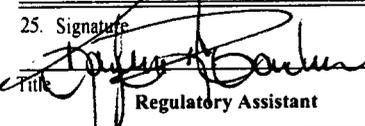
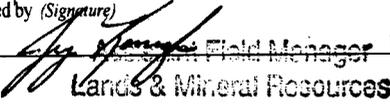
APPLICATION FOR PERMIT TO DRILL OR REENTER

| | | |
|--|--|---|
| 5a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. U-67868 |
| 6a. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 6. If Indian, Allottee or Tribe Name |
| 2. Name of Operator EOG RESOURCES, INC. | | 7. If Unit or CA Agreement, Name and No. |
| 3a. Address P.O. Box 1815 Vernal Ut 84078 | | 8. Lease Name and Well No. EAST CHAPITA 26-10 |
| 3b. Phone No. (include area code) 435-789-0790 | | 9. API Well No. 431047.38139 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 850 FSL 622 FWL (SW/SW) 40.05539 LAT 109.320322 LON At proposed prod. zone SAME | | 10. Field and Pool, or Exploratory NATURAL BUTTES UNIT |
| 14. Distance in miles and direction from nearest town or post office* 56.0 MILES SOUTH OF VERNAL, UTAH | | 11. Sec., T. R. M. or Blk. and Survey or Area SECTION 10, T9S, R23E S.L.B&M |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 470' | 16. No. of acres in lease 1079 | 12. County or Parish UINTAH |
| 17. Spacing Unit dedicated to this well 40 | 13. State UT | |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 4620' | 19. Proposed Depth 9100' | 20. BLM/BIA Bond No. on file NM 2308 |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4983' GL | 22. Approximate date work will start* | 23. Estimated duration 45 DAYS |

24. Attachments

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

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

| | | |
|--|---|---------------------------|
| 25. Signature  | Name (Printed Typed) Kaylene R. Gardner | Date 05/18/2006 |
| Title Regulatory Assistant | | |
| Approved by (Signature)  | Name (Printed Typed) TERRY KEVCECA | Date 12-7-2006 |
| Title Lands & Mineral Resources | Office | |

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

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

*(Instructions on page 2)

RECEIVED
DEC 21 2006

DIV. OF OIL, GAS & MINING

RECEIVED
VERNAL FIELD OFFICE
2006 MAY 19 PM 2:13
DEPT. OF THE INTERIOR
BUREAU OF LAND MGMT.

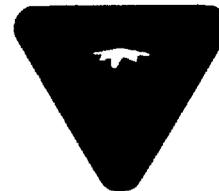


068M1605A



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

170 South 500 East VERNAL, UT 84078 (435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: EOG Resources, Inc.
Well No: East Chapita 26-10
API No: 43-047-38139

Location: SWSW, Sec 10, R9S, T23E
Lease No: UTU-67868
Agreement: N/A

| | | | |
|------------------------------------|---------------------|----------------------|---------------------|
| Petroleum Engineer: | Matt Baker | Office: 435-781-4490 | Cell: 435-828-4470 |
| Petroleum Engineer: | Michael Lee | Office: 435-781-4432 | Cell: 435-828-7875 |
| Petroleum Engineer: | Jim Ashley | Office: 435-781-4470 | Cell: 435-828-7874 |
| Supervisory Petroleum Technician: | Jamie Sparger | Office: 435-781-4502 | Cell: 435-828-3913 |
| Environmental Scientist: | Paul Buhler | Office: 435-781-4475 | Cell: 435-828-4029 |
| Environmental Scientist: | Karl Wright | Office: 435-781-4484 | |
| Natural Resource Specialist: | Holly Villa | Office: 435-781-4404 | |
| Natural Resource Specialist: | Melissa Hawk | Office: 435-781-4476 | |
| Natural Resource Specialist: | Scott Ackerman | Office: 435-781-4437 | |
| After Hours Contact Number: | 435-781-4513 | Fax: | 435-781-4410 |

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

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

NOTIFICATION REQUIREMENTS

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

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

1. Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the re-spreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:
9 lbs of Hycrest Crested Wheatgrass and 3 lbs of Kochia Prostrata.
2. If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.
3. When lining the pit the felt will be doubled, to protect the pit from leaking into the drainage

DOWNHOLE CONDITIONS OF APPROVAL

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

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

1. Production casing cement shall be brought up and into the surface casing. The minimum cement top is 200 ft above the surface casing shoe. To reach the annulus of the surface casing and production casing, operator is required to pump additional cement beyond the stated amounts of sacks in application.
2. A cement Bond Log (CBL) shall be run from the production casing shoe to the surface casing shoe. A field copy of the CBL shall be submitted to the BLM Vernal Field Office.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
4. Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.

All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.

BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

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

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

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

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

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

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

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

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

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

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

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

12. Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
13. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
14. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - a. Operator name, address, and telephone number.
 - b. Well name and number.
 - c. Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
 - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).

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

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:

U-67868

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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

1. TYPE OF WELL
 OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:

East Chapita 26-10

2. NAME OF OPERATOR:
EOG Resources, Inc.

9. API NUMBER:
43-047-38139

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

PHONE NUMBER:
(303) 262-2812

10. FIELD AND POOL, OR WILDCAT:
Natural Buttes

4. LOCATION OF WELL
 FOOTAGES AT SURFACE: **850' FSL & 622' FWL 40.05539 LAT 109.320322 LON**

COUNTY: **Uintah**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **SWSW 10 9S 23E S.L.B.& M.**

STATE: **UTAH**

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

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

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

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the
 Utah Division of
 Oil, Gas and Mining

Date: 06-04-07
 By: [Signature]

COPY SENT TO OPERATOR
 Date: 6-4-07
 Initials: RM

NAME (PLEASE PRINT) Carrie MacDonald
 SIGNATURE [Signature]

TITLE Operations Clerk
 DATE 5/21/2007

(This space for State use only)

RECEIVED
MAY 24 2007
 DIV. OF OIL, GAS & MINING

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

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

API: 43-047-38139
Well Name: EAST CHAPITA 26-10
Location: 850 FSL 622 FWL (SWSW), SECTION 10, 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

5/21/2007

Date

Title: Operations Clerk

Representing: EOG Resources, Inc.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: E CHAPITA 26-10

Api No: 43-047-38139 Lease Type: FEDERAL

Section 10 Township 09S Range 23E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # RATHOLE

SPUDDED:

Date 04/29/08

Time 9:00 PM

How DRY

Drilling will Commence: _____

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 04/30/08 Signed CHD

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 |
|--|-----------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 43-047-38895 | East Chapita 28-03 | | SWSW | 3 | 9S | 23E | Uintah |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| A | 99999 | 16822 | 4/24/2008 | | 4/30/08 | | |
| Comments: <u>Wasatch/Mesaverde well</u> <u>PRR = MVRD = WSMVD</u> | | | | | | | |

Well 2

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|---|-----------------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 43-047-38374 | Natural Buttes Unit 572-17E | | NESE | 17 | 10S | 21E | Uintah |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| B | 99999 | 2900 | 4/25/2008 | | 4/30/08 | | |
| Comments: <u>Wasatch/Mesaverde well</u> | | | | | | | |

Well 3

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|---|-----------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 43-047-38139 | East Chapita 26-10 | | SWSW | 10 | 9S | 23E | Uintah |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| A | 99999 | 16823 | 4/29/2008 | | 4/30/08 | | |
| Comments: <u>Wasatch/Mesaverde well</u> | | | | | | | |

ACTION CODES:

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

Mary A. Maestas

Name (Please Print)

Mary A. Maestas

Signature

Regulatory Assistant

4/30/2008

Title

Date

RECEIVED

APR 30 2008

(5/2000)

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.
UTU67868

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

| | | |
|---|---|---|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 8. Well Name and No. EAST CHAPITA 26-10 |
| 2. Name of Operator EOG RESOURCES, INC Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com | | 9. API Well No. 43-047-38139 |
| 3a. Address 600 17TH STREET SUITE 1000 N. DENVER, CO 80202 | 3b. Phone No. (include area code) Ph: 303-824-5526 | 10. Field and Pool, or Exploratory NATURAL BUTTES/WASATCH/MV |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 10 T9S R23E SWSW 850FSL 622FWL 40.05539 N Lat, 109.32032 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 type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other Well Spud |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

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

The referenced well spud on 4/29/2008.

| | |
|--|----------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #59955 verified by the BLM Well Information System For EOG RESOURCES, INC, sent to the Vernal | |
| Name (Printed/Typed) MARY A. MAESTAS | Title REGULATORY ASSISTANT |
| Signature <i>Mary A. Maestas</i> | Date 04/30/2008 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

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

RECEIVED

MAY 02 2008

DIV. OF OIL, GAS & MINING

East Chapita 26-10

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU0344

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
MULTIPLE MULTIPLE

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

9. API Well No.
43 047 38139

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

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

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

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

9S 23E 10

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 type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input checked="" type="checkbox"/> Water Disposal | |

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

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

1. Natural Buttes Unit 21-20B SWD
2. Chapita Wells Unit 550-30N SWD
3. Chapita Wells Unit 2-29 SWD
4. Red Wash Evaporation ponds 1, 2, 3 & 4
5. RN Industries

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

**RECEIVED
MAY 08 2008**

This well covers multiple wells. Please see the attached sheet detailing the wells.

DIV. OF OIL, GAS & MINING

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

**Electronic Submission #60128 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 05/06/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

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

Office

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

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

| <u>Well Name</u> | <u>SEC</u> | <u>T</u> | <u>R</u> | <u>Qtr/Qtr</u> | <u>Lease</u> | <u>API</u> |
|----------------------|------------|----------|----------|----------------|--------------|--------------|
| East Chapita 32-35 | 35 | 9S | 23E | NENW | UTU0344 | 43-047-38127 |
| East Chapita 52-35 | 35 | 9S | 23E | SEnw | UTU0344 | 43-047-39206 |
| East Chapita 63-35 | 35 | 9S | 23E | SENE | UTU0344 | 43-047-39205 |
| CWU 1248-01 | 1 | 9S | 22E | NWNW | UTU01201 | 43-047-38427 |
| North Chapita 341-26 | 26 | 8S | 22E | SWSW | UTU059 | 43-047-39413 |
| CWU 668-06X | 6 | 9S | 23E | NENW | UTU01304 | 43-047-50043 |
| East Chapita 18-17 | 17 | 9S | 23E | NENE | UTU67868 | 43-047-37855 |
| East Chapita 62-35 | 35 | 9S | 23E | SWNE | UTU0344 | 43-047-39207 |
| NBU 571-17E | 17 | 10S | 21E | NWSE | UTU02278 | 43-047-38377 |
| East Chapita 26-10 | 10 | 9S | 23E | SWSW | UTU67868 | 43-047-38139 |
| East Chapita 28-03 | 3 | 9S | 23E | SWSW | UTU01304 | 43-047-38895 |
| NBU 572-17E | 17 | 10S | 21E | NESE | UTU02278 | 43-047-38374 |

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. UTU67868 |
| 6. If Indian, Allottee or Tribe Name |
| 7. If Unit or CA/Agreement, Name and/or No. |
| 8. Well Name and No. EAST CHAPITA 26-10 |
| 9. API Well No. 43-047-38139 |
| 10. Field and Pool, or Exploratory NATURAL BUTTES/WASATCH/MV |
| 11. County or Parish, and State UINTAH COUNTY, UT |

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

| | |
|---|---|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | |
| 2. Name of Operator EOG RESOURCES, INC | |
| Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com | |
| 3a. Address 600 17TH STREET SUITE 1000 N. DENVER, CO 80202 | 3b. Phone No. (include area code) Ph: 303-824-5526 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 10 T9S R23E SWSW 850FSL 622FWL 40.05539 N Lat, 109.32032 W Lon | |

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

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

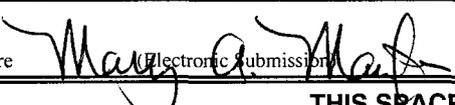
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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 reclamatation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 6/27/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

RECEIVED

JUL 10 2008

DIV. OF OIL, GAS & MINING

| | |
|--|----------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #61246 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  | Date 07/07/2008 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

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

WELL CHRONOLOGY REPORT

Report Generated On: 07-07-2008

| | | | | | |
|----------------------|--|------------------|--------------|----------------------|--------|
| Well Name | ECW 026-10 | Well Type | DEVG | Division | DENVER |
| Field | CHAPITA DEEP | API # | 43-047-38139 | Well Class | COMP |
| County, State | UINTAH, UT | Spud Date | 05-15-2008 | Class Date | |
| Tax Credit | N | TVD / MD | 9,100/ 9,100 | Property # | 057865 |
| Water Depth | 0 | Last CSG | 2.375 | Shoe TVD / MD | 0/ 0 |
| KB / GL Elev | 4,999/ 4,983 | | | | |
| Location | Section 10, T9S, R23E, SWSW, 850 FSL & 622 FWL | | | | |

| | | | | | |
|-----------------|--------------------|--------------------|------------------|--------------|------|
| Event No | 1.0 | Description | DRILL & COMPLETE | | |
| Operator | EOG RESOURCES, INC | WI % | 100.0 | NRI % | 87.5 |

| | | | | | |
|------------------------------|--------------------|-------------------|---------------|------------------------|--------------------|
| AFE No | 303716 | AFE Total | 2,051,700 | DHC / CWC | 880,700/ 1,171,000 |
| Rig Contr | TRUE | Rig Name | TRUE #31 | Start Date | 05-23-2006 |
| 05-23-2006 | Reported By | SHARON WHITLOCK | | | |
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$0 | Completion | \$0 | Well Total | \$0 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: LOCATION DATA

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

| | | | |
|-----------------------------|-------|------|---------------|
| 06:00 | 06:00 | 24.0 | LOCATION DATA |
| 850' FSL & 622' FWL (SW/SW) | | | |
| SECTION 10, T9S, R23E | | | |
| UINTAH COUNTY, UTAH | | | |

LAT 40.045572, LONG 109.319644 (NAD 27)
LAT 40.05539, LONG 109.320322 (NAD 83)

TRUE #31
OBJECTIVE: 9100' TD, MESAVERDE
DW/GAS
EAST CHAPITA PROSPECT
DD&A: CHAPITA DEEP
NATURAL BUTTES FIELD

LEASE: U-67868
ELEVATION: 4980.5' NAT GL, 4982.5' PREP GL (DUE TO ROUNDING THE PREP IS 4983' GL), 4999' KB (16')

EOG BPO WI 100%, NRI 87.50%

04-21-2008 **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 LOCATION STARTED 4/21/08.

04-22-2008 **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.

04-23-2008 **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.

04-24-2008 **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 ROCKED OUT.

04-25-2008 **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 ROCKED OUT. DRILLING ROCK.

04-28-2008 **Reported By** TERRY CSERE

06:00 06:00 24.0 MIRU CRAIG'S AIR RIG # 3 ON 5/4/2008. DRILLED 12-1/4" HOLE TO 2320' GL. ENCOUNTERED WATER @ 130' & 480'. CEMENTED OFF EACH WATER FLOW W/HALLIBURTON CEMENTERS. LOST RETURNS @ 1650' WHILE FLUID DRILLING. RAN 53 JTS (2277.60') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2293' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO AIR RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 2100 PSIG. PUMPED 176 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (146 BBLs) OF PREMIUM LEAD CEMENT W/0.2% VARASET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/YIELD OF 4.1 CF/SX.

TAILED IN W/200 SX (41 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED TAIL CEMENT TO 15.8 W/YIELD OF 1.15 CF/SX. DISPLACED CEMENT W/173 BBLs FRESH WATER. BUMPED PLUG W/600# @ 9:33 PM, 5/7/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS 45 MINUTES.

TOP JOB # 2: MIXED & PUMPED 200 SX (41 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS.

TOP JOB # 3: MIXED & PUMPED 200 SX (41 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HRS.

TOP JOB # 4: MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 5 HRS.

TOP JOB # 5: MIXED & PUMPED 250 SX (51 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 4 HRS 30 MINUTES.

TOP JOB # 6: MIXED & PUMPED 50 SX (10 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

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

MIRU GLENNS WIRELINE SERVICE. RAN IN HOLE W/STRAIGHT HOLE SURVEY. TAGGED CEMENT @ 2334'. PICKED UP TO 2334' & TOOK SURVEY. 1.7 DEGREE..

CONDUCTOR LEVEL RECORD: PS= 89.8 OPS= 90.0 VDS= 89.6 MS= 89.5.

9 5/8 CASING LEVEL RECORD: PS= 89.8 OPS= 89.7 VDS= 89.7 NS= 89.8.

KYLAN COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 5/4/2008 @ 12:15 PM.

| | | | | | | | | | | | |
|-------------------------------|-------|-------------|------------|----------------------------|--------|-------------|-----------------|-----------|-----|------|-----|
| 05-15-2008 | | Reported By | | JIM LOUDERMILK / PAT CLARK | | | | | | | |
| Daily Costs: Drilling | | \$31,186 | Completion | | \$0 | Daily Total | | \$31,186 | | | |
| Cum Costs: Drilling | | \$283,748 | Completion | | \$0 | Well Total | | \$283,748 | | | |
| MD | 2,320 | TVD | 2,320 | Progress | 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | | | PBTd : 0.0 | | Perf : | | PKR Depth : 0.0 | | | | |
| Activity at Report Time: RURT | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | RDMO / MIRU. WESTROC TRUCKING TO MOVE RIG 6 MILES FROM THE ECW 18-17 TO THE ECW 26-10 ON 5/14/2008 @ 07:00 HRS. TRANSFER 5 JTS, (210.64' NET), OF 4.5", 11.6#, N80, LTC R3 CASING, 1 LANDING JT & 1 MJ, (20.68' NET), OF 4.5", 11.6#, HCP110 LTC CASING AND 3400 GAL OF DIESEL. 2 BED TRUCKS, 3 ROAD TRUCKS, 2 FORKLIFTS, 1 CRANE. CRANE RELEASED @ 18:00, TRUCKS @ 19:00. DERRICK IN AIR @ 20:00. RIG 90% RIGGED UP, ETA DAYWORK - 08:00. NOTIFIED JAKE\VERNAL BLM\BOP TEST\5-13-08\09:00. FULL CREWS, NO ACCIDENTS. SAFETY MEETING - RIG MOVE. |

| | | | | | | | | | | | |
|--|--------------------|-------------------|---------------|------------------------|-----------|-------------|---|-----------|-----|-------------|------|
| 05-16-2008 | Reported By | PAT CLARK | | | | | | | | | |
| Daily Costs: Drilling | \$96,262 | Completion | \$0 | Daily Total | \$96,262 | | | | | | |
| Cum Costs: Drilling | \$380,010 | Completion | \$0 | Well Total | \$380,010 | | | | | | |
| MD | 3,260 | TVD | 3,260 | Progress | 968 | Days | 1 | MW | 8.6 | Visc | 26.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | | | | | | | |
| Activity at Report Time: DRILLING @ 3260' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|--|-------|-----|--|
| 06:00 | 08:00 | 2.0 | FINISH RURT. |
| 08:00 | 09:00 | 1.0 | NUBOP - RIG ON DAYWORK @ 08:00 HRS, 5/15/08. |
| 09:00 | 12:00 | 3.0 | TESTED PIPE RAMS, BLIND RAMS, HCR, CHOKE VALVE, CHOKE LINE & MANIFOLD, KILL LINE VALVES TO 5000 PSI FOR 10 MINUTES. TESTED UPPER & LOWER KELLY COCKS, FLOOR & INSIDE BOP TO 5000 PSI FOR 10 MINUTES. TESTED ANNULAR PREVENTER TO 2500 PSI FOR 10 MINUTES. TESTED CASING TO 1500 PSI FOR 30 MINUTES. R/D TESTER. NO BLM REP ON LOCATION TO WITNESS TEST. |
| 12:00 | 15:30 | 3.5 | HSM. R/U WEATHERFORD TRS. PU BHA & TOOLS. TAG CEMENT @ 2251'. R/D TRS. |
| 15:30 | 16:30 | 1.0 | SLIP & CUT DRILL LINE. |
| 16:30 | 19:00 | 2.5 | DRILL CEMENT/FLOAT EQUIP. FC @ 2251', FS @ 2292'. DRILL 10' TO 2302'. |
| 19:00 | 19:30 | 0.5 | FIT TEST TO 263 PSI FOR 10.5 EMW. |
| 19:30 | 23:00 | 3.5 | DRILL 2302' - 2676'. WOB 12K, RPM 60, SPP 950 PSI, DP 250 PSI, ROP 107 FPH. |
| 23:00 | 23:30 | 0.5 | SURVEY @ 2600' - 1 DEG. |
| 23:30 | 06:00 | 6.5 | DRILL 2676' - 3260'. SAME PARAMETERS, ROP 90 FPH. |
| FULL CREWS, NO ACCIDENTS, BOP DRILL MT. SAFETY MEETINGS - RIGGING UP, P/U BHA. FUEL - 2305 GALS. CURRENT FORMATION - MAHOGANEY. CURRENT MW - 8.7 PPG, VIS - 26 SPQ. UNMANNED ML UNIT - 1 DAY. | | | |

06:00 06:00 24.0 SPUD 7 7/8" HOLE @ 17:30 HRS, 5/15/08.

| | | | | | | | | | | | |
|------------------------------|--------------------|-------------------|---------------|------------------------|-----------|-------------|---|-----------|-----|-------------|------|
| 05-17-2008 | Reported By | PAT CLARK | | | | | | | | | |
| Daily Costs: Drilling | \$71,532 | Completion | \$0 | Daily Total | \$71,532 | | | | | | |
| Cum Costs: Drilling | \$451,542 | Completion | \$0 | Well Total | \$451,542 | | | | | | |
| MD | 5,515 | TVD | 5,515 | Progress | 2,295 | Days | 2 | MW | 9.2 | Visc | 30.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | | | | | | | |

Activity at Report Time: DRILLING @ 5515'

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 09:30 | 3.5 | DRILL 3260' - 3683'. WOB 12-17K, RPM 60/63, SPP 1250 PSI, DP 400 PSI, ROP 121 FPH. |
| 09:30 | 10:00 | 0.5 | SURVEY @ 3608' - 2 DEG. |
| 10:00 | 20:00 | 10.0 | DRILL 3683' - 4679'. SAME PARAMETERS, ROP 100 FPH. |
| 20:00 | 20:30 | 0.5 | SURVEY @ 4604' - 2 DEG. |
| 20:30 | 06:00 | 9.5 | DRILL 4679' - 5515'. SAME PARAMETERS, ROP 88 FPH. FULL CREWS, NO ACCIDENTS. BOP DRILLS BOTH TOURS. SAFETY MEETINGS - HIGH PRESSURE LINES, PPE. FUEL - 8997 GALS, DEL 8000 GALS, USED - 1308 GALS. CURRENT FORMATION - CHAPITA WELLS. CURRENT MW - 9.2 PPG, VIS - 31 SPQ. UNMANNED ML UNIT - 2 DAYS. |

05-18-2008 Reported By PAT CLARK

| | | | | | | | | | | | |
|------------------------------|-------------------|-------------------|---------------|------------------------|-----------|-------------|---|-----------|-----|-------------|------|
| Daily Costs: Drilling | \$30,982 | Completion | \$0 | Daily Total | \$30,982 | | | | | | |
| Cum Costs: Drilling | \$482,525 | Completion | \$0 | Well Total | \$482,525 | | | | | | |
| MD | 6.630 | TVD | 6.630 | Progress | 1,115 | Days | 3 | MW | 9.5 | Visc | 32.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | | | | | | | |

Activity at Report Time: DRILLING @ 6630'

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 11:30 | 5.5 | DRILL 5515' - 5965'. WOB 14-20K, RPM 60/63, SPP 1350 PSI, DP 350 PSI, ROP 82 FPH. |
| 11:30 | 12:00 | 0.5 | RIG SERVICE. CHECK COM, FUNCTION ANNULAR. |
| 12:00 | 06:00 | 18.0 | DRILL 5965' - 6630'. SAME PARAMETERS, ROP 37 FPH. FULL CREWS, NO ACCIDENTS. SAFETY MEETINGS - FIRST DAY BACK, TONGS. FUEL - 7500 GALS, USED - 1497 GALS. CURRENT FORMATION - NORTH HORN. CURRENT MW - 9.7 PPG, VIS - 31 SPQ. UNMANNED ML UNIT - 3 DAYS. |

05-19-2008 Reported By PAT CLARK

| | | | | | | | | | | | |
|------------------------------|-------------------|-------------------|---------------|------------------------|-----------|-------------|---|-----------|-----|-------------|------|
| Daily Costs: Drilling | \$31,173 | Completion | \$0 | Daily Total | \$31,173 | | | | | | |
| Cum Costs: Drilling | \$513,699 | Completion | \$0 | Well Total | \$513,699 | | | | | | |
| MD | 7.590 | TVD | 7.590 | Progress | 960 | Days | 4 | MW | 9.5 | Visc | 34.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | | | | | | | |

Activity at Report Time: DRILLING @ 7590'

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 07:30 | 1.5 | DRILL 6630' - 6657'. WOB 20-22K, RPM 60/63, SPP 1400 PSI, DP 200 PSI, ROP 18 FPH. |
| 07:30 | 10:30 | 3.0 | PUMP PILL. DROP SURVEY, TOH. L/D REAMERS, MM, BIT. |
| 10:30 | 13:30 | 3.0 | P/U NEW BIT, TIH. FILL @ 3200'. |
| 13:30 | 06:00 | 16.5 | DRILL 6657' - 7590'. WOB 18K, RPM 60/63, SPP 1450 PSI, DP 300 PSI, ROP 57 FPH. FULL CREWS, NO ACCIDENTS, BOP DRILL DAYLIGHTS. SAFETY MEETINGS - TRIPPING, FORKLIFT. FUEL - 6350 GALS, USED 1150GALS. |

CURRENT FORMATION – KMV PRICE RIVER.
 CURRENT MW – 9.8 PPG, VIS – 32 SPQ.
 UNMANNED ML UNIT – 4 DAYS

05-20-2008 **Reported By** PAT CLARK

| | | | | | |
|------------------------------|-----------|-------------------|-----|--------------------|-----------|
| Daily Costs: Drilling | \$36,143 | Completion | \$0 | Daily Total | \$36,143 |
| Cum Costs: Drilling | \$549,842 | Completion | \$0 | Well Total | \$549,842 |

MD 8,320 **TVD** 8,320 **Progress** 730 **Days** 5 **MW** 9.8 **Visc** 33.0

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

Activity at Report Time: 8320' /TFNB # 3

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 14:30 | 8.5 | DRILL 7590' – 8058'. WOB 18K, RPM 60/63, SPP 1450 PSI, DP 250 PSI, ROP 55 FPH. |
| 14:30 | 15:00 | 0.5 | RIG SERVICE. CHECK COM, FUNCTION PIPE RAMS. |
| 15:00 | 03:00 | 12.0 | DRILL 8058' – 8320'. SAME PARAMETERS, ROP 22 FPH. |
| 03:00 | 06:00 | 3.0 | TOH. |

FULL CREWS, NO ACCIDENTS, BOP DRILLS BOTH TOURS.
 SAFETY MEETINGS – MSDS, TRIPPING.
 FUEL – 5000 GALS, USED – 1350 GALS.
 CURRENT FORMATION – KMV PRICE RIVER MIDDLE.
 CURRENT MW – 10.1 PPG, VIS – 33 SPQ.
 UNMANNED ML UNIT – 5 DAYS.

05-21-2008 **Reported By** PAT CLARK

| | | | | | |
|------------------------------|-----------|-------------------|-----|--------------------|-----------|
| Daily Costs: Drilling | \$60,970 | Completion | \$0 | Daily Total | \$60,970 |
| Cum Costs: Drilling | \$610,812 | Completion | \$0 | Well Total | \$610,812 |

MD 9,070 **TVD** 9,070 **Progress** 750 **Days** 6 **MW** 10.2 **Visc** 36.0

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

Activity at Report Time: DRILLING @ 9070'

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:30 | 0.5 | FINISH TOH. |
| 06:30 | 11:30 | 5.0 | P/U NEW BIT, TIH. FILL PIPE @ 4000'. |
| 11:30 | 06:00 | 18.5 | DRILL 8320' – 9070'. WOB 10-20K, RPM 60/63, SPP 1750 PSI, DP 400 PSI, ROP 41 FPH. |

FULL CREWS, NO ACCIDENTS.
 SAFETY MEETINGS – PAINTING, GRINDER.
 FUEL – 3850 GALS, USED – 1150 GALS.
 FORMATION – SEGO.
 CURRENT MW – 10.6 PPG, VIS – 34 SPQ.
 UNMANNED ML UNIT – 6 DAYS.

05-22-2008 **Reported By** PAT CLARK

| | | | | | |
|------------------------------|-----------|-------------------|-----------|--------------------|-----------|
| Daily Costs: Drilling | \$33,495 | Completion | \$175,457 | Daily Total | \$208,952 |
| Cum Costs: Drilling | \$644,308 | Completion | \$175,457 | Well Total | \$819,765 |

MD 9,070 **TVD** 9,070 **Progress** 30 **Days** 7 **MW** 10.5 **Visc** 40.0

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

Activity at Report Time: RDRT/WO COMPLETION

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 07:30 | 1.5 | DRILL 9070' - 9100'. WOB 20K, RPM 50-60/63, SPP 1750 PSI, DP 400 PSI, ROP 20 FPH. REACHED TD AT @ 07:30 HRS. 5/21/08. |
| 07:30 | 09:00 | 1.5 | CIRCULATE HOLE, PUMP PILL, SHORT TRIP 10 STANDS. |
| 09:00 | 10:00 | 1.0 | CIRCULATE BOTTOMS UP. HSM, R/U WEATHERFORD TRS. |
| 10:00 | 16:00 | 6.0 | LDDP. BREAK KELLY, L/D BHA. PULL WEAR BUSHING. |
| 16:00 | 22:30 | 6.5 | HSM. RUN 214 FULL JTS OF 4 1/2", 11.6#, HC P-110, LTC CASING AS FOLLOWS: FLOAT SHOE AT 9075' KB, 1 JT CSG, FLOAT COLLAR AT 9029', 61 JTS CSG, MARKER JOINT @ 6442', 52 JTS CSG. MJ @ 4233', 100 JTS CSG (214 TOTAL), P/U JT # 215, TAG BOTTOM @ 9100'. L/D JT # 215, P/U LANDING JT, CASING HANGER AND PUP, LAND IN CASING HEAD W/ 69,000#. R/D WEATHERFORD TRS. |
| 22:30 | 01:30 | 3.0 | HSM, R/U SCHLUMBERGER. PRESSURE TEST LINES TO 5000 PSI, CEMENT WELL AS FOLLOWS: PUMP 20 BBLS MUD FLUSH, 20 BBLS FRESH WATER. MIX AND PUMP 285 SX (151 BBLS, 849 CU/FT) LEAD G CEMENT @ 11.5 PPG, 2.98 YLD, H2O 18,227 GAL/SK + 10% D020 + .2% D046 + .2% D167 + .5% D065 + .125 LB/SK D130 + CEMNET FIRST HALF OF LEAD. MIX AND PUMP 1450 SX (333 BBLS, 1871 CU/FT) TAIL 50/50 POZ G CEMENT @ 14.1 PPG, 1.29 YLD, H2O 5,963 GAL/SK + 2% D020 + .1% D046 + .2% D065 + .2% D167 + .1% D013. WASH UP TO PIT, DROP TOP PLUG AND DISPLACE W/140 BBLS H2O W/2 GALS/1000 L064. INTERMITTENT RETURNS. MAX PRESSURE 2400 PSI, BUMP PLUG TO 3400 PSI. BLEED BACK 2 BBLS, FLOAT HELD. R/D SCHLUMBERGER. |
| 01:30 | 03:00 | 1.5 | PACK OFF AND TEST CASING HEAD. ND BOP, CLEAN MUD TANKS. FULL CREWS. NO ACCIDENTS. SAFETY MEETINGS - L/D DP, RUN CSG, CEMENTING. FUEL - 2500 GALS, USED - 1350 GALS. WESTROC TRUCKING TO MOVE RIG AND CAMPS .25 MILES TO ECW 25-9 @ 07:00. TRANSFER 5 JTS 4 1/2", 11.6#, N-80, LTC CSG (210.64' TOL) TO ECW 25-9. TRANSFER 2 MJ 4 1/2", 11.6#, HCP-110, LTC CSG (20.68' TOL) TO ECW 25-9. TRANSFER 2500 GALS DIESEL @ \$4.27/GAL TO ECW 25-9. |
| 03:00 | 06:00 | 3.0 | RDRT. |
| 06:00 | | 18.0 | RIG RELEASED @ 03:00 HRS, 5/22/08. CASING POINT COST \$638,533 |

| 05-25-2008 | | Reported By | | SEARLE | | | | | | | |
|---------------------------------------|---------------|-------------|-----------|-------------|-----------------|------|---|----|-----|------|-----|
| Daily Costs: Drilling | \$0 | Completion | \$44,395 | Daily Total | \$44,395 | | | | | | |
| Cum Costs: Drilling | \$644,308 | Completion | \$219,852 | Well Total | \$864,160 | | | | | | |
| MD | 9.070 | TVD | 9.070 | Progress | 0 | Days | 8 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTB : 9030.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |
| Activity at Report Time: PREP TO FRAC | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-----|------|--|
| 06:00 | | 18.0 | MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTB TO 200'. EST CEMENT TOP @ 1620'. RD SCHLUMBERGER. |

| 05-30-2008 | | Reported By | | MCCURDY | | | | | | | |
|-----------------------|-----------|-------------|-----------|-------------|-----------|--|--|--|--|--|--|
| Daily Costs: Drilling | \$0 | Completion | \$1,653 | Daily Total | \$1,653 | | | | | | |
| Cum Costs: Drilling | \$644,308 | Completion | \$221,505 | Well Total | \$865,813 | | | | | | |

MD 9,070 TVD 9,070 Progress 0 Days 8 MW 0.0 Visc 0.0

Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO COMPLETION

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

06-19-2008 Reported By KERN

| | | | | | |
|-----------------------|-----------|------------|-----------|-------------|-----------|
| Daily Costs: Drilling | \$0 | Completion | \$9,082 | Daily Total | \$9,082 |
| Cum Costs: Drilling | \$644,308 | Completion | \$230,587 | Well Total | \$874,895 |

MD 9,070 TVD 9,070 Progress 0 Days 9 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTBTD : 9030.0 Perf : 7657-8867' PKR Depth : 0.0

Activity at Report Time: FRAC

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | RU CUTTERS WIRELINE & PERFORATE LPR FROM 8603'-04', 8608'-09', 8634'-35', 8675'-76', 8716'-17', 8721'-22', 8760'-61', 8790'-91', 8807'-08', 8842'-43', 8860'-61', 8866'-67' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING W/165 GAL GYPTRON T-106, 3150 GAL WF120 LINEAR PAD, 6331 GAL WF120 LINEAR W/1# & 1.5# 20/40, 35138 GAL YF116ST+ W/122600# 20/40 SAND @ 1-5 PPG. MTP 7841 PSIG. MTR 71.6 BPM. ATP 6460 PSIG. ATR 61.7 BPM. ISIP 2850 PSIG. RD SCHLUMBERGER. |

RUWL. SET 10K CFP AT 8550'. PERFORATE M/LPR FROM 8276'-77', 8317'-18', 8318'-19', 8329'-30', 8334'-35', 8374'-75', 8384'-85', 8394'-95', 8412'-13', 8460'-61', 8507'-08', 8529'-30' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 3135 WF120 LINEAR PAD, 6332 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 26933 GAL YF116ST+ W/96100# 20/40 SAND @ 1-5 PPG. MTP 8071 PSIG. MTR 70.2 BPM. ATP 6969 PSIG. ATR 61.4 BPM. ISIP 3100 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8150'. PERFORATE MPR FROM 7934'-35', 7946'-47', 7963'-64', 7975'-76', 7995'-96', 8032'-33', 8049'-50', 8087'-88', 8093'-94', 8101'-02', 8122'-23', 8129'-30' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 3144 WF120 LINEAR PAD, 6324 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 32961 GAL YF116ST+ W/120400# 20/40 SAND @ 1-5 PPG. MTP 8193 PSIG. MTR 70.2 BPM. ATP 6657 PSIG. ATR 60.6 BPM. ISIP 2680 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 7895'. PERFORATE MPR FROM 7657'-58', 7672'-73', 7676'-77', 7686'-87', 7764'-65', 7765'-66', 7777'-78', 7783'-84', 7855'-56', 7859'-60', 7864'-65', 7869'-70' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 6366 GAL WF120 LINEAR 1# & 1.5# SAND, 27367 GAL YF116ST+ W/97900# 20/40 SAND @ 1-5 PPG. MTP 7939 PSIG. MTR 70.4 BPM. ATP 6187 PSIG. ATR 57.5 BPM. ISIP 3050 PSIG. RD SCHLUMBERGER. SDFN.

06-20-2008 Reported By KERN

| | | | | | |
|-----------------------|-----------|------------|-----------|-------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$339,570 | Daily Total | \$339,570 |
| Cum Costs: Drilling | \$644,308 | Completion | \$570,157 | Well Total | \$1,214,465 |

MD 9,070 TVD 9,070 Progress 0 Days 10 MW 0.0 Visc 0.0

Formation : MESAVERDE/WASATCH PBTBTD : 9030.0 Perf : 5305'-8867' PKR Depth : 0.0

Activity at Report Time: PREP TO MIRUSU

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | RUWL. SET 10K CFP AT 7620'. PERFORATE UPR FROM 7335'-36', 7336'-37', 7434'-35', 7451'-52', 7457'-58', 7476'-77', 7490'-91', 7512'-13', 7577'-78', 7586'-87', 7587'-88', 7598'-99' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6357 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 27562 GAL YF116ST+ W/98900# 20/40 SAND @ 1-5 PPG. MTP 7533 PSIG. MTR 70.6 BPM. ATP 6041 PSIG. ATR 62 BPM. ISIP 2800 PSIG. RD SCHLUMBERGER. |

RUWL. SET 10K CFP AT 7310'. PERFORATE UPR FROM 7112'-13', 7116'-17', 7178'-79', 7183'-84', 7188'-89', 7211'-12', 7218'-19', 7225'-26', 7256'-57', 7261'-62', 7280'-81', 7284'-85' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6355 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 27558 GAL YF116ST+ W/98300# 20/40 SAND @ 1-5 PPG. MTP 7702 PSIG. MTR 70.5 BPM. ATP 5698 PSIG. ATR 62.6 BPM. ISIP 2400 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7080'. PERFORATE NH/UPR FROM 6781'-82', 6806'-07', 6841'-42', 6845'-46', 6850'-51', 6872'-73', 6876'-77', 6886'-87', 6971'-72', 6975'-76', 7037'-38', 7061'-62' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6350 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 27697 GAL YF116ST+ W/99800# 20/40 SAND @ 1-5 PPG. MTP 7698 PSIG. MTR 70.5 BPM. ATP 5593 PSIG. ATR 62.2 BPM. ISIP 2050 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6720'. PERFORATE NORTH HORN FROM 6471'-72', 6484'-85', 6517'-18', 6521'-22', 6526'-27', 6552'-53', 6611'-12', 6644'-45', 6667'-68', 6680'-81', 6688'-89', 6700'-01' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6383 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 29069 GAL YF116ST+ W/100000 # 20/40 SAND @ 1-5 PPG. MTP 7200 PSIG. MTR 72 BPM. ATP 5145 PSIG. ATR 57 BPM. ISIP 2270 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6425'. PERFORATE Ba FROM 6059'-60', 6109'-10', 6150'-51', 6179'-80', 6198'-99', 6253'-54', 6267'-68', 6328'-29', 6336'-37', 6343'-44', 6400'-01', 6404'-05' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 6426 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 21891 GAL YF116ST+ W/74100# 20/40 SAND @ 1-4 PPG. MTP 7810 PSIG. MTR 71.5 BPM. ATP 6243 PSIG. ATR 56.1 BPM. ISIP 2070 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6000'. PERFORATE Ca/Ba FROM 5735'-36', 5736'-37', 5749'-50', 5764'-65', 5799'-5800', 5814'-15', 5855'-56', 5918'-19', 5941'-42', 5958'-59', 5959'-60', 5984'-85' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 6372 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 13155 GAL YF116ST+ W/45300# 20/40 SAND @ 1-4 PPG. MTP 8164 PSIG. MTR 70.6 BPM. ATP 5923 PSIG. ATR 53.4 BPM. ISIP 1700 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5540'. PERFORATE Ca FROM 5423'-24', 5443'-45', 5492'-94', 5513'-20' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 6397 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 19491 GAL YF116ST+ W/67200# 20/40 SAND @ 1-4 PPG. MTP 7342 PSIG. MTR 70.6 BPM. ATP 5091 PSIG. ATR 60.4 BPM. ISIP 2160 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5395'. PERFORATE Ca FROM 5305'-07', 5314'-17', 5323'-28', 5360'-62' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 4391 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 17913 GAL YF116ST+ W/60000 # 20/40 SAND @ 1-4 PPG. MTP 7267 PSIG. MTR 70.6 BPM. ATP 4580 PSIG. ATR 58.1 BPM. ISIP 1700 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 5190'. RDWL.. SDFN.

| | | | | | |
|--|------------|------------------------|--|---------------------------|-------------|
| 06-24-2008 | | Reported By | | HISLOP | |
| Daily Costs: Drilling | \$0 | Completion | \$31,819 | Daily Total | \$31,819 |
| Cum Costs: Drilling | \$644,308 | Completion | \$601,976 | Well Total | \$1,246,284 |
| MD | 9.070 | TVD | 9,070 | Progress | 0 |
| | | | | Days | 11 |
| | | | | MW | 0.0 |
| | | | | Visc | 0.0 |
| Formation : | | PBTD : 9030.0 | | Perf : 5305'-8867' | |
| MESAVERDE/WASATCH | | PKR Depth : 0.0 | | | |
| Activity at Report Time: CLEAN OUT AFTER FRAC | | | | | |
| Start | End | Hrs | Activity Description | | |
| 06:00 | 06:00 | 24.0 | MIRUSU. ND TREE. NU BOP. RIH W/BIT & PUMP OFF SUB TO 5190'. RU TO DRILL PLUGS. SDFN. | | |

06-25-2008 **Reported By** HISLOP

| | | | | | |
|------------------------------|----------------------|---------------------------|-----------|------------------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$2,665 | Daily Total | \$2,665 |
| Cum Costs: Drilling | \$644,308 | Completion | \$695,000 | Well Total | \$1,339,308 |
| MD | 9,070 | TVD | 9,070 | Progress | 0 |
| | | Days | 15 | MW | 0.0 |
| Visc | | | | | 0.0 |
| Formation : | PBTD : 9030.0 | Perf : 5305'-8867' | | PKR Depth : 0.0 | |
| MESAVERDE/WASATCH | | | | | |

Activity at Report Time: FLOW TESTING

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | FLOWED THROUGH TEST UNIT 24 HRS. 20/64" CHOKE. FTP 1200 PSIG. CP 1550 PSIG. 34 BFPH. RECOVERED 910 BLW. 7910 BLWTR. 715 MCFD RATE. |

06-29-2008 Reported By HISLOP

| | | | | | |
|------------------------------|----------------------|---------------------------|-----------|------------------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$2,765 | Daily Total | \$2,765 |
| Cum Costs: Drilling | \$644,308 | Completion | \$697,765 | Well Total | \$1,342,073 |
| MD | 9,070 | TVD | 9,070 | Progress | 0 |
| | | Days | 16 | MW | 0.0 |
| Visc | | | | | 0.0 |
| Formation : | PBTD : 9030.0 | Perf : 5305'-8867' | | PKR Depth : 0.0 | |
| MESAVERDE/WASATCH | | | | | |

Activity at Report Time: FLOW TESTING

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | FLOWED THROUGH TEST UNIT 24 HRS. 20/64" CHOKE. FTP 1250 PSIG. CP 1850 PSIG. 30 BFPH. RECOVERED 791 BLW. 7119 BLWTR. 859 MCFD RATE. |

06-30-2008 Reported By HISLOP

| | | | | | |
|------------------------------|----------------------|---------------------------|-----------|------------------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$2,765 | Daily Total | \$2,765 |
| Cum Costs: Drilling | \$644,308 | Completion | \$700,530 | Well Total | \$1,344,838 |
| MD | 9,070 | TVD | 9,070 | Progress | 0 |
| | | Days | 17 | MW | 0.0 |
| Visc | | | | | 0.0 |
| Formation : | PBTD : 9030.0 | Perf : 5305'-8867' | | PKR Depth : 0.0 | |
| MESAVERDE/WASATCH | | | | | |

Activity at Report Time: FLOW TEST TO SALES-INITIAL PRODUCTION

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | FLOWED THROUGH TEST UNIT 24 HRS. 24/64" CHOKE. FTP 1100 PSIG. CP 1800 PSIG. 39 BFPH. RECOVERED 943 BLW. 6176 BLWTR. 1200 MCFD RATE. |

INITIAL PRODUCTION: TURNED TO GAS SALES. SITP 1025 & SICP 1500 PSIG. TURNED WELL TO QUESTAR SALES AT 9:30 AM, 6/27/08. FLOWING 300 MCFD RATE ON 20/64" POS CK. STATIC 375.

06/28/08 FLOWED 0 MCF, 5 BC & 1488 BW IN 24 HRS ON 20/64" CHOKE. TP 950 PSIG, CP 1550 PSIG.

06/29/08 FLOWED 424 MCF, 25 BC & 910 BW IN 24 HRS ON 20/64" CHOKE, TP 1200 PSIG, CP 1600 PSIG.

06/30/08 FLOWED 637 MCF, 25 BC & 791 BW IN 24 HRS ON 20/64" CHOKE, TP 1150 PSIG, CP 1850 PSIG.

07-01-2008 Reported By HISLOP

| | | | | | |
|------------------------------|----------------------|---------------------------|-----------|------------------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$2,765 | Daily Total | \$2,765 |
| Cum Costs: Drilling | \$644,308 | Completion | \$703,295 | Well Total | \$1,347,603 |
| MD | 9,070 | TVD | 9,070 | Progress | 0 |
| | | Days | 18 | MW | 0.0 |
| Visc | | | | | 0.0 |
| Formation : | PBTD : 9030.0 | Perf : 5305'-8867' | | PKR Depth : 0.0 | |
| MESAVERDE/WASATCH | | | | | |

Activity at Report Time: FLOW TEST TO SALES

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | FLOWED THROUGH TEST UNIT 24 HRS. 24/64" CHOKE. FTP 1100 PSIG. CP 1700 PSIG. 34 BFPH. RECOVERED 856 BLW. 5320 BLWTR. 1400 MCFD RATE. |

FLOWED 938 MCF, 30 BC & 943 BW IN 24 HRS ON 24/64" CHOKE, TP 1100 PSIG, CP 1800 PSIG.

07-02-2008 Reported By HISLOP

| | | | | | |
|------------------------------|----------------------|-------------------|---------------------------|------------------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$3,326 | Daily Total | \$3,326 |
| Cum Costs: Drilling | \$644,308 | Completion | \$706,621 | Well Total | \$1,350,929 |
| MD | 9,070 | TVD | 9,070 | Progress | 0 |
| Days | 19 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 9030.0 | | Perf : 5305'-8867' | PKR Depth : 0.0 | |
| MESAVERDE/WASATCH | | | | | |

Activity at Report Time: FLOW TEST TO SALES

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | FLOWED THROUGH TEST UNIT 24 HRS. 24/64" CHOKE. FTP 1000 PSIG. CP 1600 PSIG. 30 BFPH. RECOVERED 745 BLW. 4575 BLWTR. 1460 MCFD RATE. |

FLOWED 1141 MCF, 0 BC & 885 BW IN 24 HRS ON 24/64" CHOKE, TP 1075 PSIG, CP 1675 PSIG.

07-03-2008 Reported By HISLOP

| | | | | | |
|------------------------------|----------------------|-------------------|---------------------------|------------------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$3,615 | Daily Total | \$3,615 |
| Cum Costs: Drilling | \$644,308 | Completion | \$710,236 | Well Total | \$1,354,544 |
| MD | 9,070 | TVD | 9,070 | Progress | 0 |
| Days | 20 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 9030.0 | | Perf : 5305'-8867' | PKR Depth : 0.0 | |
| MESAVERDE/WASATCH | | | | | |

Activity at Report Time: FLOW TEST TO SALES

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | FLOWED THROUGH TEST UNIT 24 HRS. 24/64" CHOKE. FTP 1000 PSIG. CP 1600 PSIG. 26 BFPH. RECOVERED 648 BLW. 3927 BLWTR. 1374 MCFD RATE. |

FLOWED 1206 MCF, 0 BC & 745 BW IN 24 HRS ON 24/64" CHOKE, TP 1000 PSIG, CP 1600 PSIG.

07-04-2008 Reported By HISLOP

| | | | | | |
|------------------------------|----------------------|-------------------|---------------------------|------------------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$2,765 | Daily Total | \$2,765 |
| Cum Costs: Drilling | \$644,308 | Completion | \$713,001 | Well Total | \$1,357,309 |
| MD | 9,070 | TVD | 9,070 | Progress | 0 |
| Days | 21 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 9030.0 | | Perf : 5305'-8867' | PKR Depth : 0.0 | |
| MESAVERDE/WASATCH | | | | | |

Activity at Report Time: FLOW TESTING

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | FLOWED THROUGH TEST UNIT 24 HRS. 24/64" CHOKE. FTP 950 PSIG. CP 1500 PSIG. 22 BFPH. RECOVERED 583 BLW. 3344 BLWTR. 1445 MCFD RATE. |

07-05-2008 Reported By HISLOP

| | | | | | |
|------------------------------|-----------|-------------------|-----------|--------------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$2,765 | Daily Total | \$2,765 |
| Cum Costs: Drilling | \$644,308 | Completion | \$715,766 | Well Total | \$1,360,074 |

MD 9,070 TVD 9,070 Progress 0 Days 22 MW 0.0 Visc 0.0

Formation : PBTID : 9030.0 Perf : 5305'-8867' PKR Depth : 0.0
 MESAVERDE/WASATCH

Activity at Report Time: FLOW TESTING

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | FLOWED THROUGH TEST UNIT 24 HRS. 24/64" CHOKE. FTP 950 PSIG. CP 1500 PSIG. 17 BFPH. RECOVERED 508 BLW. 2836 BLWTR. 1411 MCFD RATE. |

07-06-2008 Reported By HISLOP

| | | | | | |
|-----------------------|-----------|------------|-----------|-------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$2,765 | Daily Total | \$2,765 |
| Cum Costs: Drilling | \$644,308 | Completion | \$718,531 | Well Total | \$1,362,839 |

MD 9,070 TVD 9,070 Progress 0 Days 23 MW 0.0 Visc 0.0

Formation : PBTID : 9030.0 Perf : 5305'-8867' PKR Depth : 0.0
 MESAVERDE/WASATCH

Activity at Report Time: FLOW TESTING

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | FLOWED THROUGH TEST UNIT 24 HRS. 24/64" CHOKE. FTP 900 PSIG. CP 1500 PSIG. 17 BFPH. RECOVERED 463 BLW. 2373 BLWTR. 1397 MCFD RATE. |

07-07-2008 Reported By HISLOP

| | | | | | |
|-----------------------|-----------|------------|-----------|-------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$2,765 | Daily Total | \$2,765 |
| Cum Costs: Drilling | \$644,308 | Completion | \$721,296 | Well Total | \$1,365,604 |

MD 9,070 TVD 9,070 Progress 0 Days 24 MW 0.0 Visc 0.0

Formation : PBTID : 9030.0 Perf : 5305'-8867' PKR Depth : 0.0
 MESAVERDE/WASATCH

Activity at Report Time: FLOW TEST TO SALES

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | FLOWED THROUGH TEST UNIT 24 HRS. 24/64" CHOKE. FTP 850 PSIG. CP 1450 PSIG. 13 BFPH. RECOVERED 377 BLW. 1996 BLWTR. 1379 MCFD RATE. |

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.
UTU67868

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

| | | |
|---|---|---|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 8. Well Name and No. EAST CHAPITA 26-10 |
| 2. Name of Operator EOG RESOURCES INC Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com | | 9. API Well No. 43-047-38139 |
| 3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202 | 3b. Phone No. (include area code) Ph: 303-824-5526 | 10. Field and Pool, or Exploratory NATURAL BUTTES/WASATCH/MV |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 10 T9S R23E SWSW 850FSL 622FWL 40.05539 N Lat, 109.32032 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 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 Subsurface Commingling |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

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

EOG Resources, Inc. requests authorization for commingling of production from the Wasatch and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from cased-hole logs. Production from the Wasatch and Mesaverde formations will be commingled in the wellbore and produced through open-ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

COPY SENT TO OPERATOR

Date: 7.14.2008

Initials: KS

| | |
|---|----------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #60807 verified by the BLM Well Information System For EOG RESOURCES INC, sent to the Vernal | |
| Name (Printed/Typed) MARY A. MAESTAS | Title REGULATORY ASSISTANT |
| Signature <i>Mary A. Maestas</i> Electronic Submission | Date 06/11/2008 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____

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

Title 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.

Accepted by the
High Division of
Oil, Gas and Mining
7/11/08
Federal Approval of This
Action is Necessary

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

RECEIVED

JUN 13 2008

DIV. OF OIL, GAS & MINING

STATE OF COLORADO)

) ss

COUNTY OF DENVER)

VERIFICATION

Mary A. Maestas, of lawful age, being first duly sworn upon oath, deposes and says:

She is a Regulatory Assistant of EOG Resources, Inc., of Denver, Colorado. EOG Resources, Inc. is the operator of the following described well:

**EAST CHAPITA 26-10
850' FSL – 622' FWL (SWSW)
SECTION 10, T9S, R23E
UINTAH COUNTY, UTAH**

EOG Resources, Inc., Kerr-McGee Oil & Gas Onshore LP, Questar Exploration and Production Company, III Exploration Company, and Enduring Resources, LLC, Exhibit A, are the only owners in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 11th day of June, 2008 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

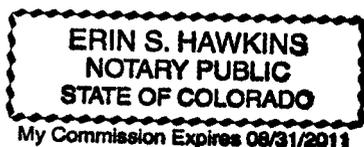
Said envelope, which contained these instruments, was addressed to the Utah Division of Oil, Gas & Mining, Bureau of Land Management, Kerr-McGee Oil & Gas Onshore LP, Questar Exploration and Production Company, III Exploration Company, and Enduring Resources, LLC.

Further affiant saith not.



Mary A. Maestas
Regulatory Assistant

Subscribed and sworn before me this 11th day of June, 2008.





Notary Public

Exhibit "A" to Affidavit
East Chapita 26-10 Application to Commingle

Kerr-McGee Oil & Gas Onshore LP
1099 18th Street, Suite 1200
Denver, Colorado 80202
Attn: Mr. W. Chris Latimer

Questar Exploration and Production Company
Independence Plaza
1050 17th Street, Suite 500
Denver, Colorado 80265
Attention: Mr. Nate Koeniger

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

Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, Colorado 80202
Attn: Mr. Alex Campbell

R 23 E

9

10

NBE 12ML-10-9-23

NBE 11ML-10-9-23



UTU-080939

UTU-72634

ECW 26-10



FEE

UTU-67868

UTU-67868

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9
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6 ML 47045

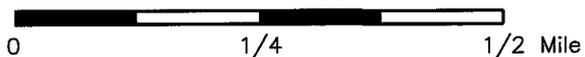
U-01301

FEE

15

○ EAST CHAPITA 26-10

Scale: 1"=1000'



Geog resources

Denver Division

EXHIBIT "A"

EAST CHAPITA 26-10
Commingling Application
Uintah County, Utah

Scale: 1"=1000'

D:\utah\Commingled\
page_EC26-10_commingled.dwg
WELL

Author

TLM

May 08, 2008 -
10:54am

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.
UTU67868

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.

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

8. Lease Name and Well No.
EAST CHAPITA 26-10

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

9. API Well No.
43-047-38139

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface **SWSW 850FSL 622FWL 40.05539 N Lat, 109.32032 W Lon**
 At top prod interval reported below **SWSW 850FSL 622FWL 40.05539 N Lat, 109.32032 W Lon**
 At total depth **SWSW 850FSL 622FWL 40.05539 N Lat, 109.32032 W Lon**

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

11. Sec., T., R., M., or Block and Survey
or Area **Sec 10 T9S R23E Mer SLB**

12. County or Parish
UINTAH 13. State
UT

14. Date Spudded **04/29/2008** 15. Date T.D. Reached **05/21/2008** 16. Date Completed
 D & A Ready to Prod.
06/27/2008

17. Elevations (DF, KB, RT, GL)*
4981 GL

18. Total Depth: **MD 9100 TVD** 19. Plug Back T.D.: **MD 9030 TVD** 20. Depth Bridge Plug Set: **MD TVD**

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

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

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|-------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 12.250 | 9.625 J-55 | 36.0 | 0 | 2293 | | 1300 | | | |
| 7.875 | 4.500 P-110 | 11.6 | 0 | 9075 | | 1735 | | | |
| | | | | | | | | | |
| | | | | | | | | | |

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 | 7081 | | | | | | | |

25. Producing Intervals

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|---------------------|------|--------|---------------------|------|-----------|--------------|
| A WASATCH/MESAVERDE | 5305 | 8867 | 8603 TO 8867 | | 3 | |
| B) | | | 8276 TO 8530 | | 3 | |
| C) | | | 7934 TO 8130 | | 3 | |
| D) | | | 7657 TO 7870 | | 3 | |

26. Perforation Record **5305-8867**

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

| Depth Interval | Amount and Type of Material |
|----------------|--|
| 8603 TO 8867 | 44,784 GALS GELLED WATER & 122,600# 20/40 SAND |
| 8276 TO 8530 | 36,565 GALS GELLED WATER & 96,100# 20/40 SAND |
| 7934 TO 8130 | 42,594 GALS GELLED WATER & 120,400# 20/40 SAND |
| 7657 TO 7870 | 33,898 GALS GELLED WATER & 97,900# 20/40 SAND |

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

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 |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| 06/27/2008 | 07/09/2008 | 24 | → | 115.0 | 714.0 | 100.0 | | | FLOWS FROM WELL |
| Choke Size | Tbg. Press. Flwg. | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| 14/64" | SI 1250 | 1600.0 | → | 115 | 714 | 100 | | PGW | |

28a. Production - Interval B

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

28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top |
|-------------------|------|--------|------------------------------|--|--|
| | | | | | Meas. Depth |
| WASATCH/MESAVERDE | 5305 | 8867 | | GREEN RIVER MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER MIDDLE PRICE RIVER | 1814 2460 4547 4681 5269 5924 6859 7640 |

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

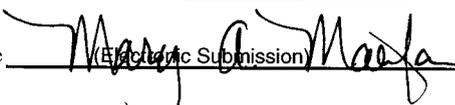
33. Circle enclosed attachments:

- 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 #61958 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal**

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

Signature  Date 08/04/2008

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.

**** ORIGINAL ** ORIGINAL ****

East Chapita 26-10 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

| | |
|-----------|-------|
| 7335-7599 | 3/spf |
| 7112-7285 | 3/spf |
| 6781-7062 | 3/spf |
| 6471-6701 | 3/spf |
| 6059-6405 | 3/spf |
| 5735-5985 | 3/spf |
| 5423-5520 | 3/spf |
| 5305-5362 | 3/spf |

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

| | |
|-----------|--|
| 7335-7599 | 34,084 GALS GELLED WATER & 98,900# 20/40 SAND |
| 7112-7285 | 34,078 GALS GELLED WATER & 98,300# 20/40 SAND |
| 6781-7062 | 34,212 GALS GELLED WATER & 99,800# 20/40 SAND |
| 6471-6701 | 35,617 GALS GELLED WATER & 100,000# 20/40 SAND |
| 6059-6405 | 28,317 GALS GELLED WATER & 74,100# 20/40 SAND |
| 5735-5985 | 19,527 GALS GELLED WATER & 45,300# 20/40 SAND |
| 5423-5520 | 25,888 GALS GELLED WATER & 67,200# 20/40 SAND |
| 5305-5362 | 22,304 GALS GELLED WATER & 60,000# 20/40 SAND |

Perforated the Lower Price River from 8603-04', 8608-09', 8634-35', 8675-76', 8716-17', 8721-22', 8760-61', 8790-91', 8807-08', 8842-43', 8860-61', 8866-67' w/ 3 spf.

Perforated the Middle/Lower Price River from 8276-77', 8317-18', 8318-19', 8329-30', 8334-35', 8374-75', 8384-85', 8394-95', 8412-13', 8460-61', 8507-08', 8529-30' w/ 3 spf.

Perforated the Middle Price River from 7934-35', 7946-47', 7963-64', 7975-76', 7995-96', 8032-33', 8049-50', 8087-88', 8093-94', 8101-02', 8122-23', 8129-30' w/ 3 spf.

Perforated the Middle Price River from 7657-58', 7672-73', 7676-77', 7686-87', 7764-65', 7765-66', 7777-78', 7783-84', 7855-56', 7859-60', 7864-65', 7869-70' w/ 3 spf.

Perforated the Upper Price River from 7335-36', 7336-37', 7434-35', 7451-52', 7457-58', 7476-77', 7490-91', 7512-13', 7577-78', 7586-87', 7587-88', 7598-99' w/ 3 spf.

Perforated the Upper Price River from 7112-13', 7116-17', 7178-79', 7183-84', 7188-89', 7211-12', 7218-19', 7225-26', 7256-57', 7261-62', 7280-81', 7284-85' w/ 3 spf.

Perforated the North Horn/Upper Price River from 6781-82', 6806-07', 6841-42', 6845-46', 6850-51', 6872-73', 6876-77', 6886-87', 6971-72', 6975-76', 7037-38', 7061-62' w/ 3 spf.

Perforated the North Horn from 6471-72', 6484-85', 6517-18', 6521-22', 6526-27', 6552-53', 6611-12', 6644-45', 6667-68', 6680-81', 6688-89', 6700-01' w/ 3 spf.

Perforated the Ba from 6059-60', 6109-10', 6150-51', 6179-80', 6198-99', 6253-54', 6267-68', 6328-29', 6336-37', 6343-44', 6400-01', 6404-05' w/ 3 spf.

Perforated the Ca/Ba from 5735-36', 5736-37', 5749-50', 5764-65', 5799-5800', 5814-15', 5855-56', 5918-19', 5941-42', 5958-59', 5959-60', 5984-85' w/ 3 spf.

Perforated the Ca from 5423-24', 5443-45', 5492-94', 5513-20' w/ 3 spf.

Perforated the Ca from 5305-07', 5314-17', 5323-28', 5360-62' w/ 3 spf.

32. FORMATION (LOG) MARKERS

| | |
|-------------------|------|
| Lower Price River | 8403 |
| Sego | 8940 |

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: ECW 26-10

API number: 4304738139

Well Location: QQ SWSW Section 10 Township 9S Range 23E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

| DEPTH | | VOLUME (FLOW RATE OR HEAD) | QUALITY (FRESH OR SALTY) |
|-------|-----|-------------------------------|-----------------------------|
| FROM | TO | | |
| 130 | 135 | NO FLOW | NOT KNOWN |
| 480 | 490 | NO FLOW | NOT KNOWN |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

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

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

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

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE *Mary A. Maestas*

DATE 8/4/2008

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

| | | |
|---|---|--|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. UTU67868 |
| 2. Name of Operator EOG RESOURCES, INC. Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202 | 3b. Phone No. (include area code) Ph: 303-824-5526 | 7. If Unit or CA/Agreement, Name and/or No. |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 10 T9S R23E SWSW 850FSL 622FWL 40.05539 N Lat, 109.32032 W Lon | | 8. Well Name and No. EAST CHAPITA 26-10 |
| | | 9. API Well No. 43-047-38139 |
| | | 10. Field and Pool, or Exploratory NATURAL BUTTES |
| | | 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 checked="" type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

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

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat. Interim reclamation was completed on 9/12/2008.

| | |
|---|----------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #66021 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 01/05/2009 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

RECEIVED
** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **
JAN 06 2009