

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

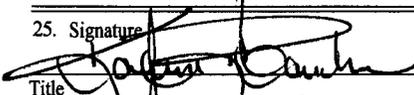
**APPLICATION FOR PERMIT TO DRILL OR REENTER**

|   |   |
|---|---|
| 5. Lease Serial No.<br><b>UTU-67868</b>   |   |
| 6. If Indian, Allottee or Tribe Name  |   |
| 7. If Unit or CA Agreement, Name and No.  |   |
| 8. Lease Name and Well No.<br><b>EAST CHAPITA 14-23</b>   |   |
| 9. API Well No.<br><b>43-047-38746</b>  |   |
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER  | 10. Field and Pool, or Exploratory<br><b>NATURAL BUTTES UNIT</b>  |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone                                  | 11. Sec., T. R. M. or Blk. and Survey or Area<br><b>SECTION 23, T9S, R23E S.L.B&amp;M</b>                               |
| 2. Name of Operator<br><b>EOG RESOURCES, INC.</b>   | 12. County or Parish<br><b>UINTAH</b>   |
| 3a. Address <b>P.O. Box 1815 Vernal Ut 84078</b>  | 13. State<br><b>UT</b>  |
| 3b. Phone No. (include area code)<br><b>435-789-0790</b>  | 14. Distance in miles and direction from nearest town or post office*<br><b>58 MILES SOUTH OF VERNAL, UTAH</b>          |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)*<br>At surface <b>855' FSL 2110' FEL (SW/SE) 40.01653 LAT 109.29228 LON</b><br>At proposed prod. zone <b>SAME 645802 X 4430785 Y 40.016578 -109.291589</b> |   |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>855'</b> <b>465'</b>   | 16. No. of acres in lease<br><b>1079</b>  |
| 17. Spacing Unit dedicated to this well<br><b>40</b>  | 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>9240'</b> |
| 19. Proposed Depth<br><b>8600'</b>  | 20. BLM/BIA Bond No. on file<br><b>NM 2308</b>  |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.)<br><b>5159' GL</b>  | 22. Approximate date work will start*   |
| 23. Estimated duration<br><b>45 DAYS</b>  |   |

**24. Attachments**

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

- 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)<br><b>Kaylene R. Gardner</b> | Date<br><b>05/24/2006</b> |
| Title<br><b>Regulatory Assistant</b>  |   |                           |

|   |  |                         |
|---|--|-------------------------|
| Approved by (Signature)  | Name (Printed/Typed)<br><b>BRADLEY G. HILL</b> | Date<br><b>05-30-06</b> |
| Title<br><b>ENVIRONMENTAL MANAGER</b>   |  |                         |

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

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

\*(Instructions on page 2)

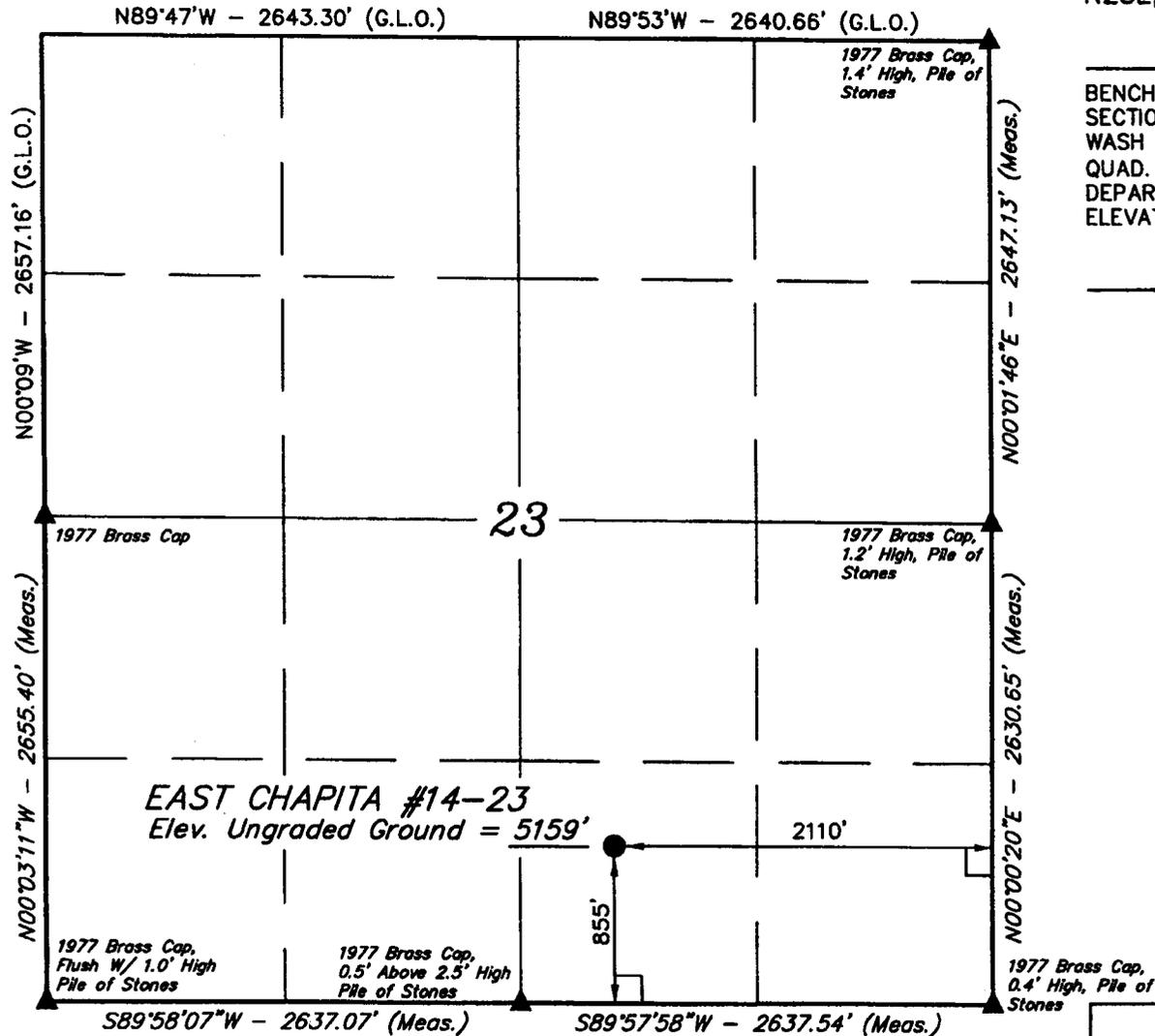
**Federal Approval of this  
Action Is Necessary**

**RECEIVED**

**MAY 25 2006**

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

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



## EOG RESOURCES, INC.

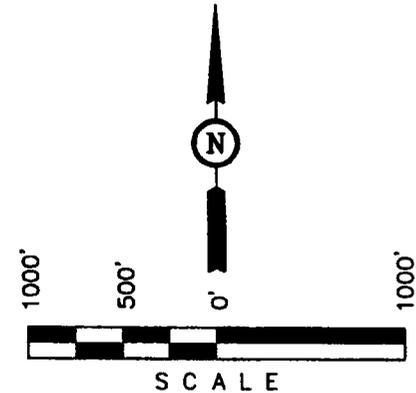
Well location, EAST CHAPITA #14-23, located as shown in the SW 1/4 SE 1/4 of Section 23, T9S, R23E, S.L.B.&M. Uintah County, Utah.

### BASIS OF ELEVATION

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

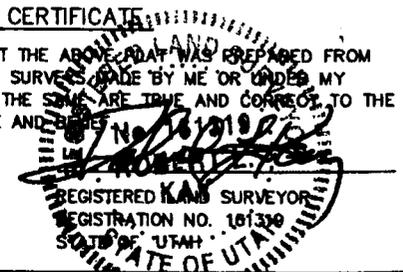
### BASIS OF BEARINGS

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



### CERTIFICATE

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



### LEGEND:

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

(NAD 83)  
 LATITUDE = 40°00'59.52" (40.016533)  
 LONGITUDE = 109°17'32.21" (109.292281)  
 (NAD 27)  
 LATITUDE = 40°00'59.64" (40.016567)  
 LONGITUDE = 109°17'29.77" (109.291603)

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

|                               |                             |                        |
|-------------------------------|-----------------------------|------------------------|
| SCALE<br>1" = 1000'           | DATE SURVEYED:<br>8-12-05   | DATE DRAWN:<br>8-13-05 |
| PARTY<br>G.O.    B.C.    K.G. | REFERENCES<br>G.L.O. PLAT   |                        |
| WEATHER<br>HOT                | FILE<br>EOG RESOURCES, INC. |                        |

**EIGHT POINT PLAN**  
**EAST CHAPITA 14-23**  
**SW/SE, SEC. 23, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

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

| <b>FORMATION</b>       | <b>DEPTH (KB)</b> |
|------------------------|-------------------|
| Green River FM         | 1,464'            |
| Wasatch                | 4,375'            |
| North Horn             | 6,308'            |
| Island                 | 6,482'            |
| KMV Price River        | 6,690'            |
| KMV Price River Middle | 7,323'            |
| KMV Price River Lower  | 7,950'            |
| Sego                   | 8,388'            |

Estimated TD: 8,600' or 200'± below Sego top

**Anticipated BHP: 4,750 Psig**

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
 BOP schematic diagrams attached.

**4. CASING PROGRAM:**

| <b><u>HOLE SIZE</u></b> | <b><u>INTERVAL</u></b> | <b><u>LENGTH</u></b> | <b><u>SIZE</u></b> | <b><u>WEIGHT</u></b> | <b><u>GRADE</u></b> | <b><u>THREAD</u></b> | <b><u>RATING FACTOR</u></b> |                     |                       |
|-------------------------|------------------------|----------------------|--------------------|----------------------|---------------------|----------------------|-----------------------------|---------------------|-----------------------|
|                         |                        |                      |                    |                      |                     |                      | <b><u>COLLAPSE</u></b>      | <b><u>BURST</u></b> | <b><u>TENSILE</u></b> |
| 12-1/4"                 | 0' – 2,300'KB±         | 2,300'±              | 9-5/8"             | 36.0#                | J-55                | ST&C                 | 2020 Psi                    | 3520 Psi            | 394,000#              |
| 7-7/8"                  | 2,300'± – TD           | 8,700±               | 4-1/2"             | 11.6#                | N-80                | LT&C                 | 6350 Psi                    | 7780 Psi            | 223,000#              |

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

All casing will be new or inspected.

**5. Float Equipment:**

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

**EIGHT POINT PLAN**  
**EAST CHAPITA 14-23**  
**SW/SE, SEC. 23, 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 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

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

Air/air mist or aerated water.

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

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

**7. VARIANCE REQUESTS:**

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

**8. EVALUATION PROGRAM:**

**Logs:** Mud log from base of surface casing to TD. Cased hole evaluation logs will be run in lieu of open hole logs.

**EIGHT POINT PLAN**

**EAST CHAPITA 14-23**  
**SW/SE, SEC. 23, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**9. CEMENT PROGRAM:**

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

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

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

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

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

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

**Lead:** 115 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft<sup>3</sup>/sk., 9.19 gps water.

**Tail:** 825 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9 gps water.

**Note:** Number of sacks is based on gauged 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.

**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 14-23**  
**SW/SE, SEC. 23, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**11. STANDARD REQUIRED EQUIPMENT:**

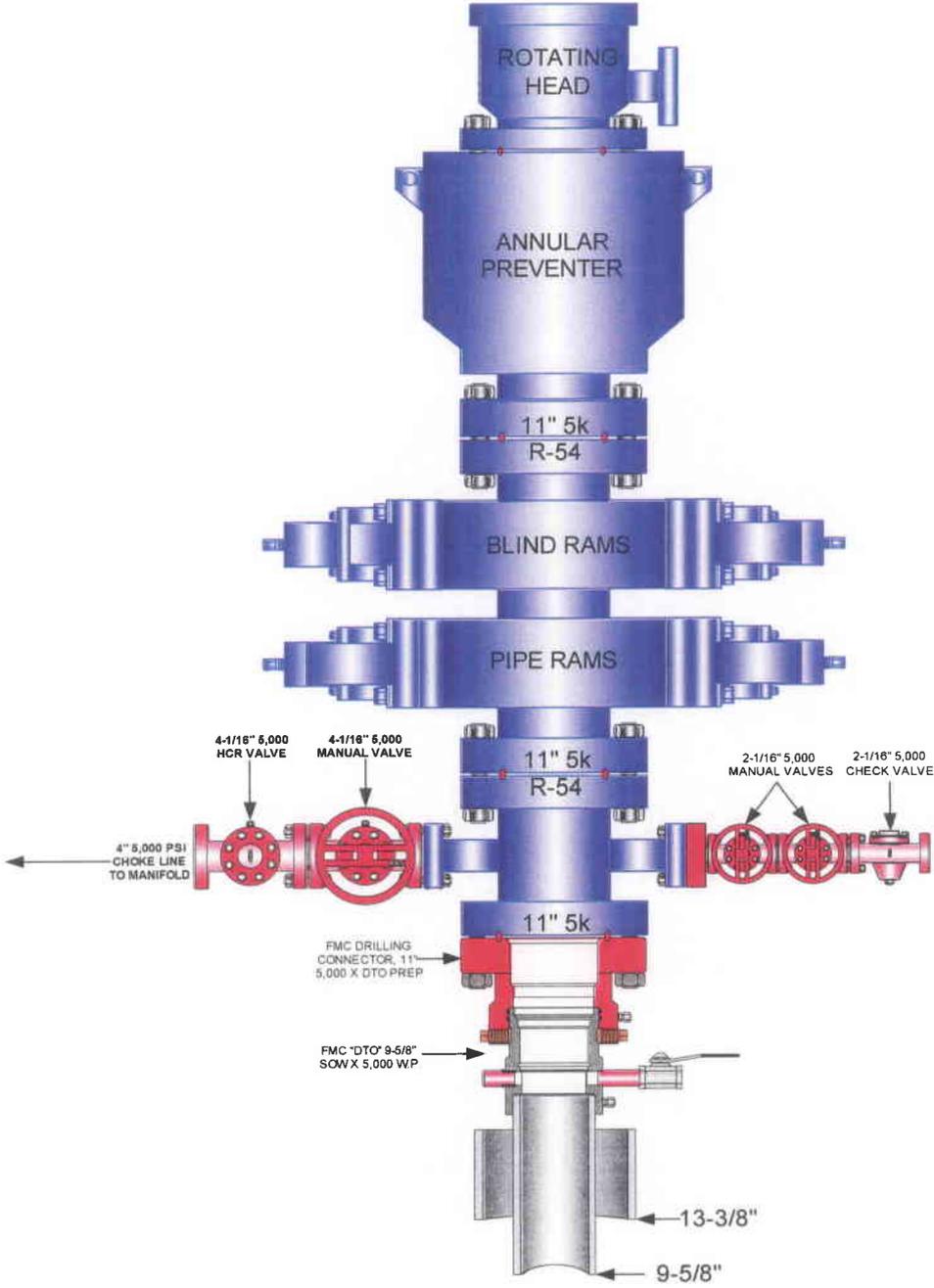
- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

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

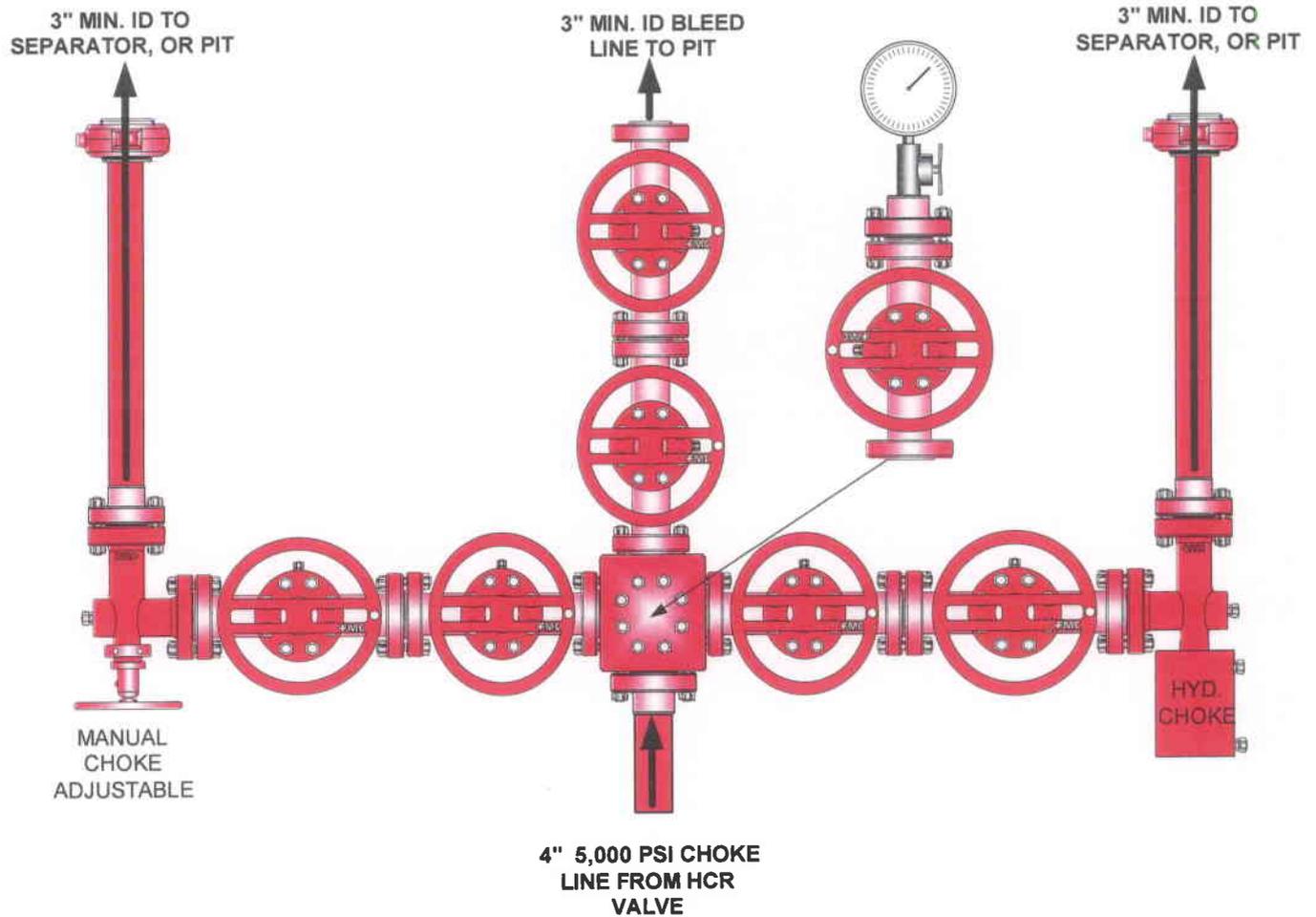
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF



**Testing Procedure:**

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



**EAST CHAPITA 14-23  
SW/SE, Section 23, 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, Inc., hereby applies under Section 28 of the Act of February 25, 1920 (41 state. 449), (30 U.S.C. Section 185) as amended by the Act of November 16, 1973, (87 Stat. 576) and requests that this APD serve as the construction, operations and maintenance plan for the right-of-way application for the pipeline on federal lands. A 30-year right-of-way term is requested.

The requested pipeline right-of-way on Federal acreage necessary is approximately 9530' x 40', containing 8.75 acres more or less (see attached survey plats and maps).

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 1320 feet long with a 30-foot right-of-way, disturbing approximately 0.91 acres. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.75 acres. The pipeline is approximately 14,410 feet long, 4880' within Federal Lease UTU 67868, 380' within Federal Lease U-01301, 7100' within Federal Lease U-0344-A, and 2050' within Federal Lease U-37943 disturbing approximately 13.23 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 58.4 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

**2. PLANNED ACCESS ROAD:**

- A. The access road will be approximately 1320' 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 then avoided

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

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 – 3\*
- 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 14.410' x 40'. The proposed pipeline leaves the northern edge of the well pad (Lease UTU 67868) proceeding in a northerly then southerly direction for an approximate distance of 4880' to Federal Lease U-01301 proceeding in a southwesterly direction for an approximate distance of 380', to Federal Lease U-0344-A, proceeding in a southerly direction for an approximate distance of 7100', to Federal Lease U-37943, proceeding southerly 2050' and tying into existing permanent lateral pipeline for Chapita Wells Unit 1073-34, authorized under Chapita Wells Unit agreement, located in the NWNE of Section 34, T10S, R23E.
3. Pipe will be 4" NOM, 0.156 wall, Grade X42. An offlease permanent right-of-way will be required.
4. Proposed pipeline will be a 4" OD steel, welded line laid on the surface
5. 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.

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 southeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the south side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence. The stockpiled pit topsoil will be stored separate from the location topsoil south of corner #5. The stockpiled location topsoil will be stored between corners #2 and #4, corner #6 and the access road. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the west.

**FENCING REQUIREMENTS:**

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

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

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

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

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

**A. Producing Location**

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

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

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

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

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

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

**B. Dry Hole/Abandoned Location**

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

| <b>Seed Mixture</b>    | <b>Drilled Rate<br/>(lbs./acre PLS*)</b> |
|------------------------|--|
| Wyoming Big Sage       | 3.0                                      |
| Shadscale              | 2.0                                      |
| Needle & Thread Grass  | 2.0                                      |
| HY Crested Wheat Grass | 4.0                                      |
| Winter Fat/Glow 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 February 1<sup>st</sup> through July 15<sup>th</sup> due to Golden Eagle stipulations.

**LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:**

**PERMITTING AGENT**

Kaylene R. Gardner  
EOG Resources, Inc.  
P.O. Box 1815  
Vernal, Ut 84078  
(435) 781-9111

**DRILLING OPERATIONS**

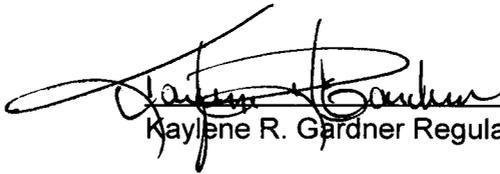
Donald Presenkowski  
EOG Resources, Inc.  
P.O. Box 250  
Big Piney, WY 83113  
307-276-4865

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the East Chapita 14-23 Well, located in the SW/SE, of Section 23, 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 24, 2006

Date



Kaylene R. Gardner Regulatory Assistant

**Request for Exception to Buried Pipeline Requirement**  
**EAST CHAPITA 14-23**  
**SW/SE, Sec. 23, T9S, R23E**  
**Lease Number UTU-67868**

EOG Resources, Inc. requests a variance to the requirement for a buried gas sales pipeline for the referenced well for the following reasons:

1. In order to bury pipe on the gas sales line route, additional surface disturbance relative to surface pipeline would be approximately *50' X Length* acres.
2. Ripping, cutting, or blasting of rock would be required, which in turn would leave long-term spoils on the right-of-way.
3. The disturbed soils on the pipeline corridor would be difficult to rehabilitate and would be susceptible to noxious weed infestation, which in turn would be hazardous to livestock.
4. Supplemental soil to replace removed rock would need to be hauled in from other locations to provide bedding and cover material.
5. The buried pipe would need to be coated and/or wrapped to minimize the potential for corrosion-caused gas leaks and blowouts.
6. Burying of pipe next to access roads increases the potential for damage, explosion, and fire when using graders and/or dozers for snow removal or road rehabilitation.
7. Surface equipment, including risers with blow down valves and pipeline markers will be required, adding to negative visual impact.
8. Disturbance of previously rehabilitated pipeline corridor could be necessary if increasing well density requires crossing of the corridor or location construction on the corridor.
9. Pipeline corridors subject to poor rehabilitation characteristics are susceptible to high rates of soil erosion.
10. Buried shallow pipelines in low areas subject to the occasional presence of standing water are susceptible to movement and surfacing.

**EOG RESOURCES, INC.**  
**EAST CHAPITA #14-23**  
**SECTION 23, 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 8.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY, THEN SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY, THEN SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 57.85 MILES.

**EOG RESOURCES INC.**  
**EAST CHAPITA #14-23**  
 LOCATED IN UTAH COUNTY, UTAH  
 SECTION 23, T9S, R23E, S.1.B.&M.

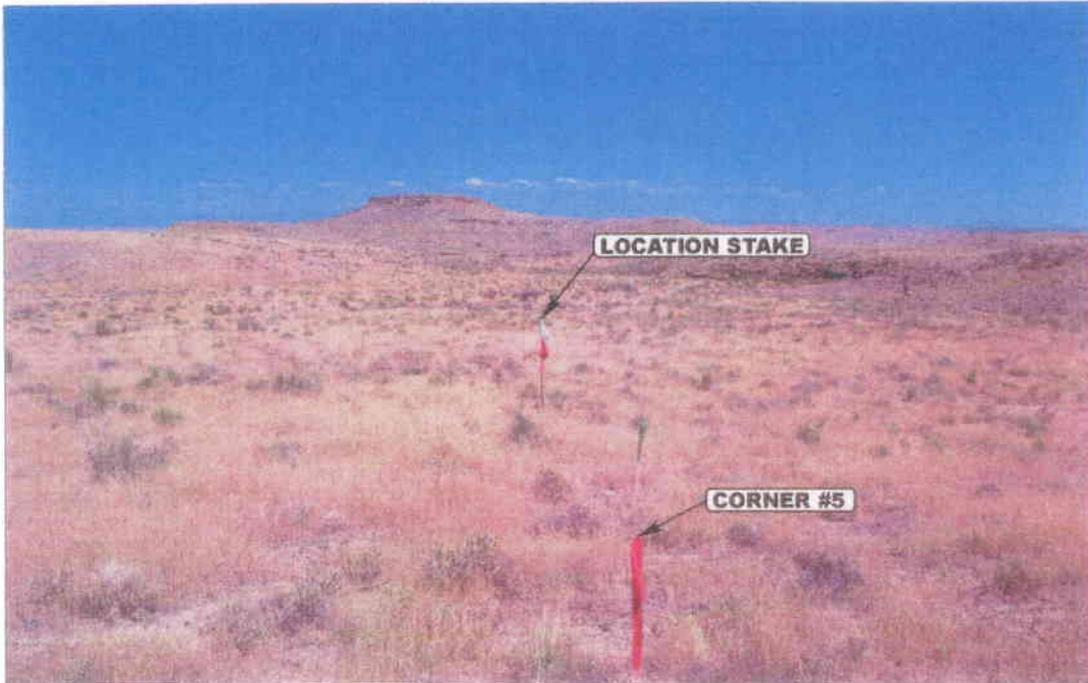


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



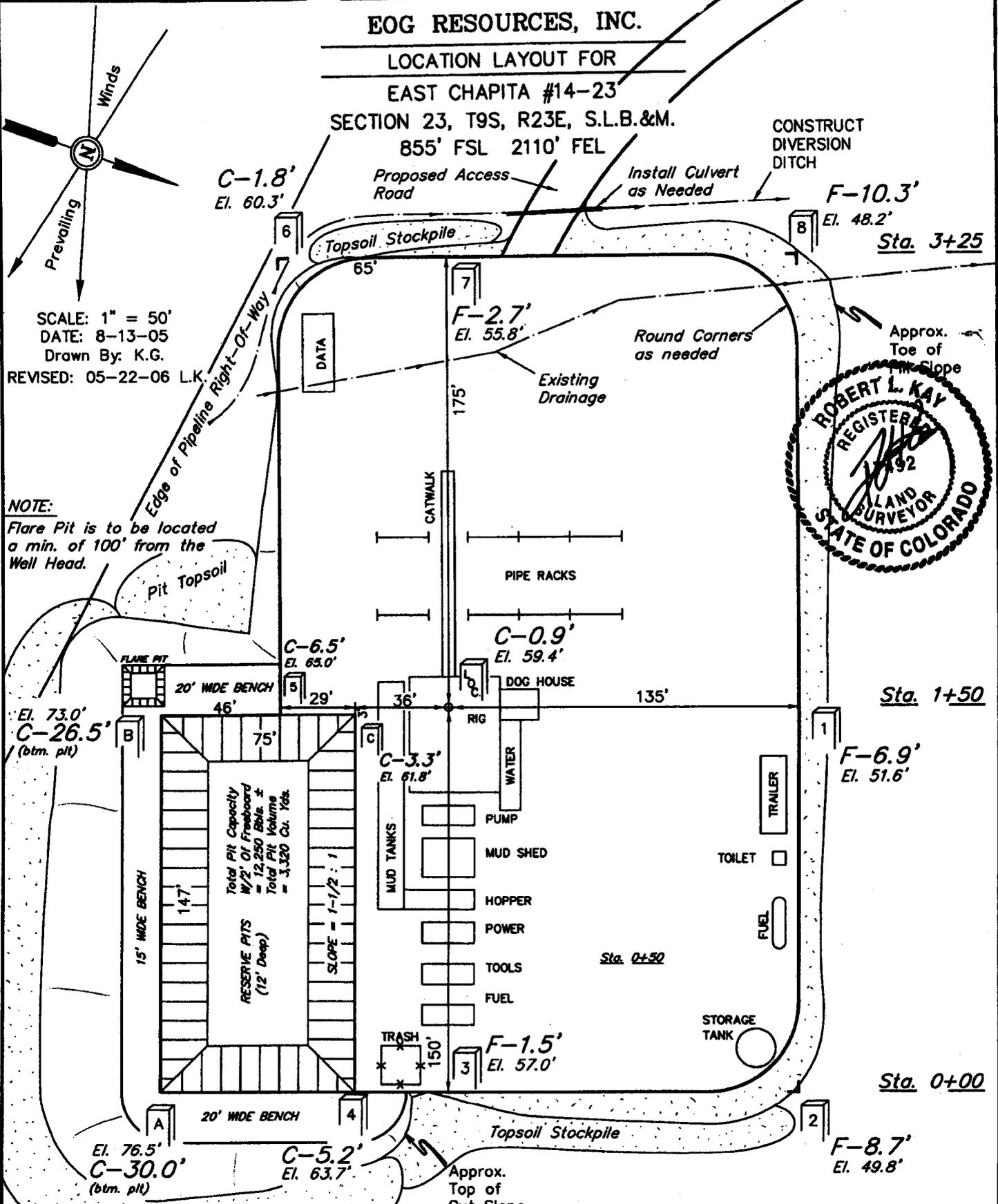
**U**ELS Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 435-789-1017 uels@uelsinc.com

|                 |                |                   |      |       |
|-----------------|----------------|-------------------|------|-------|
| LOCATION PHOTOS | 08             | 13                | 05   | PHOTO |
|                 | MONTH          | DAY               | YEAR |       |
| TAKEN BY: G.O.  | DRAWN BY: C.H. | REVISED: 00-00-00 |      |       |

**EOG RESOURCES, INC.**

LOCATION LAYOUT FOR  
 EAST CHAPITA #14-23  
 SECTION 23, T9S, R23E, S.L.B.&M.  
 855' FSL 2110' FEL

CONSTRUCT  
 DIVERSION  
 DITCH



SCALE: 1" = 50'  
 DATE: 8-13-05  
 Drawn By: K.G.  
 REVISED: 05-22-06 L.K.

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

**NOTES:**  
 Reserve Pit Backfill  
 & Spoils Stockpile

Elev. Ungraded Ground At Loc. Stake = 5159.4'  
 FINISHED GRADE ELEV. AT LOC. STAKE = 5158.5'

**FIGURE #1**

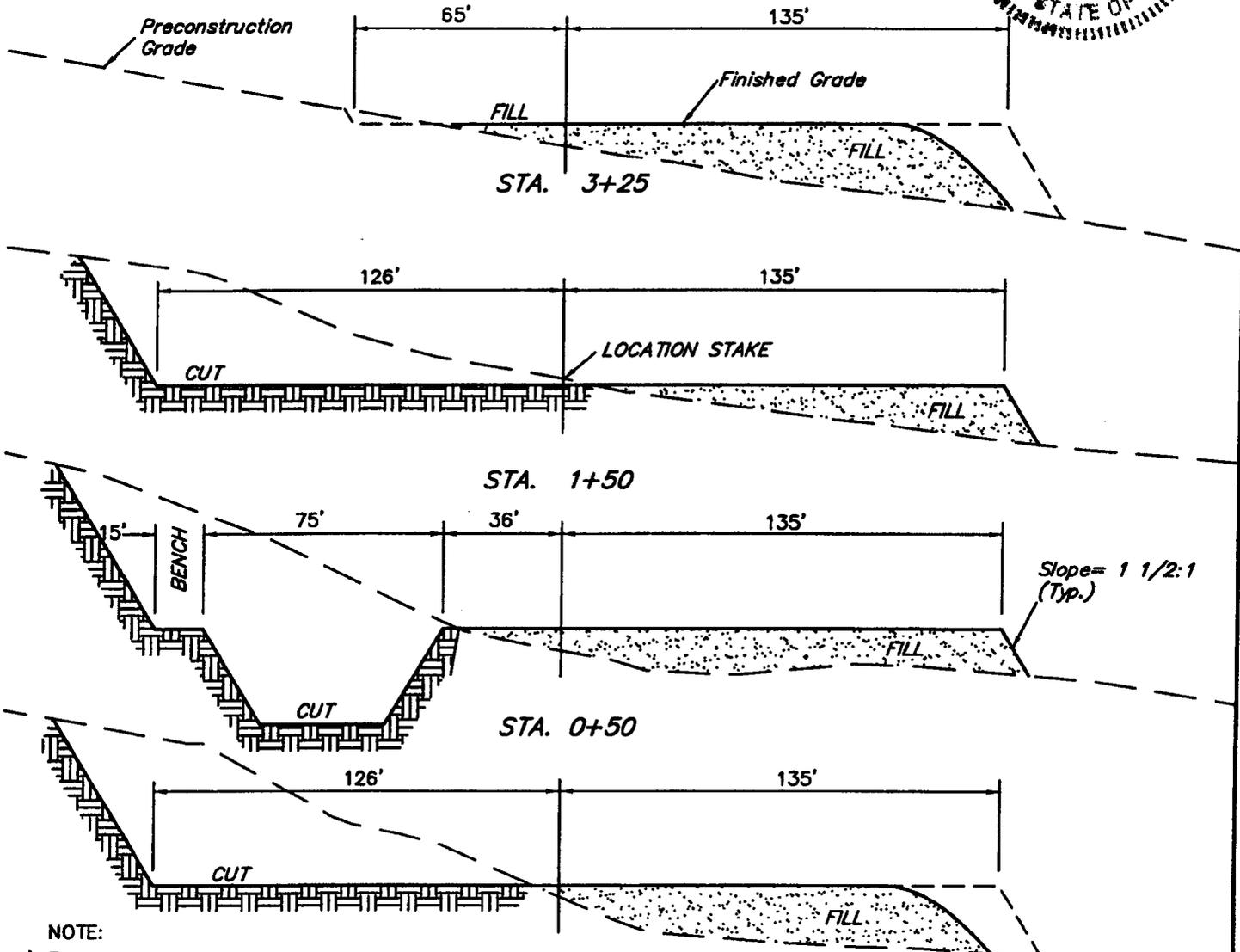
EOG RESOURCES, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR  
EAST CHAPITA #14-23  
SECTION 23, T9S, R23E, S.L.B.&M.  
855' FSL 2110' FEL

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

DATE: 8-13-05  
Drawn By: K.G.



NOTE:

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

\* NOTE:

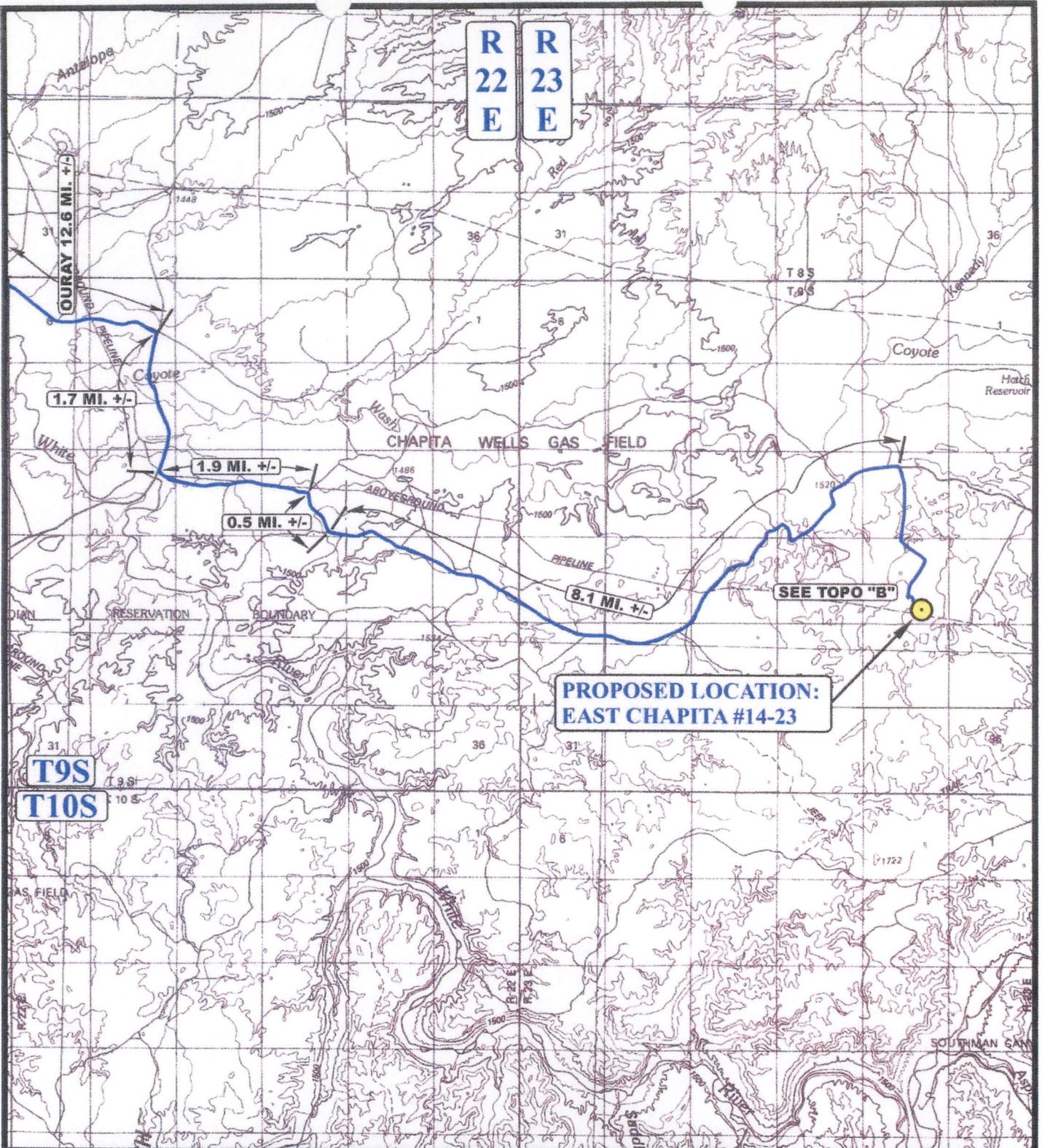
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

|                        |                         |
|------------------------|-------------------------|
| CUT                    |                         |
| (6") Topsoil Stripping | = 1,810 Cu. Yds.        |
| Remaining Location     | = 11,990 Cu. Yds.       |
| <b>TOTAL CUT</b>       | <b>= 13,800 CU.YDS.</b> |
| <b>FILL</b>            | <b>= 10,330 CU.YDS.</b> |

|  |                  |
|--|------------------|
| EXCESS MATERIAL                            | = 3,470 Cu. Yds. |
| Topsoil & Pit Backfill<br>(1/2 Pit Vol.)   | = 3,470 Cu. Yds. |
| EXCESS UNBALANCE<br>(After Rehabilitation) | = 0 Cu. Yds.     |

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East • Vernal, Utah 84078 • (435) 788-1017



**LEGEND:**

 **PROPOSED LOCATION**



**EOG RESOURCES INC.**

**EAST CHAPITA #14-23**  
**SECTION 23, T9S, R23E, S.L.B.&M.**  
**855' FSL 2110' FEL**

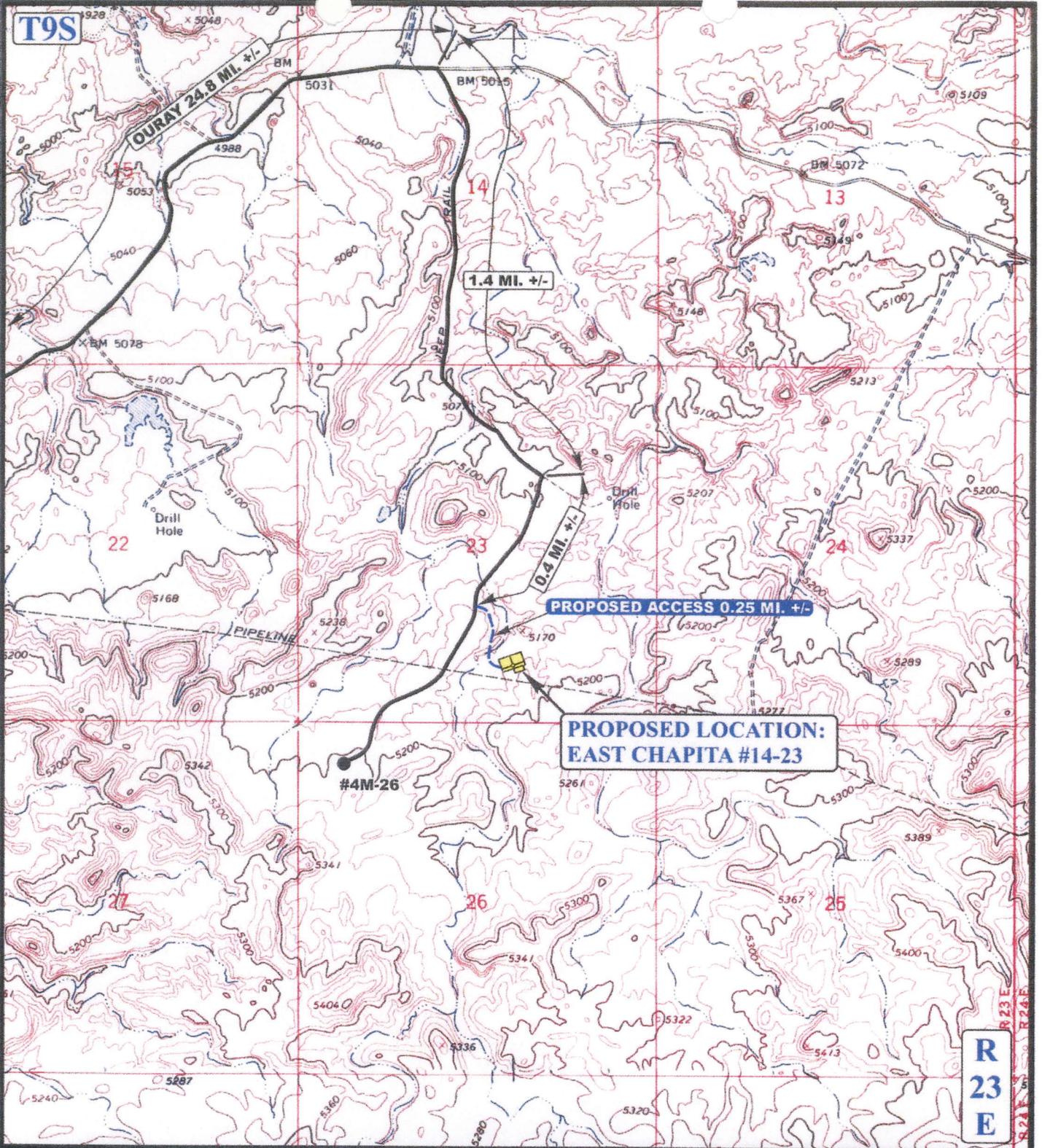


**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** **08 13 05**  
**MAP** MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: C.H. REVISED: 00-00-00





**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD

**EOG RESOURCES INC.**

**EAST CHAPITA #14-23**  
**SECTION 23, T9S, R23E, S.L.B.&M.**  
**855' FSL 2110' FEL**

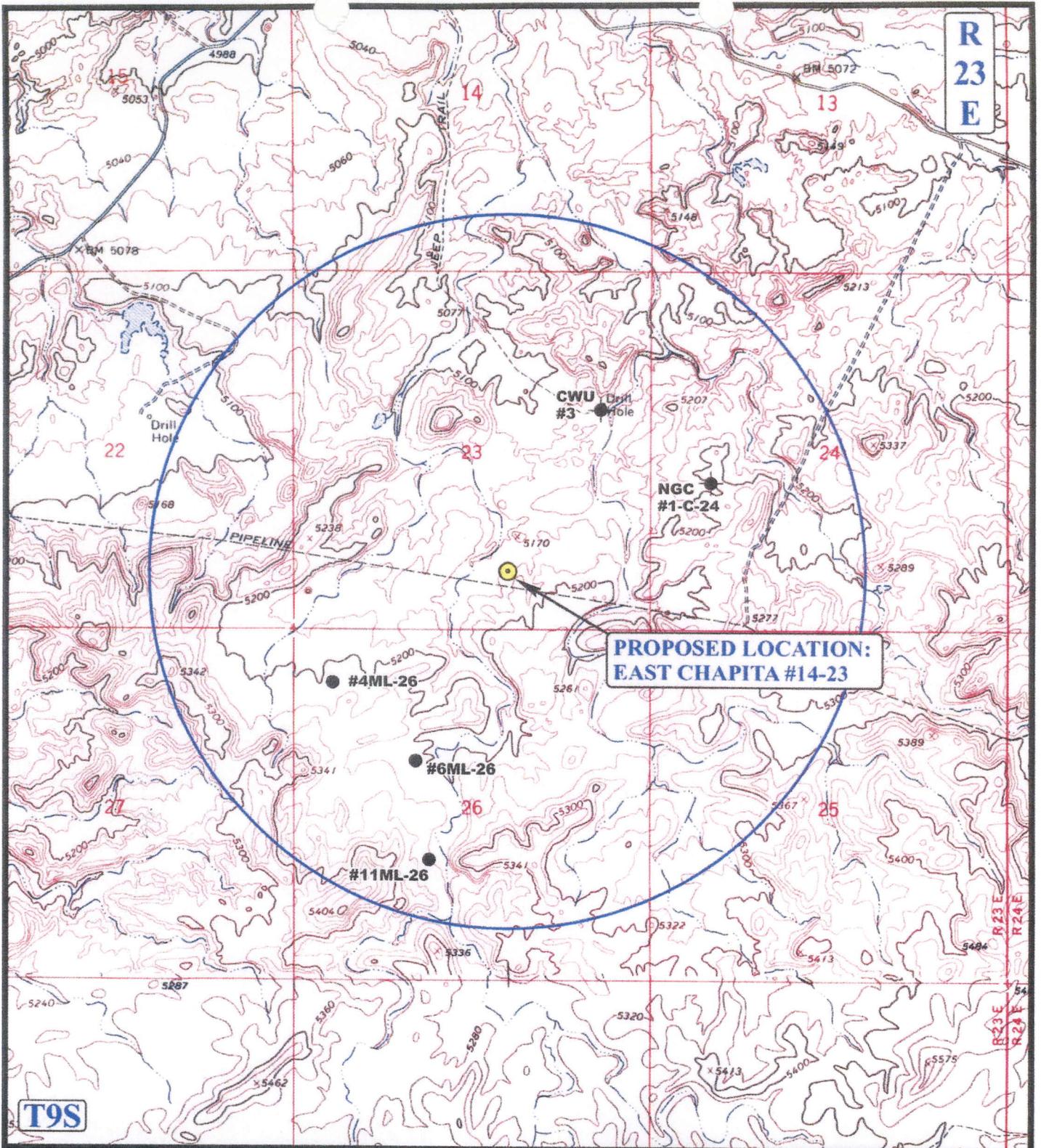
**UELS**  
**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC** **08 13 05**  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.H. REVISED: 00-00-00

**R**  
**23**  
**E**

**B**  
**TOPO**



**LEGEND:**

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

**EOG RESOURCES INC.**

**EAST CHAPITA #14-23**  
**SECTION 23, T9S, R23E, S.L.B.&M.**  
**855' FSL 2110' FEL**



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 85 South 200 East Vernal, Utah 84078  
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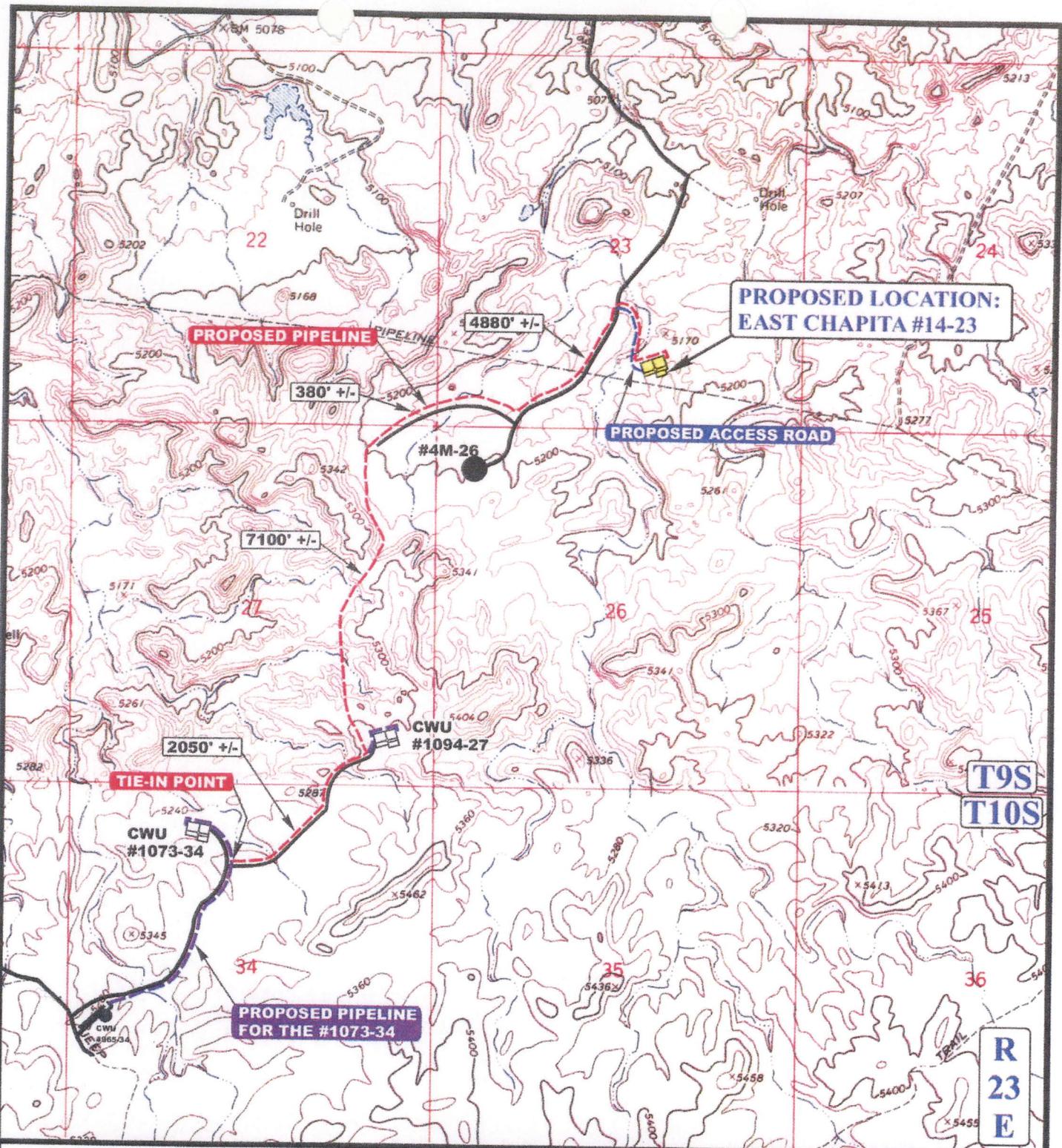


**TOPOGRAPHIC**  
**MAP**

**08 13 05**  
 MONTH DAY YEAR

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





**APPROXIMATE TOTAL PIPELINE DISTANCE = 14,410' +/-**

**LEGEND:**

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



**EOG RESOURCES INC.**

**EAST CHAPITA #14-23  
SECTION 23, T9S, R23E, S.L.B.&M.  
855' FSL 2110' FEL**



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

**TOPOGRAPHIC  
MAP**

**08 13 05**  
MONTH DAY YEAR

**D  
TOPO**

SCALE: 1" = 2000' DRAWN BY: C.H. REV: 05-23-06 L.K.

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/25/2006

|                                |
|--------------------------------|
| API NO. ASSIGNED: 43-047-38146 |
|--------------------------------|

WELL NAME: E CHAPITA 14-23  
 OPERATOR: EOG RESOURCES INC ( N9550 )  
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-789-0790

PROPOSED LOCATION:

SWSE 23 090S 230E  
 SURFACE: 0855 FSL 2110 FEL  
 BOTTOM: 0855 FSL 2110 FEL  
 COUNTY: UINTAH  
 LATITUDE: 40.01658 LONGITUDE: -109.2916  
 UTM SURF EASTINGS: 645802 NORTHINGS: 4430785  
 FIELD NAME: NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU-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 Strip

T9S R23E

# NATURAL BUTTES FIELD

A WELLS UNIT

CWU 3

23

CWU 1108-22

E CHAPITA 13-23

E CHAPITA 14-23

NBE 3ML-26-9-23

NBE 4ML-26-9-23

NBE 2ML-26-9-23

NBE 1ML-26-9-23

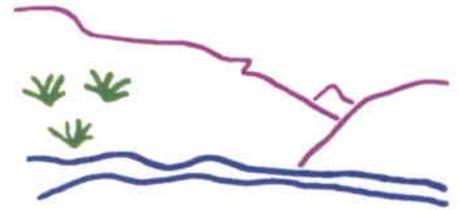
OPERATOR: EOG RESOURCES INC (N9550)

SEC: 23 T. 9S R. 23E

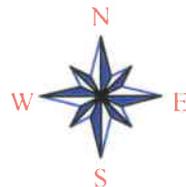
FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY  
DATE: 26-MAY-2006

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

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

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



**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 30, 2006

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

Re: East Chapita 14-23 Well, 855' FSL, 2110' FEL, SW SE, Sec. 23, 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 43-047-38146.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

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

**Operator:** EOG Resources, Inc.  
**Well Name & Number** East Chapita 14-23  
**API Number:** 43-047-38146  
**Lease:** UTU-67868

**Location:** SW SE                      **Sec.** 23                      **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

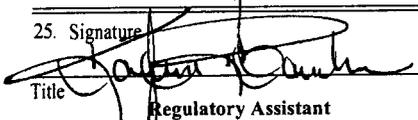
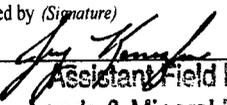
**APPLICATION FOR PERMIT TO DRILL OR REENTER**

|  |   |   |
|--|---|---|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER   |   | 5. Lease Serial No.<br><b>UTU-67868</b>   |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone |   | 6. If Indian, Allottee or Tribe Name  |
| 2. Name of Operator<br><b>EOG RESOURCES, INC.</b>  |   | 7. If Unit or CA Agreement, Name and No.  |
| 3a. Address <b>P.O. Box 1815 Vernal Ut 84078</b>   | 3b. Phone No. (include area code)<br><b>435-789-0790</b>  | 8. Lease Name and Well No.<br><b>EAST CHAPITA 14-23</b>                                   |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)*<br>At surface <b>855' FSL 2110' FEL (SW/SE) 40.01653 LAT 109.29228 LON</b><br>At proposed prod. zone <b>SAME</b>         |   | 9. API Well No.<br><b>43-047-38146</b>  |
| 14. Distance in miles and direction from nearest town or post office*<br><b>58 MILES SOUTH OF VERNAL, UTAH</b>   |   | 10. Field and Pool, or Exploratory<br><b>NATURAL BUTTES UNIT</b>                          |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>855'</b> <b>465'</b>  | 16. No. of acres in lease<br><b>1079</b>  | 11. Sec., T. R. M. or Blk. and Survey or Area<br><b>SECTION 23, T9S, R23E S.L.B&amp;M</b> |
| 17. Spacing Unit dedicated to this well<br><b>40</b>   | 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>9240'</b> | 12. County or Parish<br><b>UINTAH</b>   |
| 19. Proposed Depth<br><b>8600'</b>   | 20. BLM/BIA Bond No. on file<br><b>NM 2308</b>  | 13. State<br><b>UT</b>  |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.)<br><b>5159' GL</b>   | 22. Approximate date work will start*   | 23. Estimated duration<br><b>45 DAYS</b>  |

24. Attachments

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

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

|  |   |                           |
|--|---|---------------------------|
| 25. Signature<br>           | Name (Printed Typed)<br><b>Kaylene R. Gardner</b> | Date<br><b>05/24/2006</b> |
| Title<br><b>Regulatory Assistant</b>   |   |                           |
| Approved by (Signature)<br> | Name (Printed Typed)<br><b>JERRY KENCZKA</b>      | Date<br><b>2-7-2007</b>   |
| Title<br><b>Assistant Field Manager<br/>Lands &amp; Mineral Resources</b>                                      | Office<br><b>VERNAL FIELD OFFICE</b>              |                           |

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

**CONDITIONS OF APPROVAL ATTACHED**

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

\*(Instructions on page 2)

**NOTICE OF APPROVAL**

**RECEIVED**

**FEB 13 2007**

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

**RECEIVED**  
**VERNAL FIELD OFFICE**  
**2006 MAY 25 PM 5: 09**  
**DEPT. OF THE INTERIOR**  
**BUREAU OF LAND MGMT.**

**UDOGM**

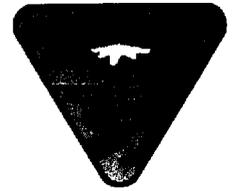
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UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE

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 14-23  
API No: 43-047-38146

Location: SWSE, Sec 23, T9S, R23E  
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     |                    |
| Petroleum Engineer:                | Ryan Angus          | Office: 435-781-4430     |                    |
| Supervisory Petroleum Technician:  | Jamie Sparger       | Office: 435-781-4502     | Cell: 435-828-3913 |
| Environmental Scientist:           | Paul Buhler         | Office: 435-781-4475     | Cell: 435-828-4029 |
| Environmental Scientist:           | Karl Wright         | Office: 435-781-4484     |                    |
| Natural Resource Specialist:       | Holly Villa         | Office: 435-781-4404     |                    |
| Natural Resource Specialist:       | Melissa Hawk        | Office: 435-781-4476     |                    |
| Natural Resource Specialist:       | Chuck Macdonald     | Office: 435-781-4441     |                    |
| Natural Resource Specialist:       | Darren Williams     | Office: 435-781-4447     |                    |
| Natural Resource Specialist:       | Verlyn Pindell      | Office: 435-781-3402     |                    |
| <b>After Hours Contact Number:</b> | <b>435-781-4513</b> | <b>Fax:</b> 435-781-4410 |                    |

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

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

**NOTIFICATION REQUIREMENTS**

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

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

1. Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:

9 lbs of Hycrest Crested Wheatgrass and 3 lbs of Kochia Prostrata.
2. The buried pipeline exception request has been received. It has been determined that the pipeline route has bedrock exposed at the surface. The exception is granted for a surface pipeline.
3. 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.
4. Operator shall notify any active gilsonite mining operation within 2 miles of the location 48 hours prior to any blasting during construction for this well.

### ***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. A surface casing shoe integrity test shall be performed.
2. A variance is granted for Onshore Order #2-Drilling Operations III. E. "Blooie line discharge 100 feet from well bore and securely anchored" Blooie line can be 75 feet.
3. Production casing cement shall be at a minimum 200 feet inside the surface casing. A CBL shall be run from TD to top of cement and a field copy shall be sent to this 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.

Cement baskets shall not be run on surface 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 and gas mineral resources (such as gilsonite, tar sands, oil shale, etc.) to the Vernal Field Office in writing within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
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 top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

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

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

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

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

5. LEASE DESIGNATION AND SERIAL NUMBER:

UTU-67868

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

East Chapita 14-23

9. API NUMBER:

43-047-38146

10. FIELD AND POOL, OR WILDCAT:

Natural Buttes

1. TYPE OF WELL

OIL WELL

GAS WELL

OTHER \_\_\_\_\_

2. NAME OF OPERATOR:

EOG Resources, Inc.

3. ADDRESS OF OPERATOR:

600 17th St., Suite 1000N CITY Denver

STATE CO ZIP 80202

PHONE NUMBER:

(303) 262-2812

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 855' FSL & 2,110' FEL 40.016533 LAT 109.292281 LON

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 23 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



NOTICE OF INTENT  
(Submit in Duplicate)

Approximate date work will start:



SUBSEQUENT REPORT  
(Submit Original Form Only)

Date of work completion:

ACIDIZE

ALTER CASING

CASING REPAIR

CHANGE TO PREVIOUS PLANS

CHANGE TUBING

CHANGE WELL NAME

CHANGE WELL STATUS

COMMINGLE PRODUCING FORMATIONS

CONVERT WELL TYPE

DEEPEN

FRACTURE TREAT

NEW CONSTRUCTION

OPERATOR CHANGE

PLUG AND ABANDON

PLUG BACK

PRODUCTION (START/RESUME)

RECLAMATION OF WELL SITE

RECOMPLETE - DIFFERENT FORMATION

REPERFORATE CURRENT FORMATION

SIDETRACK TO REPAIR WELL

TEMPORARILY ABANDON

TUBING REPAIR

VENT OR FLARE

WATER DISPOSAL

WATER SHUT-OFF

OTHER: APD EXTENSION REQUEST

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

TITLE Operations Clerk

SIGNATURE [Signature]

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:** 43-047-38146  
**Well Name:** EAST CHAPITA 14-23  
**Location:** 855 FSL 2110 FEL (SWSE), SECTION 23, T9S, R23E S.L.B.&M.  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 5/30/2006

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.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

|  |  |  |
|--|--|--|
| 1. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other                                   |  | 5. Lease Serial No.<br><b>UTU-67868</b>                                    |
| 2. Name of Operator<br><b>EOG Resources, Inc.</b>  |  | 6. If Indian, Allottee or Tribe Name                                       |
| 3a. Address<br><b>600 17th Street, Suite 1000N, Denver, CO 80202</b>   | 3b. Phone No. (include area code)<br><b>303-824-5526</b> | 7. If Unit or CA/Agreement, Name and/or No.                                |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br><b>855' FSL &amp; 2110' FEL (SWSE)<br/>Sec. 23-T9S-R23E 40.016533 LAT 109.292281 LON</b> |  | 8. Well Name and No.<br><b>East Chapita 14-23</b>                          |
|  |  | 9. API Well No.<br><b>43-047-38146</b>                                     |
|  |  | 10. Field and Pool, or Exploratory Area<br><b>Natural Buttes/Mesaverde</b> |
|  |  | 11. County or Parish, State<br><b>Uintah County, Utah</b>                  |

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

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

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

**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.**

Accepted by the  
Utah Division of  
Gas and Mining  
Federal Approval Of This  
Action Is Necessary  
Date: 9/4/07  
By: [Signature]

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

|  |                                   |
|--|-----------------------------------|
| Name (Printed/Typed)<br><b>Mary A. Maestas</b> | Title <b>Regulatory Assistant</b> |
| Signature <u>[Signature]</u>                   | Date <b>07/19/2007</b>            |

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

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

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

(Instructions on page 2)

COPIES TO OPERATOR  
9-6-07  
pm

**RECEIVED**  
**JUL 23 2007**  
**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 the Regulatory Assistant of EOG Resources, Inc., of Denver, Colorado. EOG Resources, Inc. is the operator of the following described well:

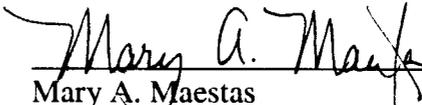
**EAST CHAPITA 14-23  
855' FSL – 2110' FEL (SWSE)  
SECTION 23, T9S, R23E  
UINTAH COUNTY, UTAH**

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

On the 19<sup>th</sup> day of July, 2007 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, Questar Exploration and Production Company, and III Exploration Company.

Further affiant saith not.

  
\_\_\_\_\_  
Mary A. Maestas  
Regulatory Assistant

Subscribed and sworn before me this 19<sup>th</sup> day of July, 2007.

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



Exhibit "A" to Affidavit  
East Chapita 14-23 Application to Commingle

Questar Exploration and Production Company  
Independence Plaza  
1050 17<sup>th</sup> 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



**EOG Resources, Inc.**  
800 Seventeenth Street  
Suite 1000N  
Denver, CO 80202  
Main: 303-572-9000  
Fax: 303-824-5400

**CERTIFIED MAIL**  
**ARTICLE NO: 7005 2570 0000 7715 7098**

July 19, 2007

Questar Exploration and Production Company  
1050 17<sup>th</sup> Street, Suite 500  
Denver, Colorado 80265  
Attn: Mr. Nate Koeniger

**RE: Commingling Application**  
**East Chapita 13-23 and East Chapita 14-23**  
**Section 23, T9S, R23E**  
**Uintah County, Utah**  
**Lease: U-67868**

Mr. Koeniger:

EOG Resources, Inc. has filed an application with the Bureau of Land Management and the State of Utah Department of Oil Gas and Mining requesting commingling approval in the Wasatch and Mesaverde formations for 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 are maps showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that these applications have been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

Sincerely,

A handwritten signature in black ink that reads "Mary A. Maestas". The signature is written in a cursive, flowing style.

Mary A. Maestas  
Regulatory Assistant



**EOG Resources, Inc.**  
300 Seventeenth Street  
Suite 1000N  
Denver, CO 80202  
Main: 303-572-9000  
Fax: 303-824-5400

**CERTIFIED MAIL**  
**ARTICLE NO: 7005 2570 0000 7715 7081**

July 19, 2007

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

**RE: Commingling Application**  
**East Chapita 13-23 and East Chapita 14-23**  
**Section 23, T9S, R23E**  
**Uintah County, Utah**  
**Lease: U-67868**

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Sincerely,

A handwritten signature in black ink that reads "Mary A. Maestas". The signature is written in a cursive, flowing style.

Mary A. Maestas  
Regulatory Assistant

# R 23 E

23 0075023-000  
(CHAPITA WELLS)

EOG 100%  
HBP

ECW 14-23  


UTU-67868

III EXPL. 56.25%  
QEP 43.75%  
NBE 2ML-26-9-23

  
HBP

NBE 1ML-26-9-23  


26 UTU-72634

T  
9  
S

 EAST CHAPITA 14-23

Scale: 1"=1000'  
  
0 1/4 1/2 Mile





Denver Division

EXHIBIT "A"  
EAST CHAPITA 14-23  
Commingling Application  
Uintah County, Utah

Scale:  
1"=1000'

D:\utah\Commingled\  
page\_EC14-23\_commingled.wg  
WELL

Author

TLM

Jul 18, 2007 -  
8:02am

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU-67868

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well

Oil Well     Gas Well     Other

8. Well Name and No.  
East Chapita 14-23

2. Name of Operator  
EOG Resources, Inc.

9. API Well No.  
43-047-38146

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

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

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

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

855' FSL & 2,110' FEI (SWSE) Sec. 23-T9S-R23E 40.016533 LAT 109.292281 LON

11. Country or Parish, State  
Uintah County, Utah

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

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

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

EOG Resources, Inc. requests authorization to change the drilling plan for the referenced well. A revised drilling plan is attached.

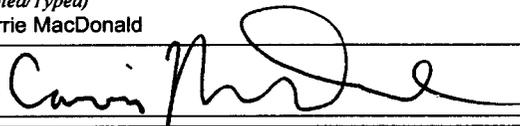
COPY SENT TO OPERATOR  
Date: 9-6-07  
Initials: RM

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

Name (Printed/Typed)  
Carrie MacDonald

Title Operations Clerk

Signature



Date 08/23/2007

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

Approved by

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

Date

Federal Approval Of This  
Action Is Necessary

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.

Date: 9/5/07  
By: [Signature]

(Instructions on page 2)

AUG 30 2007

**EIGHT POINT PLAN**

**EAST CHAPITA 14-23**  
**SW/SE, SEC. 23, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

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

| <b>FORMATION</b>       | <b>TVD-RKB (ft)</b> | <b>Objective</b> | <b>Lithology</b> |     |
|------------------------|---------------------|------------------|------------------|-----|
| Green River            | 1,456               |                  | Shale            |     |
| Wasatch                | 4,342               | Primary          | Sandstone        | Gas |
| Chapita Wells          | 4,884               | Primary          | Sandstone        | Gas |
| Buck Canyon            | 5,575               | Primary          | Sandstone        | Gas |
| North Horn             | 6,143               | Primary          | Sandstone        | Gas |
| KMV Price River        | 6,311               | Primary          | Sandstone        | Gas |
| KMV Price River Middle | 7,256               | Primary          | Sandstone        | Gas |
| KMV Price River Lower  | 7,946               | Primary          | Sandstone        | Gas |
| Sego                   | 8,347               |                  | Sandstone        |     |
|                        |                     |                  |                  |     |
| <b>TD</b>              | <b>8,600</b>        |                  |                  |     |

Estimated TD: 8,700' or 200'± below Segó top

**Anticipated BHP: 4,695 Psig**

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

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

**4. CASING PROGRAM:**

| <b>CASING</b>     | <b>Hole Size</b> | <b>Length</b>     | <b>Size</b> | <b>WEIGHT</b> | <b>Grade</b> | <b>Thread</b> | <b>Rating Collapse</b> | <b>Factor Burst</b> | <b>Tensile</b> |
|-------------------|------------------|-------------------|-------------|---------------|--------------|---------------|------------------------|---------------------|----------------|
| <b>Conductor</b>  | 17 ½"            | 0 – 45'           | 13 ¾"       | 48.0#         | H-40         | STC           | 770 PSI                | 1730 PSI            | 322,000#       |
| <b>Surface</b>    | 12 ¼"            | 0 – 2,300'<br>KB± | 9-5/8"      | 36.0#         | J-55         | STC           | 2020 PSI               | 3520 Psi            | 394,000#       |
| <b>Production</b> | 7-7/8"           | Surface – 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.**

**EIGHT POINT PLAN**  
**EAST CHAPITA 14-23**  
**SW/SE, SEC. 23, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**5. Float Equipment:**

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

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

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

**6. MUD PROGRAM**

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

Air/air mist or aerated water.

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

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

**7. VARIANCE REQUESTS:**

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

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

**EIGHT POINT PLAN**

**EAST CHAPITA 14-23**  
**SW/SE, SEC. 23, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**8. EVALUATION PROGRAM:**

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

**9. CEMENT PROGRAM:**

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

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

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

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

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

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

**Lead:** 117 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44  
(Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29  
(cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 836 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13  
(Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at  
14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

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

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

**EIGHT POINT PLAN**  
**EAST CHAPITA 14-23**  
**SW/SE, SEC. 23, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

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

**11. STANDARD REQUIRED EQUIPMENT:**

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

**12. HAZARDOUS CHEMICALS:**

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

(Attachment: BOP Schematic Diagram)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
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 14-23

9. API Well No.  
43-047-38146

10. Field and Pool, or Exploratory  
NATURAL BUTTES

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
EOG RESOURCES, INC. Contact: KAYLENE R GARDNER  
E-Mail: kaylene\_gardner@eogresources.com

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

3b. Phone No. (include area code)  
Ph: 433-781-9111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 23 T9S R23E SWSE 855FSL 2110FEL  
40.01653 N Lat, 109.29228 W Lon

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

| TYPE OF SUBMISSION                                   | TYPE OF ACTION                                |  |  |   |
|--|---|--|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen                      | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report           | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat              | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice    | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction            | <input type="checkbox"/> Recomplete                | <input type="checkbox"/> Other          |
|  | <input type="checkbox"/> Change Plans         | <input checked="" 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 was air spud 9/30/2007 with 12-1/4" hole to 255'. At 250' a gilsonite vein was struck. EOG proposes plugging and abandoning the referenced wellbore as per the following procedure.

- Blow hole dry with air.
- Dump hole full of type "G" cement to 15.8 ppg w/ yield of 1.15 cf/sx.
- Cut off conductor pipe 3' below ground level and install dry hole marker.

**RECEIVED**  
**OCT 03 2007**

DIV. OF OIL, GAS & MINING

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

**Electronic Submission #56561 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

|  |                                 |   |
|--|---------------------------------|---|
| Name (Printed/Typed) KAYLENE R GARDNER | Title LEAD REGULATORY ASSISTANT | COPIES SENT TO OPERATOR<br>Date: 10/25/07<br>Initials: RM |
| Signature (Electronic Submission)      | Date 10/01/2007                 |   |

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

|   |  |   |
|---|--|---|
| Approved By _____   | Accepted by the<br>Utah Division of<br>Oil, Gas and Mining | Federal Approval Of This<br>Action Is Necessary<br>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. |  |   |

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 \*\***

By: *[Signature]*  
\*Verbal Approval given 10/11/07

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

FORM 6

**ENTITY ACTION FORM**

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

**Well 1**

| API Number   | Well Name             |                   | QQ        | Sec | Twp | Rng                              | County |
|--|-----------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 43-047-38146   | EAST CHAPITA 14-23    |                   | SWSE      | 23  | 9S  | 23E                              | UINTAH |
| Action Code  | Current Entity Number | New Entity Number | Spud Date |     |     | Entity Assignment Effective Date |        |
| A  | 99999                 | 99998             | 9/27/2007 |     |     | 10/10/07                         |        |
| Comments: <i>PRRU=MVRD PA riskid to 43-047-39676</i> |                       |                   |           |     |     |                                  |        |

**Well 2**

| API Number            | Well Name                  |                   | QQ        | Sec | Twp | Rng                              | County |
|-----------------------|----------------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 43-047-39301          | CHAPITA WELLS UNIT 1328-32 |                   | SENW      | 32  | 9S  | 23E                              | UINTAH |
| Action Code           | Current Entity Number      | New Entity Number | Spud Date |     |     | Entity Assignment Effective Date |        |
| <i>A B</i>            | 99999                      | 13650             | 9/27/2007 |     |     | 10/17/07                         |        |
| Comments: <i>MVRD</i> |                            |                   |           |     |     |                                  |        |

**Well 3**

| API Number                 | Well Name                 |                   | QQ        | Sec | Twp | Rng                              | County |
|----------------------------|---------------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 43-047-36487               | CHAPITA WELLS UNIT 953-32 |                   | NWNE      | 32  | 9S  | 23E                              | UINTAH |
| Action Code                | Current Entity Number     | New Entity Number | Spud Date |     |     | Entity Assignment Effective Date |        |
| <i>A B</i>                 | 99999                     | 13650             | 9/29/2007 |     |     | 10/17/07                         |        |
| Comments: <i>PRRU=MVRD</i> |                           |                   |           |     |     |                                  |        |

**ACTION CODES:**

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

Carrie MacDonald  
 Name (Please Print) \_\_\_\_\_  
  
 Signature \_\_\_\_\_  
 Operations Clerk \_\_\_\_\_  
 Title \_\_\_\_\_ Date 10/1/2007

**RECEIVED**  
OCT 03 2007

DIV. OF OIL, GAS & MINING

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: **KAYLENE R GARDNER**  
 E-Mail: **kaylene\_gardner@eogresources.com**

8. Lease Name and Well No.  
**EAST CHAPITA 14-23**

3. Address **1060 EAST HIGHWAY 40 VERNAL, UT 84078** 3a. Phone No. (include area code)  
 Ph: **435-781-9111**

9. API Well No.  
**43-047-38146**

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
 At surface **SWSE 855FSL 2110FEL 40.01653 N Lat, 109.29228 W Lon**  
 At top prod interval reported below **SWSE 855FSL 2110FEL 40.01653 N Lat, 109.29228 W Lon**  
 At total depth **SWSE 855FSL 2110FEL 40.01653 N Lat, 109.29228 W Lon**

10. Field and Pool, or Exploratory  
**NATURAL BUTTES**

11. Sec., T., R., M., or Block and Survey or Area **Sec 23 T9S R23E Mer SLB**

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

14. Date Spudded **09/27/2007** 15. Date T.D. Reached **09/30/2007** 16. Date Completed  
 D & A  Ready to Prod. **10/01/2007**

17. Elevations (DF, KB, RT, GL)\*  
**5159 GL**

18. Total Depth: MD **255** TVD \_\_\_\_\_ 19. Plug Back T.D.: MD \_\_\_\_\_ TVD \_\_\_\_\_ 20. Depth Bridge Plug Set: MD \_\_\_\_\_ TVD \_\_\_\_\_

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

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

| Hole Size | Size Grade     | Wt. (# ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sks. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|----------------|-------------|----------|-------------|----------------------|------------------------------|-------------------|-------------|---------------|
| 20.000    | 14.000 CONDUCT |             | 0        | 50          |                      |                              |                   |             |               |
| 12.250    |                |             |          |             |                      |                              |                   |             |               |
|           |                |             |          |             |                      |                              |                   |             |               |
|           |                |             |          |             |                      |                              |                   |             |               |
|           |                |             |          |             |                      |                              |                   |             |               |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
|      |                |                   |      |                |                   |      |                |                   |

25. Producing Intervals 26. Perforation Record

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|-----------|-----|--------|---------------------|------|-----------|--------------|
| A)        |     |        |                     |      |           |              |
| B)        |     |        |                     |      |           |              |
| C)        |     |        |                     |      |           |              |
| D)        |     |        |                     |      |           |              |

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

| Depth Interval | Amount and Type of Material |
|----------------|-----------------------------|
|                |                             |
|                |                             |
|                |                             |

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 |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
|                     |                      |              | →               |         |         |           |                       |             |                   |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio         | Well Status |                   |
|                     |                      |              | →               |         |         |           |                       |             |                   |

28a. Production - Interval B

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

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28b. Production - Interval C

|                     |                      |              |                      |          |         |            |                       |             |                   |
|---------------------|----------------------|--------------|----------------------|----------|---------|------------|-----------------------|-------------|-------------------|
| Date First Produced | Test Date            | Hours Tested | Test Production<br>▶ | 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<br>▶     | Oil BBL. | Gas MCF | Water BBL. | Gas:Oil Ratio         | Well Status |                   |

28c. Production - Interval D

|                     |                      |              |                      |          |         |            |                       |             |                   |
|---------------------|----------------------|--------------|----------------------|----------|---------|------------|-----------------------|-------------|-------------------|
| Date First Produced | Test Date            | Hours Tested | Test Production<br>▶ | 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<br>▶     | Oil BBL. | Gas MCF | Water BBL. | Gas:Oil Ratio         | Well Status |                   |

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

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 |
|           |     |        |                              |      |             |

32. Additional remarks (include plugging procedure):  
The referenced well was plugged and abandoned 10/1/2007.

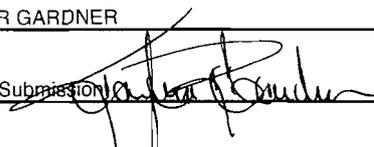
33. Circle enclosed attachments:

- 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 #56612 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal**

Name (please print) KAYLENE R GARDNER Title LEAD REGULATORY ASSISTANT

Signature  (Electronic Submission) Date 10/02/2007

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 \*\*

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 14-23

9. API Well No.  
43-047-38146

10. Field and Pool, or Exploratory  
NATURAL BUTTES

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
EOG RESOURCES, INC. Contact: KAYLENE R GARDNER  
E-Mail: kaylene.gardner@eogresources.com

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

3b. Phone No. (include area code)  
Ph: 433-781-9111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 23 T9S R23E SWSE 855FSL 2110FEL  
40.01653 N Lat, 109.29228 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 type="checkbox"/> Other          |
|   | <input type="checkbox"/> Change Plans         | <input checked="" type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |   |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back                   | <input type="checkbox"/> Water Disposal            |   |

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

EOG Resources, Inc. plugged and abandoned the referenced well as follows:

1. Ran in hole with fluid level line. Tagged bottom at 251'. Hole was dry.
2. MIRU Pro Petro Cementers. Mixed & Pumped 50 sx premium cement w/4% cacl2. Waited on cement 1 hour 30 minutes.
3. Mixed & pumped 195 sx premium cement w/ 2% cacl2. Hole filled and stood full.
4. Cut Conductor Pipe 3' Below ground level and installed dry hole marker.

P&A operations were witnessed by Jamie Sparger, Vernal, Bureau of Land Manager Field Office.

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

**Electronic Submission #56613 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

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

Signature  Date **10/02/2007**

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

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

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

Office \_\_\_\_\_

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

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