

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

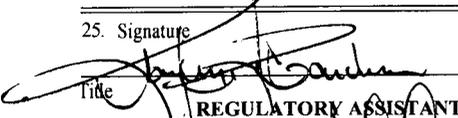
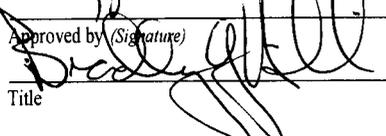
APPLICATION FOR PERMIT TO DRILL OR REENTER

5a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-01458
5b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNIT
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		8. Lease Name and Well No. CHAPITA WELLS UNIT 1223-01
3b. Phone No. (include area code) 435-781-9111		9. API Well No. 43-047-38409
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 2146 FSL 1926 FEL (NWSE) 40.063756 LAT 109.385767 LON At proposed prod. zone SAME 63.7723 X 40.063759 4425871Y -104.385124		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 50.3 SOUTH OF VERNAL, UTAH		11. Sec., T. R. M. or Blk. and Survey or Area SEC. 1, T9S, R22E S.L.B.&M
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 494	16. No. of acres in lease 320	12. County or Parish UINTAH
17. Spacing Unit dedicated to this well	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 2640	13. State UT
19. Proposed Depth 9700	20. BLM/BIA Bond No. on file NM 2308	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4827 GL	22. Approximate date work will start*	23. Estimated duration 45 DAYS

24. Attachments

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

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

25. Signature 	Name (Printed Typed) KAYLENE R. GARDNER	Date 07/26/2006
Title REGULATORY ASSISTANT		
Approved by (Signature) 	Name (Printed Typed) BRADLEY G. HILL	Date 08-14-06
Title ENVIRONMENTAL MANAGER		

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)

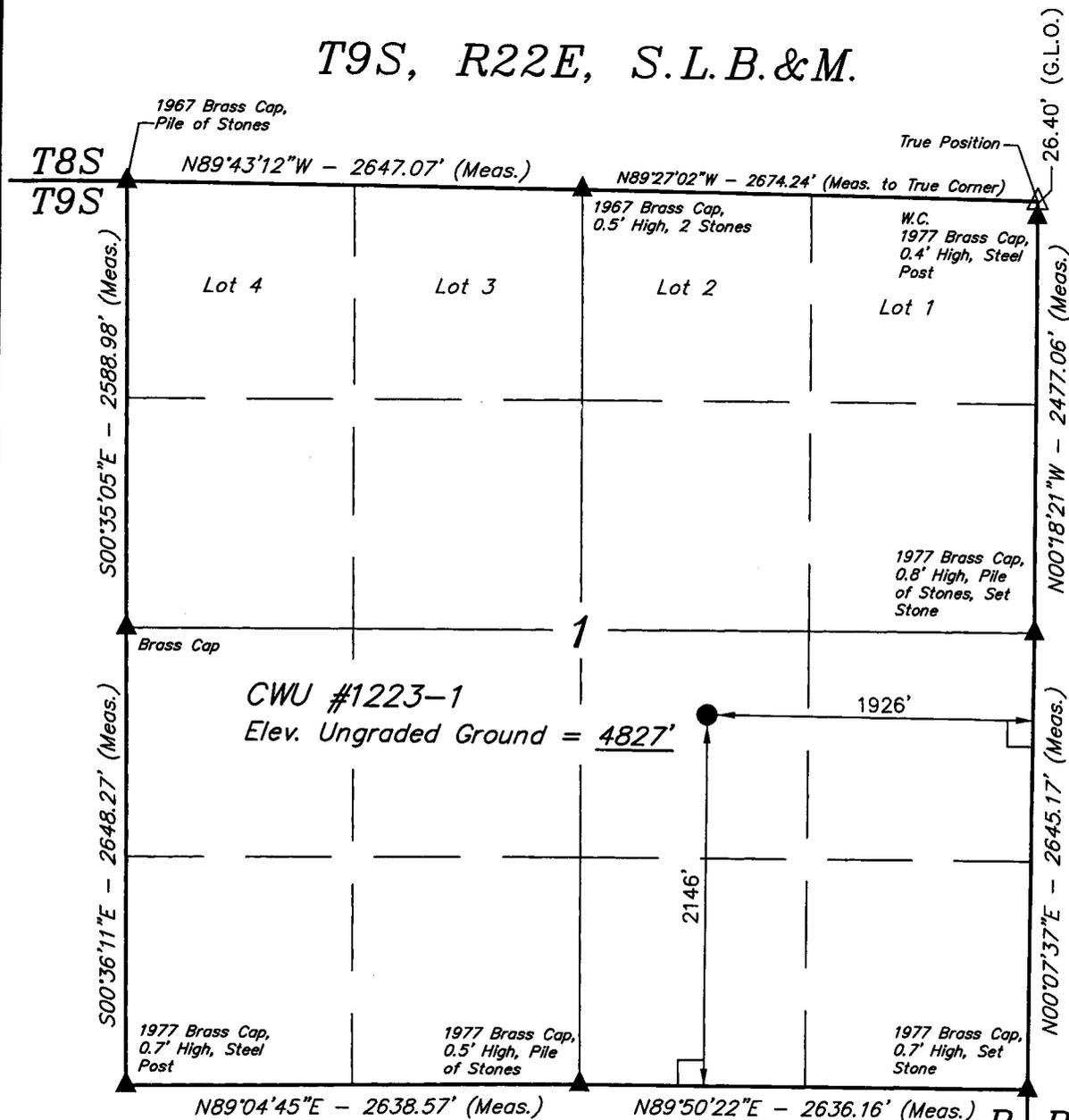
**Federal Approval of this
Action is Necessary**

RECEIVED

JUL 31 2006

DIV. OF OIL, GAS & MINING

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



LEGEND:

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

(NAD 83)
 LATITUDE = 40°03'49.52" (40.063756)
 LONGITUDE = 109°23'08.76" (109.385767)
 (NAD 27)
 LATITUDE = 40°03'49.65" (40.063792)
 LONGITUDE = 109°23'06.30" (109.385083)

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EOG RESOURCES, INC.

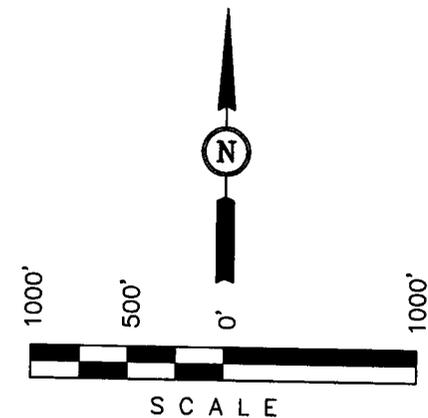
Well location, CWU #1223-1, located as shown in the NW 1/4 SE 1/4 of Section 1, T9S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK (20EAM) LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

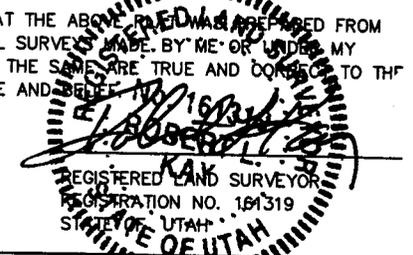
BASIS OF BEARINGS

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



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.



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

SCALE 1" = 1000'	DATE SURVEYED: 06-02-06	DATE DRAWN: 06-02-06
PARTY L.K. E.B. S.L.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1223-01
NW/SE, SEC. 01, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

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

FORMATION	DEPTH (KB)
Green River FM	1,975'
Wasatch	4,979'
North Horn	6,813'
Island	7,106'
KMV Price River	7,473'
KMV Price River Middle	8,292'
KMV Price River Lower	9,054'
Sego	9,508'

Estimated TD: **9,700' or 200'± below Sego top**

Anticipated BHP: 5,295 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

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

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

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1223-01 **NW/SE, SEC. 01, T9S, R22E, S.L.B.&M..** **UINTAH COUNTY, UTAH**

Float Equipment: (Cont'd)

Production Hole Procedure (2300'± - TD):

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

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

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

7. VARIANCE REQUESTS:

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

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

8. EVALUATION PROGRAM:

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1223-01
NW/SE, SEC. 01, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

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

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

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

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

Production Hole Procedure (2300'± - TD)

Lead: **152 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: **910 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps 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.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1223-01
NW/SE, SEC. 01, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

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

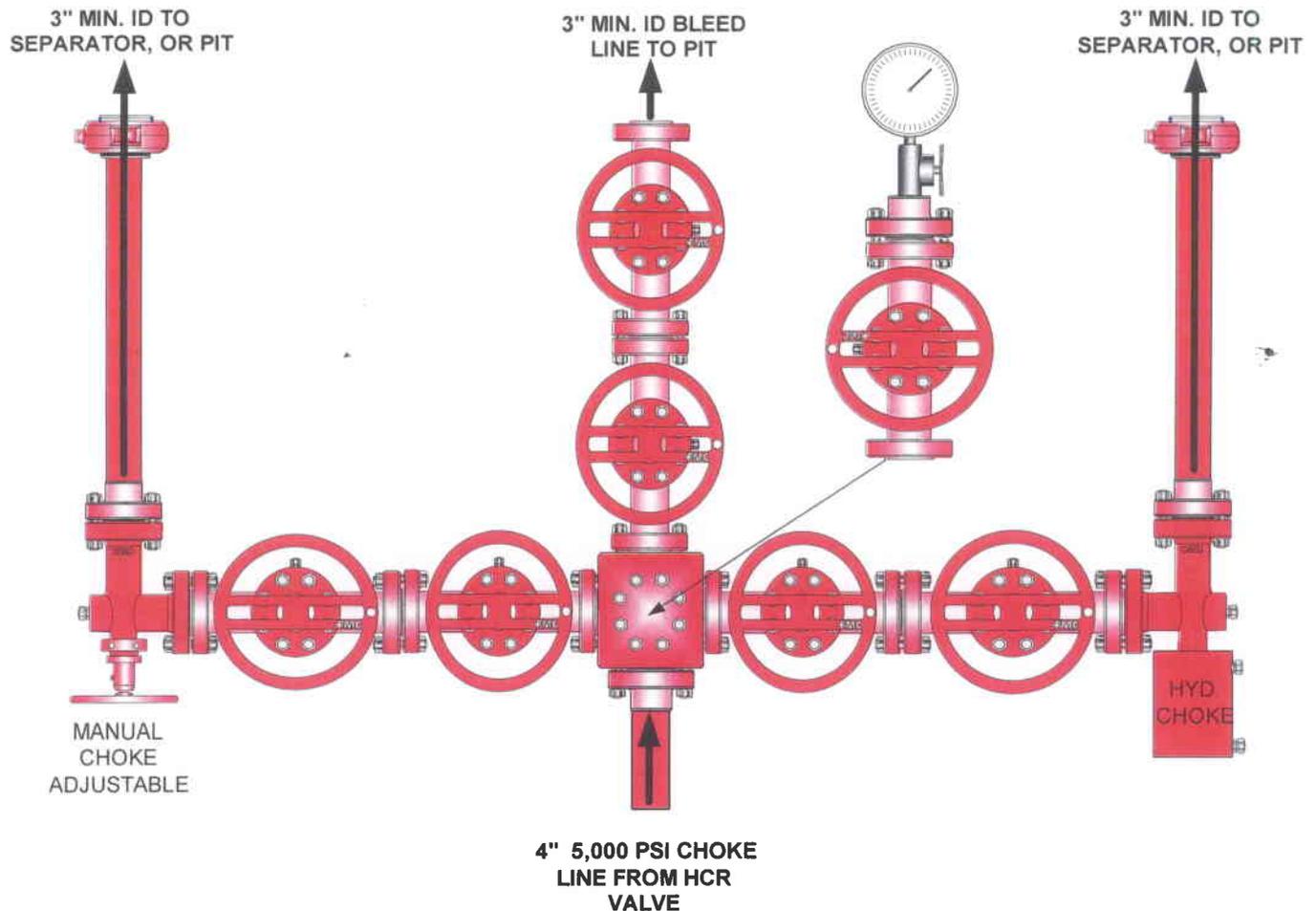
12. HAZARDOUS CHEMICALS:

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

(Attachment: BOP Schematic Diagram)

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

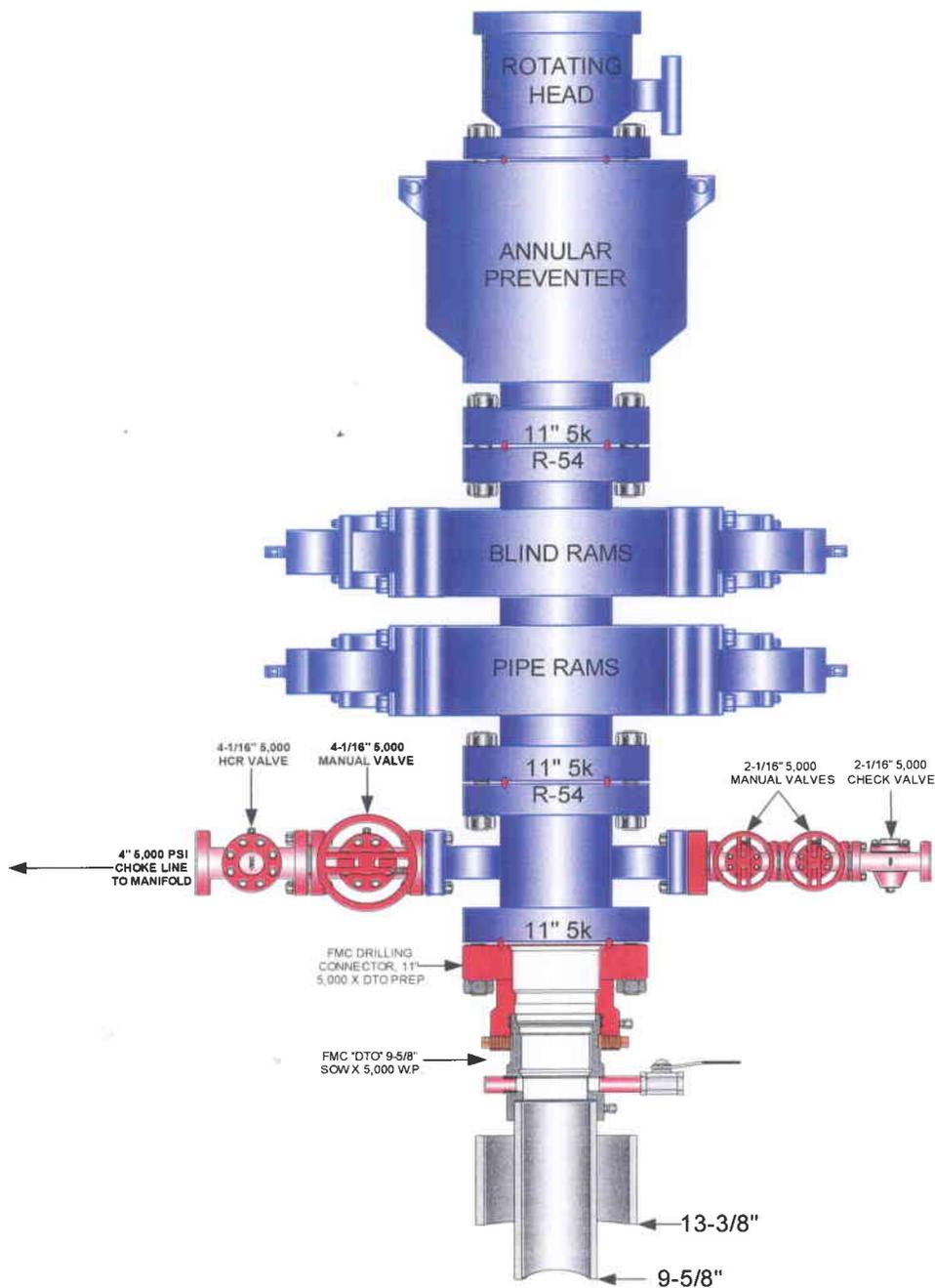
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Testing Procedure:

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

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





**CHAPITA WELLS UNIT 1223-01
NW/SE, Section 1, T9S, R22E
Uintah County, Utah**

SURFACE USE PLAN

NOTIFICATION REQUIREMENTS

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

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

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 528 feet long with a 30-foot right-of-way, disturbing approximately 0.36 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.20 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 49.40 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 528' in length.
- B. The access road has a 30 foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

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

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

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

Traveling off the 30 foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines

contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

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

- A. Abandoned Wells – 1*
- B. Producing Wells – 23*
- 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. Protective measures and devices for livestock and wildlife will be taken and /or installed where required.

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

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

5. LOCATION AND TYPE OF WATER SUPPLY:

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

6. SOURCE OF CONSTRUCTION MATERIALS:

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

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
 - 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
 - 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
 - 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
 - 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

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

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

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

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

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

The reserve pit will be located on the Southwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the west side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil West of Corner #5. The stockpiled location topsoil will be stored between Corners #1 and #8. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the 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.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Crested Wheatgrass	6.0
Needle and Threadgrass	6.0

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

B. Dry Hole/Abandoned Location

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

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Four wing Saltbush	3.0
Indian Rice Grass	2.0
Needle and Threadgrass	2.0
Crested Wheatgrass	1.0
Globe Mallow	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, and access road is as follows:

Bureau of Land Management

12. OTHER INFORMATION:

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

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.

- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

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

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

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

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

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

A cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants 6/29/2006. A paleontology survey was conducted and will be submitted by Stephen Sandau.

Additional Surface Stipulations:

No construction or drilling activities shall be conducted between May 15th and June 20th due to Antelope stipulations.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

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

DRILLING OPERATIONS

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

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

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 1223-01 Well, located in the NWSE, of Section 1, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

July 26, 2006

Date



Kaylene R. Gardner Regulatory Assistant

Request for Exception to Buried Pipeline Requirement
For Chapita Wells Unit 1223-01
NW/SE, Sec. 1, T9S, R22E
Lease Number U-01458

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.

CWU #1223-1

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

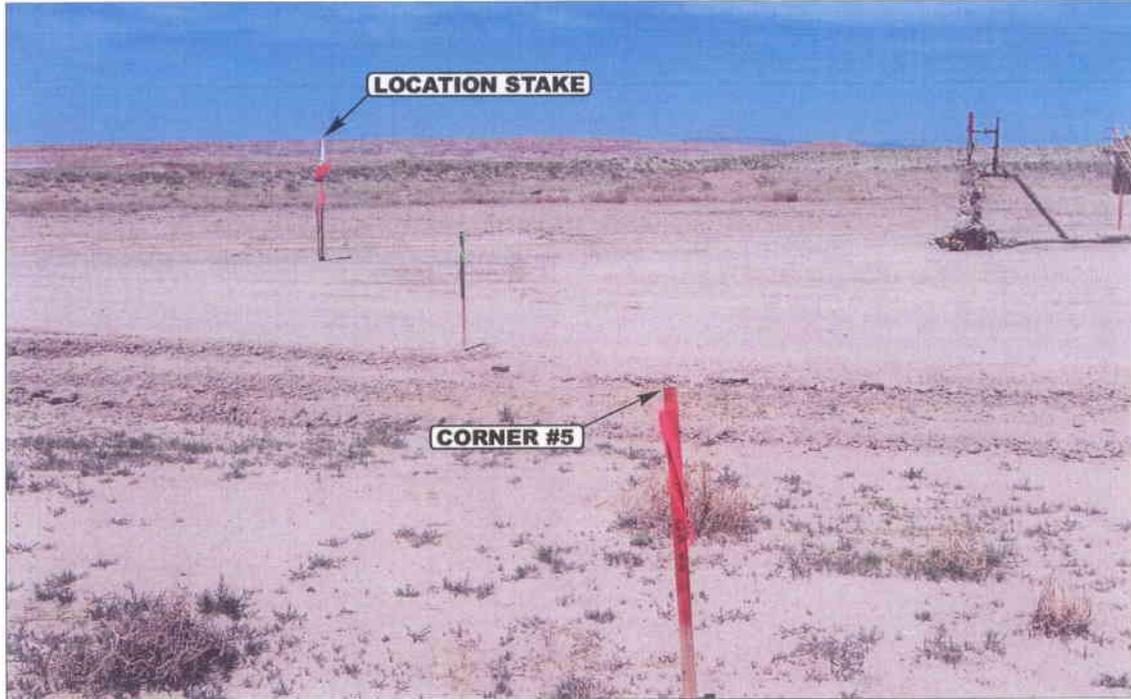


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: SOUTHEASTERLY



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

LOCATION PHOTOS

06 08 06
MONTH DAY YEAR

PHOTO

TAKEN BY: L.K.

DRAWN BY: S.L.

REVISED: 00-00-00

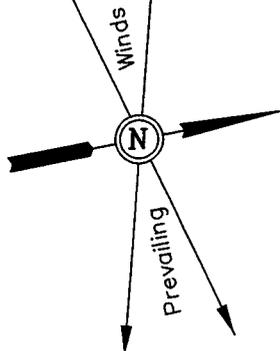
EOG RESOURCES, INC.

LOCATION LAYOUT FOR

CWU #1223-1

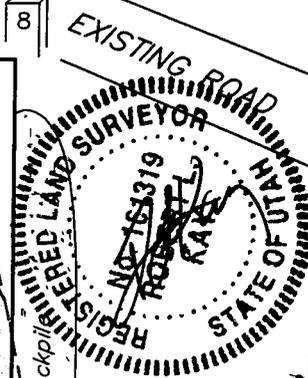
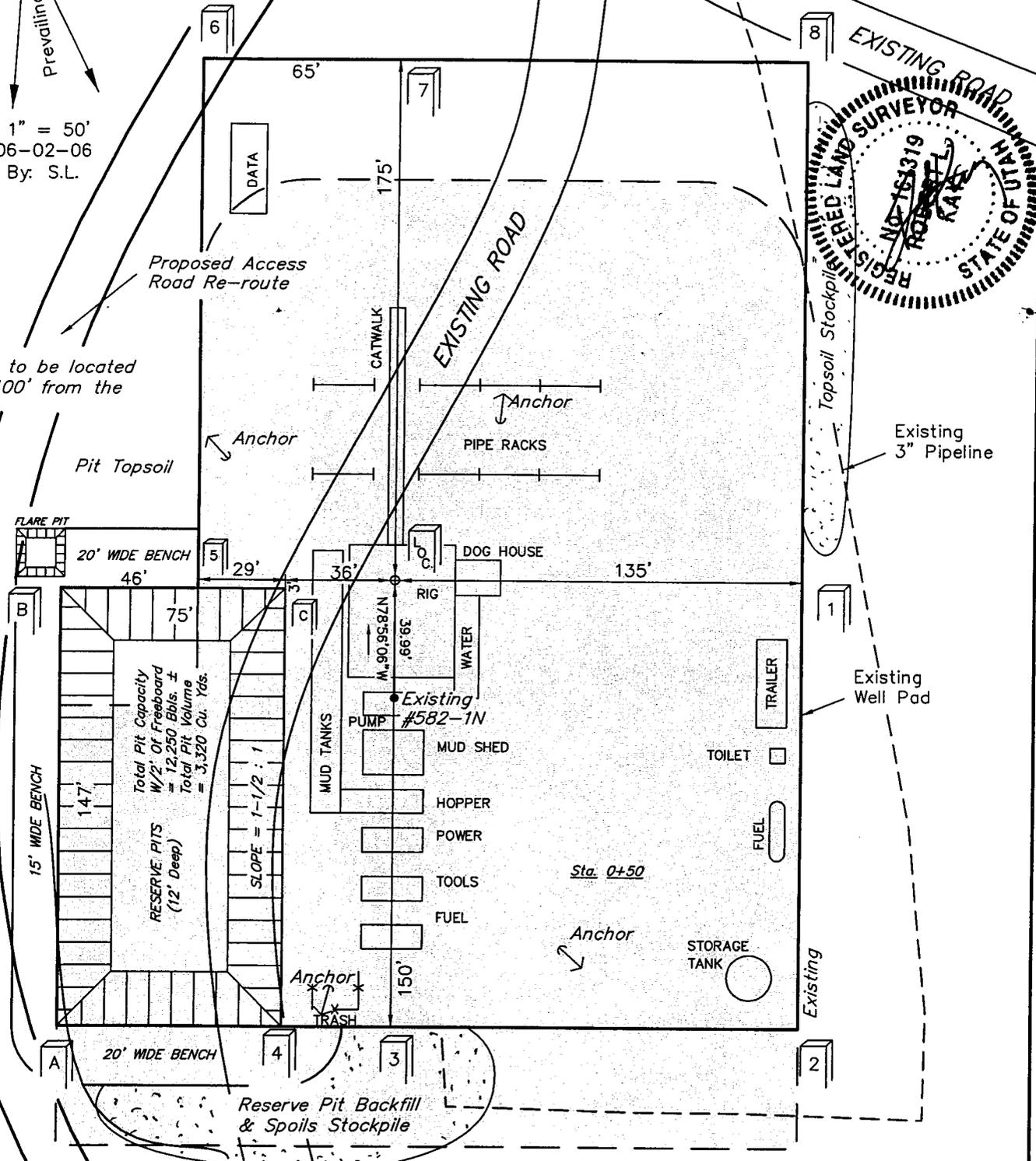
SECTION 1, T9S, R22E, S.L.B.&M.

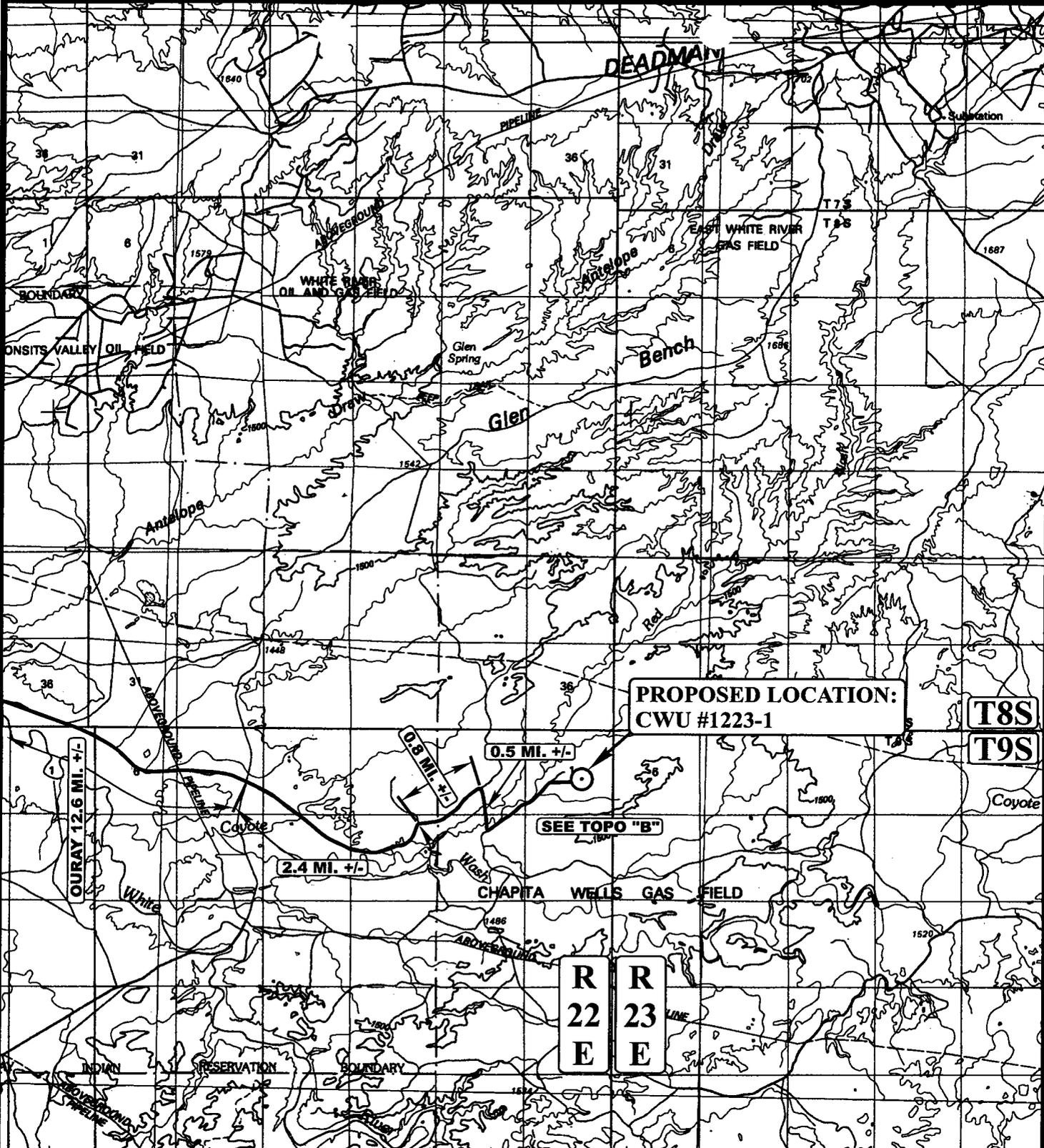
2146' FSL 1926' FEL



SCALE: 1" = 50'
DATE: 06-02-06
Drawn By: S.L.

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





LEGEND:

○ PROPOSED LOCATION

EOG RESOURCES, INC.

CWU #1223-1
 SECTION 1, T9S, R22E, S.L.B.&M.
 2146' FSL 1926' FEL



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

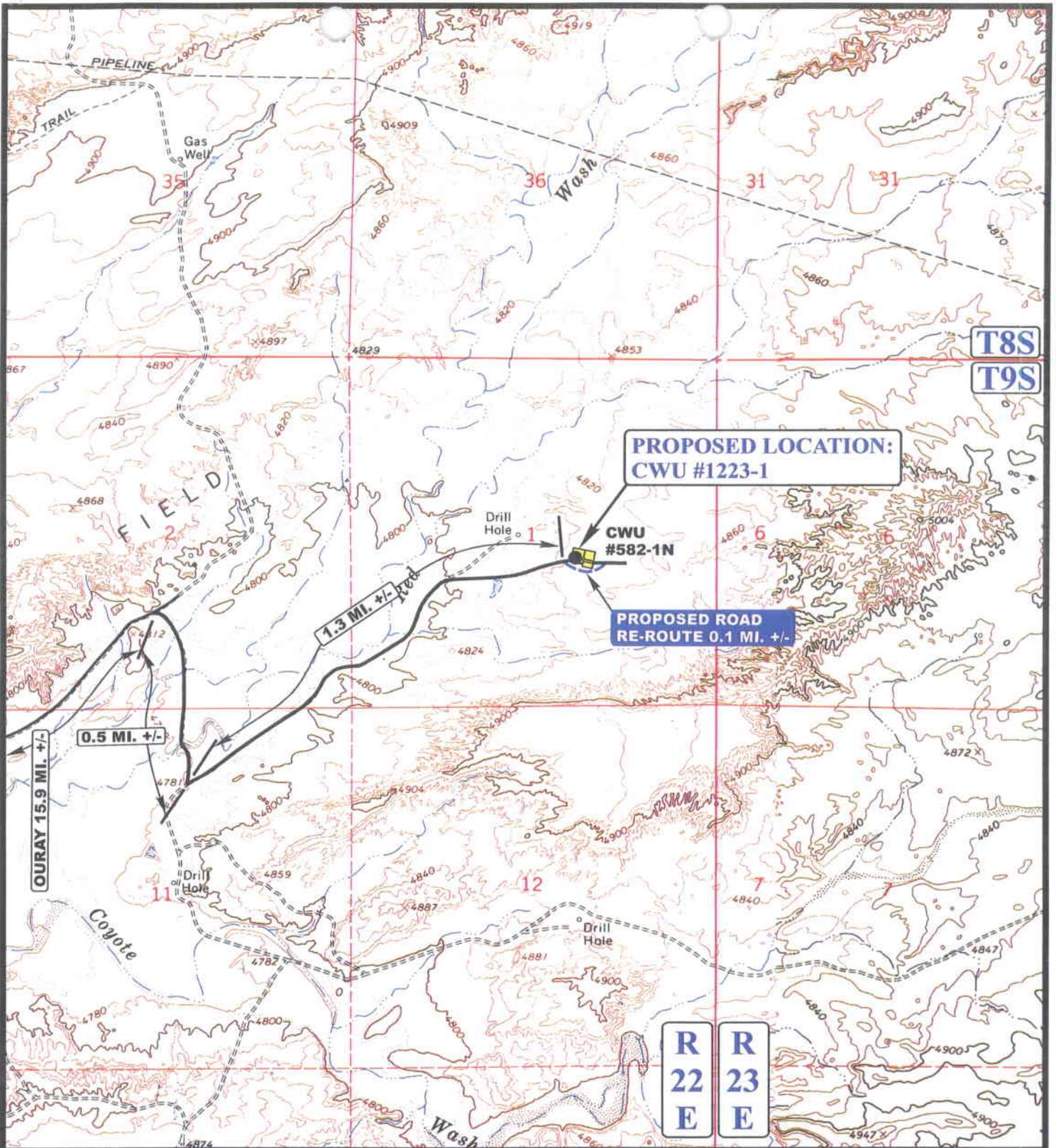


TOPOGRAPHIC
 MAP

06	08	06
MONTH	DAY	YEAR

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





LEGEND:

- EXISTING ROAD
- - - - - PROPOSED ROAD RE-ROUTE

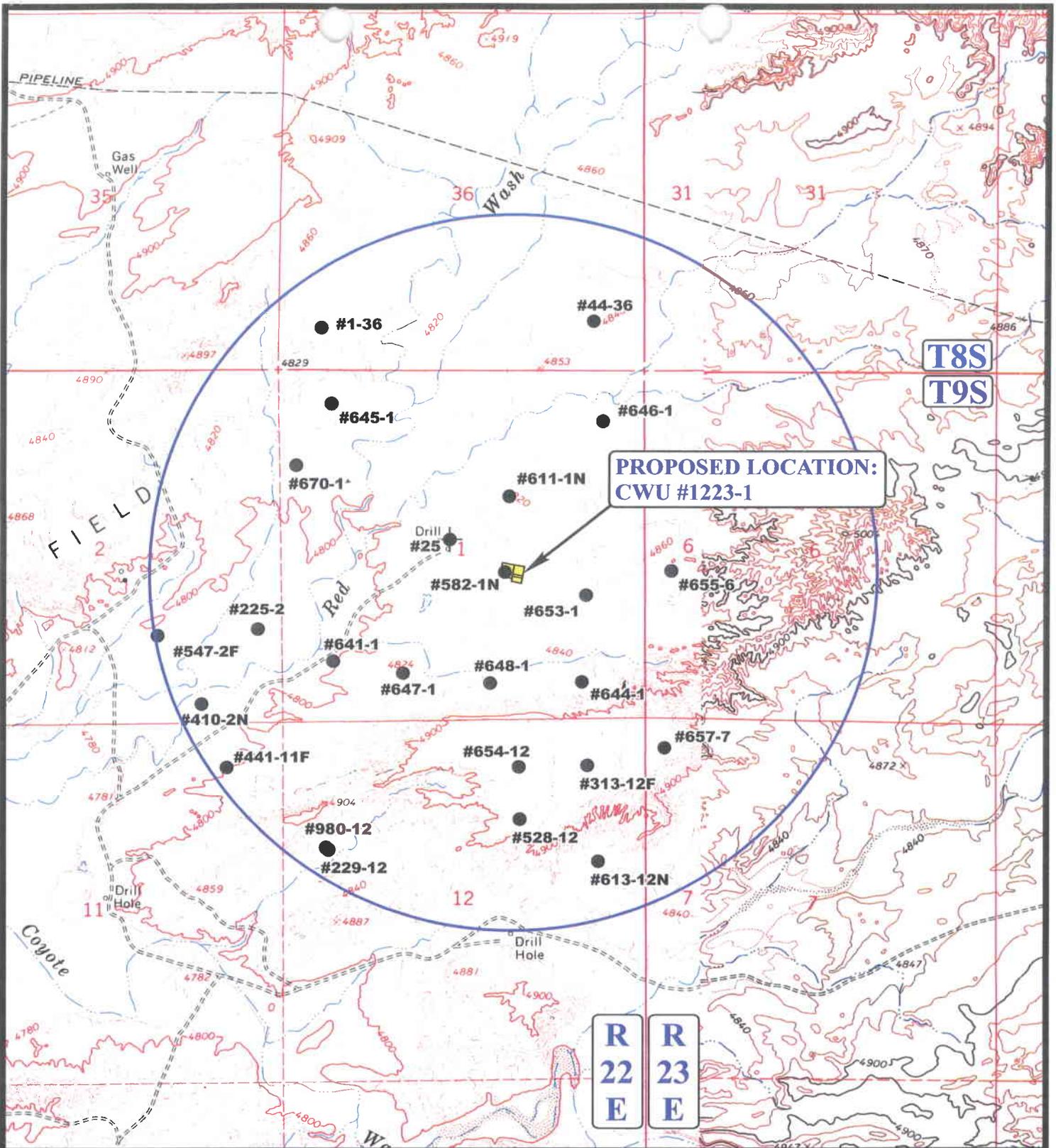
UELS Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



EOG RESOURCES, INC.

CWU #1223-1
 SECTION 1, T9S, R22E, S.L.B.&M.
 2146' FSL 1926' FEL

TOPOGRAPHIC	06	08	06	B
MAP	MONTH	DAY	YEAR	
SCALE: 1" = 2000'	DRAWN BY: S.L.		REVISED: 00-00-00	TOPO



**PROPOSED LOCATION:
CWU #1223-1**

**R
22
E** **R
23
E**

LEGEND:

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



EOG RESOURCES, INC.

**CWU #1223-1
SECTION 1, T9S, R22E, S.L.B.&M.
2146' FSL 1926' FEL**



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

**TOPOGRAPHIC
MAP**

06 08 06
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: S.L.

REVISED: 00-00-00



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 07/31/2006

API NO. ASSIGNED: 43-047-38409

WELL NAME: CWU 1223-01
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

NWSE 01 090S 220E
 SURFACE: 2146 FSL 1926 FEL
 BOTTOM: 2146 FSL 1926 FEL
 COUNTY: UINTAH
 LATITUDE: 40.06374 LONGITUDE: -109.3851
 UTM SURF EASTINGS: 637723 NORTHINGS: 4435871
 FIELD NAME: NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: U-01458
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

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

LOCATION AND SITING:

- R649-2-3.
- Unit: CHAPITA WELLS
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 179-8
Eff Date: 8-10-1999
Siting: Suspends General Siting
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1- Federal Approval

2- OIL SHALE

N CHAPITA
HD F-36

FEDERAL 24-36
FEDERAL 24-36

T8S R22E

T9S R22E

CWU 1248-1
CWU 645-1

CWU 669-1

CWU 664-1

CWU 646-1
CWU 1222-1

CWU 670-1

CWU 1053-1
CWU 611-1N

CWU 665-1

CWU 25
1

CWU 671-1

CWU 582-1N
CWU 1223-01

CWU 653-1

CWU 225-2

CWU 672-1

NATURAL BUTTES FIELD CHAPITA WELLS UNIT

CAUSE: 179-8 / 8-10-1999

CWU 644-1
CWU 1156-1

CWU 684-1
CWU 647-1

CWU 648-1

CWU 644-1
CWU 1052-1

CWU 313-12F

OPERATOR: EOG RESOURCES INC (N9550)

SEC: 1 T.9S R. 22E

FIELD: NATURAL BUTTES (630)

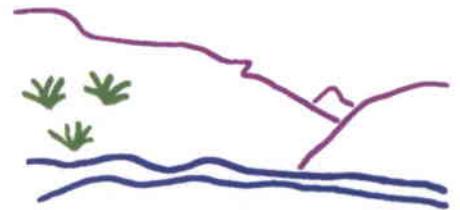
COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999

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

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

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



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 09-AUGUST-2006

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:
3160
(UT-922)

August 10, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2006 Plan of Development Chapita Wells Unit Uintah
County, Utah.

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

API #	WELL NAME	LOCATION
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(Proposed PZ Price River)

43-047-38409	CWU 1223-01 Sec 01 T09S R22E 2146 FSL 1926 FEL	
43-047-38427	CWU 1248-01 Sec 01 T09S R22E 0482 FNL 0757 FWL	
43-047-38428	CWU 1222-01 Sec 01 T09S R22E 0748 FNL 0594 FEL	
43-047-38430	CWU 1226-11 Sec 11 T09S R22E 2479 FSL 1942 FWL	
43-047-38426	CWU 1225-11 Sec 11 T09S R22E 1991 FNL 0689 FWL	

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

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

MCoulthard:mc:8-10-06



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

August 14, 2006

EOG Resources, Inc.
1060 East Highway 40
Vernal, UT 84078

Re: Chapita Wells Unit 1223-01 Well, 2146' FSL, 1926' FEL, NW SE, Sec. 1,
T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38409.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

Operator: EOG Resources, Inc.
Well Name & Number Chapita Wells Unit 1223-01
API Number: 43-047-38409
Lease: U-01458

Location: NW SE **Sec.** 1 **T.** 9 South **R.** 22 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

RECEIVED

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JUL 31 2006

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No. U-01458	
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNIT	
8. Lease Name and Well No. CHAPITA WELLS UNIT 1223-01	
9. API Well No. 43-047-38409	
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER	10. Field and Pool, or Exploratory NATURAL BUTTES
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone	11. Sec., T. R. M. or Blk. and Survey or Area SEC. 1, T9S, R22E S.L.B.&M
2. Name of Operator EOG RESOURCES, INC	12. County or Parish UINTAH
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	13. State UT
3b. Phone No. (include area code) 435-781-9111	14. Distance in miles and direction from nearest town or post office* 50.3 SOUTH OF VERNAL, UTAH
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 2146 FSL 1926 FEL (NWSE) 40.063756 LAT 109.385767 LON At proposed prod. zone SAME	15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 494
16. No. of acres in lease 320	17. Spacing Unit dedicated to this well
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 2640	19. Proposed Depth 9700
20. BLM/BIA Bond No. on file NM 2308	21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4827 GL
22. Approximate date work will start*	23. Estimated duration 45 DAYS

24. Attachments

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

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

25. Signature 	Name (Printed Typed) KAYLENE R. GARDNER	Date 07/26/2006
Title REGULATORY ASSISTANT		

Approved by (Signature) 	Name (Printed Typed) JERRY KENCELA	Date 1-18-2007
Title Assistant Field Manager Oil & Mineral Resources		

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

JAN 30 2007

Accepted by the
Utah Division of
Oil, Gas and Mining

DIV. OF OIL, GAS & MINING

FOR RECORD ONLY

RECEIVED
INTERNAL FIELD OFFICE
2006 JUL 31 PM 2:43
DEPT. OF THE INTERIOR
BUREAU OF LAND MGMT.

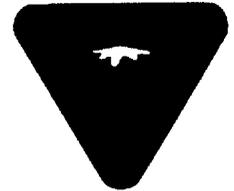


Notes Rec 6-8-06
07BM2780A



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

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



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: EOG Resources, Inc.
Well No: CWU 1223-01
API No: 43-047-38409

Location: NWSE, Sec 1, R9S, T22E
Lease No: UTU-01458
Agreement: Chapita Wells Unit

Petroleum Engineer:	Ryan Angus	Office: 435-781-4430	Cell: 435-828-
Petroleum Engineer:	James Ashley	Office: 435-781-4470	Cell: 435-828-7874
Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
NRS/Environmental Scientist:	Scott Ackerman	Office: 435-781-4437	
NRS/Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
NRS/Environmental Scientist:	Jannice Cutler	Office: 435-781-3400	
NRS/Environmental Scientist:	Michael Cutler	Office: 435-781-3401	
NRS/Environmental Scientist:	Anna Figueroa	Office: 435-781-3407	
NRS/Environmental Scientist:	Melissa Hawk	Office: 435-781-4476	
NRS/Environmental Scientist:	Chuck McDonald	Office: 435-781-4441	
NRS/Environmental Scientist:	Nathan Packer	Office: 435-781-3405	
NRS/Environmental Scientist:	Verlyn Pindell	Office: 435-781-3402	
NRS/Environmental Scientist:	Holly Villa	Office: 435-781-4404	
NRS/Environmental Scientist:	Darren Williams	Office: 435-781-4447	
NRS/Environmental Scientist:	Karl Wright	Office: 435-781-4484	
After Hours Contact Number:	435-781-4513	Fax: 435-781-4410	

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

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

NOTIFICATION REQUIREMENTS

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

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

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
 - 3 lbs of Kochia prostrate.

2. If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.

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

Variance Granted: 75 foot long blooie line approved.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

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

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

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

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

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

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

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

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

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

10. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days

after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

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

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

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

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

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

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG Resources Inc

Well Name: CWU 1223-1

API No: 43-047-38409 Lease Type: Federal

Section 01 Township 09S Range 22E County Uintah

Drilling Contractor Rocky Mountain Drilling Rig # Bucket

SPUDDED:

Date 5-18-07

Time 1:00 PM

How Dry

Drilling will Commence: _____

Reported by Dale Cook

Telephone # 435-828-3630

Date 5-21-07 Signed RM

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
 Oil Well Gas Well Other

2. Name of Operator **EOG Resources, Inc.**

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**2,146' FSL & 1,926' FEL (NWSE)
 Sec. 1-T9S-R22E 40.063756 LAT 109.385767 LON**

5. Lease Serial No.
U-01458

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Chapita Wells Unit 1223-1

9. API Well No.
43-047-38409

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

11. County or Parish, State
Uintah County, Utah

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

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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or 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.)

The referenced well spud on 5/18/2007.

**RECEIVED
JUN 04 2007**

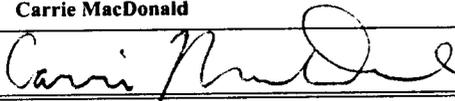
DIV. OF OIL, GAS & MINING

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

Carrie MacDonald

Title **Operations Clerk**

Signature



Date

05/30/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____

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

Title

Date

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)

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
43-047-38409	CHAPITA WELLS UNIT 1223-1		NWSE	1	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	16160	5/18/2007			6/14/07	
Comments: <u>PRRU=MVRD</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37875	CHAPITA WELLS UNIT 1087-22		NWNE	22	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>AB</u>	99999	13650	5/30/2007			6/14/07	
Comments: <u>PRRU=MVRD</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments: RECEIVED							JUN 04 2007

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)

DIV. OF OIL, GAS & MINING

Carrie MacDonald

Name (Please Print)

Signature

Operations Clerk

Title

5/30/2007

Date

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
 Oil Well Gas Well Other

2. Name of Operator **EOG Resources, Inc.**

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

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

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

**2,146' FSL & 1,926' FEL (NWSE)
 Sec. 1-T9S-R22E 40.063756 LAT 109.385767 LON**

5. Lease Serial No.

U-01458

6. If Indian, Allottee or Tribe Name

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

Chapita Wells Unit

8. Well Name and No.

Chapita Wells Unit 1223-1

9. API Well No.

43-047-38409

10. Field and Pool, or Exploratory Area

Natural Buttes/Mesaverde

11. County or Parish, State

Uintah County, Utah

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 type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports 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 disposal of produced water from the referenced well to any of the following locations.

- 1. Natural Buttes Unit 21-20B SWD
- 2. Chapita Wells Unit 550-30N SWD
- 3. Ace Disposal
- 4. RN Industries

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

RECEIVED

JUN 04 2007

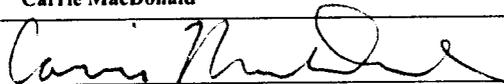
DIV. OF OIL, GAS & MINING

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

Carrie MacDonald

Title **Operations Clerk**

Signature



Date

05/30/2007

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.

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.
U-01458

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

Oil Well Gas Well Other

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

8. Well Name and No.
Chapita Wells Unit 1223-01

2. Name of Operator
EOG Resources, Inc.

9. API Well No.
43-047-38409

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2146' FSL & 1926' FEL (NWSE)
Sec 17-19S-R22E 40.063756 LAT 109.385767 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 type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" 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
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	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports 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.)

The referenced well was turned to sales on 8/17/2007. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

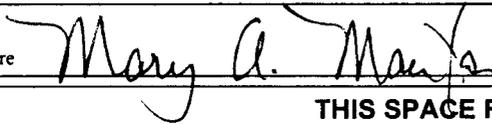
14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)

Mary A. Maestas

Title Regulatory Assistant

Signature



Date 08/24/2007

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.

(Instructions on page 2)

AUG 27 2007

BUREAU OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 08-22-2007

Well Name	CWU 1223 01	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API #	43 047 38409	Well Class	COMP
County, State	UINTAH, UT	Spud Date	07 17 2007	Class Date	
Tax Credit	N	TVD / MD	9,700/ 9,700	Property #	059156
Water Depth	0	Last CSG	0.0	Shoe TVD / MD	0'0
KB / GL Elev	4,842 4,827				
Location	Section 1, T9S, R22E, NWSE, 2146 FSL & 1926 FEL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	100.0	NRI %	82.5

AFE No	304028	AFE Total	356,400	DHC / CWC	80,800/ 275,600
Rig Contr	TRUE	Rig Name	TRUE #15	Start Date	08-24-2006
				Release Date	07-27-2007
08-24-2006	Reported By	SHARON WHITLOCK			
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0
MD	0	TVD	0	Progress	0
				Days	0
				MW	0.0
				Vise	0.0
Formation :		PBTD : 0.0		Perf :	
				PKR Depth : 0.0	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			2146' FSL & 1926' FEL (NW/SE)
			SECTION 1, T9S, R22E
			UINTAH COUNTY, UTAH
			LAT 40.063792, LONG 109.385083 (NAD 27)
			LAT 40.063756, LONG 109.385767 (NAD 83)
			RIG: TRUE #15
			OBJECTIVE: 9700' TD, MESAVERDE
			DW/GAS
			CHAPITA WELLS DEEP PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: U-01458
			ELEVATION: 4828.0' NAT GL, 4827.0' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4827'), 4842' KB ('15)
			EOG WI 100%, NRI 82.5%

05-17-2007 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

05-18-2007 **Reported By** TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

05-21-2007 **Reported By** TERRY CSERE

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

Activity at Report Time: BUILD LOCATION/WO BUCKET RIG

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

05-31-2007 **Reported By** TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$38,000 **Completion** \$0 **Well Total** \$38,000
MD 40 **TVD** 40 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: WO AIR RIG

Start **End** **Hrs** **Activity Description**
 06:00 06:00 24.0 ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 5/18/2007 @ 1:00 PM. SET 40' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. DALL COOK NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 5/18/2007 @ 12:15 PM.

06-19-2007 **Reported By** JERRY BARNES

Daily Costs: Drilling \$7,916 **Completion** \$0 **Daily Total** \$7,916
Cum Costs: Drilling \$240,984 **Completion** \$0 **Well Total** \$240,984
MD 2.535 **TVD** 2.535 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: WORT

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

06:00 06:00 24.0 MIRU CRAIG'S AIR RIG #2 ON 5/21/2007. DRILLED 12 1/4" HOLE TO 2570' GL. ENCOUNTERED WATER @ 2030'. RAN 59 JTS (2520.43') OF 9 5/8", 36.0#, J 55. ST&C CASING WITH DAVIS/LYNCH GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2535' KB. RAN 200' OFF 1" PIPE DOWN BACKSIDE. RDMO AIR RIG.

MIRU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 175 BBLS FRESH WATER & 40 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 230 SX (156.4 BBLS) OF PREMIUM LEAD CEMENT W/16% GEL, 10#/ SX GILSONITE 3#/ SX GR -3, 3% SALT, & 1/4 #/SX FLOCELE. MIXED LEAD CEMENT @ 11.0 PPG W/YIELD OF 3.82 CF/SX.

TAILED IN W/200 SX (41 BBLS) OF PREMIUM CEMENT W/2% CaCl2 & 1/4 #/ SX FLOCELE. MIXED TAIL CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. DISPLACED CEMENT W/192.3 BBLS FRESH WATER. BUMPED PLUG W/480# @ 7:34 PM, 5/24/2007. CHECKED FLOAT. FLOAT HELD. SHUT IN CASING VALVE. NO RETURNS.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (20 BBLS) OF PREMIUM CEMENT W/2% CaCl2 & 1/4 #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HRS.

TOP JOB # 2: MIXED & PUMPED 150 SX (30 BBLS) OF PREMIUM CEMENT W/4% CaCl2, & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS, 30 MINUTES.

TOP JOB # 3: MIXED & PUMPED 150 SX (30 BBLS) OF PREMIUM CEMENT W/4% CaCl2, & 1/4#/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG WITH YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO BIG 4 CEMENTERS.

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

NO SURVEY AT THIS TIME.

LESTER FARNSWORTH NOTIFIED MIKE LEE W/BLM OF THE SURFACE CASING & CEMENT JOB ON 5/22/2007 @ 7:30 PM.

07-15-2007	Reported By	BRIAN DUTTON									
Daily Costs: Drilling	\$23,409	Completion	\$0	Daily Total	\$23,409						
Cum Costs: Drilling	\$264,393	Completion	\$0	Well Total	\$264,393						
MD	2,535	TVD	2,535	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: RDRT

Start	End	Hrs	Activity Description
06:00	17:00	11.0	RDRT. LOWERED DERRICK @ 08:30 HRS. CONTINUED RDRT. PREPARE FOR TRUCKS.

NO ACCIDENTS. 10 MEN. 85 MAN - HOURS.

LOCATION DIMENSIONS: FRONT 173', PIT 33', BACK 147', HOUSE 143'.

NOTIFIED JAMIE SPARGER/BLM/VERNAL @ 11:15 HRS 7/14/07 OF BOP TEST @ 17:00 HRS 7/16/07 LEFT MESSAGE.

07-16-2007	Reported By	BRIAN DUTTON							
Daily Costs: Drilling	\$22,474	Completion	\$0	Daily Total	\$22,474				
Cum Costs: Drilling	\$286,868	Completion	\$0	Well Total	\$286,868				

MD 2.535 TVD 2.535 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RURT

Start	End	Hrs	Activity Description
07:00	17:00	10.0	HELD SAFETY MEETING W/RIG CREWS & RIG MOVERS. MOVED RIG FROM CWU 672 01, MOVE WAS .5 MILE. RURT. RELEASED TRUCKS @ 1530 HRS. RAISED DERRICK @ 1600 HRS. CONTINUED RURT. OLD LOCATION CWU 672 01 CLEARED AND CLEANED. NO ACCIDENTS. 15 MEN, 150 MAN-HOURS.

07-17-2007 Reported By BRIAN DUTTON

Daily Costs: Drilling	\$74,741	Completion	\$0	Daily Total	\$74,741
Cum Costs: Drilling	\$361,609	Completion	\$0	Well Total	\$361,609

MD 2.716 TVD 2.716 Progress 181 Days 1 MW 0.0 Visc 0.0
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	15:00	9.0	HELD SAFETY MEETING W/ RIG CREWS. RURT. 100% RIGGED UP FOR BOP TEST.
15:00	19:00	4.0	*****RIG ACCEPTED FOR DAYWORK @ 1500 7/16-07***** TESTED BOPE(ALL RAMS, VALVES, & MANIFOLD 250/5000 PSI, ANNULAR 250'2500 PSI, CASING 1500 PSI). PERFORMED FUNCTION TEST ON ACCUMULATOR. NO BLM WITNESS.
19:00	20:00	1.0	RU WEATHERFORD L/D MACHINE. HELD SAFETY MEETING.
20:00	21:30	1.5	WAIT ON FMC TO BRING WEAR BUSHING FROM ROCKSPRINGS WYOMING. (NOTE WAS ASKED TO BRING ONE OUT WHEN OTHER ONE WAS PULLED ON THE LAST WELL AND A OLD USED ONE WAS DELIVERED).
21:30	22:00	0.5	INSTALLED WEAR BUSHING.
22:00	00:30	2.5	PU BHA & DP. TAGGED @ 2,441'.
00:30	01:30	1.0	RD WEATHERFORD. INSTALLED DRIVE BUSHING & ROTATING HEAD RUBBER.
01:30	03:30	2.0	DRILL CEMENT/FLOAT EQUIP. TO 2,580'.
03:30	04:00	0.5	PERFORMED F.I.T. @ 2,580' TO 11.8 PPG EMW(450 PSI).
04:00	06:00	2.0	DRILLED 2580 TO 2716 (136' @ 68.0 FPH), WOB 10-20K, GPM 400, RPM 45-55/MOTOR 64, SPP 902, NO FLARE.

NO ACCIDENTS.
 FULL CREWS.
 SAFETY MEETING: W/RIG CREW AND B&C QUICK TEST PRIOR TO TESTING B.O.P.
 DIESEL FUEL ON HAND 9961 GALS, USED 459 GALS.
 PROPANE ON HAND 4320 GALS, USED 280 GALS.

MUDLOGGERS: CHRIS SMITH 1 DAYS ON LOCATION @ 2200 HRS. 7/16/07.

LITHOLOGY: N/A. BG GAS 5 - 40 UNITS. CONN GAS 0 - 104 UNITS. HIGH GAS 983 UNITS @ 2,580'

FORMATION TOPS: GREEN RIVER @ 1,975'.

06:00 06:00 24.0 *****SPUDED 7 7/8" HOLE @ 04:00 HRS 7/17/07*****

07-18-2007 Reported By BRIAN DUTTON

Daily Costs: Drilling	\$37,593	Completion	\$0	Daily Total	\$37,593						
Cum Costs: Drilling	\$399,203	Completion	\$0	Well Total	\$399,203						
MD	4,520	TVD	4,520	Progress	1,804	Days	2	MW	8.7	Visc	29.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILLED 2,716' TO 2,811' (95' @ 95.0 FPH), WOB 10-20K, GPM 400, RPM 45-55/MOTOR 64, SPP 902, NO FLARE.
07:00	07:30	0.5	SURVEY DEPTH @ 2,729' .05 DEGREES.
07:30	10:30	3.0	DRILLED 2,811' TO 3,155' (344' @ 114.6 FPH), WOB 10-20K, GPM 400, RPM 45-55/MOTOR 64, SPP 1100, NO FLARE.
10:30	11:00	0.5	SERVICE RIG, COMP. DRAW TOOL, T.B.A., FUNCTION TEST CROWN O-MATIC AND FUNCTION TEST PIPE RAMS.
11:00	21:00	10.0	DRILLED 3,155' TO 4,063' (908' @ 90.8 FPH), WOB 10-20K, GPM 400, RPM 45-55/MOTOR 64, SPP 1200, MUD WT. 9.3, VIS 32, NO FLARE.
21:00	21:30	0.5	SURVEY DEPTH @ 3,982' 1.25 DEGREES.
21:30	06:00	8.5	DRILLED 4,063' TO 4,520' (457' @ 53.7 FPH), WOB 10-20K, GPM 400, RPM 45-55/MOTOR 64, SPP 1200, MUD WT. 9.3, VIS 34, NO FLARE.

NO ACCIDENTS.
 FULL CREWS.
 SAFETY MEETING: FORK LIFT SAFETY.
 DIESEL FUEL ON HAND 9149 GALS. USED 812 GALS.
 PROPANE ON HAND 3780 GALS. USED 540 GALS.
 HELD B.O.P. DRILLS DAY LIGHTS AND EVENING TOUR 60 SEC RESPOND.
 MUDLOGGERS: CHRIS SMITH 2 DAYS.

LITHOLOGY: SH 90%, SS 10%, LS TR. BG GAS 532 - 973 UNITS, CONN GAS 1018 - 1645 UNITS, HIGH GAS 5416 UNITS @ 3,031'

FORMATION TOPS: GREEN RIVER @ 1,975'.

07-19-2007 Reported By BRIAN DUTTON

Daily Costs: Drilling	\$41,135	Completion	\$0	Daily Total	\$41,135						
Cum Costs: Drilling	\$440,338	Completion	\$0	Well Total	\$440,338						
MD	5,130	TVD	5,130	Progress	610	Days	3	MW	9.1	Visc	32.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:30	4.5	DRILLED 4,520' TO 4,712' (192' @ 42.6 FPH), WOB 15-20K, GPM 400, RPM 45-55/MOTOR 64, SPP 1200, MUD WT. 9.3, VIS 34, NO FLARE.
10:30	11:00	0.5	PUMP PILL.
11:00	12:30	1.5	TRIP OUT OF HOLE WITH BIT #1 @ 4,712'. CHANGE OUT BITS.
12:30	14:00	1.5	TRIP IN HOLE WITH BIT #2 FILLING @ 2,433'.
14:00	14:30	0.5	WASH/REAM F/ 4,632' - 4,712' (NO FILL).

14:30 06:00 15.5 DRILLED 4,712' TO 5,130' (418' @ 26.9 FPH), WOB 20-25K, GPM 400, RPM 45-55/MOTOR 64, SPP 1211, MUD WT. 9.7, VIS 34, NO FLARE.

NO ACCIDENTS.
 FULL CREWS.
 SAFETY MEETING: WORKING WITH ELECTRICITY.
 DIESEL FUEL ON HAND 8137 GALS. USED 1012 GALS.
 PROPANE ON HAND 3120 GALS. USED 660 GALS.

MUDLOGGERS: CHRIS SMITH 3 DAYS.

LITHOLOGY: SH 70%, SS 20%, LS TR. RED SH 10%, BG GAS 129 - 164 UNITS, CONN GAS 249 - 581 UNITS, HIGH GAS 1075 UNITS @ 4,558'

FORMATION TOPS: GREEN RIVER @ 1,975', WASATCH @ 4,990'.

07-20-2007		Reported By		BRIAN DUTTON							
Daily Costs: Drilling		\$53,683		Completion		S0		Daily Total		\$53,683	
Cum Costs: Drilling		\$494,021		Completion		S0		Well Total		\$494,021	
MD	5.492	TVD	5.492	Progress	362	Days	4	MW	9.6	Visc	35.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILLED 5,130' TO 5,215' (85' @ 21.2 FPH), WOB 20-25K, GPM 400, RPM 45-55/MOTOR 64, SPP 1211, MUD WT. 9.7, VIS 34, NO FLARE.
10:00	10:30	0.5	SERVICE RIG, COMP. DRAW TOOL, T.B.A., FUNCTION TEST CROWN-O-MATIC AND FUNCTION TEST BLIND RAMS ON TRIP.
10:30	20:30	10.0	DRILLED 5,215' TO 5,410' (195' @ 19.5 FPH), WOB 20-25K, GPM 400, RPM 45-55/MOTOR 64, SPP 1211, MUD WT. 9.7, VIS 34, NO FLARE.
20:30	21:00	0.5	SURVEY DEPTH @ 5,351' 1.25 DEGREES.
21:00	21:30	0.5	PUMP PILL.
21:30	23:00	1.5	TRIP OUT OF HOLE WITH BIT #2 @ 5,410'.
23:00	00:00	1.0	CHANGE BIT AND MUD MOTOR.
00:00	02:30	2.5	TRIP IN HOLE WITH BIT #3 AND NEW MOTOR FILLING PIPE @ 2,670'.
02:30	03:00	0.5	WASH/REAM F/ 5,386' - 5,410' (NO FILL).
03:00	06:00	3.0	DRILLED 5,410' TO 5,492' (82' @ 27.3 FPH), WOB 10-20K, GPM 400, RPM 45-55/MOTOR 64, SPP 1452, MUD WT. 9.9, VIS 34, NO FLARE.

NO ACCIDENTS.
 FULL CREWS.
 SAFETY MEETING. LOCK OUT TAG OUT
 DIESEL FUEL ON HAND 7277 GALS. USED 860 GALS.
 PROPANE ON HAND 2580 GALS. USED 540 GALS.

MUDLOGGERS: CHRIS SMITH 4 DAYS.

LITHOLOGY: SH 40%, SS 20%, RED SH 40%, BG GAS 54 - 95 UNITS, CONN GAS 289 - 315 UNITS, HIGH GAS 362 UNITS @ 5,111', TRIP GAS 442 UNITS.

FORMATION TOPS: GREEN RIVER @ 1,975', WASATCH @ 4,990'.

07-21-2007 Reported By BRIAN DUTTON

Daily Costs: Drilling \$32,766 Completion \$0 Daily Total \$32,766
 Cum Costs: Drilling \$526,788 Completion \$0 Well Total \$526,788

MD 6.220 TVD 6.220 Progress 728 Days 5 MW 9.9 Vise 35.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILLED 5,492' TO 5,617' (125' @ 31.2 EPH), WOB 10-20K, GPM 400, RPM 45-55/MOTOR 64, SPP 1452, MUD WT. 9.9, VIS 34, NO FLARE.
10:00	10:30	0.5	SERVICE RIG, COMP. DRAW TOOL, T.B.A., FUNCTION TEST CROWN RO-MATIC AND FUNCTION TEST HCR AND ANNULAR.
10:30	06:00	19.5	DRILLED 5,617' TO 6,220' (603' @ 30.9 EPH), WOB 15-20K, GPM 397, RPM 45-55/MOTOR 63, SPP 1600, MUD WT. 10.2, VIS 36, NO FLARE.

NO ACCIDENTS.
 FULL CREWS.
 SAFETY MEETING. USING CORRECT HAMMER UNION FOR THE JOB.
 DIESEL FUEL ON HAND 6223 GALS. USED 1054 GALS.
 PROPANE ON HAND 1980 GALS. USED 600 GALS.

MUDLOGGERS: CHRIS SMITH 5 DAYS.

LITHOLOGY: SH 30%, SS 50%, RED SH 20%, BG GAS 71-91 UNITS, CONN GAS 187-227 UNITS, HIGH GAS 937 UNITS @ 5,884'.

FORMATION TOPS: GREEN RIVER @ 1,975', WASATCH @ 4,990', CHAPITA WELLS @ 5,643'.

07-22-2007 Reported By BRIAN DUTTON

Daily Costs: Drilling \$30,794 Completion \$0 Daily Total \$30,794
 Cum Costs: Drilling \$557,582 Completion \$0 Well Total \$557,582

MD 7.015 TVD 7.015 Progress 795 Days 6 MW 10.2 Vise 35.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:30	4.5	DRILLED 6,220' TO 6,370' (150' @ 33.3 EPH), WOB 15-20K, GPM 397, RPM 45-55/MOTOR 63, SPP 1600, MUD WT. 10.2, VIS 35, NO FLARE.
10:30	11:00	0.5	SERVICE RIG, COMP. DRAW TOOL, T.B.A., FUNCTION TEST CROWN RO-MATIC AND FUNCTION TEST PIPE RAMS.
11:00	06:00	19.0	DRILLED 6,370' TO 7,015' (645' @ 33.9 EPH), WOB 15-20K, GPM 397, RPM 45-55/MOTOR 63, SPP 1650, MUD WT. 10.4, VIS 36, NO FLARE.

NO ACCIDENTS.
 FULL CREWS.
 SAFETY MEETING. RIDING AIR HOIST TO GREASE BLOCKS.

DIESEL FUEL ON HAND 5180 GALS, USED 1043 GALS.

PROPANE ON HAND 1500 GALS, USED 480 GALS.

MUDLOGGERS: CHRIS SMITH 6 DAYS.

LITHOLOGY: SH 30%, SS 60%, RED SH 10%, BG GAS 49 - 84 UNITS, CONN GAS 166 - 207 UNITS, HIGH GAS 384 UNITS @ 6,525'.

FORMATION TOPS: GREEN RIVER @ 1,975', WASATCH @ 4,990', CHAPITA WELLS @ 5,643', BUCK CANYON @ 6,276', NORTH HORN @ 6,816'.

07-23-2007		Reported By		BRIAN DUTTON							
Daily Costs: Drilling	\$61,189			Completion	S0			Daily Total	\$61,189		
Cum Costs: Drilling	\$660,040			Completion	S0			Well Total	\$660,040		
MD	7,670	TVD	7,670	Progress	655	Days	7	MW	10.5	Visc	36.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILLED 7,015' TO 7,119' (104' @ 26.0 FPH), WOB 15-20K, GPM 397, RPM 45-55/MOTOR 63, SPP 1650, MUD WT. 10.4, VIS 36, NO FLARE.
10:00	10:30	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN O-MATIC AND FUNCTION TEST SUPER CHOKE.
10:30	06:00	19.5	DRILLED 7,119' TO 7,670' (551' @ 28.2 FPH), WOB 15-20K, GPM 397, RPM 45-55/MOTOR 63, SPP 1700, MUD WT. 10.4, VIS 36, NO FLARE.

NO ACCIDENTS.

FULL CREWS.

SAFETY MEETING, W/RIG CREW ON FIRE AND THE PROPER USE OF FIRE EXTINGUISHERS.

DIESEL FUEL ON HAND 4146 GALS, USED 1015 GALS.

PROPANE ON HAND 3360 GALS, USED 440 GALS.

MUDLOGGERS: CHRIS SMITH 7 DAYS.

LITHOLOGY: SH 50%, SS 45%, SLTSTN 5%, BG GAS 110 - 206 UNITS, CONN GAS 315 - 867 UNITS, HIGH GAS 2479 UNITS @ 7,352'.

FORMATION TOPS: GREEN RIVER @ 1,975', WASATCH @ 4,990', CHAPITA WELLS @ 5,643', BUCK CANYON @ 6,276', NORTH HORN @ 6,816', Kmv PRICE RIVER @ 7,474'.

07-24-2007		Reported By		BRIAN DUTTON							
Daily Costs: Drilling	\$94,696			Completion	S0			Daily Total	\$94,696		
Cum Costs: Drilling	\$754,737			Completion	S0			Well Total	\$754,737		
MD	8,595	TVD	8,595	Progress	925	Days	8	MW	10.3	Visc	35.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILLED 7,670' TO 7,835' (165' @ 41.2 FPH), WOB 15-20K, GPM 397, RPM 45-55/MOTOR 63, SPP 1700, MUD WT. 10.4, VIS 36, NO FLARE.

10:00 10:30 0.5 SERVICE RIG, COMP, DRAW TOOL, TBA, FUNCTION TEST CROWN O-MATIC AND FUNCTION TEST PIPE RAMS.
 10:30 06:00 19.5 DRILLED 7,835' TO 8,595' (760' @ 38.9 FPH), WOB 15-20K, GPM 397, RPM 45-55 MOTOR 63, SPP 1730, MUD WT. 10.6, VIS 36, NO FLARE.

NO ACCIDENTS.
 FULL CREWS.
 SAFETY MEETING, CUTTING AND WORKING WITH CABLE.
 DIESEL FUEL ON HAND 3031 GALS, USED 1134 GALS.
 PROPANE ON HAND 2760 GALS, USED 600 GALS.

MUDLOGGERS: CHRIS SMITH 8 DAYS.

LITHOLOGY: SH 60%, SS 30%, SLTSTN 10%, BG GAS 741-1793 UNITS, CONN GAS 1380-2509 UNITS, HIGH GAS 4981 UNITS @ 8.128'.

FORMATION TOPS: GREEN RIVER @ 1,975', WASATCH @ 4,990', CHAPITA WELLS @ 5,643', BUCK CANYON @ 6,276', NORTH HORN @ 6,816', Kmv PRICE RIVER @ 7,474', Kmv MIDDLE PRICE RIVER @ 8,292'.

07-25-2007 Reported By BRIAN DUTTON

Daily Costs: Drilling	\$43,487	Completion	\$2,753	Daily Total	\$46,240
Cum Costs: Drilling	\$796,079	Completion	\$2,753	Well Total	\$798,832
MD	8.950	TVD	8.950	Progress	355
				Days	9
				MW	10.6
				Visc	35.0
Formation :		PBTD : 0.0		Perf :	
				PKR Depth : 0.0	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILLED 8,595' TO 8,711' (116' @ 29.0 FPH), WOB 15-20K, GPM 397, RPM 45-55 MOTOR 63, SPP 1730, MUD WT. 10.6, VIS 36, NO FLARE.
10:00	10:30	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN O-MATIC AND FUNCTION TEST BLIND RAMS ON TRIP.
10:30	14:00	3.5	DRILLED 8,711' TO 8,769' (58' @ 16.5 FPH), WOB 15-20K, GPM 397, RPM 45-55 MOTOR 63, SPP 1730, MUD WT. 10.6, VIS 36, NO FLARE.
14:00	14:30	0.5	SURVEY DEPTH @ 8,697' 1.25 DEGREES.
14:30	15:00	0.5	PUMP PILL.
15:00	18:30	3.5	TRIP OUT OF HOLE @ 8,769' WITH BIT #3.
18:30	20:00	1.5	L/D ROLLER REAMERS, CHANGE BIT AND MUD MOTOR.
20:00	21:00	1.0	TRIP IN HOLE WITH BIT #4 TO 2,408'.
21:00	22:00	1.0	SLIP & CUT DRILL LINE 100'.
22:00	00:00	2.0	TRIP IN HOLE WITH BIT #4 FILLING @ 2,408' & 6,000'.
00:00	00:30	0.5	WASH/REAM F/8,739' TO 8,769' (15' OF FILL).
00:30	06:00	5.5	DRILLED 8,769' TO 8,950' (181' @ 32.9 FPH), WOB 15-20K, GPM 397, RPM 45-55 MOTOR 63, SPP 1730, MUD WT. 10.8, VIS 34, NO FLARE.

NO ACCIDENTS.
 FULL CREWS.
 SAFETY MEETING, PRIOR TO CUTTING DRILLING LINE.
 DIESEL FUEL ON HAND 2418 GALS, USED 613 GALS.
 PROPANE ON HAND 2280 GALS, USED 480 GALS.

MUDLOGGERS: CHRIS SMITH 9 DAYS.

LITHOLOGY: CARB SH 70%, SS 20%, SLTSTN 10%, BG GAS 403 778 UNITS, CONN GAS 732 - 1331 UNITS, HIGH GAS 3315 UNITS @ 8,514', TRIP GAS 2230 UNITS.

FORMATION TOPS: GREEN RIVER @ 1,975', WASATCH @ 4,990', CHAPITA WELLS @ 5,643', BUCK CANYON @ 6,276', NORTH HORN @ 6,816', Kmv PRICE RIVER @ 7,474', Kmv MIDDLE PRICE RIVER @ 8,292'.

07-26-2007 Reported By DAN LINDSEY

Daily Costs: Drilling \$38,212 Completion \$0 Daily Total \$38,212

Cum Costs: Drilling \$834,291 Completion \$2,753 Well Total \$837,044

MD 9.625 TVD 9.625 Progress 675 Days 10 MW 10.8 Visc 35.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start End Hrs Activity Description

06:00 10:00 4.0 DRILLED 8950 TO 9044(94' @ 23.5 FPH), WOB 20K, GPM 400, RPM 40 45/MOTOR 64, SPP 1800, NO FLARE.
10:00 10:30 0.5 SERVICED RIG, CHECKED COM. FUNCTION PIPE RAMS.
10:30 06:00 19.5 DRILLED 9044 TO 9625(581' @ 29.8 FPH), WOB 20K, GPM 387, RPM 40 45/MOTOR 62, SPP 1900, NO FLARE.
THIS A.M. MUD 10.9 PPG, VIS 35.

GAS: BG 648 1289, CONN 1338 1935, HG 2613 @ 9306'. 6 SHOWS.

TOP: LOWER PRICE RIVER 9051.

MUDLOGGER: CHRIS SMITH 11 DAYS.

DIESEL 3188 GALS(USED 1230), PROPANE 1680 GALS(USED 600).

NO ACCIDENTS. FULL CREWS.

07-27-2007 Reported By DAN LINDSEY

Daily Costs: Drilling \$37,767 Completion \$0 Daily Total \$37,767

Cum Costs: Drilling \$872,058 Completion \$2,753 Well Total \$874,811

MD 9.700 TVD 9.700 Progress 75 Days 11 MW 0.0 Visc 0.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RUNNING 4.5" CASING

Start End Hrs Activity Description

06:00 09:30 3.5 DRILLED 9625 TO 9666(41' @ 11.7 FPH), WOB 20K, GPM 387, RPM 40/MOTOR 62, SPP 1950, NO FLARE.
09:30 10:00 0.5 SERVICED RIG, CHECKED COM. FUNCTION PIPE RAMS.
10:00 11:00 1.0 DRILLED 9666 TO 9700 TD (34'), WOB 20K, GPM 387, RPM 45/MOTOR 62, SPP 1950, NO FLARE. FINAL MUD
11.0 PPG, VIS 36. REACHED TD AT 11:00 HRS. 7/26/07.
11:00 13:00 2.0 CIRCULATE & CONDITION HOLE.
13:00 15:30 2.5 PUMPED PILL. SHORT TRIPPED 30 STDS TO 6814, 15' FILL.
15:30 17:30 2.0 CIRCULATED GAS OUT. CONDITIONED HOLE. RU WEATHERFORD LD MACHINE. HELD SAFETY MTG.

GAS: BG 209-504, CONN 1030-1554, TG 250, HG 2346 @ 9563'. 2 SHOWS.

TOP: SEGO 9548.
 MUDLOGGER: CHRIS SMITH 12 DAYS, RELEASED @ 1600 HRS 7/26/07.

NOTIFIED JAMIE SPARGER/BLM/VERNAL @ 1600 HRS 7/26/07 OF CSG & CMT JOB.

17:30	00:30	7.0	DROPPED SURVEY. PUMPED PILL. LDDP.
00:30	02:00	1.5	BROKE KELLY. LD BHA.
02:00	02:30	0.5	PULLED WEAR BUSHING
02:30	03:00	0.5	RU WEATHERFORD CSG CREW. HELD SAFETY MEETING.
03:00	06:00	3.0	RAN 4.5" 11.6# HCP-110 LTC CASING(100 JTS @ REPORT TIME).

DIESEL 2418 GALS(USED 770), PROPANE 1080 GALS(USED 600).

NO ACCIDENTS. FULL CREWS.

07-28-2007	Reported By	DAN LINDSEY									
Daily Costs: Drilling	\$36,404	Completion	\$174,728	Daily Total	\$211,132						
Cum Costs: Drilling	\$908,462	Completion	\$177,481	Well Total	\$1,085,944						
MD	9.700	TVD	9.700	Progress	0	Days	12	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	10:00	4.0	FINISHED RUNNING CSG. RAN TOTAL OF 228 JTS 4.5" 11.6# HCP-110 LTC CSG(FS, 1 JT, FC, 225 JTS & 2 MARKERS) & TAG JT. RAN 35 CENTRALIZERS(MIDDLE OF SHOE JT, TOP OF #2, EVERY 2ND JT TO 6759). TAGGED @ 9696. LD TAG JT & PU LANDING JT W/CSG HANGER.
10:00	11:30	1.5	CIRCULATED GAS OUT. RD WEATHERFORD CSG CREW & LD MACHINE. RU SLB CEMENTER. HELD SAFETY MEETING
11:30	13:30	2.0	CEMENTED CSG AS FOLLOWS: PUMPED 20 BBLS CHEM WASH, 20 BBLS FW SPACER, 385 SX 35/65 POZ G (155 BBLS @ 12.0 PPG, 2.26 CFS) & 1540 SX 50/50 POZ G(354 BBLS @ 14.1 PPG, 1.29 CFS). DROPPED PLUG. DISP W/149 BTW(FULL RETURNS THROUGHOUT JOB). FINAL LIFT PRESSURE 2500 PSI. BUMPED PLUG TO 3500 PSI. BLEED OFF, FLOATS HELD.
13:30	14:00	0.5	LANDED CSG @ 9696(FC @ 9650, MARKERS @ 7446-66 & 4614-34). TESTED CSG HANGER TO 5000 PSI. RD SLB.

HAULED 900 BBLS MUD TO STORAGE. CLEANED MUD TANKS DURING DISPLACEMENT.

NO ACCIDENTS. FULL CREWS.

MUDLOGGER: CHRIS SMITH - 12 DAYS(ON LOCATION @ 2200 HRS 7/15/07, RELEASED @ 1600 HRS 7/26/07.

TRANSFERRED 4 JTS(172.36') 4.5" 11.6# HCP-110 LTC CASING TO CWU 716-07.

TRANSFERRED 2 JTS(40.35') 4.5" 11.6# HCP-110 LTC CASING TO CWU 716-07.

TRANSFERRED 2418 GALS DIESEL & 1080 GALS PROPANE TO CWU 716-07.

14:00	20:00	6.0	RDRT. LOWERED DERRICK @ 1700 HRS. FINISHED RDRT. READY FOR TRUCKS. TRUCKS SCHEDULED FOR 0700 HRS 7/28/07. MOVE IS 3.2 MILES.
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10 MEN, 70 MAN HOURS.

NO ACCIDENTS.

20:00 4.0 RELEASED RIG @ 14:00, HRS 7/27/07.

CASING POINT COST \$908,463

08-03-2007 Reported By SEARLE

Daily Costs: Drilling	\$0	Completion	\$44,818	Daily Total	\$44,818
Cum Costs: Drilling	\$908,462	Completion	\$222,299	Well Total	\$1,130,762
MD	9,700	TVD	9,700	Progress	0
Days	13	MW	0.0	Visc	0.0
Formation :	PBTD : 9650.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU SCHLUMBERGER. RAN RST/CBL/VDL/GR/CCL FROM PBTD TO 800'. CEMENT TOP @ 1050'. RD SCHLUMBERGER. WO COMPLETION.

08-11-2007 Reported By HOOLEY

Daily Costs: Drilling	\$0	Completion	\$1,085	Daily Total	\$1,085
Cum Costs: Drilling	\$908,462	Completion	\$223,384	Well Total	\$1,131,847
MD	9,700	TVD	9,700	Progress	0
Days	14	MW	0.0	Visc	0.0
Formation :	PBTD : 9650.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
14:00	15:00	1.0	INSTALLED 10K FRAC TREE. PRESSURE TESTED CSG AND FRAC TREE TO 8500 PSIG. WO COMPLETION.

08-14-2007 Reported By HOOLEY

Daily Costs: Drilling	\$0	Completion	\$23,913	Daily Total	\$23,913
Cum Costs: Drilling	\$908,462	Completion	\$247,297	Well Total	\$1,155,760
MD	9,700	TVD	9,700	Progress	0
Days	15	MW	0.0	Visc	0.0
Formation :	MESAVERDE	PBTD : 9650.0	Perf : 8701 9475	PKR Depth : 0.0	

Activity at Report Time: FRAC MESAVERDE

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. RU CUTTERS WIRELINE. PERFORATED LPR FROM 9474-75', 9461-62', 9454-55', 9427-28', 9419-20', 9414-15', 9408-09', 9347-49', 9305-07' AND 9296-97' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4163 GAL WF120 PAD, 37933 GAL WF120 & YF116ST- WITH 96300# 20/40 SAND @ 1-5 PPG. SCREENED OUT 4 BBLs SHORT OF FLUSH. MTP 11.278 PSIG. MTR 50.2 BPM. ATP 5239 PSIG. ATR 43.2 BPM. RD SCHLUMBERGER.

FLOWED 1-1/2 HRS ON 24/64" CHOKE TO CLEAN UP.

RUWL. SET 10K CFP AT 9225'. PERFORATED LPR/MPR FROM 9208-09', 9197-98', 9167-68', 9137-38', 9127-28', 9122-23', 9084-85', 9064-65', 9043-44', 9029-30', 9022-23' AND 9013-14' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4144GAL WF120 PAD, 53942 GAL WF120 & YF116ST- WITH 144700# 20/40 SAND @ 1-4 PPG. MTP 7760 PSIG. MTR 51.6 BPM. ATP 6043 PSIG. ATR 46.4 BPM. ISIP 2900 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8950'. PERFORATED MPR FROM 8905-06', 8898-99', 8858-59', 8840-41', 8822-23', 8794-95', 8774-75', 8770-71', 8748-49', 8716-17', 8709-10' AND 8701-02' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4148 GAL WF120 PAD, 41514 GAL WF120 & YF116ST- WITH 108900# 20/40 SAND @ 1-4 PPG. SCREENED OUT 52 BBLS SHORT OF FLUSH. MTP 9307 PSIG. MTR 51.4 BPM. ATP 6720 PSIG. ATR 42.4 BPM. RD SCHLUMBERGER.

FLOWED 12 HRS. 16/64" CHOKE. FCP 2000 PSIG. 85 BFPH. RECOVERED 1020 BLW. SI.

08-15-2007		Reported By		HOOLEY							
Daily Costs: Drilling		\$0		Completion		\$304,962		Daily Total		\$304,962	
Cum Costs: Drilling		\$908,462		Completion		\$552,259		Well Total		\$1,460,722	
MD	9.700	TVD	9.700	Progress	0	Days	16	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 9650.0			Perf : 7559-9475			PKR Depth : 0.0		

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	18:00	12.0	SICP 2100 PSIG. RUWL. PLUG SAT DOWN AT 2305'. WORKED AND PUMPED PLUG AND GUNS DOWN HOLE FOR 4 HRS. UNABLE TO MOVE UP HOLE. SET 10K CFP AT 8587'. PRESSURE TESTED PLUG TO 4500 PSIG. PERFORATED MPR FROM 8516-17', 8491-92', 8484-85', 8477-78', 8467-68', 8456-57', 8434-35', 8426-27', 8414-15', 8393-94', 8386-87' AND 8379-80' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4156 GAL WF120 PAD, 64136 GAL WF120 & YF116ST- WITH 181200# 20/40 SAND @ 1-5 PPG. MTP 6893 PSIG. MTR 50.9 BPM. ATP 4448 PSIG. ATR 48.0 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8355'. PERFORATED MPR/UPR FROM 8342-43', 8336-37', 8326-27', 8292-93', 8279-80', 8272-73', 8220-21', 8200-01', 8185-86', 8170-71', 8149-50' AND 8134-35' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4143 GAL WF120 PAD, 70869 GAL WF120 & YF116ST- WITH 199700# 20/40 SAND @ 1-5 PPG. MTP 6653 PSIG. MTR 50.3 BPM. ATP 4853 PSIG. ATR 47.0 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8060'. PERFORATED UPR FROM 8049-50', 8039-40', 8027-28', 8020-21', 7999-8000', 7965-66', 7936-37', 7895-96', 7871-72', 7866-67', 7846-47' AND 7841-42' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4130 GAL WF120 PAD, 52696 GAL WF120 & YF116ST- WITH 144500# 20/40 SAND @ 1-5 PPG. MTP 7191 PSIG. MTR 50.3 BPM. ATP 5217 PSIG. ATR 45.2 BPM. ISIP 2850 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7800'. PERFORATED UPR FROM 7792-93', 7785-86', 7768-69', 7752-53', 7728-29', 7722-23', 7708-09', 7696-97', 7678-79', 7669-70', 7600-01', 7590-91', 7575-76' AND 7559-60' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4108 GAL WF120 PAD, 62966 GAL WF120 & YF116ST- WITH 175700# 20/40 SAND @ 1-5 PPG. MTP 6841 PSIG. MTR 50.2 BPM. ATP 4738 PSIG. ATR 47.0 BPM. ISIP 2600 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP @ 7486'. BLED OFF PRESSURE. RDWL. SDFN.

08-16-2007		Reported By		POWELL							
Daily Costs: Drilling		\$0		Completion		\$2,886		Daily Total		\$2,886	
Cum Costs: Drilling		\$908,462		Completion		\$555,145		Well Total		\$1,463,608	
MD	9.700	TVD	9.700	Progress	0	Days	17	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 9650.0			Perf : 7559-9475			PKR Depth : 0.0		

Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
07:00	15:00	8.0	MIRUSU. ND FRAC TREE. NU BOPE. RIH W/BIT & PUMP OFF SUB TO 7486'. SDFN.

08-17-2007		Reported By		POWELL					
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36 BFPH. RECOVERED 864 BLW. 6928 BLWTR. 672 MCFD RATE.

FLOWED 382 MCF. 60 BC & 900 BW IN 16 HRS ON 20/64" CHOKE. TP 1400 PSIG. CP 1400 PSIG.

08-20-2007 Reported By POWELL

DailyCosts: Drilling \$0 Completion \$3,000 Daily Total \$3,000
 Cum Costs: Drilling \$908,462 Completion \$566,806 Well Total \$1,475,269

MD 9,700 TVD 9,700 Progress 0 Days 21 MW 0.0 Visc 0.0
 Formation : MESAVERDE PBTD : 9650.0 Perf : 7559-9475 PKR Depth : 0.0

Activity at Report Time: FLOW TEST TO SALES

Start End Hrs Activity Description

05:00 05:00 24.0 FLOWED 24 HRS THROUGH TEST UNIT TO SALES. 20/64" CHOKE. FTP 1400 PSIG. CP 2400 PSIG.
 32 BFPH. RECOVERED 754 BLW. 6174 BLWTR. 718 MCFD RATE.

FLOWED 650 MCF. 60 BC & 830 BW IN 24 HRS ON 20/64" CHOKE. TP 1400 PSIG. CP 1950 PSIG.

08-21-2007 Reported By POWELL

DailyCosts: Drilling \$0 Completion \$3,000 Daily Total \$3,000
 Cum Costs: Drilling \$908,462 Completion \$569,806 Well Total \$1,478,269

MD 9,700 TVD 9,700 Progress 0 Days 22 MW 0.0 Visc 0.0
 Formation : MESAVERDE PBTD : 9650.0 Perf : 7559-9475 PKR Depth : 0.0

Activity at Report Time: FLOW TEST TO SALES

Start End Hrs Activity Description

05:00 05:00 24.0 FLOWED 24 HRS THROUGH TEST UNIT TO SALES. 24/64" CHOKE. FTP 1200 PSIG. CP 2100 PSIG. 30 BFPH.
 RECOVERED 800 BLW. 5374 BLWTR. 1177 MCFD RATE.

FLOWED 748 MCF. 40 BC & 750 BW IN 24 HRS ON 12/64" CHOKE. TP 1300 PSIG & CP 2350 PSIG.

08-22-2007 Reported By POWELL

DailyCosts: Drilling \$0 Completion \$3,000 Daily Total \$3,000
 Cum Costs: Drilling \$908,462 Completion \$572,806 Well Total \$1,481,269

MD 9,700 TVD 9,700 Progress 0 Days 23 MW 0.0 Visc 0.0
 Formation : MESAVERDE PBTD : 9650.0 Perf : 7559-9475 PKR Depth : 0.0

Activity at Report Time: INSULATING FACILITIES

Start End Hrs Activity Description

05:00 05:00 24.0 FLOWED 24 HRS THROUGH TEST UNIT TO SALES. 24/64" CHOKE. FTP 1100 PSIG. CP 1850 PSIG.
 22 BFPH. RECOVERED 596 BLW. 4778 BLWTR. 1236 MCFD RATE. SI. INSULATING FACILITIES.

FLOWED 1189 MCF. 70 BC & 650 BW IN 24 HRS ON 24/64" CHOKE. TP 1100 PSIG & CP 2000 PSIG.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

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

2. Name of Operator **EOG Resources, Inc.**

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

3a. Phone No. (include area code)
303-824-5526

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface **2146' FSL & 1926' FEL (NWSE) 40.063756 LAT 109.385767 LON**

At top prod. interval reported below **Same**

At total depth **Same**

14. Date Spudded
05/18/2007

15. Date T.D. Reached
07/26/2007

16. Date Completed **08/17/2007**
 D & A Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*
4828' NAT GL

18. Total Depth: MD **9700**
TVD

19. Plug Back T.D.: MD **9650**
TVD

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

RST/CBL/WPL/GR/CCL

22. Was well cored? No Yes (Submit analysis)
 Was DST run? No Yes (Submit report)
 Directional Survey? No Yes (Submit copy)

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	9-5/8"	36.0#	J-55	0-2535		830 sx			
7-7/8"	4-1/2"	11.6#	P-110	0-9696		1925 sx			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-3/8"	8111							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Mesaverde	7559	9475	9296-9475		3/spf	
B)			9013-9209		3/spf	
C)			8701-8906		2/spf	
D)			8379-8517		3/spf	

26. Perforation Record

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

Depth Interval	Amount and Type of Material
9296-9475	42.261 GALS GELLED WATER & 96.300# 20/40 SAND
9013-9209	58.251 GALS GELLED WATER & 144.700# 20/40 SAND
8701-8906	45.827 GALS GELLED WATER & 108.900# 20/40 SAND
8379-8517	68.457 GALS GELLED WATER & 181.200# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
08/17/2007	08/20/2007	24	→	40	748	750			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
12/64"	SI 1300	2350	→	40	748	750			PRODUCING GAS WELL

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	
	SI		→						

* (See instructions and spaces for additional data on page 2)

RECEIVED

SEP 04 2007

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

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

28c. Production - Interval D

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

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

SOLD

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Mesaverde	7559	9475		Wasatch	4980
				Chapita Wells	5582
				Buck Canyon	6253
				Price River	7458
				Middle Price River	8294
				Lower Price River	9067
				Sego	9556

32. Additional remarks (include plugging procedure):

SEE ATTACHED SHEET.

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- Electrical/Mechanical Logs (1 full set req'd.)
 Geologic Report
 DST Report
 Directional Survey
 Sundry Notice for plugging and cement verification
 Core Analysis
 Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Mary A. Maestas

Title Regulatory Assistant

Signature Mary A. Maestas

Date 08/30/2007

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.

Chapita Wells Unit 1223-01 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

8134-8343	3/spf
7841-8050	3/spf
7559-7793	2/spf

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

8134-8343	75,177 GALS GELLED WATER & 199,700# 20/40 SAND
7841-8050	56,991 GALS GELLED WATER & 144,500# 20/40 SAND
7559-7793	67,239 GALS GELLED WATER & 175,700# 20/40 SAND

Perforated the Lower Price River from 9296-9297', 9305-9307', 9347-9349', 9408-9409', 9414-9415', 9419-9420', 9427-9428', 9454-9455', 9461-9462' & 9474-9475' w/ 3 spf.

Perforated the Lower/Middle Price River from 9013-9014', 9022-9023', 9029-9030', 9043-9044', 9064-9065', 9084-9085', 9122-9123', 9127-9128', 9137-9138', 9167-9168', 9197-9198' & 9208-9209' w/ 3 spf.

Perforated the Middle Price River from 8701-8702', 8709-8710', 8716-8717', 8748-8749', 8770-8771', 8774-8775', 8794-8795', 8822-8823', 8840-8841', 8858-8859', 8898-8899' & 8905-8906' w/ 2 spf.

Perforated the Middle Price River from 8379-8380', 8386-8387', 8393-8394', 8414-8415', 8426-8427', 8434-8435', 8456-8457', 8467-8468', 8477-8478', 8484-8485', 8491-8492' & 8516-8517' w/ 3 spf.

Perforated the Middle/Upper Price River from 8134-8135', 8149-8150', 8170-8171', 8185-8186', 8200-8201', 8220-8221', 8272-8273', 8279-8280', 8292-8293', 8326-8327', 8336-8337' & 8342-8343' w/ 3 spf.

Perforated the Upper Price River from 7841-7842', 7846-7847', 7866-7867', 7871-7872', 7895-7896', 7936-7937', 7965-7966', 7999-8000', 8020-8021', 8027-8028', 8039-8040' & 8049-8050' w/ 3 spf.

Perforated the Upper Price River from 7559-7560', 7575-7576', 7590-7591', 7600-7601', 7669-7670', 7678-7679', 7696-7697', 7708-7709', 7722-7723', 7728-7729', 7752-7753', 7768-7769', 7785-7786' & 7792-7793' w/ 2 spf.

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 1223-1

API number: 4304738409

Well Location: QQ NWSE Section 1 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1367

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
2,030	2,040	NO FLOW	NOT KNOWN

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

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

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

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 8/30/2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU01458

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
CHAPITA WELLS UNIT 1223-01

2. Name of Operator
EOG RESOURCES INC

Contact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

9. API Well No.
43-047-38409

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 1 T9S R22E NWSE 2146FSL 1926FEL
40.06376 N Lat, 109.38577 W Lon

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

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

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

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

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

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

**Electronic Submission #58438 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal**

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

Signature *Mary A. Maestas* (Electronic Submission) Date 02/04/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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

Office _____

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

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

RECEIVED

FEB 05 2008

DIV. OF OIL, GAS & MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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



IN REPLY REFER TO
3180
UT-922

SEP 08 2008

RECEIVED

SEP 15 2008

EOG Resources, Inc.
Attn: Debbie Spears
600 Seventeenth Street
Suite 1000N
Denver, CO 80202

DIV. OF OIL, GAS & MINERAL

Re: Consolidated Mesaverde Formation PA
"A-Z,AA-BB" Chapita Wells Unit
Uintah County, Utah

Dear Ms. Spears:

The Consolidated Mesaverde Formation PA "A-Z,AA-BB", Chapita Wells Unit, CRS No. UTU63013BF, AFS No. 892000905BF, is hereby approved effective as of August 1, 2007, pursuant to Section 11 of the Chapita Wells Unit Agreement, Uintah County, Utah.

To 13650

The Consolidated Mesaverde Formation PA "A-Z,AA-BB" results in an initial consolidated participating area of 16,930.04 acres and is based upon the completion the following wells as capable of producing unitized substances in paying quantities.

WELL NO.	API NO.	LOCATION	LEASE NO.	from
CWU 672-1	43-047-36762	NE $\frac{1}{4}$ SW $\frac{1}{4}$, 01-9S-22E	UTU01458	16078
CWU 1223-01	43-047-38409	NW $\frac{1}{4}$ SE $\frac{1}{4}$, 01-9S-22E	UTU01458	16160
CWU 1169-10	43-047-37692	NE $\frac{1}{4}$ SE $\frac{1}{4}$, 10-9S-22E	UTU0281	16161
CWU 447-10	43-047-38084	SE $\frac{1}{4}$ NW $\frac{1}{4}$, 10-9S-22E	UTU0281	16077
CWU 1174-10	43-047-37699	SW $\frac{1}{4}$ NE $\frac{1}{4}$, 10-9S-22E	UTU0281	16162
CWU 1224-11	43-047-38599	NW $\frac{1}{4}$ NW $\frac{1}{4}$, 11-9S-22E	UTU0281	16230
CWU 836-11	43-047-37874	SW $\frac{1}{4}$ SW $\frac{1}{4}$, 11-9S-22E	UTU0281	16110
CWU 716-07	43-047-38408	SW $\frac{1}{4}$ SW $\frac{1}{4}$, 07-9S-23E	UTU0343	16118
CWU 1236-21	43-047-38066	NE $\frac{1}{4}$ SE $\frac{1}{4}$, 21-9S-23E	UTU0336A	16263
CWU 1237-21	43-047-38078	SW $\frac{1}{4}$ SE $\frac{1}{4}$, 21-9S-23E	UTU0336A	16291
CWU 1118-22	43-047-37495	NE $\frac{1}{4}$ SE $\frac{1}{4}$, 22-9S-23E	UTU01301	16228
CWU 1117-22	43-047-37496	NE $\frac{1}{4}$ SW $\frac{1}{4}$, 22-9S-23E	UTU01301	16195
CWU 1090-27	43-047-37048	SW $\frac{1}{4}$ SW $\frac{1}{4}$, 27-9S-23E	UTU0344A	16196
<i>CWU 1095-22</i>	<i>4304737457</i>	<i>SWSW 22, 9S, 23E</i>	<i>UTU-01301</i>	<i>15647</i>

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

Sincerely,

/s/ Becky J. Hammond

Becky J. Hammond
Chief, Branch of Fluid Minerals

Enclosure

bcc: Division of Oil, Gas & Mining
SITLA
Chapita Wells Unit w/enclosure
MMS - Data Management Division (Attn: Leona Reilly w/exhibit B)
Field Manager - Vernal w/enclosure
Fluids – Judy
Fluids - Mickey
Agr. Sec. Chron.
Reading File
Central Files

CSeare:cs: (09/08/08)cons.chapita.A-Z,AA-BB" (U63013BF)

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

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES Operator Account Number: N 9550
 Address: 1060 East Highway 40
city VERNAL
state UT zip 84078 Phone Number: (435) 781-9145

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37457	CHAPITA WELLS UNIT 1095-22		SWSW	22	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	15647	13650	9/15/2006		8/1/2007		
Comments: <u>MESAVERDE</u> — <u>10/23/08</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36762	CHAPITA WELLS UNIT 672-01		NESW	1	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	16078	13650	4/21/2007		8/1/2007		
Comments: <u>MESAVERDE</u> — <u>10/23/08</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38409	CHAPITA WELLS UNIT 1223-01		NWSE	1	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	16160	13650	5/18/2007		8/1/2007		
Comments: <u>MESAVERDE</u> — <u>10/23/08</u>							

ACTION CODES:

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

Mickenzie Thacker

Name (Please Print)

Mickenzie Thacker

Signature

Operations Clerk

10/14/2008

Title

Date

(5/2000)

RECEIVED
OCT 14 2008

DIV. OF OIL, GAS & MINING