

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

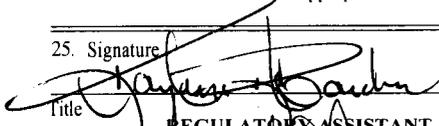
FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

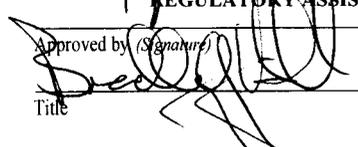
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|---|--|--|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNIT |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 8. Lease Name and Well No. CHAPITA WELLS UNIT 1225-11 |
| 2. Name of Operator EOG RESOURCES, INC | | 9. API Well No. 43-047-38426 |
| 3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078 | 3b. Phone No. (include area code) 435-781-9111 | 10. Field and Pool, or Exploratory NATURAL BUTTES |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 1991 FNL 689 FWL (SWNW), 40.052342 LAT 109.414128 LON At proposed prod. zone SAME <i>6353084 40052342 109.413474</i> | | 11. Sec., T. R. M. or Blk. and Survey or Area SECTION 11, T9S, R22E S.L.B.&M |
| 14. Distance in miles and direction from nearest town or post office* 35.9 MILES SOUTH OF VERNAL, UTAH | | 12. County or Parish UINTAH |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 689 | | 13. State UT |
| 16. No. of acres in lease 2558 | | 17. Spacing Unit dedicated to this well |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 3960 | | 20. BLM/BIA Bond No. on file NM 2308 |
| 19. Proposed Depth 9725 | | 21. Estimated duration 45 DAYS |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4766 GL | 22. Approximate date work will start* | |

24. Attachments

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

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

| | | |
|---|---|---------------------------|
| 25. Signature  | Name (Printed Typed) KAYLENE R. GARDNER | Date 07/31/2006 |
| Title REGULATORY ASSISTANT | | |

| | | |
|---|--|-------------------------|
| Approved by (Signature)  | Name (Printed Typed) BRADLEY G. HILL | Date 08-14-06 |
| Title | Office 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

AUG 01 2006

DIV. OF OIL, GAS & MINING

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

EOG RESOURCES, INC.

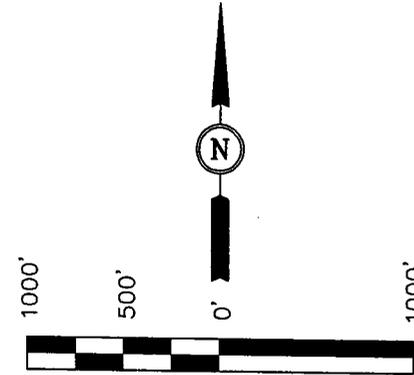
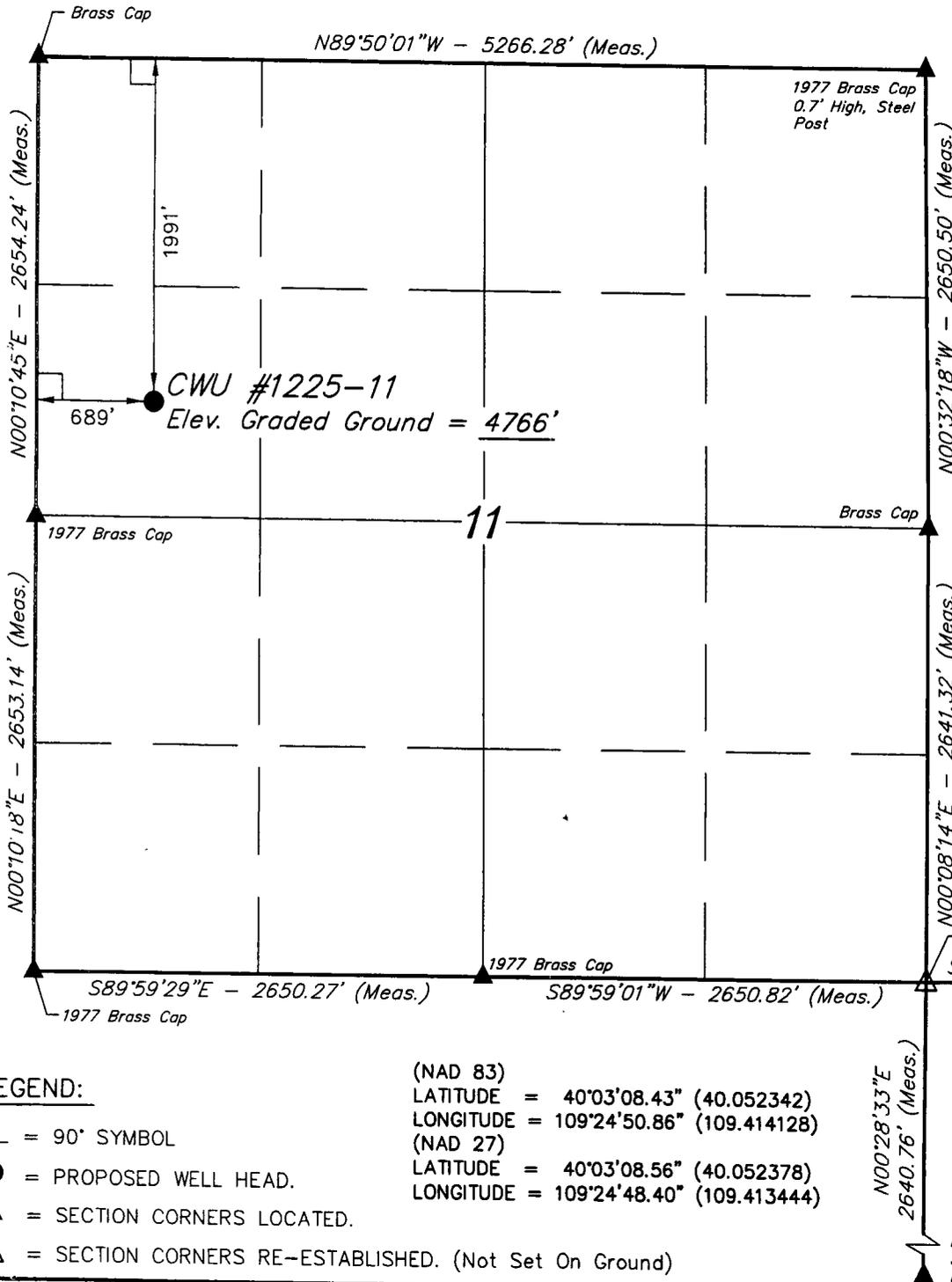
Well location, CWU #1225-11, located as shown in the SW 1/4 NW 1/4 of Section 11, T9S, R22E, S.L.B.&M., Uintah County, Utah.

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 QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

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



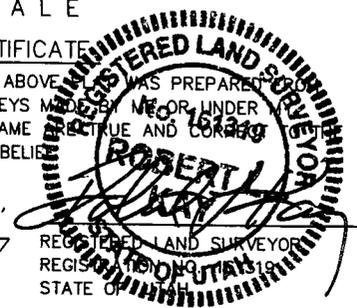
SCALE

CERTIFICATE

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

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

S 1/4 Sec. 12
1977 Brass Cap 0.5'
High, Loose Stones



LEGEND:

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

(NAD 83)
LATITUDE = 40°03'08.43" (40.052342)
LONGITUDE = 109°24'50.86" (109.414128)
(NAD 27)
LATITUDE = 40°03'08.56" (40.052378)
LONGITUDE = 109°24'48.40" (109.413444)

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

| | | |
|-------------------------|-----------------------------|-------------------------|
| SCALE 1" = 1000' | DATE SURVEYED: 06-07-06 | DATE DRAWN: 06-09-06 |
| PARTY G.S. T.F. P.M. | REFERENCES G.L.O. PLAT | |
| WEATHER HOT | FILE EOG RESOURCES, INC. | |

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1225-11
SW/NW, SEC. 11, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

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

| FORMATION | DEPTH (KB) |
|------------------------|-------------------|
| Green River FM | 1,957' |
| Wasatch | 4,946' |
| North Horn | 6,811' |
| Island | 7,104' |
| KMV Price River | 7,407' |
| KMV Price River Middle | 8,269' |
| KMV Price River Lower | 9,031' |
| Sego | 9,515' |

Estimated TD: **9,725' or 200'± below Sego top**

Anticipated BHP: 5,310 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 1/2" | 0' – 45' | 13 3/8" | 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 | 4-1/2" | 11.6# | N-80 | LTC | 6350 PSI | 7780 Psi | 223,000# |

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

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1225-11 SW/NW, SEC. 11, 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 1225-11
SW/NW, SEC. 11, 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: **154 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: **895 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 1225-11
SW/NW, SEC. 11, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

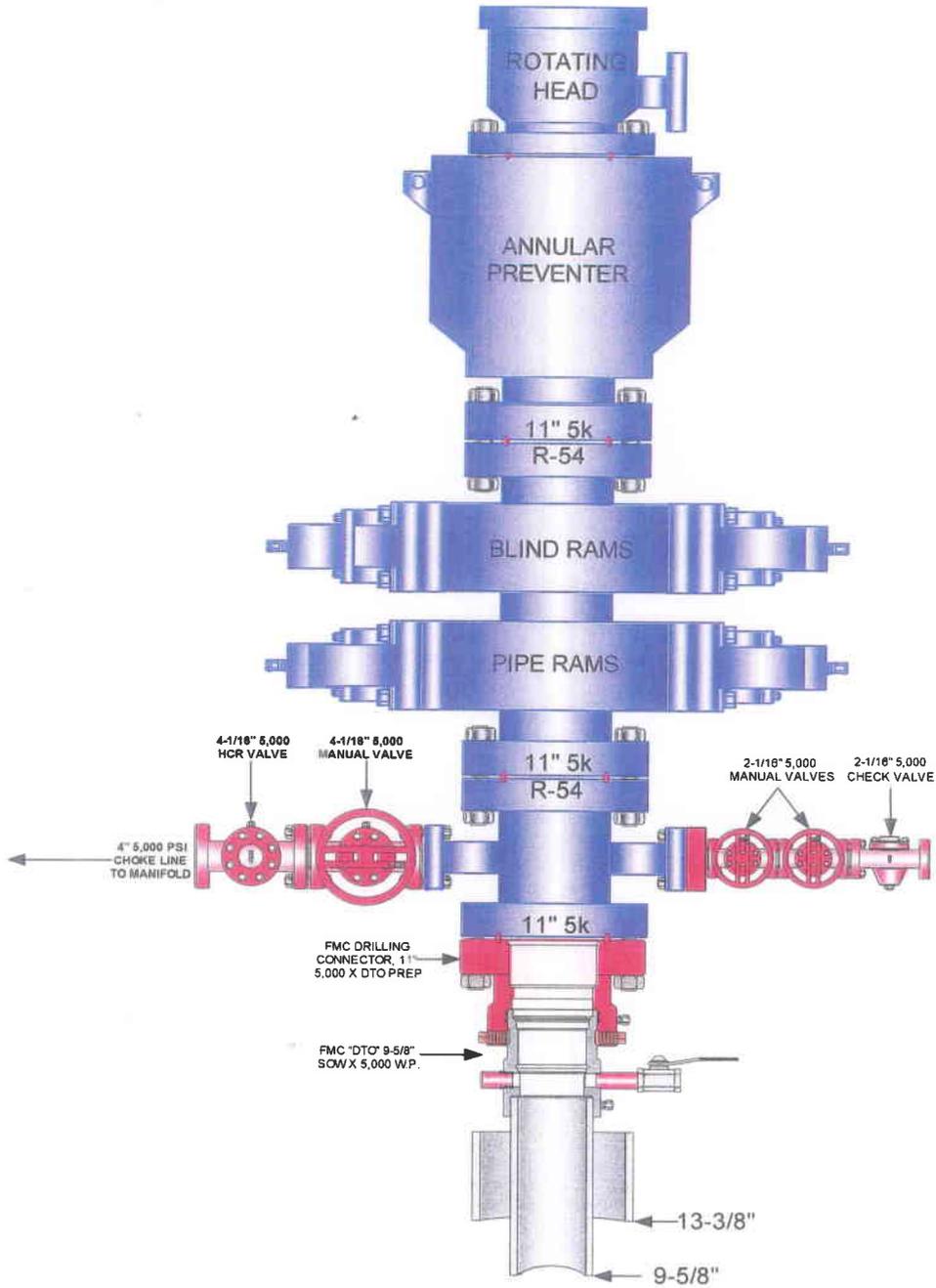
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

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.

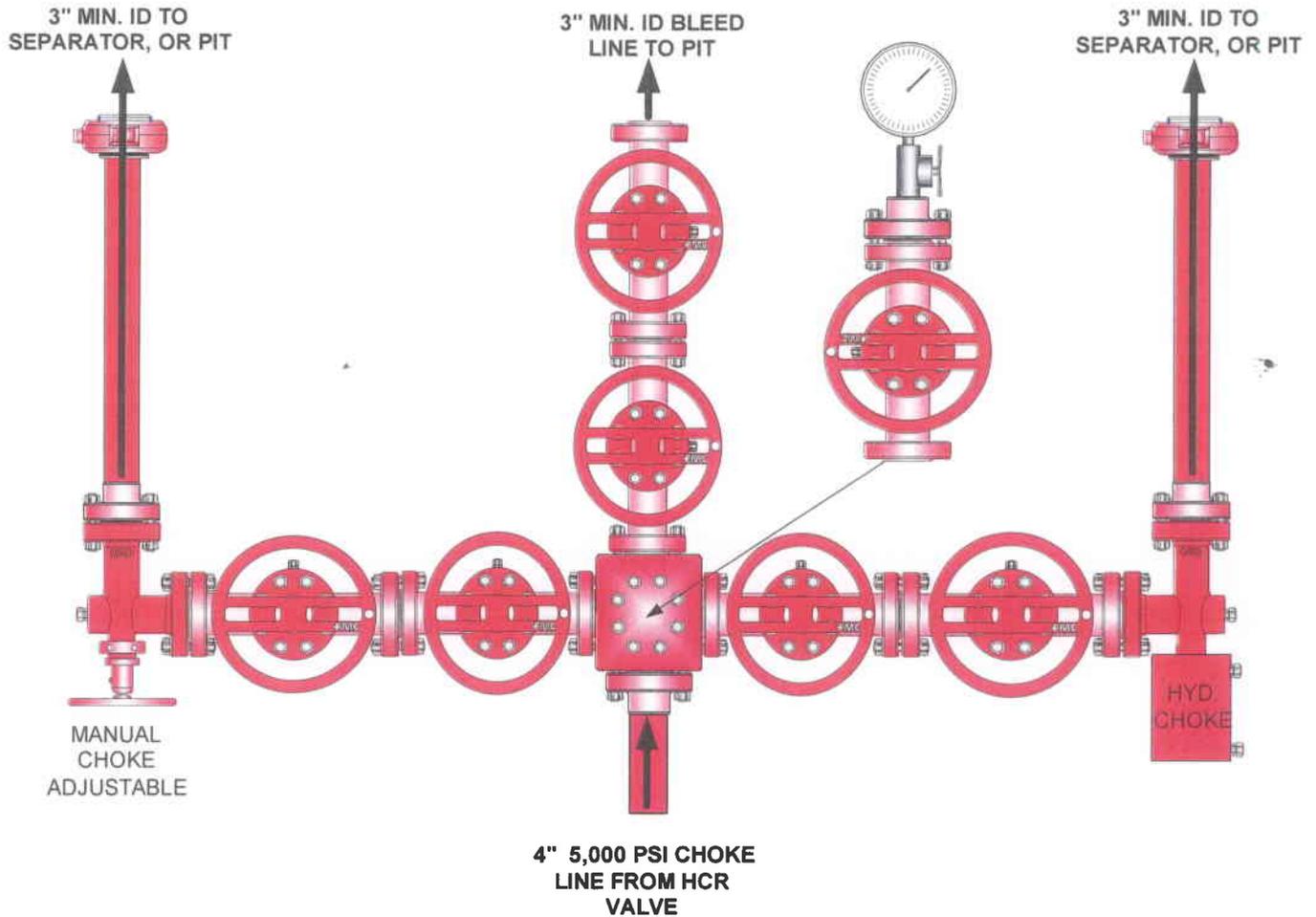
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF



Testing Procedure:

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



**CHAPITA WELLS UNIT 1225-11
SW/NW, Section 11, 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. New surface disturbance associated with the well pad is estimated to be approximately 1.84 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 47.5 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:

No new access road will be required.

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:

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, Chapita Wells Unit 550-30N 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 Northwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the north side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil East of Corner #5. The stockpiled location topsoil will be stored between Corners #5 and #6. 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 Southeast.

FENCING REQUIREMENTS:

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

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

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

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion

of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Producing Location

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

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

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

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

| Seed Mixture | Drilled Rate (lbs./acre PLS*) |
|-----------------------|--|
| Hy-Crested Wheatgrass | 6.0 |
| Needle & Thread Grass | 4.0 |

*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 & Thread Grass | 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, access road, and pipeline route is as follows:

Bureau of Land Management

12. OTHER INFORMATION:

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

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

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

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

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

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

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

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

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

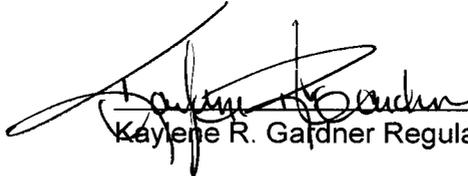
DRILLING OPERATIONS

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 1225-11 Well, located in the SWNW, of Section 11, 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 31, 2006
Date



Kaylene R. Gardner Regulatory Assistant

Request for Exception to Buried Pipeline Requirement
CHAPITA WELLS UNIT 1225-11
SW/NW, Sec. 11, T9S, R22E
Lease Number U-0281

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 #1225-11

LOCATED IN UINTAH COUNTY, UTAH
SECTION 11, T9S, R22E, S.L.B.&M.

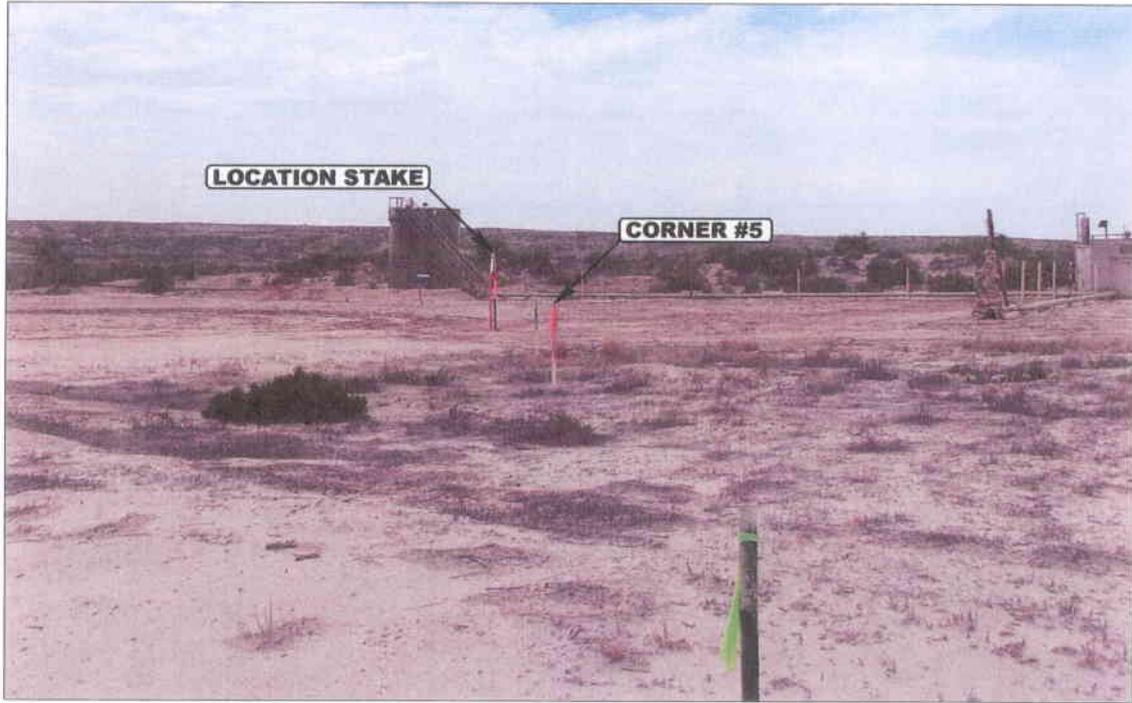


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: NORTHWESTERLY



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

LOCATION PHOTOS

06 12 06
MONTH DAY YEAR

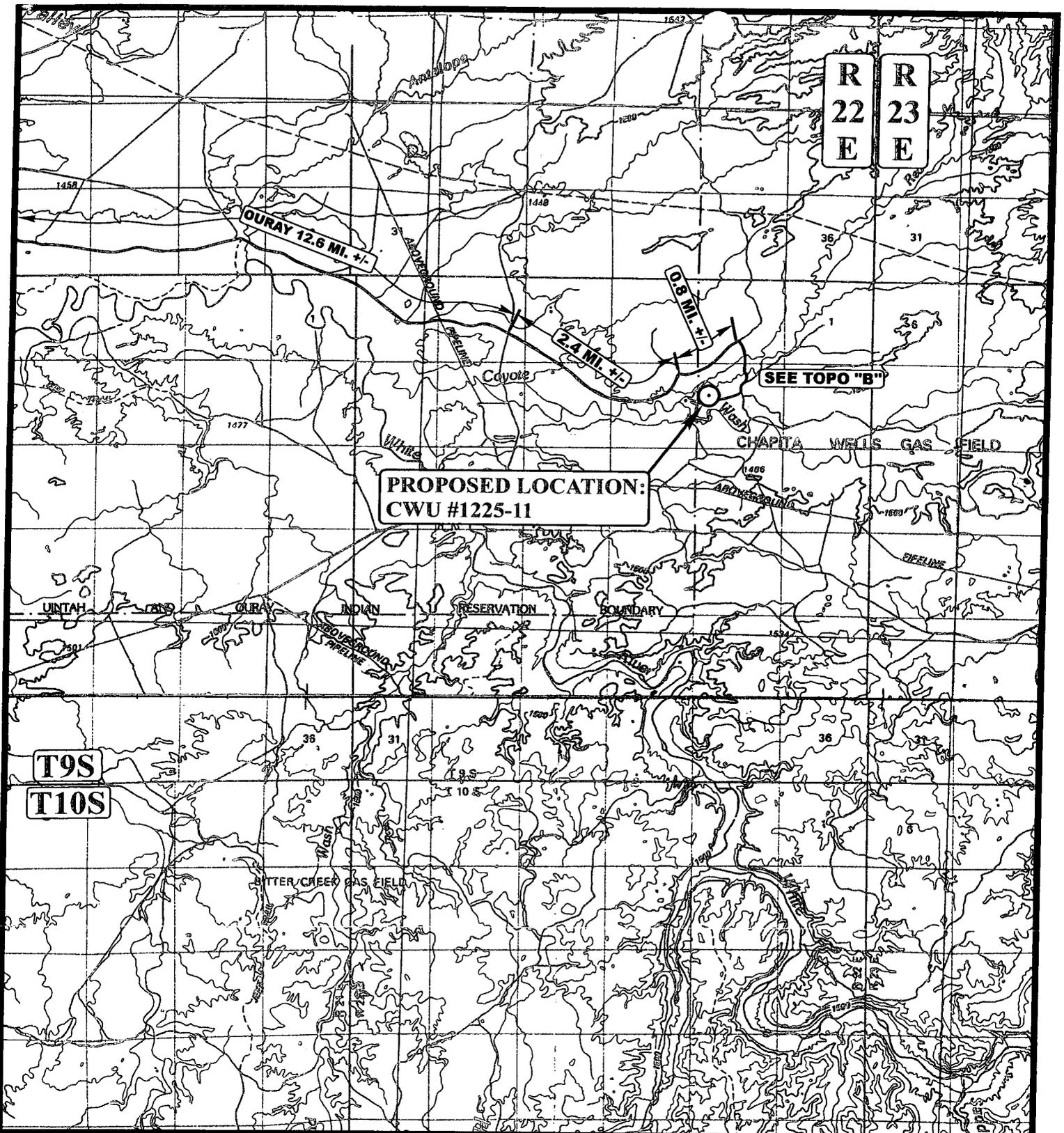
PHOTO

TAKEN BY: G.S.

DRAWN BY: B.C.

REVISED: 00-00-00

- Since 1964 -



LEGEND:

○ PROPOSED LOCATION



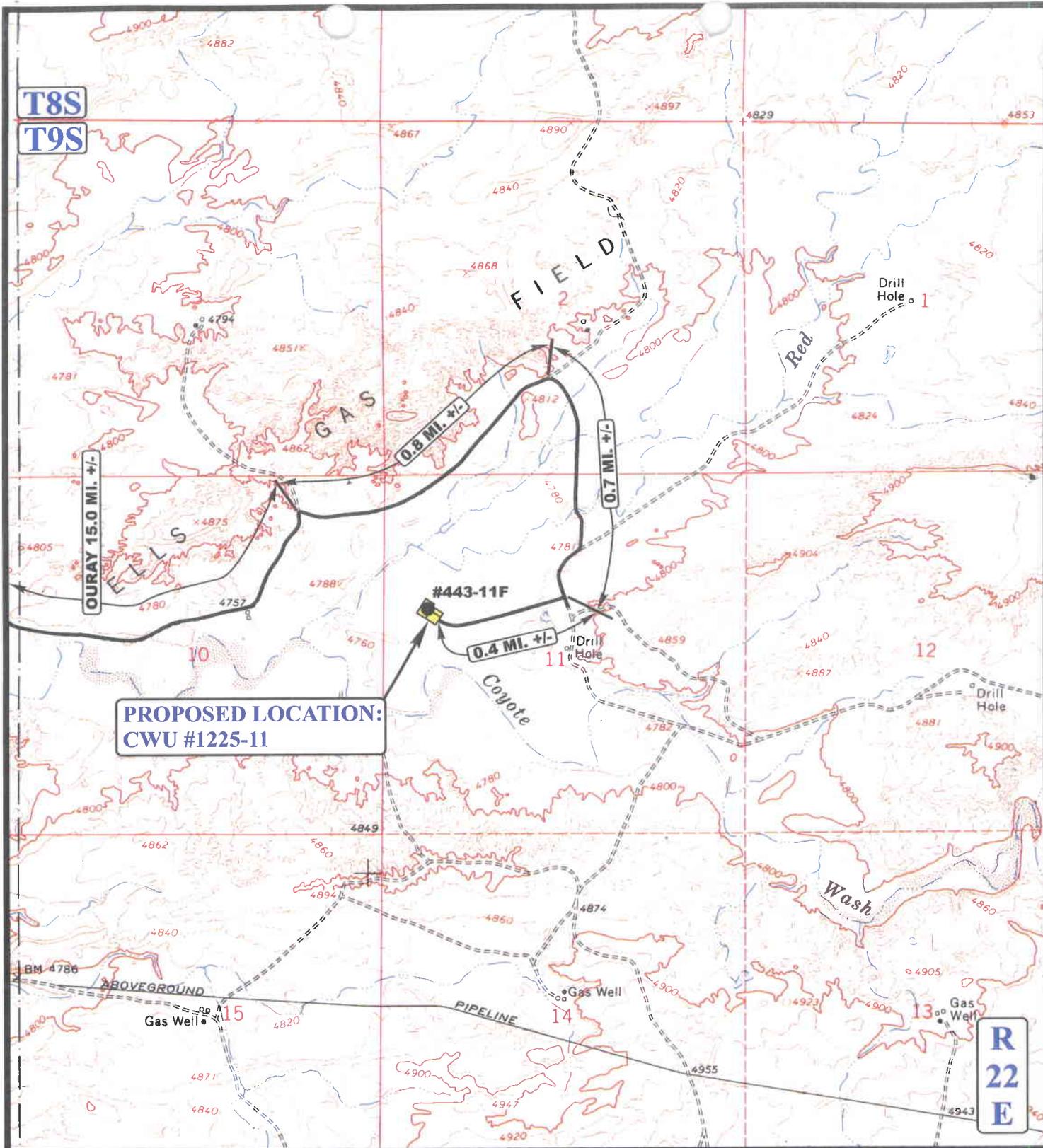
EOG RESOURCES, INC.

CWU #1225-11
 SECTION 11, T9S, R22E, S.L.B.&M.
 1991' FNL 689' FWL



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

| | | | | |
|------------------|----------------|-----|-------------------|--|
| TOPOGRAPHIC | 06 | 12 | 06 | |
| MAP | MONTH | DAY | YEAR | |
| SCALE: 1:100,000 | DRAWN BY: B.C. | | REVISED: 00-00-00 | |



LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



EOG RESOURCES, INC.

CWU #1225-11
SECTION 11, T9S, R22E, S.L.B.&M.
1991' FNL 689' FWL

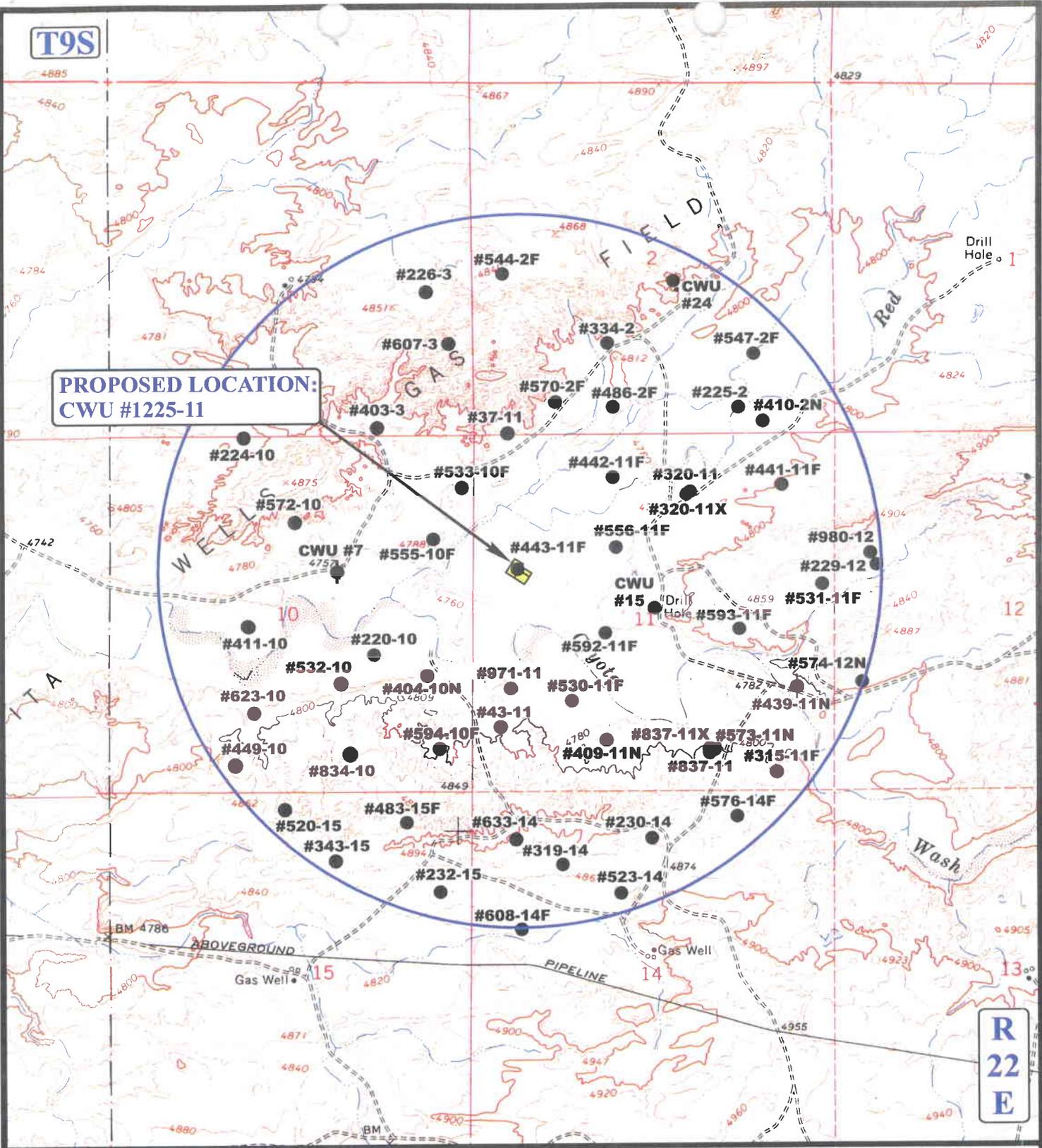
UEIS
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAG (435) 789-1813

TOPOGRAPHIC MAP **06 12 06**
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: B.C. REVISED: 00-00-00 **B TOPO**

T9S

Drill Hole 1

PROPOSED LOCATION:
CWU #1225-11



R
22
E

LEGEND:

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



EOG RESOURCES, INC.

CWU #1225-11
 SECTION 11, T9S, R22E, S.L.B.&M.
 1991' FNL 689' FWL



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

TOPOGRAPHIC
 MAP

06 12 06
 MONTH DAY YEAR

SCALE: 1" = 2000'

DRAWN BY: B.C.

REVISED: 00-00-00



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/01/2006

API NO. ASSIGNED: 43-047-38426

WELL NAME: CWU 1225-11
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

SWNW 11 090S 220E
 SURFACE: 1991 FNL 0689 FWL
 BOTTOM: 1991 FNL 0689 FWL
 COUNTY: UINTAH
 LATITUDE: 40.05237 LONGITUDE: -109.4135
 UTM SURF EASTINGS: 635328 NORTHINGS: 4434565
 FIELD NAME: NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: U-0281
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

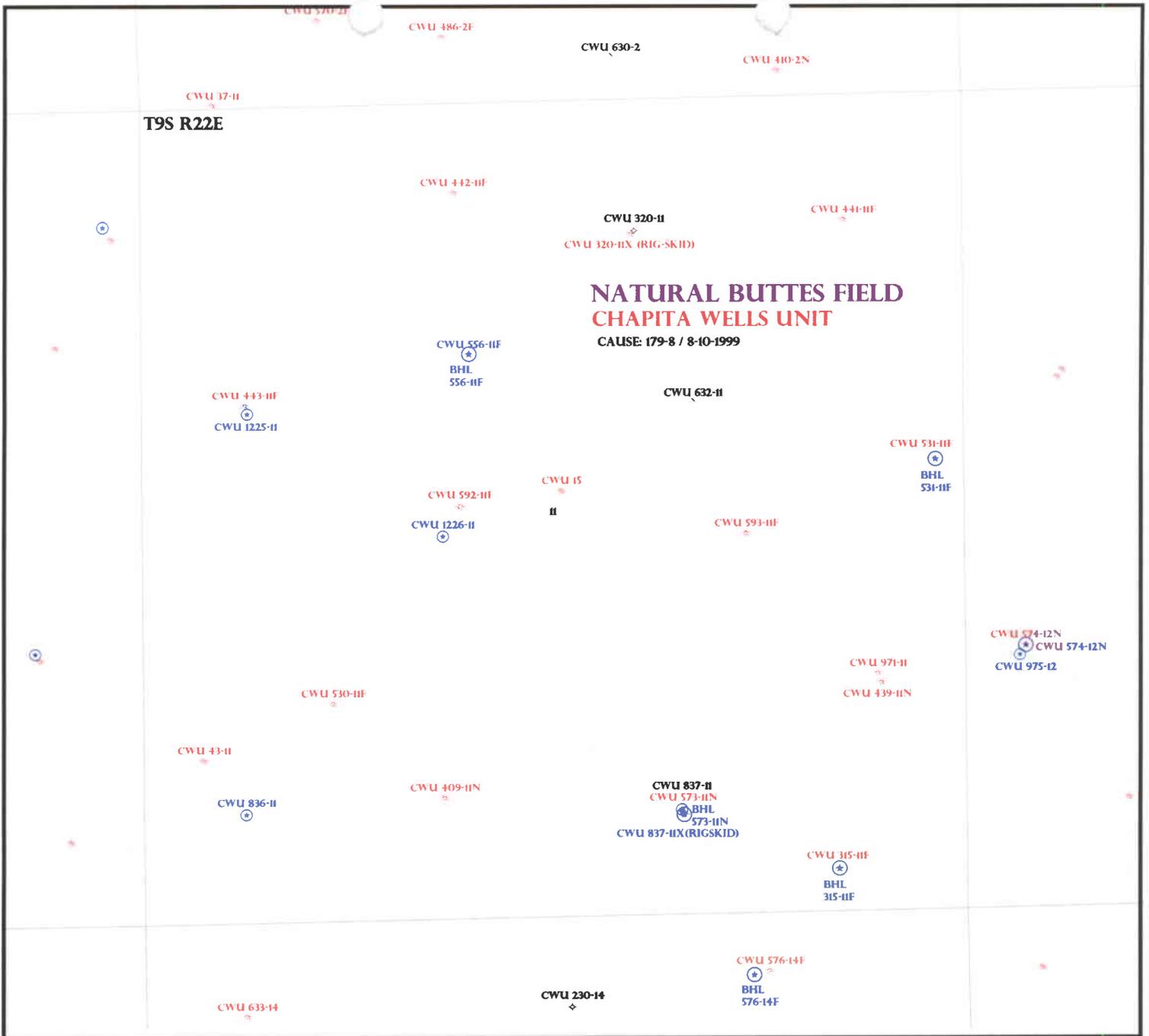
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM 2308)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-1501)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit: CHAPITA WELLS
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 179-8
Eff Date: 8-10-99
Siting: Suspends General Siting
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1- Fed. Appr. 2- Oil SHALE



NATURAL BUTTES FIELD CHAPITA WELLS UNIT

CAUSE: 179-8 / 8-10-1999

OPERATOR: EOG RESOURCES INC (N9550)

SEC: 11 T.9S R. 22E

FIELD: NATURAL BUTTES (630)

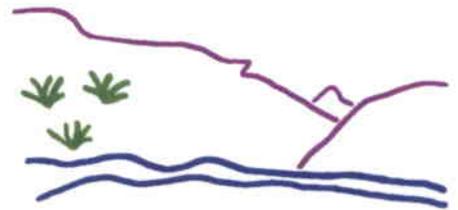
COUNTY: Uintah

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 |
|-------|-----------|----------|
|-------|-----------|----------|

(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 1225-11 Well, 1991' FNL, 689' FWL, SW NW, Sec. 11,
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 43-047-38426.

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 1225-11
API Number: 43-047-38426
Lease: U-0281

Location: SW NW **Sec.** 11 **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
AUG 01 2006

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

| | | |
|---|---------------------------------------|---|
| 1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. U-0281 |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input 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 1225-11 |
| 3b. Phone No. (include area code) 435-781-9111 | | 9. API Well No. 43-047-38426 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 1991 FNL 689 FWL (SWNW), 40.052342 LAT 109.414128 LON At proposed prod. zone SAME | | 10. Field and Pool, or Exploratory NATURAL BUTTES |
| 14. Distance in miles and direction from nearest town or post office* 35.9 MILES SOUTH OF VERNAL, UTAH | | 11. Sec., T. R. M. or Bik. and Survey or Area SECTION 11, 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) 689 | 16. No. of acres in lease 2558 | 17. Spacing Unit dedicated to this well |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 3960 | 19. Proposed Depth 9725 | 20. BLM/BIA Bond No. on file NM 2308 |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4766 GL | 22. Approximate date work will start* | 23. Estimated duration 45 DAYS |

24. Attachments

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

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

| | | |
|---|--|--------------------|
| 25. Signature  | Name (Printed Typed) KAYLENE R. GARDNER | Date 07/31/2006 |
| Title REGULATORY ASSISTANT | | |

| | | |
|---|---------------------------------------|-------------------|
| Approved by (Signature)  | Name (Printed Typed) JERRY YENCELA | Date 1-29-2007 |
| Title Assistant Field Manager | Office VERNAL FIELD OFFICE | |

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

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

*(Instructions on page 2)

RECEIVED
FEB 13 2007
DIV. OF OIL, GAS & MINING

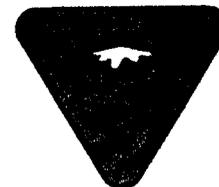
RECEIVED
VERNAL FIELD OFFICE
2006 AUG - 1 PM 1:22
DEPT. OF THE INTERIOR
BUREAU OF LAND MGMT.

4006m
NOTICE OF APPROVAL
07BM 2788A

105 07/03/06
CONDITIONS OF APPROVAL ATTACHED



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 1225-11
API No: 43-047-38426

Location: SWNE, Sec. 11, T9S, R22E
Lease No: UTU-0281
Agreement: Chapita Wells Unit

| | | | |
|-----------------------------------|---------------|----------------------|--------------------|
| Petroleum Engineer: | Matt Baker | Office: 435-781-4490 | Cell: 435-828-4470 |
| Petroleum Engineer: | Michael Lee | Office: 435-781-4432 | Cell: 435-828-7875 |
| Petroleum Engineer: | Jim Ashley | Office: 435-781-4470 | Cell: 435-828-7874 |
| Supervisory Petroleum Technician: | Jamie Sparger | Office: 435-781-4502 | Cell: 435-828-3913 |
| Environmental Scientist: | Paul Buhler | Office: 435-781-4475 | Cell: 435-828-4029 |
| Environmental Scientist: | Karl Wright | Office: 435-781-4484 | |
| Natural Resource Specialist: | Holly Villa | Office: 435-781-4404 | |
| Natural Resource Specialist: | Melissa Hawk | Office: 435-781-4476 | |
| 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 - Forty-Eight (48) hours prior to construction of location and access roads.
(Notify Natural Resource Specialist)
- Location Completion - Prior to moving on the drilling rig.
(Notify Natural Resource Specialist)
- Spud Notice - Twenty-Four (24) hours prior to spudding the well.
(Notify Petroleum Engineer)
- Casing String & Cementing - Twenty-Four (24) hours prior to running casing and cementing all casing strings.
(Notify Supervisory Petroleum Technician)
- BOP & Related Equipment Tests - Twenty-Four (24) hours prior to initiating pressure tests.
(Notify Supervisory Petroleum Technician)
- 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.
(Notify Petroleum Engineer)

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

SITE SPECIFIC CONDITIONS OF APPROVAL

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 would include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.
2. During interim management of the surface, use the following seed mix:
9 lbs of Hyssee Crested Wheatgrass & 3 lbs of Kochia prostrate.
3. If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.
4. This site is located in crucial pronghorn antelope kidding habitat. No construction or drilling should occur from 5/15-6/20.

GENERAL SURFACE CONDITIONS OF APPROVAL

1. Operator shall notify any active gilsonite mining operation within 2 miles of the location 48 hours prior to any blasting during construction for this well.

DOWNHOLE CONDITIONS OF APPROVAL

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

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

1. 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. Operator must notify any active gilsonite operation within 2 miles of the location 48 hrs prior to any blasing for this well.
4. 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.

Cement baskets shall not be run on surface casing.

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).

All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.

The lessee/operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

5. All shows of fresh water and minerals shall be reported and protected. A sample shall be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
6. 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.
7. 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.
8. 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.

9. 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.
10. A cement bond log (CBL) will be run from the production casing shoe to the top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- 11. Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
12. 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.
13. All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
14. 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.
15. 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.
16. 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.
17. 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.
18. 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
19. 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.
20. 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 1225-11

API No: 43-047-38426 Lease Type: Federal

Section 11 Township 09S Range 22E County Uintah

Drilling Contractor Craig's Roustabout Services Rig # Bucket

SPUDDED:

Date 6-18-07

Time 6:00 PM

How Dry

Drilling will Commence: _____

Reported by Jerry Barnes

Telephone # 435-828-1720

Date 6-20-07 Signed RM

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 |
|-----------------------------|----------------------------|-------------------|-----|-----------|-----|----------------------------------|
| 43-047-38426 | CHAPITA WELLS UNIT 1225-11 | SWNW | 11 | 9S | 22E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | | Spud Date | | Entity Assignment Effective Date |
| A | 99999 | <u>16193</u> | | 6/18/2007 | | <u>6/21/07</u> |
| Comments: <u>PRV = MVRD</u> | | | | | | |

Well 2

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

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 21 2007

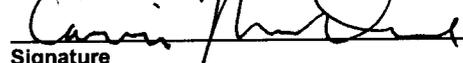
ACTION CODES:

- 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

6/19/2007

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.

5. Lease Serial No.
U-0281

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 1225-11

9. API Well No.
43-047-38426

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

11. County or Parish, State
Uintah County, Utah

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)
**1,991' FNL & 689' FWL (SWNW)
Sec. 11-T9S-R22E 40.052342 LAT 109.414128 LON**

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

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

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

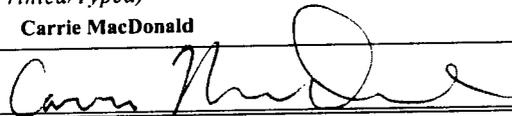
The referenced well spud on 6/18/2007.

RECEIVED

JUN 21 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 **06/19/2007**

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)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B 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.

5. Lease Serial No.
U-0281

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 1225-11

9. API Well No.
43-047-38426

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

11. County or Parish, State
Uintah County, Utah

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)
**1,991' FNL & 689' FWL (SWNW)
Sec. 11-T9S-R22E 40.052342 LAT 109.414128 LON**

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

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

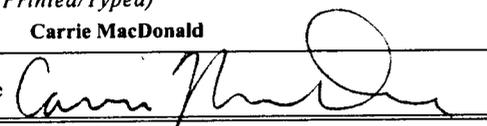
**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

RECEIVED

JUN 21 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 **06/19/2007**

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.

| Well: | | API Number: | Commenced: |
|----------------------|---------------|-------------|------------|
| Ashley Fed 2 | drlg rpts/wcr | 4301332595 | 08/10/2006 |
| CWU 1008-22 | drlg rpts/wcr | 4304736919 | 05/22/2007 |
| Hoss 32-30 | drlg rpts/wcr | 4304738701 | 06/12/2007 |
| Hoss 37-30 | drlg rpts/wcr | 4304738709 | 06/12/2007 |
| NBU 546-1E | wcr | 4304736280 | 06/15/2007 |
| CWU 1225-11 | drlg rpts/wcr | 4304738426 | 06/18/2007 |
| Gilsonite 11-02GR | wcr | 4301333483 | 06/21/2007 |
| CWU 1005-27 | drlg rpts/wcr | 4304736922 | 06/27/2007 |
| CWU 1226-11 | drlg rpts/wcr | 4304738430 | 07/03/2007 |
| Petes Wash U 13-06GR | drlg rpts/wcr | 4301333203 | 07/06/2007 |
| NBU 557-18E | drlg rpts/wcr | 4304737513 | 07/07/2007 |
| Hoss 38-30 | drlg rpts/wcr | 4304738708 | 07/11/2007 |
| CWU 686-30 | drlg rpts/wcr | 4304736960 | 07/15/2007 |
| N Chapita 340-34 | drlg rpts/wcr | 4304738060 | 07/24/2007 |

NOTICE

Utah Oil and Gas Conservation General Rule R649-3-21 states that,

- A well is considered completed when the well has been adequately worked to be capable of producing oil or gas or when well testing as required by the division is concluded.
- Within 30 days after the completion or plugging of a well, the following shall be filed:
 - Form 8, Well Completion or Recompletion Report and Log
 - A copy of electric and radioactivity logs, if run
 - A copy of drillstem test reports,
 - A copy of formation water analyses, porosity, permeability or fluid saturation determinations
 - A copy of core analyses, and lithologic logs or sample descriptions if compiled
 - A copy of directional, deviation, and/or measurement-while-drilling survey for each horizontal well

Failure to submit reports in a timely manner will result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

As of the mailing of this notice, the division has not received the required reports for

Operator: EOG Resources, Inc Today's Date: 11/27/2007

Well: API Number: Drilling Commenced:

See Attachment

To avoid compliance action, required reports should be mailed within 7 business days to:

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

If you have questions or concerns regarding this matter, please call (801) 538-5284.

cc: Well File
Compliance File

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-0281

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator
EOG Resources, Inc.

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

8. Well Name and No.
Chapita Wells Unit 1225-11

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

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

9. API Well No.
43-047-38426

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1991' FNL & 889' FWL (SWNW)
Sec. 11-T9S-R22E 40.052342 LAT 109.414128 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 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>Drilling operations</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.)

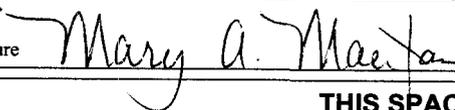
No completion activity has occurred since TD on 11/12/2007. Pending further evaluation, completion operations will begin in the first quarter of 2008.

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

Name (Printed/Typed)
Mary A. Maestas

Title Regulatory Assistant

Signature



Date 12/03/2007

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)

RECEIVED

DEC 06 2007

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU0281

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CHAPITA WELLS UNIT 1225-11

9. API Well No.
43-047-38426

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

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 11 T9S R22E SWNW 1991FNL 689FWL
40.05234 N Lat, 109.41413 W Lon

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

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

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

The referenced well was tured to sales on 1/7/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

RECEIVED
JAN 16 2008
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #57929 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 01/09/2008

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 _____

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

**WELL CHRONOLOGY
REPORT**

Report Generated On: 01-09-2008

| | | | | | |
|----------------------|---|------------------|--------------|----------------------|------------|
| Well Name | CWU 1225-11 | Well Type | DEVG | Division | DENVER |
| Field | CHAPITA DEEP | API # | 43-047-38426 | Well Class | 1SA |
| County, State | UINTAH, UT | Spud Date | 11-02-2007 | Class Date | 01-07-2008 |
| Tax Credit | N | TVD / MD | 9,725/ 9,725 | Property # | 059158 |
| Water Depth | 0 | Last CSG | 0.0 | Shoe TVD / MD | 0/ 0 |
| KB / GL Elev | 4,782/ 4,766 | | | | |
| Location | Section 11, T9S, R22E, SWNW, 1991 FNL & 689 FWL | | | | |

| | | | | | |
|-----------------|--------------------|--------------------|------------------|--------------|-------|
| Event No | 1.0 | Description | DRILL & COMPLETE | | |
| Operator | EOG RESOURCES, INC | WI % | 100.0 | NRI % | 82.25 |

AFE No 304030 **AFE Total** 1,944,100 **DHC / CWC** 1,010,500/ 933,600

Rig Contr ENSIGN **Rig Name** ENSIGN #72 **Start Date** 08-18-2006 **Release Date**

08-17-2006 **Reported By** SHARON WHITLOCK

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0

Cum Costs: Drilling \$0 **Completion** \$0 **Well Total** \$0

MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: LOCATION DATA

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | LOCATION DATA |
| | | | 1991' FNL & 689' FWL (SW/NW) |
| | | | SECTION 11, T9S, R22E |
| | | | UINTAH COUNTY, UTAH |
| | | | LAT 40.052378, LONG 109.413444 (NAD 27) |
| | | | ENSIGN #72 |
| | | | OBJECTIVE: 9725' TD, MESAVERDE |
| | | | DW/GAS |
| | | | CHAPITA WELLS DEEP PROSPECT |
| | | | DD&A: CHAPITA DEEP |
| | | | NATURAL BUTTES FIELD |
| | | | LEASE: U-0281 |
| | | | ELEVATION: ' NAT GL, 4766' PREP GL, (DUE TO ROUNDING THE PREP GL IS 4766'), 4782' KB (16') |
| | | | EOG BPO WI 100%, NRI 82.25% |
| | | | EOG APO WI 50%, NRI 43.5% |

06-15-2007 **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. |

06-18-2007 **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 COMPLETE. |

06-20-2007 **Reported By** JERRY BARNES

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 | CRAIGS ROUSTABOUT SERVICE SPUD A 20" HOLE ON 6/18/2007 @ 6:00 PM. SET 40' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 6/18/2007 @ 4:45 PM. |

07-10-2007 **Reported By** JERRY BARNES

Daily Costs: Drilling \$209,414 **Completion** \$0 **Daily Total** \$209,414
Cum Costs: Drilling \$247,414 **Completion** \$0 **Well Total** \$247,414
MD 2,474 **TVD** 2,474 **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 6/20/2007. DRILLED 12-1/4" HOLE TO 2510' GL. ENCOUNTERED WATER @ 15' WHILE DRILLING CONDUCTOR. RAN 58 JTS (2458.40') 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 @ 2474' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO AIR RIG. |

MIRU PRO PETRO CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 180 BBLs FRESH WATER & 20 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 (40.9 BBLs) OF PREMIUM CEMENT W/2% CaCl₂ & 1/4 #/SX FLOCELE. MIXED TAIL CEMENT TO 15.8 PPG W/YIELD OF 1.15 CF/SX. DISPLACED CEMENT W/186.6 BBLs FRESH WATER. BUMP PLUG W/1200# @ 10:50 AM, 6/23/2007. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 60 BBLs INTO LEAD CEMENT. CIRCULATED 25 BBLs LEAD CEMENT TO PIT. CEMENT FELL BACK WHEN PLUG BUMPED.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 120 SX (24.5 BBLs) OF PREMIUM CEMENT W/3% CaCl₂ & 1/4 #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & CIRCULATED APPROXIMATELY 20 BBLs CEMENT TO SURFACE. HOLE FELL BACK WHEN PUMPING STOPPED. WOC 2 HRS 5 MINUTES.

TOP JOB # 2: MIXED & PUMPED 120 SX (24.5 BBLs) OF PREMIUM CEMENT W/3% CaCl₂ & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO PRO PETRO CEMENTERS.

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

RAN SURVEY @ 2324', 2 DEG. TAGGED AT 2344'.

LESTER FARNSWORTH NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 6/22/2007 @ 10:30 AM.

| | | | | | | | | | | | |
|------------------------------|--------------------|-------------------|-------|--------------------|------------------------|-------------|---|-----------|-----|-------------|-----|
| 10-31-2007 | Reported By | PAT CLARK | | | | | | | | | |
| Daily Costs: Drilling | \$17,828 | Completion | \$0 | Daily Total | \$17,828 | | | | | | |
| Cum Costs: Drilling | \$265,242 | Completion | \$0 | Well Total | \$265,242 | | | | | | |
| MD | 2,474 | TVD | 2,474 | 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 | 06:00 | 24.0 | RDRT, PREPARE FOR TRUCKS WEDNESDAY MORNING. FULL CREWS, MNO ACCIDENTS. SAFETY MEETINGS - RIGGING DOWN, FORKLIFT. NOTIFIED JAMIE SPARGER//VERNAL BLM//BOP TEST AND SPUD//10-29-07//09:00. NOTIFIED CAROL DANIELS//USOGC//SPUD//10-29-07//09:05. ESTIMATE SPUD THURSDAY AFTERNOON. |

| | | | | | | | | | | | |
|------------------------------|--------------------|-------------------|-------|--------------------|------------------------|-------------|---|-----------|-----|-------------|-----|
| 11-01-2007 | Reported By | KIT HATFIELD | | | | | | | | | |
| Daily Costs: Drilling | \$18,825 | Completion | \$672 | Daily Total | \$19,497 | | | | | | |
| Cum Costs: Drilling | \$284,067 | Completion | \$672 | Well Total | \$284,739 | | | | | | |
| MD | 2,474 | TVD | 2,474 | Progress | 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: RURT

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | MOVE RIG: TRUCKS ON LOCATION @ 07:00 HOURS. MOVE RIG FROM CWU 988-15 (2 MILE MOVE) SET ON STACK AND TEST DTO SEAL TO 5000 PSI / OK. MOVE ALL LOADS AND PIN MAST ON FLOOR. TRUCKS OFF LOCATION @ 17:30 HRS 10/31. CONTINUE TO RIG UP. WAIT ON DAYLIGHT TO RAISE MAST. HAD 9 HANDS 12 HRS ON DAYLIGHTS, 5 HANDS/12 HRS ON NIGHTS. SAFETY MEETING: RIG MOVE, HAND SIGNALS, WATCH BACKING LOADS, BUDDY SYSTEM, TAG LINES ON SUSPENDED LOADS. |

11-02-2007 Reported By KIT HATFIELD

Daily Costs: Drilling \$25,778 Completion \$0 Daily Total \$25,778

Cum Costs: Drilling \$309,965 Completion \$672 Well Total \$310,637

MD 2,474 TVD 2,474 Progress 0 Days 0 MW 8.4 Visc 26.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: PICK UP BHA AND TRIP IN HOLE.

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 19:00 | 13.0 | RAISE MAST AND CONTINUE TO RIG UP. RIG UP FLOOR AND FLOW LINE. PICK UP KELLY AND SET IN RATHOLE. HOOK UP CHOKE MANIFOLD AND FLARE LINES. |
| 19:00 | 02:30 | 7.5 | RIG ON DAYWORK @ 19:00 HRS 11/1/07. RIG UP QUICK TEST AND TEST STACK. TEST LOWER & UPPER KELLY VALVES, SAFETY VALVE, INSIDE BOP, PIPE RAM & INSIDE VALVES, KILL LINE VALVE, HSR, CHOKE LINE, CHECK VALVE, CHOKE MANIFOLD, BLIND RAM, TO 250 PSI LOW, 5000 PSI HIGH, HYDRILL, 250 PSI LOW, 2500 PSI HIGH, SURFACE CASING, 1500 PSI, GOOD TEST. WITNESSED BY CAROL SCOTT W/ BLM. INSTALL WEAR RING. |
| 02:30 | 03:30 | 1.0 | HOLD JOB DISCUSSION / SAFETY MEETING. RIG UP WEATHERFORD LAY DOWN MACHINE. |
| 03:30 | 06:00 | 2.5 | MAKE UP BIT AND BHA. TRIP IN HOLE W/ BHA. SAFETY MEETING: RIGGING UP / TESTING STACK. SET & CHECK COM. FULL CREWS. FUEL= 3483 GAL. MUD LOGGER LELAND CHAPMAN ON LOCATION. |

11-03-2007 Reported By KIT HATFIELD

Daily Costs: Drilling \$52,446 Completion \$0 Daily Total \$52,446

Cum Costs: Drilling \$359,941 Completion \$672 Well Total \$360,613

MD 3,350 TVD 3,350 Progress 876 Days 1 MW 8.5 Visc 27.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 3350'.

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 09:30 | 3.5 | CONTINUE TO TRIP IN PICKING UP SINGLES TO 2400'. |
| 09:30 | 10:00 | 0.5 | RIG DOWN LAY DOWN MACHINE. |
| 10:00 | 11:00 | 1.0 | TORQUE BREAKS ON KELLY. INSTALL ROTATING HEAD RUBBER. |
| 11:00 | 12:00 | 1.0 | PICK UP KELLY AND DRILL OUT CEMENT. DRILL OUT COLLAR @ 2433', SHOE @ 2474'. |
| 12:30 | 13:00 | 0.5 | DRILL 2474-2490'. RUN FIT TO 10.5 PPG EMW. (300 PSI W/ 8.4 PPG FLUID IN HOLE) TEST HELD GOOD. |
| 13:00 | 13:30 | 0.5 | DRILLING 2490-2509'. |
| 13:30 | 14:00 | 0.5 | RUN SURVEY @ 2431' = 1.5° |
| 14:00 | 17:00 | 3.0 | DRILLING: 2509-2602' (93') AVG 31 FPH. RUN 380 GPM, 1100 PSI, 15K WOB FOR FIRST 100'. |
| 17:00 | 17:30 | 0.5 | RIG SERVICE. |
| 17:30 | 06:00 | 12.5 | DRILLING: 2602-3350' (748') AVG 60 FPH. 18-20K WOB, 50 RPM TABLE/68 MTR. 425 GPM, 1200 PSI, DIF=180 PSI. MUD=8.9/28. ADDING MUD FROM PRE-MIX TO MUD UP. MUD LOGGER: 40%SS, 30% SH, 30% LS. BGG=2500, CG=4000. SAFETY MEETING: PU DRILL PIPE. BOP DRILLS & WELL CONTROL. FULL CREWS. BOILER 24 HRS. RAN & RECORDED BOP DRILLS W/ BOTH CREWS. CHECK COM. FUEL=6916 GAL/USED 620 GAL. |
| 06:00 | | 18.0 | SPUD 7 7/8" HOLE @ 12:30 HRS, 11/2/07. |

11-04-2007 Reported By KIT HATFIELD

Daily Costs: Drilling \$31,797 Completion \$0 Daily Total \$31,797

Cum Costs: Drilling \$391,739 **Completion** \$672 **Well Total** \$392,411
MD 4,910 **TVD** 4,910 **Progress** 1,560 **Days** 2 **MW** 8.9 **Visc** 30.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**
Activity at Report Time: DRILLING @ 4910'.

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 07:30 | 1.5 | DRILLING: 3350-3438' (88') AVG 59 FPH |
| 07:30 | 08:00 | 0.5 | WIRELINE SURVEY @ 3360' = 2.25° |
| 08:00 | 15:30 | 7.5 | DRILLING: 3438-4026' (588') AVG 78 FPH. 18-20K WOB, 50 RPM TABLE/68 MTR. 425 GPM,1300 PSI, DIF=180 PSI. MUD=8.9/28. ADDING MUD FROM PRE-MIX TO MUD UP. |
| 15:30 | 16:00 | 0.5 | RIG SERVICE |
| 16:00 | 22:00 | 6.0 | DRILLING: 4026-4460' (434') AVG 72 FPH. PARAMETERS AS ABOVE. |
| 22:00 | 22:30 | 0.5 | WIRELINE SURVEY @ 4382' = 1.75° |
| 22:30 | 02:00 | 3.5 | DRILLING: 4460-4706' (246') AVG 70 FPH. PARAMETERS AS ABOVE. |
| 01:00 | 02:00 | 1.0 | DST ADJUSTMENT |
| 02:00 | 06:00 | 4.0 | DRILLING: 4706-4910' (204') AVG 51 FPH. PARAMETERS AS ABOVE. MW=9.6/32. MUD LOGGER: 30%SS,50% SH, 20% LS. BGG=250, CG=400. SAFETY MEETING: HIGH PH MUD, PU DP FROM V-DOOR. FULL CREWS. BOILER 24 HRS. . CHECK COM. FUEL=5969 GAL/USED 950 GAL.. |

11-05-2007 **Reported By** KIT HATFIELD

Daily Costs: Drilling \$88,817 **Completion** \$0 **Daily Total** \$88,817
Cum Costs: Drilling \$480,556 **Completion** \$672 **Well Total** \$481,228
MD 5,840 **TVD** 5,870 **Progress** 960 **Days** 3 **MW** 9.6 **Visc** 33.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**
Activity at Report Time: DRILLING @ 5870'.

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 13:30 | 7.5 | DRILLING: 4910-5296' (386') AVG 52 FPH. 18-20K WOB, 50 RPM TABLE/68 MTR. 425 GPM,1400 PSI, DIF=180 |
| 13:30 | 14:00 | 0.5 | SERVICE RIG. |
| 14:00 | 06:00 | 16.0 | DRILLING: 5296-5870' (574') AVG 36 FPH. PARAMETERS AS ABOVE. ROP VERY ERRATIC; FROM 20-90 FPH. MUD = 9.9./34. MUD LOGGER: 15%SS,80% SH, 5% LS. BGG=80, CG=200. SAFETY MEETING: RUNNING FORKLIFT. FULL CREWS. BOILER 24 HRS. . CHECK COM. FUEL=4552 GAL/USED 1417 GAL.. |

11-06-2007 **Reported By** KIT HATFIELD

Daily Costs: Drilling \$34,082 **Completion** \$0 **Daily Total** \$34,082
Cum Costs: Drilling \$513,325 **Completion** \$672 **Well Total** \$513,997
MD 6,226 **TVD** 6,226 **Progress** 356 **Days** 4 **MW** 10.0 **Visc** 36.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**
Activity at Report Time: RIG REPAIR.

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 15:00 | 9.0 | DRILLING: 5870-6132' (262') AVG 29 FPH. 18-20K WOB, 50 RPM TABLE/68 MTR. 425 GPM,1550 PSI, DIF=180 |
| 15:00 | 15:30 | 0.5 | RIG SERVICE |
| 15:30 | 18:30 | 3.0 | DRILLING: 6132-6226' (94') AVG 31 FPH. MW=10.2/34. |

18:30 06:00 11.5 RIG REPAIR: TORQUE CONVERTER ON #1 MOTOR CRATERED. HAVE TOOL JOINT AT TABLE, CAN CIRCULATE. CAN'T MOVE UP AND DOWN OR ROTATE. CALLED OUT CALIBER CASING CREW TO ROTATE PIPE. RIG UP AND ATTEMPT TO ROTATE PIPE. PUT 5 RDS INTO STRING (35,000 FT-LB) AND COULD NOT GET TO ROTATE. GOT 5 RDS BACK. WAIT FOR REPAIRS. KEEP TONGS RIGGED UP AND TORQUE UP TO 30,000 FT-LBS EVERY 5 MINUTES THROUGH OUT THE NIGHT.
 MUD LOGGER: 15%SS,80% SH, 5% LS. BGG=80, CG=200.
 SAFETY MEETING: RIGGING UP TONGS. FULL CREWS. BOILER 24 HRS.
 . CHECK COM. FUEL=3500 GAL/USED 1050 GAL..

| | | | | | | | | | | | |
|------------------------------|-------|--------------------|-------------------|-----------------|---------------|--------------------|------------------------|-----------|------|-------------|------|
| 11-07-2007 | | Reported By | | KIT HATFIELD | | | | | | | |
| Daily Costs: Drilling | | \$49,599 | Completion | | \$0 | Daily Total | | \$49,599 | | | |
| Cum Costs: Drilling | | \$562,925 | Completion | | \$672 | Well Total | | \$563,597 | | | |
| MD | 6,430 | TVD | 6,430 | Progress | 204 | Days | 5 | MW | 10.3 | Visc | 38.0 |
| Formation : | | PBTD : 0.0 | | | Perf : | | PKR Depth : 0.0 | | | | |

Activity at Report Time: DRILLING @ 6430'.

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 19:00 | 13.0 | RIG REPAIR: CONTINUE TO WAIT ON RIG REPAIRS. PIPE STUCK. PUMPED AROUND 50 BBLS OF WTR WHILE HOLDING TORQUE IN STRING WITH OUT SUCCESS. MECHANIC ARRIVED AT 14:00 HRS WITH PARTS FOR REPAIR. COMPLETE REPAIRS, AND CHECK STRING. HIT JARS, STILL STUCK. |
| 19:00 | 21:00 | 2.0 | WAIT ON DIESEL FOR PIPE LAX. WESTERN HAD PROBLEMS WITH LOADING RACK. |
| 21:00 | 23:00 | 2.0 | SPOT DIESEL/PIPE LAX PILL AS FOLLOWS; PUMP 20 BBLS WTR FOLLOWED BY 70 BBLS DIESEL + 250 GAL PIPE LAX FOLLOWED BY 20 BBLS WTR. DISPLACE W/ 30 BBLS MUD. HAVE EMW OF 9.5 PPG ON BACKSIDE W/ FLUID IN PLACE. WORK PIPE ABOUT 15 MINUTES AND CAME FREE COMING DOWN. WORK PIPE AND CIRCULATE OUT SPOTTING PILL. |
| 23:00 | 06:00 | 7.0 | DRILLING: 6226-6430' (204') AVG 29 FPH. DRILLING: 5870-6132' (262') AVG 29 FPH. 18-20K WOB, 50 RPM TABLE/68 MTR. 425 GPM,1700 PSI, DIF=180. MW= 10.0 / 36. MUD LOGGER: 40%SS,60% SH. BGG=80, CG=130. SAFETY MEETING: WORKING STUCK PIPE, WELL CONTROL. FULL CREWS. BOILER 24 HRS. . CHECK COM. FUEL=1931 GAL/USED 1400 GAL.. |

| | | | | | | | | | | | |
|------------------------------|-------|--------------------|-------------------|-----------------|---------------|--------------------|------------------------|-----------|------|-------------|------|
| 11-08-2007 | | Reported By | | KIT HATFIELD | | | | | | | |
| Daily Costs: Drilling | | \$50,850 | Completion | | \$0 | Daily Total | | \$50,850 | | | |
| Cum Costs: Drilling | | \$613,776 | Completion | | \$672 | Well Total | | \$614,448 | | | |
| MD | 7,080 | TVD | 7,080 | Progress | 650 | Days | 6 | MW | 10.0 | Visc | 39.0 |
| Formation : | | PBTD : 0.0 | | | Perf : | | PKR Depth : 0.0 | | | | |

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 15:30 | 9.5 | DRILLING; 6430-6721' (291') AVG 31 FPH. 20-22K WOB, 50 RPM TABLE/68 MTR. 425 GPM,1750 PSI, DIF=180. |
| 15:30 | 16:00 | 0.5 | RIG SERVICE |
| 16:00 | 06:00 | 14.0 | DRILLING: 6721-7080' (359') AVG 26 FPH. PARAMETERS AS ABOVE. NORTH HORN FORMATION @ 6820'. MW= 10.6 / 38. MUD LOGGER: 55%SS,45% SH. BGG=80, CG=130. SAFETY MEETING: MAKING MOUSEHOLE CONNECTIONS. FULL CREWS. BOILER 24 HRS. . CHECK COM. FUEL=4864 GAL Mud Logger: Leland Chapman day 7 (djf) |

| | | | | | | | | | |
|------------------------------|--|--------------------|-------------------|--------------|-----|--------------------|--|----------|--|
| 11-09-2007 | | Reported By | | KIT HATFIELD | | | | | |
| Daily Costs: Drilling | | \$31,974 | Completion | | \$0 | Daily Total | | \$31,974 | |

Cum Costs: Drilling \$645,750 **Completion** \$672 **Well Total** \$646,422
MD 7,410 **TVD** 7,410 **Progress** 330 **Days** 7 **MW** 10.7 **Visc** 41.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: Drilling at 7410

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 12:00 | 6.0 | DRILLING: 7080-7250' (170') AVG 28 GPH. 20-24K WOB, 50 RPM TABLE/68 MTR. 425 GPM,1850 PSI, DIF=180. |
| 12:00 | 13:00 | 1.0 | CIRCULATE BTMS UP, BUILD AND PUMP SLUG. DROP SURVEY TOOL. |
| 13:00 | 01:00 | 12.0 | TRIP FOR BIT. HAD TO WORK 1ST STAND OFF BOTTOM. WORKED W/ 50K OVER STRING WT. TOOK ABOUT 15 MINUTES TO WORK OUT FIRST STAND THEN PIPE CAME FREE. TRIP OUT W/ NO PROBLEMS. HOLE FILL WAS RIGHT. LAYED DOWN REAMERS. CHANGE OUT BIT AND MOTOR. TRIP IN. NO PROBLEMS ON TRIP IN. PRECAUTIONARY REAM LAST 60' TO BTM. |
| 01:00 | 06:00 | 5.0 | DRILLING; 7250-7410' (160') AVG 32 FPH. 18-20K WOB, 40 RPM TABLE/68 MTR. 425 GPM,1950 PSI, DIF=180. MW = 10.8 / 40. MUD LOGGER: 30%SS,60% SH. BGG=80, CG=130. SAFETY MEETING:TRIPPING PIPE, PULLING ROTATING HEAD RUBBER. FULL CREWS. BOILER 24 HRS.. CHECK COM. FUEL=3936 GAL USED 928 GAL. |

11-10-2007 **Reported By** KIT HATFIELD

Daily Costs: Drilling \$31,226 **Completion** \$3,255 **Daily Total** \$34,481
Cum Costs: Drilling \$676,976 **Completion** \$3,927 **Well Total** \$680,903
MD 8,300 **TVD** 8,300 **Progress** 890 **Days** 8 **MW** 10.8 **Visc** 41.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING @ 8300'.

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 13:30 | 7.5 | DRILLING: 7410-7728 (318') AVG 42 FPH. 18-20K WOB, 40 RPM TABLE/65 MTR. 405 GPM,2000 PSI, DIF=180. |
| 13:30 | 14:00 | 0.5 | RIG SERVICE |
| 14:00 | 06:00 | 16.0 | DRILLING: 7728-8300' (572') AVG 36 FPH. PARAMETERS AS ABOVE. MW= 10.9 / 42. MUD LOGGER: 40%SS,50% SH, 10% SLTSTN. BGG=250, CG=1000. SAFETY MEETING:BOP DRILLS, WELL CONTROL. FULL CREWS. BOILER 24 HRS.. CHECK COM. FUEL=2472 GAL USED 1464 GAL. |

11-11-2007 **Reported By** KIT HATFIELD

Daily Costs: Drilling \$60,704 **Completion** \$2,491 **Daily Total** \$63,195
Cum Costs: Drilling \$737,681 **Completion** \$6,537 **Well Total** \$744,218
MD 8,910 **TVD** 8,910 **Progress** 610 **Days** 9 **MW** 10.9 **Visc** 44.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING @ 8910'

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 14:30 | 8.5 | DRILLING: 8300-8620' (320') AVG 38 FPH. 18-20K WOB, 40 RPM TABLE/65 MTR. 405 GPM,2000 PSI, DIF=180. |
| 14:30 | 15:00 | 0.5 | RIG SERVICE |
| 15:00 | 06:00 | 15.0 | DRILLING: 8620-8910' (290') AVG 19 FPH. PARAMETERS AS ABOVE. PENETRATION RATE SLOWED DOWN SIGNIFICANTLY BELOW 8700'. PREPARE TO TRIP OUT OF HOLE. ENGINE ON #1 PUMP FAILED. PISTON CONTACTING CYLINDER HEAD, METAL SHAVINGS IN OIL. SWITCH TO #2 PUMP. MUD LOGGER: 40%SS,45% SH, 15% SLTSTN. BGG=250, CG=1500. SAFETY MEETING:FUELING FORKLIFT, DOPING PIPE. FULL CREWS. BOILER 24 HRS.. CHECK COM. FUEL=5494 GAL |

11-12-2007 Reported By KIT HATFIELD

Daily Costs: Drilling \$40,348 Completion \$0 Daily Total \$40,348

Cum Costs: Drilling \$778,030 Completion \$6,537 Well Total \$784,567

MD 9,400 TVD 9,400 Progress 490 Days 10 MW 10.8 Visc 41.0

Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 9400'

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 07:00 | 1.0 | CIRCULATE & MIX SLUG. PREPARE TO TRIP. |
| 07:00 | 17:30 | 10.5 | TRIP FOR BIT. CHANGE OUT BIT AND TRIP IN HOLE. NO PROBLEMS. HOLE TOOK PROPER FILL. (NOTE: BIT WAS 1/8" OUT OF GUAGE) |
| 17:30 | 18:30 | 1.0 | PRECAUTIONARY REAM LAST 90' TO BTM. |
| 18:30 | 06:00 | 11.5 | DRILLING: 8910-9400' (490') AVG 43 FPH. 18-20K WOB, 40 RPM TABLE/60 MTR. 370 GPM, 2000 PSI, DIF=180. MW= 11.2 / 39. LOWER PRICE RIVER @ 9064'. MUD LOGGER: 50%SS, 40% SH, 10% SLTSTN. BGG=5500, CG=1500. SAFETY MEETING: INPECTING DRILLING LINE, WORKING ON BOILER. FULL CREWS. BOILER 24 HRS. CHECK COM. FUEL=4242 GAL USED 1252 GAL. |

11-13-2007 Reported By KIT HATFIELD

Daily Costs: Drilling \$34,328 Completion \$0 Daily Total \$34,328

Cum Costs: Drilling \$812,358 Completion \$6,537 Well Total \$818,895

MD 9,730 TVD 9,730 Progress 330 Days 11 MW 11.1 Visc 42.0

Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: CIRCULATE AFTER SHORT TRIP

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 14:30 | 8.5 | DRILLING: 9400-9616' (216') AVG 25 FPH. 18-20K WOB, 40 RPM TABLE/60 MTR. 370 GPM, 2000 PSI, DIF=180. |
| 14:30 | 15:00 | 0.5 | RIG SERVICE |
| 15:00 | 18:30 | 3.5 | DRILLING: 9616-9682' (66') AVG 20 FPH. PARAMETERS AS ABOVE. BEGIN HAVING SLOW SEEPING LOSSES AFTER CONNECTION @ 9616'. ADD LCM WHILE DRILLING. AFTER CONNECTION @ 9678', BEGAN LOSING SIGNIFICANT RETURNS. MW= 11.6 PPG. |
| 18:30 | 20:30 | 2.0 | PICK UP OFF BTM AND PUMP LCM SWEEP. REDUCE PULMP RATE TO IDLE. MIX MUD. LOST TOTAL OF ABOUT 140 BBLS MUD. REGAIN FULL RETURNS. |
| 20:30 | 00:00 | 3.5 | DRILLING: 9682-9730' (48') DRILL REMAINING FOOTAGE TO TD W/O PROBLEM. |
| 00:00 | 02:30 | 2.5 | PUMP 40 BBLS HI VIS SWEEP AND CIRCULATE OUT. BRING MUD WT UP TO 11.8 PPG ALL THE WAY AROUND. |
| 02:30 | 05:30 | 3.0 | SHORT TRIP 20 STANDS. NO PROBLEMS. |
| 05:30 | 06:00 | 0.5 | CIRCULATE, PREP TO TRIP OUT LAYING DOWN. MUD LOGGER: 50%SS, 40% SH, 10% SLTSTN. BGG=5500, CG=6500. SAFETY MEETING: MIXING MUD. FULL CREWS. BOILER 24 HRS. CHECK COM. FUEL=2696 GAL USED 1546 GAL. |

11-14-2007 Reported By KIT HATFIELD

Daily Costs: Drilling \$73,418 Completion \$105,908 Daily Total \$179,326

Cum Costs: Drilling \$885,777 Completion \$112,445 Well Total \$998,222

MD 9,730 TVD 9,730 Progress 0 Days 12 MW 11.7 Visc 45.0

Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: CEMENTING CSG

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

06:00 09:00 3.0 CIRCULATE AND CONDITION MUD. EVEN OUT MUD TO 11.8 IN/OUT. BUILD 150 BBLS OF 13.2 PPG MUD. HOLD SAFETY MEETING & RIG UP FRANKS LAY DOWN MACHINE. SPOT WT'D PILL ON BOTTOM.

09:00 20:00 11.0 TRIP OUT LAYING DOWN DRILL PIPE. HOLE ACTING FINE. WELL STATIC AT FLOW CHECKS. PULL WEAR RING.

20:00 21:00 1.0 HOLD JOB DISCUSSION/SAFETY MEETING. RIG UP CASING CREW.

21:00 02:00 5.0 RUN CASING: RUN 228 JTS 4 1/2" 11.6# N-80 LT&C CASING. SHOE @ 9723', COLLAR @ 9678', MARKER JOINTS @ 6984' AND 4506'. CASING WENT RIGHT TO BOTTOM W/O PROBLEM.

02:00 03:00 1.0 TAG W JT #229 @ 9730' . LAY DOWN AND PICK UP LANDING JOINT W/ MANDREL HANGER AND RUN IN TO CIRCULATING POSITION.

03:00 04:00 1.0 CIRCULATE. RIG DOWN CASING CREW. HOLD JOB DISCUSSION AND SAFETY MEETING. RIG UP SCHLUMBERGER TO CEMENT.

04:00 06:00 2.0 CEMENT CASING: PRESSURE TEST TO 5000 PSI. PUMP 20 BBLS MUD FLUSH, 20 BBLS H2O SPACER. LEAD IN W/ 500 SX LEAD 35:65 POZ G CEMENT @ 13 PPG, 1.75 YIELD, 9.1 GPS H2O +4% D020+2% D174 +.2%D046+.75%D112+.25%D013+.125 #/SK D130. TAIL IN W/ 1560 SX 50:50 POZ G CEMENT @ 14.1 PPG, YIELD 1.29, 5.96 GPS H2O+2%D020+.2%DO65+.2%D167+.1%D046+.1%D013. WASH UP TO PIT, DROP TOP PLUG AND DISPLACE WITH WTR.
DISPLACING CEMENT AT REPORT TIME.
SAFETY MEETING: LAYING DOWN DRILL PIPE, RUNNING CASING. FULL CREWS. BOILER 24 HRS. CHECK COM. FUEL=5021 GAL

11-15-2007 Reported By KIT HATFIELD / GARY CONDER

| | | | | | | | | | | | |
|------------------------------|-------------------|-------------------|---------------|------------------------|-------------|-------------|----|-----------|-----|-------------|-----|
| Daily Costs: Drilling | \$42,398 | Completion | \$56,052 | Daily Total | \$98,450 | | | | | | |
| Cum Costs: Drilling | \$928,175 | Completion | \$168,497 | Well Total | \$1,096,672 | | | | | | |
| MD | 9,730 | TVD | 9,730 | Progress | 0 | Days | 13 | 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 | 06:30 | 0.5 | CONTINUE CEMENTING CASING: DISPLACE CEMENT W/ 150 BBLS WATER AT 8 BPM. LOST RETURNS W/ 40 BBLS LEFT. SLOWED DOWN TO 2 1/2 BPM. DID NOT GET RETURNS BACK BUT CONTINUED TO SEE LIFT. BUMP PLUG W/ 800 PSI OVER. FLOATS HELD, NO CEMENT TO SURFACE. |
| 06:30 | 07:00 | 0.5 | LAND CASING W/ 80,000 LBS. TEST TO 5000 PSI, OK . RIG DOWN SCHLUMBERGER |
| 07:00 | 11:00 | 4.0 | CLEAN PITS AND NIPPLE DOWN STACK. |
| 11:00 | 18:00 | 7.0 | RIGGING DOWN WITH HANDS. |
| 18:00 | 06:00 | 12.0 | RIG IDLE. NEXT WELL IS THE CHAPITA WELLS UNIT 1226-11, TRUCKS TO START MOVING 11/15/2007 TRANSFERED 5 JOINTS (206.56') OF 4 1/2", N-80, 11.60#, LTC CASING FROM THE CWU 1225-11 TO THE CWU 1226-11. TRANSFERED 4391 GALS. OF FUEL / RIG MOVE IS .80 MILES. |
| 06:00 | | 18.0 | RIG RELEASED 11/14/2007 @ 11:00 HRS. CASING POINT COST \$930,864 |

11-19-2007 Reported By SEARLE

| | | | | | | | | | | | |
|------------------------------|-----------|-------------------|-----------|--------------------|-------------|-------------|----|-----------|-----|-------------|-----|
| Daily Costs: Drilling | \$0 | Completion | \$45,299 | Daily Total | \$45,299 | | | | | | |
| Cum Costs: Drilling | \$928,175 | Completion | \$213,796 | Well Total | \$1,141,971 | | | | | | |
| MD | 9,730 | TVD | 9,730 | Progress | 0 | Days | 14 | MW | 0.0 | Visc | 0.0 |

Formation : PBTD : 9678.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP FOR FRACS

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 270'. EST CEMENT TOP @ 1760'. RD SCHLUMBERGER. |

11-22-2007 Reported By TORR MCCURDY

| | | | | | |
|-----------------------|-----------|------------|-----------|-------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$1,780 | Daily Total | \$1,780 |
| Cum Costs: Drilling | \$928,175 | Completion | \$215,576 | Well Total | \$1,143,751 |

| | | | | | | | | | | | |
|----|-------|-----|-------|----------|---|------|----|----|-----|------|-----|
| MD | 9,730 | TVD | 9,730 | Progress | 0 | Days | 15 | MW | 0.0 | Visc | 0.0 |
|----|-------|-----|-------|----------|---|------|----|----|-----|------|-----|

Formation : PBTD : 9678.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO COMPLETION

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 14:00 | 15:00 | 1.0 | NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION. |

11-27-2007 Reported By SEARLE

| | | | | | |
|-----------------------|-----------|------------|-----------|-------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$928,175 | Completion | \$215,576 | Well Total | \$1,143,751 |

| | | | | | | | | | | | |
|----|-------|-----|-------|----------|---|------|----|----|-----|------|-----|
| MD | 9,730 | TVD | 9,730 | Progress | 0 | Days | 16 | MW | 0.0 | Visc | 0.0 |
|----|-------|-----|-------|----------|---|------|----|----|-----|------|-----|

Formation : MESAVERDE PBTD : 9678.0 Perf : 8312-9518 PKR Depth : 0.0

Activity at Report Time: FRAC MESAVERDE

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 17:00 | 11.0 | RUWL. PERFORATED LPR FROM 9214-42', 9255-56', 9274'-75', 9308'-10', 9396-98', 9444-9445', 9443-95', 9502-04' & 9516-18' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5182 GAL YF116 PAD, 37466 GAL YF116 WITH 107100# 20/40 SAND @ 1-4 PPG. MTP 6365 PSIG. MTR 54.7 BPM. ATP 5003 PSIG. ATR 45.7 BPM. ISIP 2950 PSIG. RD SCHLUMBERGER. |

RUWL. SET CFP @ 9200'. PERFORATED LPR FROM 9046'-47', 9052-53', 9065-66', 9075-76', 9089-90', 9098-99', 9119-20', 9124-25', 9138-39', 9147-48', 9172-73' & 9181'-82' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4134 GAL YF116 PAD, 36185 GAL YF116 WITH 105000# 20/40 SAND @ 1-4 PPG. MTP 6320 PSIG. MTR 50.5 BPM. ATP 4851 PSIG. ATR 45.8 BPM. ISIP 2950 PSIG. RD SCHLUMBERGER.

RUWL. SET CFP @ 9020'. PERFORATED MPR FROM 8852-53', 8887-88', 8892-93', 8910-11', 8917-18', 8928-29', 8935-36', 8942-43', 8961-62', 8966-67', 8992-93' & 9004-05' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5182 GAL YF116 PAD, 39115 GAL YF116 WITH 113318# 20/40 SAND @ 1-4 PPG. MTP 6401 PSIG. MTR 51.3 BPM. ATP 5116 PSIG. ATR 46.6 BPM. ISIP 3600 PSIG. RD SCHLUMBERGER.

RUWL. SET CFP @ 8804'. PERFORATED MPR FROM 8574-75', 8594-95', 8609-10', 8629-30', 8645-46', 8679-80', 8684-85', 8723-24', 8738-39', 8753-54', 8766-67' & 8781-82' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5150 GAL YF116 PAD, 40749 GAL YF116 WITH 115300# 20/40 SAND @ 1-4 PPG. MTP 6393 PSIG. MTR 56 BPM. ATP 5138 PSIG. ATR 48.1 BPM. ISIP 3100 PSIG. RD SCHLUMBERGER

RUWL. SET CFP @ 8550'. PERFORATED MPR FROM 8312-13', 8327-28', 8349-50', 8384-85', 8400-01', 8467-68', 8479-80', 8487-88', 8507-08', 8516-17', & 8529-31 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 10363 GAL YF116 PAD, 64033 GAL YF116 WITH 189300# 20/40 SAND @ 1-5 PPG. MTP 6546 PSIG. MTR 50.4 BPM. ATP 5611 PSIG. ATR 43.3 BPM. ISIP 3450 PSIG. RD SCHLUMBERGER. SDFN.

11-28-2007 Reported By TORR MCCURDY

| | | | | | | | | | | | |
|------------------------------|----------------------|-------------------|---------------------------|--------------------|------------------------|-------------|----|-----------|-----|-------------|-----|
| Daily Costs: Drilling | \$0 | Completion | \$324,553 | Daily Total | \$324,553 | | | | | | |
| Cum Costs: Drilling | \$928,175 | Completion | \$540,129 | Well Total | \$1,468,304 | | | | | | |
| MD | 9,730 | TVD | 9,730 | Progress | 0 | Days | 16 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | PBTD : 9678.0 | | Perf : 7464'-9518' | | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: PREP TO MIRUSU

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

| | | | |
|-------|-------|-----|--|
| 06:00 | 14:00 | 8.0 | SICP 2230 PSIG. RUWL. SET 10K CFP AT 8280'. PERFORATED MPR FROM 7993-95', 8050'-51', 8061'-62', 8111'-12', 8127'-28', 8135'-36', 8142'-43', 8148'-49', 8168'-69' & 8263'-65' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3092 GAL YF116 PAD, 38446 GAL YF116ST+ W/100100# 20/40 SAND @ 1-5 PPG. MTP 6343 PSIG. MTR 50.4 BPM. ATP 4735 PSIG. ATR 46.3 BPM. ISIP 2960 PSIG. RD SCHLUMBERGER. |
|-------|-------|-----|--|

RUWL. SET 10K CFP AT 7965'. PERFORATED MPR FROM 7757'-58', 7773'-74', 7784'-85', 7791'-92', 7804'-05', 7829'-30', 7881'-82', 7889'-90', 7901'-02', 7912'-13', 7919'-20' & 7944'-46' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4753 GAL YF116 PAD, 54467 GAL YF116ST+ W/147700# 20/40 SAND @ 1-5 PPG. MTP 6162 PSIG. MTR 50.9 BPM. ATP 3862 PSIG. ATR 38.4 BPM. ISIP 2600 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7710'. PERFORATED MPR FROM 7464'-65', 7478'-79', 7497'-98', 7508'-09', 7524'-25', 7560'-61', 7566'-67', 7597'-98', 7605'-06', 7610'-11', 7642'-43' & 7691'-92' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4752 GAL YF116 PAD, 64800 GAL YF116ST+ W/182000# 20/40 SAND @ 1-5 PPG. MTP 6391 PSIG. MTR 50.8 BPM. ATP 3924 PSIG. ATR 47.9 BPM. ISIP 1950 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 7360'. BLED OFF PRESSURE. RDWL. SDFN.

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|-------------------|--------------------|----------|
| 11-29-2007 | Reported By | HAL IVIE |
|-------------------|--------------------|----------|

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|------------------------------|----------------------|-------------------|---------------------------|--------------------|------------------------|-------------|----|-----------|-----|-------------|-----|
| Daily Costs: Drilling | \$0 | Completion | \$10,521 | Daily Total | \$10,521 | | | | | | |
| Cum Costs: Drilling | \$928,175 | Completion | \$550,650 | Well Total | \$1,478,825 | | | | | | |
| MD | 9,730 | TVD | 9,730 | Progress | 0 | Days | 17 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | PBTD : 9678.0 | | Perf : 7464'-9518' | | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: CLEAN OUT AFTER FRAC

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

| | | | |
|-------|-------|------|--|
| 06:00 | 17:00 | 11.0 | MIRU ROYAL RIG # 1. ND FRAC TREE. NU BOP. RIH W/BIT & PUMP OFF SUB TO 7360'. SDFN. |
|-------|-------|------|--|

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|-------------------|--------------------|----------|
| 11-30-2007 | Reported By | HAL IVIE |
|-------------------|--------------------|----------|

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|------------------------------|----------------------|-------------------|---------------------------|--------------------|------------------------|-------------|----|-----------|-----|-------------|-----|
| Daily Costs: Drilling | \$0 | Completion | \$70,745 | Daily Total | \$70,745 | | | | | | |
| Cum Costs: Drilling | \$928,175 | Completion | \$621,395 | Well Total | \$1,549,570 | | | | | | |
| MD | 9,730 | TVD | 9,730 | Progress | 0 | Days | 18 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | PBTD : 9678.0 | | Perf : 7464'-9518' | | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: FLOW TEST

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

| | | | |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7360', 7710', 7965', 8280', 8550', 8804', 9020' & 9200'. RIH. CLEANED OUT TO PBTD @ 9678'. LANDED TBG AT 7981' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU. |
|-------|-------|------|---|

FLOWED 15 HRS. 16/64" CHOKE. FTP 1750 PSIG. CP 2050 PSIG. 85 BFPH. RECOVERED 1275 BLW. 8998 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'
 1 JT 2-3/8" 4.7# N-80 TBG 31.65'
 XN NIPPLE 1.10'
 251 JTS 2-3/8" 4.7# N-80 TBG 7931.15'
 BELOW KB 16.00'
 LANDED @ 7980.90' KB

| | | | | | | | | | | | |
|---|------------|----------------------|---|---------------------------|---|------------------------|----|--------------------|-----|-------------|-----|
| 12-01-2007 | | Reported By | | HAL IVIE | | | | | | | |
| Daily Costs: Drilling | | \$0 | | Completion | | \$2,560 | | Daily Total | | \$2,560 | |
| Cum Costs: Drilling | | \$928,175 | | Completion | | \$623,955 | | Well Total | | \$1,552,130 | |
| MD | 9,730 | TVD | 9,730 | Progress | 0 | Days | 19 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | PBTD : 9678.0 | | Perf : 7464'-9518' | | PKR Depth : 0.0 | | | | | |
| Activity at Report Time: FLOW TEST | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | FLOWED 24 HRS. 16/64" CHOKE. FTP 1800 PSIG, CP 2200 PSIG. 57 BFPH. RECOVERED 1365 BBLS, 7633 BLWTR. | | | | | | | | |
| 12-02-2007 | | Reported By | | HAL IVIE | | | | | | | |
| Daily Costs: Drilling | | \$0 | | Completion | | \$2,560 | | Daily Total | | \$2,560 | |
| Cum Costs: Drilling | | \$928,175 | | Completion | | \$626,515 | | Well Total | | \$1,554,690 | |
| MD | 9,730 | TVD | 9,730 | Progress | 0 | Days | 20 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | PBTD : 9678.0 | | Perf : 7464'-9518' | | PKR Depth : 0.0 | | | | | |
| Activity at Report Time: FLOW TEST | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | FLOWED 24 HRS. 16/64" CHOKE. FTP 1900 PSIG, CP 2350 PSIG. 50 BFPH. RECOVERED 1200 BBLS, 6433 BLWTR. | | | | | | | | |
| 12-03-2007 | | Reported By | | HAL IVIE | | | | | | | |
| Daily Costs: Drilling | | \$0 | | Completion | | \$2,560 | | Daily Total | | \$2,560 | |
| Cum Costs: Drilling | | \$928,175 | | Completion | | \$629,075 | | Well Total | | \$1,557,250 | |
| MD | 9,730 | TVD | 9,730 | Progress | 0 | Days | 21 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | PBTD : 9678.0 | | Perf : 7464'-9518' | | PKR Depth : 0.0 | | | | | |
| Activity at Report Time: FLOW TEST | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | FLOWED 24 HRS. 16/64" CHOKE. FTP 2000 PSIG, CP 2600 PSIG. 41 BFPH. RECOVERED 975 BBLS, 5458 BLWTR. | | | | | | | | |
| 12-04-2007 | | Reported By | | HAL IVIE | | | | | | | |
| Daily Costs: Drilling | | \$0 | | Completion | | \$2,560 | | Daily Total | | \$2,560 | |
| Cum Costs: Drilling | | \$928,175 | | Completion | | \$631,635 | | Well Total | | \$1,559,810 | |
| MD | 9,730 | TVD | 9,730 | Progress | 0 | Days | 22 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | PBTD : 9678.0 | | Perf : 7464'-9518' | | PKR Depth : 0.0 | | | | | |
| Activity at Report Time: WO FACILITIES | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | FLOWED 24 HRS. 16/64" CHOKE. FTP 2450 PSIG, CP 2750 PSIG. 27 BFPH. RECOVERED 692 BLW. 766 BLWTR. SI. WO FACILITIES. | | | | | | | | |

FINAL COMPLETION DATE: 12/3/07

01-08-2008 **Reported By** DUANE COOK

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0

Cum Costs: Drilling \$928,175 **Completion** \$631,635 **Well Total** \$1,559,810

MD 9,730 **TVD** 9,730 **Progress** 0 **Days** 23 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD : 9678.0** **Perf : 7464'-9518'** **PKR Depth : 0.0**

Activity at Report Time: INITIAL PRODUCTION-FIRST GAS SALES

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

06:00 06:00 24.0 INITIAL PRODUCTION. FIRST GAS SALES: OPENING PRESSURE: TP 2100 & CP 3150 PSI. TURNED WELL TO QUESTAR SALES AT 12:30 PM, 01/07/08. FLOWED 1400 MCFD RATE ON 10/64" POS CHOKE. STATIC 207.

01-09-2008 **Reported By** ALAN WATKINS/RITA THOMAS

Daily Costs: Drilling \$0 **Completion** \$141,187 **Daily Total** \$141,187

Cum Costs: Drilling \$928,175 **Completion** \$772,822 **Well Total** \$1,700,997

MD 9,730 **TVD** 9,730 **Progress** 0 **Days** 24 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD : 9678.0** **Perf : 7464'-9518'** **PKR Depth : 0.0**

Activity at Report Time: ON SALES/FACILITY COST

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

06:00 06:00 24.0 FLOWED 498 MCF, 110 BC & 265 BW IN 24 HRS ON 10/64" CK, FTP 2300 & CP 3100 PSIG.

06:00 06:00 24.0 FACILITY COST \$141,187

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU0281

| | | | | | |
|---|--|---|--|---|---|
| 1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other | | | 6. If Indian, Allottee or Tribe Name | | |
| b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____ | | | 7. Unit or CA Agreement Name and No. CHAPITA WELLS UNI | | |
| 2. Name of Operator EOG RESOURCES, INC. Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com | | | 8. Lease Name and Well No. CHAPITA WELLS UNIT 1225-11 | | |
| 3. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202 | | 3a. Phone No. (include area code) Ph: 303-824-5526 | 9. API Well No. 43-047-38426 | | |
| 4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface SWNW 1991FNL 689FWL 40.05234 N Lat, 109.41413 W Lon At top prod interval reported below SWNW 1991FNL 689FWL 40.05234 N Lat, 109.41413 W Lon At total depth SWNW 1991FNL 689FWL 40.05234 N Lat, 109.41413 W Lon | | | 10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE | | |
| 14. Date Spudded 06/18/2007 | | | 15. Date T.D. Reached 11/12/2007 | 16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 01/07/2008 | 17. Elevations (DF, KB, RT, GL)* 4766 GL |
| 18. Total Depth: MD 9730 TVD | | 19. Plug Back T.D.: MD 9678 TVD | | 20. Depth Bridge Plug Set: MD TVD | |
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) RST/CBL/CCL/ML/GR | | | 22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) | | |

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

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 12.250 | 9.625 J-55 | 36.0 | 0 | 2474 | | 670 | | | |
| 7.875 | 4.500 N-80 | 11.6 | 0 | 9723 | | 2060 | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|-------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 2.375 | 7981 | | | | | | | |

25. Producing Intervals

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|--------------|------|--------|---------------------|------|-----------|--------------|
| A) MESAVERDE | 7464 | 9518 | 9241 TO 9518 | | 3 | |
| B) | | | 9046 TO 9182 | | 3 | |
| C) | | | 8852 TO 9005 | | 3 | |
| D) | | | 8574 TO 8782 | | 3 | |

26. Perforation Record

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

| Depth Interval | Amount and Type of Material |
|----------------|--|
| 9214 TO 9518 | 42,813 GALS GELLED WATER & 107,100# 20/40 SAND |
| 9046 TO 9182 | 40,484 GALS GELLED WATER & 105,000# 20/40 SAND |
| 8852 TO 9005 | 44,462 GALS GELLED WATER & 113,318# 20/40 SAND |
| 8574 TO 8782 | 46,064 GALS GELLED WATER & 115,300# 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 |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| 01/07/2008 | 01/14/2008 | 24 | → | 75.0 | 603.0 | 140.0 | | | FLOWS FROM WELL |
| Choke Size | Tbg. Press. Flwg. | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| 10/64" | SI 2150 | 3100.0 | → | 75 | 603 | 140 | | PGW | |

28a. Production - Interval B

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

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

ELECTRONIC SUBMISSION #58453 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

RECEIVED
FEB 06 2008

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 | 7464 | 9518 | | GREEN RIVER MAHOGANY WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER MIDDLE PRICE RIVER LOWER PRICE RIVER | 1957 2561 4949 5539 6213 7458 8302 9071 |

32. Additional remarks (include plugging procedure):

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

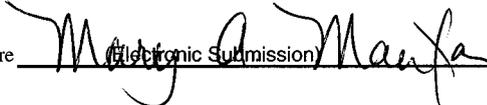
33. Circle enclosed attachments:

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

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

**Electronic Submission #58453 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal**

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

Signature  Date 02/05/2008

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

Chapita Wells Unit 1225-11 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

| | |
|-----------|-------|
| 8312-8531 | 3/spf |
| 7993-8265 | 3/spf |
| 7757-7946 | 3/spf |
| 7464-7692 | 3/spf |

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

| | |
|-----------|--|
| 8312-8531 | 74,561 GALS GELLED WATER & 189,300# 20/40 SAND |
| 7993-8265 | 41,703 GALS GELLED WATER & 100,100# 20/40 SAND |
| 7757-7946 | 59,385 GALS GELLED WATER & 147,700# 20/40 SAND |
| 7464-7692 | 69,717 GALS GELLED WATER & 182,000# 20/40 SAND |

Perforated the Lower Price River from 9241-42', 9255-56', 9274-75', 9308-10', 9396-98', 9444-45', 9493-95', 9502-04' & 9516-18' w/ 3 spf.

Perforated the Lower Price River from 9046-47', 9052-53', 9065-66', 9075-76', 9089-90', 9098-99', 9119-20', 9124-25', 9138-39', 9147-48', 9172-73' & 9181-82' w/ 3 spf.

Perforated the Middle Price River from 8852-53', 8887-88', 8892-93', 8910-11', 8917-18', 8928-29', 8935-36', 8942-43', 8961-62', 8966-67', 8992-93', & 9004-05' w/ 3 spf.

Perforated the Middle Price River from 8574-75', 8594-95', 8609-10', 8629-30', 8645-46', 8679-80', 8684-85', 8723-24', 8738-39', 8753-54', 8766-67', & 8781-82' w/ 3 spf.

Perforated the Middle Price River from 8312-13', 8327-28', 8349-50', 8384-85', 8400-01', 8467-68', 8479-80', 8487-88', 8507-08', 8516-17', & 8529-31' w/ 3 spf.

Perforated the Middle Price River from 7993-95', 8050-51', 8061-62', 8111-12', 8127-28', 8135-36', 8142-43', 8148-49', 8168-69', & 8263-65' w/ 3 spf.

Perforated the Upper Price River from 7757-58', 7773-74', 7784-85', 7791-92', 7804-05', 7829-30', 7881-82', 7889-90', 7901-02', 7912-13', 7919-20' & 7944-46' w/ 3 spf.

Perforated the Upper Price River from 7464-65', 7478-79', 7497-98', 7508-09', 7524-25', 7560-61', 7566-67', 7597-98', 7605-06', 7610-11', 7642-43' & 7691-92' w/ 3 spf.

52. FORMATION (LOG) MARKERS:

| | |
|------|------|
| SEGO | 9578 |
| | |
| | |
| | |

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 1225-11

API number: 4304738426

Well Location: QQ SWNW Section 11 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 | | |
| 15 | 20 | 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 2/5/2008



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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



IN REPLY REFER TO
3180
UT-922

February 18, 2009

Debbie Spears
EOG Resources, Inc.
600 17th Street, Suite 1000N
Denver, CO 80202

Re: 2nd Revision to the Consolidated
Mesaverde Formation PA
"A-Z, AA-BB" Chapita Wells Unit
Uintah County, Utah

Dear Ms. Spears:

The 2nd Revision to the Consolidated Mesaverde Formation PA "A-Z, AA-BB", Chapita Wells Unit, CRS No. UTU63013BF, AFS No. 892000905BF, is hereby approved effective as of January 1, 2008, pursuant to Section 11 of the Chapita Wells Unit Agreement, Uintah County, Utah.

The 2nd Revision to the Consolidated Mesaverde Formation PA "A-Z, AA-BB" results in an initial consolidated participating area of 17,650.04 acres and is based upon the completion of the following wells as capable of producing unitized substances in paying quantities. *to 13650*

| WELL NO. | API NO. | LOCATION | LEASE NO. |
|-------------|--------------|---|-----------|
| CWU 1225-11 | 43-047-38426 | SW $\frac{1}{4}$ NW $\frac{1}{4}$, 11-9S-22E | UTU0281 |
| CWU 1226-11 | 43-047-38430 | NE $\frac{1}{4}$ SW $\frac{1}{4}$, 11-9S-22E | UTU0281 |
| CWU 1092-27 | 43-047-37382 | SW $\frac{1}{4}$ NE $\frac{1}{4}$, 27-9S-23E | UTU0344A |

16193

Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the approval of the 2nd Revision to the Consolidated Mesaverde Formation PA "A-Z, AA-BB", Chapita Wells Unit, and the effective date.

RECEIVED

FEB 23 2009

DIV. OF OIL, GAS & MINING

If you have any questions pertaining to this matter, please contact Leslie Wilcken at (801)539-4112.

----- Sincerely, -----

/s/ Becky J. Hammond

Becky J. Hammond
Chief, Branch of Fluid Minerals

Enclosure

bcc: UDOGM
SITLA
MMS - MRM (Attn: Leona Reilly)
FOM - Vernal w/enclosure
Chapita Wells Unit w/enclosure
Fluids - Mickey
Agr. Sec. Chron.
Reading File
Central Files

UT922:LWilcken:lw:2/18/09:CWU MSVD Consol A-Z, AA-BB 2nd Rev (U63013BF)

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

FORM 6

ENTITY ACTION FORM

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

Well 1

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|----------------------------|----------------------------|-------------------|-----------|-----|----------------------------------|-----|-----------|
| 43-047-38426 | CHAPITA WELLS UNIT 1225-11 | | SWNW | 11 | 9S | 22E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| C | 16193 | 13650 | 6/18/2007 | | 1/1/2008 | | |
| Comments: MESAVERDE | | | | | | | — 4/13/09 |

Well 2

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|----------------------------|----------------------------|-------------------|-----------|-----|----------------------------------|-----|-----------|
| 43-047-38430 | CHAPITA WELLS UNIT 1226-11 | | NESW | 11 | 9S | 22E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| C | 16231 | 13650 | 7/3/2007 | | 1/1/2008 | | |
| Comments: MESAVERDE | | | | | | | — 4/13/09 |

Well 3

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|----------------------------|----------------------------|-------------------|-----------|-----|----------------------------------|-----|-----------|
| 43-047-37382 | CHAPITA WELLS UNIT 1092-27 | | SWNE | 27 | 9S | 23E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| C | 16389 | 13650 | 9/25/2007 | | 1/1/2008 | | |
| Comments: MESAVERDE | | | | | | | — 4/13/09 |

ACTION CODES:

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

Mickenzie Thacker

Name (Please Print)

Mickenzie Thacker

Signature

Operations Clerk

Title

4/2/2009

Date

RECEIVED

APR 06 2009

DIV. OF OIL, GAS & MINING