

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

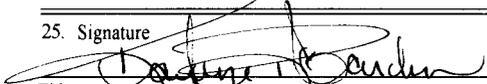
FORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 2007

5a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No. <b>CHAPITA WELLS UNIT</b>
5b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		8. Lease Name and Well No. <b>CHAPITA WELLS UNIT 1273-15</b>
2. Name of Operator <b>EOG RESOURCES, INC</b>		9. API Well No. <b>43-047-38474</b>
3a. Address <b>1060 EAST HIGHWAY 40 VERNAL, UT 84078</b>	3b. Phone No. (include area code) <b>435-781-9111</b>	10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <b>77 FSL 170 FWL SW/SW 40.028947 LAT 109.434903 LON</b> At proposed prod. zone <b>SAME 633602X 4431943 110.029004 109.434182</b>		11. Sec., T. R. M. or Blk. and Survey or Area <b>SECTION 15, T9S, R22E S.L.B.&amp;M</b>
14. Distance in miles and direction from nearest town or post office* <b>48.5 MILES SOUTH OF VERNAL, UTAH</b>		12. County or Parish <b>UINTAH</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>77</b>		13. State <b>UT</b>
16. No. of acres in lease <b>1360</b>		17. Spacing Unit dedicated to this well
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>750</b>		20. BLM/BIA Bond No. on file <b>NM 2308</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4856 GL</b>		23. Estimated duration <b>45 DAYS</b>
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) <b>KAYLENE R. GARDNER</b>	Date <b>08/03/2006</b>
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Title <b>REGULATORY ASSISTANT</b>		
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Approved by (Signature) 	Name (Printed Typed) <b>BRADLEY G. HILL</b>	Date <b>08-17-06</b>
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Title <b>ENVIRONMENTAL MANAGER</b>		
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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 14 2006**  
DIV. OF OIL, GAS & MINING



**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1273-15**  
**SW/SW, SEC. 15, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>DEPTH (KB)</b>
Green River FM	1,775'
Wasatch	4,796'
Chapita Wells	5,409'
Buck Canyon	6,080'
North Horn	6,716'
Island	7,036'
KMV Price River	7,297'
KMV Price River Middle	8,174'
KMV Price River Lower	8,974'
Sego	9,448'

Estimated TD: **9,648' or 200'± below Sego top**

**Anticipated BHP: 5,268 Psig**

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

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

**4. CASING PROGRAM:**

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

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

**5. Float Equipment:**

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

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**CHAPITA WELLS UNIT 1273-15**  
**SW/SW, SEC. 15, 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 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

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

Air/air mist or aerated water.

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

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

**7. VARIANCE REQUESTS:**

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

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

**8. EVALUATION PROGRAM:**

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

**EIGHT POINT PLAN**

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**SW/SW, SEC. 15, 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% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

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

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

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

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

**Lead:** **148 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** **890 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

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

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

**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 1273-15**  
**SW/SW, SEC. 15, 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

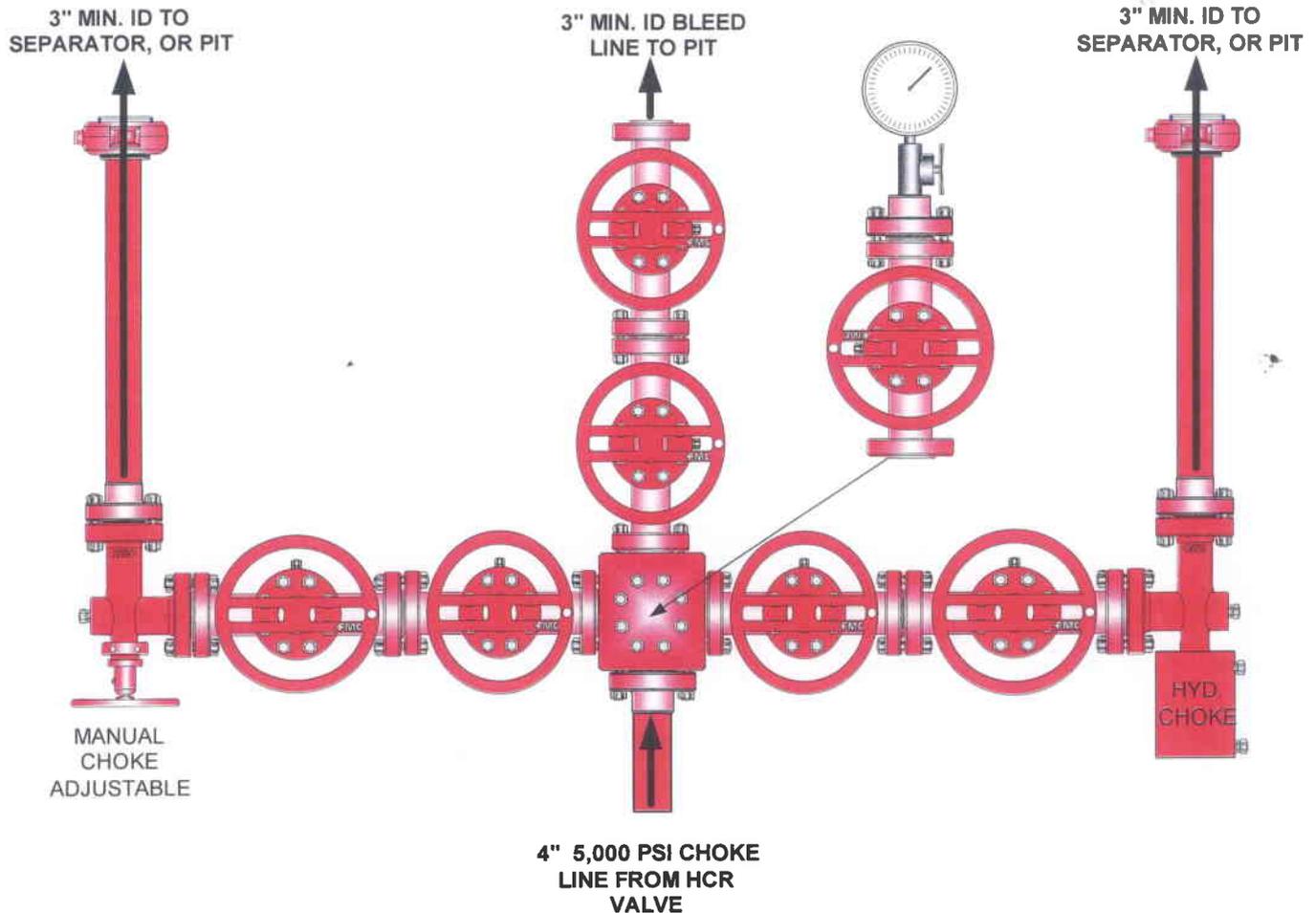
**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds<sup>2</sup> will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

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

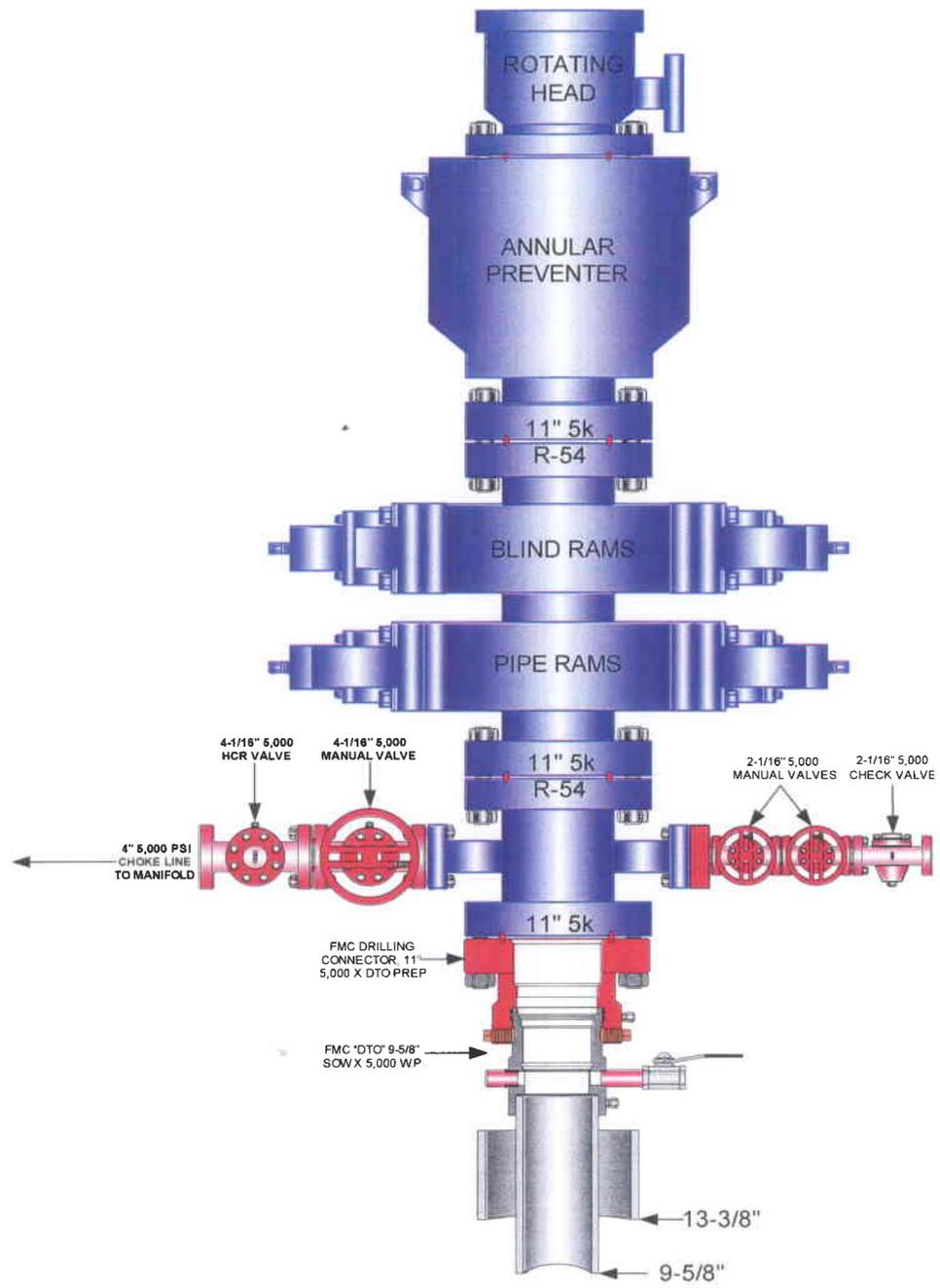
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Testing Procedure:

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

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





**CHAPITA WELLS UNIT 1273-15  
SWSW, Section 15, T9S, R22E  
Uintah County, Utah**

**SURFACE USE PLAN**

**NOTIFICATION REQUIREMENTS**

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

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

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 80 feet long with a 30-foot right-of-way, disturbing approximately 0.05 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 1.89 acres. The pipeline is approximately 288' with a 40-foot right-of-way, disturbing 0.26 acre.

**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 48.5 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:**

- A. The access road will be approximately 80' in length.
- B. The access road has a 30 foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

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

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

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

Traveling off the 30 foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines, contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

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

See attached TOPO map "C" for the location of wells within a one-mile radius.

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

**A. On Well Pad**

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

**B. Off Well Pad**

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. The length of the new proposed pipeline is 288' x 40'. The proposed pipeline leaves the northern edge of the well pad and proceeds for an approximate distance of 288' tying into an existing pipeline located in the SWSW of Section 15, T9S, R22E (Lease U-0283A).
3. Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lok, electric weld with a 35 mil X-Tru coating.
4. Proposed pipeline will be a 4" OD steel, Zap-Lok line laid on the surface.
5. Protective measures and devices for livestock and wildlife will be taken and /or installed where required.

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

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency

Committee. All facilities will be painted within 6 months of installation. **All existing facilities will be painted with Carlsbad Canyon.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

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

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/ or Target Trucking Inc.'s water source in the SW/SW. Sec 35, T9S, R22E Uintah County, Utah (State Water Right # 49-1501, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

**6. SOURCE OF CONSTRUCTION MATERIALS:**

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

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

**A. METHODS AND LOCATION**

- 1. Cuttings will be confined in the reserve pit.
  - 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
  - 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
  - 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, Chapita Wells Unit 550-30SWD 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 Northeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the east side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil East of Corner #5. The stockpiled location topsoil will be stored between Corners #2 and #3. 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 South.

**FENCING REQUIREMENTS:**

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

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

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

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

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

**A. Producing Location**

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

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

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

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

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
Hy Crested Wheat Grass	6.0
Needle & Thread Grass	6.0

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

**B. Dry Hole/Abandoned Location**

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

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
Wyoming Big Sage	3.0
Needle and Thread Grass	3.0
Hi-Crest Crested Wheat Grass	1.0
Winter Fat	1.0

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

**11. SURFACE OWNERSHIP:**

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

Bureau of Land Management

**12. OTHER INFORMATION:**

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

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

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

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

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

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

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

A cultural resources survey was conducted and will be submitted by Montgomery Archaeological Consultants. A Paleontology survey was conducted and will be submitted by Stephen Sandau.

***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

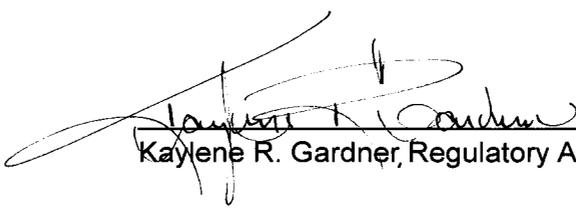
**DRILLING OPERATIONS**

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 1273-15 Well, located in the SWSW, of Section 15, 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.

August 3, 2006  
Date

  
Kaylene R. Gardner, Regulatory Assistant

**Request for Exception to Buried Pipeline Requirement**  
**Chapita Wells Unit 1273-15**  
**SWSW, Sec. 15, T9S, R22E**  
**U-0283A**

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 #1273-15

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 15, T9S, R22E, S.L.B.&M.

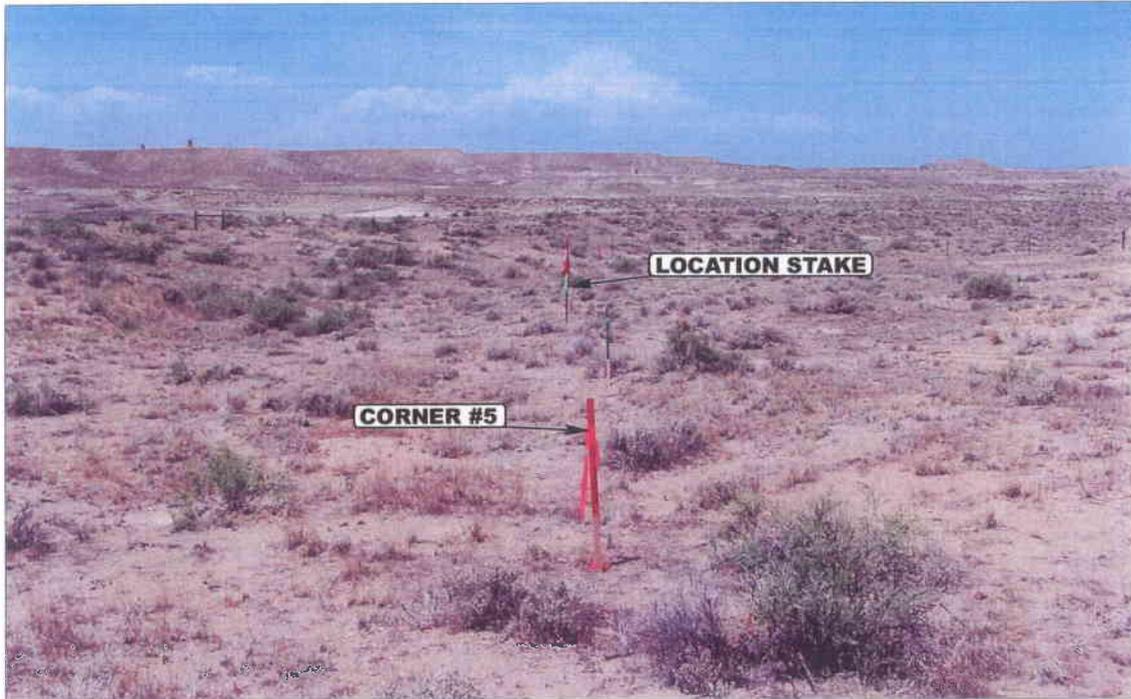


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: WESTERLY

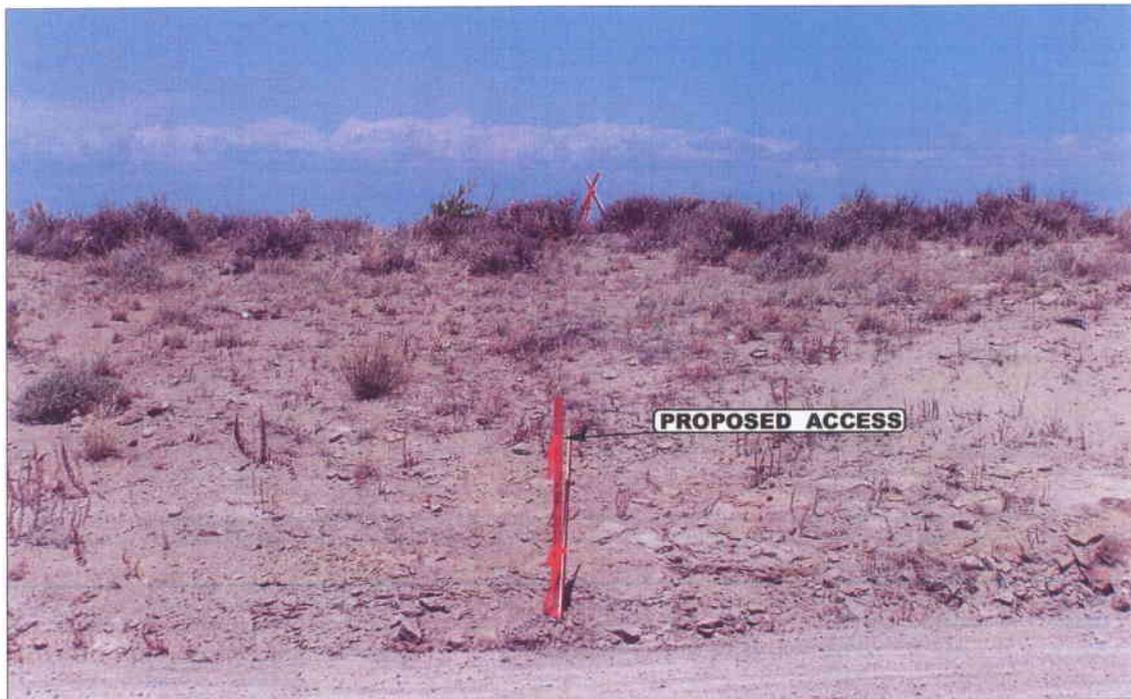


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

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

**LOCATION PHOTOS**

**06 30 06**  
MONTH DAY YEAR

PHOTO

TAKEN BY: G.S.

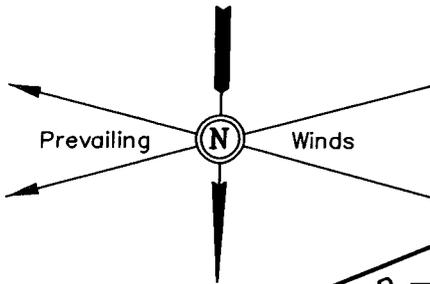
DRAWN BY: C.P.

REVISED: 00-00-00

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

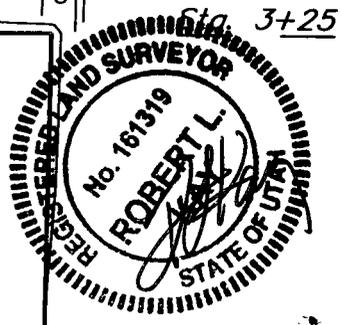
CWU #1273-15  
SECTION 15, T9S, R22E, S.L.B.&M.  
77' FSL 170' FWL



EXISTING ROAD

Proposed Access Road

SCALE: 1" = 50'  
DATE: 07-06-06  
Drawn By: S.L.

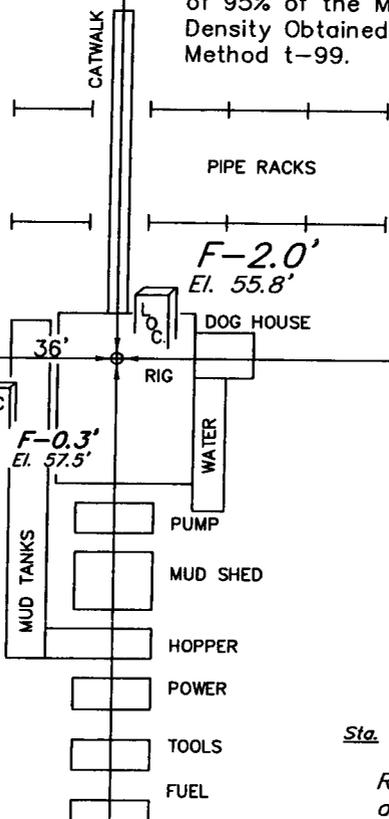
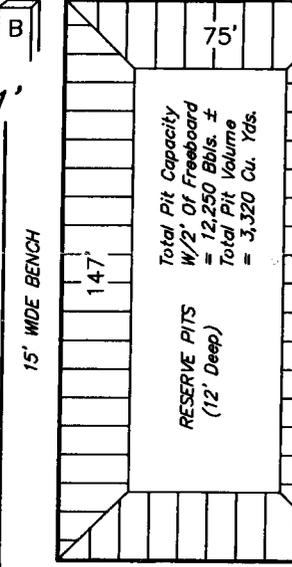


NOTE:  
Earthwork Calculations Require a Fill of 2.0' @ the Location Stake For Balance. All Fill is to be Compacted to a Minimum of 95% of the Maximum Dry Density Obtained by AASHTO Method t-99.

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

Reserve Pit Backfill & Spoils Stockpile

FLARE PIT  
20' WIDE BENCH  
46'



El. 63.9'  
C-18.1'  
(btm. pit)

El. 66.9'  
C-21.1'  
(btm. pit)

C-1.2'  
El. 59.0'

C-5.1'  
El. 62.9'

F-2.0'  
El. 55.8'

F-0.3'  
El. 57.5'

C-1.6'  
El. 59.4'

F-7.7'  
El. 50.1'

C-1.4'  
El. 59.2'

F-0.6'  
El. 57.2'

F-6.6'  
El. 51.2'

Reserve Pit Backfill & Spoils Stockpile

Approx. Top of Cut Slope

Topsoil Stockpile

CONSTRUCT DIVERSION DITCH

Sta. 0+50

Sta. 1+50

Sta. 0+00

Approx. Toe of Fill Slope

Round Corners as needed

STORAGE TANK

NOTES:

Elev. Ungraded Ground At Loc. Stake = 4855.8'

FINISHED GRADE ELEV. AT LOC. STAKE = 4857.8'

FIGURE #1

EOG RESOURCES, INC.

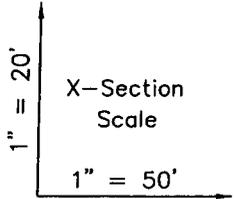
FIGURE #2

TYPICAL CROSS SECTIONS FOR

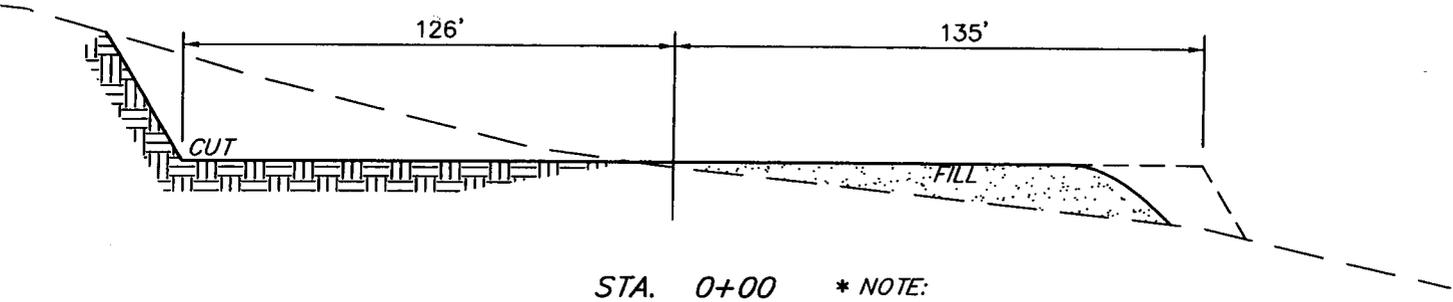
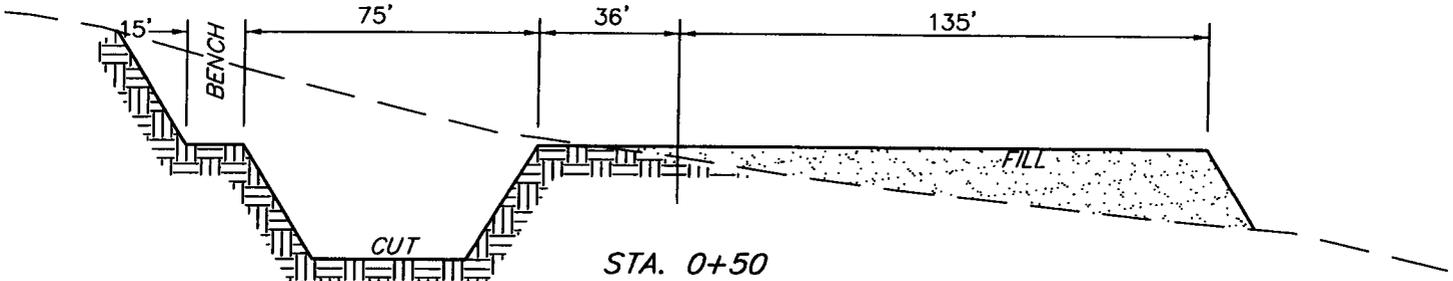
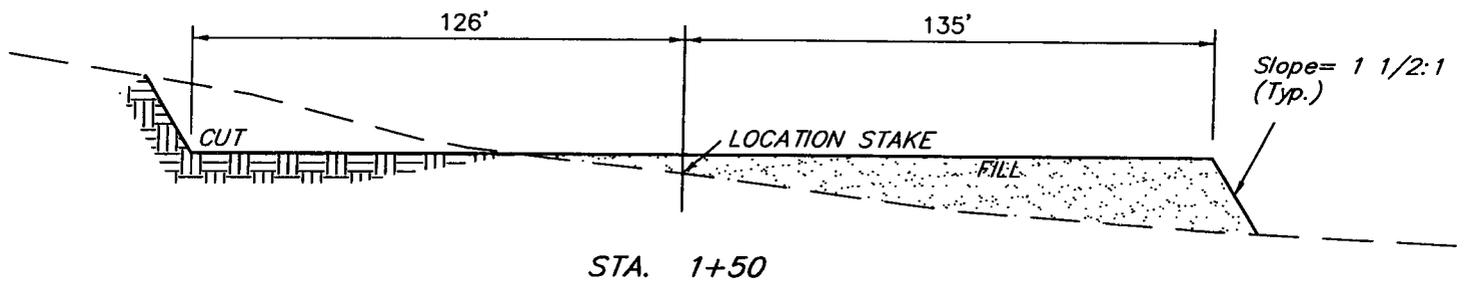
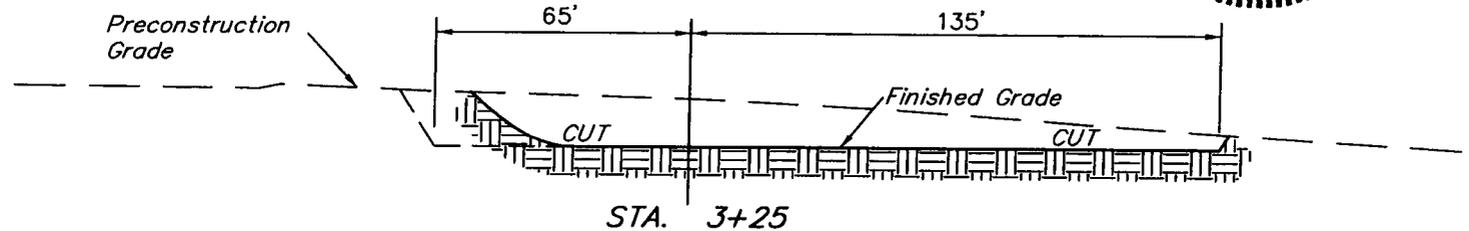
CWU #1273-15

SECTION 15, T9S, R22E, S.L.B.&M.

77' FSL 170' FWL



DATE: 07-06-06  
Drawn By: S.L.



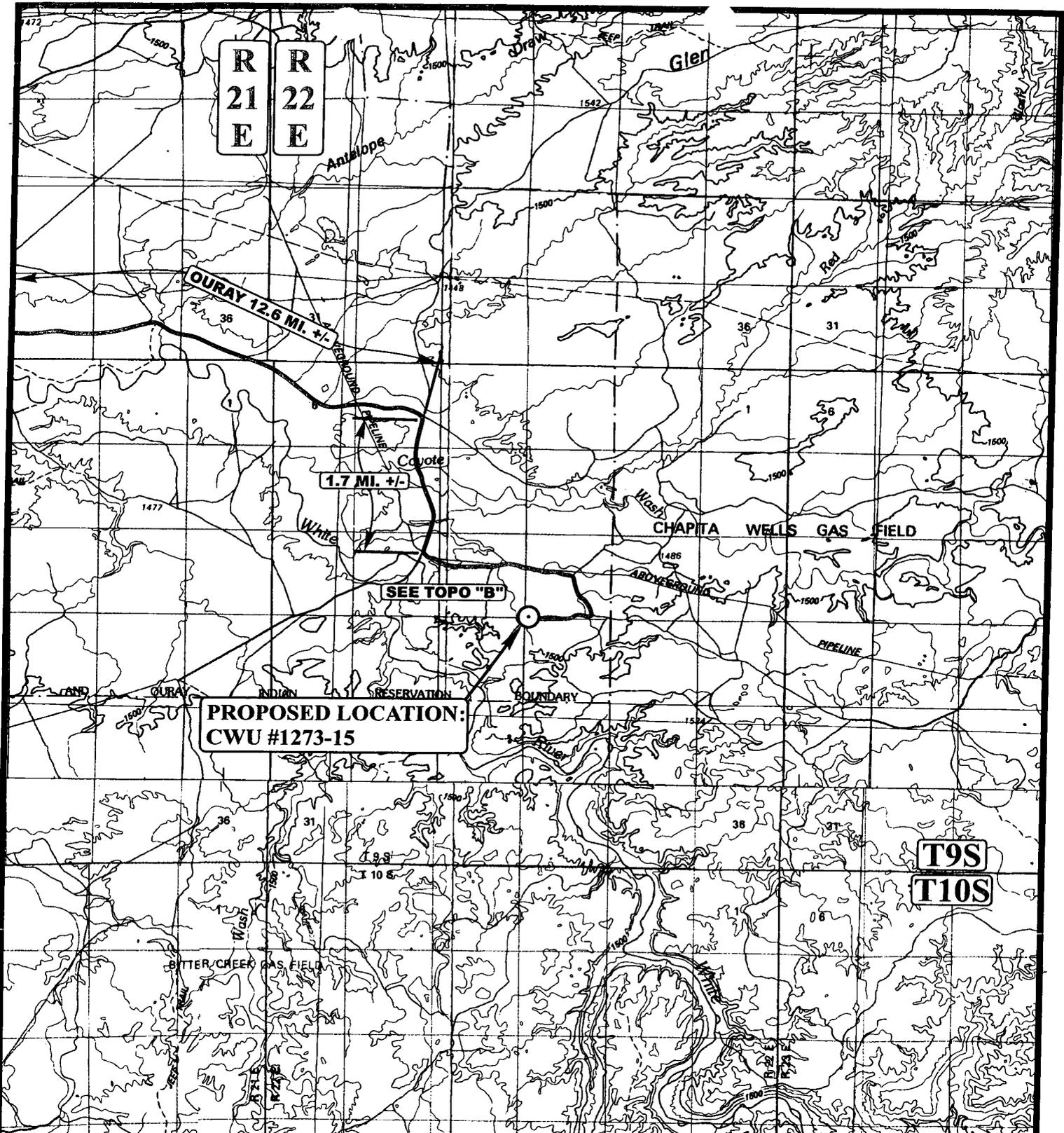
\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,660 Cu. Yds.
Remaining Location	= 8,160 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 9,820 CU.YDS.</b>
<b>FILL</b>	<b>= 6,500 CU.YDS.</b>

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

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017



**LEGEND:**

⊙ PROPOSED LOCATION



**EOG RESOURCES, INC.**

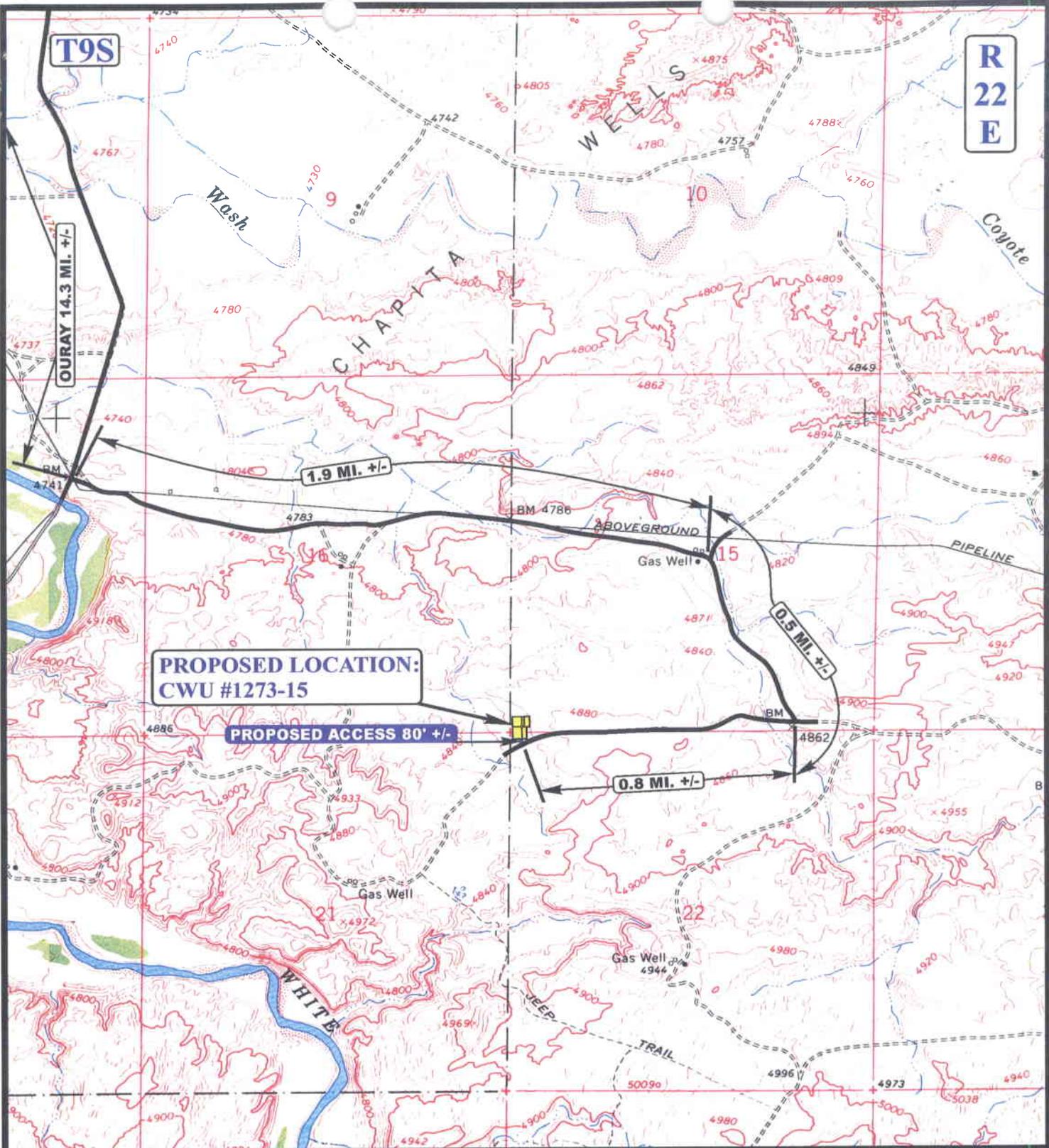
CWU #1273-15  
 SECTION 15, T9S, R22E, S.L.B.&M.  
 77' FSL 170' FWL



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

TOPOGRAPHIC MAP  
 06 30 06  
 MONTH DAY YEAR  
 SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00





**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD



**EOG RESOURCES, INC.**

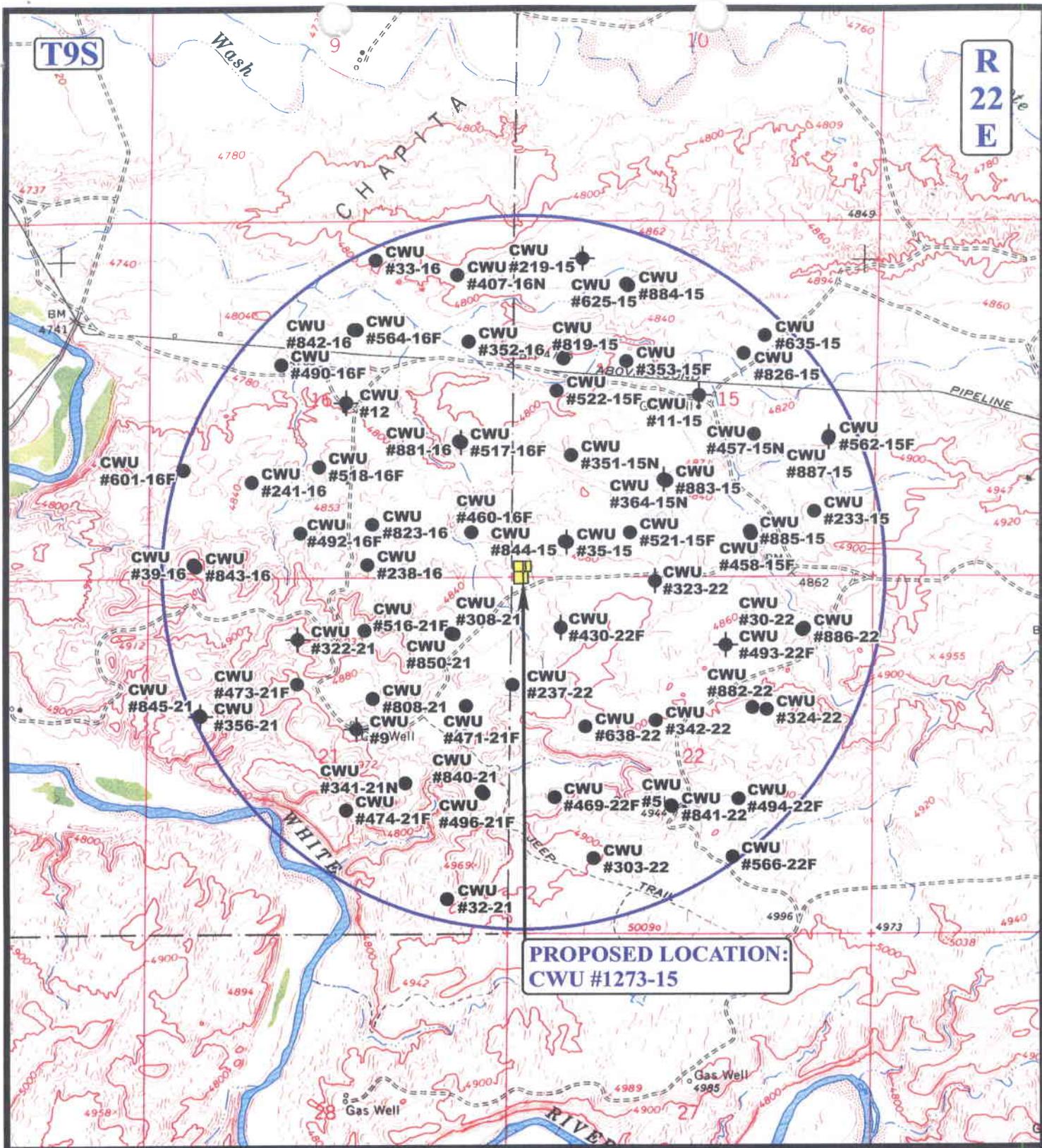
**CWU #1273-15**  
**SECTION 15, T9S, R22E, S.L.B.&M.**  
**77' FSL 170' FWL**

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

**TOPOGRAPHIC MAP** 06 30 06  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00 **B**  
 TOPO

T9S

R  
22  
E



**PROPOSED LOCATION:  
CWU #1273-15**

**LEGEND:**

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



**EOG RESOURCES, INC.**

**CWU #1273-15  
SECTION 15, T9S, R22E, S.L.B.&M.  
77' FSL 170' FWL**



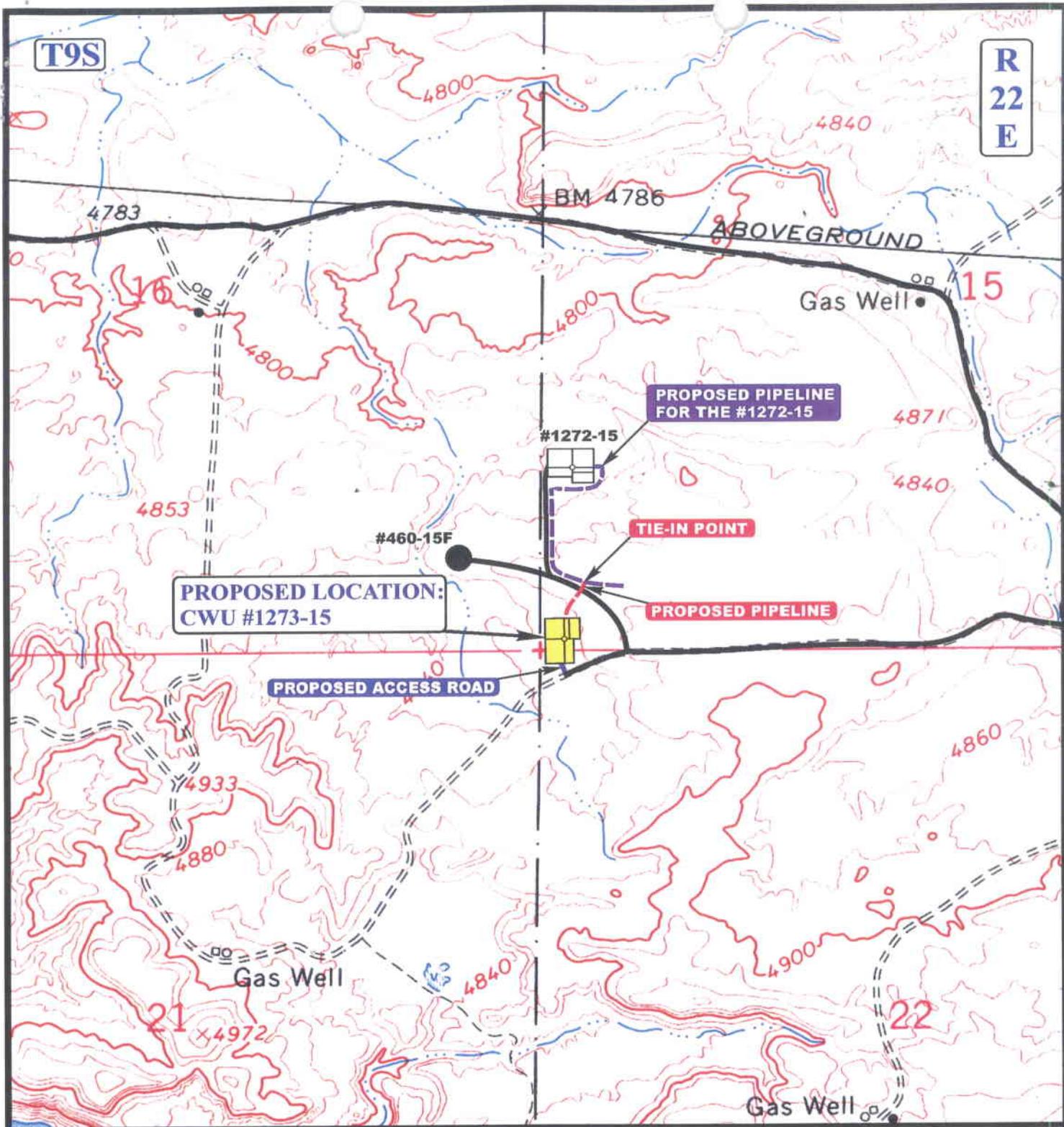
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

**06 30 06**  
MONTH DAY YEAR

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





**APPROXIMATE TOTAL PIPELINE DISTANCE = 288' +/-**

**LEGEND:**

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



**EOG RESOURCES, INC.**

CWU #1273-15  
 SECTION 15, T9S, R22E, S.L.B.&M.  
 77' FSL 170' FWL



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

**TOPOGRAPHIC MAP** 06 30 06  
 MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 00-00-00



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/14/2006

API NO. ASSIGNED: 43-047-38474

WELL NAME: CWU 1273-15  
 OPERATOR: EOG RESOURCES INC ( N9550 )  
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

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

SWSW 15 090S 220E  
 SURFACE: 0077 FSL 0170 FWL  
 BOTTOM: 0077 FSL 0170 FWL  
 COUNTY: UINTAH  
 LATITUDE: 40.02902 LONGITUDE: -109.4342  
 UTM SURF EASTINGS: 633608 NORTHINGS: 4431943  
 FIELD NAME: NATURAL BUTTES ( 630 )

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: U-0283-A  
 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)

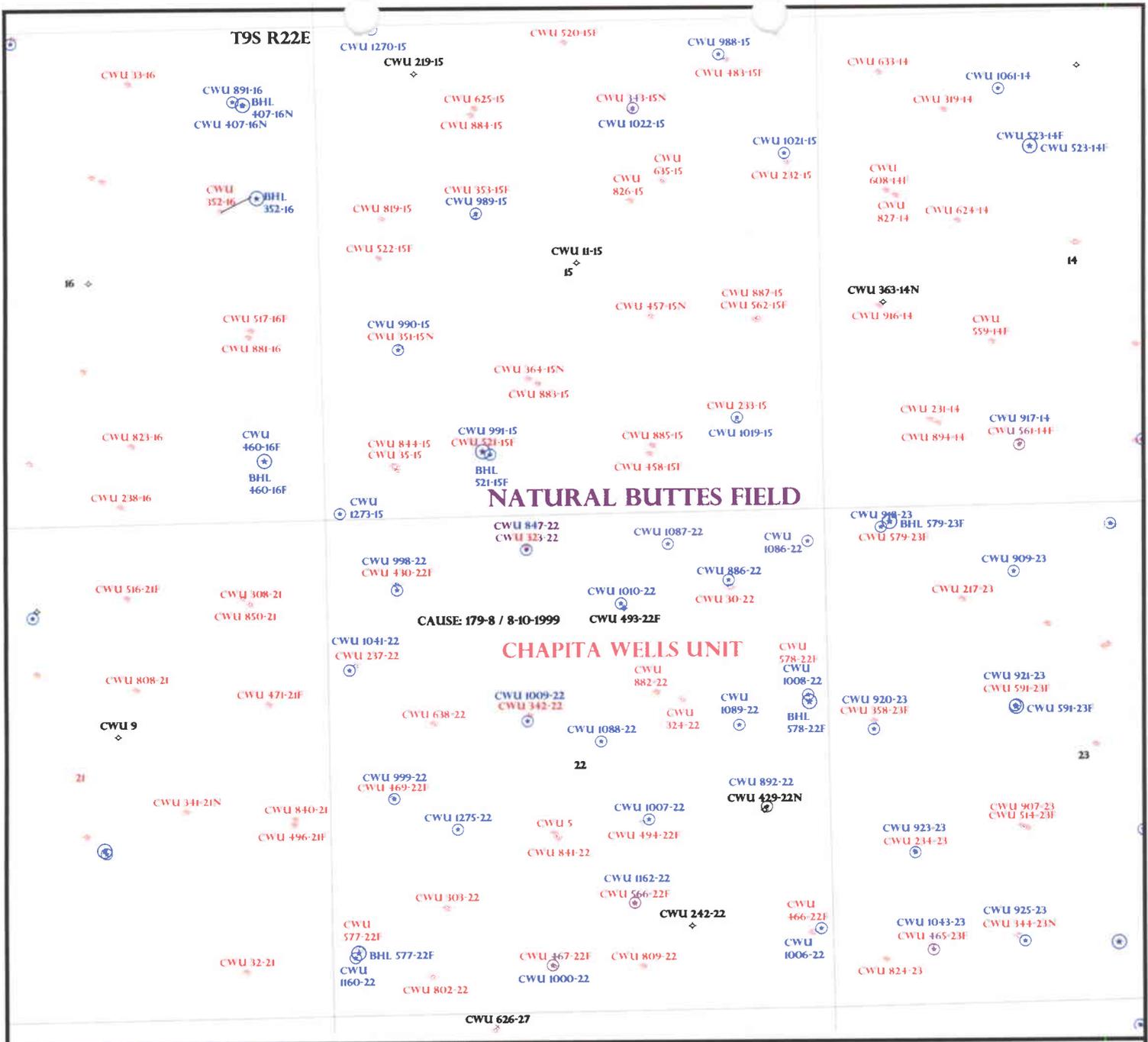
LOCATION AND SITING:

- 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: 174-8  
Eff Date: 8-10-1999  
Siting: Susquanna General Subg
- R649-3-11. Directional Drill

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

STIPULATIONS: 1- Federal Approval

2- OIL SHALE



**NATURAL BUTTES FIELD**

**CHAPITA WELLS UNIT**

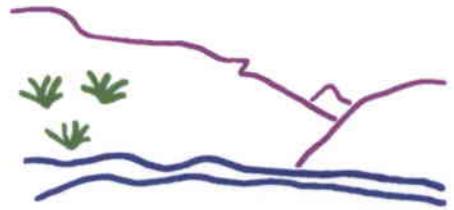
OPERATOR: EOG RESOURCES INC (N9550)

SEC: 15,22 T.9S R.22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY  
DATE: 15-AUGUST-2006

- 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

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

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

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:  
3160  
(UT-922)

August 15, 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)

43-047-38474 CWU 1273-15 Sec 15 T09S R22E 0077 FSL 0170 FWL  
43-047-38475 CWU 1270-15 Sec 15 T09S R22E 0054 FNL 0600 FWL  
43-047-38476 CWU 1275-22 Sec 22 T09S R22E 1980 FSL 1352 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:8-15-06



**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 17, 2006

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

Re: Chapita Wells Unit 1273-15 Well, 77' FSL, 170' FWL, SW SW, Sec. 15,  
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 43-047-38474.

Sincerely,

for  
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 1273-15  
API Number: 43-047-38474  
Lease: U-0283-A  
Location: SW SW                      Sec. 15                      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.

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

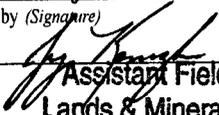
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>U-0283-A</b>
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>EOG RESOURCES, INC</b>		7. If Unit or CA Agreement, Name and No. <b>CHAPITA WELLS UNIT</b>
3a. Address <b>1060 EAST HIGHWAY 40 VERNAL, UT 84078</b>		8. Lease Name and Well No. <b>CHAPITA WELLS UNIT 1273-15</b>
3b. Phone No. (include area code) <b>435-781-9111</b>		9. API Well No. <b>43-047-38474</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <b>77 FSL 170 FWL SW/SW 40.028947 LAT 109.434903 LON</b> At proposed prod. zone <b>SAME</b>		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
14. Distance in miles and direction from nearest town or post office* <b>48.5 MILES SOUTH OF VERNAL, UTAH</b>		11. Sec., T. R. M. or Blk. and Survey or Area <b>SECTION 15, T9S, R22E S.L.B.&amp;M</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>77</b>	16. No. of acres in lease <b>1360</b>	12. County or Parish <b>UINTAH</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>750</b>	19. Proposed Depth <b>9648</b>	13. State <b>UT</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4856 GL</b>	22. Approximate date work will start*	17. Spacing Unit dedicated to this well
		20. BLM/BIA Bond No. on file <b>NM 2308</b>
		23. Estimated duration <b>45 DAYS</b>

**24. Attachments**

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

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

25. Signature 	Name (Printed Typed) <b>KAYLENE R. GARDNER</b>	Date <b>08/03/2006</b>
Title <b>REGULATORY ASSISTANT</b>		

Approved by (Signature) 	Name (Printed Typed) <b>JERRY KENCZKA</b>	Date <b>2-15-2007</b>
Title <b>Assistant Field Manager Lands &amp; Mineral Resources</b>	Office <b>VERNAL FIELD OFFICE</b>	

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

**CONDITIONS OF APPROVAL ATTACHED**

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

\*(Instructions on page 2)

**NOTICE OF APPROVAL**

RECEIVED  
FEB 28 2007  
DIV. OF OIL, GAS & MINING

RECEIVED  
VERNAL FIELD OFFICE  
2006 AUG -7 PM 1:47  
DEPT. OF THE INTERIOR  
BUREAU OF LAND MGMT

**UDOGM**

06BM2568A  
Entered in AFMSS 01/11/07

NOS 07/17/06



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. **Location:** SWSW, Sec 15, T9S, R22E  
**Well No:** Chapita Wells Unit 1273-15 **Lease No:** UTU-0283-A  
**API No:** 43-047-38474 **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
Petroleum Engineer:	Ryan Angus	Office: 435-781-4430	
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
Natural Resource Specialist:	Chuck Macdonald	Office: 435-781-4441	
Natural Resource Specialist:	Darren Williams	Office: 435-781-4447	
Natural Resource Specialist:	Verlyn Pindell	Office: 435-781-3402	
<b>After Hours Contact Number:</b>	<b>435-781-4513</b>	<b>Fax:</b> 435-781-4410	

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

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

**NOTIFICATION REQUIREMENTS**

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

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

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

9 lbs of Hycrest Crested Wheatgrass and 3 lbs of Kochia Prostrata.

2. If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.
3. 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. 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.

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

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

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

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

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

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

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

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

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

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

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

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

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

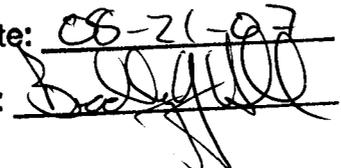
		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>U-0283-A</b>
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: <b>Chapita Wells Unit</b>
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: <b>Chapita Wells Unit 1273-15</b>
2. NAME OF OPERATOR: <b>EOG Resources, Inc.</b>		9. API NUMBER: <b>43-047-38474</b>
3. ADDRESS OF OPERATOR: P.O. BOX 1815                      VERNAL                      UT                      84078		PHONE NUMBER: <b>(435) 789-0790</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>77 FSL &amp; 170 FWL 40.028947 Lat 109.434903 Lon</b>		10. FIELD AND POOL, OR WILDCAT: Natural Buttes
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWSW 15 9S 22E S.L.B. &amp; M</b>		COUNTY: <b>Uintah</b> STATE: <b>UTAH</b>

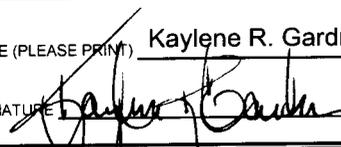
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 08-21-07  
By: 

NAME (PLEASE PRINT) <u>Kaylene R. Gardner</u>	TITLE <u>Lead Regulatory Assistant</u>
SIGNATURE 	DATE <u>8/15/2007</u>

(This space for State use only)

8-22-07  
RM

AUG 20 2007

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

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

**API:** 43-047-38474  
**Well Name:** Chapita Wells Unit 1273-15  
**Location:** 77 FSL & 170 FWL (SWSW), Section 15, T9S, R22E S.L.B.&M  
**Company Permit Issued to:** EOG Resources, Inc.  
**Date Original Permit Issued:** 8/17/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes  No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes  No

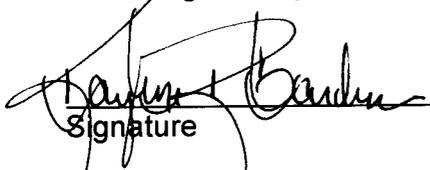
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes  No

Has the approved source of water for drilling changed? Yes  No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes  No

Is bonding still in place, which covers this proposed well? Yes  No

  
Signature

8/15/2007  
Date

Title: Lead Regulatory Assistant

Representing: EOG Resources, Inc.

RECEIVED  
AUG 20 2007  
REGISTRATION

# DIVISION OF OIL, GAS AND MINING

## SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 1273-15

Api No: 43-047-38474 Lease Type: FEDERAL

Section 15 Township 09S Range 22E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # RATHOLE

### SPUDDED:

Date 01/15/08

Time 4:00 PM

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 01/16/08 Signed CHD

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

FORM 6

**ENTITY ACTION FORM**

Operator: EOG Resources, Inc. Operator Account Number: N 9550  
 Address: 600 17th St., Suite 1000N  
city Denver  
state CO zip 80202 Phone Number: (303) 824-5526

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38474	Chapita Wells Unit 1273-15		SWSW	15	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	99999	<i>13650</i>	1/15/2008		<i>1/24/08</i>		
Comments: <i>PRRV = MVRD</i>							

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:							

**ACTION CODES:**

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

Mary A. Maestas

Name (Please Print)

Signature  
Regulatory Assistant

1/22/2008

Title

Date

**RECEIVED**

**JAN 23 2008**

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.  
UTU0283A

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
CHAPITA WELLS UNIT 1273-15

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

9. API Well No.  
43-047-38474

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 15 T9S R22E SWSW 77FSL 170FWL  
40.02895 N Lat, 109.43490 W Lon

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

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

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

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

The referenced well spud on 1/15/2008.

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #58183 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 01/22/2008

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

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

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

Office \_\_\_\_\_

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

**RECEIVED**  
JAN 25 2008

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

CWU 1273-15

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.  
UTU0336A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
MULTIPLE - SEE AT

8. Well Name and No.  
MULTIPLE MULTIPLE

9. API Well No.  
43 047 38474

10. Field and Pool, or Exploratory  
NATURAL BUTTES

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
EOG RESOURCES INC  
Contact: 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)  
  
9S 22E 15

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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

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

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

This sundry covers multiple wells. Please see attached page.

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

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #58493 verified by the BLM Well Information System For EOG RESOURCES INC, sent to the Vernal**

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

Signature  (Electronic Submission) Date 02/06/2008

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

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

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

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

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

RECEIVED  
FEB 13 2008

<u>Well Name</u>	<u>SEC</u>	<u>T</u>	<u>R</u>	<u>Qtr/Qtr</u>	<u>Lease</u>	<u>API</u>
CWU 692-20	20	9S	23E	SENE	UTU0336A	43-047-38671
CWU 1273-15	15	9S	22E	SWSW	UTU0283A	43-047-38474
CWU 1021-15	15	9S	22E	SENE	UTU0283A	43-047-37839
Hoss 65-36	36	8S	22E	SESW	UTU56960	43-047-38363
Hoss 56-29	29	8S	23E	SENE	UTU76042	43-047-38953
Hoss 17-32	32	8S	23E	SWSW	UTU56965	43-047-38907
Hoss 69-33	33	8S	23E	SESW	UTU64422	43-047-38360
Hoss 24-32	32	8S	23E	NWNW	UTU56965	43-047-38887
Hoss 55-29	29	8S	23E	NWNE	UTU76042	43-047-39169
Hoss 15-31	31	8S	23E	NENW	UTU61401	43-047-38653
Hoss 28-30	30	8S	23E	SWSE	UTU61400	43-047-38885
East Chapita 55-05	5	9S	23E	SESW	UTU01304	43-047-38732
East Chapita 45-05	5	9S	23E	SENE	UTU01304	43-047-38942
NBU 566-17E	17	10S	21E	NENW	UTU02270A	43-047-38375

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.  
UTU0283A

6. If Indian, Allottee or Tribe Name

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

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

8. Well Name and No.  
CHAPITA WELLS UNIT 1273-15

9. API Well No.  
43-047-38474

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

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

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 1000 N.  
DENVER, CO 80202  
3b. Phone No. (include area code)  
Ph: 303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 15 T9S R22E SWSW 77FSL 170FWL  
40.02895 N Lat, 109.43490 W Lon

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input 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 Production Start-up
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

The referenced well was turned to sales on 4/18/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

**RECEIVED**  
**APR 29 2008**  
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #59898 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 04/25/2008

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

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

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Office \_\_\_\_\_

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

## WELL CHRONOLOGY REPORT

Report Generated On: 04-25-2008

<b>Well Name</b>	CWU 1273-15	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-38474	<b>Well Class</b>	1SA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	03-02-2008	<b>Class Date</b>	04-18-2008
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,648/ 9,648	<b>Property #</b>	059642
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	8,046/ 8,046
<b>KB / GL Elev</b>	4,875/ 4,858				
<b>Location</b>	Section 15,T9S,R22E, SWSW, 77 FSL & 170 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	55.762	<b>NRI %</b>	47.724

<b>AFE No</b>	304200	<b>AFE Total</b>	1,845,300	<b>DHC / CWC</b>	912,100/ 933,200
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #9	<b>Start Date</b>	08-18-2006
<b>08-18-2006</b>	<b>Reported By</b>	SHARON WHITLOCK			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time: LOCATION DATA**

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	LOCATION DATA
77' FSL & 170' FWL (SW/SW)			
SECTION 15, T9S, R22E			
UINTAH COUNTY, UTAH			

LAT 40.028983, LONG 109.434219 (NAD 27)  
LAT 40.028947, LONG 109.434903 (NAD 83)

TRUE #9  
OBJECTIVE: 9648' TD, MESAVERDE  
DW/GAS  
CHAPITA WELLS DEEP PROSPECT  
DD&A: CHAPITA DEEP  
NATURAL BUTTES FIELD

LEASE: U-0283-A  
ELEVATION: 4855.8' NAT GL, 4857.8' PREP GL (DUE TO ROUNDING THE PREP GL IS 4858'), 4875' KB (17')

EOG WI 55.7624%, NRI 47.72367%

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12-21-2007      **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.

**12-26-2007**      **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 15% COMPLETE.

**12-27-2007**      **Reported By**      TERRY CSERE

**Daily Costs: Drilling**      \$0                                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$38,000                      **Completion**      \$0                      **Well Total**      \$38,000

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

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

**Activity at Report Time:** BUILD LOCATION

**Start**      **End**      **Hrs**      **Activity Description**  
 06:00      06:00      24.0      LOCATION 20% COMPLETE.

**12-28-2007**      **Reported By**      TERRY CSERE

**Daily Costs: Drilling**      \$0                                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$38,000                      **Completion**      \$0                      **Well Total**      \$38,000

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

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

**Activity at Report Time:** BUILD LOCATION

**Start**      **End**      **Hrs**      **Activity Description**  
 06:00      06:00      24.0      LOCATION 25% COMPLETE.

**12-31-2007**      **Reported By**      NATALIE BRAYTON

**Daily Costs: Drilling**      \$0                                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$38,000                      **Completion**      \$0                      **Well Total**      \$38,000

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

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

**Activity at Report Time:** BUILD LOCATION

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

**01-02-2008**      **Reported By**      TERRY CSERE





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

Activity at Report Time: BUILD LOCATION

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

01-17-2008 Reported By JERRY BARNES

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION/WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	CRAIGS ROUSTABOUT SERVICE SPUD A 20" HOLE ON 01/15/08 @ 4:00 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM & MICHAEL LEE W/BLM OF THE SPUD 01/15/08 @ 3:30 PM.

01-29-2008 Reported By JERRY BARNES

<b>Daily Costs: Drilling</b>	\$202,792	<b>Completion</b>	\$0	<b>Daily Total</b>	\$202,792
<b>Cum Costs: Drilling</b>	\$240,792	<b>Completion</b>	\$0	<b>Well Total</b>	\$240,792
<b>MD</b>	2,446	<b>TVD</b>	2,446	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG #2 ON 1/17/2008. DRILLED 12-1/4" HOLE TO 2470' GL. ENCOUNTERED WATER @ 1050'. RAN 57 JTS (2429.30') 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 @ 2446' KB. RAN 200' OFF 1" PIPE DOWN BACKSIDE. RDMO AIR RIG.

MIRU PRO PETRO CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 185 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 220 SX (150 BBLs) OF PREMIUM LEAD CEMENT W/16% GEL, 10 #/ SX GILSONITE 3 #/ SX GR-3, 3% SALT, & 1/4 #/ SX FLOCELE. MIXED LEAD CEMENT @ 11.0 PPG W/YIELD OF 3.82 CF/SX.

TAILED IN W/200 SX (41 BBLs) OF PREMIUM CEMENT W/2% CACL2 & 1/4 #/ SX FLOCELE. MIXED TAIL CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. DISPLACED CEMENT W/182 BBLs FRESH WATER. BUMPED PLUG W/900# @ 10:55 PM, 1/21/2008. CHECKED FLOAT, FLOAT DID NOT HOLD. SHUT-IN CASING VALVE. BROKE CIRCULATION 185 BBLs INTO FRESH WATER FLUSH. NO CEMENT TO SURFACE. HOLE FELL BACK WHEN PLUG BUMPED.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 125 SX (25.6 BBLs) OF PREMIUM CEMENT W/4% CACL2 & 1/4 #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HRS.

TOP JOB # 2: MIXED & PUMPED 100 SX (20 BBLs) OF PREMIUM CEMENT W/4% 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.

MIRU GLENN'S WIRELINE SERVICE. RAN IN HOLE W/STRAIGHT HOLE SURVEY. TAGGED CEMENT @ 2296' GL. PICKED UP TO 2276' & TOOK SURVEY. 1 DEGREE.

KYLAN COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 1/20/2008 @ 2:20 PM.

<b>03-01-2008</b>	<b>Reported By</b>	DAVID GREESON									
<b>Daily Costs: Drilling</b>	\$23,515	<b>Completion</b>	\$0	<b>Daily Total</b>	\$23,515						
<b>Cum Costs: Drilling</b>	\$264,307	<b>Completion</b>	\$0	<b>Well Total</b>	\$264,307						
<b>MD</b>	2,446	<b>TVD</b>	2,446	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** RURT

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	RDRT & MOVE FROM CWU 989-15 TO 1273-15, 1.7 MILE MOVE. RIG UP. ONLY BOP AND SUB SET IN. ONLY DERRICK ON OLD LOCATION, ALL OTHER EQUIPMENT STAGED TO SIDE OF NEW LOCATION AND ON NEARBY LOCATION. TRUCKS AGAIN TODAY TO SET RIG. WILL GET DERRICK IN AIR TODAY. FINISH RIG UP.  FUEL ON HAND 3800 GL, USED 0 GL. TRANSFERED 7 JOINTS CASING, 1 MARKER JOINT AND 3800 GL. FUEL TO CWU 1273-15. 2 FULL CREWS TODAY. SAFETY MEETINGS: MOVING RIG W/ WEST ROC TRANSPORT. NO ACCIDENTS OR INCIDENTS REPORTED. BOILER 0 HOURS REPORT TIME WEATHER 19 DEGREES & FOGGY.

<b>03-02-2008</b>	<b>Reported By</b>	DAVID GREESON									
<b>Daily Costs: Drilling</b>	\$27,446	<b>Completion</b>	\$0	<b>Daily Total</b>	\$27,446						
<b>Cum Costs: Drilling</b>	\$291,753	<b>Completion</b>	\$0	<b>Well Total</b>	\$291,753						
<b>MD</b>	2,446	<b>TVD</b>	2,446	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** TEST BOPE

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	22:00	16.0	RIG UP ROTARY TOOL. DERRICK IN AIR @ 12:30. TRUCKS RELEASED @ 17:00.  FUEL ON HAND 3800 GL, USED 0 GL. TRANSFERED 7 JOINTS CASING, 1 MARKER JOINT AND 3800 GL. FUEL TO CWU 1273-15. 2 FULL CREWS TODAY. SAFETY MEETINGS: MOVING RIG W/ WEST ROC TRANSPORT. NO ACCIDENTS OR INCIDENTS REPORTED. BOILER 0 HOURS REPORT TIME WEATHER 19 DEGREES & FOGGY.
22:00	02:00	4.0	NIPPLE UP BOP, CHOKE MANIFOLD, FLOWLINE.

02:00 06:00 4.0 TEST BOPS AS FOLLOWS WITH B&C QUICK TEST. TESTER JOHN SIDWELL: TEST UPPER & LOWER KELLY VALVE, INSIDE BOP& SAFETY VALVE TO 250 PSI LIW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST PIPE RAMS & INSIDE VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST PIPE RAMS & OUTSIDE BOP VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST ANNULAR PREVENTER TO 250 PSI LOW FOR 5 MINUTES & 2500 PSI HIGH FOR 10 MINUTES. TEST BLIND RAMS, KILL LINE, CHOKE LINE & MANIFOLS TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST BLIND RAMS, KILL LINE, CHOKE LINE, & OUTSIDE MANIFOLD VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TESTED SURFACE CASING TO 1500 PSI FOR 30 MINUTES. TESTED SUPERCHOKE TO 1000 PSI FOR 10 MINUTES.

DAYWORK START @ 0200.

FUEL ON HAND 3600 GL, USED 200 GL.

2 FULL CREWS TODAY. ONLY 4 MEN ON NIGHT CREW.

SAFETY MEETINGS: PRESSURE TESTING/NIPPLING UP.

NO ACCIDENTS OR INCIDENTS REPORTED.

BOILER 0 HOURS

REPORT TIME WEATHER 25 DEGREES & FOGGY.

<b>03-03-2008</b>		<b>Reported By</b>		DAVID GREESON							
<b>Daily Costs: Drilling</b>		\$55,560	<b>Completion</b>		\$0	<b>Daily Total</b>		\$55,560			
<b>Cum Costs: Drilling</b>		\$347,313	<b>Completion</b>		\$0	<b>Well Total</b>		\$347,313			
<b>MD</b>	3,474	<b>TVD</b>	3,474	<b>Progress</b>	970	<b>Days</b>	1	<b>MW</b>	8.4	<b>Visc</b>	26.0
<b>Formation :</b>		<b>PBTD : 0.0</b>			<b>Perf :</b>		<b>PKR Depth : 0.0</b>				
<b>Activity at Report Time: DRILLING @ 3474'</b>											

Start	End	Hrs	Activity Description
06:00	08:00	2.0	TEST BOPS AS FOLLOWS WITH B&C QUICK TEST. TESTER RAY MINOR. TEST UPPER & LOWER KELLY VALVE, INSIDE BOP& SAFETY VALVE TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST PIPE RAMS & INSIDE VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST PIPE RAMS & OUTSIDE BOP VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST ANNULAR PREVENTER TO 250 PSI LOW FOR 5 MINUTES & 2500 PSI HIGH FOR 10 MINUTES. TEST BLIND RAMS, KILL LINE, CHOKE LINE & MANIFOLS TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST BLIND RAMS, KILL LINE, CHOKE LINE, & OUTSIDE MANIFOLD VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TESTED SURFACE CASING TO 1500 PSI FOR 30 MINUTES. TESTED SUPERCHOKE TO 1000 PSI FOR 10 MINUTES. REPAIR BLOWN HYDRAULIC HOSE.
08:00	11:30	3.5	PICK UP BHA AND DRILL PIPE W/ WEATHERFORD TRS LD MACHINE. TAG BOTTOM @ 2330'.
11:30	12:00	0.5	RD WEATHERFORD TRS LD MACHINE SERVICE TOOLS
12:00	12:30	0.5	RU MD TOTCO WILDCAT AUTOMATIC DRILLER SERVICE TOOLS, REPLACE PASON AUTODRILLER.
12:30	13:00	0.5	INSTALL ROT. HEAD RUBBER AND DRIVE BUSHING.
13:00	16:00	3.0	DRILL CEMENT, FLOAT EQUIP., SHOE AND 10' NEW HOLE. PREPARE FOR FIT TEST.
16:00	17:00	1.0	SPOT 40 BBL GEL PILL ON BOTTOM. FIT TEST @ 2497' TO 340 PSI OR 11.0 EMW. DRILL DOWN KELLY TO 2504'.
17:00	17:30	0.5	SURVEY @ 2504' IS 1.06 DEGREES.
17:30	00:00	6.5	DRILL 7.875" HOLE FROM 2504' TO 3128'. (624') 96 FPH. WOB 18-20K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 900 PSI. MUD WT 8.4 & VIS 27.
00:00	00:30	0.5	SURVEY @ 3000' IS 1.72 DEGREES.
00:30	06:00	5.5	DRILL 7.875" HOLE FROM 3128' TO 3474'. (346') 63 FPH. WOB 18-20K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 900 PSI. MUD WT 8.5 & VIS 28.
SPUD WELL @ 1700 3/2/08.			
FUEL RECEIVED 4500, ON HAND 7180 GL, USED 900 GL.			
FULL CREWS TODAY.			

SAFETY MEETINGS:PU BHA/BOP DRILL  
 BOP DRILL'S 10 MIN./SET COM DRILLING.  
 NO ACCIDENTS OR INCIDENTS REPORTED.  
 BOILER 12 HOURS  
 REPORT TIME WEATHER 11 DEGREES & CLEAR.

06:00 18.0 SPUD 7 7/8" HOLE @ 17:00 HRS, 3/2/08.

<b>03-04-2008</b>	<b>Reported By</b>	DAVID GREESON									
<b>Daily Costs: Drilling</b>	\$35,490	<b>Completion</b>	\$0	<b>Daily Total</b>	\$35,490						
<b>Cum Costs: Drilling</b>	\$382,804	<b>Completion</b>	\$0	<b>Well Total</b>	\$382,804						
<b>MD</b>	5,170	<b>TVD</b>	5,170	<b>Progress</b>	1,696	<b>Days</b>	2	<b>MW</b>	8.8	<b>Visc</b>	32.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: DRILLING @ 5170'</b>											

Start	End	Hrs	Activity Description
06:30	08:00	2.0	DRILL 3474' TO 3569'. (95') 48 FPH. WOB 18-20K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 900 PSI. MUD WT 8.5 & VIS 28.
	08:30	0.5	SURVEY @ 3490', 2.4 DEGREES.
	09:00	8.0	DRILL 3569' TO 4073'. (504') 63 FPH. WOB 18-20K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1000 PSI. MUD WT 8.6 & VIS 28.
16:30		0.5	SURVEY @ 3993', 2.49 DEGREES.
17:00	22:00	5.0	DRILL 4073' TO 4542'. (469') 94 FPH. WOB 18-20K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1000 PSI. MUD WT 8.7 & VIS 28.
22:00		0.5	SURVEY @ 4460', 1.35 DEGREES.
22:30	06:00	7.5	DRILL 4542' TO 5170'. (628') 84 FPH. WOB 18-20K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1000 PSI. MUD WT 9.0 & VIS 30. FORMATION TOP'S: WASATCH 4793' FUEL ON HAND 5900 GL, USED 1280 GL. FULL CREWS TODAY. SAFETY MEETINGS: WIRELINE SURVEY'S/MIXING CHEMICALS. BOP DRILL'S 10 MIN./SET COM DRILLING. NO ACCIDENTS OR INCIDENTS REPORTED. BOILER 0 HOURS REPORT TIME WEATHER 11 DEGREES & CLEAR.

<b>03-05-2008</b>	<b>Reported By</b>	DAVID GREESON									
<b>Daily Costs: Drilling</b>	\$92,071	<b>Completion</b>	\$0	<b>Daily Total</b>	\$92,071						
<b>Cum Costs: Drilling</b>	\$474,875	<b>Completion</b>	\$0	<b>Well Total</b>	\$474,875						
<b>MD</b>	6,616	<b>TVD</b>	6,616	<b>Progress</b>	1,446	<b>Days</b>	3	<b>MW</b>	8.8	<b>Visc</b>	31.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: DRILLING @ 6616</b>											

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILL FROM 5170' TO 5452'. (282') 71 FPH. WOB 18-20K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1000 PSI. MUD WT 9.1 & VIS 30.

10:00 10:30 0.5 SERVICE RIG. GREASE BLOCKS. CHECK COM DRILLING.  
 10:30 16:00 5.5 DRILL FROM 5452' TO 5828'. (376') 68 FPH. WOB 18-20K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1000 PSI. MUD WT 9.3 & VIS 30.  
 LOST ~100 BBL MUD AT 5770'. NO FURTHER LOSSES.  
 16:00 16:30 0.5 EQUIPMENT REPAIR, BOTH CHARGING PUMPS DOWN. REWIRE ELECTRICAL PLUG.  
 16:30 06:00 13.5 DRILL FROM 5828' TO 6616'. (788') 58' FPH. WOB 18-20K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1300 PSI. MUD WT 9.7 & VIS 32.  
 FORMATION TOP'S: WASATCH 4793', CHAPITA WELLS 5389',  
 BUCK CANYON 6072'.  
 FUEL ON HAND 4700 GL, USED 1200 GL.  
 FULL CREWS TODAY.  
 SAFETY MEETINGS: OPERATING FORKLIFT/ ELECTRICITY.  
 CHECK COM WHILE DRILLING.  
 NO ACCIDENTS OR INCIDENTS REPORTED.  
 BOILER 0 HOURS  
 REPORT TIME WEATHER 18 DEGREES & CLEAR.  
 UNMANNED GAS DETECTOR 3 DAYS.

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<b>03-06-2008</b>	<b>Reported By</b>	DAVID GREESON									
<b>Daily Costs: Drilling</b>	\$33,817	<b>Completion</b>	\$0	<b>Daily Total</b>	\$33,817						
<b>Cum Costs: Drilling</b>	\$508,693	<b>Completion</b>	\$0	<b>Well Total</b>	\$508,693						
<b>MD</b>	7,617	<b>TVD</b>	7,617	<b>Progress</b>	1,001	<b>Days</b>	4	<b>MW</b>	9.7	<b>Visc</b>	30.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time:</b> DRILLING @ 7,617'											

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	17:00	11.0	DRILL FROM 6616' TO 7080'. (464') 42' FPH. WOB 18-20K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1500 PSI. MUD WT 9.8 & VIS 32.								
17:00	17:30	0.5	SERVICE RIG. CHECK COM WHILE DRILLING.								
17:30	06:00	12.5	DRILL FROM 7080' TO 7617'. (537') 43' FPH. WOB 18-22K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1600 PSI. MUD WT 10.6 & VIS 34. FORMATION TOP'S: WASATCH 4793', CHAPITA WELLS 5389', BUCK CANYON 6072', NORTH HORN 6774', PRICE RIVER 7312'. FUEL ON HAND 3000 GL, USED 1700 GL. FULL CREWS TODAY. SAFETY MEETINGS: OPERATING FORKLIFT/ICEY CONDITIONS. CHECK COM WHILE DRILLING. TOURLY BOP DRILLS. NO ACCIDENTS OR INCIDENTS REPORTED. BOILER 12 HOURS REPORT TIME WEATHER 14 DEGREES & CLEAR. UNMANNED GAS DETECTOR 4 DAYS.								

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<b>03-07-2008</b>	<b>Reported By</b>	DAVID GREESON									
<b>Daily Costs: Drilling</b>	\$66,369	<b>Completion</b>	\$0	<b>Daily Total</b>	\$66,369						
<b>Cum Costs: Drilling</b>	\$575,062	<b>Completion</b>	\$0	<b>Well Total</b>	\$575,062						
<b>MD</b>	8,273	<b>TVD</b>	8,273	<b>Progress</b>	656	<b>Days</b>	5	<b>MW</b>	10.5	<b>Visc</b>	36.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time:</b> TOH FOR BIT											

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILL FROM 7617' TO 7869'. (252') 36' FPH. WOB 18-22K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1650 PSI. MUD WT 10.8 & VIS 34.
13:00	13:30	0.5	SERVICE RIG. CHECK COM DRILLING.
13:30	04:30	15.0	DRILL FROM 7869' TO 8273'. (404') 27' FPH. WOB 20-25K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1700 PSI. MUD WT 11.1 & VIS 35.
04:30	05:30	1.0	CIRCULATE HOLE. BUILD DRY JOB PILL TO 13.2#/GL. PREPARE TO TOOH. PUMP DRY JOB.
05:30	06:00	0.5	TRIP OUT OF HOLE TO CHANGE OUT BIT #1 @ 8273'. XO MUDMOTOR, LAYDOWN REAMERS. CHECK COM FOR TRIPPING ON FIRST STAND OUT. DROP SURVEY TOOL. FORMATION TOP'S: WASATCH 4793', CHAPITA WELLS 5389', BUCK CANYON 6072', NORTH HORN 6774', PRICE RIVER 7312'. MIDDLE PRICE RIVER 8158' FUEL RECEIVED 8000, ON HAND 9300 GL, USED 1700 GL. FULL CREWS TODAY. SAFETY MEETINGS: MSDS/100% TIE OFF. CHECK COM WHILE DRILLING/TRIPPING. TOURLY BOP DRILLS. NO ACCIDENTS OR INCIDENTS REPORTED. BOILER 24 HOURS REPORT TIME WEATHER 15 DEGREES & CLEAR. UNMANNED GAS DETECTOR 5 DAYS.

Reported By DAVID GREESON

Daily Cost	\$49,597	Completion	\$0	Daily Total	\$49,597						
Cum Costs:	\$624,660	Completion	\$0	Well Total	\$624,660						
MD	8,793	TVD	8,793	Progress	520	Days	6	MW	11.0	Visc	34.0
Formation	PBTB : 0.0		Perf :	PKR Depth : 0.0							
Activity at	Port Time: DRILLING @ 8,793										

Start	End	Hrs	Activity Description
06:00	09:30	3.5	TRIP OUT OF HOLE TO CHANGE OUT BIT #1 @ 8273'. XO MUDMOTOR, LAYDOWN REAMERS. CHECK COM FOR TRIPPING ON FIRST STAND OUT. DROP SURVEY TOOL, 1.96 DEGREES @ 8192'.
09:30	11:00	1.5	XO BHA. LD MUD MOTOR, ROLLER REAMERS. PU FRESH MUD MOTOR. XO BIT.
11:00	15:00	4.0	TRIP IN HOLE TO 8240'. FILL PIPE AT 4300'. NO DRAG, NO FILL ON BOTTOM. NO MUD LOSSES.
15:00	06:00	15.0	DRILL FROM 8273' TO 8793'. (520') 35' FPH. WOB 18-20K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1900 PSI. MUD WT 11.3 & VIS 36. FORMATION TOP'S: WASATCH 4793', CHAPITA WELLS 5389', BUCK CANYON 6072', NORTH HORN 6774', PRICE RIVER 7312'. MIDDLE PRICE RIVER 8158' FUEL ON HAND 7800 GL, USED 1500 GL. FULL CREWS TODAY. SAFETY MEETINGS: RIGHT TOOLS RIGHT JOB/MOUSE HOLEING DP. CHECK COM WHILE DRILLING/TRIPPING. TOURLY BOP DRILLS. NO ACCIDENTS OR INCIDENTS REPORTED. BOILER 24 HOURS REPORT TIME WEATHER 22 DEGREES & CLEAR. UNMANNED GAS DETECTOR 6 DAYS.

03-09-2008 Reported By DAVID GREESON

**Daily Costs: Drilling**      \$29,710                      **Completion**      \$0                      **Daily Total**      \$29,710  
**Cum Costs: Drilling**      \$654,370                      **Completion**      \$0                      **Well Total**      \$654,370  
**MD**      9,010      **TVD**      9,010      **Progress**      217      **Days**      7      **MW**      11.3      **Visc**      35.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** TOH FOR BIT #3

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRILL FROM 8793' TO 8885'. (92') 12' FPH. WOB 18-24K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1900 PSI. MUD WT 11.3 & VIS 35.
14:00	15:00	1.0	SERVICE RIG. CHECK COM DRILLING. REPAIR AIR LINE TO AUTO-DRILLER.
15:00	00:30	9.5	DRILL FROM 8885' TO 9010'. (125') 13' FPH. WOB 20-28K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1900 PSI. MUD WT 11.3 & VIS 35.
00:30	02:30	2.0	CIRCULATE HOLE ONE FULL CIRCULATION DUE TO 3 FT. FLARE ON SURFACE AT BOTTOMS UP TIME. PREPARE TO TRIP OUT OF HOLE FOR BIT. BUILD DRY JOB PILL. DROP SURVEY TOOL.
02:30	03:30	1.0	RESET CLOCKS FORWARD 1 HOUR FOR DAYLIGHT SAVINGS TIME.
03:30	06:00	2.5	TRIP OUT OF HOLE FOR BIT #3. FORMATION TOP'S: WASATCH 4793', CHAPITA WELLS 5389', BUCK CANYON 6072', NORTH HORN 6774', PRICE RIVER 7312'. MIDDLE PRICE RIVER 8158', LOWER PRICE RIVER 8964'. FUEL ON HAND 6300 GL, USED 1500 GL. FULL CREWS TODAY. RIG REPAIR: WELD ON MUD CLEANER DISCHARGE. SAFETY MEETINGS: HELPING WELDERS/POWER WASHER. CHECK COM WHILE DRILLING/TRIPPING. TOURLY BOP DRILLS. NO ACCIDENTS OR INCIDENTS REPORTED. BOILER 24 HOURS REPORT TIME WEATHER 22 DEGREES & CLEAR. UNMANNED LOGGING UNIT 7 DAYS.

**03-10-2008**      **Reported By**      DAVID GREESON

**Daily Costs: Drilling**      \$38,926                      **Completion**      \$0                      **Daily Total**      \$38,926  
**Cum Costs: Drilling**      \$693,296                      **Completion**      \$0                      **Well Total**      \$693,296  
**MD**      9,310      **TVD**      9,310      **Progress**      300      **Days**      8      **MW**      11.3      **Visc**      37.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING @ 9310'

Start	End	Hrs	Activity Description
06:00	08:30	2.5	TRIP OUT OF HOLE TO CHANGE OUT BIT #2.
08:30	13:00	4.5	TRIP IN HOLE WITH BIT #3 (HC 506Z) AND NEW MUD MOTOR.
13:00	19:00	6.0	DRILL FROM 9010' TO 9107'. (97') 16' FPH. WOB 18-24K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 1950 PSI. MUD WT 11.4 & VIS 36.
19:00	19:30	0.5	SERVICE RIG. CHECK COM DRILLING.
19:30	06:00	10.5	DRILL FROM 9107' TO 9310'. (203') 19' FPH. WOB 18-24K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 2000 PSI. MUD WT 11.5 & VIS 36. FORMATION TOP'S: WASATCH 4793', CHAPITA WELLS 5389', BUCK CANYON 6072', NORTH HORN 6774', PRICE RIVER 7312'. MIDDLE PRICE RIVER 8158', LOWER PRICE RIVER 8964'. FUEL ON HAND 5000 GL, USED 1300 GL.

FULL CREWS TODAY. 6 MAN CREW DAYLIGHTS.  
 SAFETY MEETINGS: PINCH POINTS/PUMP PRESSURE.  
 CHECK COM WHILE DRILLING, TOURLY BOP DRILLS.  
 NO ACCIDENTS OR INCIDENTS REPORTED.  
 BOILER 24 HOURS  
 REPORT TIME WEATHER 22 DEGREES & CLEAR.  
 UNMANNED GAS DETECTOR 8 DAYS.

**03-11-2008**      **Reported By**      DAVID GREESON

<b>Daily Costs: Drilling</b>	\$29,358	<b>Completion</b>	\$0	<b>Daily Total</b>	\$29,358
<b>Cum Costs: Drilling</b>	\$722,655	<b>Completion</b>	\$0	<b>Well Total</b>	\$722,655
<b>MD</b>	9,648	<b>TVD</b>	9,648	<b>Progress</b>	338
				<b>Days</b>	9
				<b>MW</b>	11.5
				<b>Visc</b>	36.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time:** RDRT/NO COMPLETION

Start	End	Hrs	Activity Description
06:00	21:30	15.5	DRILL FROM 9310' TO 9648'. (338') 22' FPH. WOB 18-24K, ROTARY 52 & MOTOR 70. #1 PUMP ON HOLE @ 125 SPM, 438 GPM @ 2050 PSI. MUD WT 11.5 & VIS 36. REACHED TD (9648') @ 21:30 HRS. 3/10/2008.
21:30	23:00	1.5	CIRCULATE BOTTOMS UP. PREPARE FOR SHORT TRIP.
23:00	01:00	2.0	SHORT TRIP 20 STANDS.
01:00	02:30	1.5	CIRCULATE BOTTOMS UP. 10' FLARE, 9600 UNITS GAS MAX. RIG UP CALIBER CASING LAYDOWN MACHINE AND HELD SAFETY MEETING WITH ALL CREWS.
02:30	06:00	3.5	LAYDOWN DRILL PIPE. CHECK FOR FLOW, NO FLOW. PUMP 30 BBL. OF 13.3PPG DRY JOB PILL. CASING POINT AT 02:30 3/11/2008.  FORMATION TOP'S: WASATCH 4793', CHAPITA WELLS 5389', BUCK CANYON 6072', NORTH HORN 6774', PRICE RIVER 7312'. MIDDLE PRICE RIVER 8158', LOWER PRICE RIVER 8964', SEGO 9454'. FUEL ON HAND 3500 GL, USED 1500 GL. FULL CREWS TODAY. SAFETY MEETINGS: RIG SERVICE/SLIPS, TRIPS AND FALLS. CHECK COM WHILE DRILLING, TOURLY BOP DRILLS. NO ACCIDENTS OR INCIDENTS REPORTED. BOILER 24 HOURS REPORT TIME WEATHER 22 DEGREES & CLEAR. UNMANNED GAS DETECTOR 9 DAYS.

**03-12-2008**      **Reported By**      DAVID GREESON

<b>Daily Costs: Drilling</b>	\$43,365	<b>Completion</b>	\$159,724	<b>Daily Total</b>	\$203,089
<b>Cum Costs: Drilling</b>	\$766,020	<b>Completion</b>	\$159,724	<b>Well Total</b>	\$925,744
<b>MD</b>	9,648	<b>TVD</b>	9,648	<b>Progress</b>	0
				<b>Days</b>	10
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time:** RDRT/NO COMPLETION

Start	End	Hrs	Activity Description
06:00	11:00	5.0	LD DRILL PIPE, BHA AND BREAK KELLY.
11:00	12:00	1.0	PULL WEAR BUSHING. RIG UP CALIBER CASING CREW AND HOLD SAFETY MEETING WITH ALL CREWS.

12:00 20:00 8.0 RUN 4 1/2" PRODUCTION CASING AS FOLLOWS: RUN 238 JOINTS 4 1/2" 11.6#, LTC, N-80 CASING WITH MARKER JOINTS AT 6896' AND 4388' LAND FLOAT SHOE @ 9650', FLOAT COLLAR @ 9607'. PICK UP JOINT # 239, TAG BOTTOM & LAY BACK DOWN. PICK UP & LAND FLUTED DTO HANGER.

20:00 21:00 1.0 RIG DOWN CASING CREW. CIRCULATE VOLUME OF CASING WITH MUD. RIG UP SCHLUMBERGER CEMENTERS AND HELD SAFETY MEETING WITH CEMENTERS AND RIG CREW.

21:00 23:00 2.0 CEMENT CASING AS FOLLOWS: TEST LINES TO 5000 PSI. PUMP 20 BBLs CHEM WASH, FOLLOWED BY 20 BBLs WATER, FOLLOWED BY 365 SKS (147 BBLs) 35/65 POZ LEAD SLURRY MIXED @ 12.0 PPG, YIELD 2.26 FT3/SK PLUS ADDITIVES. FOLLOWED BY 1585 SKS (364 BBLs) 50/50 POZ TAIL SLURRY MIXED @ 14.1 PPG, YIELD 1.29 FT3/SK PLUS ADDITIVES. DISPLACED WITH 150 BBLs FRESH WATER. BUMPED PLUG WITH 1000 PSI OVER FINAL CIRCULATING PRESSURE. PLUG HELD.

23:00 00:00 1.0 RIG DOWN SCHLUMBERGER. WAIT 1 HOUR BEFORE REMOVING CEMENTING HEAD.

00:00 01:00 1.0 INSTALL PACKER RING TO FLUTED DTO HEAD, FMC TECH. ONSITE TO FASTEN SET SCREWS AND TEST TO 5000PSI.

01:00 05:00 4.0 NIPPLE DOWN BOP, CLEAN MUD TANKS, RIG DOWN FLOOR.

05:00 06:00 1.0 RIG DOWN ROTARY TOOL. TRUCKS ORDERED FOR MORNING BUT NOT AVAILABLE UNTIL 12:00 NOON. RIG MOVE FROM CWU 1273-15 TO THE CWU 1272-15, 0.4 MILES.  
 TRANSFERED 4 JOINTS CASING AND 2900 GL. FUEL TO CWU 1272-15.  
 CASING POINT 3/11/08 02:30, RIG RELEASE COST \$925,744.  
 FORMATION TOP'S: WASATCH 4793', CHAPITA WELLS 5389',  
 BUCK CANYON 6072', NORTH HORN 6774', PRICE RIVER 7312'.  
 MIDDLE PRICE RIVER 8158', LOWER PRICE RIVER 8964', SEGO 9454'.  
 FUEL ON HAND 2900 GL, USED 600 GL.  
 FULL CREWS TODAY.  
 SAFETY MEETINGS: LAYING DOWN DP/RUNNING CASING.  
 NO ACCIDENTS OR INCIDENTS REPORTED.  
 BOILER 24 HOURS  
 REPORT TIME WEATHER 22 DEGREES & CLEAR.  
 UNMANNED GAS DETECTOR 10 DAYS, RELEASED 3/11/08.

06:00 18.0 RIG RELEASED @ 05:00 HRS, 3/12/08.  
 CASING POINT COST \$766,020

<b>03-19-2008</b>		<b>Reported By</b>		SEARLE							
<b>Daily Costs: Drilling</b>		\$0		<b>Completion</b>		\$44,926		<b>Daily Total</b>		\$44,926	
<b>Cum Costs: Drilling</b>		\$766,020		<b>Completion</b>		\$204,650		<b>Well Total</b>		\$970,670	
<b>MD</b>	9.648	<b>TVD</b>	9.648	<b>Progress</b>	0	<b>Days</b>	11	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>			<b>PBTD : 9607.0</b>				<b>Perf :</b>		<b>PKR Depth : 0.0</b>		
<b>Activity at Report Time: PREP FOR FRACS</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00		18.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FORM PBTD TO 680'. EST CEMENT TOP @ 900'. RD SCHLUMBERGER.								

<b>03-21-2008</b>		<b>Reported By</b>		CARLSON							
<b>Daily Costs: Drilling</b>		\$0		<b>Completion</b>		\$1,085		<b>Daily Total</b>		\$1,085	

**Cum Costs: Drilling** \$766,020 **Completion** \$205,735 **Well Total** \$971,755  
**MD** 9,648 **TVD** 9,648 **Progress** 0 **Days** 12 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD :** 9607.0 **Perf :** **PKR Depth :** 0.0  
**Activity at Report Time:** WO COMPLETION

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

**03-27-2008** **Reported By** KERN

**Daily Costs: Drilling** \$0 **Completion** \$32,412 **Daily Total** \$32,412  
**Cum Costs: Drilling** \$766,020 **Completion** \$238,147 **Well Total** \$1,004,167  
**MD** 9,648 **TVD** 9,648 **Progress** 0 **Days** 13 **MW** 0.0 **Visc** 0.0  
**Formation :** MESAVERDE **PBTD :** 9607.0 **Perf :** 8253'-9376' **PKR Depth :** 0.0

**Activity at Report Time:** FRAC UPR

**Start** **End** **Hrs** **Activity Description**  
06:00 06:00 24.0 MIRU CUTTERS WIRELINE & PERFORATE LPR FROM 9009'-10', 9015'-16', 9039'-40', 9052'-54', 9108'-09', 9167'-68', 9201'-02', 9254'-55', 9268'-69', 9327'-28', 9347'-48', 9370'-71', 9375'-76' @ 3 SPF @ 120° PHASING. RDWL. MIRU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 5542 GAL YF116 PAD, 43832 GAL YF116ST+ W/ 126500 # 20/40 SAND @ 1-5 PPG. MTP 6175 PSIG. MTR 50.6 BPM. ATP 4939 PSIG. ATR 47.8 BPM. ISIP 3000 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 8965'. PERFORATE MPR FROM 8747'-48', 8765'-66', 8773'-74', 8811'-12', 8819'-20', 8824'-02', 8866'-67', 8878'-79', 8885'-86', 8889'-90', 8929'-30', 8948'-49' @ 3 SPF @ 120° PHASING. RDWL. SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 5225 GAL YF116 PAD, 44403 GAL YF116ST+ W/ 126900 # 20/40 SAND @ 1-4 PPG. MTP 6347 PSIG. MTR 52.1 BPM. ATP 5318 PSIG. ATR 49.8 BPM. ISIP 3830 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 8715'. PERFORATE MPR FROM 8513'-14', 8535'-36', 8547'-48', 8569'-70', 8592'-93', 8601'-02', 8608'-09', 8645'-46', 8667'-68', 8676'-77', 8687'-88', 8693'-94' @ 3 SPF @ 120° PHASING. RDWL. SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 5198 GAL YF116 PAD, 56050 GAL YF116ST+ W/ 167900 # 20/40 SAND @ 1-5 PPG. MTP 6146 PSIG. MTR 51.8 BPM. ATP 4803 PSIG. ATR 49 BPM. ISIP 3950 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 8450'. PERFORATE MPR FROM 8253'-54', 8271'-72', 8283'-84', 8298'-99', 8307'-08', 8308'-20', 8343'-44', 8353'-54', 8375'-76', 8399'-8400', 8414'-15', 8428'-29' @ 3 SPF @ 120° PHASING. RDWL. SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 5198 GAL YF116 PAD, 76193 GAL YF116ST+ W/ 226900 # 20/40 SAND @ 1-5 PPG. MTP 6059 PSIG. MTR 51.6 BPM. ATP 4358 PSIG. ATR 50.3 BPM. ISIP 2680 PSIG. RD SCHLUMBERGER. SDFN

**03-28-2008** **Reported By** KERN

**Daily Costs: Drilling** \$0 **Completion** \$336,028 **Daily Total** \$336,028  
**Cum Costs: Drilling** \$766,020 **Completion** \$574,175 **Well Total** \$1,340,196  
**MD** 9,648 **TVD** 9,648 **Progress** 0 **Days** 14 **MW** 0.0 **Visc** 0.0  
**Formation :** MESAVERDE **PBTD :** 9607.0 **Perf :** 7324'-9376' **PKR Depth :** 0.0

**Activity at Report Time:** PREP TO MIRUSU

**Start** **End** **Hrs** **Activity Description**  
06:00 06:00 24.0 RUWL SET 6K CFP AT 8230'. PERFORATE UPR/MPR FROM 8092'-93', 8104'-05', 8111'-12', 8121'-22', 8152'-53', 8160'-61', 8176'-77', 8184'-85', 8189'-90', 8200'-01', 8207'-08', 8212'-13' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 4169 GAL YF116 PAD, 51195 GAL YF116ST+ W/ 151600 # 20/40 SAND @ 1-5 PPG. MTP 6112 PSIG. MTR 53.1 BPM. ATP 4484 PSIG. ATR 48 BPM. ISIP 2600 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 8064'. PERFORATE UPR FROM 7826'-27', 7833'-34', 7844'-45', 7874'-75', 7883'-84', 7968'-69', 7980'-81', 7987'-88', 8000'-01', 8025'-26', 8032'-33', 78045'-46' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 4182 GAL YF116 PAD, 51487 GAL YF116ST+ W/ 151700 # 20/40 SAND @ 1-5 PPG. MTP 6079 PSIG. MTR 50.5 BPM. ATP 4492 PSIG. ATR 47.9 BPM. ISIP 2600 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 7794'. PERFORATE UPR FROM 7598'-99', 7613'-14', 7620'-21', 7629'-30', 7635'-36', 7662'-63', 7671'-72', 7682'-83', 7719'-20', 7727'-28', 7760'-61', 7777'-78' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 4172 GAL YF116 PAD, 39138 GAL YF116ST+ W/ 115200 # 20/40 SAND @ 1-5 PPG. MTP 5992 PSIG. MTR 50.9 BPM. ATP 4125 PSIG. ATR 47.4 BPM. ISIP 2400 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 7570'. PERFORATE UPR FROM 7324'-25', 7335'-36', 7341'-42', 7350'-51', 7365'-66', 7386'-87', 7454'-56', 7480'-81', 7528'-29', 7537'-38', 7553'-54' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 4537 GAL YF116 PAD, 36944 GAL YF116ST+ W/ 101600 # 20/40 SAND @ 1-5 PPG. MTP 6148 PSIG. MTR 50.7 BPM. ATP 4385 PSIG. ATR 44.4 BPM. ISIP 2180 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 7210'. BLED OFF PRESSURE. RDWL. SDFN.

<b>04-03-2008</b>		<b>Reported By</b>		HAL IVIE							
<b>Daily Costs: Drilling</b>	\$0			<b>Completion</b>	\$24,416			<b>Daily Total</b>	\$24,416		
<b>Cum Costs: Drilling</b>	\$766,020			<b>Completion</b>	\$598,591			<b>Well Total</b>	\$1,364,612		
<b>MD</b>	9,648	<b>TVD</b>	9,648	<b>Progress</b>	0	<b>Days</b>	15	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 9607.0</b>		<b>Perf : 7324'-9376'</b>		<b>PKR Depth : 0.0</b>					
<b>Activity at Report Time: CLEAN OUT AFTER FRAC</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	18:00	12.0	MIRU ROYAL RIG # 1. ND FRAC TREE. NU BOP. RIH W/BIT & PUMP OFF SUB TO 7210'. RU TO DRILL OUT PLUGS. SDFN.								

<b>04-04-2008</b>		<b>Reported By</b>		HAL IVIE							
<b>Daily Costs: Drilling</b>	\$0			<b>Completion</b>	\$56,512			<b>Daily Total</b>	\$56,512		
<b>Cum Costs: Drilling</b>				<b>Completion</b>	\$655,103			<b>Well Total</b>	\$1,421,124		
<b>MD</b>		9,648	<b>Progress</b>	0	<b>Days</b>	16	<b>MW</b>	0.0	<b>Visc</b>	0.0	
<b>Formation : MESAVERDE</b>		<b>PBTD : 9607.0</b>		<b>Perf : 7324'-9376'</b>		<b>PKR Depth : 0.0</b>					
<b>Activity at Report Time: FLOW TEST</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00			2200 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7210', 7570', 7794', 8064', 8230', 8450', 8715', 8965'. CLEANED OUT TO PBTD @ 9607'. LANDED TBG AT 8046.99' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.								

FLOWED 16 HRS. 16/64 CHOKE. FTP- 2200 PSIG, CP- 2750 PSIG. 35 BFPH. RECOVERED 562 BBLS, 11061 BLWTR.

TUBING DETAIL: LENGTH:  
 PUMP OFF SUB 1.00'  
 1 JT 2-3/8 4.7# N-80 TBG 32.45'  
 XN NIPPLE 1.10'  
 245 JTS 2-3/8 4.7# N-80 TBG 7995.44'  
 BELOW KB 17.00'

LANDED @ 8046.99'

04-05-2008      Reported By      HAL IVIE

DailyCosts: Drilling      \$0      Completion      \$2,645      Daily Total      \$2,645

Cum Costs: Drilling      \$766,020      Completion      \$657,748      Well Total      \$1,423,769

MD      9,648      TVD      9,648      Progress      0      Days      17      MW      0.0      Visc      0.0

Formation : MESAVERDE      PBTB : 9607.0      Perf : 7324'-9376'      PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start      End      Hrs      Activity Description

06:00      06:00      24.0      FLOWED 17 HRS. 24/64" CHOKE. FTP 2000 PSIG, CP 3050 PSIG. 57 BFPH. RECOVERED 968 BBLs, 10058 BLWTR. WELL WAS SHUT IN FOR 7 HRS TO BUILD PRODUCTION FLOW LINE.

04-06-2008      Reported By      HAL IVIE

DailyCosts: Drilling      \$0      Completion      \$2,645      Daily Total      \$2,645

Cum Costs: Drilling      \$766,020      Completion      \$660,123      Well Total      \$1,426,144

MD      9,648      TVD      9,648      Progress      0      Days      18      MW      0.0      Visc      0.0

Formation : MESAVERDE      PBTB : 9607.0      Perf : 7324'-9376'      PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start      End      Hrs      Activity Description

06:00      06:00      24.0      FLOWED 24 HRS. 24/64" CHOKE. FTP 1750 PSIG, CP 2600 PSIG. 43 BFPH. RECOVERED 1034 BBLs, 8972 BLWTR.

04-07-2008      Reported By      HAL IVIE

DailyCosts: Drilling      \$0      Completion      \$2,375      Daily Total      \$2,375

Cum Costs: Drilling      \$766,020      Completion      \$662,498      Well Total      \$1,428,519

MD      9,648      TVD      9,648      Progress      0      Days      19      MW      0.0      Visc      0.0

Formation : MESAVERDE      PBTB : 9607.0      Perf : 7324'-9376'      PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start      End      Hrs      Activity Description

06:00      06:00      24.0      FLOWED 24 HRS. 24/64" CHOKE. FTP 1500 PSIG, CP 2300 PSIG. 33 BFPH. RECOVERED 801 BBLs, 8133 BLWTR.

04-08-2008      Reported By      HAL IVIE

DailyCosts: Drilling      \$0      Completion      \$2,375      Daily Total      \$2,375

Cum Costs: Drilling      \$766,020      Completion      \$664,873      Well Total      \$1,430,894

MD      9,648      TVD      9,648      Progress      0      Days      20      MW      0.0      Visc      0.0

Formation : MESAVERDE      PBTB : 9607.0      Perf : 7324'-9376'      PKR Depth : 0.0

Activity at Report Time: FLOW TEST. SWI @ 6AM, WAIT ON PRODUCTION FACILITIES

Start      End      Hrs      Activity Description

06:00      06:00      24.0      FLOWED 17 HRS. 24/64 CHOKE. FTP-1350 PSIG, CP-2100 PSIG. 23 BFPH. RECOVERED 432 BBLs, 7675 BLWTR

WELL S.I. F/ 7 HRS FOR WELDERS.

SWI @ 6AM, WAIT ON PRODUCTION FACILITIES.

04-21-2008      Reported By      DUANE COOK

DailyCosts: Drilling      \$0      Completion      \$0      Daily Total      \$0

Cum Costs: Drilling      \$766,020      Completion      \$664,873      Well Total      \$1,430,894

MD      9,648      TVD      9,648      Progress      0      Days      21      MW      0.0      Visc      0.0

**Formation :** MESAVERDE      **PBTD :** 9607.0      **Perf :** 7324'-9376'      **PKR Depth :** 0.0

**Activity at Report Time:** INITIAL PRODUCTION-ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION. TURNED TO GAS SALES. SITP 2800 & SICP 3150 PSIG. TURNED WELL TO QUESTAR SALES AT 10:45 AM, 4/18/08. FLOWING 1078 MCFD RATE ON 10/64" POS CK. STATIC 243.
			04/19/08 FLOWED 0 MCF 0 BC & 0 BW IN 24 HRS ON 10/64" CHOKE, TP 2800 PSIG, CP 3150 PSIG. THROUGH EOG UNIT.
			04/20/08 FLOWED 941 MCF 111 BC & 38 BW IN 24 HRS ON 10/64" CHOKE, TP 2700 PSIG, CP 3025 PSIG. THROUGH EOG UNIT.
			04/21/08 FLOWED 792 MCF 40 BC & 50 BW IN 24 HRS ON 10/64" CHOKE, TP 2350 PSIG, CP 2900 PSIG. THROUGH EOG UNIT.

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<b>04-22-2008</b>	<b>Reported By</b>	ALAN WATKINS									
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0						
<b>Cum Costs: Drilling</b>	\$766,020	<b>Completion</b>	\$664,873	<b>Well Total</b>	\$1,430,894						
<b>MD</b>	9,648	<b>TVD</b>	9,648	<b>Progress</b>	0	<b>Days</b>	22	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	MESAVERDE	<b>PBTD :</b>	9607.0	<b>Perf :</b>	7324'-9376'	<b>PKR Depth :</b>	0.0				

**Activity at Report Time:** ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 913 MCF 60 BC & 70 BW IN 24 HRS ON 10/64" CHOKE, TP 2350 PSIG, CP 2700 PSIG.

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<b>04-23-2008</b>	<b>Reported By</b>	ALAN WATKINS									
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0						
<b>Cum Costs: Drilling</b>	\$766,020	<b>Completion</b>	\$664,873	<b>Well Total</b>	\$1,430,894						
<b>MD</b>	9,648	<b>TVD</b>	9,648	<b>Progress</b>	0	<b>Days</b>	23	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	MESAVERDE	<b>PBTD :</b>	9607.0	<b>Perf :</b>	7324'-9376'	<b>PKR Depth :</b>	0.0				

**Activity at Report Time:** ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 822 MCF 55 BC & 80 BW IN 24 HRS ON 10/64" CHOKE, TP 2100 PSIG, CP 2750 PSIG.

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<b>04-24-2008</b>	<b>Reported By</b>	ALAN WATKINS									
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0						
<b>Cum Costs: Drilling</b>	\$766,020	<b>Completion</b>	\$664,873	<b>Well Total</b>	\$1,430,894						
<b>MD</b>	9,648	<b>TVD</b>	9,648	<b>Progress</b>	0	<b>Days</b>	24	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	MESAVERDE	<b>PBTD :</b>	9607.0	<b>Perf :</b>	7324'-9376'	<b>PKR Depth :</b>	0.0				

**Activity at Report Time:** ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 705 MCF 60 BC & 75 BW IN 24 HRS ON 10/64" CHOKE, TP 2100 PSIG, CP 2700 PSIG.

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<b>04-25-2008</b>	<b>Reported By</b>	ALAN WATKINS									
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0						
<b>Cum Costs: Drilling</b>	\$766,020	<b>Completion</b>	\$664,873	<b>Well Total</b>	\$1,430,894						
<b>MD</b>	9,648	<b>TVD</b>	9,648	<b>Progress</b>	0	<b>Days</b>	25	<b>MW</b>	0.0	<b>Visc</b>	0.0

**Formation :** MESAVERDE

**PBTD :** 9607.0

**Perf :** 7324'-9376'

**PKR Depth :** 0.0

**Activity at Report Time:** ON SALES

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	FLOWED 941MCF 111 BC & 38 BW IN 24 HRS ON 10/64" CHOKE, TP 2700 PSIG, CP 3025 PSIG.

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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.  
UTU0283A

1a. Type of Well  Oil Well  Gas Well  Dry  Other  
b. Type of Completion  New Well  Work Over  Deepen  Plug Back  Diff. Resvr.  
Other \_\_\_\_\_

6. If Indian, Allottee or Tribe Name

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

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

8. Lease Name and Well No.  
CHAPITA WELLS UNIT 1273-15

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

9. API Well No.  
43-047-38474

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
At surface SWSW 77FSL 170FWL 40.02895 N Lat, 109.43490 W Lon  
At top prod interval reported below SWSW 77FSL 170FWL 40.02895 N Lat, 109.43490 W Lon  
At total depth SWSW 77FSL 170FWL 40.02895 N Lat, 109.43490 W Lon

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

11. Sec., T., R., M., or Block and Survey  
or Area Sec 15 T9S R22E Mer SLB

12. County or Parish  
UINTAH 13. State  
UT

14. Date Spudded  
01/15/2008 15. Date T.D. Reached  
03/10/2008 16. Date Completed  
 D & A  Ready to Prod.  
04/18/2008

17. Elevations (DF, KB, RT, GL)\*  
4856 GL

18. Total Depth: MD 9648 TVD  
19. Plug Back T.D.: MD 9607 TVD 20. Depth Bridge Plug Set: MD TVD

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2446		645			
7.875	4.500 N-80	11.6	0	9650		1950			

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	8047							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	7324	9376	9009 TO 9376		3	
B)			8747 TO 8949		3	
C)			8513 TO 8694		3	
D)			8253 TO 8429		3	

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

Depth Interval	Amount and Type of Material
9009 TO 9376	49,539 GALS GELLED WATER & 126,500# 20/40 SAND
8747 TO 8949	49,793 GALS GELLED WATER & 126,900# 20/40 SAND
8513 TO 8694	61,413 GALS GELLED WATER & 167,900# 20/40 SAND
8253 TO 8429	81,556 GALS GELLED WATER & 226,900# 20/40 SAND

RECEIVED  
MAY 16 2008

28. Production - Interval A

DIV. OF OIL, GAS & MINING

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
04/18/2008	04/28/2008	24	→	40.0	698.0	70.0			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"	2000 SI	2650.0	→	40	698	70		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	
			→						

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

ELECTRONIC SUBMISSION #60321 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

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	7324	9376		GREEN RIVER MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER MIDDLE PRICE RIVER	1709 2374 4668 4790 5368 6059 7304 8149

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 #60321 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

*Mary A. Maestas*  
(Electronic Submission)

Date 05/15/2008

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

**\*\* ORIGINAL \*\* ORIGINAL \*\***

**Chapita Wells Unit 1273-15 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

8092-8213	3/spf
7826-8046	3/spf
7598-7778	3/spf
7324-7554	3/spf

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

8092-8213	55,529 GALS GELLED WATER & 151,600# 20/40 SAND
7826-8046	55,834 GALS GELLED WATER & 151,700# 20/40 SAND
7598-7778	43,475 GALS GELLED WATER & 115,200# 20/40 SAND
7324-7554	41,646 GALS GELLED WATER & 101,600# 20/40 SAND

Perforated the Lower Price River from 9009-10', 9015-16', 9039-40', 9052-54', 9108-09', 9167-68', 9201-02', 9254-55', 9268-69', 9327-28', 9347-48', 9370-71' & 9375-76' w/ 3 spf.

Perforated the Middle Price River from 8747-48', 8765-66', 8773-74', 8811-12', 8819-20', 8824-25', 8866-67', 8878-79', 8885-86', 8889-90', 8929-30' & 8948-49' w/ 3 spf.

Perforated the Middle Price River from 8513-14', 8535-36', 8547-48', 8569-70', 8592-93', 8601-02', 8608-09', 8645-46', 8667-68', 8676-77', 8687-88' & 8693-94' w/ 3 spf.

Perforated the Middle Price River from 8253-54', 8271-72', 8283-84', 8298-99', 8307-08', 8319-20', 8343-44', 8353-54', 8375-76', 8399-8400', 8414-15' & 8428-29' w/ 3 spf.

Perforated the Upper/Middle Price River from 8092-93', 8104-05', 8111-12', 8121-22', 8152-53', 8160-61', 8176-77', 8184-85', 8189-90', 8200-01', 8207-08' & 8212-13' w/ 3 spf.

Perforated the Upper Price River from 7826-27', 7833-34', 7844-45', 7874-75', 7883-84', 7968-69', 7980-81', 7987-88', 8000-01', 8025-26', 8032-33' & 8045-46' w/ 3 spf.

Perforated the Upper Price River from 7598-99', 7613-14', 7620-21', 7629-30', 7635-36', 7662-63', 7671-72', 7682-83', 7719-20', 7727-28', 7760-61' & 7777-78' w/ 3 spf.

Perforated the Upper Price River from 7324-25', 7335-36', 7341-42', 7350-51', 7365-66', 7386-87', 7454-56', 7480-81', 7528-29', 7537-38' & 7553-54' w/ 3 spf.

**52. FORMATION (LOG) MARKERS**

Lower Price River	8977
Sego	9442

**REPORT OF WATER ENCOUNTERED DURING DRILLING**

Well name and number: CWU 1273-15

API number: 4304738474

Well Location: QQ SWSW Section 15 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) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,050	1,060	NO FLOW	NOT KNOWN

Formation tops:            1 \_\_\_\_\_            2 \_\_\_\_\_            3 \_\_\_\_\_  
                                   (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  
 SIGNATURE *Mary A Maestas*

TITLE Regulatory Assistant  
 DATE 5/15/2008

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-0283-A
	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
	<b>7. UNIT or CA AGREEMENT NAME:</b> CHAPITA WELLS
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> CWU 1273-15
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047384740000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0077 FSL 0170 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSW Section: 15 Township: 09.0S Range: 22.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
	<b>COUNTY:</b> UINTAH
	<b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 10/8/2009			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			
	<input checked="" type="checkbox"/> OTHER		OTHER: Pit Closure

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

The reserve pit on the referenced location was closed on 10/8/2009 as per the APD procedure.

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

**FOR RECORD ONLY**

October 14, 2009

<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 10/13/2009	