

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-0284-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 1274-22</b>
3b. Phone No. (include area code) <b>435-781-9111</b>		9. API Well No. <b>43-047-38530</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <b>1319 FNL 1977 FWL NE/NW 40.025111 LAT 109.428453 LON</b> At proposed prod. zone <b>SAME 634164X 40.015700 4431528Y - 109.427748</b>		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
14. Distance in miles and direction from nearest town or post office* <b>48.7 MILES SOUTH OF VERNAL, UTAH</b>		11. Sec., T. R. M. or Blk. and Survey or Area <b>SECTION 22, 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>1319</b>	16. No. of acres in lease <b>1240</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>1000</b>	19. Proposed Depth <b>9570</b>	13. State <b>UT</b>
20. BLM/BIA Bond No. on file <b>NM 2308</b>	21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4871 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>08/24/2006</b>
Title <b>SR. REGULATORY ASSISTANT</b>		

Approved by (Signature) 	Name (Printed Typed) <b>BRADLEY G. HILL</b>	Date <b>08-29-06</b>
Title <b>ENVIRONMENTAL MANAGER</b>		

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

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

\*(Instructions on page 2)

Final Approval of this  
Action is Necessary

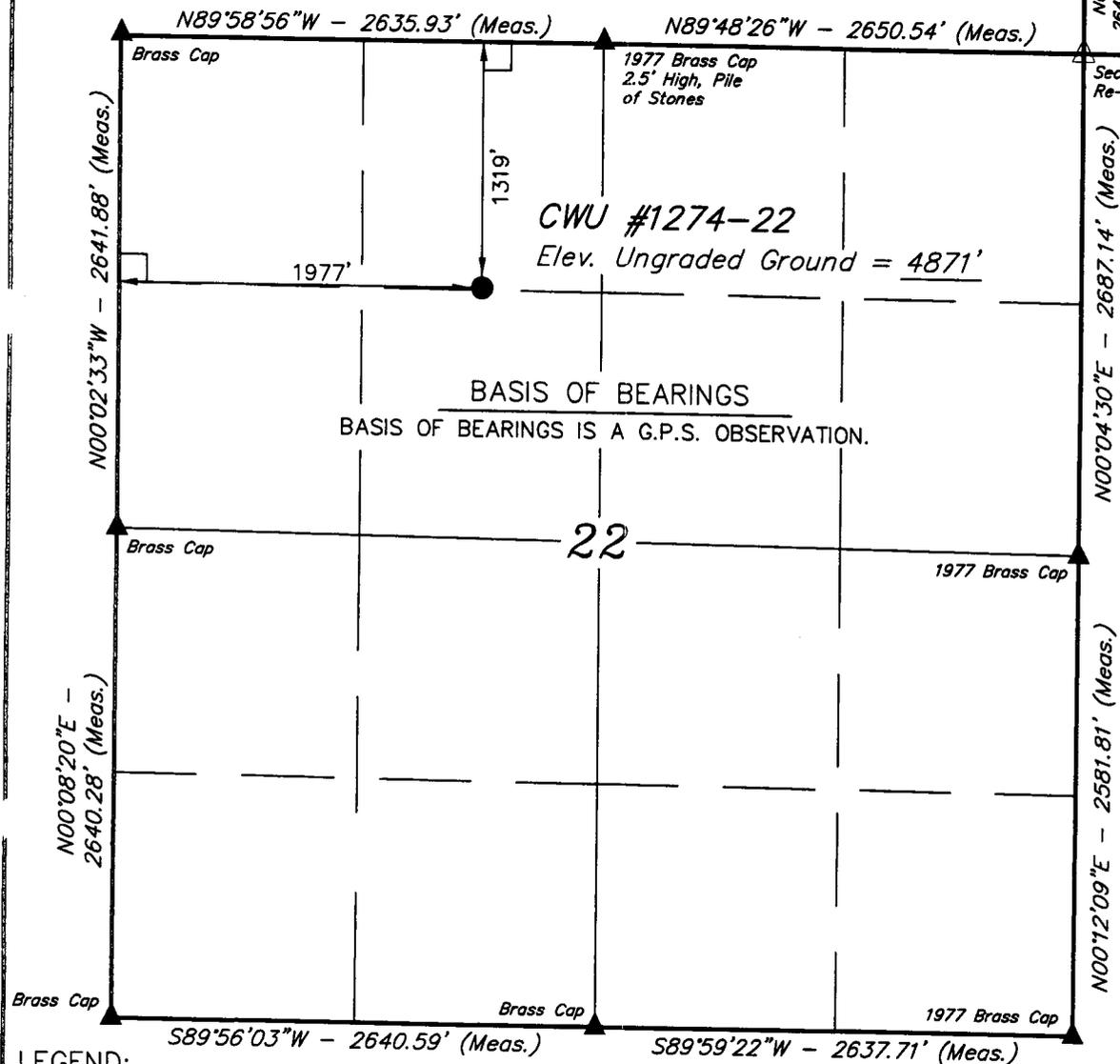
AUG 29 2006

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

E 1/4 Cor. Sec. 15, Brass Cap

EOG RESOURCES, INC.

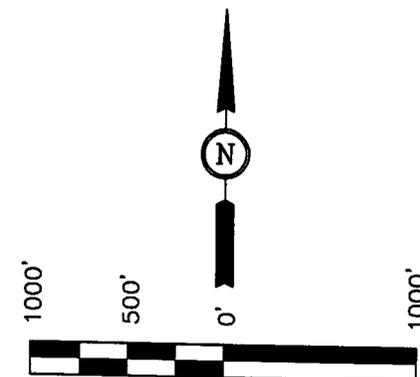
Well location, CWU #1274-22, located as shown in the NE 1/4 NW 1/4 of Section 22, T9S, R22E, S.L.B.&M., Uintah County, Utah.



Section Corner Re-Established  
 S89°52'41"E  
 2639.25' (Meas.)  
 N 1/4 Cor. Sec. 23, 1977 Brass Cap

BASIS OF ELEVATION

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



SCALE

CERTIFIED  
 REGISTERED LAND SURVEYOR  
 THIS IS TO CERTIFY THAT THE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.  
 REGISTERED LAND SURVEYOR  
 REGISTERED IN THE STATE OF UTAH

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

(NAD 83)  
 LATITUDE = 40°01'30.40" (40.025111)  
 LONGITUDE = 109°25'42.43" (109.428453)  
 (NAD 27)  
 LATITUDE = 40°01'30.53" (40.025147)  
 LONGITUDE = 109°25'39.97" (109.427769)

<b>UINTAH ENGINEERING &amp; LAND SURVEYING</b> 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 06-29-06	DATE DRAWN: 07-03-06
PARTY G.S.    K.C.    C.H.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1274-22**  
**NE/NW, SEC. 22, 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	1,720'
Wasatch	4,750'
Chapita Wells	5,362'
Buck Canyon	6,031'
North Horn	6,677'
Island	7,001'
KMV Price River	7,238'
KMV Price River Middle	8,110'
KMV Price River Lower	8,893'
Sego	9,370'

Estimated TD: **9,570' or 200'± below Sego top**

**Anticipated BHP: 5,225 Psig**

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

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

**4. CASING PROGRAM:**

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

## **EIGHT POINT PLAN**

### **CHAPITA WELLS UNIT 1274-22** **NE/NW, SEC. 22, 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**

**CHAPITA WELLS UNIT 1274-22**  
**NE/NW, SEC. 22, 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:** 138 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:** 930 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9 gps water.

**Note:** 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 1274-22**  
**NE/NW, SEC. 22, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**11. STANDARD REQUIRED EQUIPMENT:**

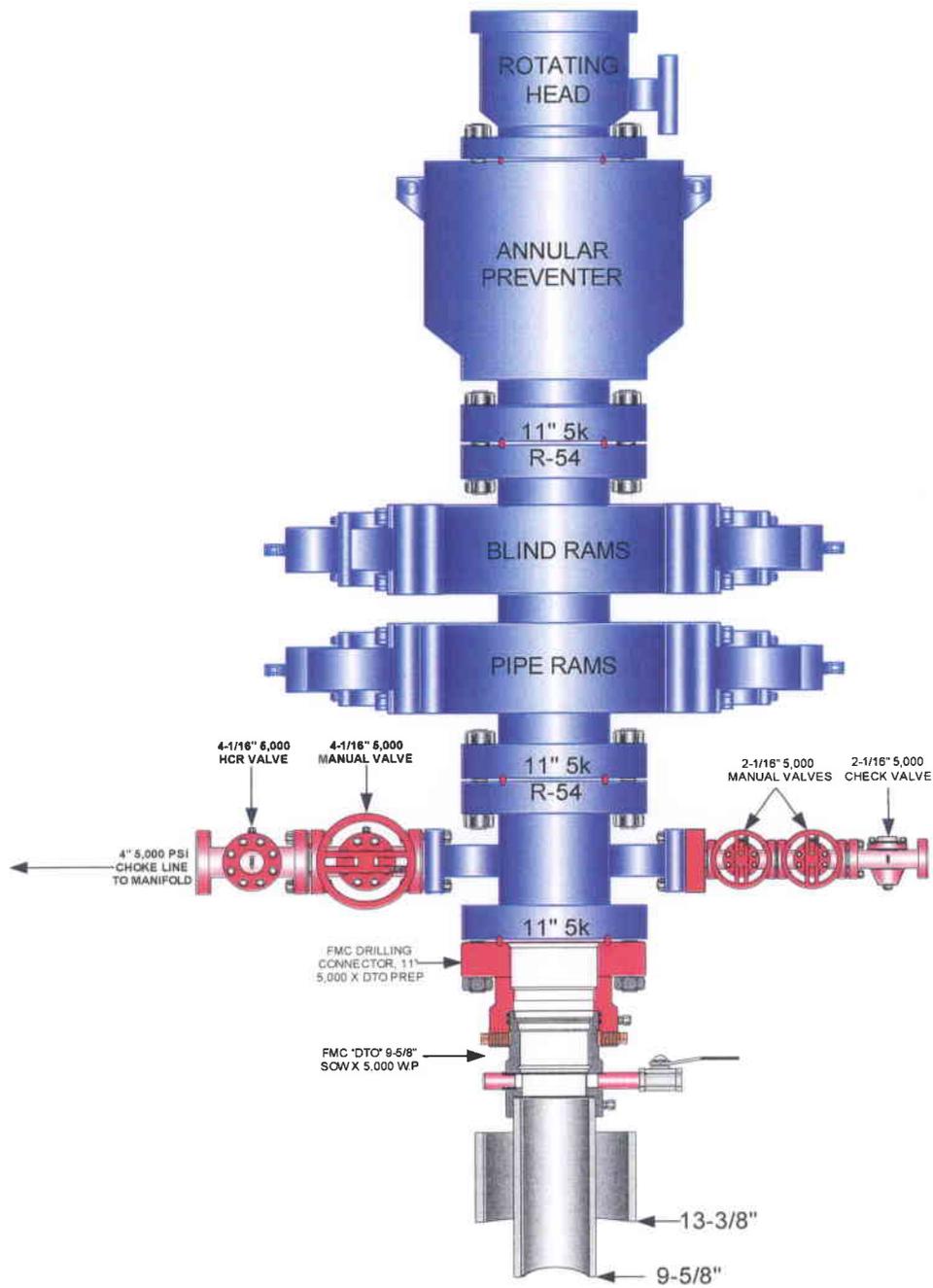
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

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

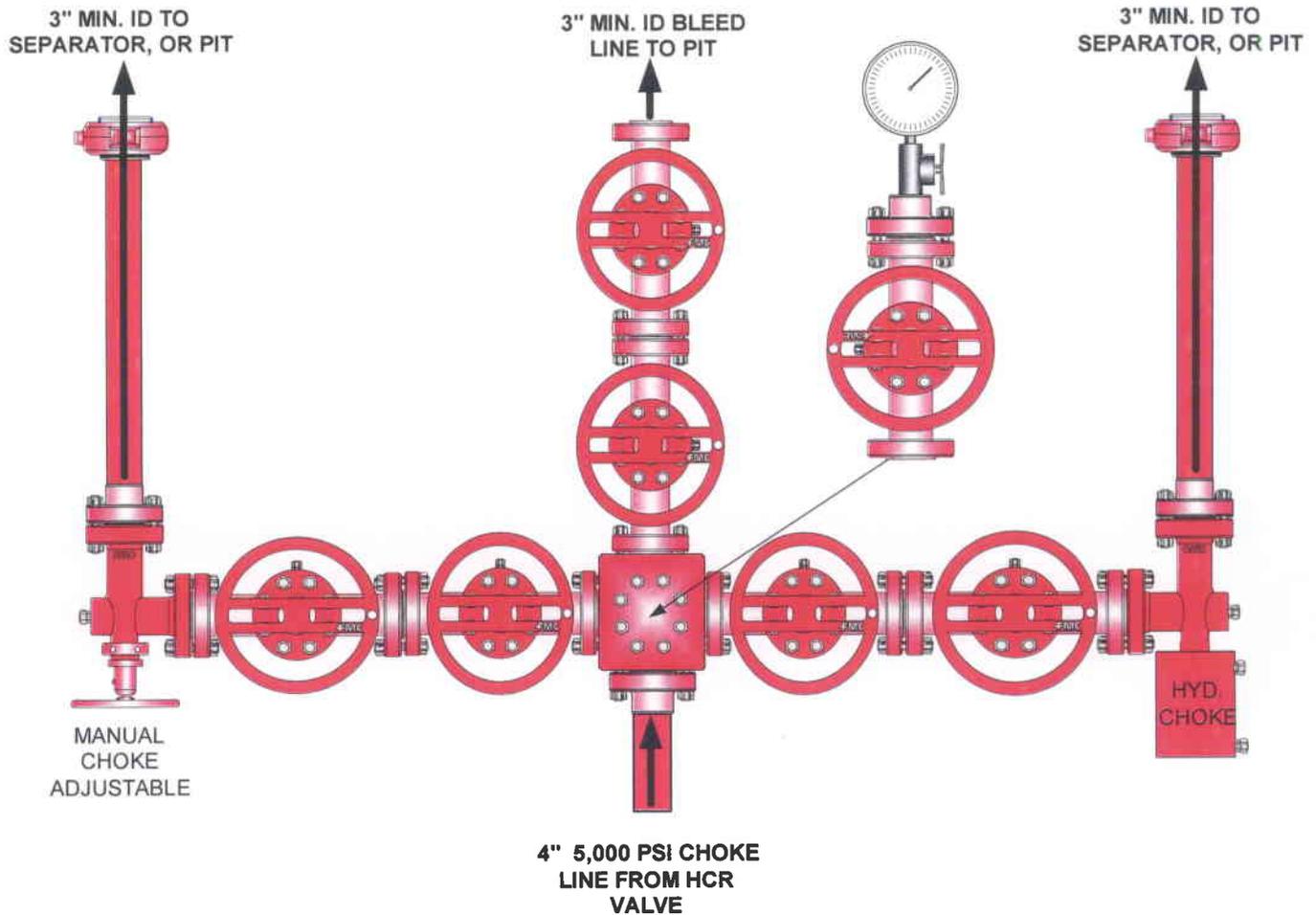
(Attachment: BOP Schematic Diagram)

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



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

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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.



**CHAPITA WELLS UNIT 1274-22  
NENW, Section 22, 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 792 feet long with a 30-foot right-of-way, disturbing approximately 0.55 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.39 acres. The pipeline is approximately 886' with a 40-foot right-of-way, disturbing 0.82 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 792' 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 886' x 40'. The proposed pipeline leaves the northern edge of the well pad and proceeds southeasterly for an approximate distance of 886' tying into an existing pipeline located in the NESW of Section 22, T9S, R22E (Lease U-0284A).
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.
6. A silt catchment basin will be constructed 75' west of corner "B".

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 south corner of the location. The flare pit will be located downwind of the prevailing wind direction on the southwest 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 Southwest of Corner #5. The stockpiled location topsoil will be stored between Corners #2 and #8. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the East.

**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	9.0
Kochia Prostrata	3.0

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

***B. Dry Hole/Abandoned Location***

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

<b>Seed Mixture</b>	<b>Drilled Rate (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 1274-22 Well, located in the NENW, of Section 22, 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 24, 2006

Date

  
Kaylene R. Gardner Regulatory Assistant

**Request for Exception to Buried Pipeline Requirement**  
**Chapita Wells Unit 1274-22**  
**NENW, Sec. 22, T9S, R22E**  
**U-0284A**

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 #1274-22

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 22, T9S, R22E, S.L.B.&M.

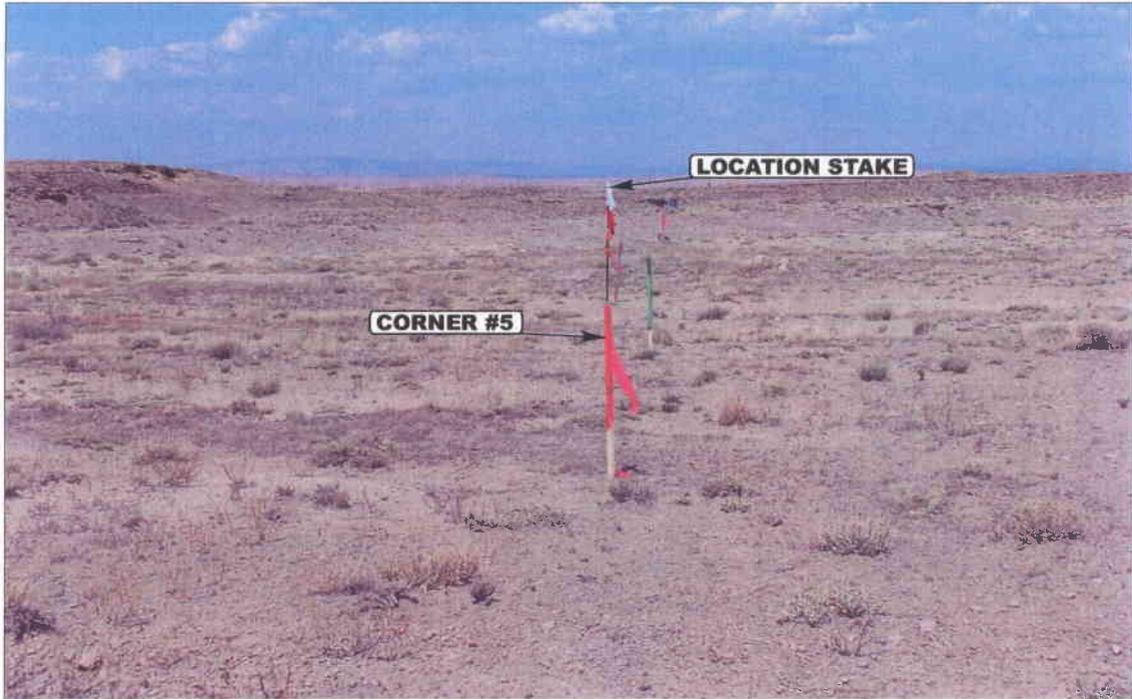


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

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.

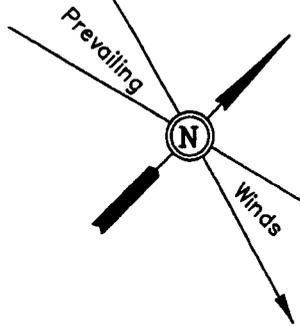
REVISED: 00-00-00

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

CWU #1274-22  
SECTION 22, T9S, R22E, S.L.B.&M.  
1319' FNL 1977' FWL

Approx. Toe of Fill Slope  
F-3.2'  
El. 68.9'



SCALE: 1" = 50'  
DATE: 07-03-06  
Drawn By: C.H.  
REVISED: 08-08-06 S.L.

CONSTRUCT DIVERSION DITCH

Approx. Top of Cut Slope

**NOTE:**

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

Install Catchment Basin

Pit Topsoil

FLARE PIT

20' WIDE BENCH

Total Pit Capacity  
W/2 Of Freeboard  
= 12,250 Bbls. ±  
Total Pit Volume  
= 3,320 Cu. Yds.

RESERVE PITS  
(12' Deep)

SLOPE = 1-1/2 : 1

Reserve Pit Backfill & Spoils Stockpile

El. 71.8'  
C-11.7'  
(btm. pit)

15' WIDE BENCH

46'

75'

147'

20' WIDE BENCH

29'

36'

135'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

15'

El. 74.4  
C-14.3'  
(btm. pit)

C-2.4'  
El. 74.5'

C-2.0'  
El. 74.1'

C-2.2'  
El. 74.3'

Proposed Access Road

F-1.4'  
El. 70.7'

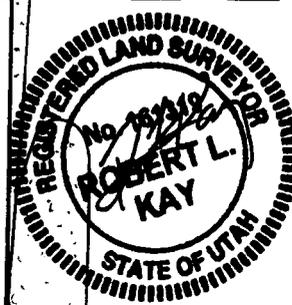
**NOTE:**  
Earthwork Calculations Require a Fill of 0.8' @ the Location Stake For Balance. All Fill is to be Compacted to a Minimum of 95% of the Maximum Dry Density Obtained by AASHTO Method t-99.

Sta. 0+50

Sta. 0+00

Sta. 1+50

Sta. 3+25



DATA

GRADE  
El. 72.1'

Existing Pond

Existing Pond Dam

Existing Drainage

CATWALK

PIPE RACKS

F-0.8'  
El. 71.3'

DOG HOUSE

RIG

WATER

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

TRASH

150'

3

4

2

1

6

7

8

Topsoil Stockpile

TRAILER

TOILET

FUEL

STORAGE TANK

**NOTES:**

Elev. Ungraded Ground At Loc. Stake = 4871.3'

FINISHED GRADE ELEV. AT LOC. STAKE = 4872.1'

FIGURE #1

EOG RESOURCES, INC.

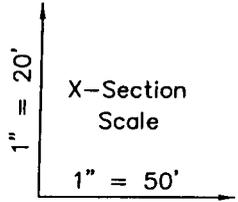
FIGURE #2

TYPICAL CROSS SECTIONS FOR

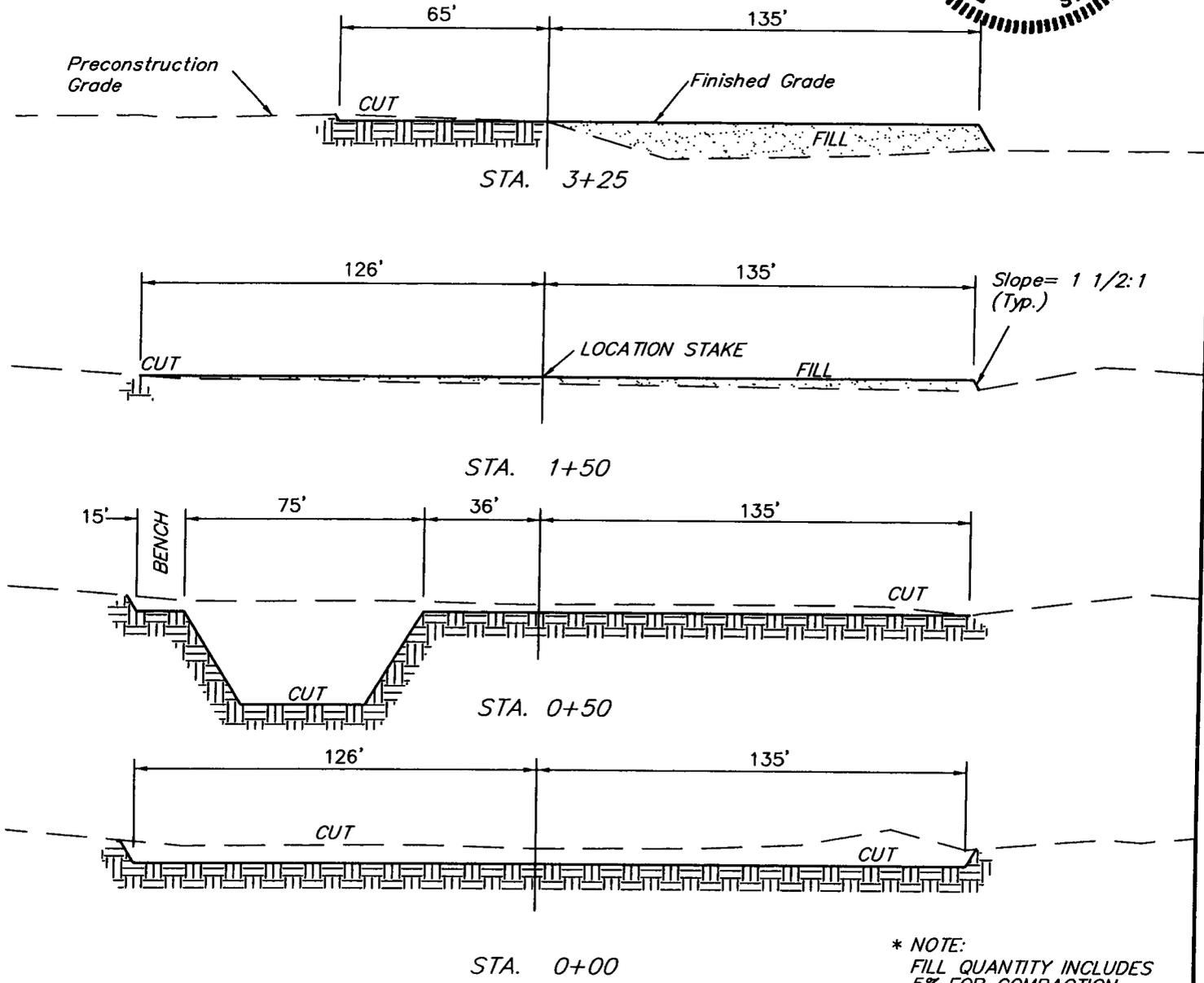
CWU #1274-22

SECTION 22, T9S, R22E, S.L.B.&M.

1319' FNL 1977' FWL



DATE: 07-03-06  
Drawn By: C.H.

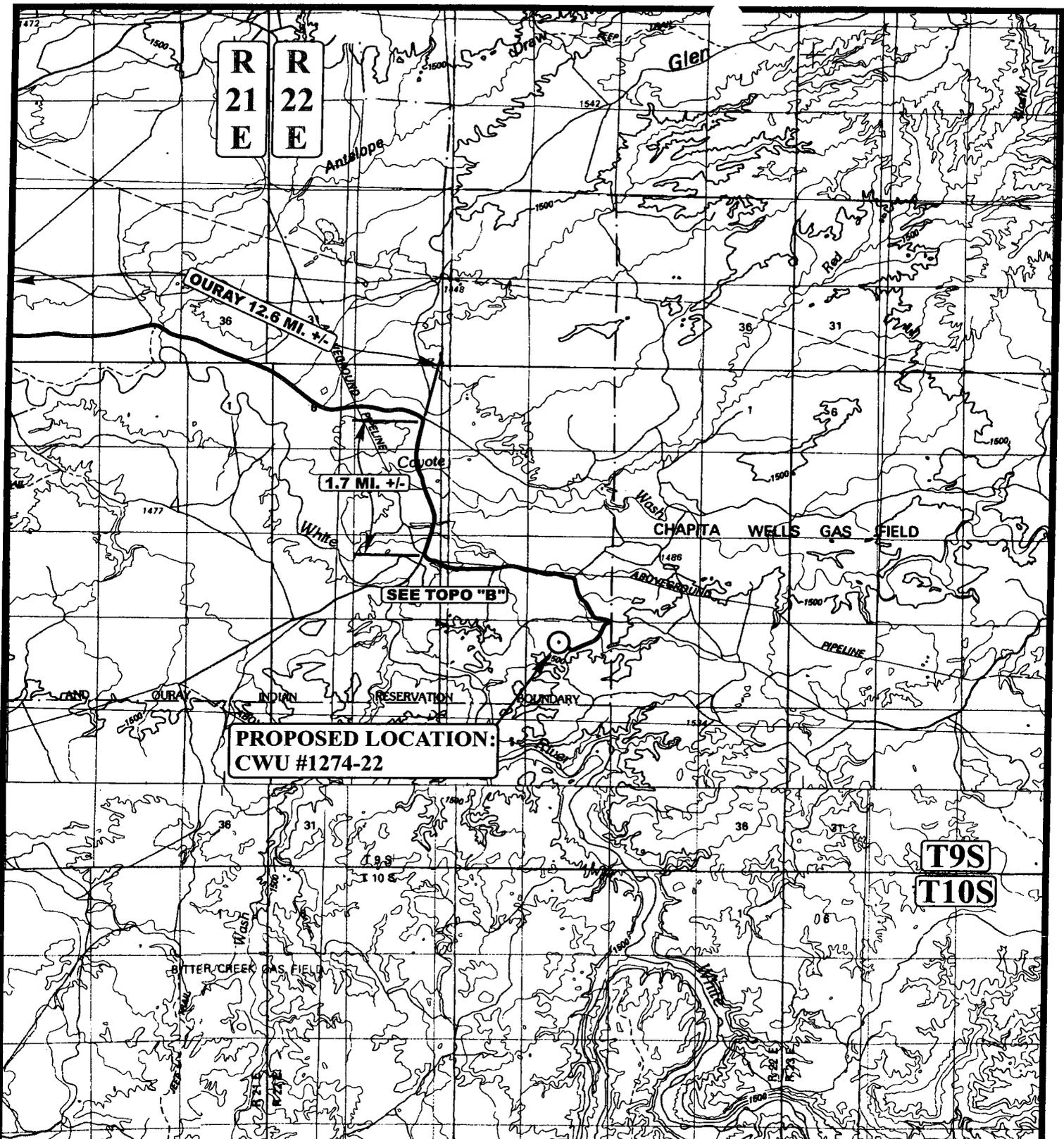


\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,530 Cu. Yds.
Remaining Location	= 4,450 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 5,980 CU.YDS.</b>
<b>FILL</b>	<b>= 2,790 CU.YDS.</b>

EXCESS MATERIAL	= 3,190 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,190 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.



**PROPOSED LOCATION:  
CWU #1274-22**

**T9S  
T10S**

**LEGEND:**

○ PROPOSED LOCATION



**EOG RESOURCES, INC.**

**CWU #1274-22  
SECTION 22, T9S, R22E, S.L.B.&M.  
1319' FNL 1977' FWL**



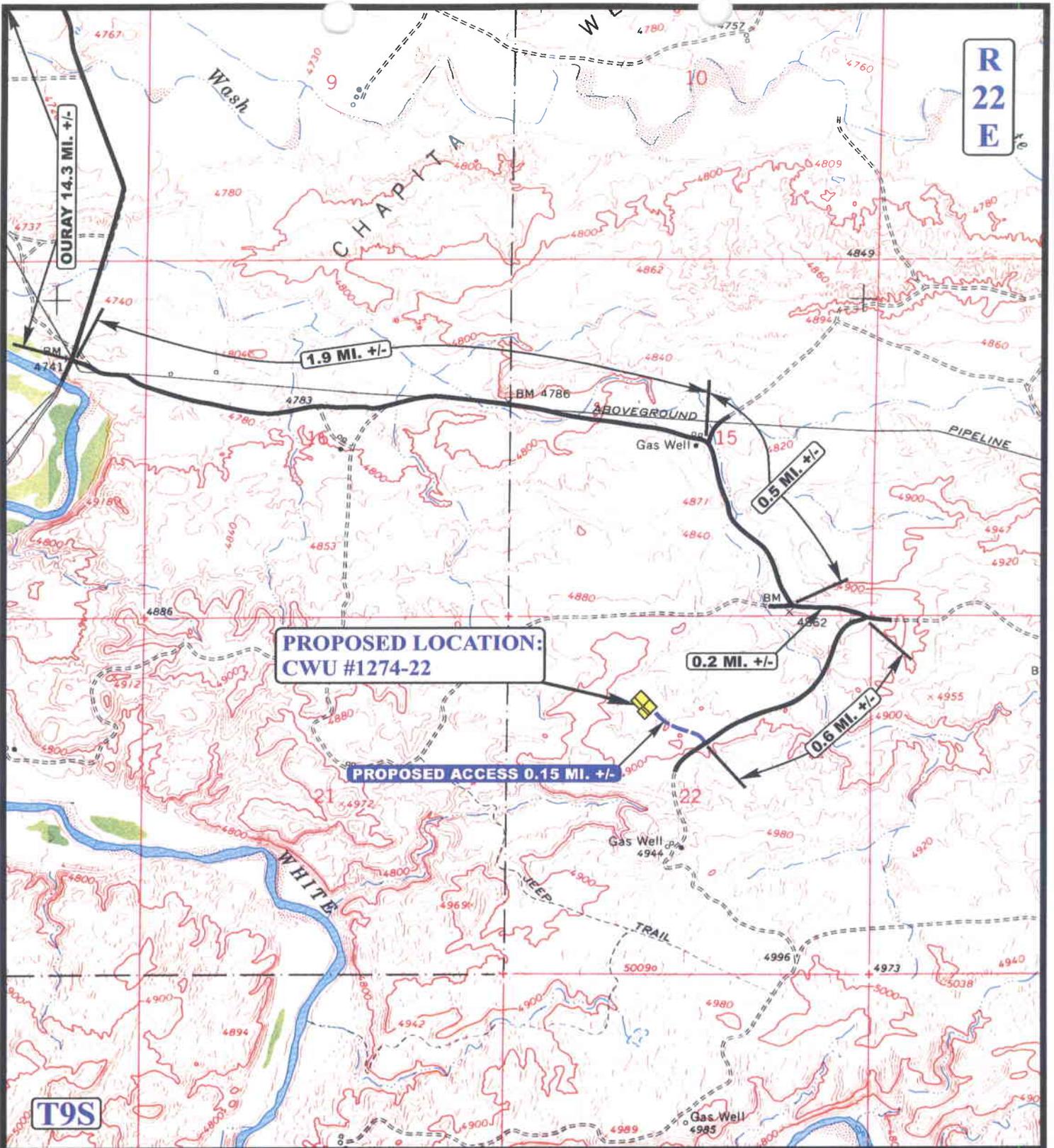
**Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813**

**TOPOGRAPHIC  
MAP**

**06 30 06  
MONTH DAY YEAR**

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





**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD



**EOG RESOURCES, INC.**

**CWU #1274-22**  
**SECTION 22, T9S, R22E, S.L.B.&M.**  
**1319' FNL 1977' 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

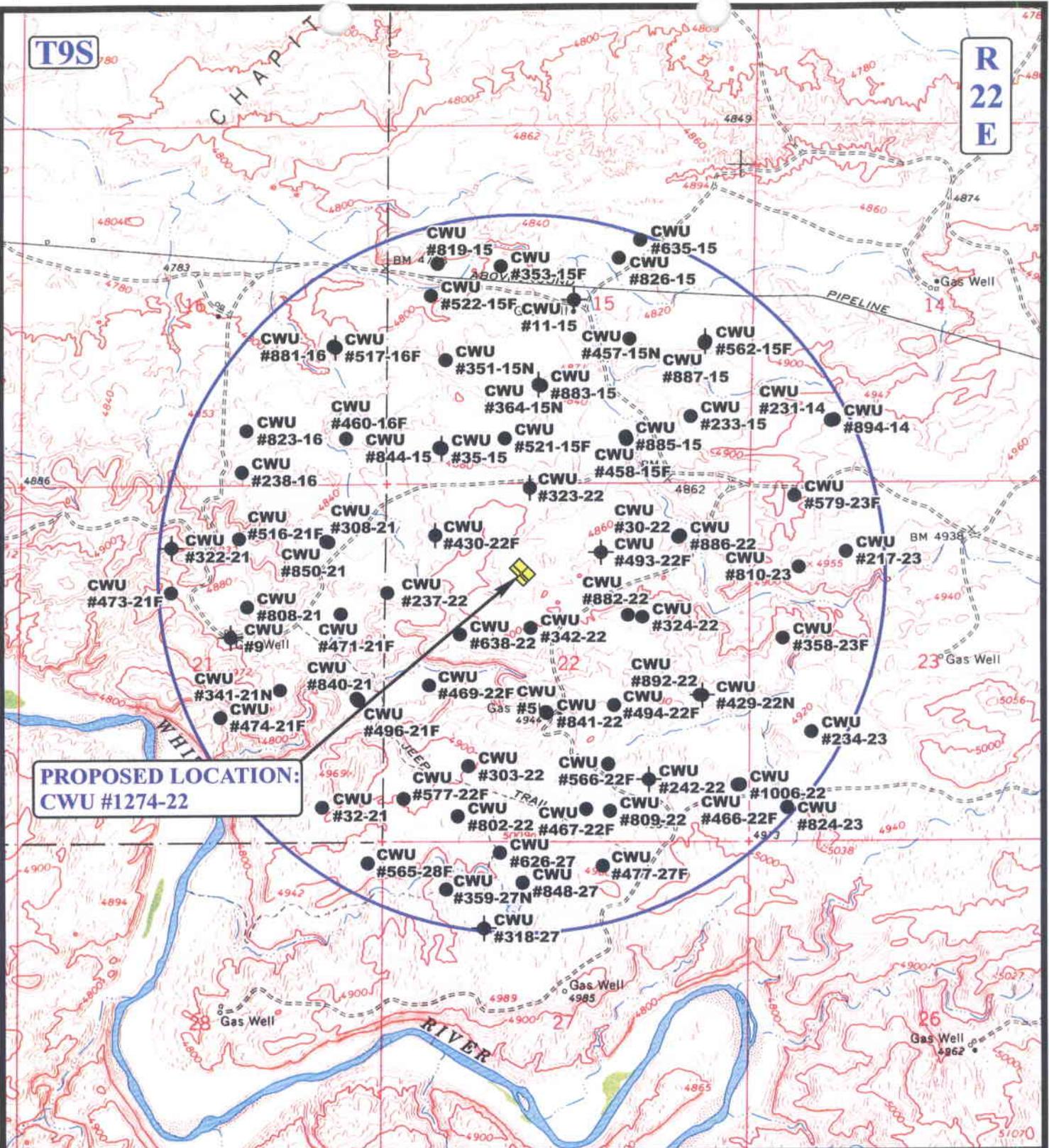
SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00



T9S

R 22 E

CHAPIT



**PROPOSED LOCATION:**  
CWU #1274-22

**LEGEND:**

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

**EOG RESOURCES, INC.**

**CWU #1274-22**  
**SECTION 22, T9S, R22E, S.L.B.&M.**  
**1319' FNL 1977' FWL**



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 85 South 200 East Vernal, Utah 84078  
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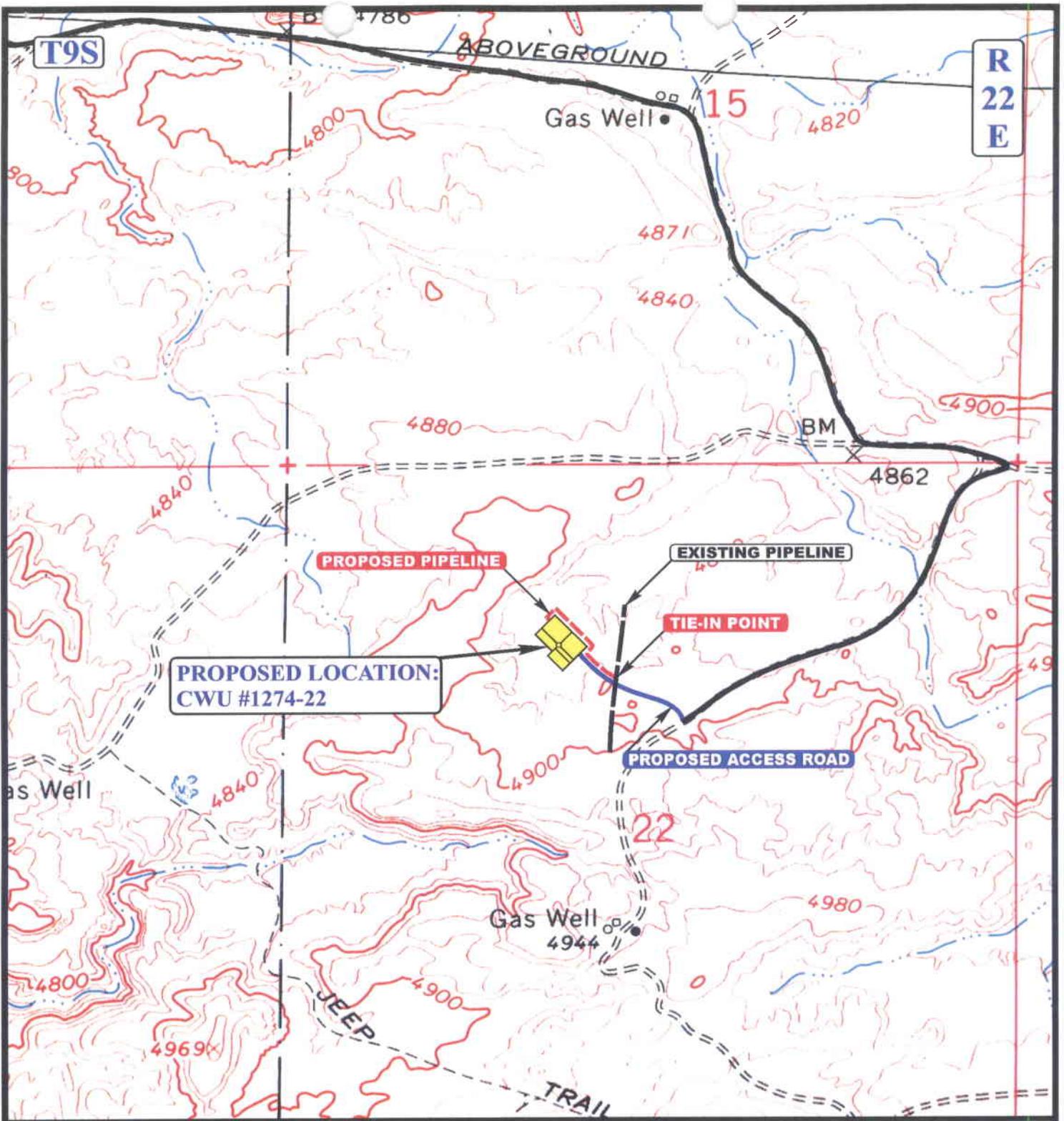


**TOPOGRAPHIC**  
**MAP**

**06 30 06**  
 MONTH DAY YEAR

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





**APPROXIMATE TOTAL PIPELINE DISTANCE = 886' +/-**

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE



**EOG RESOURCES, INC.**

CWU #1274-22  
 SECTION 22, T9S, R22E, S.L.B.&M.  
 1319' FNL 1977' 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: 08/29/2006

API NO. ASSIGNED: 43-047-38530

WELL NAME: CWU 1274-22  
 OPERATOR: EOG RESOURCES INC ( N9550 )  
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:  
 NENW 22 090S 220E  
 SURFACE: 1319 FNL 1977 FWL  
 BOTTOM: 1319 FNL 1977 FWL  
 COUNTY: UINTAH  
 LATITUDE: 40.02520 LONGITUDE: -109.4278  
 UTM SURF EASTINGS: 634164 NORTHINGS: 4431528  
 FIELD NAME: NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: U-0284-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

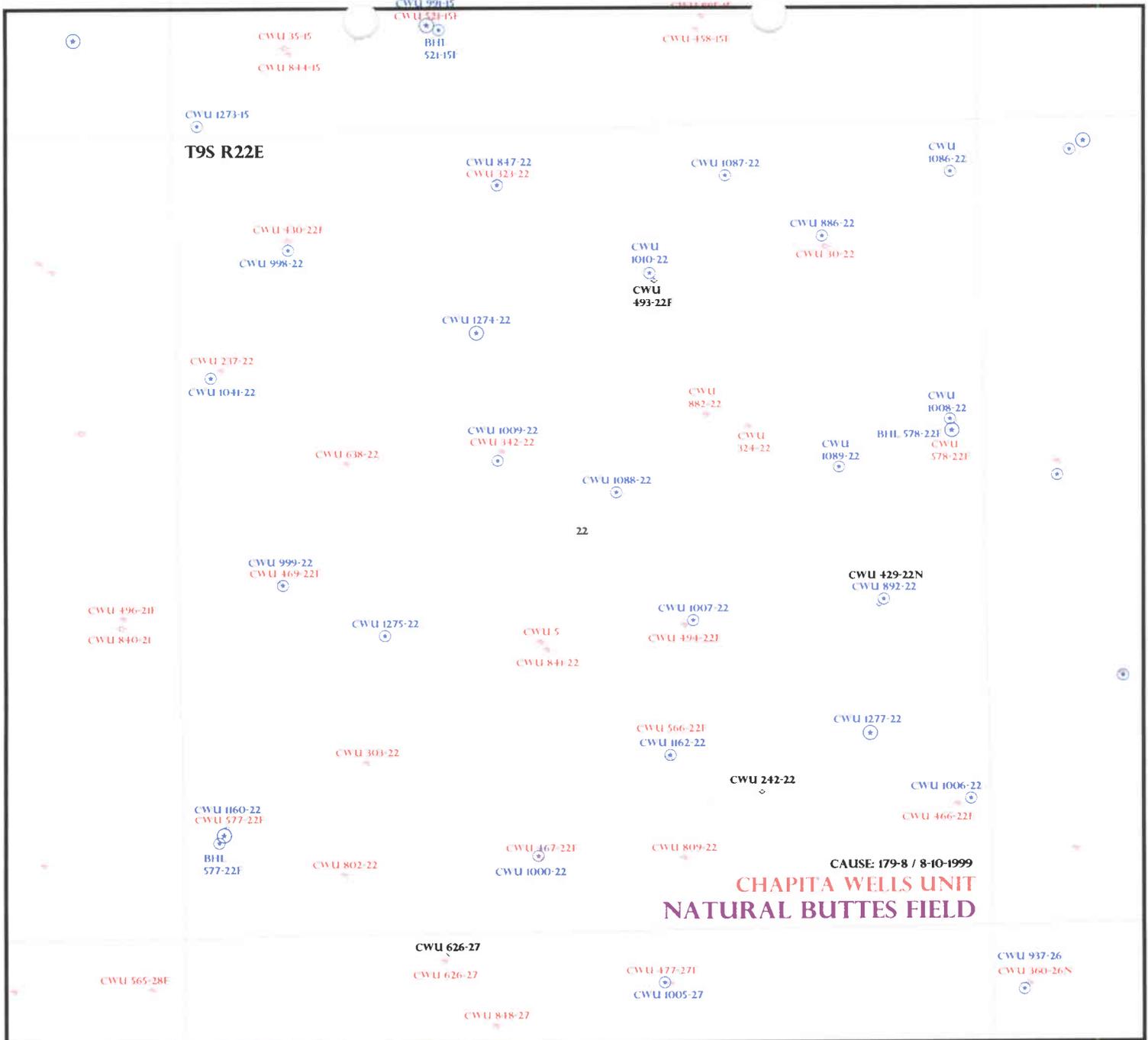
         R649-3-3. Exception

Drilling Unit  
 Board Cause No: 174-8  
 Eff Date: 8-10-1999  
 Siting: Suspension General Siting

         R649-3-11. Directional Drill

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

STIPULATIONS: 1 Federal Drilling Unit  
2-OIL SHALE



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 22 T.9S R.22E

FIELD: NATURAL BUTTES (630)

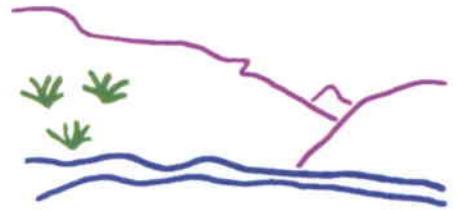
COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999

Field Status	
	ABANDONED
	ACTIVE
	COMBINED
	INACTIVE
	PROPOSED
	STORAGE
	TERMINATED

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

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



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY  
DATE: 29-AUGUST-2006

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:  
3160  
(UT-922)

August 29, 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)

43-047-38530 CWU 1274-22 Sec 22 T09S R 22E 1319 FNL 1977 FWL

43-047-38531 CWU 1277-22 Sec 22 T09S R 22E 1290 FSL 0778 FEL

43-047-38532 CWU 666-6 Sec 06 T09S R 23E 1943 FNL 1984 FEL

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:8-29-06



**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 29, 2006

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

Re: Chapita Wells Unit 1274-22 Well, 1319' FNL, 1977' FWL, NE NW, Sec. 22,  
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 43-047-38530.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

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

**Operator:** EOG Resources, Inc.

**Well Name & Number** Chapita Wells Unit 1274-22

**API Number:** 43-047-38530

**Lease:** U-0284-A

**Location:** NE NW                      **Sec. 22**              **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**

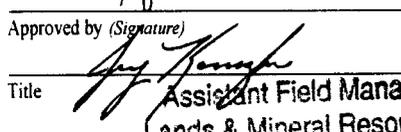
5. Lease Serial No. <b>U-0284-A</b>	
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA Agreement, Name and No. <b>CHAPITA WELLS UNIT</b>	
8. Lease Name and Well No. <b>CHAPITA WELLS UNIT 1274-22</b>	
9. API Well No. <b>43,047,38530</b>	
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER	10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone	11. Sec., T. R. M. or Blk. and Survey or Area <b>SECTION 22, T9S, R22E S.L.B.&amp;M</b>
2. Name of Operator <b>EOG RESOURCES, INC</b>	12. County or Parish <b>UINTAH</b>
3a. Address <b>1060 EAST HIGHWAY 40 VERNAL, UT 84078</b>	13. State <b>UT</b>
3b. Phone No. (include area code) <b>435-781-9111</b>	14. Distance in miles and direction from nearest town or post office* <b>48.7 MILES SOUTH OF VERNAL, UTAH</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <b>1319 FNL 1977 FWL NE/NW 40.025111 LAT 109.428453 LON</b> At proposed prod. zone <b>SAME</b>	15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>1319</b>
16. No. of acres in lease <b>1240</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>1000</b>	19. Proposed Depth <b>9570</b>
20. BLM/BIA Bond No. on file <b>NM 2308</b>	21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4871 GL</b>
22. Approximate date work will start*	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>08/24/2006</b>
Title <b>SR, REGULATORY ASSISTANT</b>		

Approved by (Signature) 	Name (Printed Typed) <b>JERRY KENCCKA</b>	Date <b>8/23/2007</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.

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**

**CONDITIONS OF APPROVAL ATTACHED**

**RECEIVED**

**RECEIVED**

**FEB 28 2007**

**AUG 28 2006**

DIV. OF OIL, GAS & MINING

**BLM VERNAL, UTAH**



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

Conditions for Approval are in the APD

- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this would include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.
- Culvert at approach of main road and access road.
- High water crossing where main wash crosses access road.

**General Surface COA**

**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**

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

### **DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

- 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.
- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and NOT by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).
- All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
- The lessee/operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, etc.) to Peter Sokolosky or another geologist of the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) shall the BLM need to obtain additional information.
- All shows of fresh water and minerals shall be reported and protected. A sample shall be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
- 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.
- 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.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- 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.
- 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.
- 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.
- This APD is approved subject to the requirement that, shall 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:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).

- Date well was placed in a producing status (date of first production for which royalty will be paid).
  - 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).
  - 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.
  - Unit agreement and / or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- 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.
  - 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.
  - 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.
  - 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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>U-0284A</b>
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		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 1274-22</b>	
2. NAME OF OPERATOR: <b>EOG RESOURCES, INC.</b>		9. API NUMBER: <b>43-047-38530</b>
3. ADDRESS OF OPERATOR: <b>1060 East Highway 40</b> CITY <b>VERNAL</b> STATE <b>UT</b> ZIP <b>84078</b>	PHONE NUMBER: <b>(435) 789-0790</b>	10. FIELD AND POOL, OR WILDCAT: <b>NATURAL BUTTES</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1319 FNL - 1977 FWL 40.025111 LAT 109.428453 LON</b>		COUNTY: <b>UINTAH</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NENW 22 9S 22E S.L.B. &amp; M</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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> 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: <b>APD EXTENSION REQUEST</b>
	<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: 09-11-07  
By: [Signature]

NAME (PLEASE PRINT) <b>Kaylene R. Gardner</b>	TITLE <b>Lead Regulatory Assistant</b>
SIGNATURE <u>[Signature]</u>	DATE <b>9/6/2007</b>

(This space for State use only)

COPY SENT TO OPERATOR  
DATE: 9-13-07  
INITIALS: RM

RECEIVED  
SEP 11 2007  
DIV. OF OIL, GAS & MINING

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

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

**API:** 43-047-38530  
**Well Name:** CHAPITA WELLS UNIT 1274-22  
**Location:** 1319 FNL - 1977 FWL (NENW), SECTION 22, T9S, R22E S.L.B.&M  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 8/29/2006

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

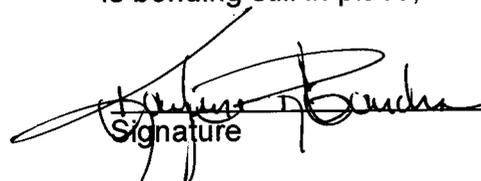
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

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

9/6/2007  
Date

Title: Lead Regulatory Assistant

Representing: EOG Resources, Inc.

RECEIVED  
SEP 11 2007  
DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**RECEIVED**

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.*

FEB 14 2008

**BLM**

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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0284A
2. Name of Operator EOG RESOURCES INC		6. If Indian, Allottee or Tribe Name
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		7. If Unit or CA/Agreement, Name and/or No. UTU63013AN
3b. Phone No. (include area code) Ph: 303-824-5526		8. Well Name and No. CWU 1274-22
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 22 T9S R22E NENW 1319FNL 1977FWL		9. API Well No. 43-047-38530-00-X1
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

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

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

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

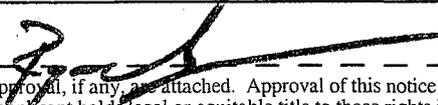
EOG Resources, Inc. requests the APD for the referenced well, originally approved 2/23/2007, be extended for one year.

VERNAL DIST.  
NO. \_\_\_\_\_  
EOL. \_\_\_\_\_  
I.S. \_\_\_\_\_  
E.P. \_\_\_\_\_  
M. \_\_\_\_\_

**CONDITIONS OF APPROVAL ATTACHED**

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #58623 verified by the BLM Well Information System For EOG RESOURCES INC, sent to the Vernal Committed to AFMSS for processing by GAIL JENKINS on 02/14/2008 (08GXJ2239SE)</b>		<b>RECEIVED</b> <b>MAR 24 2008</b> DIV. OF OIL, GAS & MINING
Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT	
Signature _____ (Electronic Submission)	Date 02/14/2008	

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

Approved By 	Title <b>Petroleum Engineer</b>	Date <b>FEB 25 2008</b>
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.



# CONDITIONS OF APPROVAL

## EOG Resources, Inc.

### Notice of Intent APD Extension

**Lease:** UTU-0284A  
**Well:** CWU 1274-22  
**Location:** NENW Sec 22-T9S-R22E

An extension for the referenced APD is granted with the following conditions:

---

1. The extension and APD shall expire on 2/23/09.
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Ryan Angus of this office at (435) 781-4430.

**DIVISION OF OIL, GAS AND MINING**

***SPUDDING INFORMATION***

Name of Company: EOG Resources, Inc.

Well Name: CWU 1274-22

API No: 43-047-38530 Lease Type: Federal

Section 22 Township 09S Range 22E County Uintah

Drilling Contractor Rocky Mountain Drilling Rig # Bucket

**SPUDDED:**

Date 5-28-08

Time 2:00 PM

How Dry

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

Reported by Jerry Barnes

Telephone # 435-828-1720

Date 5-29-08 Signed RM

**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
43-047-38530	Chapita Wells Unit 1274-22		NENW	22	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
B	99999	13650	5/28/2008			5/29/08	
<b>Comments:</b> Mesaverde well PRRV = MVRS							

**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	
<b>Comments:</b>							

**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	
<b>Comments:</b>							

**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)

**RECEIVED**  
**MAY 29 2008**

Mary A. Maestas

Name (Please Print)

*Mary A. Maestas*

Signature

Regulatory Assistant

5/29/2008

Title

Date

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. UTU0284A
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS UNI
8. Well Name and No. CHAPITA WELLS UNIT 1274-22
9. API Well No. 43-047-38530
10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE
11. County or Parish, and State UINTAH COUNTY, UT

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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator EOG RESOURCES INC Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com	
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202	3b. Phone No. (include area code) Ph: 303-824-5526
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 22 T9S R22E NENW 1319FNL 1977FWL 40.02511 N Lat, 109.42845 W Lon	

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

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

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

The referenced well spud on 5/28/2008.

**RECEIVED**  
**JUN 02 2008**

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #60506 verified by the BLM Well Information System For EOG RESOURCES INC, sent to the Vernal</b>		<b>DIV. OF OIL, GAS &amp; MINING</b>	
Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT		
Signature <i>Mary A Maestas</i> (Electronic Submission)	Date 05/29/2008		

**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 \*\***

CWU 1274-22

Form 3160-5  
(August 2007)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU67868

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
MULTIPLE MULTIPLE

9. API Well No.  
43 047 38530

10. Field and Pool, or Exploratory  
NATURAL BUTTES

11. County or Parish, and State  
UINTAH COUNTY, UT  
9S 22E 22

**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)

**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 recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. 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

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

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

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

**Electronic Submission #60540 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 06/02/2008

**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**

**JUN 04 2008**

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

<b><u>Well Name</u></b>	<b><u>SEC</u></b>	<b><u>T</u></b>	<b><u>R</u></b>	<b><u>Qtr/Qtr</u></b>	<b><u>Lease</u></b>	<b><u>API</u></b>
East Chapita 81-23	23	9S	23E	NESE	UTU67868	43-047-39443
CWU 1363-25H	25	9S	22E	SENE	UTU0282	43-047-50007
East Chapita 51-35	35	9S	23E	NWNW	UTU0344	43-047-39208
East Chapita 25-09	9	9S	23E	SESE	UTU67868	43-047-38145
CWU 1365-19	19	9S	23E	SWSW	UTU0337	43-047-39779
NBU 573-17E	17	10S	21E	SESE	UTU02278	43-047-38510
NBU 561-17E	17	10S	21E	SWSE	UTU02278	43-047-37512
CWU 1088-22	22	9S	22E	SWNE	UTU0284A	43-047-37502
CWU 1023-15	15	9S	22E	NWNW	UTU0283A	43-047-38666
CWU 965-34	34	9S	23E	NWSW	UTU37943	43-047-39806
NBU 567-17E	17	10S	21E	NWNE	UTU01791	43-047-38535
East Chapita 79-23	23	9S	23E	SESE	UTU67868	43-047-39442
CWU 1274-22	22	9S	22E	NENW	UTU0284A	43-047-38530
CWU 690-34	34	9S	23E	SWSE	UTU37943	43-047-37459

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.  
UTU0284A

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 1274-22

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

9. API Well No.  
43-047-38530

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 22 T9S R22E NENW 1319FNL 1977FWL  
40.02511 N Lat, 109.42845 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 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.)

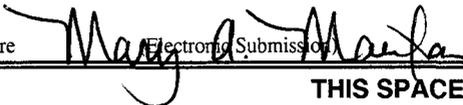
The referenced well was turned to sales on 9/9/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #62918 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 09/10/2008

**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**  
**SEP 15 2008**

DIV. OF OIL, GAS & MINING

## WELL CHRONOLOGY REPORT

Report Generated On: 09-10-2008

<b>Well Name</b>	CWU 1274-22	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-38530	<b>Well Class</b>	1SA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	07-13-2008	<b>Class Date</b>	09-09-2008
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,570/ 9,570	<b>Property #</b>	059643
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	7,960/ 7,960
<b>KB / GL Elev</b>	4,885/ 4,872				
<b>Location</b>	Section 22, T9S, R22E, NENW, 1319 FNL & 1977 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	55.033	<b>NRI %</b>	47.155

<b>AFE No</b>	304201	<b>AFE Total</b>	1,842,200	<b>DHC / CWC</b>	912,100/ 930,100
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #27	<b>Start Date</b>	09-01-2006
		<b>Release Date</b>	07-22-2008		
<b>09-01-2006</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
06:00	06:00	24.0	LOCATION DATA
			1319' FNL & 1977' FWL (NE/NW)
			SECTION 22 T9S, R22E
			UINTAH COUNTY, UTAH
			LAT 40.025147, LONG 109.427769 (NAD 27)
			LAT 40.025111, LONG 109.428453 (NAD 83)
			TRUE #27
			OBJECTIVE: 9570' TD, MESAVERDE
			DW/GAS
			CHAPITA WELLS PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: U-0284-A
			ELEVATION: 4871.3' NAT GL, 4872.1' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4872'), 4885' KB (13')
			EOG WI 55.0328%, NRI 47.15451%

05-15-2008      Reported By      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION STARTED 05/15/08.

05-16-2008      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

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

05-17-2008      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

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

05-18-2008      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 40% COMPLETE.

05-21-2008      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 50% COMPLETE.

05-22-2008      **Reported By**      TERRY CSERE



06-08-2008 Reported By JERRY BARNES

Daily Costs: Drilling \$225,554 Completion \$0 Daily Total \$225,554  
 Cum Costs: Drilling \$263,554 Completion \$0 Well Total \$263,554

MD 2,335 TVD 2,335 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

Start End Hrs Activity Description

06:00 06:00 24.0 MIRU ASPEN DRILLING RIG # 14 ON 5/31/2008. DRILLED 12-1/4" HOLE TO 2335' GL. NO LOSS CIRCULATION ENCOUNTERED. RAN 54 JTS (2328.64') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2341' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO ASPEN RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1500 PSIG. PUMPED 190 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 215 SX (157 BBLs) OF PREMIUM LEAD CEMENT W/0.2% VARASET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/YIELD OF 4.10 CF/SX.

TAILED IN W/200 SX (42 BBLs) OF PREMIUM CEMENT W/2 % CACL2. MIXED TAIL CEMENT TO 15.6 W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/176.8 BBLs FRESH WATER. BUMPED PLUG W/700# @ 2:52 AM, 6/4/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (20.5 BBLs) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 10 HRS. RDMO HALLIBURTON CEMENTERS.

TOP JOB # 2: MIRU HALLIBURTON CEMENTERS. MIXED & PUMPED 150 SX (31 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

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

ASPEN DRILLING TOOK SURVEYS WHILE DRILLING @ 377' - 0.50, 1207' - 1., 2325' - 1.0.

CONDUCTOR LEVEL RECORD: PS= 89.9 OPS= 89.9 VDS= 90.0 MS= 89.9.

9 5/8 CASING LEVEL RECORD: PS= 89.7 OPS= 89.7 VDS= 89.9 MS= 90.0.

LESTER FARNSWORTH NOTIFIED MIKE LEE W/BLM OF THE SURFACE CASING & CEMENT JOB ON 6/2/2008 @ 5:30 PM.

07-13-2008 Reported By PAUL WHITE

Daily Costs: Drilling \$50,503 Completion \$0 Daily Total \$50,503  
 Cum Costs: Drilling \$314,057 Completion \$0 Well Total \$314,057

MD 2,335 TVD 2,335 Progress 0 Days 0 MW 8.3 Visc 28.0  
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING CEMENT AND FLOAT EQUIP

Start End Hrs Activity Description

06:00 08:30 2.5 RIG DOWN W/TRUCKS ON CWU 1275-22.  
 08:30 12:00 3.5 RIG UP W/ TRUCKS 10 MEN, TRUCKS LEFT AT 12:00 HRS.

12:00 16:00 4.0 RURT.  
 16:00 18:00 2.0 RIG ACCEPTED ON DAYWORK AT 16:00 HRS, 7/12/08. NIPPLE UP AND PREPARE TO TEST.  
 18:00 22:00 4.0 TEST BOPS W/B&C QUICK TEST. UPPER AND LOWER KELLY VALVE, INSIDE BOP, SAFETY VALVE, PIPE RAMS AND INSIDE VALVES, PIPE RAMS AND OUTSIDE VALVES (HCR), OUTSIDE CHECK VALVE, CHOKE LINE, ALL CHOKE MANIFOLD VALVES AND SURFACE CASING. ALL TESTS 250 LOW AND 5000 HIGH. ANNULAR 250/2500. CASING 1500. ALL TESTS GOOD, NO LEAKS. CALLED JAMIE SPARGER W/ VERNAL BLM AND INFORMED HIM OF INTENTION TO SPUD AND TEST BOP'S. CALL MADE AT 09:30 7/12/08. INSTALL WEAR BUSHING.  
 22:00 04:00 6.0 HOLD SAFETY MEETING, RIG UP T-REX, PU BHA AND DRILL PIPE. RIG DOWN T-REX.  
 04:00 04:30 0.5 SERVICE RIG.  
 04:30 05:00 0.5 INSTALL ROTATING HEAD RUBBER.  
 05:00 06:00 1.0 DRILL CEMENT/FLOAT EQUIP.

NO ACCIDENTS OR INCIDENTS.

SAFETY MEETING TOPICS: TESTING BOP'S, MEETING W/ PICKUP CREW, AND MEETING W/DAYLIGHT CREW ON WEATHERFORD JAR OPERATION AND HANDLING.

FULL CREW.

MUD WT. 8.3 VIS 28.

CHECK AND SET COM FOR DRILLING.

FUEL RECEIVED 4500 ON HAND 5460.

UNMANNED MUD LOGGER 1 DAY.

---

<b>07-14-2008</b>	<b>Reported By</b>	PAUL WHITE									
<b>Daily Costs: Drilling</b>	\$54,273	<b>Completion</b>	\$0	<b>Daily Total</b>	\$54,273						
<b>Cum Costs: Drilling</b>	\$368,282	<b>Completion</b>	\$0	<b>Well Total</b>	\$368,282						
<b>MD</b>	4,220	<b>TVD</b>	4,220	<b>Progress</b>	1,879	<b>Days</b>	1	<b>MW</b>	8.7	<b>Visc</b>	27.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: DRILLING AT 4220'</b>											

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILL CMT. AND FLOAT EQ. SHOE AT 2341'. DRILL 10' NEW HOLE.
06:30	07:00	0.5	CIRCULATE CLEAN, SPOT 50 VIS PILL. RUN FORMATION INTEGRITY TEST TO 12.3 PPG EMW.
07:00	19:30	12.5	DRILL F/2341 TO 3546 1205' 96 FPH. WOB 20 RPM 55. SPUD AT 07:00, 7/13/08.
19:30	20:00	0.5	SERVICE RIG.
20:00	06:00	10.0	DRILL 3546 TO 4220' (674') 67 FPH. WOB 20 RPM 55. MUD WT. 9.4 VIS 35.

DRILLING GREEN RIVER

TOP OF WASATCH AT 4,746'.

NO ACCIDENTS OR INCIDENTS.

SAFETY MEETING TOPICS: SPINNING CHAIN, FORKLIFT.

MUD-LOGIC UNMANNED UNIT 2 DAYS.

FUEL ON HAND 4563, USED 897.

06:00 06:00 24.0 SPUD 7-7/8" HOLE @ 7:00 AM, 7/13/08

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<b>07-15-2008</b>	<b>Reported By</b>	PAUL WHITE									
<b>Daily Costs: Drilling</b>	\$28,846	<b>Completion</b>	\$0	<b>Daily Total</b>	\$28,846						

**Cum Costs: Drilling** \$398,570 **Completion** \$0 **Well Total** \$398,570  
**MD** 5,700 **TVD** 5,700 **Progress** 1,480 **Days** 2 **MW** 9.5 **Visc** 29.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING AT 5700'

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILL F/4220 TO 4521 301' 75 FPH WOB 17 RPM 50.
10:00	10:30	0.5	SURVEY AND SERVICE RIG. 4482 1 DEG.
10:30	06:00	19.5	DRILL F/ 4521 TO 5700' 1179' 60 FPH. WOB 20 RPM 45/55. MUD WT. 10.1 VIS 34.

DRILLING CHAPITA WELLS, TOP OF BUCK CANYON AT 6039'.  
 NO ACCIDENTS OR INCIDENTS.  
 SAFETY MEETING TOPICS: NEW HANDS, SCRUBBING AND TIE OFF.  
 MUD-LOGIC UNMANNED UNIT 3 DAYS.  
 CHECK C.O.M. & BOP DRILL 1.5 MINUTES  
 FUEL ON HAND 3219 USED 1344.

07-16-2008 **Reported By** PAUL WHITE

**Daily Costs: Drilling** \$65,545 **Completion** \$0 **Daily Total** \$65,545  
**Cum Costs: Drilling** \$464,115 **Completion** \$0 **Well Total** \$464,115  
**MD** 6,712 **TVD** 6,712 **Progress** 1,012 **Days** 3 **MW** 10.1 **Visc** 34.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING AT 6712'

Start	End	Hrs	Activity Description
06:00	17:30	11.5	DRILL F/ 5700 TO 6306 606' 53 FPH, WOB 22 RPM 50/60.
17:30	18:00	0.5	SERVICE RIG.
18:00	06:00	12.0	DRILL 6306 TO 6712', 406', 34 FPH. MUD WT. 10.6 VIS 38. WOB 25 RPM 45.

NO ACCIDENTS OR INCIDENTS.  
 SAFETY MEETING TOPICS: TEAM MORAL, DRIVING TO AND FROM WORK.  
 NIGHT CREW SHORT ONE MAN.  
 FUNCTION TEST SAFETY VALVES, CHECK AND SET COM FOR DRLG.  
 UNMANNED LOGGING UNIT 4 DAYS.  
 FUEL ON HAND 2019 USED 1200.

DRILLING BUCK CANYON / NORTH HORN TRANSITION. TOP OF PRICE RIVER AT 7204'.

07-17-2008 **Reported By** PAUL WHITE

**Daily Costs: Drilling** \$62,529 **Completion** \$4,680 **Daily Total** \$67,209  
**Cum Costs: Drilling** \$526,644 **Completion** \$4,680 **Well Total** \$531,324  
**MD** 7,500 **TVD** 7,500 **Progress** 788 **Days** 4 **MW** 10.7 **Visc** 37.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING AT 7500'

Start	End	Hrs	Activity Description
06:00	17:00	11.0	DRILL 6712' TO 7059', 347', 32 FPH, WOB 24 RPM 45/60.
17:00	17:30	0.5	SERVICE RIG.

17:30 06:00 12.5 DRILL 7059' TO 7500', 441', 35 FPH. WOB 25 RPM 54. MUD WT. 10.8 VIS 36.

DRILLING UPPER PRICE RIVER, MIDDLE PRICE RIVER AT 8,062'  
 NIGHT CREW SHORT ONE MAN.  
 NO ACCIDENTS OR INCIDENTS.  
 SAFETY MEETING TOPICS: MIXING CHEM. HIGH PRESSURE LINES.  
 FUNCTION TEST COM FOR DRLG.  
 BOP DRILL 1 3/4 MIN. AMAS.  
 UNMANNED MUD LOGGER 5 DAYS. FUEL ON HAND 5236, RECEIVED 4500, USED 1283 GAL.

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<b>07-18-2008</b>	<b>Reported By</b>	PAUL WHITE									
<b>Daily Costs: Drilling</b>	\$10,236	<b>Completion</b>	\$2,716	<b>Daily Total</b>	\$12,952						
<b>Cum Costs: Drilling</b>	\$536,880	<b>Completion</b>	\$7,396	<b>Well Total</b>	\$544,276						
<b>MD</b>	8,000	<b>TVD</b>	8,000	<b>Progress</b>	500	<b>Days</b>	5	<b>MW</b>	11.2	<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> DRILLING AT 8,000'											

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRILL F/ 7500 TO 7556 56' 37 FPH, WOB 25 RPM 60.
07:30	08:00	0.5	CIRCULATE AND MIX PILL. DROP SURVEY.
08:00	13:30	5.5	TRIP FOR BIT. LAY DOWN REAMERS, CHANGE MOTOR.
13:30	14:00	0.5	SLIP & CUT DRILL LINE.
14:00	17:00	3.0	TRIP IN HOLE.
17:00	21:30	4.5	DRILL F/ 7556 TO 7697 141' 31 FPH. WOB 18 RPM 49.
21:30	22:00	0.5	SERVICE RIG.
22:00	06:00	8.0	DRILL 7697 TO 8,000', 303', 38 FPH. WOB 19 RPM 60. MUD WT. 11.2 VIS 37.

DRILLING PRICE RIVER  
 PRICE RIVER MIDDLE AT 8,062'.  
  
 2 MEN SHORT ON NIGHT CREW.  
 FUNCTION CHECK COM FOR TRIPPING AND DRLG.  
 NO ACCIDENTS OR INCIDENTS.  
 SAFETY MEETING TOPICS: WORKING ON PUMPS, TRIPPING PIPE.  
 UNMANNED MUD LOGGER 6 DAYS.  
 FUEL ON HAND 4114 USED 1122.

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<b>07-19-2008</b>	<b>Reported By</b>	PAUL WHITE									
<b>Daily Costs: Drilling</b>	\$31,257	<b>Completion</b>	\$0	<b>Daily Total</b>	\$31,257						
<b>Cum Costs: Drilling</b>	\$568,138	<b>Completion</b>	\$7,396	<b>Well Total</b>	\$575,534						
<b>MD</b>	8,587	<b>TVD</b>	8,587	<b>Progress</b>	587	<b>Days</b>	6	<b>MW</b>	11.4	<b>Visc</b>	38.0
<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	17:00	11.0	DRILL F/ 8000 TO 8316' 316' 29 FPH. WOB 18 RPM 50/70.
17:00	17:30	0.5	SERVICE RIG.

17:30 02:00 8.5 DRILL F/ 8316 TO 8587' 271' 32 FPH.  
 02:00 03:00 1.0 CIRCULATE, MIX PILL, DROP SURVEY.  
 03:00 06:00 3.0 TRIP FOR BIT #3. MUD WT. 11.4 VIS 37 DRILLING PRICE RIVER MIDDLE, PRICE RIVER LOWER AT 8872. FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: TONG MAINT. TRIPPING. CHECK AND SET COM FOR TRIPPING. UNMANNED LOGGING UNIT 7 DAYS. FUEL ON HAND 2618 USED 1496.

07-20-2008 Reported By PAUL WHITE

Daily Costs: Drilling \$72,896 Completion \$0 Daily Total \$72,896  
 Cum Costs: Drilling \$641,034 Completion \$7,396 Well Total \$648,430

MD 8,905 TVD 8,905 Progress 318 Days 7 MW 11.7 Visc 38.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: TFNB #4 @ 8905

Start End Hrs Activity Description

06:00 11:30 5.5 TRIP IN HOLE W/ BIT #3 AND NEW MOTOR.  
 11:30 16:30 5.0 DRILL F/ 8587 TO 8726' 139' 28 FPH. WOB 21 RPM 50.  
 16:30 17:00 0.5 SERVICE RIG.  
 17:00 03:00 10.0 DRILL F/ 8726 TO 8905 179' 18 FPH. WOB 22/25 RPM 55.  
 03:00 04:00 1.0 CIRCULATE, MIX PILL, DROP SURVEY PREPARE TO TRIP.  
 04:00 06:00 2.0 TRIP OUT FOR BIT #4. MUD WT. 11.6 VIS 38.  
 DRILLING LOWER PRICE RIVER. SEGO AT 9366'. FULL CREW.  
 NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: SPINNING CHAIN, DITCHING. RESET AND FUNCTION COM FOR TRIP. BOP DRILL 1 MIN AMAS. UNMANNED MUD LOGGING UNIT 8 DAYS. FUEL ON HAND 5118 RECIEVED 4000 USED 1500.

07-21-2008 Reported By PAUL WHITE

Daily Costs: Drilling \$41,342 Completion \$0 Daily Total \$41,342  
 Cum Costs: Drilling \$682,377 Completion \$7,396 Well Total \$689,773

MD 9,485 TVD 9,485 Progress 580 Days 8 MW 11.6 Visc 38.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 9,485'

Start End Hrs Activity Description

06:00 11:00 5.0 CHANGE BIT AND MOTOR, TRIP IN HOLE.  
 11:00 11:30 0.5 WASH/REAM, 8804 TO 8905.  
 11:30 16:30 5.0 DRILL F/ 8905 TO 9101. 196' 39 FPH. WOB 15 RPM 55.  
 16:30 17:00 0.5 SERVICE RIG.  
 17:00 06:00 13.0 DRILL F/ 9101 TO 9485' 384' 29 FPH, WOB 19 RPM 47. MUD WT. 11.5 VIS 35.  
 DRILLING SEGO. FULL CREW.  
 NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: TRIP HAZARDS, AIR LINES AND FUEL LINES. FUNCTION CHECK COM FOR DRLG. CHECK DART VALVE AND HCR.  
 UNMANNED LOGGING UNIT 9 DAYS. FUEL ON HAND 4488 USED 630.  
 CHECKED NEXT LOCATION CWU 1086-22. DISTANCE FOR MOVE 0.8 MILES. LOCATION READY FOR RIG.

06:00 18.0

07-22-2008 Reported By PAUL WHITE

Daily Costs: Drilling \$43,007 Completion \$15,908 Daily Total \$58,915  
 Cum Costs: Drilling \$725,384 Completion \$23,304 Well Total \$748,688

MD 9,570 TVD 9,570 Progress 85 Days 9 MW 11.5 Visc 38.0

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

**Activity at Report Time:** CEMENTING

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILL F/ 9485 TO 9570' TD MUD WT 11.7 VIS 38. REACHED TD AT 10:00 HRS, 7/21/08.
10:00	11:00	1.0	WIPER TRIP/SHORT TRIP 10 STANDS.
11:00	12:30	1.5	CIRCULATE, HOLD SAFETY MEETING W/ LAY DOWN CREW, RIG UP LAYDOWN EQUIPMENT.
12:30	13:30	1.0	REPAIR LAY DOWN TRUCK.
13:30	20:30	7.0	PUMP PILL, LAY DOWN DRILL PIPE AND BHA. PULL WEAR BUSHING.
20:30	03:30	7.0	RIG UP CASING CREW, HOLD SAFETY MEETING. RAN 220 JTS. 4.5" 11.6 # N-80 CASING EQUIPED W/ WEATHERFORD FLOAT SHOE AND FLOAT COLLAR. CENTRILIZERS PLACED 5' ABOVE SHOE, ON TOP OF SECOND JOINT AND EVERY THIRD JOINT AFTER FOR A TOTAL OF 28. SHOE AT 9562' FLOAT COLLAR AT 9515'. MARKER JT AT 6777' AND 4420'.
03:30	04:00	0.5	TAG BOTTOM, PU MANDREL HANGER AND LAND CASING W/ 65K ON HANGER.
04:00	05:30	1.5	CIRCULATE CASING, RIG DOWN CASING CREW AND RIG UP SCHLUMBERGER. HOLD SAFETY MEETING W/ SCHLUMBERGER CEMENTING CREW.
05:30	06:00	0.5	CEMENTING. CEMENT DETAILS ON FOLLOWING REPORT. MUD WT. 11.7 VIS 38

NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: CEMENTING, LAY DOWN DP, RUNNING CASING. FULL CREW, UNMANNED MUD LOGGER 9 DAYS. FUEL ON HAND 3590 USED 898.

07-23-2008		Reported By	PAUL WHITE	
<b>Daily Costs: Drilling</b>	\$62,028	<b>Completion</b>	\$135,426	<b>Daily Total</b> \$197,454
<b>Cum Costs: Drilling</b>	\$787,412	<b>Completion</b>	\$158,730	<b>Well Total</b> \$946,142
<b>MD</b>	9,570	<b>TVD</b>	9,570	<b>Progress</b> 0 <b>Days</b> 10 <b>MW</b> 0.0 <b>Visc</b> 0.0

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

**Activity at Report Time:** RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	07:30	1.5	CEMENTING. LOADED BOTTOM PLUG AND TOP PLUG. SCHLUMBER MIXED AND PUMPED CEMENT AS FOLLOWS: 20 BBLs CHEM WASH, 20 BBLs WATER, 150 BBLs LEAD SLURRY: 35/65 POZ G, SLURRY WT. 12.5 PPG. (425 SX). FOLLOWED W/ 362 BBLs. TAIL SLURRY, 50/50 POZ "G" SLURRY WT. 14.1 PPG. 1575 SX), DROPPED TOP PLUG AND DISPLACED W/ 148 BBLs. WATER. BUMPED PLUG W/ 3,400 PSI, CHECKED FLOATS OK. CIP AT 07:15 7/22/08.
07:30	08:00	0.5	RIG DOWN SCHLUMBERGER, REMOVE LANDING JT. SET AND TEST DTO PACKOFF.
08:00	09:00	1.0	NIPPLE DOWN BOPS. CLEAN PITS.
TRANSFER TO CWU 1086-22 7 JTS. 4.5" 11.6# N-80 LT&C CASING AND 1 HCP-110 MARKER JT.			
09:00	12:00	3.0	RIG DOWN W/ TRUCKS, MOVE TO CWU 1086-22. 0.8 MILES.
12:00	06:00	18.0	CONTINUED ON REPORT FOR CWU 1086-22 OF THE SAME DATE.
06:00	06:00	24.0	RIG RELEASED AT 09:00 HRS, 7/22/08. CASING POINT COST \$760,114

**07-26-2008** **Reported By** SEARLE



RUWL. SET 6K CFP AT 8695'. PERFORATE MPR FROM 8516'-17', 8526'-27', 8533'-34', 8540'-41', 8550'-51', 8554'-55', 8567'-68', 8586'-87', 8597'-98', 8608'-09', 8665'-66', 8670'-71' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4200 GAL SLICKWATER PAD, 49686 GAL SLICKWATER WITH 72700# 20/40 SAND @ 1-2.5 PPG. MTP 6412 PSIG. MTR 74.5 BPM. ATP 5817 PSIG. ATR 64.6 BPM. ISIP 2760 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 8490'. PERFORATE MPR FROM 8345'-46', 8353'-54', 8382'-83', 8414'-15', 8422'-44', 8428'-29', 8449'-51', 8463'-65', 8471'-72' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4200 GAL SLICKWATER PAD, 45091 GAL SLICKWATER WITH 61300# 20/40 SAND @ 1-2 PPG. MTP 6452 PSIG. MTR 74.6 BPM. ATP 5721 PSIG. ATR 63 BPM. ISIP 2400 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 8315'. PERFORATE MPR FROM 8119'-20', 8132'-33', 8146'-47', 8166'-67', 8179'-80', 8188'-89', 8234'-35', 8244'-45', 8264'-65', 8277'-78', 8286'-87', 8299'-300' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5250 GAL SLICKWATER PAD, 102572 GAL SLICKWATER WITH 153700# 20/40 SAND @ 1-2.5 PPG. MTP 6320 PSIG. MTR 74.6 BPM. ATP 5436 PSIG. ATR 71.8 BPM. ISIP 2590 PSIG. RD SCHLUMBERGER. SDFN.

08-14-2008		Reported By		MCCURDY	
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$286,420	<b>Daily Total</b>	\$286,420
<b>Cum Costs: Drilling</b>	\$787,412	<b>Completion</b>	\$493,500	<b>Well Total</b>	\$1,280,912
<b>MD</b>	9,570	<b>TVD</b>	9,570	<b>Progress</b>	0
<b>Days</b>	15	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>	<b>PBTD : 9516.0</b>	<b>Perf : 7214'-9344'</b>	<b>PKR Depth : 0.0</b>		

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 2230 PSIG. RUWL. SET 6K CFP AT 8080'. PERFORATE UPR FROM 7867'-68', 7883'-84', 7903'-04', 7914'-15', 7921'-22', 7931'-32', 7945'-46', 7989'-90', 8038'-39', 8043'-44', 8051'-52', 8059'-60' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4200 GAL SLICKWATER PAD, 44272 GAL SLICK WATER WITH 64500# 20/40 SAND @ 1-2.5 PPG. MTP 6193 PSIG. MTR 74.8 BPM. ATP 5434 PSIG. ATR 68.4 BPM. ISIP 2600 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 7600'. PERFORATE UPR FROM 7344'-45', 7350'-51', 7371'-72', 7389'-90', 7423'-24', 7441'-42', 7451'-52', 7458'-59', 7503'-04', 7517'-18', 7534'-35', 7580'-81' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4200 GAL SLICKWATER PAD, 49148 GAL SLICKWATER WITH 70900# 20/40 SAND @ 1-2.5 PPG. MTP 6373 PSIG. MTR 74.6 BPM. ATP 5568 PSIG. ATR 68 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 7314'. PERFORATE UPR FROM 7214'-15', 7221'-22', 7229'-31', 7242'-44', 7249'-51', 7277'-78', 7284'-85', 7295'-97' @ 3 SPF @ 120° PHASING. RDWL. SICP 1950 PSI. RU SCHLUMBERGER. BROKE PERFS DOWN @ 3666 PSIG, ISIP 1950. STARTED SCALE INHIBITOR & PRESSURE CLIMBED TO 6000 PSI. SURGED WELL. PRESSURE FELL TO 0 PSIG & HAD NO FLOW BACK AFTER 1 HR OPEN. RUWL SET 6K CFP AT 7117'. RDWL & SCHLUMBERGER. SDFN.

08-19-2008		Reported By		HAL IVIE	
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$29,919	<b>Daily Total</b>	\$29,919
<b>Cum Costs: Drilling</b>	\$787,412	<b>Completion</b>	\$523,419	<b>Well Total</b>	\$1,310,831
<b>MD</b>	9,570	<b>TVD</b>	9,570	<b>Progress</b>	0
<b>Days</b>	16	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>	<b>PBTD : 9516.0</b>	<b>Perf : 7214'-9344'</b>	<b>PKR Depth : 0.0</b>		

Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU ROYAL RIG # 1. ND FRAC TREE. NU BOP. RIH W/BIT & PUMP OFF SUB TO 7117'. RU TO DRILL OUT PLUGS. SDFN.

08-20-2008 Reported By HAL IVIE

Daily Costs: Drilling \$0 Completion \$53,434 Daily Total \$53,434  
 Cum Costs: Drilling \$787,412 Completion \$576,853 Well Total \$1,364,265

MD 9,570 TVD 9,570 Progress 0 Days 17 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTD : 9516.0 Perf : 7214'-9344' PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00 06:00 24.0 SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7117', 7314', 7600', 8080', 8315', 8490', 8695', 9070' RIH. CLEANED OUT TO PBTD @ 9516'. LANDED TBG AT 7961' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 16 HRS. 24/64" CHOKE. FTP 2000 PSIG. CP 1950 PSIG. 80 BFPH. RECOVERED 1287 BLW. 10379 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 7913.13'  
 BELOW KB 13.00'  
 LANDED @ 7960.68' KB

08-21-2008 Reported By HAL IVIE

Daily Costs: Drilling \$0 Completion \$2,565 Daily Total \$2,565  
 Cum Costs: Drilling \$787,412 Completion \$579,418 Well Total \$1,366,830

MD 9,570 TVD 9,570 Progress 0 Days 18 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTD : 9516.0 Perf : 7214'-9344' PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 20 HRS. 24/64" CHOKE. FTP 2100 PSIG. CP 3000 PSIG. 74 BFPH. RECOVERED 1486 BLW. 8893. BLWTR. SI 4 HRS FOR FACILITY CONSTRUCTION.

08-22-2008 Reported By HAL IVIE

Daily Costs: Drilling \$0 Completion \$20,813 Daily Total \$20,813  
 Cum Costs: Drilling \$787,412 Completion \$600,231 Well Total \$1,387,643

MD 9,570 TVD 9,570 Progress 0 Days 19 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTD : 9516.0 Perf : 7214'-9344' 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 1900 PSIG. CP 3000 PSIG. 61 BFPH. RECOVERED 1458 BLW. 7435 BLWTR.

08-23-2008 Reported By HAL IVIE

Daily Costs: Drilling \$0 Completion \$20,813 Daily Total \$20,813  
 Cum Costs: Drilling \$787,412 Completion \$602,796 Well Total \$1,390,208

MD 9,570 TVD 9,570 Progress 0 Days 20 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTD : 9516.0 Perf : 7214'-9344' 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-2500 PSIG. 52 BFPH. RECOVERED 1244 BBLS, 6191 BLWTR.

08-24-2008 Reported By HAL IVIE

DailyCosts: Drilling \$0 Completion \$2,565 Daily Total \$2,565  
 Cum Costs: Drilling \$787,412 Completion \$605,361 Well Total \$1,392,773

MD 9,570 TVD 9,570 Progress 0 Days 21 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTD : 9516.0 Perf : 7214'-9344' 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-1600 PSIG, CP-2400 PSIG. 42 BFPH. RECOVERED 1006 BBLS, 5185 BLWTR.

08-25-2008 Reported By HAL IVIE

DailyCosts: Drilling \$0 Completion \$2,565 Daily Total \$2,565  
 Cum Costs: Drilling \$787,412 Completion \$607,926 Well Total \$1,395,338

MD 9,570 TVD 9,570 Progress 0 Days 22 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTD : 9516.0 Perf : 7214'-9344' 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- 1550 PSIG, CP- 2200 PSIG. 32 BFPH. RECOVERED 759 BBLS, 4426 BLWTR.

08-26-2008 Reported By HAL IVIE

DailyCosts: Drilling \$0 Completion \$2,565 Daily Total \$2,565  
 Cum Costs: Drilling \$787,412 Completion \$610,491 Well Total \$1,397,903

MD 9,570 TVD 9,570 Progress 0 Days 23 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTD : 9516.0 Perf : 7214'-9344' PKR Depth : 0.0

Activity at Report Time: WO FACILITIES

Start End Hrs Activity Description  
 06:00 06:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 1500 PSIG. CP 2200 PSIG. 21 BFPH. RECOVERED 506 BLW. 3935 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 8/25/08

09-10-2008 Reported By DUANE COOK

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0  
 Cum Costs: Drilling \$787,412 Completion \$610,491 Well Total \$1,397,903

MD 9,570 TVD 9,570 Progress 0 Days 24 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTD : 9516.0 Perf : 7214'-9344' PKR Depth : 0.0

Activity at Report Time: INITIAL PRODUCTION

Start End Hrs Activity Description

06:00      06:00      24.0 INITIAL PRODUCTION- OPENING PRESSURE: TP 2000 PSIG & CP 3200 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 09:50 HRS, 09/09/08. FLOWED 680 MCFD RATE ON 12/64" CHOKE. STATIC 222. QGM METER #7855.

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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.  
UTU0284A

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

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

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

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
 At surface NENW 1319FNL 1977FWL 40.02511 N Lat, 109.42845 W Lon  
 At top prod interval reported below NENW 1319FNL 1977FWL 40.02511 N Lat, 109.42845 W Lon  
 At total depth NENW 1319FNL 1977FWL 40.02511 N Lat, 109.42845 W Lon

6. If Indian, Allottee or Tribe Name: CHAPITA WELLS UNI

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

8. Lease Name and Well No. CHAPITA WELLS UNIT 1274-22

9. API Well No. 43-047-38530

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

11. Sec., T., R., M., or Block and Survey or Area Sec 22 T9S R22E Mer SLB

12. County or Parish UINTAH 13. State UT

14. Date Spudded 05/28/2008 15. Date T.D. Reached 07/21/2008 16. Date Completed  D & A  Ready to Prod. 09/09/2008

17. Elevations (DF, KB, RT, GL)\* 4871 GL

18. Total Depth: MD 9570 TVD 19. Plug Back T.D.: MD 9516 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 Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2341		665			
7.875	4.500 N-80	11.6	0	9562		2000			

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	7961							

25. Producing Intervals 26. Perforation Record **7214**

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	7214	9344	9113 TO 9344		3	
B)			8758 TO 9049		3	
C)			8516 TO 8671		3	
D)			8345 TO 8472		3	

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

Depth Interval	Amount and Type of Material
9113 TO 9344	79,448 GALS GELLED WATER & 108,600# 20/40 SAND
8758 TO 9049	83,316 GALS GELLED WATER & 51,200# 20/40 SAND
8516 TO 8671	54,051 GALS GELLED WATER & 72,700# 20/40 SAND
8345 TO 8472	49,456 GALS GELLED WATER & 61,300# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
09/09/2008	09/16/2008	24	→	35.0	967.0	130.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 2100 SI	Csg. Press. 2640.0	24 Hr. Rate →	Oil BBL 35	Gas MCF 967	Water BBL 130	Gas:Oil Ratio	Well Status 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. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

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	7214	9344		GREEN RIVER MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER MIDDLE PRICE RIVER	1691 2330 4617 4738 5326 6027 7212 8071

32. Additional remarks (include plugging procedure):

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

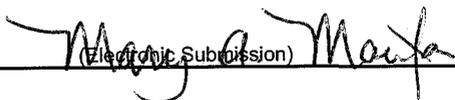
33. Circle enclosed attachments:

- |   |                    |               |                       |
|---|--------------------|---------------|-----------------------|
| 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 #63538 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  (Electronic Submission) Date 10/02/2008

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

**Chapita Wells Unit 1274-22 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

8119-8300	3/spf
7867-8060	3/spf
7344-7581	3/spf
7214-7297	3/spf

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

8119-8300	107,987 GALS GELLED WATER & 153,700# 20/40 SAND
7867-8060	48,637 GALS GELLED WATER & 64,500# 20/40 SAND
7344-7581	53,513 GALS GELLED WATER & 70,900# 20/40 SAND
7214-7297	PERF ONLY

Perforated the Lower Price River from 9113-14', 9150-51', 9158-59', 9164-65', 9192-93', 9205-06', 9213-14', 9224-25', 9259-60', 9285-86', 9314-15', 9320-21', 9333-34', 9343-44' w/ 3 spf.

Perforated the Lower/Middle Price River from 8758-59', 8794-95', 8813-14', 8827-28', 8855-56', 8884-85', 8923-24', 8950-51', 8982-83', 9023-24', 9048-49' w/ 3 spf.

Perforated the Middle Price River from 8516-17', 8526-27', 8533-34', 8540-41', 8550-51', 8554-55', 8567-68', 8586-87', 8597-98', 8608-09', 8665-66', 8670-71' w/ 3 spf.

Perforated the Middle Price River from 8345-46', 8353-54', 8382-83', 8414-15', 8422-24', 8428-29', 8449-51', 8463-65', 8471-72' w/ 3 spf.

Perforated the Middle Price River from 8119-20', 8132-33', 8146-47', 8166-67', 8179-80', 8188-89', 8234-35', 8244-45', 8264-65', 8277-78', 8286-87', 8299-8300' w/ 3 spf.

Perforated the Upper Price River from 7867-68', 7883-84', 7903-04', 7914-15', 7921-22', 7931-32', 7945-46', 7989-90', 8038-39', 8043-44', 8051-52', 8059-60' w/ 3 spf.

Perforated the Upper Price River from 7344-45', 7350-51', 7371-72', 7389-90', 7423-24', 7441-42', 7451-52', 7458-59', 7503-04', 7517-18', 7534-35', 7580-81' w/ 3 spf.

Perforated the Upper Price River from 7214-15', 7221-22', 7229-31', 7242-44', 7249-51', 7277-78', 7284-85', 7295-97' w/ 3 spf.

**32. FORMATION (LOG) MARKERS**

Lower Price River	8860
Sego	9370



<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-0284-A
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<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>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> CHAPITA WELLS
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<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> CWU 1274-22
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<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047385300000
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<b>3. ADDRESS OF OPERATOR:</b> 600 17th Street, Suite 1000 N , Denver, CO, 80202	<b>PHONE NUMBER:</b> 435 781-9111 Ext	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
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<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 1319 FNL 1977 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENW Section: 22 Township: 09.0S Range: 22.0E Meridian: S	<b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH
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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"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 6/8/2009	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<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 6/8/2009 as per the APD procedure.

Accepted by the  
 Utah Division of  
 Oil, Gas and Mining  
**FOR RECORD ONLY**  
 July 09, 2009

<b>NAME (PLEASE PRINT)</b> Mary Maestas	<b>PHONE NUMBER</b> 303 824-5526	<b>TITLE</b> Regulatory Assistant
<b>SIGNATURE</b> N/A		<b>DATE</b> 7/9/2009