

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No. <b>CHAPITA WELLS UNIT</b>	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		8. Lease Name and Well No. <b>CHAPITA WELLS UNIT 1277-22</b>	
2. Name of Operator <b>EOG RESOURCES, INC</b>		9. API Well No. <b>4304738531</b>	
3a. Address <b>1060 EAST HIGHWAY 40 VERNAL, UT 84078</b>	3b. Phone No. (include area code) <b>435-781-9111</b>	10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>	
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <b>1290 FSL 778 FEL SE/SE 40.017778 LAT 109.419456 LON</b> At proposed prod. zone <b>SAME</b> <i>634944X 40.017810 44307214 -109.418785</i>		11. Sec., T. R. M. or Blk. and Survey or Area <b>SECTION 22, T9S, R22E S.L.B.&amp;M</b>	
14. Distance in miles and direction from nearest town or post office* <b>49.9 MILES SOUTH OF VERNAL, UTAH</b>		12. County or Parish <b>UINTAH</b>	13. State <b>UT</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>778</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>1480</b>	19. Proposed Depth <b>9460</b>	20. BLM/BIA Bond No. on file <b>NM 2308</b>	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4931 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:

- |  |   |
|--|---|
| 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)

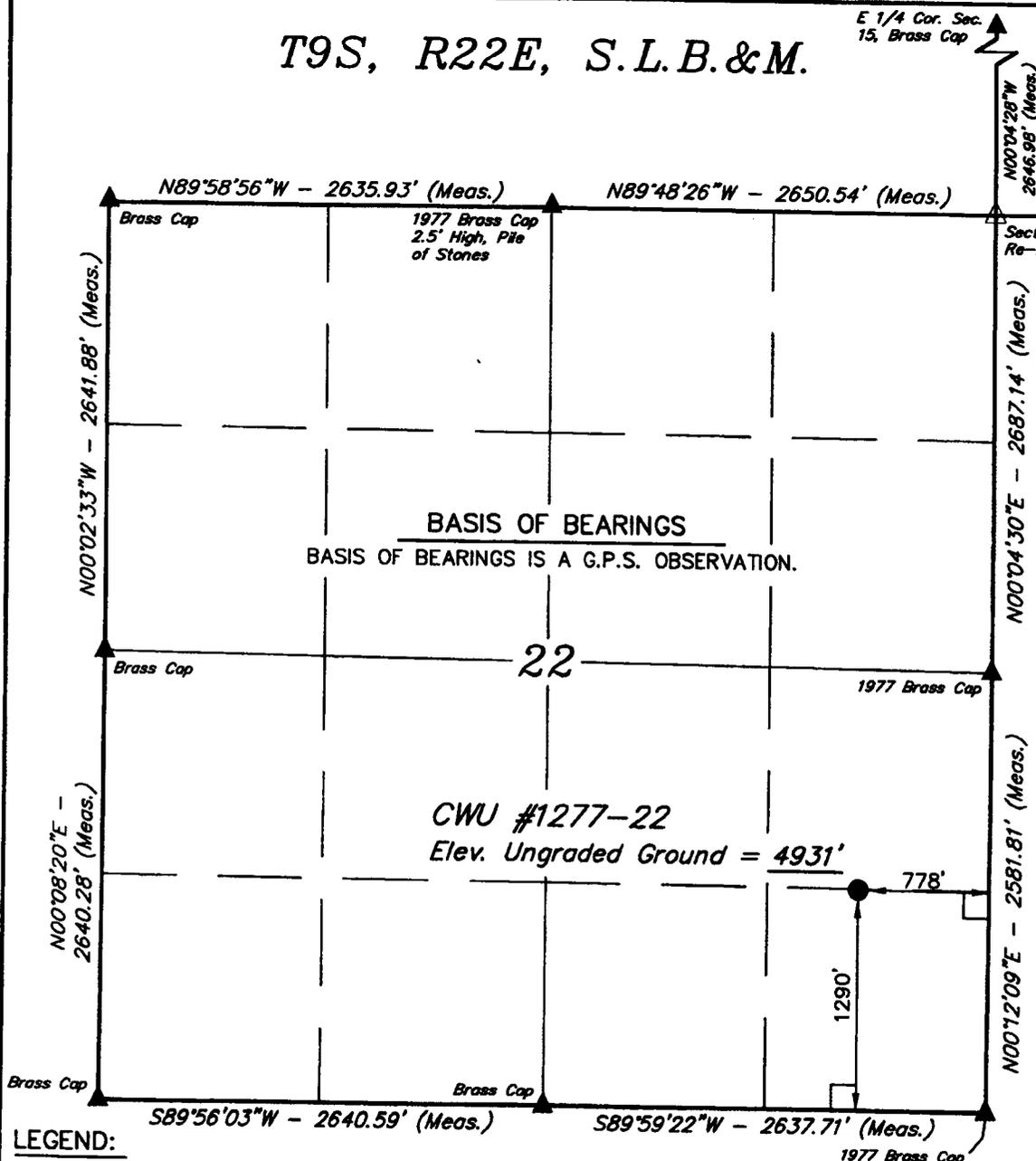
Federal Approval  
Action is Necessary

**AUG 29 2006**

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

EOG RESOURCES, INC.

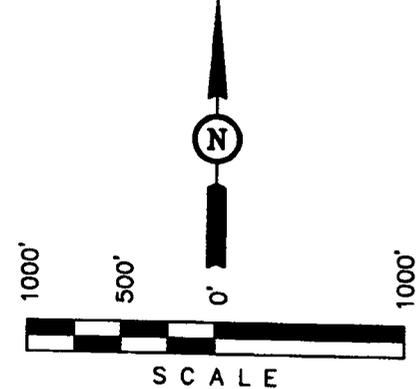
Well location, CWU #1277-22, located as shown in the SE 1/4 SE 1/4 of Section 22, T9S, R22E, S.L.B.&M., Uintah County, Utah.



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

**CWU #1277-22**  
Elev. Ungraded Ground = 4931'

**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.



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

**ROBERT L. RAY**  
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°01'04.00" (40.017778)  
LONGITUDE = 109°25'10.04" (109.419456)  
(NAD 27)  
LATITUDE = 40°01'04.13" (40.017814)  
LONGITUDE = 109°25'07.58" (109.418772)

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

SCALE 1" = 1000'	DATE SURVEYED: 07-05-06	DATE DRAWN: 07-06-06
PARTY G.S. B.C. S.L.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1277-22**  
**SE/SE, 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	1,646'
Wasatch	4,684'
Chapita Wells	5,242'
Buck Canyon	5,874'
North Horn	6,664'
Island	6,997'
KMV Price River	7,155'
KMV Price River Middle	8,985'
KMV Price River Lower	8,778'
Sego	9,267'

Estimated TD: **9,460' or 200'± below Sego top**

**Anticipated BHP: 5,165 Psig**

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

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

**4. CASING PROGRAM:**

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

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

**5. Float Equipment:**

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

## **EIGHT POINT PLAN**

### **CHAPITA WELLS UNIT 1277-22** **SE/SE, 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 1277-22**  
**SE/SE, 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:** 135 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:** 920 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:** The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.  
**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

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

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1277-22**  
**SE/SE, SEC. 22, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**11. STANDARD REQUIRED EQUIPMENT:**

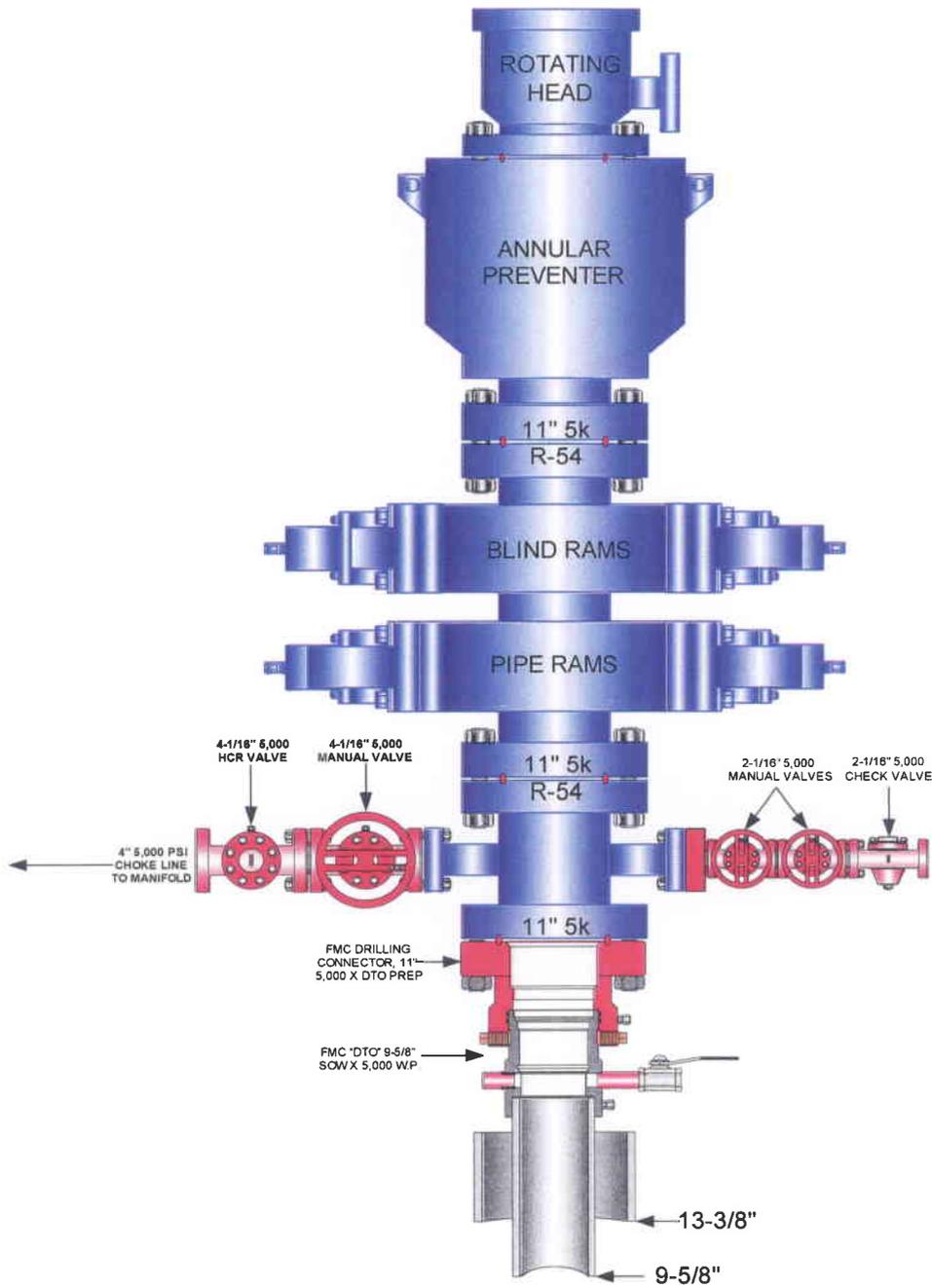
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**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.

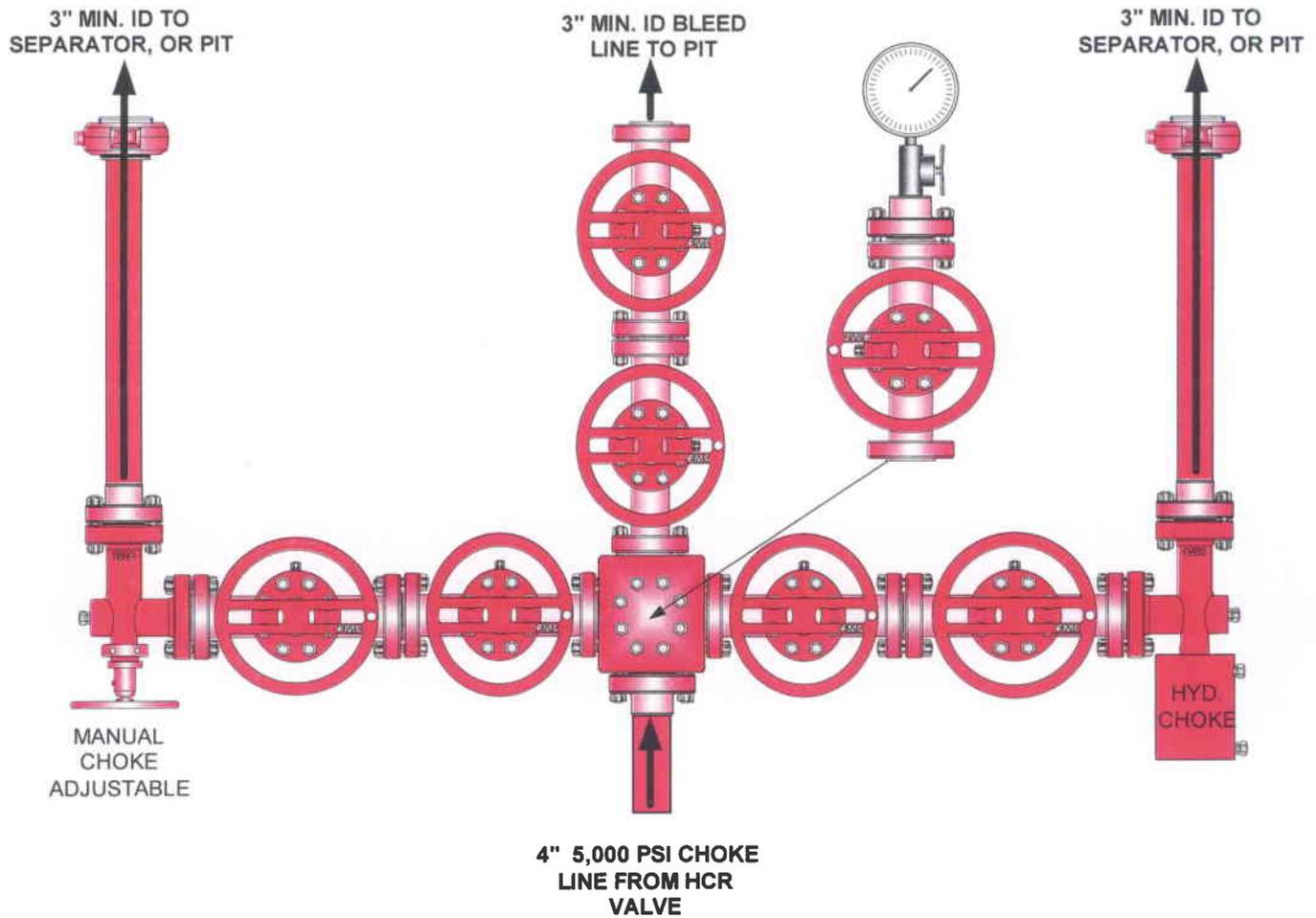
(Attachment: BOP Schematic Diagram)

**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 1277-22  
SESE, 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 1320 feet long with a 30-foot right-of-way, disturbing approximately 0.91 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.75 acres. The pipeline is approximately 1517' with a 40-foot right-of-way, disturbing 1.39 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 49.9 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

**2. PLANNED ACCESS ROAD:**

- A. The access road will be approximately 1320' in length.
- B. The access road has a 30 foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

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 1517' x 40'. The proposed pipeline leaves the southern edge of the well pad and proceeds easterly for an approximate distance of 1517' tying into an existing pipeline located in the SWSW of Section 23, T9S, R22E (Lease U-0282).
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 450' east of corner 6.

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

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

Access to the well pad will be from the Northeast.

**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>
Gardner Saltbush	3.0
Shadscale	3.0
Hy-Crested Wheatgrass	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.

**11. SURFACE OWNERSHIP:**

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

Bureau of Land Management

**12. OTHER INFORMATION:**

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

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

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

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

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

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

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

A cultural resources 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**

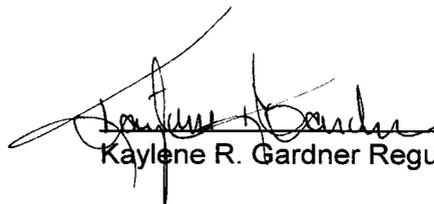
Donald Presenkowski  
EOG Resources, Inc.  
P.O. Box 250  
Big Piney, WY 83113  
307-276-4865

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 1277-22 Well, located in the SESE, 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 1277-22**  
**SESE, 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 #1277-22

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

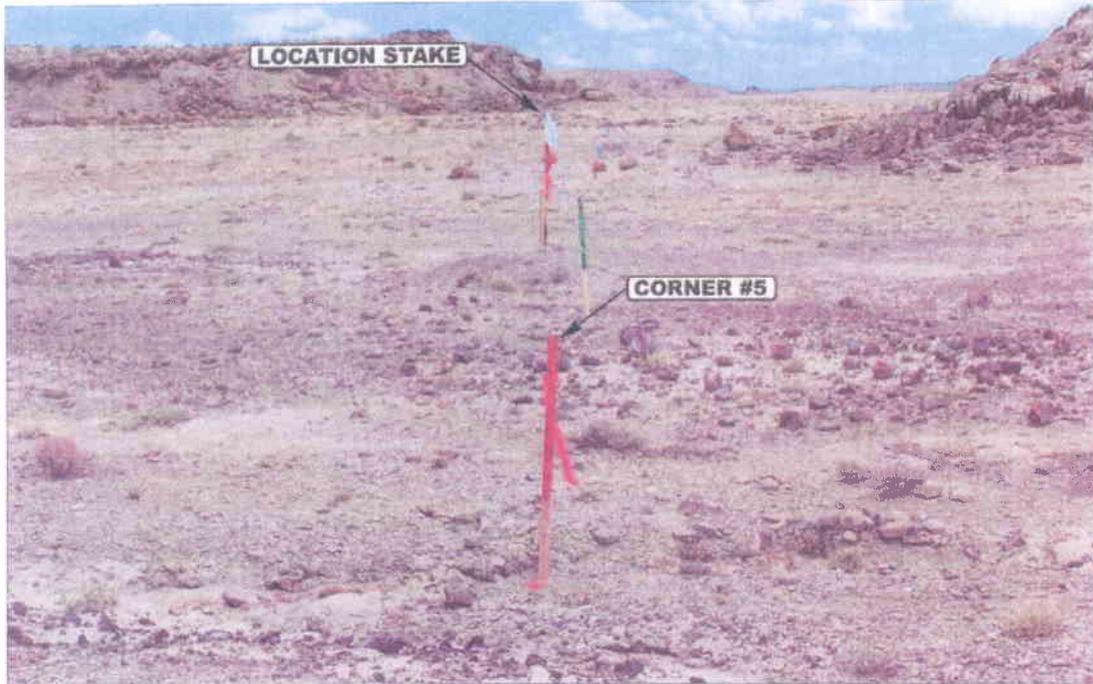


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: EASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



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

Since 1964

LOCATION PHOTOS	07	07	06	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: G.S.	DRAWN BY: L.K.		REVISED: 00-00-00	

**EOG RESOURCES, INC.**  
**CWU #1277-22**  
**SECTION 22, T9S, R22E, S.L.B.&M.**

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE PROPOSED LOCATION.

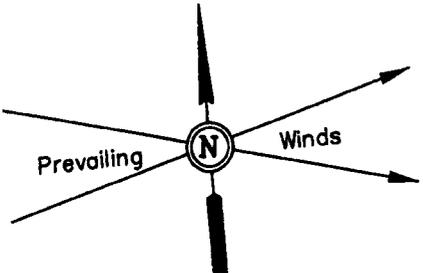
TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 49.9 MILES.

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

CWU #1277-22  
SECTION 22, T9S, R22E, S.L.B.&M.  
1290' FSL 778' FEL

Proposed Access Road

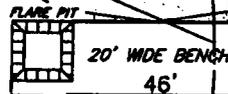


SCALE: 1" = 50'  
DATE: 07-06-06  
Drawn By: S.L.

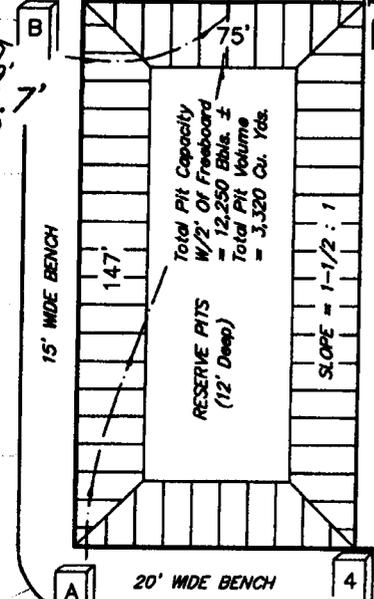
NOTE:  
Flare Pit is to be located a min. of 100' from the Well Head.

Reserve Pit Backfill & Spoils Stockpile

Existing Drainage



El. 33.9'  
C-14.7'  
(btm. pit)



El. 35.7'  
C-16.5'  
(btm. pit)

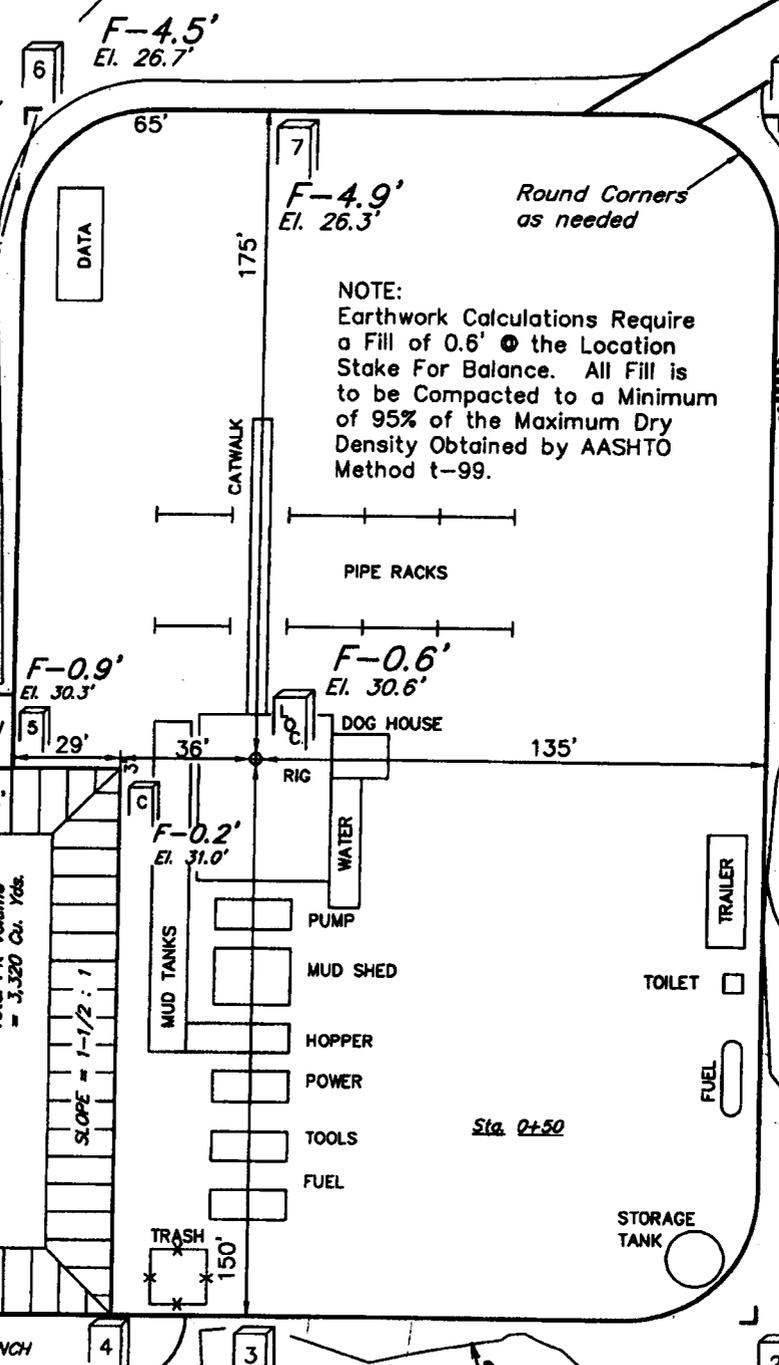
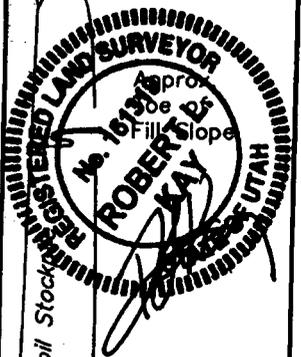
Reserve Pit Backfill & Spoils Stockpile

NOTES:

Elev. Ungraded Ground At Loc. Stake = 4930.6'

FINISHED GRADE ELEV. AT LOC. STAKE = 4931.2'

NOTE:  
Earthwork Calculations Require a Fill of 0.6' @ 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.



F-4.5'  
El. 26.7'

F-4.9'  
El. 26.3'

F-6.3'  
El. 24.9'

F-0.9'  
El. 30.3'

F-0.6'  
El. 30.6'

F-0.2'  
El. 31.0'

F-2.6'  
El. 28.6'

C-4.9'  
El. 36.1'

C-1.9'  
El. 33.1'

C-22.3'  
El. 53.5'

Approx. Top of Cut Slope

Sta. 3+25

Sta. 1+50

Sta. 0+50

Sta. 0+00

FIGURE #1

EOG RESOURCES, INC.

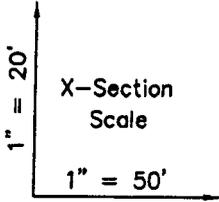
FIGURE #2

TYPICAL CROSS SECTIONS FOR

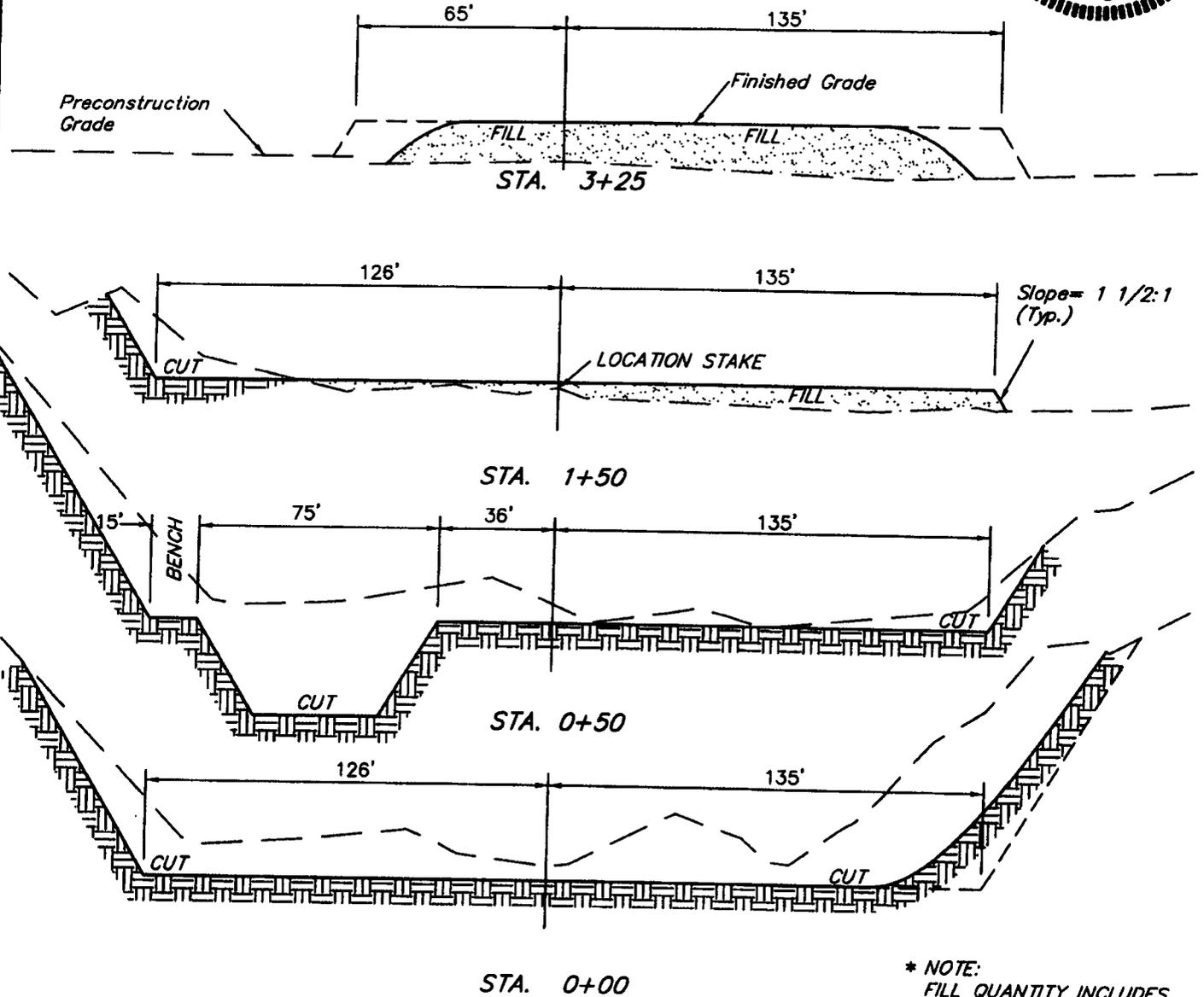
CWU #1277-22

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

1290' FSL 778' FEL



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



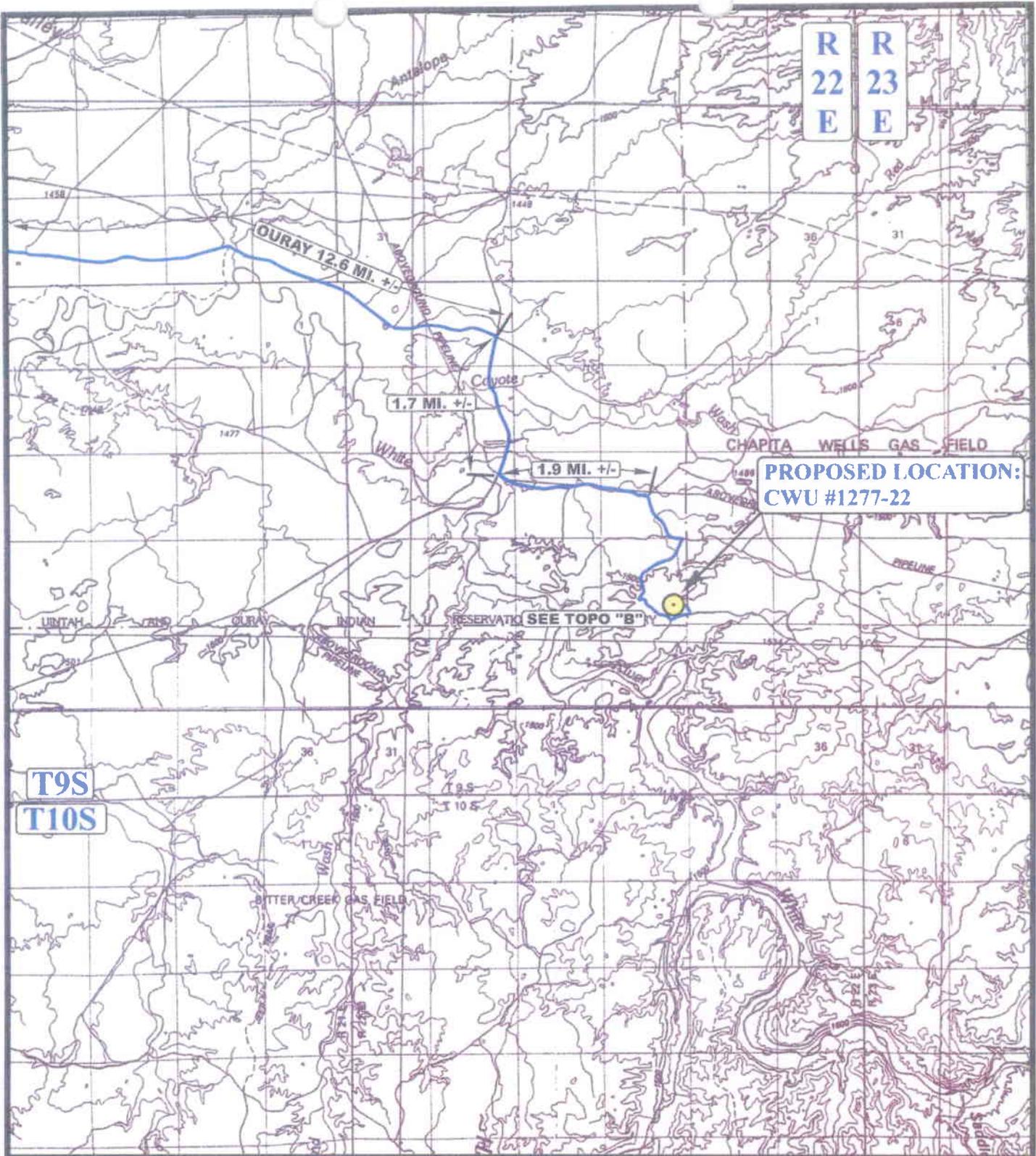
\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,830 Cu. Yds.
Remaining Location	= 8,800 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 10,630 CU.YDS.</b>
<b>FILL</b>	<b>= 7,140 CU.YDS.</b>

EXCESS MATERIAL	= 3,490 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,490 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

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



**PROPOSED LOCATION:  
CWU #1277-22**

**T9S  
T10S**

**LEGEND:**

 PROPOSED LOCATION



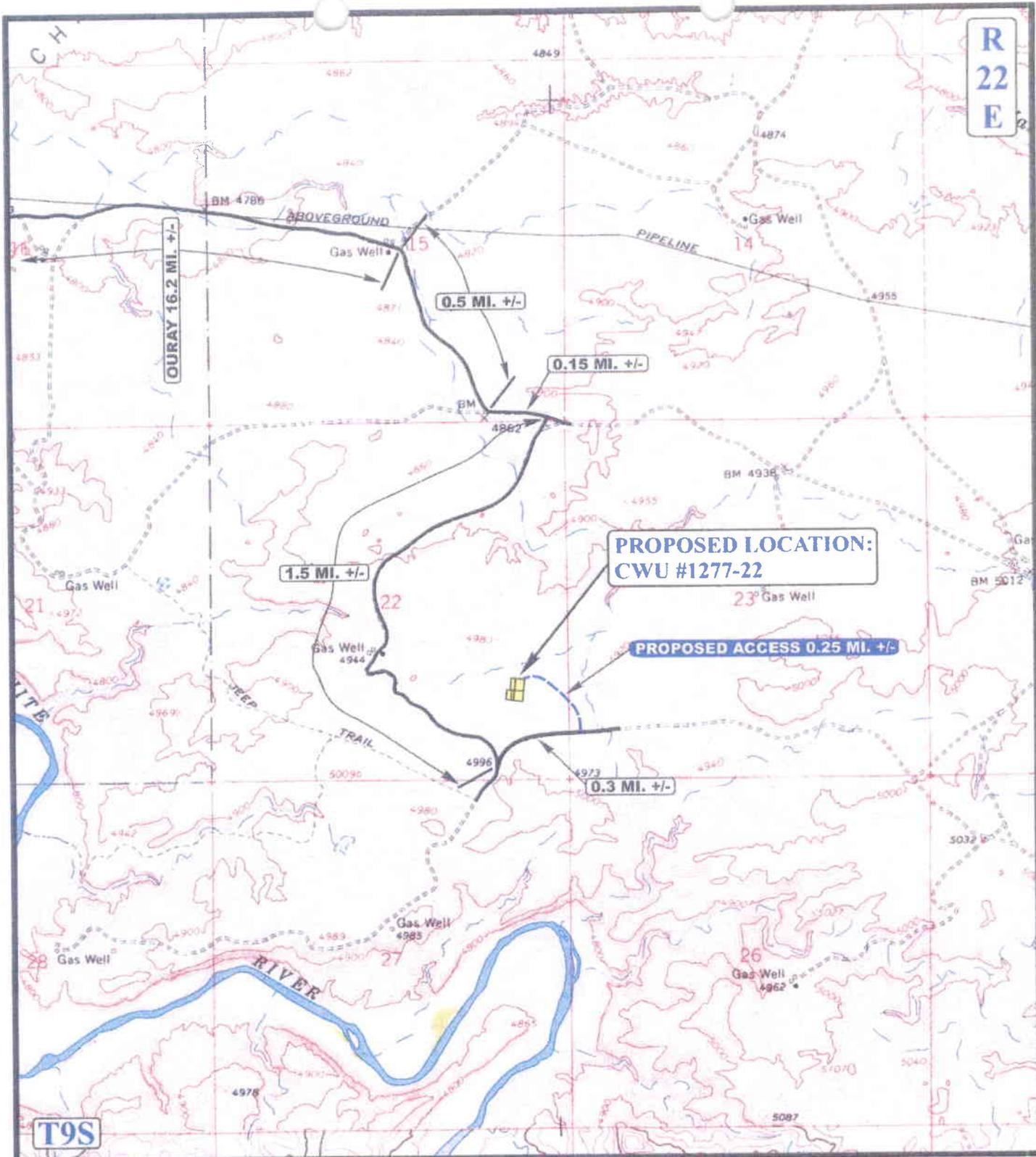
**EOG RESOURCES, INC.**

CWU #1277-22  
SECTION 22, T9S, R22E, S.1.B.&M.  
1290' FSL 778' FEL

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

**TOPOGRAPHIC** 07 07 06  
**MAP** MONTH DAY YEAR  
SCALE: 1:100,000 DRAWN BY: L.K. REVISED: 00-00-00 **A**  
TOPO

R  
22  
E



**PROPOSED LOCATION:  
CWU #1277-22**

**PROPOSED ACCESS 0.25 MI. +/-**

T9S

**LEGEND:**

-  EXISTING ROAD
-  PROPOSED ACCESS



**EOG RESOURCES, INC.**

**CWU #1277-22**  
**SECTION 22, T9S, R22E, S.I.L.B.&M.**  
**1290' FSL 778' FEL**



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

**TOPOGRAPHIC  
MAP**

**07 07 06**  
 MONTH DAY YEAR

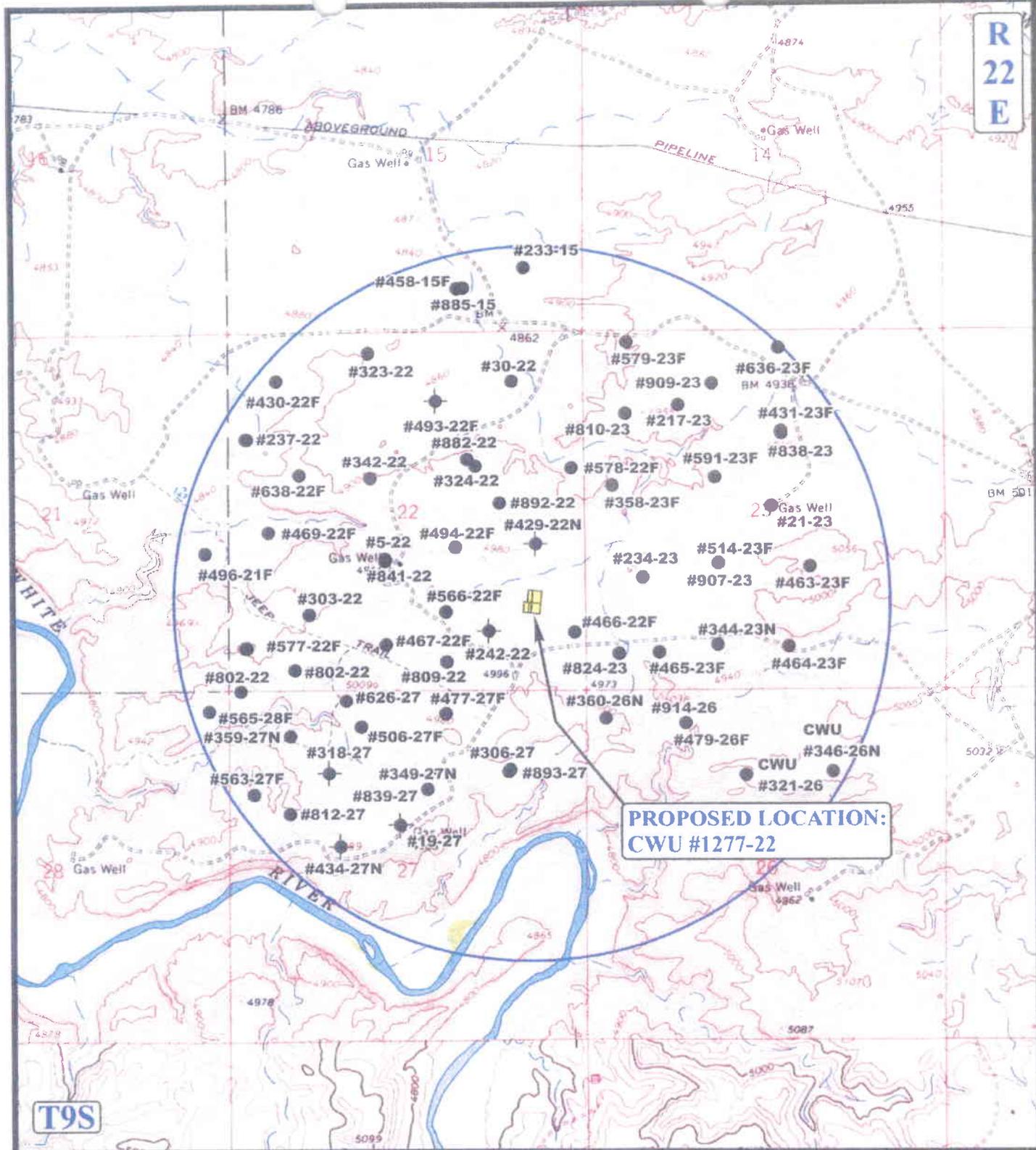
SCALE: 1" = 2000'

DRAWN BY: L.K.

REVISED: 00-00-00



R  
22  
E



**LEGEND:**

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



**EOG RESOURCES, INC.**

CWU #1277-22  
 SECTION 22, T9S, R22E, S.L.B.&M.  
 1290' FSL 778' FEL



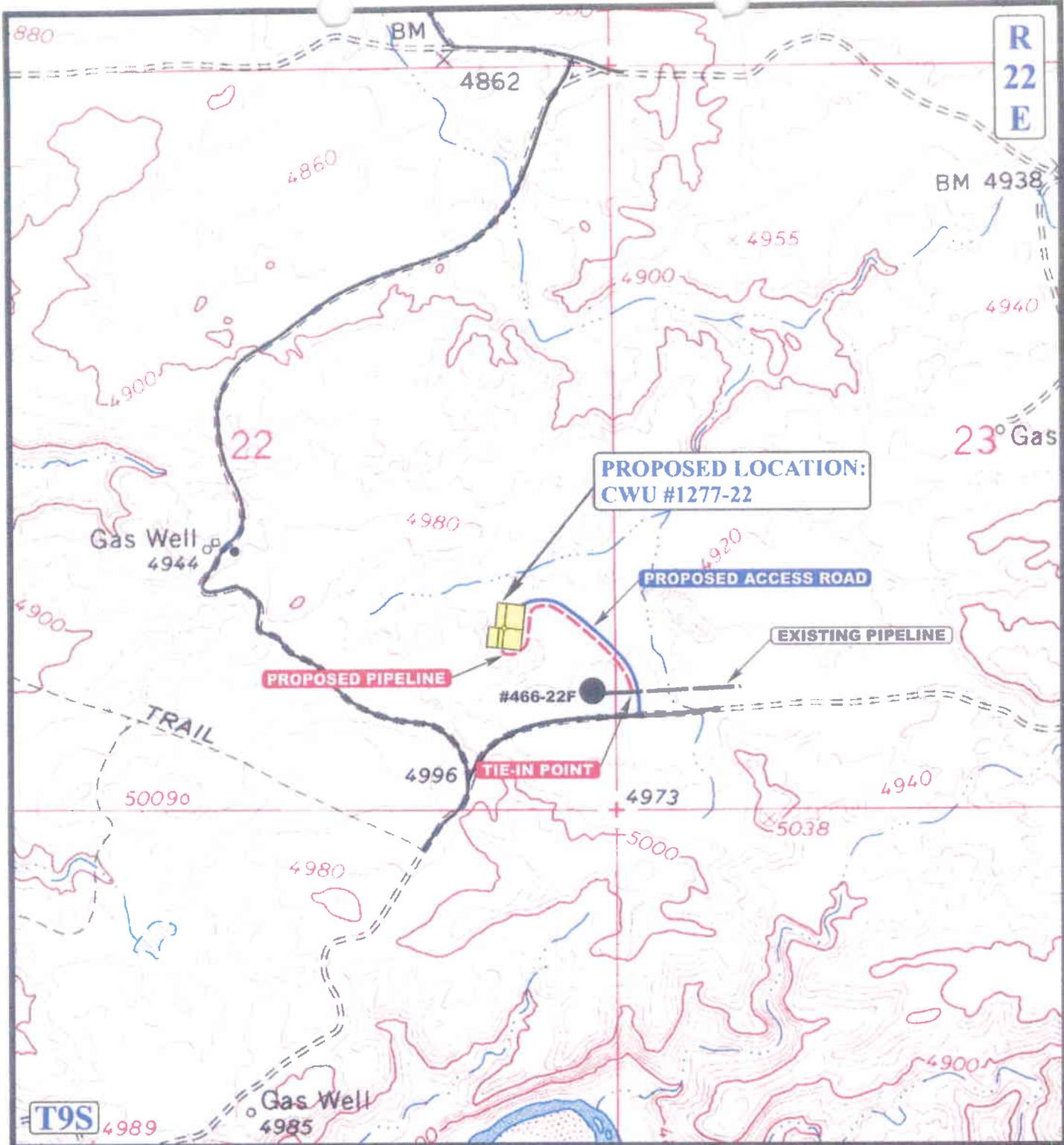
**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

TOPOGRAPHIC  
 MAP

07 07 06  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1,517' +/-

**LEGEND:**

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

**EOG RESOURCES, INC.**

CWU #1277-22  
 SECTION 22, T9S, R22E, S.L.B.&M.  
 1290' FSL 778' FEL

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



**TOPOGRAPHIC MAP** 07 07 06  
 MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 00-00-00

**D**  
 TOPO

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/29/2006

API NO. ASSIGNED: 43-047-38531

WELL NAME: CWU 1277-22  
 OPERATOR: EOG RESOURCES INC ( N9550 )  
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

SESE 22 090S 220E  
 SURFACE: 1290 FSL 0778 FEL  
 BOTTOM: 1290 FSL 0778 FEL  
 COUNTY: UINTAH  
 LATITUDE: 40.01781 LONGITUDE: -109.4188  
 UTM SURF EASTINGS: 634944 NORTHINGS: 4430721  
 FIELD NAME: NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /		
<b>Tech Review</b>	<b>Initials</b>	<b>Date</b>
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)

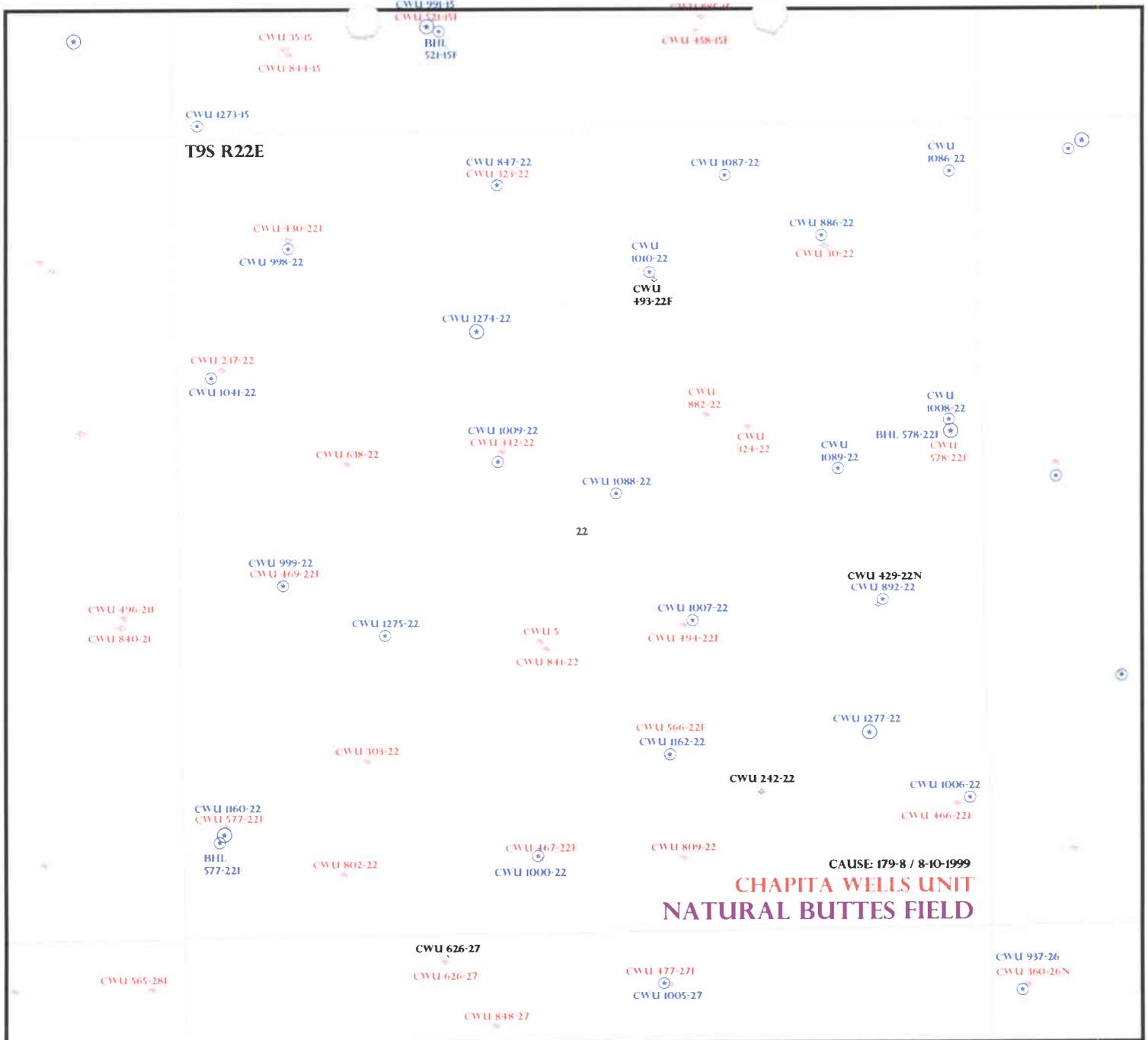
LOCATION AND SITING:

- 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: 179.8  
Eff Date: 8/10/1999  
Siting: Suspected from USGS
- R649-3-11. Directional Drill

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

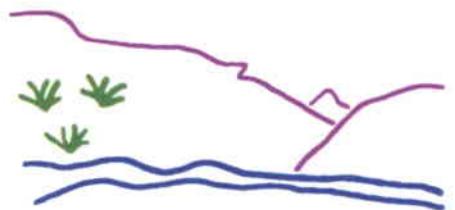
STIPULATIONS: \_\_\_\_\_

1- Lease approved  
2- OIL SHALE

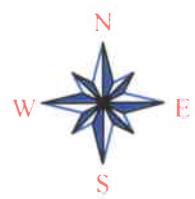


**CHAPITA WELLS UNIT  
NATURAL BUTTES FIELD**

OPERATOR: EOG RESOURCES INC (N9550)  
 SEC: 22 T.9S R. 22E  
 FIELD: NATURAL BUTTES (630)  
 COUNTY: UINTAH  
 CAUSE: 179-8 / 8-10-1999



*Utah Oil Gas and Mining*



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

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

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

- Wells Status**
- GAS INJECTION
  - 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

# 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 1277-22 Well, 1290' FSL, 778' FEL, SE SE, 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 43-047-38531.

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 1277-22

**API Number:** 43-047-38531

**Lease:** U-0284 A

**Location:** SE SE                      **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

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

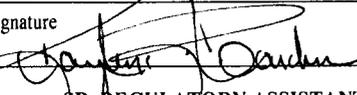
**APPLICATION FOR PERMIT TO DRILL OR REENTER**

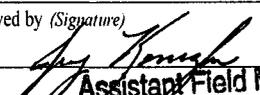
5a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No. <b>CHAPITA WELLS UNIT</b>
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		8. Lease Name and Well No. <b>CHAPITA WELLS UNIT 1277-22</b>
2. Name of Operator <b>EOG RESOURCES, INC</b>		9. API Well No. <b>43,047,3853</b>
3a. Address <b>1060 EAST HIGHWAY 40 VERNAL, UT 84078</b>	3b. Phone No. (include area code) <b>435-781-9111</b>	10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <b>1290 FSL 778 FEL SE/SE 40.017778 LAT 109.419456 LON</b> At proposed prod. zone <b>SAME</b>		11. Sec., T. R. M. or Blk. and Survey or Area <b>SECTION 22, T9S, R22E S.1.B.&amp;M</b>
14. Distance in miles and direction from nearest town or post office* <b>49.9MILES SOUTH OF VERNAL, UTAH</b>		12. County or Parish <b>UINTAH</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>778</b>		13. State <b>UT</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>1480</b>		20. BLM/BIA Bond No. on file <b>NM 2308</b>
19. Proposed Depth <b>9460</b>		21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4931 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 KENCZKA</b>	Date <b>2/23/2007</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)

**CONDITIONS OF APPROVAL ATTACHED**  
**RECEIVED**  
**NOTICE OF APPROVAL**

**RECEIVED**  
**AUG 28 2006**  
**FEB 28 2007**  
**DIV. OF OIL, GAS & MINING**  
**BLM VERNAL, UTAH**

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

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

Access to the well pad will be from the Northeast.

**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>
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.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: <b>CHAPITA WELLS UNIT</b>
2. NAME OF OPERATOR: <b>EOG RESOURCES, INC.</b>		8. WELL NAME and NUMBER: <b>CHAPITA WELLS UNIT 1277-22</b>
3. ADDRESS OF OPERATOR: <b>1060 East Highway 40</b> CITY <b>VERNAL</b> STATE <b>UT</b> ZIP <b>84078</b>		9. API NUMBER: <b>43-047-38531</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>1290 FSL - 778 FEL 40.017778 LAT 109.419456 LON</b>		COUNTY: <b>UINTAH</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SESE 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"/> <b>NOTICE OF INTENT</b> (Submit in Duplicate)  Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> (Submit Original Form Only)  Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <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) <u>Kaylene R. Gardner</u>	TITLE <u>Lead Regulatory Assistant</u>
SIGNATURE <u>[Signature]</u>	DATE <u>9/6/2007</u>

(This space for State use only)

9-13-07  
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:** 43-047-38531  
**Well Name:** CHAPITA WELLS UNIT 1277-22  
**Location:** 1290 FSL - 778 FEL (SESE), 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

9/10/2007

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 1277-22
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 22 T9S R22E SESE 1290FSL 778FEL		9. API Well No. 43-047-38531-00-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 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.)

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

**VERNAL DIST.**

ENG. \_\_\_\_\_

GEOL. \_\_\_\_\_

E.S. \_\_\_\_\_

PET. \_\_\_\_\_

A.M. \_\_\_\_\_

**CONDITIONS OF APPROVAL ATTACHED**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #58622 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 (08GXJ2238SE)		<b>RECEIVED</b> <b>MAR 24 2008</b>
Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT	
Signature _____ (Electronic Submission)	Date 02/14/2008	

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

DIV. OF OIL, GAS & MINING

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.



\*\* BLM REVISED \*\*

# CONDITIONS OF APPROVAL

## EOG Resources, Inc.

### Notice of Intent APD Extension

**Lease:** UTU-0284A  
**Well:** CWU 1277-22  
**Location:** SESE 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 1277-22

Api No: 43-047-38531 Lease Type: FEDERAL

Section 22 Township 09S Range 22E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # RATHOLE

## **SPUDDED:**

Date 07/19/08

Time 7:00 AM

How DRY

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

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 07/21//08 Signed CHD

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

FORM 6

**ENTITY ACTION FORM**

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

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39217	East Chapita 39-04		SWNW	4	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	116976	7/18/2008			7/30/08	
<b>Comments:</b> <u>Wasatch/Mesaverde well</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38531	Chapita Wells Unit 1277-22		SESE	22	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
B	99999	13650	7/19/2008			7/30/08	
<b>Comments:</b> <u>Mesaverde well</u>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<b>Comments:</b> <u> </u>							

**ACTION CODES:**

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

Mary A. Maestas

Name (Please Print)

*Mary A. Maestas*  
Signature

Regulatory Assistant

7/21/2008

Title

Date

**RECEIVED**

JUL 21 2008

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
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 1277-22

9. API Well No.  
43-047-38531

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

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 22 T9S R22E SESE 1290FSL 778FEL  
40.01778 N Lat, 109.41946 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 7/19/2008.

**RECEIVED**  
**JUL 25 2008**  
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #61600 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal**

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

Signature *Mary A. Maestas* Date 07/21/2008

**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 \*\***

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
8. Well Name and No. CHAPITA WELLS UNIT 1277-22
9. API Well No. 43-047-38531
10. Field and Pool, or Exploratory NATURAL BUTTES
11. County or Parish, and State UINTAH COUNTY, UT

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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator EOG RESOURCES, INC.      Contact: MICKENZIE THACKER E-Mail: MICKENZIE_THACKER@EOGRESOURCES.COM	
3a. Address 1060 E. HWY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-9145
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 22 T9S R22E SESE 1290FSL 778FEL 40.01778 N Lat, 109.41946 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 Drilling Operations
	<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 recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well is scheduled to IP on or about the week of 10/20/2008.

**RECEIVED**  
**OCT 20 2008**  
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #63883 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal</b>	
Name (Printed/Typed) MICKENZIE THACKER	Title OPERATIONS CLERK
Signature <i>Mickenzie Thacker</i>	Date 10/15/2008

**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 \*\***

## WELL CHRONOLOGY REPORT

Report Generated On: 10-14-2008

<b>Well Name</b>	CWU 1277-22	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-38531	<b>Well Class</b>	COMP
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	08-14-2008	<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,460/ 9,460	<b>Property #</b>	059646
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	4,944/ 4,931				
<b>Location</b>	Section 22, T9S, R22E, SESE, 1290 FSL & 778 FEL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	55.503	<b>NRI %</b>	47.504

<b>AFE No</b>	304204	<b>AFE Total</b>	1,884,500	<b>DHC / CWC</b>	956,100/ 928,400						
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #27	<b>Start Date</b>	09-05-2006	<b>Release Date</b>	08-23-2008				
<b>09-05-2006</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 1290' FSL & 788' FEL (SE/SE) SECTION 22, T9S, R23E UINTAH COUNTY, UTAH  LAT 40.017814, LONG 109.418772 (NAD 27) LAT 40.017778, LONG 109.419456 (NAD 83)  TRUE #27 OBJECTIVE: 9460' TD, MESAVERDE DW/GAS CHAPITA WELLS PROSPECT DD&A: CHAPITA DEEP NATURAL BUTTES FIELD  LEASE: U-01304 ELEVATION: 4930.6' NAT GL, 4931.2' PREP GL (DUE TO ROUNDING PREP GL WILL BE 4931'), 4944' KB (13')  EOG WI 55.5028%, NRI 47.50362%

07-07-2008      Reported By      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Daily Total</b>	\$38,000
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000

<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	START LOCATION TODAY 07/07/08.

07-08-2008      Reported By      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000

<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 10% COMPLETE.

07-09-2008      Reported By      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000

<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: BUILD LOCATION

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

07-10-2008      Reported By      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000

<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: BUILD LOCATION

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

07-11-2008      Reported By      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000

<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: BUILD LOCATION

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

07-14-2008      Reported By      TERRY CSERE





MIRU GLENN'S WIRELINE SERVICE. RAN IN HOLE WITH STRAIGHT HOLE SURVEY. TAGGED CEMENT AT 2274' G.L. PICKED UP TO 2254' AND TOOK SURVEY — 1.0 DEGREE.

CONDUCTOR LEVEL RECORD: PS= 89.7 OPS= 89.9 VDS= 89.9 MS= 89.7.  
 9 5/8 CASING LEVEL RECORD: PS= 89.9 OPS= 89.8 VDS= 89.9 MS= 89.8.

KYLAN COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 7/24/2008 @ 4:50 PM.

<b>08-14-2008</b>	<b>Reported By</b>	PAUL WHITE									
<b>DailyCosts: Drilling</b>	\$39,226	<b>Completion</b>	\$0	<b>Daily Total</b>	\$39,226						
<b>Cum Costs: Drilling</b>	\$283,530	<b>Completion</b>	\$0	<b>Well Total</b>	\$283,530						
<b>MD</b>	2,400	<b>TVD</b>	2,400	<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>						
<b>Activity at Report Time:</b> DRILLING 9 5/8" SHOE TRACK											

Start	End	Hrs	Activity Description
06:00	10:00	4.0	RIG DOWN ROTARY TOOLS W/ TRUCKS, TWO CREWS.
10:00	10:30	0.5	LOAD OUT AND MOVE TO CWU 1277-22.
10:30	15:30	5.0	RIG UP W/ TRUCKS. RAISE DERRICK AND RELEASE TRUCKS AT 15:30.
15:30	19:00	3.5	RURT.
19:00	20:00	1.0	RIG ACCEPTED AT 19:00 HRS, 8/13/08.
20:00	00:00	4.0	TEST BOP'S 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, CHOKELINE, ALL CHOKE MANIFOLD VALVES AND SURFACE CASING. ALL TESTS 250 LOW AND 5000 HIGH. ANNULAR 250/2500. CASING 1500. ALL TESTS GOOD, NO LEAKS. PERFORMED ACCUMULATOR FUNCTION TEST AND CHECKED NITROGEN BOTTLES. CALLED JAMIE SPARGER W/ VERNAL BLM AND INFORMED HIM OF INTENTION TEST BOP'S. CALL MADE AT 09:30 8/13/08.
00:00	00:30	0.5	INSTALL WEAR BUSHING.
00:30	01:30	1.0	HOLD SAFETY MEETING W/ PICKUP CREW AND RIG UP.
01:30	04:30	3.0	PICKUP BHA AND DRILL PIPE. TAG CMT. AT 2300'.
04:30	05:00	0.5	RIG DOWN PICKUP CREW.
05:00	05:30	0.5	SERVICE RIG.
05:30	06:00	0.5	DRILLING CEMENT.
NO ACCIDENTS OR INCIDENTS. FULL CREW.			
SAFETY MEETING TOPICS: PICKUP BHA, BOP TESTING, FORKLIFTS, POWER LINES.			
CHECK AND SET COM FOR DRLG.			
FUEL ON HAND 1795 USED 205.			
UNMANNED LOGGING UNIT 0.			

<b>08-15-2008</b>	<b>Reported By</b>	PAUL WHITE									
<b>DailyCosts: Drilling</b>	\$33,546	<b>Completion</b>	\$0	<b>Daily Total</b>	\$33,546						
<b>Cum Costs: Drilling</b>	\$317,076	<b>Completion</b>	\$0	<b>Well Total</b>	\$317,076						
<b>MD</b>	4,380	<b>TVD</b>	4,380	<b>Progress</b>	1,980	<b>Days</b>	1	<b>MW</b>	8.5	<b>Visc</b>	28.0
<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 4,380'											

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILL CEMENT/FLOAT EQUIP. DRLD. SHOE AT 2400'.
08:00	08:30	0.5	RUN FIT AT 2418, 12.3 PPG EMW.
08:30	16:00	7.5	DRILL F/ 2418 TO 3187, 769' 102 FPH. WOB 18 RPM 50/70. SPUD AT 08:30 8/14/08.
16:00	16:30	0.5	SERVICE RIG.
16:30	21:00	4.5	DRILL 3187 TO 3560. 373' 83 FPH, WOB 18 RPM 55.
21:00	21:30	0.5	SURVEY AT 3477 2 DEG.
21:30	06:00	8.5	DRILL F/ 3560 TO 4380, 820' 96 FPH. WOB 20 RPM 55. DRILLING MAHOGANY OIL SHALE BED. MUD WT. 9.7 VIS 34. TOP OF WASATCH AT 4,677'. FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: SURVEYS, FIT TEST, WORKING ON TONGS. CHECK AND SET COM FOR DRLG. BOP DRILL 1 1/2 MIN. UNMANNED LOGGING UNIT 1 DAY. FUEL ON HAND 5685 USED 610 RECEIVED 4500 GALS.

08-16-2008		Reported By		PAUL WHITE							
<b>Daily Costs: Drilling</b>	\$59,878	<b>Completion</b>	\$0	<b>Daily Total</b>	\$59,878						
<b>Cum Costs: Drilling</b>	\$376,955	<b>Completion</b>	\$0	<b>Well Total</b>	\$376,955						
<b>MD</b>	5,840	<b>TVD</b>	5,840	<b>Progress</b>	1,460	<b>Days</b>	2	<b>MW</b>	9.9	<b>Visc</b>	35.0
<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 5,840'											

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILL F/ 4380 TO 4498 118' 59 FPH, WOB 18 RPM 50. 430 GPM.
08:00	08:30	0.5	SURVEY AT 4420, 1.75 DEG.
08:30	14:30	6.0	DRILL F/ 4498 TO 4970. 472' 79 FPH. WOB 18 RPM 50.
14:30	15:00	0.5	SERVICE RIG.
15:00	06:00	15.0	DRILL F/ 4970 TO 5840' 870' 58 FPH. WOB 18 RPM 53, GPM 430, MM RPM 64, MUD WT. 10.1 VIS 38. DRILLING BUCK CANYON, TOP OF NORTH HORN AT 6,657'. FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: HOUSE KEEPING, TEAMWORK, FALL PROTECTION. UNMANNED LOGGING UNIT 2 DAYS. FUEL ON HAND 4412 USED 1273.

08-17-2008		Reported By		PAUL WHITE							
<b>Daily Costs: Drilling</b>	\$32,443	<b>Completion</b>	\$4,668	<b>Daily Total</b>	\$37,111						
<b>Cum Costs: Drilling</b>	\$409,398	<b>Completion</b>	\$4,668	<b>Well Total</b>	\$414,066						
<b>MD</b>	6,725	<b>TVD</b>	6,725	<b>Progress</b>	885	<b>Days</b>	3	<b>MW</b>	10.2	<b>Visc</b>	40.0
<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 6,725'											

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRILL F/ 5840 TO 6286 446' 50 FPH. WOB 20 RPM 60.
15:00	15:30	0.5	SERVICE RIG.
15:30	06:00	14.5	DRILL F/ 6286 TO 6725 439 30 FPH, WOB 23 RPM 51. MUD WT. 10.4 VIS 36. DRILLING NORTH HORN, TOP OF PRICE RIVER AT 7121. FULL CREW, NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: COMMUNICATION, PAINT THINNER. FUNCTION CHECK COM FOR DRLG. BOP DRILL 1 1/2 MIN. UNMANNED MUD LOGGING UNIT. 3 DAYS. FUEL ON HAND 3291 USED 1121.

08-18-2008		Reported By		PAUL WHITE					
<b>Daily Costs: Drilling</b>	\$31,632	<b>Completion</b>	\$724	<b>Daily Total</b>	\$32,356				
<b>Cum Costs: Drilling</b>	\$441,031	<b>Completion</b>	\$5,392	<b>Well Total</b>	\$446,423				

**MD** 7,197 **TVD** 7,197 **Progress** 421 **Days** 4 **MW** 10.3 **Visc** 36.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING AT 7,197'

Start	End	Hrs	Activity Description
06:00	08:30	2.5	DRILL F/ 6725 TO 6776. 51' 20 FPH. WOB 23 RPM 45.
08:30	13:30	5.0	TRIP FOR BIT, SURVEY, CHANGE MOTOR, JARS, BIT. F/T COM FOR TRIPPING.
13:30	14:00	0.5	WASH AND REAM 6753 TO 6776.
14:00	16:30	2.5	DRILL F/ 6776 TO 6848. 72' 29 FPH. WOB 10/15 RPM 45/50.
16:30	17:00	0.5	SERVICE RIG.
17:00	06:00	13.0	DRILL F/ 6848 TO 7197' 349' 27 FPH. WOB 18/25 RPM 55. MUD WT. 10.5 VIS 36. DRILLED NORTH HORN/PRICE RIVER TRANSITION, DRILLING UPPER PRICE RIVER. TOP OF MIDDLE AT 7978'. FULL CREW, NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: CAT HEADS, LAYING DOWN MOTORS. FUNCTION COM FOR DRLG. AND TRIPPING. BOP DRILL 2 MIN. UNMANNED LOGGING UNIT 4 DAYS. FUEL ON HAND 2094 USED 1197.

**08-19-2008** **Reported By** PAUL WHITE

**DailyCosts: Drilling** \$109,340 **Completion** \$724 **Daily Total** \$110,064  
**Cum Costs: Drilling** \$550,371 **Completion** \$6,116 **Well Total** \$556,487

**MD** 7,876 **TVD** 7,876 **Progress** 679 **Days** 5 **MW** 10.8 **Visc** 37.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING AT 7,876'

Start	End	Hrs	Activity Description
06:00	06:30	0.5	CIRCULATE AND MIX PILL.
06:30	12:00	5.5	TRIP, LAY DOWN REAMERS, CHANGE MOTOR AND BIT. (FUNCTION CHECK COM FOR TRIP)
12:00	12:30	0.5	WASH AND REAM 7184 TO 7197',
12:30	14:30	2.0	DRILL F/ 7197 TO 7276. 79' 39 FPH. WOB 14 RPM 55. (CHECK COM FOR DRLG)
14:30	15:00	0.5	SERVICE RIG.
15:00	06:00	15.0	DRILL F/ 7276 TO 7876, 600' 40 FPH. WOB 15 RPM 51. MUD WT. 10.7 VIS 36 DRILLING PRICE RIVER, TOP OF PRICE RIVER MIDDLE AT 7,978'. FULL CREW, NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: TONGS, GAS BUSTER, SNUB LINES. UNMANNED LOGGING UNIT 5 DAYS. FUEL ON HAND 5610 RECIEVED 4500 USED 984.

**08-20-2008** **Reported By** PAUL WHITE

**DailyCosts: Drilling** \$43,574 **Completion** \$3,194 **Daily Total** \$46,768  
**Cum Costs: Drilling** \$593,945 **Completion** \$9,310 **Well Total** \$603,255

**MD** 8,466 **TVD** 8,466 **Progress** 590 **Days** 6 **MW** 11.0 **Visc** 37.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING AT 8,466'

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRILL F/ 7876 TO 8128 252' 28 FPH. WOB 19 RPM 53.
15:00	15:30	0.5	SERVICE RIG.

15:30 06:00 14.5 DRILL F/ 8128 TO 8466. 338' 23 FPH. WOB 22 RPM 35  
 MUD WT. 11.1 VIS 38.  
 DRILLING MIDDLE PRICE RIVER. TOP OF LOWER PRICE RIVER AT 8,771'.  
 FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: 100% TIE OFF, HIGH PRESSURE LINES.  
 FUNCTION CHECK COM FOR DRLG. BOP DRILL 1 MIN.  
 UNMANNED LOGGING UNIT 6 DAYS.  
 FUEL ON HAND 4189 USED 1421.

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<b>08-21-2008</b>	<b>Reported By</b>	PETE AYOTTE / PAUL WHITE									
<b>Daily Costs: Drilling</b>	\$64,189	<b>Completion</b>	\$0	<b>Daily Total</b>	\$64,189						
<b>Cum Costs: Drilling</b>	\$658,135	<b>Completion</b>	\$9,310	<b>Well Total</b>	\$667,445						
<b>MD</b>	8,818	<b>TVD</b>	8,818	<b>Progress</b>	352	<b>Days</b>	7	<b>MW</b>	11.3	<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> DRILLING AT 8818'											

Start	End	Hrs	Activity Description								
06:00	06:30	0.5	MIX AND PUMP PILL								
06:30	09:00	2.5	DROP SURVEY, SET CROWN SAVER, TRIP OUT.								
09:00	09:30	0.5	OPERATE PIPE AND BLIND RAMS, CHANGE BITS AND MOTORS.								
09:30	10:30	1.0	TRIP IN TO 2016'.								
10:30	11:00	0.5	SLIP & CUT DRILL LINE 110', RESET CROWN SAVER.								
11:00	12:30	1.5	TRIP IN.								
12:30	13:00	0.5	SAFETY REAM 80' TO BOTTOM. SET CROWN SAVER FOR DRILLING.								
13:00	15:00	2.0	DRILL FROM 8466' TO 8484', 18' AT 9'/HR, 5-12K WOB, 45-60 RRPM, 68 MRPM, 2050 PSI AT 127 STROKES, #2 PUMP, 100-200 PSI DIFFERENTIAL, 427 GPM, 11.2 MUD WT, 38 VIS.								
15:00	16:30	1.5	BOTH PUMPS DIED, BOTH STARTERS FAILED, TRIP OUT 7 STANDS, WORK PIPE AND REPAIR #2 STARTER, TRIP BACK IN.								
16:30	17:00	0.5	RIG SERVICE.								
17:00	06:00	13.0	DRILL FROM 8484' TO 8818', 334' AT 25.7'/HR, 12-16 K WOB, 45-55 RRPM, 68 MRPM, 2050 PSI AT 127 STROKES, OFF BOTTOM, 100-250 PSI DIFFERENTIAL, #2 PUMP, 427 GPM. FULL CREWS, NO ACCIDENTS. SAFETY MEETINGS ON PPE AND PAINTING. FUEL ON HAND 3067 GALS, USED 1122 GALS. MUD WT 11.1, VIS 37. PRICE RIVER LOWER TOP AT 8771'. BG GAS 3000U, CONN GAS 3000U, TRIP GAS 7000U, NO FLARE. OPERATE CROWN SAVER BOTH TOURS. UNMANNED LOGGER, DAY 7. NO FLOW OR LOSSES.								

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<b>08-22-2008</b>	<b>Reported By</b>	PETE AYOTTE									
<b>Daily Costs: Drilling</b>	\$29,841	<b>Completion</b>	\$0	<b>Daily Total</b>	\$29,841						
<b>Cum Costs: Drilling</b>	\$687,976	<b>Completion</b>	\$9,310	<b>Well Total</b>	\$697,286						
<b>MD</b>	9,373	<b>TVD</b>	9,373	<b>Progress</b>	555	<b>Days</b>	8	<b>MW</b>	11.0	<b>Visc</b>	39.0
<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								
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06:00	16:30	10.5 DRILL FROM 8818' TO 9196', 378' AT 36'/HR, 13-16K WOB, 45-55 RRPM, 68 MRPM, 2000 PSI AT 127 STROKES, OFF BOTTOM, #2 PUMP, 100-300 PSI DIFFERENTIAL, 427 GPM, 11.1 MUD WT, 38 VIS.
16:30	17:00	0.5 RIG SERVICE.
17:00	02:30	9.5 DRILL FROM 9196' TO 9373', 177' AT 18.6'/HR, 15-20K WOB, 45-55 RRPM, 68 MRPM, 2000 PSI AT 127 STROKES, OFF BOTTOM, #2 PUMP, 100-400 PSI DIFFERENTIAL, 427 GPM, LOST 50 BBL MUD AT 9347', WHILE RAISING MUD WT FROM 11 TO 11.2 PPG. HOLE STABILIZED AFTER MIXING A LITTLE LCM, SHOOK IT OUT .
02:30	03:00	0.5 MIX AND PUMP PILL.
03:00	06:00	3.0 TRIP OUT FOR NEW BIT #5, SET CROWN SAVER FOR TRIPPING.

FULL CREWS, NO ACCIDENTS.  
 SAFETY MEETINGS ON LOCKOUT TAGOUT AND BOP DRILLS.  
 FUEL ON HAND 1571 GALS, USED 1496 GALS.  
 MUD WT 11.2, VIS 38.  
 SEGO TOP AT 9252'.  
 BG GAS 500U, CONN GAS 1500U.  
 OPERATE CROWN SAVER BOTH TOURS.  
 UNMANNED LOGGER, DAY 8.  
 NO FLOW, 50 BBL LOSSES.

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<b>08-23-2008</b>	<b>Reported By</b>	PETE AYOTTE									
<b>Daily Costs: Drilling</b>	\$37,748	<b>Completion</b>	\$0	<b>Daily Total</b>	\$37,748						
<b>Cum Costs: Drilling</b>	\$725,725	<b>Completion</b>	\$9,310	<b>Well Total</b>	\$735,035						
<b>MD</b>	9,460	<b>TVD</b>	9,460	<b>Progress</b>	87	<b>Days</b>	9	<b>MW</b>	11.5	<b>Visc</b>	39.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** RUN 4.5" PRODUCTION CASING

Start	End	Hrs	Activity Description
06:00	07:30	1.5	TRIP OUT, CHANGED OUT JARS(LEAKING HYDRAULIC OIL).
07:30	08:00	0.5	OPERATE PIPE AND BLIND RAMS, CHANGE BITS AND MOTORS.
08:00	11:00	3.0	TRIP IN, BROKE CIRCULATION AT 2400' AND 7400'.
11:00	11:30	0.5	SAFETY REAM 70' TO BOTTOM.
11:30	14:30	3.0	DRILL FROM 9373' TO 9460', 87' AT 29'/HR, 10-15K WOB, 50 RRPM, 68 MRPM, 2050 PSI AT 127 STROKES, OFF BOTTOM, #2 PUMP, 100-250 PSI DIFFERENTIAL, 427 GPM, 11.4 MUD WT, 38 VIS. REACHED TD AT 14:30 HRS, 8/22/08.
14:30	17:00	2.5	HIT GAS AT 9455', 30 BBL PIT GAIN, 20' INITIAL FLARE, 200 PSI PRESSURE LOSS, CIRCULATE, RAISE MUD WT IN PITS TO 11.6 PPG IN, 11.2 PPG OUT, RAISING MUD WT IN PREMIX FROM 11.2 PPG TO 12.7 PPG.
17:00	17:30	0.5	SHORT TRIP 3 STANDS, WELL FLOWED 1 1/2" STREAM, GAINED 10 BBLs. ORIGINALLY SHORT TRIP WAS 5 STANDS UNTIL FLOW DID NOT SLOW DOWN.
17:30	19:30	2.0	FINISH BUILDING 250 BBL, 12.7 PPG PILL, EQUIVALENT TO 12 PPG AT BOTTOM, HOLD SAFETY MEETING WITH CASERS, RIG UP SAME, PUMP PILL, WELL DEAD. FINAL MUD WT 11.6 PPG IN, 11.5 PPG OUT. 40 VIS.
19:30	02:30	7.0	LAY DOWN PIPE, CHECK FOR FLOW EVERY 1000'.
02:30	03:00	0.5	PULL WEAR RING, OPERATE PIPE AND BLIND RAMS.
03:00	04:00	1.0	HOLD SAFETY MEETING WITH CASERS AND RIG UP SAME.
04:00	06:00	2.0	RUN 4.5" CASING.  FULL CREWS, NO ACCIDENTS. SAFETY MEETINGS ON TEAM WORK AND RUNNING CASING. FUEL ON HAND 2692 GALS, USED 879 GALS. MUD WT 11.6, VIS 38.

SEGO TOP AT 9252'.  
 BG GAS 3000U, CONN GAS 5000U.  
 OPERATE CROWN SAVER BOTH TOURS.  
 UNMANNED LOGGER, DAY 9.  
 NO FLOW OR LOSSES.  
 TD AT 1430 HRS, 8/22/2008.  
 CASING POINT 1930 HRS, 8/22/2008, COST \$692,242.  
 NOTIFIED JAMIE SPARGER AT 1430 HRS, 8/22/2008 ON CASING AND CEMENTING TIMES AND RIG MOVE AND APPROXIMATE BOP TEST TIME, VIA PHONE MESSAGE.  
 RIG MOVE SCHEDULED FOR SUNDAY MORNING. 6/10 OF A MILE MOVE TO CWU 1278-22.

<b>08-24-2008</b>		<b>Reported By</b>		PETE AYOTTE							
<b>Daily Costs: Drilling</b>		\$62,457	<b>Completion</b>		\$178,081	<b>Daily Total</b>		\$240,538			
<b>Cum Costs: Drilling</b>		\$788,183	<b>Completion</b>		\$187,391	<b>Well Total</b>		\$975,574			
<b>MD</b>	9,460	<b>TVD</b>	9,460	<b>Progress</b>	0	<b>Days</b>	10	<b>MW</b>	11.7	<b>Visc</b>	40.0
<b>Formation :</b>			<b>PBTD : 0.0</b>			<b>Perf :</b>			<b>PKR Depth : 0.0</b>		

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

Start	End	Hrs	Activity Description
06:00	09:00	3.0	RAN CASING AS FOLLOWS: RAN 217 JOINTS, 4.5", HCP-110, 11.6#, LTC CASING. RAN 2, P-110 MARKERS, MARKER TOPS AT 4277' AND 6721'. LAND SHOE AT 9453', FLOAT TOP AT 9406'. RAN WEATHERFORD DIFFERENTIAL FLOAT COLLAR AND FLOAT SHOE . RAN 26 BOWSPRING CENTRALIZERS, 5' ABOVE SHOE, TOP OF SECOND JOINT, THEN EVERY 3RD JOINT TO 6257'.
09:00	09:30	0.5	PICK UP TAG JOINT AND TAG BOTTOM, LAY DOWN TAG JOINT AND PICK UP CASING HANGER AND LAND SAME WITH 75K.
09:30	11:30	2.0	PUMP 2 BBL THRU PIPE EVERY 10 MINS, RIG DOWN CASERS, HOLD SAFETY MEETING WITH CEMENTERS, RIG UP SAME. HAD PROBLEMS STARTING PUMP TRUCK MIXING MOTOR (45 MINS)(BROKEN ELECTRICAL WIRE).
11:30	14:30	3.0	TEST CEMENTING LINES TO 5000 PSI. CEMENT 4.5" CASING AS FOLLOWS:PUMP 20 BBL CHEMICAL WASH AND 20 BBL SPACER, PUMP BOTTOM PLUG, PUMP 710 SACKS(314 BBL) 12#, G LEAD CEMENT AND 1560 SACKS(360 BBL), 50/50 POZG TAIL CEMENT.BROUGHT TOP OF TAIL TO 4277', TOP OF LEAD TO 1981'. DISPLACED WITH 146 BBL SOF 2 GAL/1000 L064 FRESH WATER. GOOD RETURNS. GOT CEMENT RETURNS AT BEGINNING OF DISPLACEMENT, ABOUT 150 BBL. PLUG DOWN AT 1435 HRS, 8/23/2008. FLOATS HELD.
14:30	16:00	1.5	WAIT ON CEMENT, LAND PACKER AND TEST SAME TO 5K FOR 15 MIN.
16:00	17:00	1.0	CLEAN MUD TANKS.
17:00	06:00	13.0	RIG DOWN. LAYED DERRICK OVER AT 1830 HRS.

FULL CREWS, NO ACCIDENTS.  
 SAFETY MEETINGS ON CEMENTING AND LAYING OVER DERRICK.  
 FUEL ON HAND 2398 GALS, USED 294 GALS.  
 UNMANNED LOGGER, FINAL DAY 10.  
 RIG RELEASED AT 1700 HRS, 8/23/2008.  
 RIG MOVE IS 6/10 OF A MILE TO CWU 1278-22.  
 TRANSFERRING 6 JOINTS 4.5", N-80, 2 JOINTS HCP-110, 1 HCP 110 PUP AND 2398 GALS FUEL TO CWU 1278-22.  
 MOVED OUT FRONT END WITH 1 TRUCK.

06:00 RIG RELEASED AT 17:00 HRS, 8/23/2008.

## CASING POINT COST \$722,087

08-30-2008 Reported By SEARLE

Daily Costs: Drilling	\$0	Completion	\$44,481	Daily Total	\$44,481
Cum Costs: Drilling	\$788,183	Completion	\$231,872	Well Total	\$1,020,055

MD	9,460	TVD	9,460	Progress	0	Days	11	MW	0.0	Visc	0.0
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Formation :	PBTD : 9407.0	Perf :	PKR Depth : 0.0
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Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 70'. EST CEMENT TOP @ 80'. RD SCHLUMBERGER.

09-13-2008 Reported By MCCURDY

Daily Costs: Drilling	\$0	Completion	\$1,723	Daily Total	\$1,723
Cum Costs: Drilling	\$788,183	Completion	\$233,595	Well Total	\$1,021,778

MD	9,460	TVD	9,460	Progress	0	Days	12	MW	0.0	Visc	0.0
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Formation :	PBTD : 9407.0	Perf :	PKR Depth : 0.0
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Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 8500 PSIG. WO COMPLETION.

09-19-2008 Reported By DAN LINDSEY

Daily Costs: Drilling	\$0	Completion	\$15,266	Daily Total	\$15,266
Cum Costs: Drilling	\$788,183	Completion	\$248,861	Well Total	\$1,037,044

MD	9,460	TVD	9,460	Progress	0	Days	13	MW	0.0	Visc	0.0
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Formation : PRICE RIVER	PBTD : 9407.0	Perf : 8013-9225	PKR Depth : 0.0
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Activity at Report Time: FRAC UPR

Start	End	Hrs	Activity Description
06:00	19:00	13.0	RU LONE WOLF WL. PERFORATED LPR 9225-26, 9220-21, 9186-87, 9163-64, 9148-49, 9123-24, 9108-09, 9099-9100, 9071-72, 9058-59, 9044-45, 9024-25, 9016-17 & 8990-91 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 4679 GALS WF116 PAD, 2092 GALS YF116ST PAD, & 44464 GALS YF116ST W/150260# 20/40 SAND @ 0.5-5 PPG. MTP 6820 PSI. MTR 50.7 BPM. ATP 4788 PSI. ATR 47.3 BPM. ISIP 3149 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 8950'. PERFORATED LPR 8934-35, 8928-29, 8918-20, 8909-10, 8905-06, 8899-8900, 8883-84, 8879-80, 8875-76, 8837-38 & 8803-04 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2028 GALS YF116ST PAD, & 34816 GALS YF116ST W/111000# 20/40 SAND @ 0.5-5 PPG. MTP 6696 PSI. MTR 53.2 BPM. ATP 5149 PSI. ATR 50.9 BPM. ISIP 3270 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 8775'. PERFORATED MPR 8754-55, 8741-43, 8711-12, 8689-90, 8676-77, 8665-66, 8660-61, 8645-46, 8625-26, 8614-15, & 8609-10 3 SPF, 120 DEGREE PHASED. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2087 GALS YF116ST PAD, & 40218 GALS YF116ST W/134000# 20/40 SAND @ 0.5-5 PPG. MTP 7175 PSI. MTR 51.2 BPM. ATP 5309 PSI. ATR 46.1 BPM. ISIP 5045 PSI. 5 MIN 3550 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 8585'. PERFORATED MPR 8565-66, 8551-52, 8538-39, 8534-35, 8527-28, 8515-16, 8484-85, 8472-73, 8461-62, 8439-40, 8434-35, & 8427-28 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2145 GALS YF116ST PAD, & 45791 GALS YF116ST W/154000# 20/40 SAND @ 0.5-5 PPG. MTP 6065 PSI. MTR 51.2 BPM. ATP 4762 PSI. ATR 47.7 BPM. ISIP 2761 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 8405'. PERFORATED MPR 8385-86, 9374-75, 8340-41, 8328-29, 8320-21, 8308-09, 8299-8300, 8277-78, 8273-74, 8258-59, 8238-39, & 8205-06 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2117 GALS YF116ST PAD, & 39362 GALS YF116ST W/130000# 20/40 SAND @ 0.5-5 PPG. MTP 6436 PSI. MTR 51.2 BPM. ATP 5264 PSI. ATR 47.4 BPM. ISIP 2738 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 8175'. PERFORATED MPR 8161-62, 8149-51, 8141-42, 8125-26, 8112-13, 8080-81, 8074-75, 8041-42, 8034-35, 8020-21 & 8013-13-14 3 SPF, 120 DEGREE PHASED. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2030 GALS YF116ST PAD, & 45532 GALS YF116ST W/150060# 20/40 SAND @ 0.5-5 PPG. MTP 6224 PSI. MTR 51.3 BPM. ATP 4540 PSI. ATR 47.9 BPM. ISIP 3300 PSI. RD SCHLUMBERGER. SDFN.

<b>09-20-2008</b>		<b>Reported By</b>		DAN LINDSEY							
<b>DailyCosts: Drilling</b>		\$0		<b>Completion</b>		\$448,971		<b>Daily Total</b>		\$448,971	
<b>Cum Costs: Drilling</b>		\$788,183		<b>Completion</b>		\$697,832		<b>Well Total</b>		\$1,486,015	
<b>MD</b>	9,460	<b>TVD</b>	9,460	<b>Progress</b>	0	<b>Days</b>	14	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : PRICE RIVER</b>			<b>PBTD : 9407.0</b>			<b>Perf : 7123-9225</b>			<b>PKR Depth : 0.0</b>		
<b>Activity at Report Time: PREP TO MIRUSU</b>											

Start	End	Hrs	Activity Description
06:00	15:30	9.5	RUWL. SET 10K CFP @ 7950'. PERFORATED UPR 7933-34, 7901-02, 7879-80, 7819-20, 7802-03, 7795-96, 7761-62, 7710-12, 7695-96, 7656-57 & 7643-44 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2053 GALS YF116ST PAD, & 34247 GALS YF116ST W/113500# 20/40 SAND @ 0.5-5 PPG. MTP 6155 PSI. MTR 51.3 BPM. ATP 4280 PSI. ATR 46.9 BPM. ISIP 2785 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 7625'. PERFORATED UPR 7609-10, 7586-87, 7567-68, 7553-54, 7549-50, 7532-33, 7519-20, 7514-15, 7499-7500, 7460-61, 7453-54 & 7447-48 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2062 GALS YF116ST PAD, & 37695 GALS YF116ST W/125700# 20/40 SAND @ 0.5-5 PPG. MTP 5380 PSI. MTR 51.3 BPM. ATP 4081 PSI. ATR 46.9 BPM. ISIP 2108 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 7430. PERFORATED UPR 7407-08, 7394-95, 7388-90, 7364-65, 7357-58, 7339-41, 7324-25, 7315-17, & 7302-03 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2079 GALS YF116ST PAD & 39067 GALS YF116ST W/134420# 20/40 SAND @ 0.5-5 PPG. MTP 5221 PSI. MTR 51.4 BPM. ATP 3661 PSI. ATR 44.3 BPM. ISIP 2225 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 7285. PERFORATED UPR 7264-66, 7253-54, 7242-44, 7228-29, 7151-53, 7140-42, 7130-31 & 7123-24 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2069 GALS YF116ST PAD & 48719 GALS YF116ST W/157920# 20/40 SAND @ 0.5-5 PPG. MTP 4967 PSI. MTR 51.3 BPM. ATP 3654 PSI. ATR 47.2 BPM. ISIP 2550 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 7052'. BLEED OFF PRESSURE. RDWL. SDFN.

<b>09-23-2008</b>		<b>Reported By</b>		BAUSCH							
<b>DailyCosts: Drilling</b>		\$0		<b>Completion</b>		\$8,123		<b>Daily Total</b>		\$8,123	
<b>Cum Costs: Drilling</b>		\$788,183		<b>Completion</b>		\$705,955		<b>Well Total</b>		\$1,494,138	
<b>MD</b>	9,460	<b>TVD</b>	9,460	<b>Progress</b>	0	<b>Days</b>	15	<b>MW</b>	0.0	<b>Visc</b>	0.0

Formation : PRICE RIVER      PBTB : 9407.0      Perf : 7123-9225      PKR Depth : 0.0

Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
07:00	17:00	10.0	MIRUSU. ND FRAC VALVES. NU BOP. RIH W/MILL & PUMP OFF BIT SUB TO TAG @ 6800'. RU TO DRILL OUT PLUGS. SDFN.

09-24-2008      Reported By      BAUSCH

DailyCosts: Drilling      \$0      Completion      \$31,806      Daily Total      \$31,806

Cum Costs: Drilling      \$788,183      Completion      \$737,761      Well Total      \$1,525,944

MD      9,460      TVD      9,460      Progress      0      Days      16      MW      0.0      Visc      0.0

Formation : PRICE RIVER      PBTB : 9280.0      Perf : 7123-9225      PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
07:00	06:00	23.0	SICP 150 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6800', 7285', 7430', 7625', 7950', 8175', 8405', 8585', 8775' & 8950'. RIH. CLEANED OUT TO 9280'. LANDED TBG AT 8009' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 14 HRS. 32/64" CHOKE. FTP 1800 PSIG. CP 2600 PSIG. 85 BFPH. RECOVERED 1192 BLW. 9173 BLWTR.

TUBING DETAIL      LENGTH

PUMP OFF SUB      1.00'

1 JT 2-3/8" 4.7# N-80 TBG      32.42'

XN NIPPLE      1.30'

248 JTS 2-3/8" 4.7# N-80 TBG      7961.06'

2-3/8" N-80 NIPPLE & COUPLING      0.60'

BELOW KB      13.00'

LANDED @      8009.38' KB

09-25-2008      Reported By      BAUSCH

DailyCosts: Drilling      \$0      Completion      \$2,190      Daily Total      \$2,190

Cum Costs: Drilling      \$788,183      Completion      \$739,951      Well Total      \$1,528,134

MD      9,460      TVD      9,460      Progress      0      Days      17      MW      0.0      Visc      0.0

Formation : PRICE RIVER      PBTB : 9280.0      Perf : 7123-9225      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- 1675 PSIG, CP- 2750 PSIG. 78 BFPH. RECOVERED 1872 BBLS, 7301 BLWTR.

09-26-2008      Reported By      BAUSCH

DailyCosts: Drilling      \$0      Completion      \$2,190      Daily Total      \$2,190

Cum Costs: Drilling      \$788,183      Completion      \$742,141      Well Total      \$1,530,324

MD      9,460      TVD      9,460      Progress      0      Days      18      MW      0.0      Visc      0.0

Formation : PRICE RIVER      PBTB : 9280.0      Perf : 7123-9225      PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
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06:00 06:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 1600 PSIG. CP 2600 PSIG. 66 BFPH. RECOVERED 1604 BLW. 5697 BLWTR.

09-27-2008 Reported By BAUSCH

DailyCosts: Drilling \$0 Completion \$2,720 Daily Total \$2,720  
 Cum Costs: Drilling \$788,183 Completion \$744,861 Well Total \$1,533,044

MD 9,460 TVD 9,460 Progress 0 Days 19 MW 0.0 Visc 0.0

Formation : PRICE RIVER PBTB : 9280.0 Perf : 7123-9225 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 1475 PSIG. CP 2400 PSIG. 54 BFPH. RECOVERED 1304 BLW. 4393 BLWTR.

09-28-2008 Reported By BAUSCH

DailyCosts: Drilling \$0 Completion \$2,135 Daily Total \$2,135  
 Cum Costs: Drilling \$788,183 Completion \$746,996 Well Total \$1,535,179

MD 9,460 TVD 9,460 Progress 0 Days 20 MW 0.0 Visc 0.0

Formation : PRICE RIVER PBTB : 9280.0 Perf : 7123-9225 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 1300 PSIG. CP 2180 PSIG. 42 BFPH. RECOVERED 1016 BLW. 3377 BLWTR.

09-29-2008 Reported By BAUSCH

DailyCosts: Drilling \$0 Completion \$2,135 Daily Total \$2,135  
 Cum Costs: Drilling \$788,183 Completion \$749,131 Well Total \$1,537,314

MD 9,460 TVD 9,460 Progress 0 Days 21 MW 0.0 Visc 0.0

Formation : PRICE RIVER PBTB : 9280.0 Perf : 7123-9225 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 1200 PSIG. CP 1900 PSIG. 30 BFPH. RECOVERED 740 BLW. 2637 BLWTR.

09-30-2008 Reported By BAUSCH

DailyCosts: Drilling \$0 Completion \$2,135 Daily Total \$2,135  
 Cum Costs: Drilling \$788,183 Completion \$751,266 Well Total \$1,539,449

MD 9,460 TVD 9,460 Progress 0 Days 22 MW 0.0 Visc 0.0

Formation : PRICE RIVER PBTB : 9280.0 Perf : 7123-9225 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 1100 PSIG. CP 1250 PSIG. 22 BFPH. RECOVERED 532 BLW. 2105 BLWTR.  
 SI. WO FACILITIES.

FINAL COMPLETION DATE: 09/29/08

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.*

**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 600 17TH ST. SUITE 1000N DENVER, CO 80202		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS UNI
3b. Phone No. (include area code) Ph: 303-824-5526		8. Well Name and No. CHAPITA WELLS UNIT 1277-22
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 22 T9S R22E SESE 1290FSL 778FEL 40.01778 N Lat, 109.41946 W Lon		9. API Well No. 43-047-38531
		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 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 10/27/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

**RECEIVED**  
**OCT 30 2008**  
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #64226 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal</b>	
Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT
Signature <i>Mary A. Maestas</i>	Date 10/28/2008

**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 \*\***

## WELL CHRONOLOGY REPORT

Report Generated On: 10-28-2008

<b>Well Name</b>	CWU 1277-22	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-38531	<b>Well Class</b>	1SA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	08-14-2008	<b>Class Date</b>	10-27-2008
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,460/ 9,460	<b>Property #</b>	059646
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	4,944/ 4,931				
<b>Location</b>	Section 22, T9S, R22E, SESE, 1290 FSL & 778 FEL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	55.503	<b>NRI %</b>	47.504

<b>AFE No</b>	304204	<b>AFE Total</b>	1,884,500	<b>DHC / CWC</b>	956,100/ 928,400
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #27	<b>Start Date</b>	09-05-2006
		<b>Release Date</b>	08-23-2008		
<b>09-05-2006</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
			1290' FSL & 788' FEL (SE/SE)
			SECTION 22, T9S, R23E
			UINTAH COUNTY, UTAH
			 LAT 40.017814, LONG 109.418772 (NAD 27)
			LAT 40.017778, LONG 109.419456 (NAD 83)
			 TRUE #27
			OBJECTIVE: 9460' TD, MESAVERDE
			DW/GAS
			CHAPITA WELLS PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			 LEASE: U-01304
			ELEVATION: 4930.6' NAT GL, 4931.2' PREP GL (DUE TO ROUNDING PREP GL WILL BE 4931'), 4944' KB (13')
			 EOG WI 55.5028%, NRI 47.50362%

07-07-2008

Reported By

TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	START LOCATION TODAY 07/07/08.

07-08-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 10% COMPLETE.

07-09-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

07-10-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

07-11-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

07-14-2008 Reported By TERRY CSERE



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

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TODAY. ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 07/19/08 @ 7:00 AM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 07/19/08 @ 6:30 AM.

07-22-2008 Reported By TERRY CSERE

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

Activity at Report Time: WO AIR RIG

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

07-28-2008 Reported By KYLAN COOK

<b>DailyCosts: Drilling</b>	\$206,304	<b>Completion</b>	\$0	<b>Daily Total</b>	\$206,304						
<b>Cum Costs: Drilling</b>	\$244,304	<b>Completion</b>	\$0	<b>Well Total</b>	\$244,304						
<b>MD</b>	2,400	<b>TVD</b>	2,400	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG # 3 ON 7/23/2008. DRILLED 12-1/4" HOLE TO 2400' GL. FLUID DRILLED HOLE FROM 1200' WITH NO LOSSES. RAN 56 JTS (2368.20') 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. WASHED CASING TO BOTTOM WITH RIG PUMP. LANDED @ 2381' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO CRAIG'S RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 3000 PSIG. PUMPED 40 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (146 BBLs) OF PREMIUM LEAD CEMENT W/0.2% VARASET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/YIELD OF 4.1 CF/SX.

TAILED IN W/300 SX (67 BBLs) OF PREMIUM CEMENT W/2 % CACL2. MIXED TAIL CEMENT TO 15.2 W/YIELD OF 1.25 CF/SX. DISPLACED CEMENT W/180 BBLs FRESH WATER. BUMP PLUG W/1114# @ 2:38 PM, 7/26/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 20 BBLs INTO FRESH WATER FLUSH. LOST CIRCULATION 163 BBLs INTO DISPLACEMENT. NO CEMENT TO SURFACE.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 124 SX (26 BBLs) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX. HOLE FILLED AND CIRCULATED APPROXIMATELY 1 BBL CEMENT TO SURFACE. HOLE STOOD FULL WHEN PUMPING STOPPED.

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

MIRU GLENNS WIRELINE SERVICE. RAN IN HOLE WITH STRAIGHT HOLE SURVEY. TAGGED CEMENT AT 2274' G.L. PICKED UP TO 2254' AND TOOK SURVEY — 1.0 DEGREE.

CONDUCTOR LEVEL RECORD: PS= 89.7 OPS= 89.9 VDS= 89.9 MS= 89.7.

9 5/8 CASING LEVEL RECORD: PS= 89.9 OPS= 89.8 VDS= 89.9 MS= 89.8.

KYLAN COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 7/24/2008 @ 4:50 PM.

<b>08-14-2008</b>	<b>Reported By</b>	PAUL WHITE									
<b>DailyCosts: Drilling</b>	\$39,226	<b>Completion</b>	\$0	<b>Daily Total</b>	\$39,226						
<b>Cum Costs: Drilling</b>	\$283,530	<b>Completion</b>	\$0	<b>Well Total</b>	\$283,530						
<b>MD</b>	2,400	<b>TVD</b>	2,400	<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>						
<b>Activity at Report Time:</b> DRILLING 9 5/8" SHOE TRACK											

Start	End	Hrs	Activity Description
06:00	10:00	4.0	RIG DOWN ROTARY TOOLS W/ TRUCKS, TWO CREWS.
10:00	10:30	0.5	LOAD OUT AND MOVE TO CWU 1277-22.
10:30	15:30	5.0	RIG UP W/ TRUCKS. RAISE DERRICK AND RELEASE TRUCKS AT 15:30.
15:30	19:00	3.5	RURT.
19:00	20:00	1.0	RIG ACCEPTED AT 19:00 HRS, 8/13/08.
20:00	00:00	4.0	TEST BOP'S 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, CHOKELINE, ALL CHOKE MANIFOLD VALVES AND SURFACE CASING. ALL TESTS 250 LOW AND 5000 HIGH. ANNULAR 250/2500. CASING 1500. ALL TESTS GOOD, NO LEAKS. PERFORMED ACCUMULATOR FUNCTION TEST AND CHECKED NITROGEN BOTTLES. CALLED JAMIE SPARGER W/ VERNAL BLM AND INFORMED HIM OF INTENTION TEST BOP'S. CALL MADE AT 09:30 8/13/08.
00:00	00:30	0.5	INSTALL WEAR BUSHING.
00:30	01:30	1.0	HOLD SAFETY MEETING W/ PICKUP CREW AND RIG UP.
01:30	04:30	3.0	PICKUP BHA AND DRILL PIPE. TAG CMT. AT 2300'.
04:30	05:00	0.5	RIG DOWN PICKUP CREW.
05:00	05:30	0.5	SERVICE RIG.
05:30	06:00	0.5	DRILLING CEMENT.
NO ACCIDENTS OR INCIDENTS. FULL CREW.			
SAFETY MEETING TOPICS: PICKUP BHA, BOP TESTING, FORKLIFTS, POWER LINES.			
CHECK AND SET COM FOR DRLG.			
FUEL ON HAND 1795 USED 205.			
UNMANNED LOGGING UNIT 0.			

<b>08-15-2008</b>	<b>Reported By</b>	PAUL WHITE									
<b>DailyCosts: Drilling</b>	\$33,546	<b>Completion</b>	\$0	<b>Daily Total</b>	\$33,546						
<b>Cum Costs: Drilling</b>	\$317,076	<b>Completion</b>	\$0	<b>Well Total</b>	\$317,076						
<b>MD</b>	4,380	<b>TVD</b>	4,380	<b>Progress</b>	1,980	<b>Days</b>	1	<b>MW</b>	8.5	<b>Visc</b>	28.0
<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 4,380'											

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILL CEMENT/FLOAT EQUIP. DRLD. SHOE AT 2400'.
08:00	08:30	0.5	RUN FIT AT 2418, 12.3 PPG EMW.
08:30	16:00	7.5	DRILL F/ 2418 TO 3187, 769' 102 FPH. WOB 18 RPM 50/70. SPUD AT 08:30 8/14/08.
16:00	16:30	0.5	SERVICE RIG.
16:30	21:00	4.5	DRILL 3187 TO 3560. 373' 83 FPH, WOB 18 RPM 55.
21:00	21:30	0.5	SURVEY AT 3477 2 DEG.
21:30	06:00	8.5	DRILL F/ 3560 TO 4380, 820' 96 FPH. WOB 20 RPM 55. DRILLING MAHOGANY OIL SHALE BED. MUD WT. 9.7 VIS 34. TOP OF WASATCH AT 4,677'. FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: SURVEYS, FIT TEST, WORKING ON TONGS. CHECK AND SET COM FOR DRLG. BOP DRILL 1 1/2 MIN. UNMANNED LOGGING UNIT 1 DAY. FUEL ON HAND 5685 USED 610 RECEIVED 4500 GALS.

08-16-2008		Reported By		PAUL WHITE							
<b>Daily Costs: Drilling</b>	\$59,878	<b>Completion</b>	\$0	<b>Daily Total</b>	\$59,878						
<b>Cum Costs: Drilling</b>	\$376,955	<b>Completion</b>	\$0	<b>Well Total</b>	\$376,955						
<b>MD</b>	5,840	<b>TVD</b>	5,840	<b>Progress</b>	1,460	<b>Days</b>	2	<b>MW</b>	9.9	<b>Visc</b>	35.0
<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 5,840'											

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILL F/ 4380 TO 4498 118' 59 FPH, WOB 18 RPM 50. 430 GPM.
08:00	08:30	0.5	SURVEY AT 4420, 1.75 DEG.
08:30	14:30	6.0	DRILL F/ 4498 TO 4970. 472' 79 FPH. WOB 18 RPM 50.
14:30	15:00	0.5	SERVICE RIG.
15:00	06:00	15.0	DRILL F/ 4970 TO 5840' 870' 58 FPH. WOB 18 RPM 53, GPM 430, MM RPM 64, MUD WT. 10.1 VIS 38. DRILLING BUCK CANYON, TOP OF NORTH HORN AT 6,657'. FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: HOUSE KEEPING, TEAMWORK, FALL PROTECTION. UNMANNED LOGGING UNIT 2 DAYS. FUEL ON HAND 4412 USED 1273.

08-17-2008		Reported By		PAUL WHITE							
<b>Daily Costs: Drilling</b>	\$32,443	<b>Completion</b>	\$4,668	<b>Daily Total</b>	\$37,111						
<b>Cum Costs: Drilling</b>	\$409,398	<b>Completion</b>	\$4,668	<b>Well Total</b>	\$414,066						
<b>MD</b>	6,725	<b>TVD</b>	6,725	<b>Progress</b>	885	<b>Days</b>	3	<b>MW</b>	10.2	<b>Visc</b>	40.0
<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 6,725'											

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRILL F/ 5840 TO 6286 446' 50 FPH. WOB 20 RPM 60.
15:00	15:30	0.5	SERVICE RIG.
15:30	06:00	14.5	DRILL F/ 6286 TO 6725 439 30 FPH, WOB 23 RPM 51. MUD WT. 10.4 VIS 36. DRILLING NORTH HORN, TOP OF PRICE RIVER AT 7121. FULL CREW, NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: COMMUNICATION, PAINT THINNER. FUNCTION CHECK COM FOR DRLG. BOP DRILL 1 1/2 MIN. UNMANNED MUD LOGGING UNIT. 3 DAYS. FUEL ON HAND 3291 USED 1121.

08-18-2008		Reported By		PAUL WHITE					
<b>Daily Costs: Drilling</b>	\$31,632	<b>Completion</b>	\$724	<b>Daily Total</b>	\$32,356				
<b>Cum Costs: Drilling</b>	\$441,031	<b>Completion</b>	\$5,392	<b>Well Total</b>	\$446,423				

**MD** 7,197 **TVD** 7,197 **Progress** 421 **Days** 4 **MW** 10.3 **Visc** 36.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING AT 7,197'

Start	End	Hrs	Activity Description
06:00	08:30	2.5	DRILL F/ 6725 TO 6776. 51' 20 FPH. WOB 23 RPM 45.
08:30	13:30	5.0	TRIP FOR BIT, SURVEY, CHANGE MOTOR, JARS, BIT. F/T COM FOR TRIPPING.
13:30	14:00	0.5	WASH AND REAM 6753 TO 6776.
14:00	16:30	2.5	DRILL F/ 6776 TO 6848. 72' 29 FPH. WOB 10/15 RPM 45/50.
16:30	17:00	0.5	SERVICE RIG.
17:00	06:00	13.0	DRILL F/ 6848 TO 7197' 349' 27 FPH. WOB 18/25 RPM 55. MUD WT. 10.5 VIS 36. DRILLED NORTH HORN/PRICE RIVER TRANSITION, DRILLING UPPER PRICE RIVER. TOP OF MIDDLE AT 7978'. FULL CREW, NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: CAT HEADS, LAYING DOWN MOTORS. FUNCTION COM FOR DRLG. AND TRIPPING. BOP DRILL 2 MIN. UNMANNED LOGGING UNIT 4 DAYS. FUEL ON HAND 2094 USED 1197.

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<b>08-19-2008</b>	<b>Reported By</b>	PAUL WHITE			
<b>DailyCosts: Drilling</b>	\$109,340	<b>Completion</b>	\$724	<b>Daily Total</b>	\$110,064
<b>Cum Costs: Drilling</b>	\$550,371	<b>Completion</b>	\$6,116	<b>Well Total</b>	\$556,487

**MD** 7,876 **TVD** 7,876 **Progress** 679 **Days** 5 **MW** 10.8 **Visc** 37.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING AT 7,876'

Start	End	Hrs	Activity Description
06:00	06:30	0.5	CIRCULATE AND MIX PILL.
06:30	12:00	5.5	TRIP, LAY DOWN REAMERS, CHANGE MOTOR AND BIT. (FUNCTION CHECK COM FOR TRIP)
12:00	12:30	0.5	WASH AND REAM 7184 TO 7197',
12:30	14:30	2.0	DRILL F/ 7197 TO 7276. 79' 39 FPH. WOB 14 RPM 55. (CHECK COM FOR DRLG)
14:30	15:00	0.5	SERVICE RIG.
15:00	06:00	15.0	DRILL F/ 7276 TO 7876, 600' 40 FPH. WOB 15 RPM 51. MUD WT. 10.7 VIS 36 DRILLING PRICE RIVER, TOP OF PRICE RIVER MIDDLE AT 7,978'. FULL CREW, NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: TONGS, GAS BUSTER, SNUB LINES. UNMANNED LOGGING UNIT 5 DAYS. FUEL ON HAND 5610 RECIEVED 4500 USED 984.

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<b>08-20-2008</b>	<b>Reported By</b>	PAUL WHITE			
<b>DailyCosts: Drilling</b>	\$43,574	<b>Completion</b>	\$3,194	<b>Daily Total</b>	\$46,768
<b>Cum Costs: Drilling</b>	\$593,945	<b>Completion</b>	\$9,310	<b>Well Total</b>	\$603,255

**MD** 8,466 **TVD** 8,466 **Progress** 590 **Days** 6 **MW** 11.0 **Visc** 37.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING AT 8,466'

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRILL F/ 7876 TO 8128 252' 28 FPH. WOB 19 RPM 53.
15:00	15:30	0.5	SERVICE RIG.

15:30 06:00 14.5 DRILL F/ 8128 TO 8466. 338' 23 FPH. WOB 22 RPM 35  
 MUD WT. 11.1 VIS 38.  
 DRILLING MIDDLE PRICE RIVER. TOP OF LOWER PRICE RIVER AT 8,771'.  
 FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: 100% TIE OFF, HIGH PRESSURE LINES.  
 FUNCTION CHECK COM FOR DRLG. BOP DRILL 1 MIN.  
 UNMANNED LOGGING UNIT 6 DAYS.  
 FUEL ON HAND 4189 USED 1421.

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**08-21-2008**      **Reported By**      PETE AYOTTE / PAUL WHITE

<b>Daily Costs: Drilling</b>	\$64,189	<b>Completion</b>	\$0	<b>Daily Total</b>	\$64,189
<b>Cum Costs: Drilling</b>	\$658,135	<b>Completion</b>	\$9,310	<b>Well Total</b>	\$667,445

**MD**      8,818      **TVD**      8,818      **Progress**      352      **Days**      7      **MW**      11.3      **Visc**      38.0

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

**Activity at Report Time:** DRILLING AT 8818'

Start	End	Hrs	Activity Description
06:00	06:30	0.5	MIX AND PUMP PILL
06:30	09:00	2.5	DROP SURVEY, SET CROWN SAVER, TRIP OUT.
09:00	09:30	0.5	OPERATE PIPE AND BLIND RAMS, CHANGE BITS AND MOTORS.
09:30	10:30	1.0	TRIP IN TO 2016'.
10:30	11:00	0.5	SLIP & CUT DRILL LINE 110', RESET CROWN SAVER.
11:00	12:30	1.5	TRIP IN.
12:30	13:00	0.5	SAFETY REAM 80' TO BOTTOM. SET CROWN SAVER FOR DRILLING.
13:00	15:00	2.0	DRILL FROM 8466' TO 8484', 18' AT 9"/HR, 5-12K WOB, 45-60 RRPM, 68 MRPM, 2050 PSI AT 127 STROKES, #2 PUMP, 100-200 PSI DIFFERENTIAL, 427 GPM, 11.2 MUD WT, 38 VIS.
15:00	16:30	1.5	BOTH PUMPS DIED, BOTH STARTERS FAILED, TRIP OUT 7 STANDS, WORK PIPE AND REPAIR #2 STARTER, TRIP BACK IN.
16:30	17:00	0.5	RIG SERVICE.
17:00	06:00	13.0	DRILL FROM 8484' TO 8818', 334' AT 25.7"/HR, 12-16 K WOB, 45-55 RRPM, 68 MRPM, 2050 PSI AT 127 STROKES, OFF BOTTOM, 100-250 PSI DIFFERENTIAL, #2 PUMP, 427 GPM. FULL CREWS, NO ACCIDENTS. SAFETY MEETINGS ON PPE AND PAINTING. FUEL ON HAND 3067 GALS, USED 1122 GALS. MUD WT 11.1, VIS 37. PRICE RIVER LOWER TOP AT 8771'. BG GAS 3000U, CONN GAS 3000U, TRIP GAS 7000U, NO FLARE. OPERATE CROWN SAVER BOTH TOURS. UNMANNED LOGGER, DAY 7. NO FLOW OR LOSSES.

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**08-22-2008**      **Reported By**      PETE AYOTTE

<b>Daily Costs: Drilling</b>	\$29,841	<b>Completion</b>	\$0	<b>Daily Total</b>	\$29,841
<b>Cum Costs: Drilling</b>	\$687,976	<b>Completion</b>	\$9,310	<b>Well Total</b>	\$697,286

**MD**      9,373      **TVD**      9,373      **Progress**      555      **Days**      8      **MW**      11.0      **Visc**      39.0

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

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

Start	End	Hrs	Activity Description
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06:00 16:30 10.5 DRILL FROM 8818' TO 9196', 378' AT 36'/HR, 13-16K WOB, 45-55 RRP, 68 MRPM, 2000 PSI AT 127 STROKES, OFF BOTTOM, #2 PUMP, 100-300 PSI DIFFERENTIAL, 427 GPM, 11.1 MUD WT, 38 VIS.

16:30 17:00 0.5 RIG SERVICE.

17:00 02:30 9.5 DRILL FROM 9196' TO 9373', 177' AT 18.6'/HR, 15-20K WOB, 45-55 RRP, 68 MRPM, 2000 PSI AT 127 STROKES, OFF BOTTOM, #2 PUMP, 100-400 PSI DIFFERENTIAL, 427 GPM, LOST 50 BBL MUD AT 9347', WHILE RAISING MUD WT FROM 11 TO 11.2 PPG. HOLE STABILIZED AFTER MIXING A LITTLE LCM, SHOOK IT OUT .

02:30 03:00 0.5 MIX AND PUMP PILL.

03:00 06:00 3.0 TRIP OUT FOR NEW BIT #5, SET CROWN SAVER FOR TRIPPING.

FULL CREWS, NO ACCIDENTS.  
 SAFETY MEETINGS ON LOCKOUT TAGOUT AND BOP DRILLS.  
 FUEL ON HAND 1571 GALS, USED 1496 GALS.  
 MUD WT 11.2, VIS 38.  
 SEGO TOP AT 9252'.  
 BG GAS 500U, CONN GAS 1500U.  
 OPERATE CROWN SAVER BOTH TOURS.  
 UNMANNED LOGGER, DAY 8.  
 NO FLOW, 50 BBL LOSSES.

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<b>08-23-2008</b>	<b>Reported By</b>	PETE AYOTTE									
<b>DailyCosts: Drilling</b>	\$37,748	<b>Completion</b>	\$0	<b>Daily Total</b>	\$37,748						
<b>Cum Costs: Drilling</b>	\$725,725	<b>Completion</b>	\$9,310	<b>Well Total</b>	\$735,035						
<b>MD</b>	9,460	<b>TVD</b>	9,460	<b>Progress</b>	87	<b>Days</b>	9	<b>MW</b>	11.5	<b>Visc</b>	39.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** RUN 4.5" PRODUCTION CASING

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	07:30	1.5	TRIP OUT, CHANGED OUT JARS(LEAKING HYDRAULIC OIL).
07:30	08:00	0.5	OPERATE PIPE AND BLIND RAMS, CHANGE BITS AND MOTORS.
08:00	11:00	3.0	TRIP IN, BROKE CIRCULATION AT 2400' AND 7400'.
11:00	11:30	0.5	SAFETY REAM 70' TO BOTTOM.
11:30	14:30	3.0	DRILL FROM 9373' TO 9460', 87' AT 29'/HR, 10-15K WOB, 50 RRP, 68 MRPM, 2050 PSI AT 127 STROKES, OFF BOTTOM, #2 PUMP, 100-250 PSI DIFFERENTIAL, 427 GPM, 11.4 MUD WT, 38 VIS. REACHED TD AT 14:30 HRS, 8/22/08.
14:30	17:00	2.5	HIT GAS AT 9455', 30 BBL PIT GAIN, 20' INITIAL FLARE, 200 PSI PRESSURE LOSS, CIRCULATE, RAISE MUD WT IN PITS TO 11.6 PPG IN, 11.2 PPG OUT, RAISING MUD WT IN PREMIX FROM 11.2 PPG TO 12.7 PPG.
17:00	17:30	0.5	SHORT TRIP 3 STANDS, WELL FLOWED 1 1/2" STREAM, GAINED 10 BBL. ORIGINALLY SHORT TRIP WAS 5 STANDS UNTIL FLOW DID NOT SLOW DOWN.
17:30	19:30	2.0	FINISH BUILDING 250 BBL, 12.7 PPG PILL, EQUIVALENT TO 12 PPG AT BOTTOM, HOLD SAFETY MEETING WITH CASERS, RIG UP SAME, PUMP PILL, WELL DEAD. FINAL MUD WT 11.6 PPG IN, 11.5 PPG OUT. 40 VIS.
19:30	02:30	7.0	LAY DOWN PIPE, CHECK FOR FLOW EVERY 1000'.
02:30	03:00	0.5	PULL WEAR RING, OPERATE PIPE AND BLIND RAMS.
03:00	04:00	1.0	HOLD SAFETY MEETING WITH CASERS AND RIG UP SAME.
04:00	06:00	2.0	RUN 4.5" CASING.
FULL CREWS, NO ACCIDENTS. SAFETY MEETINGS ON TEAM WORK AND RUNNING CASING. FUEL ON HAND 2692 GALS, USED 879 GALS. MUD WT 11.6, VIS 38.			

SEGO TOP AT 9252'.  
 BG GAS 3000U, CONN GAS 5000U.  
 OPERATE CROWN SAVER BOTH TOURS.  
 UNMANNED LOGGER, DAY 9.  
 NO FLOW OR LOSSES.  
 TD AT 1430 HRS, 8/22/2008.  
 CASING POINT 1930 HRS, 8/22/2008, COST \$692,242.  
 NOTIFIED JAMIE SPARGER AT 1430 HRS, 8/22/2008 ON CASING AND CEMENTING TIMES AND RIG MOVE AND APPROXIMATE BOP TEST TIME, VIA PHONE MESSAGE.  
 RIG MOVE SCHEDULED FOR SUNDAY MORNING. 6/10 OF A MILE MOVE TO CWU 1278-22.

<b>08-24-2008</b>	<b>Reported By</b>	PETE AYOTTE									
<b>Daily Costs: Drilling</b>	\$62,457	<b>Completion</b>	\$178,081	<b>Daily Total</b>	\$240,538						
<b>Cum Costs: Drilling</b>	\$788,183	<b>Completion</b>	\$187,391	<b>Well Total</b>	\$975,574						
<b>MD</b>	9,460	<b>TVD</b>	9,460	<b>Progress</b>	0	<b>Days</b>	10	<b>MW</b>	11.7	<b>Visc</b>	40.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	09:00	3.0	RAN CASING AS FOLLOWS: RAN 217 JOINTS, 4.5", HCP-110, 11.6#, LTC CASING. RAN 2, P-110 MARKERS, MARKER TOPS AT 4277' AND 6721'. LAND SHOE AT 9453', FLOAT TOP AT 9406'. RAN WEATHERFORD DIFFERENTIAL FLOAT COLLAR AND FLOAT SHOE. RAN 26 BOWSPRING CENTRALIZERS, 5' ABOVE SHOE, TOP OF SECOND JOINT, THEN EVERY 3RD JOINT TO 6257'.
09:00	09:30	0.5	PICK UP TAG JOINT AND TAG BOTTOM, LAY DOWN TAG JOINT AND PICK UP CASING HANGER AND LAND SAME WITH 75K.
09:30	11:30	2.0	PUMP 2 BBLs THRU PIPE EVERY 10 MINS, RIG DOWN CASERS, HOLD SAFETY MEETING WITH CEMENTERS, RIG UP SAME. HAD PROBLEMS STARTING PUMP TRUCK MIXING MOTOR (45 MINS)(BROKEN ELECTRICAL WIRE).
11:30	14:30	3.0	TEST CEMENTING LINES TO 5000 PSI. CEMENT 4.5" CASING AS FOLLOWS: PUMP 20 BBL CHEMICAL WASH AND 20 BBL SPACER, PUMP BOTTOM PLUG, PUMP 710 SACKS(314 BBL) 12#, G LEAD CEMENT AND 1560 SACKS(360 BBL), 50/50 POZG TAIL CEMENT. BROUGHT TOP OF TAIL TO 4277', TOP OF LEAD TO 1981'. DISPLACED WITH 146 BBLs OF 2 GAL/1000 L064 FRESH WATER. GOOD RETURNS. GOT CEMENT RETURNS AT BEGINNING OF DISPLACEMENT, ABOUT 150 BBLs. PLUG DOWN AT 1435 HRS, 8/23/2008. FLOATS HELD.
14:30	16:00	1.5	WAIT ON CEMENT, LAND PACKER AND TEST SAME TO 5K FOR 15 MIN.
16:00	17:00	1.0	CLEAN MUD TANKS.
17:00	06:00	13.0	RIG DOWN. LAYED DERRICK OVER AT 1830 HRS.
<p>FULL CREWS, NO ACCIDENTS.                      SAFETY MEETINGS ON CEMENTING AND LAYING OVER DERRICK.                      FUEL ON HAND 2398 GALS, USED 294 GALS.                      UNMANNED LOGGER, FINAL DAY 10.                      RIG RELEASED AT 1700 HRS, 8/23/2008.                      RIG MOVE IS 6/10 OF A MILE TO CWU 1278-22.                      TRANSFERRING 6 JOINTS 4.5", N-80, 2 JOINTS HCP-110, 1 HCP 110 PUP AND 2398 GALS FUEL TO CWU 1278-22.                      MOVED OUT FRONT END WITH 1 TRUCK.</p>			
06:00	RIG RELEASED AT 17:00 HRS, 8/23/2008.		

## CASING POINT COST \$722,087

**08-30-2008**      **Reported By**      SEARLE**Daily Costs: Drilling**      \$0      **Completion**      \$44,481      **Daily Total**      \$44,481**Cum Costs: Drilling**      \$788,183      **Completion**      \$231,872      **Well Total**      \$1,020,055**MD**      9,460      **TVD**      9,460      **Progress**      0      **Days**      11      **MW**      0.0      **Visc**      0.0**Formation :**      **PBTD :** 9407.0      **Perf :**      **PKR Depth :** 0.0**Activity at Report Time:** PREP FOR FRACS**Start**      **End**      **Hrs**      **Activity Description**

06:00      06:00      24.0      MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 70'. EST CEMENT TOP @ 80'. RD SCHLUMBERGER.

**09-13-2008**      **Reported By**      MCCURDY**Daily Costs: Drilling**      \$0      **Completion**      \$1,723      **Daily Total**      \$1,723**Cum Costs: Drilling**      \$788,183      **Completion**      \$233,595      **Well Total**      \$1,021,778**MD**      9,460      **TVD**      9,460      **Progress**      0      **Days**      12      **MW**      0.0      **Visc**      0.0**Formation :**      **PBTD :** 9407.0      **Perf :**      **PKR Depth :** 0.0**Activity at Report Time:** WO COMPLETION**Start**      **End**      **Hrs**      **Activity Description**

06:00      06:00      24.0      NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE &amp; CASING TO 8500 PSIG. WO COMPLETION.

**09-19-2008**      **Reported By**      DAN LINDSEY**Daily Costs: Drilling**      \$0      **Completion**      \$15,266      **Daily Total**      \$15,266**Cum Costs: Drilling**      \$788,183      **Completion**      \$248,861      **Well Total**      \$1,037,044**MD**      9,460      **TVD**      9,460      **Progress**      0      **Days**      13      **MW**      0.0      **Visc**      0.0**Formation :** PRICE RIVER      **PBTD :** 9407.0      **Perf :** 8013-9225      **PKR Depth :** 0.0**Activity at Report Time:** FRAC UPR**Start**      **End**      **Hrs**      **Activity Description**

06:00      19:00      13.0      RU LONE WOLF WL. PERFORATED LPR 9225-26, 9220-21, 9186-87, 9163-64, 9148-49, 9123-24, 9108-09, 9099-9100, 9071-72, 9058-59, 9044-45, 9024-25, 9016-17 &amp; 8990-91 @ 3 SPF &amp; 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 4679 GALS WF116 PAD, 2092 GALS YF116ST PAD, &amp; 44464 GALS YF116ST W/150260# 20/40 SAND @ 0.5-5 PPG. MTP 6820 PSI. MTR 50.7 BPM. ATP 4788 PSI. ATR 47.3 BPM. ISIP 3149 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 8950'. PERFORATED LPR 8934-35, 8928-29, 8918-20, 8909-10, 8905-06, 8899-8900, 8883-84, 8879-80, 8875-76, 8837-38 &amp; 8803-04 @ 3 SPF &amp; 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2028 GALS YF116ST PAD, &amp; 34816 GALS YF116ST W/111000# 20/40 SAND @ 0.5-5 PPG. MTP 6696 PSI. MTR 53.2 BPM. ATP 5149 PSI. ATR 50.9 BPM. ISIP 3270 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 8775'. PERFORATED MPR 8754-55, 8741-43, 8711-12, 8689-90, 8676-77, 8665-66, 8660-61, 8645-46, 8625-26, 8614-15, &amp; 8609-10 3 SPF, 120 DEGREE PHASED. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2087 GALS YF116ST PAD, &amp; 40218 GALS YF116ST W/134000# 20/40 SAND @ 0.5-5 PPG. MTP 7175 PSI. MTR 51.2 BPM. ATP 5309 PSI. ATR 46.1 BPM. ISIP 5045 PSI. 5 MIN 3550 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 8585'. PERFORATED MPR 8565-66, 8551-52, 8538-39, 8534-35, 8527-28, 8515-16, 8484-85, 8472-73, 8461-62, 8439-40, 8434-35, & 8427-28 @ 3 SPF & 120° PHASING. RDWL.RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2145 GALS YF116ST PAD, & 45791 GALS YF116ST W/154000# 20/40 SAND @ 0.5-5 PPG. MTP 6065 PSI. MTR 51.2 BPM. ATP 4762 PSI. ATR 47.7 BPM. ISIP 2761 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 8405'. PERFORATED MPR 8385-86, 9374-75, 8340-41, 8328-29, 8320-21, 8308-09, 8299-8300, 8277-78, 8273-74, 8258-59, 8238-39, & 8205-06 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2117 GALS YF116ST PAD, & 39362 GALS YF116ST W/130000# 20/40 SAND @ 0.5-5 PPG. MTP 6436 PSI. MTR 51.2 BPM. ATP 5264 PSI. ATR 47.4 BPM. ISIP 2738 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 8175'. PERFORATED MPR 8161-62, 8149-51, 8141-42, 8125-26, 8112-13, 8080-81, 8074-75, 8041-42, 8034-35, 8020-21 & 8013-13-14 3 SPF, 120 DEGREE PHASED. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2030 GALS YF116ST PAD, & 45532 GALS YF116ST W/150060# 20/40 SAND @ 0.5-5 PPG. MTP 6224 PSI. MTR 51.3 BPM. ATP 4540 PSI. ATR 47.9 BPM. ISIP 3300 PSI. RD SCHLUMBERGER. SDFN.

<b>09-20-2008</b>		<b>Reported By</b>		DAN LINDSEY							
<b>Daily Costs: Drilling</b>		\$0	<b>Completion</b>		\$448,971	<b>Daily Total</b>		\$448,971			
<b>Cum Costs: Drilling</b>		\$788,183	<b>Completion</b>		\$697,832	<b>Well Total</b>		\$1,486,015			
<b>MD</b>	9,460	<b>TVD</b>	9,460	<b>Progress</b>	0	<b>Days</b>	14	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : PRICE RIVER</b>			<b>PBTD : 9407.0</b>			<b>Perf : 7123-9225</b>			<b>PKR Depth : 0.0</b>		

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	15:30	9.5	RUWL. SET 10K CFP @ 7950'. PERFORATED UPTR 7933-34, 7901-02, 7879-80, 7819-20, 7802-03, 7795-96, 7761-62, 7710-12, 7695-96, 7656-57 & 7643-44 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2053 GALS YF116ST PAD, & 34247 GALS YF116ST W/113500# 20/40 SAND @ 0.5-5 PPG. MTP 6155 PSI. MTR 51.3 BPM. ATP 4280 PSI. ATR 46.9 BPM. ISIP 2785 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 7625'. PERFORATED UPTR 7609-10, 7586-87, 7567-68, 7553-54, 7549-50, 7532-33, 7519-20, 7514-15, 7499-7500, 7460-61, 7453-54 & 7447-48 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2062 GALS YF116ST PAD, & 37695 GALS YF116ST W/125700# 20/40 SAND @ 0.5-5 PPG. MTP 5380 PSI. MTR 51.3 BPM. ATP 4081 PSI. ATR 46.9 BPM. ISIP 2108 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 7430. PERFORATED UPTR 7407-08, 7394-95, 7388-90, 7364-65, 7357-58, 7339-41, 7324-25, 7315-17, & 7302-03 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2079 GALS YF116ST PAD & 39067 GALS YF116ST W/134420# 20/40 SAND @ 0.5-5 PPG. MTP 5221 PSI. MTR 51.4 BPM. ATP 3661 PSI. ATR 44.3 BPM. ISIP 2225 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 7285. PERFORATED UPTR 7264-66, 7253-54, 7242-44, 7228-29, 7151-53, 7140-42, 7130-31 & 7123-24 @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GALS GYPTRON T-106, 2069 GALS YF116ST PAD & 48719 GALS YF116ST W/157920# 20/40 SAND @ 0.5-5 PPG. MTP 4967 PSI. MTR 51.3 BPM. ATP 3654 PSI. ATR 47.2 BPM. ISIP 2550 PSI. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 7052'. BLED OFF PRESSURE. RDWL. SDFN.

<b>09-23-2008</b>		<b>Reported By</b>		BAUSCH							
<b>Daily Costs: Drilling</b>		\$0	<b>Completion</b>		\$8,123	<b>Daily Total</b>		\$8,123			
<b>Cum Costs: Drilling</b>		\$788,183	<b>Completion</b>		\$705,955	<b>Well Total</b>		\$1,494,138			
<b>MD</b>	9,460	<b>TVD</b>	9,460	<b>Progress</b>	0	<b>Days</b>	15	<b>MW</b>	0.0	<b>Visc</b>	0.0

**Formation :** PRICE RIVER      **PBTD :** 9407.0      **Perf :** 7123-9225      **PKR Depth :** 0.0

**Activity at Report Time:** CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
07:00	17:00	10.0	MIRUSU. ND FRAC VALVES. NU BOP. RIH W/MILL & PUMP OFF BIT SUB TO TAG @ 6800'. RU TO DRILL OUT PLUGS. SDFN.

**09-24-2008      Reported By      BAUSCH**

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$31,806	<b>Daily Total</b>	\$31,806
<b>Cum Costs: Drilling</b>	\$788,183	<b>Completion</b>	\$737,761	<b>Well Total</b>	\$1,525,944

<b>MD</b>	9,460	<b>TVD</b>	9,460	<b>Progress</b>	0	<b>Days</b>	16	<b>MW</b>	0.0	<b>Visc</b>	0.0
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**Formation :** PRICE RIVER      **PBTD :** 9280.0      **Perf :** 7123-9225      **PKR Depth :** 0.0

**Activity at Report Time:** FLOW TEST

Start	End	Hrs	Activity Description
07:00	06:00	23.0	SICP 150 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6800', 7285', 7430', 7625', 7950', 8175', 8405', 8585', 8775' & 8950'. RIH. CLEANED OUT TO 9280'. LANDED TBG AT 8009' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 14 HRS. 32/64" CHOKE. FTP 1800 PSIG. CP 2600 PSIG. 85 BFPH. RECOVERED 1192 BLW. 9173 BLWTR.

TUBING DETAIL    LENGTH

- PUMP OFF SUB    1.00'
- 1 JT 2-3/8" 4.7# N-80 TBG    32.42'
- XN NIPPLE    1.30'
- 248 JTS 2-3/8" 4.7# N-80 TBG    7961.06'
- 2-3/8" N-80 NIPPLE & COUPLING    0.60'
- BELOW KB    13.00'
- LANDED @    8009.38' KB

**09-25-2008      Reported By      BAUSCH**

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,190	<b>Daily Total</b>	\$2,190
<b>Cum Costs: Drilling</b>	\$788,183	<b>Completion</b>	\$739,951	<b>Well Total</b>	\$1,528,134

<b>MD</b>	9,460	<b>TVD</b>	9,460	<b>Progress</b>	0	<b>Days</b>	17	<b>MW</b>	0.0	<b>Visc</b>	0.0
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**Formation :** PRICE RIVER      **PBTD :** 9280.0      **Perf :** 7123-9225      **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- 1675 PSIG, CP- 2750 PSIG. 78 BFPH. RECOVERED 1872 BBLs, 7301 BLWTR.

**09-26-2008      Reported By      BAUSCH**

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,190	<b>Daily Total</b>	\$2,190
<b>Cum Costs: Drilling</b>	\$788,183	<b>Completion</b>	\$742,141	<b>Well Total</b>	\$1,530,324

<b>MD</b>	9,460	<b>TVD</b>	9,460	<b>Progress</b>	0	<b>Days</b>	18	<b>MW</b>	0.0	<b>Visc</b>	0.0
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**Formation :** PRICE RIVER      **PBTD :** 9280.0      **Perf :** 7123-9225      **PKR Depth :** 0.0

**Activity at Report Time:** FLOW TEST

Start	End	Hrs	Activity Description
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06:00 06:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 1600 PSIG. CP 2600 PSIG. 66 BFPH. RECOVERED 1604 BLW. 5697 BLWTR.

**09-27-2008** Reported By BAUSCH

**DailyCosts: Drilling** \$0 **Completion** \$2,720 **Daily Total** \$2,720  
**Cum Costs: Drilling** \$788,183 **Completion** \$744,861 **Well Total** \$1,533,044

**MD** 9,460 **TVD** 9,460 **Progress** 0 **Days** 19 **MW** 0.0 **Visc** 0.0

**Formation : PRICE RIVER** **PBTD : 9280.0** **Perf : 7123-9225** **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 1475 PSIG. CP 2400 PSIG. 54 BFPH. RECOVERED 1304 BLW. 4393 BLWTR.

**09-28-2008** Reported By BAUSCH

**DailyCosts: Drilling** \$0 **Completion** \$2,135 **Daily Total** \$2,135  
**Cum Costs: Drilling** \$788,183 **Completion** \$746,996 **Well Total** \$1,535,179

**MD** 9,460 **TVD** 9,460 **Progress** 0 **Days** 20 **MW** 0.0 **Visc** 0.0

**Formation : PRICE RIVER** **PBTD : 9280.0** **Perf : 7123-9225** **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 1300 PSIG. CP 2180 PSIG. 42 BFPH. RECOVERED 1016 BLW. 3377 BLWTR.

**09-29-2008** Reported By BAUSCH

**DailyCosts: Drilling** \$0 **Completion** \$2,135 **Daily Total** \$2,135  
**Cum Costs: Drilling** \$788,183 **Completion** \$749,131 **Well Total** \$1,537,314

**MD** 9,460 **TVD** 9,460 **Progress** 0 **Days** 21 **MW** 0.0 **Visc** 0.0

**Formation : PRICE RIVER** **PBTD : 9280.0** **Perf : 7123-9225** **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 1200 PSIG. CP 1900 PSIG. 30 BFPH. RECOVERED 740 BLW. 2637 BLWTR.

**09-30-2008** Reported By BAUSCH

**DailyCosts: Drilling** \$0 **Completion** \$2,135 **Daily Total** \$2,135  
**Cum Costs: Drilling** \$788,183 **Completion** \$751,266 **Well Total** \$1,539,449

**MD** 9,460 **TVD** 9,460 **Progress** 0 **Days** 22 **MW** 0.0 **Visc** 0.0

**Formation : PRICE RIVER** **PBTD : 9280.0** **Perf : 7123-9225** **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 1100 PSIG. CP 1250 PSIG. 22 BFPH. RECOVERED 532 BLW. 2105 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 09/29/08

**10-28-2008** Reported By DUANE COOK

**DailyCosts: Drilling** \$0 **Completion** \$0 **Daily Total** \$0  
**Cum Costs: Drilling** \$788,183 **Completion** \$751,266 **Well Total** \$1,539,449

**MD** 9,460 **TVD** 9,460 **Progress** 0 **Days** 23 **MW** 0.0 **Visc** 0.0

**Formation : PRICE RIVER** **PBTD : 9280.0** **Perf : 7123-9225** **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 1550 PSIG & CP 2750 PSIG. TURNED WELL OVER TO QUEST STAR SALES AT 12:00 HRS, 10/27/08. FLOWED 325 MCFD RATE ON 12/64" CHOKE. 225 STATIC . QUEST STAR METER #7887.

**10-29-2008**      **Reported By**      MICHAEL WHITE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0						
<b>Cum Costs: Drilling</b>	\$788,183	<b>Completion</b>	\$751,266	<b>Well Total</b>	\$1,539,449						
<b>MD</b>	9,460	<b>TVD</b>	9,460	<b>Progress</b>	0	<b>Days</b>	24	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : PRICE RIVER</b>		<b>PBTD : 9280.0</b>		<b>Perf : 7123-9225</b>		<b>PKR Depth : 0.0</b>					

**Activity at Report Time: ON SALES**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 704 MCF, 50 BC & 160 BW IN 20 HRS ON 12/64 CHOKE, FTP 2000 PSIG, CP 2700 PSIG.



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	7123	9226		GREEN RIVER MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER MIDDLE PRICE RIVER	1682 2304 4568 4691 5276 5974 7119 7963

32. Additional remarks (include plugging procedure):

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

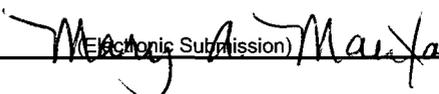
33. Circle enclosed attachments:

- 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 #64778 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal**

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

Signature  Date 11/14/2008

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 1277-22 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

8205-8386	3/spf
8013-8162	3/spf
7643-7934	3/spf
7447-7610	3/spf
7302-7408	3/spf
7123-7266	3/spf

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

8205-8386	41,644 GALS GELLED WATER & 130,000# 20/40 SAND
8013-8162	47,727 GALS GELLED WATER & 150,060# 20/40 SAND
7643-7934	36,465 GALS GELLED WATER & 113,500# 20/40 SAND
7447-7610	39,922 GALS GELLED WATER & 125,700# 20/40 SAND
7302-7408	41,311 GALS GELLED WATER & 134,420# 20/40 SAND
7123-7266	50,953 GALS GELLED WATER & 157,920# 20/40 SAND

Perforated the Lower Price River from 8990-91', 9016-17', 9024-25', 9044-45', 9058-59', 9071-72', 9099-9100', 9108-09', 9123-24', 9148-49', 9163-64', 9186-87', 9220-21', 9225-26' w/ 3 spf.

Perforated the Lower Price River from 8803-04', 8837-38', 8875-76', 8879-80', 8883-84', 8899-8900', 8905-06', 8909-10', 8918-20', 8928-29', 8934-35' w/ 3 spf.

Perforated the Middle Price River from 8609-10', 8614-15', 8625-26', 8645-46', 8660-61', 8665-66', 8676-77', 8689-90', 8711-12', 8741-43', 8754-55' w/ 3 spf.

Perforated the Middle Price River from 8427-28', 8434-35', 8439-40', 8461-62', 8472-73', 8484-85', 8515-16', 8527-28', 8534-35', 8538-39', 8551-52', 8565-66' w/ 3 spf.

Perforated the Middle Price River from 8205-06', 8238-39', 8258-59', 8273-74', 8277-78', 8299-8300', 8308-09', 8320-21', 8328-29', 8340-41', 8374-75', 8385-86' w/ 3 spf.

Perforated the Middle Price River from 8013-14', 8020-21', 8034-35', 8041-42', 8074-75', 8080-81', 8112-13', 8125-26', 8141-42', 8149-51', 8161-62' w/ 3 spf.

Perforated the Upper Price River from 7643-44', 7656-57', 7695-96', 7710-12', 7761-62', 7795-96', 7802-03', 7819-20', 7879-80', 7901-02', 7933-34' w/ 3 spf.

Perforated the Upper Price River from 7447-48', 7453-54', 7460-61', 7499-7500', 7514-15', 7519-20', 7532-33', 7549-50', 7553-54', 7567-68', 7586-87', 7609-10' w/ 3 spf.

Perforated the Upper Price River from 7302-03', 7315-17', 7324-25', 7339-41', 7357-58', 7364-65', 7388-90', 7394-95', 7407-08' w/ 3 spf.

Perforated the Upper Price River from 7123-24', 7130-31', 7140-42', 7151-53', 7228-29', 7242-44', 7253-54', 7264-66' w/ 3 spf.

**32. FORMATION (LOG) MARKERS**

Lower Price River	8748
Sego	9255

**REPORT OF WATER ENCOUNTERED DURING DRILLING**

Well name and number: CWU 1277-22

API number: 4304738531

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

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
		NO WATER	FLUID DRILLED HOLE

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

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

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

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE *Mary A. Maestas*

DATE 11/14/2008

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

8. Well Name and No.  
CHAPITA WELLS UNIT 1277-22

9. API Well No.  
43-047-38531

10. Field and Pool, or Exploratory  
NATURAL BUTTES

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
EOG RESOURCES, INC. Contact: MARY A. MAESTAS  
E-Mail: mary\_maestas@egoresources.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 SESE 1290FSL 778FEL  
40.01778 N Lat, 109.41946 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
	<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.)

Per verbal approval with Nate Packer, BLM Vernal Field Office, EOG Resources, Inc. installed a small evaporation unit on the reserve pit for the referenced well. The unit will be in place until the pit is fully evaporated. Upon completion of evaporation, the pit will be reclaimed.

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

**Electronic Submission #68130 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature

*Mary A. Maestas*

Electronic Submission

Date 03/17/2009

**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**

**MAR 23 2009**

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

<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
<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
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> CWU 1277-22
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047385310000
<b>3. ADDRESS OF OPERATOR:</b> 600 17th Street, Suite 1000 N , Denver, CO, 80202	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 1290 FSL 0778 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SESE Section: 22 Township: 09.0S Range: 22.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 9/21/2009	<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 9/21/2009 as per the APD procedure.

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

**FOR RECORD ONLY**  
 September 28, 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> 9/25/2009