

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

FORM 3

AMENDED REPORT   
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>			5. MINERAL LEASE NO: <b>U-01791</b>	6. SURFACE: State
1A. TYPE OF WORK:    DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL:    OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____    SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			8. UNIT or CA AGREEMENT NAME: <b>NATURAL BUTTES UNIT</b>	
2. NAME OF OPERATOR: <b>EOG RESOURCES, INC.</b>			9. WELL NAME and NUMBER: <b>NATURAL BUTTES UNIT 569-17E</b>	
3. ADDRESS OF OPERATOR: 1060 EAST HIGHWAY 40    CITY <b>VERNAL</b> STATE <b>UT</b> ZIP <b>84078</b>			PHONE NUMBER: (435) 789-0790	10. FIELD AND POOL, OR WILDCAT: <b>NATURAL BUTTES</b>
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: <b>2009 FNL 1809 FEL 39.949608 LAT 109.572814 LON</b> AT PROPOSED PRODUCING ZONE: <b>SAME</b>			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWNE 17 10S 21E S</b>	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: <b>45.3 MILES SOUTH OF VERNAL, UTAH</b>			12. COUNTY: <b>UINTAH</b>	13. STATE: <b>UTAH</b>
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) <b>631</b>	16. NUMBER OF ACRES IN LEASE: <b>2164</b>	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) <b>3230</b>	19. PROPOSED DEPTH: <b>9,911</b>	20. BOND DESCRIPTION: <b>NM 2308</b>		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): <b>5154 GL</b>	22. APPROXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION: <b>45 DAYS</b>		

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
17-1/2	13-3/8	H-40	48#	45	SEE ATTACHED EIGHT POINT PLAN
12-1/4	9-5/8	J-55	36#	2,300	SEE ATTACHED EIGHT POINT PLAN
7-7/8	4-1/2	N-80	11.6#	9,911	SEE ATTACHED EIGHT POINT PLAN

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Kaylene R. Gardner    TITLE Sr. Regulatory Assistant  
SIGNATURE *Kaylene R. Gardner*    DATE 8/17/2006

(This space for State use only)

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

**RECEIVED  
AUG 29 2006**

API NUMBER ASSIGNED: 43047-38534

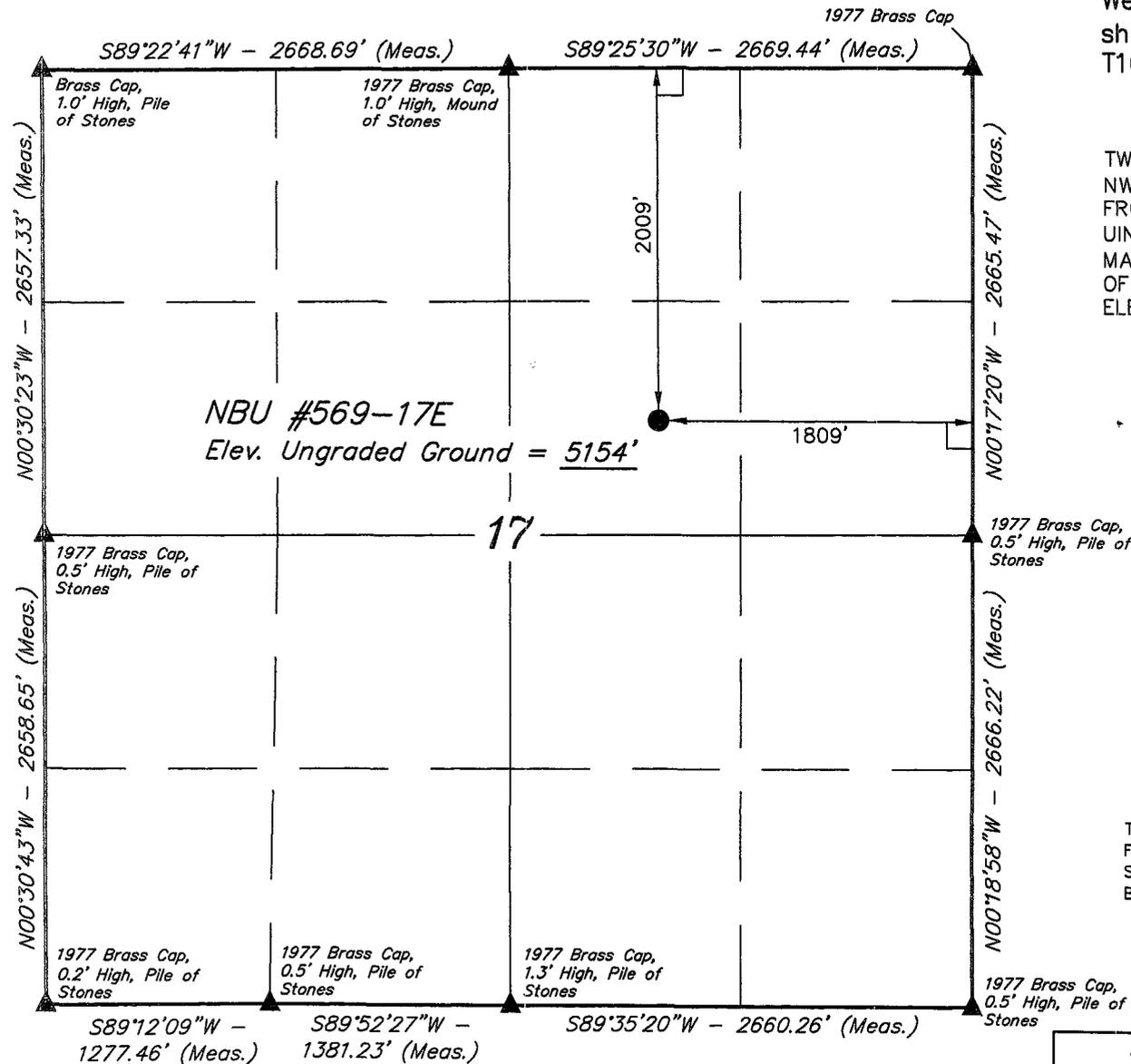
APPROVAL:  
Date: 04-10-07  
By: *[Signature]*

DIV. OF OIL, GAS & MINING

# T10S, R21E, S.L.B.&M.

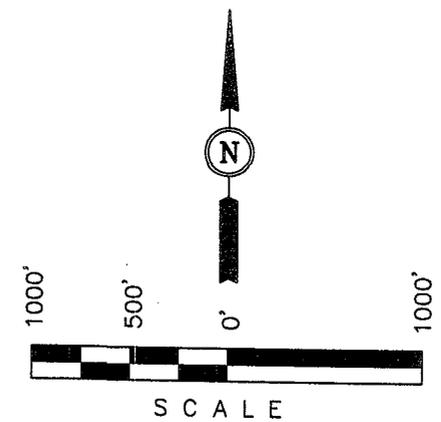
EOG RESOURCES, INC.

Well location, NBU #569-17E, located as shown in the SW 1/4 NE 1/4 of Section 17, T10S, R21E, S.L.B.&M., Uintah County, Utah.



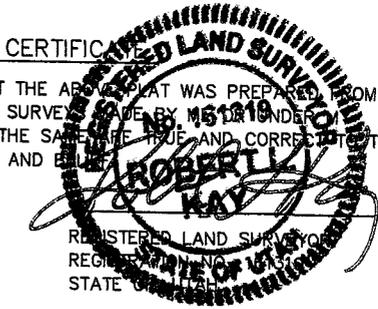
### BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



### CERTIFICATION

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



### BASIS OF BEARINGS

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

(NAD 83)  
LATITUDE =  $39^{\circ}56'58.59''$  (39.949608)  
LONGITUDE =  $109^{\circ}34'22.13''$  (109.572814)  
(NAD 27)  
LATITUDE =  $39^{\circ}56'58.72''$  (39.949644)  
LONGITUDE =  $109^{\circ}34'19.65''$  (109.572125)

### LEGEND:

- $\perp$  = 90° SYMBOL
- $\bullet$  = PROPOSED WELL HEAD.
- $\blacktriangle$  = SECTION CORNERS LOCATED.

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

SCALE 1" = 1000'	DATE SURVEYED: 06-20-06	DATE DRAWN: 06-22-06
PARTY G.S. K.C. S.L.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**

**NATURAL BUTTE UNIT 569-17E**  
**SW/NE, SEC. 17, T10S, R21E, 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	1,314'
Wasatch	4,500'
Chapita Wells	5,133'
Buck Canyon	5,821'
North Horn	6,365'
Island	7,189'
KMV Price River	7,382'
KMV Price River Middle	8,295'
KMV Price River Lower	9,070'
Sego	9,711'

Estimated TD: **9,911' or 200'± below Sego top**

**Anticipated BHP: 5,412 Psig**

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

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

**4. CASING PROGRAM:**

	<b><u>HOLE SIZE</u></b>	<b><u>INTERVAL</u></b>	<b><u>SIZE</u></b>	<b><u>WEIGHT</u></b>	<b><u>GRADE</u></b>	<b><u>THREAD</u></b>	<b><u>RATING FACTOR</u></b>		
							<b><u>COLLAPSE</u></b>	<b><u>BURST</u></b>	<b><u>TENSILE</u></b>
<b>Conductor:</b>	17 ½"	0' – 45'	13 ¾"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
<b>Surface</b>	12-1/4"	45' – 2,300'KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
<b>Production:</b>	7-7/8"	2,300'± – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

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

**5. Float Equipment:**

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

**EIGHT POINT PLAN**

**NATURAL BUTTE UNIT 569-17E**  
**SW/NE, SEC. 17, T10S, R21E, 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**

**NATURAL BUTTE UNIT 569-17E**  
**SW/NE, SEC. 17, T10S, R21E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**9. CEMENT PROGRAM:**

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

**Lead:** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

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

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

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

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

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

**Tail:** **910 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9 gps water.

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

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

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

**EIGHT POINT PLAN**

**NATURAL BUTTE UNIT 569-17E**  
**SW/NE, SEC. 17, T10S, R21E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**11. STANDARD REQUIRED EQUIPMENT:**

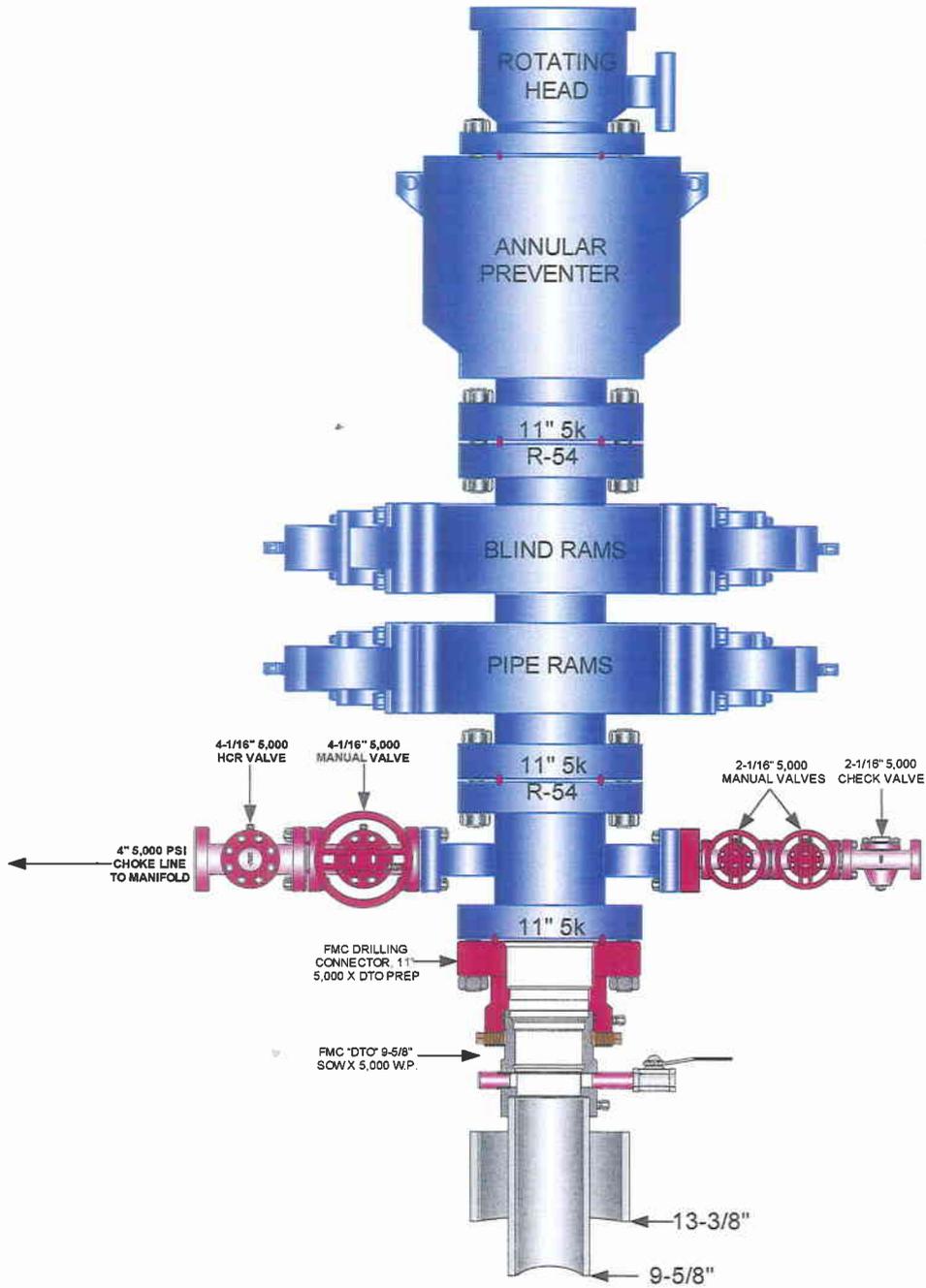
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

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

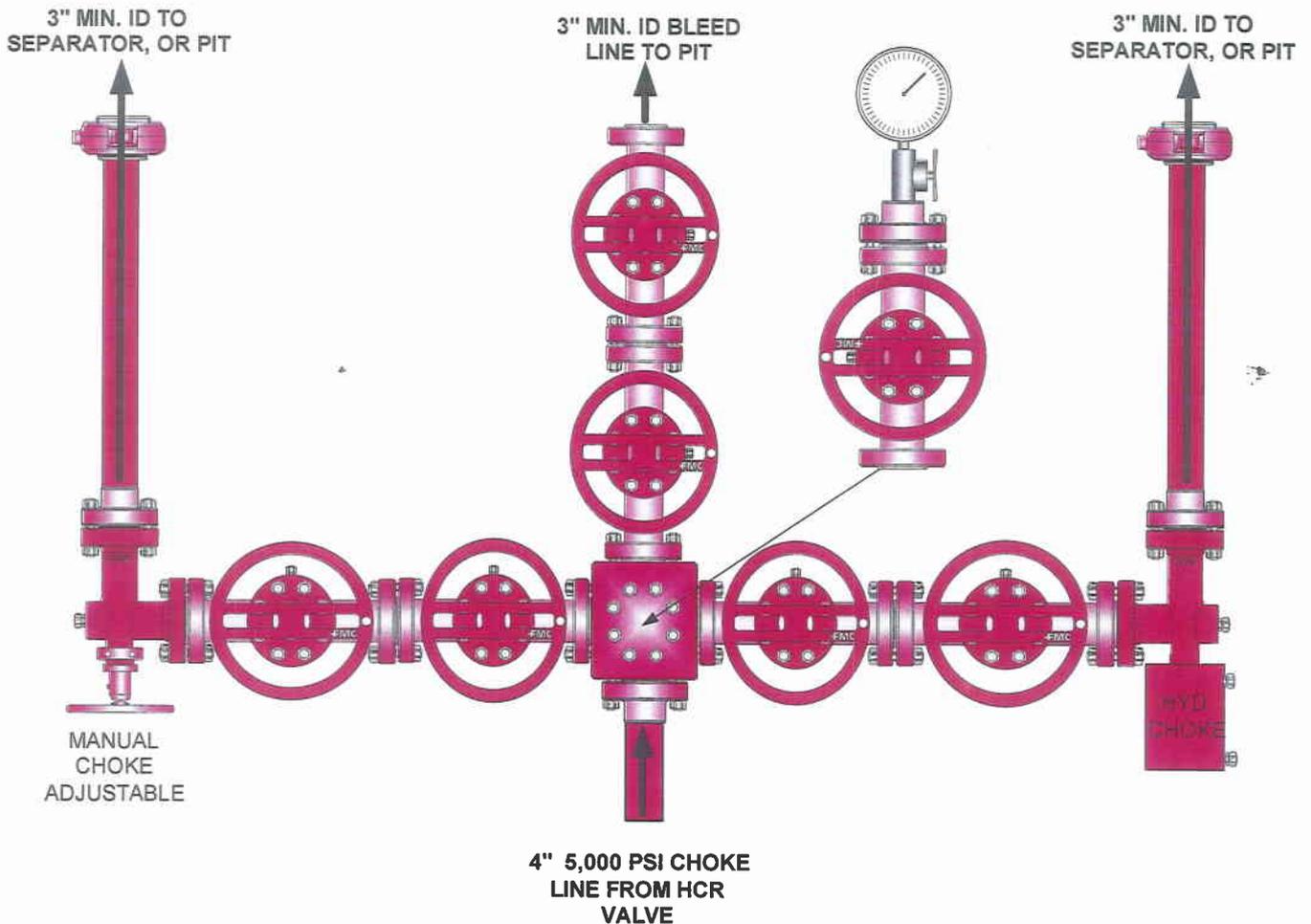
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF



**Testing Procedure:**

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



**NATURAL BUTTES UNIT 569-17E  
SW/NE, Section 17, T10S, R21E  
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 140 feet long with a 30-foot right-of-way, disturbing approximately 0.13 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 1.97 acres. The pipeline is approximately 404 feet long with a 40 foot right of way, disturbing approximately 0.37 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 45.3 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 140' 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 then 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 404' x 40'. The proposed pipeline leaves the northern edge of the well pad proceeding in a northerly direction for an approximate distance of 404' tying into an existing pipeline in the SWNE of Section 17, T10S, R21E (Lease U-01791). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lok, electric weld with a 35 mil X-Tru coating.
3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface
4. Protective measures and devices for livestock and wildlife will be taken and /or installed where required.

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

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

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

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

**6. SOURCE OF CONSTRUCTION MATERIALS:**

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

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

**A. METHODS AND LOCATION**

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

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

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

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

**8. ANCILLARY FACILITIES:**

None anticipated.

**9. WELL SITE LAYOUT:**

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

The reserve pit will be located on the Northwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the 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 Eastt of Corner #5. The stockpiled location topsoil will be stored between Corners #3 and #2. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the East.

**FENCING REQUIREMENTS:**

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

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)

- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

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

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

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

### **A. Producing Location**

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

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

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

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

### **B. 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.

**11. SURFACE OWNERSHIP:**

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

State of Utah

**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 submitted by Montgomery Archaeological Consultants.

***LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:***

**PERMITTING AGENT**

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

**DRILLING OPERATIONS**

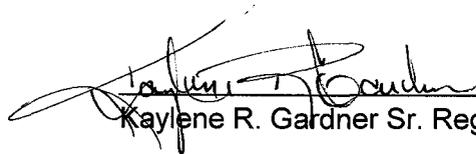
Donald Presenkowski  
EOG Resources, Inc.  
P.O. Box 250  
Big Piney, WY 83113  
307-276-4865

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

Please be advised that EOG Resources, Inc. is considered to be the operator of the Natural Buttes Unit 569-17E Well, located in the SWNE, of Section 17, T10S, R21E, 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 17, 2006

Date

  
\_\_\_\_\_  
Kaylene R. Gardner Sr. Regulatory Assistant

# EOG RESOURCES, INC.

NBU #569-17E

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 17, T10S, R21E, S.L.B.&M.

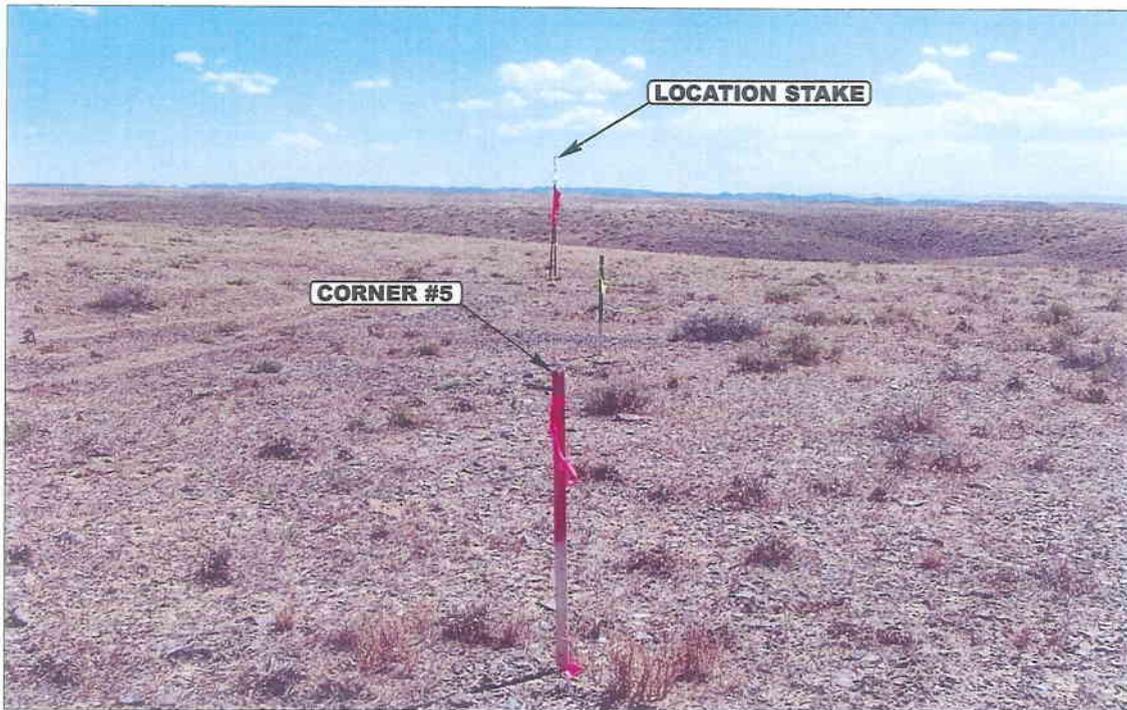


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

**UELS** Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

**LOCATION PHOTOS**

**06 22 06**  
MONTH DAY YEAR

**PHOTO**

TAKEN BY: G.S. DRAWN BY: L.K. REVISED: 00-00-00

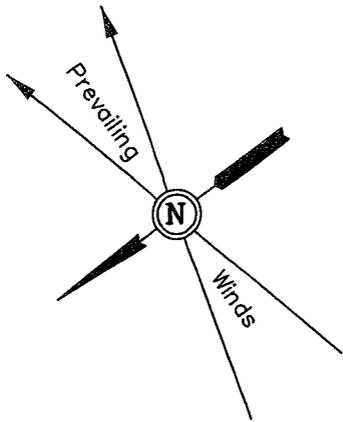
EOG RESOURCES, INC.

LOCATION LAYOUT FOR

NBU #569-17E

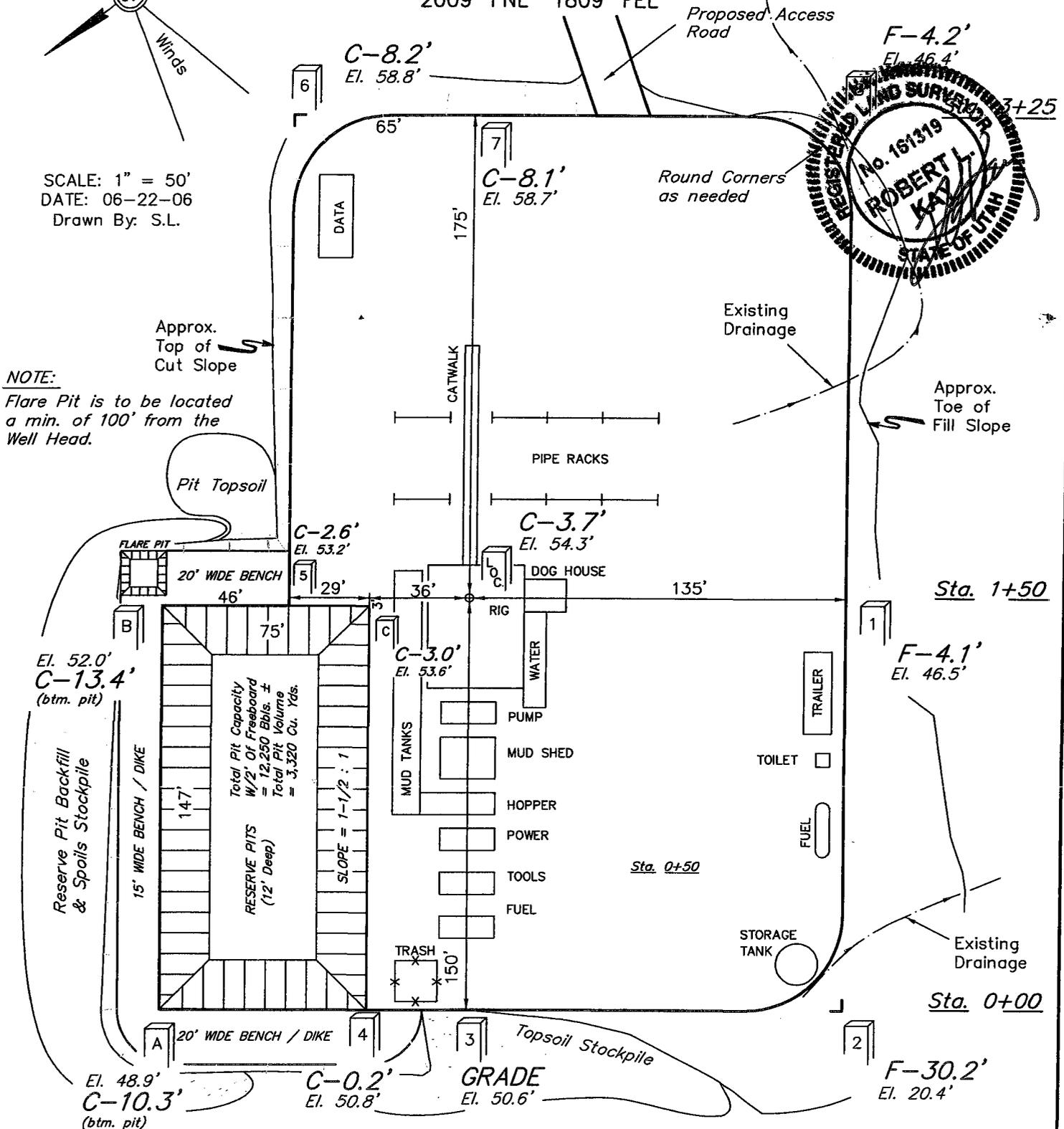
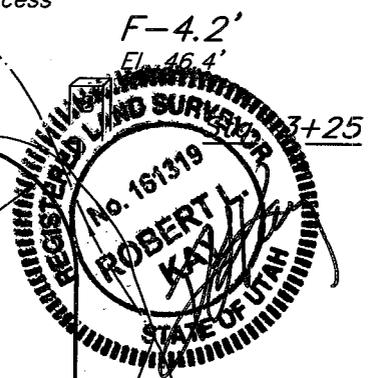
SECTION 17, T10S, R21E, S.L.B.&M.

2009' FNL 1809' FEL



SCALE: 1" = 50'  
DATE: 06-22-06  
Drawn By: S.L.

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



**NOTES:**

Elev. Ungraded Ground At Loc. Stake = 5154.3'

FINISHED GRADE ELEV. AT LOC. STAKE = 5150.6'

FIGURE #1

EOG RESOURCES, INC.

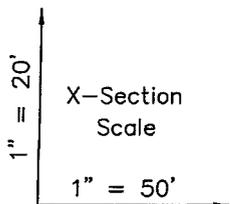
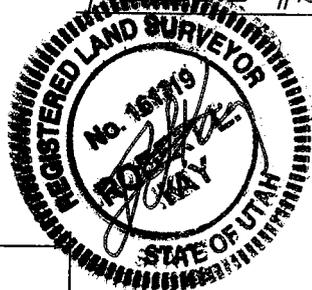
TYPICAL CROSS SECTIONS FOR

NBU #569-17E

SECTION 17, T10S, R21E, S.L.B.&M.

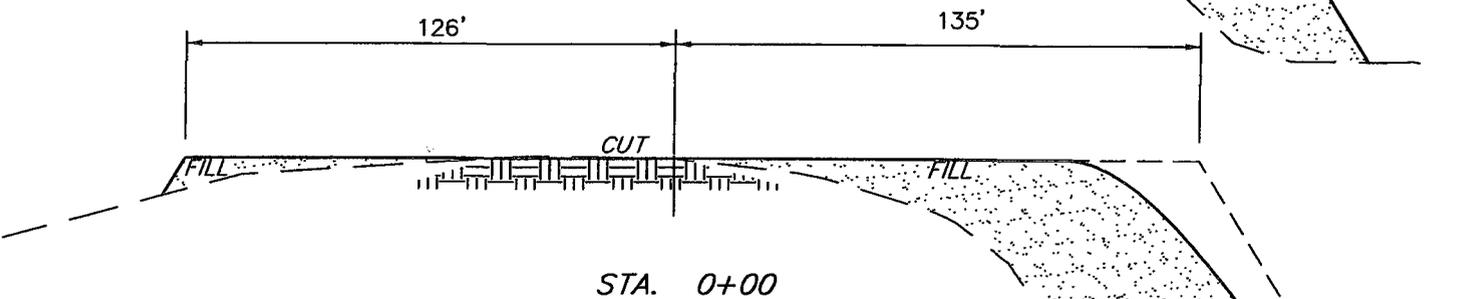
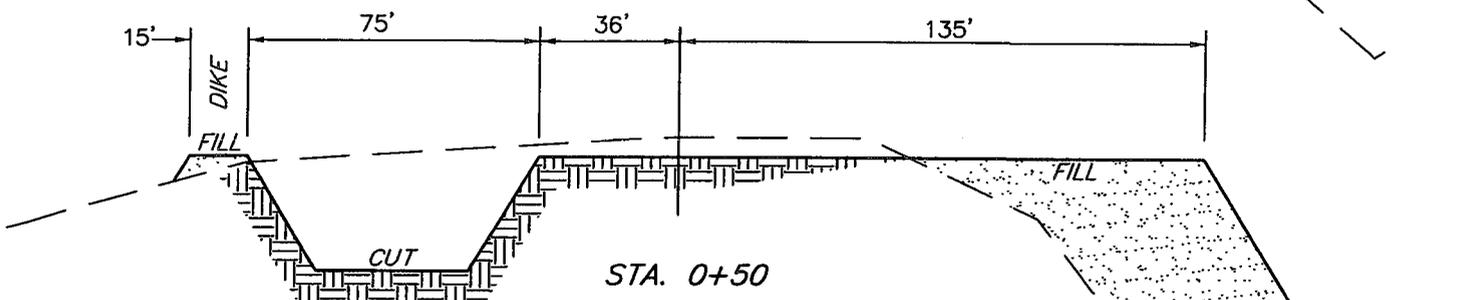
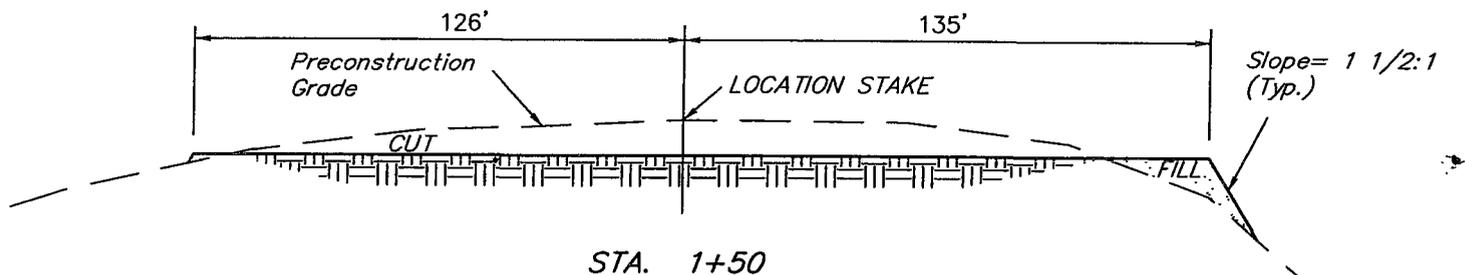
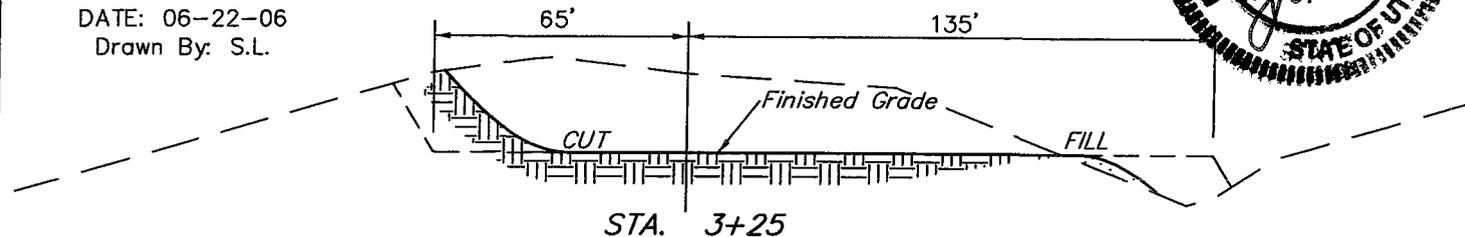
2009' FNL 1809' FEL

FIGURE #2



DATE: 06-22-06

Drawn By: S.L.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

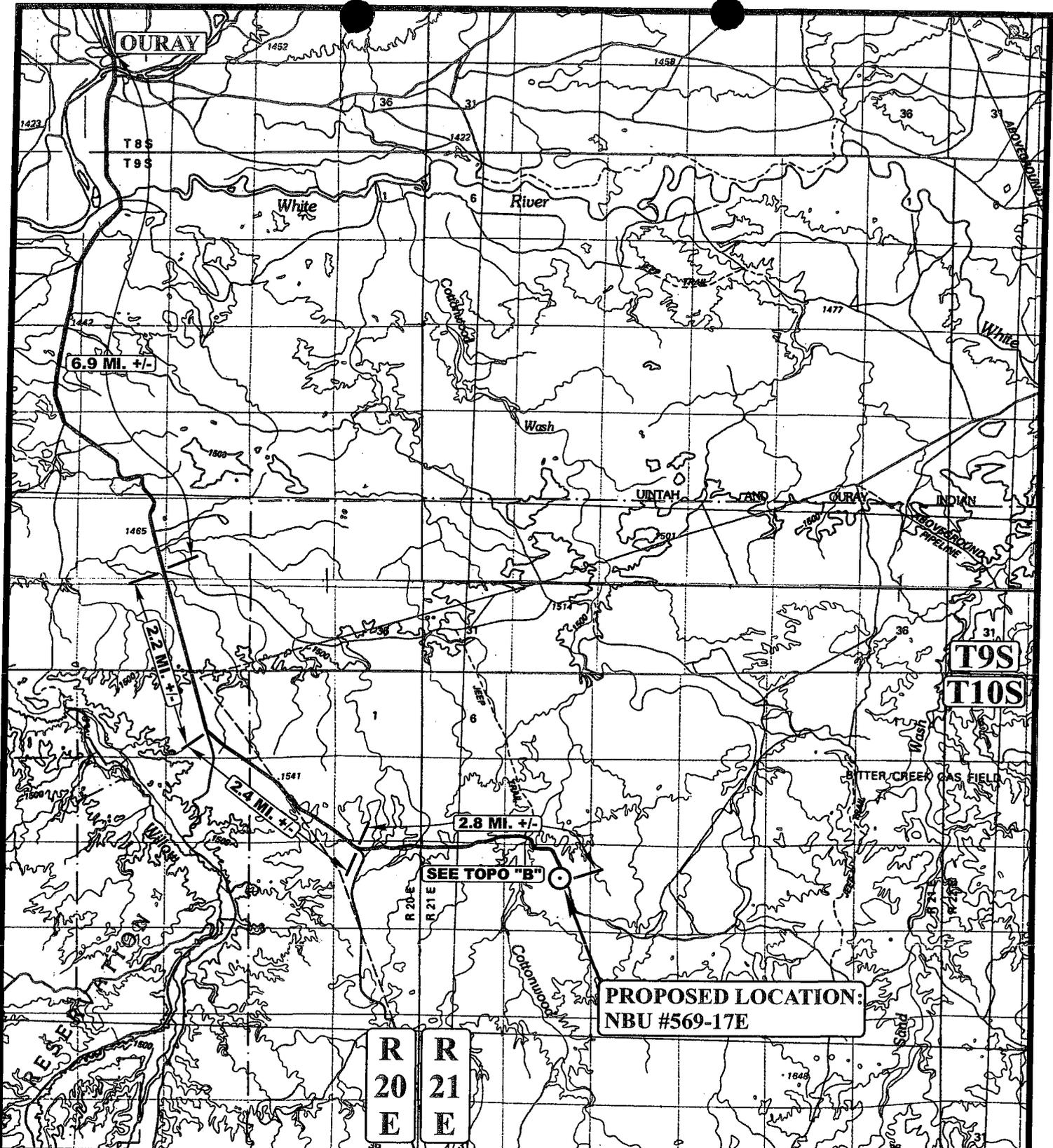
\* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,770 Cu. Yds.
Remaining Location	= 9,740 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 11,510 CU.YDS.</b>
<b>FILL</b>	<b>= 8,080 CU.YDS.</b>

EXCESS MATERIAL	= 3,430 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,430 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.



**PROPOSED LOCATION:  
NBU #569-17E**

**SEE TOPO "B"**

**R  
20  
E**   **R  
21  
E**

**LEGEND:**

○ PROPOSED LOCATION



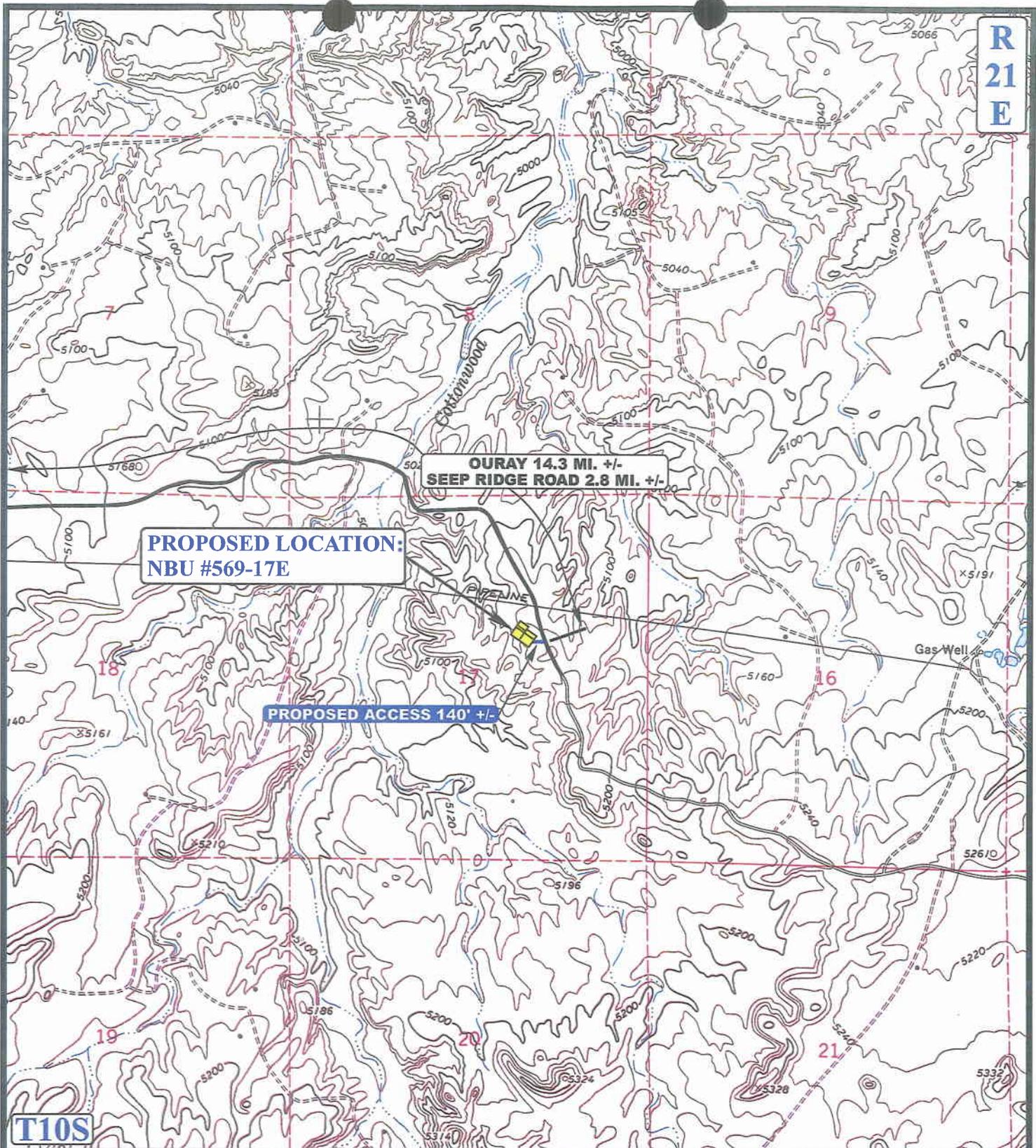
**EOG RESOURCES, INC.**

**NBU #569-17E  
SECTION 17, T10S, R21E, S.L.B.&M.  
2009' FNL 1809' FEL**

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

**TOPOGRAPHIC** 06 22 06  
**MAP** MONTH DAY YEAR  
SCALE: 1:100,000 DRAWN BY: L.K. REVISED: 00-00-00 **A**  
**TOPO**

R  
21  
E



T10S

**LEGEND:**

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD

**EOG RESOURCES, INC.**

NBU #569-17E  
 SECTION 17, T10S, R21E, S.L.B.&M.  
 2009' FNL 1809' FEL



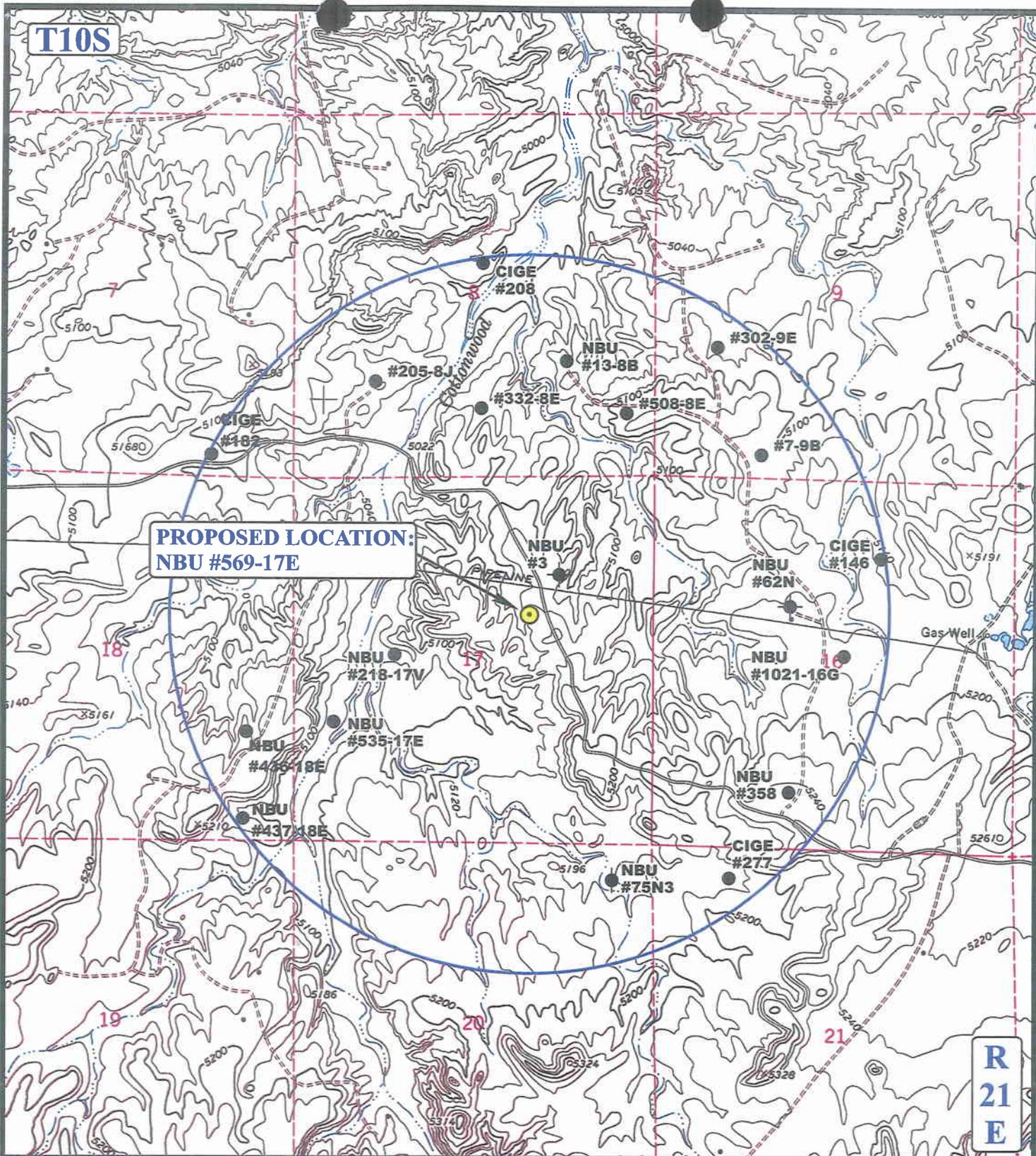
**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC MAP** 06 22 06  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 06-28-06





**PROPOSED LOCATION:  
NBU #569-17E**

**LEGEND:**

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

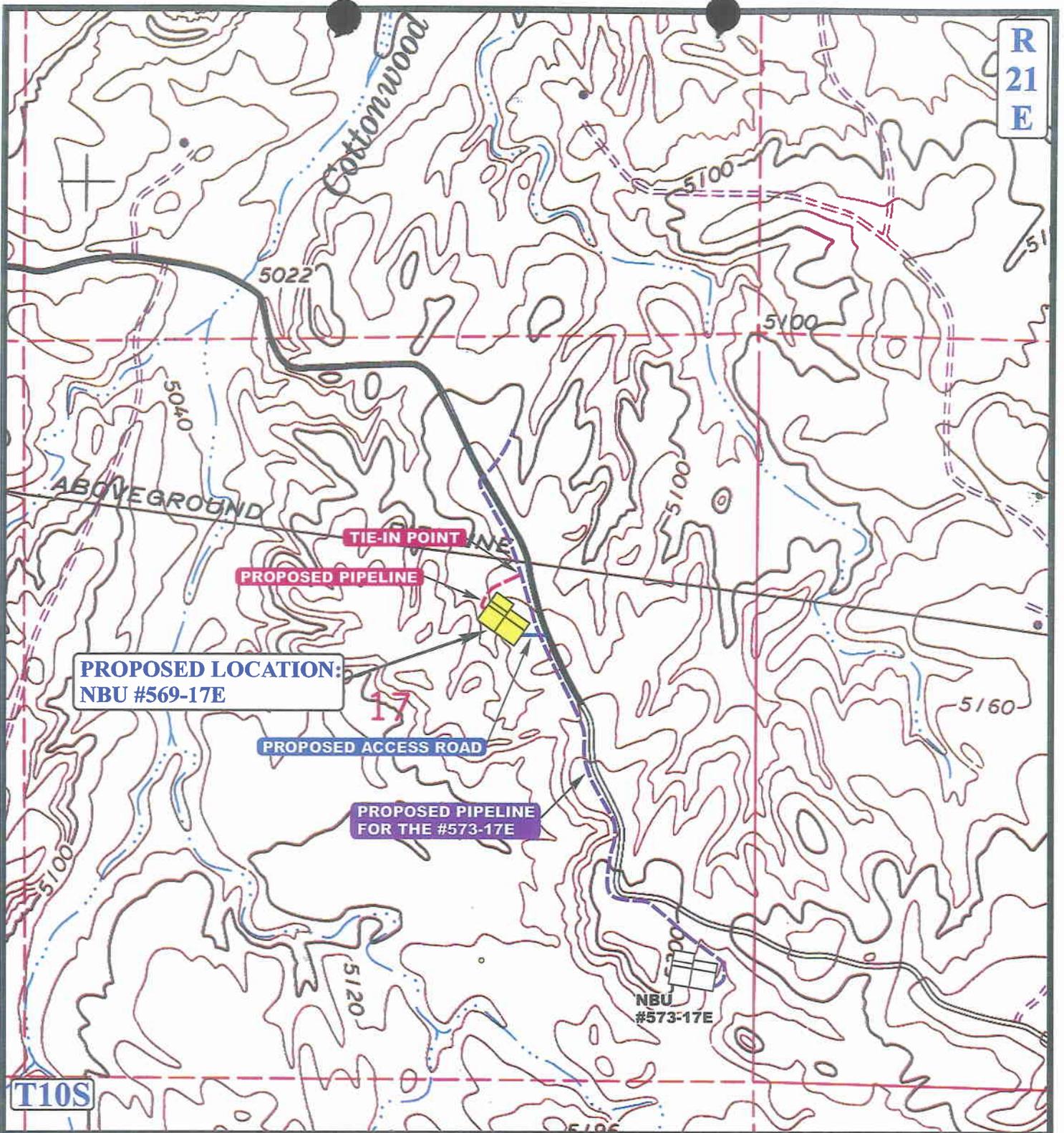
**EOG RESOURCES, INC.**

**NBU #569-17E  
SECTION 17, T10S, R21E, S.L.B.&M.  
2009' FNL 1809' FEL**

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



**TOPOGRAPHIC MAP** 06 22 06  
MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00 **C**  
TOPO



**APPROXIMATE TOTAL PIPELINE DISTANCE = 404' +/-**

**LEGEND:**

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



**EOG RESOURCES, INC.**

**NBU #569-17E  
SECTION 17, T10S, R21E, S.L.B.&M.  
2009' FNL 1809' FEL**



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

**TOPOGRAPHIC MAP** 06 22 06  
MONTH DAY YEAR  
SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 06-28-06



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/29/2006

API NO. ASSIGNED: 43-047-38534
--------------------------------

WELL NAME: NBU 569-17E  
 OPERATOR: EOG RESOURCES INC ( N9550 )  
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-789-0790

PROPOSED LOCATION:

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

SWNE 17 100S 210E  
 SURFACE: 2009 FNL 1809 FEL  
 BOTTOM: 2009 FNL 1809 FEL  
 COUNTY: UINTAH  
 LATITUDE: 39.94960 LONGITUDE: -109.5721  
 UTM SURF EASTINGS: 621979 NORTHINGS: 4422930  
 FIELD NAME: NATURAL BUTTES ( 630 )

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: U-01791  
 SURFACE OWNER: 3 - State

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:

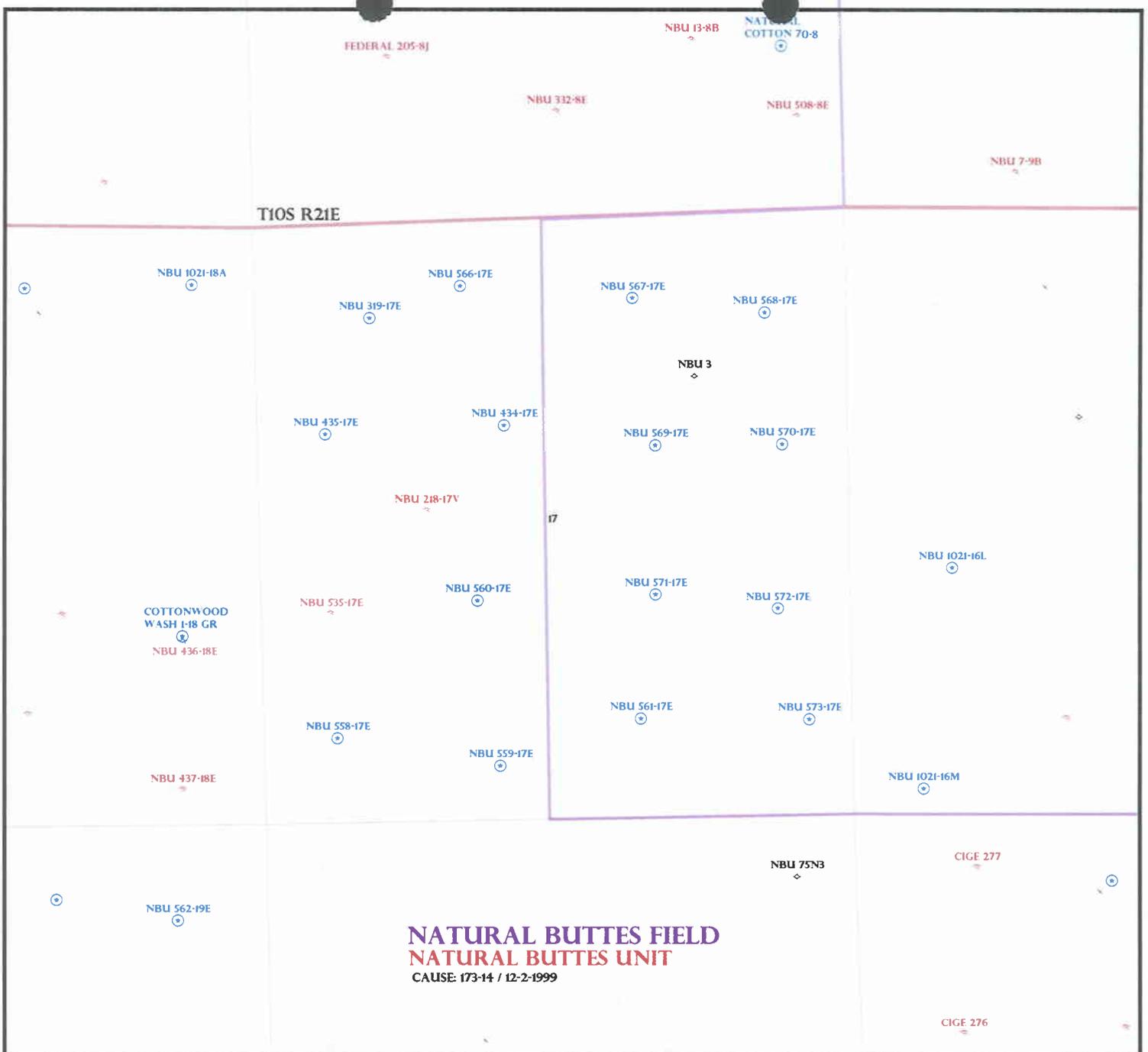
- \_\_\_ R649-2-3.
- Unit: NATURAL BUTTES *OK*
- \_\_\_ R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- \_\_\_ R649-3-3. Exception
- Drilling Unit  
Board Cause No: 173-14  
Eff Date: 12-2-1999  
Siting: 460' by utility, & 920' between wells
- \_\_\_ R649-3-11. Directional Drill

COMMENTS:

Needs permit (09-29-06)

STIPULATIONS:

- 1- Board Approval
- 2- STATEMENT OF BASIS
- 3- OIL SHALE



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 17 T.10S R. 21E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-14 / 12-2-1999

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

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

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



PREPARED BY: DIANA WHITNEY  
DATE: 31-AUGUST-2006

# Application for Permit to Drill

## Statement of Basis

10/2/2006

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
87	43-047-38534-00-00		GW	S	No
<b>Operator</b>	EOG RESOURCES INC	<b>Surface Owner-APD</b>			
<b>Well Name</b>	NBU 569-17E	<b>Unit</b>	NATURAL BUTTES		
<b>Field</b>	NATURAL BUTTES	<b>Type of Work</b>			
<b>Location</b>	SWNE 17 10S 21E S 0 FL 0 FL	GPS Coord (UTM)	621979E 4422930N		

### Geologic Statement of Basis

The mineral rights at the proposed location are owned by the BLM. The BLM will be the agency responsible for evaluating the proposed drilling, casing and cementing program prior to well approval.

Brad Hill

10/2/2006

APD Evaluator

Date / Time

### Surface Statement of Basis

The general area is Cottonwood Wash Drainage. It is characterized by rolling hills, which are frequently divided by somewhat gentle draws, which flow into Cottonwood Wash. Cottonwood Wash is an ephemeral drainage, which drains northerly approximately 9 miles to the White River. The draws are sometimes rimmed with steep side hills, which have exposed sand stone bedrock cliffs along the rims.

This location is approximately 14 miles southeast of Ouray, Ut. and is accessed by the Seep Ridge Road to the Uintah County Glen Bench Road then by existing or planned oil field development roads to within 140 feet of the site.

The proposed location is immediately south of the Glenn Bench road on a gentle sloping east-west trending ridge with a drainage on the southwest. Corner 2 of the location is staked in the bottom of this drainage. Holly Villa and Darren Williams, represented the BLM. Ms. Villa agreeded with rounding off the corner of the location at Stake #2 so that little or no fill would be deposited in the bottom of the drainage.

Ben Williams representing the UDWR stated the area is classified as yearlong critical habitat for antelope. He stated that the lack of water not forage is the limiting factor affecting the herd in the area. He recommended no restrictions for antelope. No other wildlife is expected to be significantly affected. He gave Ed Bonner of SITLA and Byron Toleman, representing EOG, a copy of his wildlife evaluation and a UDWR recommended seed mix to be used when revegetating the location.

Floyd Bartlett

9/26/2006

Onsite Evaluator

Date / Time

### Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 12 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	Location corner # 2 is in the bottom of the drainage on the southwest side. The location at this corner needs to be rounded-off so as not to deposit any fill in the bottom of this dry drainage.

# ON-SITE PREDRILL EVALUATION

## Utah Division of Oil, Gas and Mining

**Operator** EOG RESOURCES INC  
**Well Name** NBU 569-17E  
**API Number** 43-047-38534-0      **APD No** 87      **Field/Unit** NATURAL BUTTES  
**Location:** 1/4,1/4 SWNE      **Sec** 17    **Tw** 10S    **Rng** 21E    0 FL 0 FL  
**GPS Coord (UTM)** 621979      4422936      **Surface Owner**

### Participants

Floyd Bartlett (DOGM), Ed Bonner (SITLA), Holly Villa and Darren Williams (BLM), Byron Tolman (Representing EOG), Ben Williams (Utah Division of Wildlife Resources)

### Regional/Local Setting & Topography

General area is Cottonwood Wash Drainage. It is characterized by rolling hills, which are frequently divided by somewhat gentle draws, which flow into Cottonwood Wash. Cottonwood Wash is an ephemeral drainage, which drains northerly approximately 9 miles to the White River. The draws are sometimes rimmed with steep side hills, which have exposed sand stone bedrock cliffs along the rims.

This location is approximately 14 miles southeast of Ouray, Ut. and is accessed by the Seep Ridge Road to the Uintah County Glen Bench Road then by existing or planned oil field development roads to within 140 feet of the site.

The proposed location is immediately south of the Glenn Bench road on an gentle sloping east-west trending ridge with a drainage on the southwest. Corner 2 of the location is staked in the bottom of this drainage.

### Surface Use Plan

#### **Current Surface Use**

Grazing  
Wildlife Habitat

#### **New Road**

Miles	Well Pad	Src Const Material	Surface Formation
0.01	Width 246	Length 325	Onsite
			GRRV

**Ancillary Facilities** N

### Waste Management Plan Adequate? Y

### Environmental Parameters

**Affected Floodplains and/or Wetland** Y

#### **Flora / Fauna**

Poorly vegetated with mat saltbrush, Gardner saltbrush, shadscale, halogeton, broom snakeweed. cheat grass, bud sage and mustard weed.

Antelope, small mammals and birds.

#### **Soil Type and Characteristics**

Gravelly sandy loam with angular surface pavement.

**Erosion Issues** N

**Sedimentation Issues** N

**Site Stability Issues** N

**Drainage Diversion Required** N

**Berm Required?** N

**Erosion Sedimentation Control Required?** Y

Location corner # 2 is in the bottom of the drainage on the southwest side. The location at this corner needs to be rounded-off so as not to deposit any fill in the bottom of this dry drainage.

**Paleo Survey Run?** Y    **Paleo Potential Observed?** N    **Cultural Survey Run?** Y    **Cultural Resources?**

**Reserve Pit**

**Site-Specific Factors**

**Site Ranking**

<b>Distance to Groundwater (feet)</b>	>200	0
<b>Distance to Surface Water (feet)</b>	>1000	0
<b>Dist. Nearest Municipal Well (ft)</b>	>5280	0
<b>Distance to Other Wells (feet)</b>	300 to 1320	10
<b>Native Soil Type</b>	Mod permeability	10
<b>Fluid Type</b>	Fresh Water	5
<b>Drill Cuttings</b>	Normal Rock	0
<b>Annual Precipitation (inches)</b>	<10	0
<b>Affected Populations</b>	<10	0
<b>Presence Nearby Utility Conduits</b>	Not Present	0

**Final Score** 25    1    **Sensitivity Level**

**Characteristics / Requirements**

Located in an area of cut on the northwest corner of the location. Size is 147'x75'x12' deep. A pit liner is required.

**Closed Loop Mud Required?** N    **Liner Required?** Y    **Liner Thickness** 12    **Pit Underlayment Required?** Y

**Other Observations / Comments**

Ben Williams representing the UDWR stated the area is classified as yearlong critical habitat for antelope. He stated that the lack of water not forage is the limiting factor affecting the herd in the area. He recommended no restrictions for antelope. No other wildlife is expected to be significantly affected. He gave Ed Bonner of SITLA and Byron Toleman, representing EOG, a copy of his wildlife evaluation and a UDWR recommended seed mix to be used when revegetating the location.

Holly Villa and Darren Williams, represented the BLM. Holly Villa agreed with rounding off the corner of the location at Stake #2 so that little or no fill would be deposited in the bottom of the drainage.

Floyd Bartlett  
**Evaluator**

9/26/2006  
**Date / Time**



**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*

April 10, 2007

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

Re: Natural Buttes Unit 569-17E Well, 2009' FNL, 1809' FEL, SW NE, Sec. 17,  
T. 10 South, R. 21 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 43-047-38534.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor (via e-mail)  
Bureau of Land Management, Vernal Office  
SITLA

Operator: EOG Resources, Inc.  
Well Name & Number Natural Buttes Unit 569-17E  
API Number: 43-047-38534  
Lease: U-01791

Location: SW NE Sec. 17 T. 10 South R. 21 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 with 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 Dustin Doucet at (801) 538-5281 office  
(801) 733-0983 home

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

5. 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.

6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

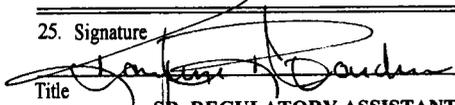
**APPLICATION FOR PERMIT TO DRILL OR REENTER**

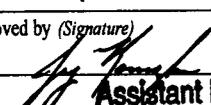
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No. <b>NATURAL BUTTES UNIT</b>
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		8. Lease Name and Well No. <b>NATURAL BUTTES UNIT 569-17E</b>
2. Name of Operator <b>EOG RESOURCES, INC</b>		9. API Well No. <b>43-047-38534</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>2009 FNL 1809 FEL (SWNE) 39.949608 LAT 109.572814 LON</b> At proposed prod. zone <b>SAME</b>		11. Sec., T. R. M. or Blk. and Survey or Area <b>SEC 17, T10S, R21E S.L.B.&amp;M</b>
14. Distance in miles and direction from nearest town or post office* <b>45.3 MILES SOUTH OF VERNAL, UTAH</b>		12. County or Parish <b>UINTAH</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>631</b>		13. State <b>UT</b>
16. No. of acres in lease <b>2164</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>3230</b>		19. Proposed Depth <b>9911</b>
20. BLM/BIA Bond No. on file <b>NM 2308</b>		21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5154 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>08/17/2006</b>
Title <b>SR. REGULATORY ASSISTANT</b>		

Approved by (Signature) 	Name (Printed/Typed) <b>JEAN KEVAKA</b>	Date <b>6-1-2007</b>
Title <b>Assistant Field Manager Lands &amp; Mineral Resources</b>	Office <b>VERNAL FIELD OFFICE</b>	

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

**CONDITIONS OF APPROVAL ATTACHED**

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

**RECEIVED**

\*(Instructions on page 2)

06TT0340A

Entered in AFMSS  
Date 11/28/06

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

AUG 21 2006

**NOTICE OF APPROVAL**

**RECEIVED  
JUN 08 2007  
DIV. OF OIL, GAS & MINING**

NOS 07/03/06

**UDOGM**



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

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

**Company:** EOG Resources, Inc.  
**Well No:** NBU 569-17E  
**API No:** 43-047-38534

**Location:** SWNE, Sec. 17, T10S, R21E  
**Lease No:** UTU-01791  
**Agreement:** Natural Buttes Unit

<b>Title</b>	<b>Name</b>	<b>Office Phone Number</b>	<b>Cell Phone Number</b>
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
NRS/Enviro Scientist:	Paul Buhler	(435) 781-4475	(435) 828-4029
NRS/Enviro Scientist:	Karl Wright	(435) 781-4484	
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	
NRS/Enviro Scientist:	Vacant	(435) 781-4476	(435) 828-7381
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Jannice Cutler	(435) 781-3400	
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	

Fax: (435) 781-4410

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

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

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

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

**Surface COAs:**

<b>CATEGORY</b>	<b>CONDITION</b>
Pits	A synthetic liner with a minimum thickness of 12 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	Location corner #2 is in the bottom of the drainage on the southwest side. The location at this corner needs to be rounded-off so as not to deposit any fill in the bottom of this dry drainage.

### **DOWNHOLE COAs:**

#### **SITE SPECIFIC DOWNHOLE COAs:**

- Electronic/mechanical mud monitoring equipment shall be required, from surface casing shoe to TD, which shall include as a minimum: pit volume totalizer (PVT); stroke counter; and flow sensor.
- A formation integrity test shall be performed at the surface casing shoe.
- Operator must notify any active gilsonite operation within 2 miles of the location 48 hrs prior to any blasting for this well.
- A Cement Bond Log (CBL) shall be run in the production casing from the TD to the top of cement. A field copy of the CBL shall be submitted to the BLM Vernal Field Office for review.

#### **Variance Granted:**

75 foot long blooie line approved.

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

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

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

- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to [UT\\_VN\\_Welllogs@BLM.gov](mailto:UT_VN_Welllogs@BLM.gov). This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

## **OPERATING REQUIREMENT REMINDERS:**

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or

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

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>			5. LEASE DESIGNATION AND SERIAL NUMBER: <b>U-01791</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>Natural Buttes Unit</b>
2. NAME OF OPERATOR: <b>EOG RESOURCES, INC.</b>			8. WELL NAME and NUMBER: <b>Natural Buttes Unit 569-17E</b>
3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY VERNAL STATE UT ZIP 84078		PHONE NUMBER: (435) 789-0790	9. API NUMBER: 43-047-38534
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2009 FNL - 1809 FEL 39.949608 Lat 109.572814 COUNTY: UINTAH QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 17 10S 21E S.L.B. & M STATE: UTAH			10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

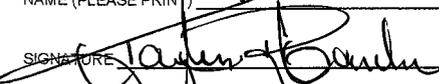
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

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

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 04-14-08  
By: 

NAME (PLEASE PRINT) <u>Kaylene R. Gardner</u>	TITLE <u>Lead Regulatory Assistant</u>
SIGNATURE 	DATE <u>4/4/2008</u>

(This space for State use only)

**RECEIVED**  
**APR 10 2008**

**COPY SENT TO OPERATOR**  
Date: 4.15.2008  
Initials: KS

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:** 43-047-38534  
**Well Name:** Natural Buttes Unit 569-17E  
**Location:** 2009 FNL - 1809 FEL (SWNE), SECTION 17, T10S, R21E S.L.B.&M  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 4/10/2007

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

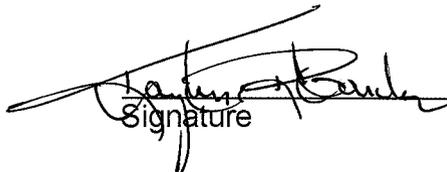
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

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

4/4/2008

Date

Title: Lead Regulatory Assistant

Representing: EOG Resources, Inc.

RECEIVED

APR 10 2008

DIV. OF OIL, GAS & MINING

**DIVISION OF OIL, GAS AND MINING**

***SPUDDING INFORMATION***

Name of Company: EOG RESOURCES INC

Well Name: NBU 569-17E

Api No: 43-047-38534 Lease Type: FEDERAL-STATE SURF

Section 17 Township 10S Range 21E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # RATHOLE

**SPUDDED:**

Date 07/18/08

Time 7:00 AM

How DRY

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

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 07/18//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
43-047-39274	East Chapita 72-04		SWNE	4	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	16978	7/17/2008		7/30/08		
<b>Comments:</b> <u>Wasatch/Mesaverde well</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39930	Chapita Wells Unit 753-10		SWSE	10	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	4905	7/17/2008		7/30/08		
<b>Comments:</b> <u>Wasatch well</u>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38534	Natural Buttes Unit 569-17E		SWNE	17	10S	21E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	2900	7/18/2008		7/30/08		
<b>Comments:</b> <u>Wasatch/Mesaverde well</u> <u>PRR = MVRD = WSMVD</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)

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.  
UTU01791

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
NATURAL BUTTES UNIT 569-17E

9. API Well No.  
43-047-38534

10. Field and Pool, or Exploratory  
NATURAL BUTTES/WASATCH/MV

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 17 T10S R21E SWNE 2009FNL 1809FEL  
39.94961 N Lat, 109.57281 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 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.)

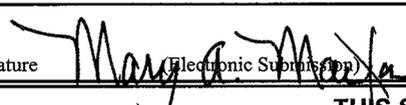
The referenced well spud on 7/18/2008.

RECEIVED  
JUL 25 2008

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #61597 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal**

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

Signature  (Electronic Submission) Date 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.  
UTU01791

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
NATURAL BUTTES UNIT 569-17E

2. Name of Operator  
EOG RESOURCES, INC. Contact: MICKENZIE THACKER  
E-Mail: MICKENZIE\_THACKER@EOGRESOURCES.COM

9. API Well No.  
43-047-38534

3a. Address  
1060 E. HWY 40  
VERNAL, UT 84078

3b. Phone No. (include area code)  
Ph: 435-781-9145

10. Field and Pool, or Exploratory  
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
  
Sec 17 T10S R21E SWNE 2009FNL 1809FEL  
39.94961 N Lat, 109.57281 W Lon

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

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Drilling Operations
	<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 is scheduled to IP on or about 10/30/2008.

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

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #63872 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MICKENZIE THACKER Title OPERATIONS CLERK

Signature *Mickenzie Thacker* 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>	NBU 569-17E	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-38534	<b>Well Class</b>	COMP
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	09-01-2008	<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,911/ 9,911	<b>Property #</b>	059633
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	5,163/ 5,151				
<b>Location</b>	Section 17, T10S, R21E, SWNE, 2009 FNL & 1809 FEL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	66.667	<b>NRI %</b>	49.395

<b>AFE No</b>	304191	<b>AFE Total</b>	2,204,500	<b>DHC / CWC</b>	1,056,500/ 1,148,000
<b>Rig Contr</b>	ENSIGN	<b>Rig Name</b>	ENSIGN #81	<b>Start Date</b>	08-24-2006
		<b>Release Date</b>		<b>Reported By</b>	SHARON WHITLOCK
<b>08-24-2006</b>					
<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>		<b>PKR Depth</b>	0.0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			2009' FNL & 1809' FEL (SW/NE)
			SECTION 17, T10S, R21E
			UINTAH COUNTY, UTAH
			LAT 39.949608, LONG 109.572814 (NAD 83)
			LAT 39.949644, LONG 109.572125 (NAD 27)
			ENSIGN #81
			OBJECTIVE: 9911' TD, MESAVERDE
			DW/GAS
			NATURAL BUTTES DEEP PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: U-01791
			ELEVATION: 5154.3' NAT GL, 5150.6' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 5151'), 5163' KB (12')
			EOG WI 66.666667%, NRI 49.394976%

06-25-2008      Reported By      TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	START LOCATION TODAY, 06/25/08.

06-26-2008      Reported By      TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

06-27-2008      Reported By      TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

06-30-2008      Reported By      TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 35% COMPLETE.

07-01-2008      Reported By      TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

07-02-2008      Reported By      TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 45% COMPLETE.

07-03-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT.

07-07-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT.

07-08-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	DRILLING ROCK.

07-09-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SHOOTING TODAY.

07-10-2008 Reported By TERRY CSERE



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

Activity at Report Time: WO BUCKET TRUCK

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

07-18-2008 Reported By JERRY BARNES

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0  
 Cum Costs: Drilling \$38,000 Completion \$0 Well Total \$38,000  
 MD 60 TVD 60 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	CRAIGS ROUSTABOUT SERVICE SPUD A 20" HOLE ON 07/18/08 @ 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 07/18/08 @ 6:15 AM.

08-16-2008 Reported By DALL COOK

DailyCosts: Drilling \$263,368 Completion \$0 Daily Total \$263,368  
 Cum Costs: Drilling \$301,368 Completion \$0 Well Total \$301,368  
 MD 2,406 TVD 2,406 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG # 3 ON 8/10/2008. DRILLED 12-1/4" HOLE TO 2406' GL. FLUID DRILLED HOLE FROM 1200' WITH NO LOSSES. RAN 55 JTS (2353.30') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2365' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO CRAIGS RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 2500 PSIG. PUMPED 180 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 4.10 CF/SX.

TAILED IN W/300 SX (63 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED TAIL CEMENT TO 15.6 W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/179 BBLs FRESH WATER. BUMPED PLUG W/950# @ 11:09 P.M, 8/13/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 150 SX (30 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HRS.

TOP JOB # 2: MIXED & PUMPED 150 SX (30 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

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

CRAIGS # 3 TOOK SURVEYS WILL DRILLING @ 1920' - 1.0° & 2293' - 1.0°.

CONDUCTOR LEVEL RECORD: PS= 89.6 OPS= 89.7 VDS= 89.7 MS= 89.8.

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

KYLAN COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 8/11/2008 @ 3:30 PM.

<b>09-01-2008</b>	<b>Reported By</b>	WOODIE L BEARDSLEY									
<b>Daily Costs: Drilling</b>	\$49,438	<b>Completion</b>	\$0	<b>Daily Total</b>	\$49,438						
<b>Cum Costs: Drilling</b>	\$350,807	<b>Completion</b>	\$0	<b>Well Total</b>	\$350,807						
<b>MD</b>	2,406	<b>TVD</b>	2,406	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: TEST BOPE

Start	End	Hrs	Activity Description
06:00	18:00	12.0	RW JONES TRUCKING ARRIVED AT 0700 WITH 7 TRUCKS. HELD PRE-JOB SAFETY MEETING WITH TRUCK DRIVERS, SWAMPERS AND RIG CREWS. MOVED ENSIGN APPROX. 1 MILE TO THE NBU 569-17E. RELEASED TRUCKS AT 1530. RAISED DERRICK AT 1700. RECEIVED 390 BBL FRESH WATER TO RIG DAY TANK, 520 BBL EVAP WATER TO RIG MUD TANKS.
18:00	05:00	11.0	BRIDLE DOWN, RIG UP WINCH LINES, TUGGER & BOOM LINES, RIG FLOOR & RELATED EQUIPMENT. CONNECT FLOW LINE, RIG UP GAS BUSTER, CHOKE LINES & FLARE LINES. PICK UP SWIVEL, QUILL, SPINNERS, UPPER & LOWER KELLY VALVES, SAVER SUB & KELLY. RIG UP & TORQUE SAME. RIG UP YELLOWDOG, PICK UP TOOLS, FUNCTION TEST ACCUMULATOR, PREPARET FOR BOP TEST. SET UP PIPE RACKS, MOVE BHA & 50 JTS OF DRILL PIPE TO RACKS. REBUILD CRACKED HARD LINE ON WATER PUMP.
05:00	06:00	1.0	RIG UP B&C QUICKTEST TO TEST BOP. RIG ON DAYWORK AT 0500 ON 09/01/08.

SAFETY MEETINGS: RIG MOVE, NIPPLING UP.

FUEL ON HAND: 3374 GAL. USED TODAY: 330 GAL.

EIGHT CREW + RIG MANAGER ON RIG MOVE, FULL CREW + RELIEF DRILLER ON MORNING TOUR. CONTACTED DONNA KENNEY, USBLM, VERNAL, UT AT 1400 ON 08/29/08, NOTIFIED OF RIG MOVE, UPCOMING BOP TEST & SPUD.

CONTACTED CAROL DANIELS, UDNR, SALT LAKE CITY, UT AT 1415 ON 08/29/08, LEFT MESSAGE NOTIFYING OF RIG MOVE, UPCOMING BOP TEST & SPUD. UDNR OFFICES CLOSED ON FRIDAY, WILL CONTACT ON MONDAY 09/01/08 TO CONFIRM.

TRANSFER 3706 GAL FUEL FROM NBU 570-17E.

TRANSFER 4 GOOD JOINTS + 1 BAD JOINT OF 4 1/2" 11.6# N-80 LTC CASING FROM NBU 570-17E.

TRANSFER 2 MARKER JOINTS OF 4 1/2" 11.6# P-110 LTC CASING FROM NBU 570-17E.

<b>09-02-2008</b>	<b>Reported By</b>	WOODIE L BEARDSLEY									
<b>Daily Costs: Drilling</b>	\$62,518	<b>Completion</b>	\$0	<b>Daily Total</b>	\$62,518						
<b>Cum Costs: Drilling</b>	\$413,326	<b>Completion</b>	\$0	<b>Well Total</b>	\$413,326						
<b>MD</b>	3,051	<b>TVD</b>	3,051	<b>Progress</b>	645	<b>Days</b>	1	<b>MW</b>	8.4	<b>Visc</b>	29.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: DRILLING @ 3051'

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

06:00 12:00 6.0 CONTINUE TESTING BOPS WITH B&C QUICKTEST AS FOLLOWS: TEST UPPER & LOWER KELLY VALVE, INSIDE BOP, SAFETY VALVE, INSIDE & OUTSIDE BOP VALVES, PIPE RAMS & BLIND RAMS, HCR VALVE, CHOKE MANIFOLD INSIDE & OUTSIDE VALVES & SUPERCHOKE TO 250 PSI FOR 5 MIN., 5000 PSI FOR 10 MIN. TEST ANNULAR TO 250 PSI FOR 5 MIN, 2500 PSI FOR 10 MIN. TEST CASING TO 1500 PSI FOR 30 MIN. ALL TESTS PASSED. RIG DOWN TESTER. SET WEAR BUSHING.

12:00 16:30 4.5 HOLD PRE-JOB SAFETY MEETING WITH WEATHERFORD LAYDOWN CREW & RIG CREW. RIG UP LAYDOWN TRUCK. PICK UP BHA #1 & 45 JTS DRILL PIPE, RIG DOWN LAYDOWN TRUCK.

16:30 17:30 1.0 STAB ROTATING HEAD RUBBER, KELLY UP, CHECK FOR LEAKS, CHANGE CAP GASKET, PRESSURE UP FLOWLINE AIR BOOTS.

17:30 19:30 2.0 PICK UP 2 JOINTS, TAG CEMENT @ 2310', DRILL CEMENT, FLOAT @ 2325', CEMENT TO 2406'.

19:30 20:00 0.5 DRILL NEW FORMATION F/2406-2424'.

20:00 20:30 0.5 CIRCULATE HOLE CLEAN, SPOT HI-VIS SWEEP, PERFORM FIT W/350 PSI SURFACE PRESSURE, 8.33 WATER IN HOLE, 11.1 EMW.

20:30 21:00 0.5 WIRELINE SURVEY @ 2297', 1.2 DEG.

21:00 06:00 9.0 DRILLED F/2424-3051' (627' @ 69.7/HR) 14-16K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, 100-400 DIFF. MUD WT. 8.5 VIS 29.

SAFETY MEETINGS: TESTING BOP, DRILL RESPONSIBILITIES.  
 NO INCIDENTS/ACCIDENTS REPORTED.  
 C.O.M. SET & CHECKED BY BOTH CREWS.  
 FULL CREWS + RELIEF DRILLER ON MORNING TOUR. FULL CREW ON DAYLIGHT TOUR.  
 FUEL ON HAND: 6945 GAL. RECEIVED: 4400 GAL. USED TODAY: 1501 GAL.  
 FORMATION: MAHOGANY OIL SHALE, NO FLARE.

06:00 SPUD 7-7/8" HOLE @ 2100 ON 09/01/08

<b>09-03-2008</b>		<b>Reported By</b>	WOODIE L BEARDSLEY								
<b>Daily Costs: Drilling</b>	\$64,731		<b>Completion</b>	\$0		<b>Daily Total</b>	\$64,731				
<b>Cum Costs: Drilling</b>	\$478,057		<b>Completion</b>	\$0		<b>Well Total</b>	\$478,057				
<b>MD</b>	4,585	<b>TVD</b>	4,585	<b>Progress</b>	1,534	<b>Days</b>	2	<b>MW</b>	8.6	<b>Visc</b>	28.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: DRILLING @ 4585'

Start	End	Hrs	Activity Description
06:00	20:00	14.0	DRILLED F/3051-3771' (720' @ 51.4 /HR) 14-16K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, 100-400 DIFF. MUD WT. 8.8, VIS 29.
20:00	20:30	0.5	SERVICE RIG, FUNCTION PIPE RAMS.
20:30	06:00	9.5	DRILLED F/3771-4585' (814' @ 85.7'/HR) 16-18K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, 100-400 DIFF. MUD WT. 9.2, VIS 34.

SAFETY MEETINGS: DRILL PIPE, CLEANING THREADS.  
 NO INCIDENTS/ACCIDENTS REPORTED.  
 C.O.M. SET & CHECKED BY BOTH CREWS.  
 BOTH CREWS 1 MAN SHORT.  
 FUEL ON HAND: 6012 GAL. USED TODAY: 933 GAL.  
 FORMATION: WASATCH, NO FLARE.

<b>09-04-2008</b>	<b>Reported By</b>	BEARDSLEY/ARRIETA
-------------------	--------------------	-------------------

**Daily Costs: Drilling**      \$32,306                      **Completion**      \$0                      **Daily Total**      \$32,306  
**Cum Costs: Drilling**      \$510,364                      **Completion**      \$0                      **Well Total**      \$510,364  
**MD**      6,119      **TVD**      6,119      **Progress**      1,534      **Days**      3      **MW**      9.2      **Visc**      34.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**  
**Activity at Report Time:** DRILLING @ 6119'

Start	End	Hrs	Activity Description
06:00	13:30	7.5	DRILLED 4585' - 5055' (470') 62.66'/HR) 18-20K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 9.5 VIS. 33.
13:30	14:00	0.5	SERVICE RIG.
14:00	06:00	16.0	DRILL ROTATE 5055' - 6119' (1064') 66.5 FT/HR) 18-20K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 9.7 VIS. 34.

SAFETY MEETINGS: PIPE RAMS & DOPE PIPE  
 NO INCIDENTS/ACCIDENTS REPORTED.  
 C.O.M. SET & CHECKED BY BOTH CREWS  
 FULL CREWS ON BOTH TOURS.  
 FUEL ON HAND: 5100 GAL.    USED TODAY: 912 GAL.  
 FORMATION: BUCK CANYON @ 5809'  
 NO FLARE.

**09-05-2008**      **Reported By**      CARLOS ARRIETA  
**Daily Costs: Drilling**      \$31,604                      **Completion**      \$0                      **Daily Total**      \$31,604  
**Cum Costs: Drilling**      \$541,968                      **Completion**      \$0                      **Well Total**      \$541,968  
**MD**      6,942      **TVD**      6,942      **Progress**      823      **Days**      4      **MW**      9.8      **Visc**      35.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**  
**Activity at Report Time:** DRILLING @ 6942'

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILL ROTATE 6119' - 6465' (346') 49.4 FT/HR) 18-20K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 9.7 VIS. 34.
13:00	13:30	0.5	SERVICE RIG.
13:30	06:00	16.5	DRILL ROTATE 6465' - 6942' (477') 28.9 FT/HR) 18-20K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 10.0 VIS. 37.

SAFETY MEETINGS: OPENING CONTAINERS/SACKS & SMOKING  
 NO INCIDENTS/ACCIDENTS REPORTED.  
 C.O.M. SET & CHECKED BY BOTH CREWS  
 FULL CREWS ON BOTH TOURS.  
 FUEL ON HAND: 3706 GAL.    USED TODAY: 1394 GAL.  
 FORMATION: NORTH HORN FROM 6353'  
 NO FLARE.

**09-06-2008**      **Reported By**      CARLOS ARRIETA  
**Daily Costs: Drilling**      \$28,631                      **Completion**      \$0                      **Daily Total**      \$28,631  
**Cum Costs: Drilling**      \$570,600                      **Completion**      \$0                      **Well Total**      \$570,600  
**MD**      7,500      **TVD**      7,500      **Progress**      558      **Days**      5      **MW**      10.1      **Visc**      35.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

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

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILL ROTATE 6942' - 7154' (212') 30.28 FT/HR) 18-20K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 10.0 VIS. 37
13:00	13:30	0.5	SERVICE RIG
13:30	06:00	16.5	DRILL ROTATE 7154' - 7500' (346') 20.9' FT/HR) 18-20K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 10.3 VIS. 38  SAFETY MEETINGS: TOOLS/SACKS & V-DOOR NO INCIDENTS/ACCIDENTS REPORTED. C.O.M. SET & CHECKED BY BOTH CREWS ONE MAN SHORT ON NIGHT TOUR. FUEL ON HAND: 2733 GAL. USED TODAY: 973 GAL. FORMATION: PRICE RIVER, FROM 7499' NO FLARE.

---

<b>09-07-2008</b>	<b>Reported By</b>	CARLOS ARRIETA									
<b>Daily Costs: Drilling</b>	\$50,111	<b>Completion</b>	\$0	<b>Daily Total</b>	\$50,111						
<b>Cum Costs: Drilling</b>	\$620,711	<b>Completion</b>	\$0	<b>Well Total</b>	\$620,711						
<b>MD</b>	7,762	<b>TVD</b>	7,762	<b>Progress</b>	262	<b>Days</b>	6	<b>MW</b>	10.4	<b>Visc</b>	37.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: DRILLING @ 7762'**

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILL ROTATE 7500' - 7686' (186') 33.8' FT/HR) 18-20K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 10.3 VIS. 38
11:30	12:00	0.5	SERVICE RIG
12:00	14:30	2.5	DRILL ROTATE 7686' - 7752' (66') 26.4' FT/HR) 18-20K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 10.4 VIS. 40
14:30	16:30	2.0	LOST CIRCULATION NO RETURN, MIX & PUMP L.C.M. SWEEP OK, BUILD MUD, LOST 120 BBLS. OF MUD
16:30	17:30	1.0	CIRCULATE, MIX & PUMP PILL, DROP SURVEY, L/DN 3 JTS.
17:30	22:30	5.0	TRIP OUT HOLE FOR BIT # 2, PULL TIGHT FROM 3250' TO 2550'
22:30	23:30	1.0	L/DN 2 REAMERS & CHANGE MUD MOTOR, SURVEY 1.61 DEG.
23:30	04:30	5.0	TRIP IN HOLE W/ BIT # 2 REED DSR 616 D, FILL PIPE
04:30	05:30	1.0	WASH 95' TO BTM. 34' FILL
05:30	06:00	0.5	DRILL ROTATE 7752' - 7762' (10') 20.0' FT/HR) 10-15K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 10.4 VIS. 42  LOST 134 BBLS MUD IN HOLE SAFETY MEETINGS: TRIPPING NO INCIDENTS/ACCIDENTS REPORTED. C.O.M. SET & CHECKED BY BOTH CREWS FULL CREW ON BOTH TOURS FUEL ON HAND: 6012 GAL. USED TODAY: 1221 GAL. FORMATION: PRICE RIVER, FROM 7499' NO FLARE.

---

<b>09-08-2008</b>	<b>Reported By</b>	CARLOS ARRIETA							
<b>Daily Costs: Drilling</b>	\$31,239	<b>Completion</b>	\$0	<b>Daily Total</b>	\$31,239				
<b>Cum Costs: Drilling</b>	\$651,951	<b>Completion</b>	\$0	<b>Well Total</b>	\$651,951				

MD 8,800 TVD 8,800 Progress 1,038 Days 7 MW 10.5 Visc 38.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 8800'

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILL ROTATE 7762' - 8111' (349') 49.8' FT/HR) 10-15K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 10.4 VIS. 42
13:00	13:30	0.5	SERVICE RIG
13:30	06:00	16.5	DRILL ROTATE 8111' - 8800' (689') 41.75' FT/HR) 18-20K WOB, 40-55 RPM, 72 RPM MOTOR, 455 GPM, MUD WT. 10.7 VIS. 40 LOST 0 BBLS MUD IN HOLE SAFETY MEETINGS: RI SERVICE & MIXING MUD NO INCIDENTS/ACCIDENTS REPORTED. C.O.M. SET & CHECKED BY BOTH CREWS FULL CREW ON BOTH TOURS FUEL ON HAND: 4743 GAL. USED TODAY: 1269 GAL. FORMATION: PRICE RIVER MIDDLE, FROM 8282' NO FLARE.

09-09-2008 Reported By CARLOS ARRIETA

Daily Costs: Drilling	\$29,574	Completion	\$0	Daily Total	\$29,574
Cum Costs: Drilling	\$681,526	Completion	\$0	Well Total	\$681,526

MD 9,080 TVD 9,080 Progress 280 Days 8 MW 11.0 Visc 41.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 9080'

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILL ROTATE 8800' - 8927' (127') 21.1' FT/HR) 18-20K WOB, 40-55 RPM, 72 RPM MOTOR, 455 GPM, MUD WT. 10.7 VIS. 40
12:00	12:30	0.5	SERVICE RIG
12:30	14:00	1.5	DRILL ROTATE 8927' - 8957' (30') 20' FT/HR) 18-20K WOB, 40-55 RPM, 72 RPM MOTOR, 455 GPM, MUD WT. 11 VIS. 44
14:00	15:00	1.0	CIRCULATE, FILL TRIP TANK, BUILD & PUMP PILL
15:00	19:30	4.5	TRIP OUT HOLE FOR BIT # 3, PULL TIHGT FROM 4200' TO 3650' 35K OVER PULL, L/DN MUD MOTOR
19:30	20:30	1.0	P/UP NEW MUD MOTOR & BIT # 3 HUGHES 506 Z X +,
20:30	00:00	3.5	TRIP IN HOLE, FILL PIPE
00:00	01:00	1.0	WASH 94' TO BTM. 8' FILL
01:00	06:00	5.0	DRILL ROTATE 8957' - 9080' (123') 24.6' FT/HR) 16-18K WOB, 40-55 RPM, 72 RPM MOTOR, 455 GPM, MUD WT. 10.8 VIS. 44 LOST 40 BBLS MUD IN HOLE ON TRIP SAFETY MEETINGS: PRESSURE LINES & TRIPPING NO INCIDENTS/ACCIDENTS REPORTED. C.O.M. SET & CHECKED BY BOTH CREWS FULL CREW ON BOTH TOURS FUEL ON HAND: 3706 GAL. USED TODAY: 1137 GAL. FORMATION: PRICE RIVER LOWER, FROM 9034' 8' FLARE ON TRIP GAS

09-10-2008 Reported By CARLOS ARRIETA

**Daily Costs: Drilling**      \$38,306                      **Completion**      \$0                      **Daily Total**      \$38,306  
**Cum Costs: Drilling**      \$719,832                      **Completion**      \$0                      **Well Total**      \$719,832  
**MD**      9,280      **TVD**      9,280      **Progress**      200      **Days**      9      **MW**      10.9      **Visc**      53.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**  
**Activity at Report Time:** DRILLING @ 9280'

Start	End	Hrs	Activity Description
06:00	16:00	10.0	DRILL ROTATE 9080' - 9261' (181') 18' FT/HR) 16-18K WOB, 40-55 RPM, 72 RPM MOTOR, 455 GPM, MUD WT. 10.8 VIS. 44
16:00	17:00	1.0	CIRCULATE, MIX & PUMP PILL, FILL TRIP TANK
17:00	21:30	4.5	TRIP OUT HOLE F/ BIT # 4
21:30	22:00	0.5	OTHER, CHANGE BIT P/UP BIT # 4 SEC. FMHX 753 ZR
22:00	03:00	5.0	TRIP IN HOLE
03:00	04:00	1.0	WASH 70' TO BTM. 20' FILL
04:00	06:00	2.0	DRILL ROTATE 9261' - 9280' (19') 9.5' FT/HR) 16-20K WOB, 38-55 RPM, 72 RPM MOTOR, 455 GPM, MUD WT. 11.0 VIS. 35 LOST 0 BBLS MUD

SAFETY MEETINGS: MIXING CHEMICALS & TRIPPING  
 NO INCIDENTS/ACCIDENTS REPORTED.  
 C.O.M. SET & CHECKED BY BOTH CREWS  
 FULL CREW ON BOTH TOURS  
 FUEL ON HAND: 2578 GAL. USED TODAY: 1128 GAL.  
 FORMATION: PRICE RIVER LOWER, FROM 9034'  
 NO FLARE

---

**09-11-2008**      **Reported By**      CARLOS ARRIETA  
**Daily Costs: Drilling**      \$44,855                      **Completion**      \$0                      **Daily Total**      \$44,855  
**Cum Costs: Drilling**      \$764,687                      **Completion**      \$0                      **Well Total**      \$764,687  
**MD**      9,695      **TVD**      9,695      **Progress**      415      **Days**      10      **MW**      10.8      **Visc**      34.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING @ 9695'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILL ROTATE 9280' - 9322' (42') 21' FT/HR) 16-20K WOB, 38-55 RPM, 72 RPM MOTOR, 455 GPM, MUD WT. 11.0 VIS. 35
08:00	11:30	3.5	LOST 100% CIRC., APPROX. 254 BBLS., 50 STKS. ON # 2 PUMP, MIX L.C.M., REGAIN CIRCULATION, BUILD VOLUME.
11:30	06:00	18.5	DRILL ROTATE 9322' - 9695' (373') 20.16' FT/HR) 18-20K WOB, 38-55 RPM, 72 RPM MOTOR, 455 GPM, MUD WT. 10.7 VIS. 37 LOST 264 BBLS MUD SAFETY MEETINGS: TONGS & PULLING PIPE UP CATWALK NO INCIDENTS/ACCIDENTS REPORTED. C.O.M. SET & CHECKED BY BOTH CREWS FULL CREW ON BOTH TOURS FUEL ON HAND: 5280 GAL. USED TODAY: 1298 GAL. FORMATION: SEGO, FROM 9657' NO FLARE

09-12-2008 Reported By CARLOS ARRIETA

DailyCosts: Drilling \$39,214 Completion \$0 Daily Total \$39,214

Cum Costs: Drilling \$803,902 Completion \$0 Well Total \$803,902

MD 9,911 TVD 9,911 Progress 216 Days 11 MW 10.8 Visc 35.0

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

Activity at Report Time: 9911' TD / LDDP

Start	End	Hrs	Activity Description
06:00	16:30	10.5	DRILL ROTATE 9695' - 9911' TD (216') 20.57' FT/HR) 18-20K WOB, 38-55 RPM, 72 RPM MOTOR, 455 GPM, MUD WT. 10.8 VIS. 35. REACHED TD AT 16:30 HRS, 9/11/08.
16:30	18:00	1.5	CIRCULATE COND. HOLE F/ SHORT TRIP
18:00	19:30	1.5	SHORT TRIP, 10 STDS. CHANGE ROTARY RUBBER
19:30	21:30	2.0	CIRCULATE HELD SAFETY MEETING W/ KIMZEY CASING SERVICE & RIG CREW, RIG UP L/DN MACHINE, PUMP 150 BBLs. PILL 12.5 PPG MUD ON BOTTOM. CASING POINT 09/11/2008, 21:30 HRS.
21:30	06:00	8.5	LAY DOWN DRILL PIPE & BHA, BREAK KELLY, NOTIFIED MS. DONNA L. KENNEY & MR. JAMES SPARGER FOR RUN CSG & CEMENT LOST 0 BBLs MUD  SAFETY MEETINGS: SERV. SCREW COMPRESSURE & L/DN PIPE NO INCIDENTS/ACCIDENTS REPORTED. C.O.M. SET & CHECKED BY BOTH CREWS FULL CREW ON BOTH TOURS FUEL ON HAND: 4218 GAL. USED TODAY: 1052 GAL. FORMATION: SEGO, TD @ 9911' NO FLARE

09-13-2008 Reported By CARLOS ARRIETA

DailyCosts: Drilling \$40,702 Completion \$238,606 Daily Total \$279,308

Cum Costs: Drilling \$844,605 Completion \$238,606 Well Total \$1,083,211

MD 9,911 TVD 9,911 Progress 0 Days 12 MW 0.0 Visc 0.0

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

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	07:30	1.5	FINISH L/DN PIPE & BHA
07:30	08:30	1.0	PULL WEAR BUSHING, HOLD SAFETY MEETING W/ KIMZEY CASING CREW & RIG CREW, RIG UP CSG EQUIPMENT.
08:30	15:30	7.0	RUN CASING 4 1/2" , # 11.6, P-110, LTC, 245 JTS SET 9908, AS FOLLOWS, FLOAT SHOE, 1 JT CSG, FLOAT COLLAR, 69 JTS CSG, 1 MARKER JT, 75 JTS CSG, 1 MARKER JT 101 JTS CSG + PUP JOINT, HANGER ASS & LANDING JT. FLOAT SHOE @ 9908', FLOAT COLLAR @ 9865.27', MARKER JT @ 7113.87', MARKER JT @ 4082.02'. CENTRALIZERS, 5 FT ABOVE SHOE, TOP OF JT #2 & EVERY 3 TH JT. TOTAL 30.
15:30	16:30	1.0	TAG @ 9908', LANDING CSG HANGER W/ 70K., FILL PIPE, CIRC. R/DN KIMZEY CASING L/ DN MACHINE, R/ UP SCHLUMBERGER CEMENTING EQUIPMENT, HELD SAFETY MEETING.

16:30 19:30 3.0 CEMENTING W/ SCHLUMBERGER, TEST LINES 5000 PSI, PUMPING 20 BBLS CHEM WASH & 20 BBLS WATER SPACER, LEAD CEMENT 730 SKS. 257.43 BBLS. 35/65 POZ G + ADDS MIX D020 5.% EXTENDER, D112 .75% FLUID LOSS, D046 .2%, ANTIFOAM, D013 .3% RATERDER, D130 .125 LOST CIRC. D065 .2% DISPERSANT. YIELD 1.98 FT3/SK, H20 10 GAL/SK@ 12.5 PPG. TAIL 1750 SKS 402.06 BBLS. 50/50 POZ G + ADDS D020 2% EXTENDER, D046 .1% ANTIFOAM, D167 .2% FLUID LOSS, DO65 .2% DISPERSANT, D013 .1% RETARDER YIELD 1.29 FT3/SK, FRESH WATER 5.96 GAL/SK @ 14.1 PPG. DISP. TO FLOAT COLLER FRESH WATER. W/ 153.4 BBLS. AVG. DISP. RATE 7 BPM, NO RETURNS DROP PLUG @ 18:15 HRS. BUMPED PLUG @ 18:46 HRS. TO 3800 PSI. 1100 PSI. OVER LIFT HOLD PRESS.F/2 MINS. 2.0 BBL. BACK, LOST RETURN.

19:30 22:00 2.5 SET HANGER PACKING, TEST 5000 PSI. OK. NIPPLE DOWN, CLEAN MUD TANKS.

22:00 06:00 8.0 RIGGING DOWN.

SET F/ TRUCKS, R.W.JONES TO BE ON LOCATION TODAY @ 07:00, 09/13/08, MOVE TO NBU 559-17E, 1.4 MILES TO NEW LOCATION. RIG CAMP WILL BE MOVE SUNDAY 09/14/08. TRANSFER FROM NBU 569-17E TO NBU 559-17E, 5 JOINTS 4.5 CSG # 11.6 N-80 LTC + 2 MARKER JT. & 2046 GLS. FUEL, SEND 1000 BBLS OF LIQUID MUD TO NBU 559-17E

SAFETY MEETINGS: LAY DOWN PIPE & RUN CSG  
 NO INCIDENTS/ACCIDENTS REPORTED.  
 C.O.M. SET & CHECKED BY BOTH CREWS  
 FULL CREW ON BOTH TOURS  
 FUEL ON HAND: 4046 GAL. USED TODAY: 172 GAL.  
 NO FLARE

06:00 RIG RELEASED @ 22:00 HRS, 9/12/2008.  
 CASING POINT \$832,715

09-24-2008		Reported By		SEARLE	
DailyCosts: Drilling	\$0	Completion	\$223,500	Daily Total	\$223,500
Cum Costs: Drilling	\$844,605	Completion	\$462,106	Well Total	\$1,306,711
MD	9,911	TVD	9,911	Progress	0
Days	13	MW	0.0	Visc	0.0
Formation :	PBT D : 9865.0		Perf :	PKR Depth : 0.0	
Activity at Report Time: PREP FOR FRACS					
Start	End	Hrs	Activity Description		
06:00			MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBT D TO 100'. EST CEMENT TOP @ 500'. RD SCHLUMBERGER.		

09-27-2008		Reported By		MCCURDY	
DailyCosts: Drilling	\$0	Completion	\$1,724	Daily Total	\$1,724
Cum Costs: Drilling	\$844,605	Completion	\$463,830	Well Total	\$1,308,435
MD	9,911	TVD	9,911	Progress	0
Days	13	MW	0.0	Visc	0.0
Formation :	PBT D : 0.0		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 & CASING TO 8500 PSIG. WO COMPLETION.		

10-02-2008		Reported By		KERN	
DailyCosts: Drilling	\$0	Completion	\$57,937	Daily Total	\$57,937
Cum Costs: Drilling	\$844,605	Completion	\$521,767	Well Total	\$1,366,372

MD 9,911 TVD 9,911 Progress 0 Days 14 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTID : 9865.0 Perf : 9128'-9769' PKR Depth : 0.0

Activity at Report Time: FRAC MESAVERDE AND WASATCH

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CUTTERS WIRELINE & PERFORATE LPR FROM 9609'-10', 9637'-38', 9651'-52', 9658'-59', 9686'-87', 9710'-11', 9720'-21', 9729'-30', 9748'-49', 9749'-50', 9758'-59', 9768'-69' @ 3 SPF @ 120° PHASING. RDWL. MIRU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 4165 GAL WF120 LINEAR PAD, 6315 GAL WF120 LINEAR 1# & 1.5#, 31186 GAL YF116ST+ W/ 111800 # 20/40 SAND @ 1-5 PPG. MTP 7714 PSIG. MTR 51.2 BPM. ATP 6017 PSIG. ATR 48.2 BPM. ISIP 3680 PSIG. RD SCHLUMBERGER.
			RUWL SET 10K CFP AT 9570'. PERFORATE LPR FROM 9346'-47', 9371'-72', 9378'-79', 9403'-04', 9436'-37', 9451'-52', 9477'-78', 9493'-94', 9512'-13', 9535'-36', 9536'-37', 9545'-46' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 6339 GAL WF120 LINEAR 1# & 1.5# SAND, 25868 GAL YF116ST+ W/ 88300 # 20/40 SAND @ 1-4 PPG. MTP 7754 PSIG. MTR 51.1 BPM. ATP 5988 PSIG. ATR 45.9 BPM. ISIP 3380 PSIG. RD SCHLUMBERGER.
			RUWL SET 10K CFP AT 9320'. PERFORATE M/LPR FROM 9128'-29', 9134'-35', 9154'-55', 9164'-65', 9185'-86', 9189'-90', 9218'-19', 9239'-40', 9252'-53', 9276'-77', 9290'-91', 9299'-9300' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 6313 GAL WF120 LINEAR 1# & 1.5# SAND, 34021 GAL YF116ST+ W/ 120300 # 20/40 SAND @ 1-5 PPG. MTP 8022 PSIG. MTR 52 BPM. ATP 6892 PSIG. ATR 47.8 BPM. ISIP 4400 PSIG. RD SCHLUMBERGER. SDFN.

10-03-2008	Reported By	KERN
Daily Costs: Drilling	\$0	Completion \$1,200 Daily Total \$1,200
Cum Costs: Drilling	\$844,605	Completion \$522,967 Well Total \$1,367,572

MD 9,911 TVD 9,911 Progress 0 Days 15 MW 0.0 Visc 0.0  
 Formation : MESAVERDE/WASATCH PBTID : 9865.0 Perf : 7438'-9769' PKR Depth : 0.0

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RUWL. SET 10K CFP AT 9100'. PERFORATE MPR FROM 8857'-58', 8876'-77', 8900'-01', 8914'-15', 8937'-38', 8943'-44', 8968'-69', 9001'-02', 9007'-08', 9014'-15', 9067'-68', 9086'-87' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 4167 GAL WF120 LINEAR PAD, 8415 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 57714 GAL YF116ST+ W/208200# 20/40 SAND @ 1-5 PPG. MTP 7891 PSIG. MTR 51.2 BPM. ATP 6374 PSIG. ATR 49.7 BPM. ISIP 3780 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CFP AT 8834'. PERFORATE MPR FROM 8663'-64', 8679'-80', 8688'-89', 8718'-19', 8723'-24', 8740'-41', 8745'-46', 8774'-75', 8781'-82', 8801'-02', 8802'-03', 8811'-12' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6308 GAL WF120 LINEAR W/1# 20/40 SAND, 43094 GAL YF116ST+ W/153400# 20/40 SAND @ 1-5 PPG. MTP 8189 PSIG. MTR 51 BPM. ATP 6589 PSIG. ATR 48.6 BPM. ISIP 3500 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CFP AT 8635'. PERFORATE U/MPR FROM 8351'-52', 8377'-78', 8404'-05', 8415'-16', 8449'-50', 8465'-66', 8479'-80', 8486'-87', 8520'-21', 8563'-64', 8598'-99', 8613'-14' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 4168 GAL WF120 LINEAR PAD, 8410 GAL WF120 LINEAR W/1# 20/40 SAND, 68138 GAL YF116ST+ W/249500# 20/40 SAND @ 1-5 PPG. MTP 8173 PSIG. MTR 51.8 BPM. ATP 5767 PSIG. ATR 49.6 BPM. ISIP 3180 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CFP AT 8315'. PERFORATE UPR FROM 8098'-99', 8106'-07', 8116'-17', 8128'-29', 8145'-46', 8165'-66', 8170'-71', 8188'-89', 8195'-96', 8203'-04', 8217'-18', 8285'-86' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6296 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 29567 GAL YF116ST+ W/105900# 20/40 SAND @ 1-5 PPG. MTP 8055 PSIG. MTR 52.1 BPM. ATP 5983 PSIG. ATR 47.7 BPM. ISIP 3200 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8045'. PERFORATE UPR FROM 7682'-83', 7695'-96', 7701'-02', 7800'-01', 7921'-22', 7941'-42', 7956'-57', 7971'-72', 7981'-82', 8006'-07', 8012'-13', 8022'-23' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6302 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 43233 GAL YF116ST+ W/154600# 20/40 SAND @ 1-5 PPG. MTP 7730 PSIG. MTR 52 BPM. ATP 5547 PSIG. ATR 49.2 BPM. ISIP 2970 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7650'. PERFORATE NH/UPR FROM 7438'-39', 7447'-48', 7464'-65', 7468'-69', 7500'-01', 7509'-10', 7533'-34', 7565'-66', 7574'-75', 7591'-92', 7605'-06', 7634'-35' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6308 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 51693 GAL YF116ST+ W/185300# 20/40 SAND @ 1-5 PPG. MTP 8046 PSIG. MTR 52.2 BPM. ATP 5768 PSIG. ATR 49.3 BPM. ISIP 3000 PSIG. RD SCHLUMBERGER. SDFN

<b>10-04-2008</b>	<b>Reported By</b>	KERN									
<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$552,036	<b>Daily Total</b>	\$552,036						
<b>Cum Costs: Drilling</b>	\$844,605	<b>Completion</b>	\$1,075,003	<b>Well Total</b>	\$1,919,609						
<b>MD</b>	9,911	<b>TVD</b>	9,911	<b>Progress</b>	0	<b>Days</b>	16	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	PBSD : 9865.0			<b>Perf :</b>	5143'-9769'			<b>PKR Depth : 0.0</b>			
MESAVARDE/WASATCH											

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

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RUWL. SET 10K CFP AT 7392'. PERFORATE NH FROM 7191'-92', 7203'-04', 7215'-16', 7245'-46', 7269'-70', 7277'-78', 7289'-90', 7305'-06', 7330'-31', 7331'-32', 7339'-40', 7347'-48' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 6316 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 29612 GAL YF116ST+ W/105700 # 20/40 SAND @ 1-5 PPG. MTP 7433 PSIG. MTR 52.2 BPM. ATP 5613 PSIG. ATR 49 BPM. ISIP 3600 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7155'. PERFORATE NH FROM 6837'-38', 6852'-53', 6861'-62', 6866'-67', 6973'-74', 7024'-25', 7041'-42', 7047'-48', 7056'-57', 7096'-97', 7106'-07', 7134'-35' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 6317 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 33303 GAL YF116ST+ W/115500 # 20/40 SAND @ 1-5 PPG. MTP 7697 PSIG. MTR 51.2 BPM. ATP 5451 PSIG. ATR 49.4 BPM. ISIP 2900 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6740'. PERFORATE Ba/NH FROM 6372'-73', 6373'-74', 6374'-75', 6425'-26', 6451'-52', 6515'-16', 6534'-35', 6551'-52', 6585'-86', 6593'-94', 6612'-13', 6718'-19' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 6314 GAL WF120 LINEAR W/1# & 1.5# SAND, 29496 GAL YF116ST+ W/105700# 20/40 SAND @ 1-5 PPG. MTP 7496 PSIG. MTR 52.1 BPM. ATP 4839 PSIG. ATR 49.3 BPM. ISIP 2230 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6210'. PERFORATE Ba FROM 5908'-09', 5920'-21', 5948'-49', 5988'-89', 6022'-23', 6031'-32', 6038'-39', 6088'-89', 6107'-08', 6145'-46', 6150'-51', 6160'-61' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 6309 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 34757 GAL YF116ST+ W/125000# 20/40 SAND @ 1-5 PPG. MTP 7989 PSIG. MTR 52.1 BPM. ATP 4674 PSIG. ATR 49.2 BPM. ISIP 1950 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5815'. PERFORATE Ca FROM 5605'-07', 5614'-16', 5621'-23', 5635'-37', 5732'-33', 5738'-40', 5792'-93' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 4230 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 23043 GAL YF116ST+ W/84200# 20/40 SAND @ 1-5 PPG. MTP 4043 PSIG. MTR 51.6 BPM. ATP 3410 PSIG. ATR 42.8 BPM. ISIP 1800 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5540'. PERFORATE Ca FROM 5143'-45', 5190'-93', 5372'-73', 5492'-94', 5503'-05', 5510'-12' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 4212 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 24876 GAL YF116ST+ W/95400# 20/40 SAND @ 1-5 PPG. MTP 6242 PSIG. MTR 51.6 BPM. ATP 3919 PSIG. ATR 49.7 BPM. ISIP 1900 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 5001'. RDWL. SDFN.

**10-10-2008**      **Reported By**      BAUSCH

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$38,648	<b>Daily Total</b>	\$38,648
<b>Cum Costs: Drilling</b>	\$844,605	<b>Completion</b>	\$1,113,651	<b>Well Total</b>	\$1,958,257

**MD**      9,911      **TVD**      9,911      **Progress**      0      **Days**      17      **MW**      0.0      **Visc**      0.0

**Formation :**      **PBTD :** 9865.0      **Perf :** 5143'-9769'      **PKR Depth :** 0.0  
MESAVERDE/WASATCH

**Activity at Report Time:** MIRUSU. C/O AFTER FRAC

Start	End	Hrs	Activity Description
07:00	16:00	9.0	MIRUSU. HOLD SAFETY MTG. ND FRAC TREE. NU BOP. RIH W/ BIT & PUMP OFF SUB TO 5105'. RU TO DRILL OUT PLUGS. SDFN.

**10-11-2008**      **Reported By**      BAUSCH

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$14,610	<b>Daily Total</b>	\$14,610
<b>Cum Costs: Drilling</b>	\$844,605	<b>Completion</b>	\$1,128,261	<b>Well Total</b>	\$1,972,867

**MD**      9,911      **TVD**      9,911      **Progress**      0      **Days**      18      **MW**      0.0      **Visc**      0.0

**Formation :**      **PBTD :** 9830.0      **Perf :** 5143'-9769'      **PKR Depth :** 0.0  
MESAVERDE/WASATCH

**Activity at Report Time:** RDMOSU. FLOW TEST WELL.

Start	End	Hrs	Activity Description
07:00	06:00	23.0	SICP 0 PSIG. SISCP 50 PSIG. HOLD SAFETY MTG. PRESSURE TEST FLOW LINES & POBS TO 2500 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5001', 5540', 5815', 6210', 6740', 7155', 7392', 7650', 8045', 8315', 8635', 8834', 9100', 9320' & 9570'. RIH. CLEANED OUT TO 9830'. LANDED TBG AT 8393.02' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

TUBING DETAIL    LENGTH

PUMP OFF SUB    1.00'

1 JT 2-3/8 4.7# N-80 TBG    31.36'

XN NIPPLE    1.30'

266 JTS 2-3/8 4.7# N-80 TBG    8346.76'

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

BELOW KB    12.00'

LANDED @    8393.02' KB

FLOWED 8 HRS. 32/64" CHOKE. FTP 1250 PSIG, CP 1300 PSIG. 80 BFPH. RECOVERED 640 BBLS, 17177 BLWTR.

**10-12-2008**      **Reported By**      BAUSCH

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$2,480	<b>Daily Total</b>	\$2,480
<b>Cum Costs: Drilling</b>	\$844,605	<b>Completion</b>	\$1,130,741	<b>Well Total</b>	\$1,975,347

**MD**      9,911      **TVD**      9,911      **Progress**      0      **Days**      19      **MW**      0.0      **Visc**      0.0

**Formation :**      **PBTD :** 9830.0      **Perf :** 5143'-9769'      **PKR Depth :** 0.0  
MESAVERDE/WASATCH

**Activity at Report Time:** FLOW TEST

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

06:00 06:00 24.0 FLOWED 24 HRS. 32/64" CHOKE. FTP 1150 PSIG. CP 1250 PSIG. 76 BFPH. RECOVERED 1830 BLW. 15347  
BLWTR.

---

**10-13-2008**      **Reported By**      BAUSCH

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,480	<b>Daily Total</b>	\$2,480
<b>Cum Costs: Drilling</b>	\$844,605	<b>Completion</b>	\$1,133,221	<b>Well Total</b>	\$1,977,827

**MD**      9,911    **TVD**      9,911    **Progress**      0    **Days**      20    **MW**      0.0    **Visc**      0.0

**Formation :**                      **PBTD : 9830.0**                      **Perf : 5143'-9769'**                      **PKR Depth : 0.0**  
MESAVERDE/WASATCH

**Activity at Report Time:** FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 32/64" CHOKE. FTP 1200 PSIG, CP 1850 PSIG. 73 BFPH. RECOVERED 1760 BBLs, 13587 BLWTR.

---

**10-14-2008**      **Reported By**      BAUSCH

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,480	<b>Daily Total</b>	\$2,480
<b>Cum Costs: Drilling</b>	\$844,605	<b>Completion</b>	\$1,135,701	<b>Well Total</b>	\$1,980,307

**MD**      9,911    **TVD**      9,911    **Progress**      0    **Days**      21    **MW**      0.0    **Visc**      0.0

**Formation :**                      **PBTD : 9830.0**                      **Perf : 5143'-9769'**                      **PKR Depth : 0.0**  
MESAVERDE/WASATCH

**Activity at Report Time:** FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 32/64 CHOKE. FTP- 1200 PSIG, CP- 2300 PSIG. 66 BFPH. RECOVERED 1590 BBLs, 11997 BLWTR.

---

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. UTU01791
2. Name of Operator EOG RESOURCES, INC. Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		6. If Indian, Allottee or Tribe Name
3a. Address 600 17TH ST. SUITE 1000N DENVER, CO 80202	3b. Phone No. (include area code) Ph: 303-824-5526	7. If Unit or CA/Agreement, Name and/or No. NATURAL BUTTES UN
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T10S R21E SWNE 2009FNL 1809FEL 39.94961 N Lat, 109.57281 W Lon		8. Well Name and No. NATURAL BUTTES UNIT 569-17E
		9. API Well No. 43-047-38534
		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.  
**Electronic Submission #64225 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 <i>Mary A. Maestas</i> (Electronic Submission)	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>	NBU 569-17E	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-38534	<b>Well Class</b>	1SA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	09-01-2008	<b>Class Date</b>	10-27-2008
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,911/ 9,911	<b>Property #</b>	059633
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	5,163/ 5,151				
<b>Location</b>	Section 17, T10S, R21E, SWNE, 2009 FNL & 1809 FEL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	66.667	<b>NRI %</b>	49.395

<b>AFE No</b>	304191	<b>AFE Total</b>	2,204,500	<b>DHC / CWC</b>	1,056,500/ 1,148,000
<b>Rig Contr</b>	ENSIGN	<b>Rig Name</b>	ENSIGN #81	<b>Start Date</b>	08-24-2006
<b>08-24-2006</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
2009' FNL & 1809' FEL (SW/NE)			
SECTION 17, T10S, R21E			
UINTAH COUNTY, UTAH			
LAT 39.949608, LONG 109.572814 (NAD 83)			
LAT 39.949644, LONG 109.572125 (NAD 27)			
ENSIGN #81			
OBJECTIVE: 9911' TD, MESAVERDE			
DW/GAS			
NATURAL BUTTES DEEP PROSPECT			
DD&A: CHAPITA DEEP			
NATURAL BUTTES FIELD			
LEASE: U-01791			
ELEVATION: 5154.3' NAT GL, 5150.6' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 5151'), 5163' KB (12')			
EOG WI 66.666667%, NRI 49.394976%			

06-25-2008      Reported By      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	START LOCATION TODAY, 06/25/08.

**06-26-2008**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

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

**06-27-2008**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

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

**06-30-2008**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 35% COMPLETE.

**07-01-2008**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

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

**07-02-2008**      **Reported By**      TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 45% COMPLETE.

07-03-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT.

07-07-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT.

07-08-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	DRILLING ROCK.

07-09-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SHOOTING TODAY.

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	SHOOTING TODAY.

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	PUSHING OUT PIT.

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>	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	PUSHING OUT PIT.

07-15-2008 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	PUSHING OUT PIT.

07-16-2008 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	LINE TODAY.

07-17-2008 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: WO BUCKET TRUCK

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

07-18-2008 Reported By JERRY BARNES

<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	CRAIGS ROUSTABOUT SERVICE SPUD A 20" HOLE ON 07/18/08 @ 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 07/18/08 @ 6:15 AM.

08-16-2008 Reported By DALL COOK

<b>DailyCosts: Drilling</b>	\$263,368	<b>Completion</b>	\$0	<b>Daily Total</b>	\$263,368
<b>Cum Costs: Drilling</b>	\$301,368	<b>Completion</b>	\$0	<b>Well Total</b>	\$301,368
<b>MD</b>	2,406	<b>TVD</b>	2,406	<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 8/10/2008. DRILLED 12-1/4" HOLE TO 2406' GL. FLUID DRILLED HOLE FROM 1200' WITH NO LOSSES. RAN 55 JTS (2353.30') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2365' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO CRAIGS RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 2500 PSIG. PUMPED 180 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 4.10 CF/SX.

TAILED IN W/300 SX (63 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED TAIL CEMENT TO 15.6 W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/179 BBLs FRESH WATER. BUMPED PLUG W/950# @ 11:09 P.M., 8/13/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 150 SX (30 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HRS.

TOP JOB # 2: MIXED & PUMPED 150 SX (30 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

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

CRAIGS # 3 TOOK SURVEYS WILL DRILLING @ 1920' - 1.0° & 2293' - 1.0°.

CONDUCTOR LEVEL RECORD: PS= 89.6 OPS= 89.7 VDS= 89.7 MS= 89.8.

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

KYLAN COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 8/11/2008 @ 3:30 PM.

<b>09-01-2008</b>	<b>Reported By</b>	WOODIE L BEARDSLEY									
<b>Daily Costs: Drilling</b>	\$49,438	<b>Completion</b>	\$0	<b>Daily Total</b>	\$49,438						
<b>Cum Costs: Drilling</b>	\$350,807	<b>Completion</b>	\$0	<b>Well Total</b>	\$350,807						
<b>MD</b>	2,406	<b>TVD</b>	2,406	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: TEST BOPE

Start	End	Hrs	Activity Description
06:00	18:00	12.0	RW JONES TRUCKING ARRIVED AT 0700 WITH 7 TRUCKS. HELD PRE-JOB SAFETY MEETING WITH TRUCK DRIVERS, SWAMPERS AND RIG CREWS. MOVED ENSIGN APPROX. 1 MILE TO THE NBU 569-17E. RELEASED TRUCKS AT 1530. RAISED DERRICK AT 1700. RECEIVED 390 BBL FRESH WATER TO RIG DAY TANK, 520 BBL EVAP WATER TO RIG MUD TANKS.
18:00	05:00	11.0	BRIDLE DOWN, RIG UP WINCH LINES, TUGGER & BOOM LINES, RIG FLOOR & RELATED EQUIPMENT. CONNECT FLOW LINE, RIG UP GAS BUSTER, CHOKE LINES & FLARE LINES. PICK UP SWIVEL, QUILL, SPINNERS, UPPER & LOWER KELLY VALVES, SAVER SUB & KELLY. RIG UP & TORQUE SAME. RIG UP YELLOWDOG, PICK UP TOOLS, FUNCTION TEST ACCUMULATOR, PREPARET FOR BOP TEST. SET UP PIPE RACKS, MOVE BHA & 50 JTS OF DRILL PIPE TO RACKS. REBUILD CRACKED HARD LINE ON WATER PUMP.
05:00	06:00	1.0	RIG UP B&C QUICKTEST TO TEST BOP. RIG ON DAYWORK AT 0500 ON 09/01/08.

SAFETY MEETINGS: RIG MOVE, NIPPLING UP.

FUEL ON HAND: 3374 GAL. USED TODAY: 330 GAL.

EIGHT CREW + RIG MANAGER ON RIG MOVE, FULL CREW + RELIEF DRILLER ON MORNING TOUR.

CONTACTED DONNA KENNEY, USBLM, VERNAL, UT AT 1400 ON 08/29/08, NOTIFIED OF RIG MOVE, UPCOMING BOP TEST & SPUD.

CONTACTED CAROL DANIELS, UDNR, SALT LAKE CITY, UT AT 1415 ON 08/29/08, LEFT MESSAGE NOTIFYING OF RIG MOVE, UPCOMING BOP TEST & SPUD. UDNR OFFICES CLOSED ON FRIDAY, WILL CONTACT ON MONDAY 09/01/08 TO CONFIRM.

TRANSFER 3706 GAL FUEL FROM NBU 570-17E.

TRANSFER 4 GOOD JOINTS + 1 BAD JOINT OF 4 1/2" 11.6# N-80 LTC CASING FROM NBU 570-17E.

TRANSFER 2 MARKER JOINTS OF 4 1/2" 11.6# P-110 LTC CASING FROM NBU 570-17E.

<b>09-02-2008</b>	<b>Reported By</b>	WOODIE L BEARDSLEY									
<b>Daily Costs: Drilling</b>	\$62,518	<b>Completion</b>	\$0	<b>Daily Total</b>	\$62,518						
<b>Cum Costs: Drilling</b>	\$413,326	<b>Completion</b>	\$0	<b>Well Total</b>	\$413,326						
<b>MD</b>	3,051	<b>TVD</b>	3,051	<b>Progress</b>	645	<b>Days</b>	1	<b>MW</b>	8.4	<b>Visc</b>	29.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: DRILLING @ 3051'

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

06:00 12:00 6.0 CONTINUE TESTING BOPS WITH B&C QUICKTEST AS FOLLOWS: TEST UPPER & LOWER KELLY VALVE, INSIDE BOP, SAFETY VALVE, INSIDE & OUTSIDE BOP VALVES, PIPE RAMS & BLIND RAMS, HCR VALVE, CHOKE MANIFOLD INSIDE & OUTSIDE VALVES & SUPERCHOKE TO 250 PSI FOR 5 MIN., 5000 PSI FOR 10 MIN. TEST ANNULAR TO 250 PSI FOR 5 MIN, 2500 PSI FOR 10 MIN. TEST CASING TO 1500 PSI FOR 30 MIN. ALL TESTS PASSED. RIG DOWN TESTER. SET WEAR BUSHING.

12:00 16:30 4.5 HOLD PRE-JOB SAFETY MEETING WITH WEATHERFORD LAYDOWN CREW & RIG CREW. RIG UP LAYDOWN TRUCK. PICK UP BHA #1 & 45 JTS DRILL PIPE, RIG DOWN LAYDOWN TRUCK.

16:30 17:30 1.0 STAB ROTATING HEAD RUBBER, KELLY UP, CHECK FOR LEAKS, CHANGE CAP GASKET, PRESSURE UP FLOWLINE AIR BOOTS.

17:30 19:30 2.0 PICK UP 2 JOINTS, TAG CEMENT @ 2310', DRILL CEMENT, FLOAT @ 2325', CEMENT TO 2406'.

19:30 20:00 0.5 DRILL NEW FORMATION F/2406-2424'.

20:00 20:30 0.5 CIRCULATE HOLE CLEAN, SPOT HI-VIS SWEEP, PERFORM FIT W/350 PSI SURFACE PRESSURE, 8.33 WATER IN HOLE, 11.1 EMW.

20:30 21:00 0.5 WIRELINE SURVEY @ 2297', 1.2 DEG.

21:00 06:00 9.0 DRILLED F/2424-3051' (627' @ 69.7/HR) 14-16K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, 100-400 DIFF. MUD WT. 8.5 VIS 29.

SAFETY MEETINGS: TESTING BOP, DRILL RESPONSIBILITIES.

NO INCIDENTS/ACCIDENTS REPORTED.

C.O.M. SET & CHECKED BY BOTH CREWS.

FULL CREWS + RELIEF DRILLER ON MORNING TOUR. FULL CREW ON DAYLIGHT TOUR.

FUEL ON HAND: 6945 GAL. RECEIVED: 4400 GAL. USED TODAY: 1501 GAL.

FORMATION: MAHOGANY OIL SHALE, NO FLARE.

06:00 SPUD 7-7/8" HOLE @ 2100 ON 09/01/08

09-03-2008 Reported By WOODIE L BEARDSLEY

<b>Daily Costs: Drilling</b>	\$64,731	<b>Completion</b>	\$0	<b>Daily Total</b>	\$64,731
<b>Cum Costs: Drilling</b>	\$478,057	<b>Completion</b>	\$0	<b>Well Total</b>	\$478,057
<b>MD</b>	4,585	<b>TVD</b>	4,585	<b>Progress</b>	1,534
				<b>Days</b>	2
				<b>MW</b>	8.6
				<b>Visc</b>	28.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: DRILLING @ 4585'

Start	End	Hrs	Activity Description
06:00	20:00	14.0	DRILLED F/3051-3771' (720' @ 51.4 /HR) 14-16K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, 100-400 DIFF. MUD WT. 8.8, VIS 29.
20:00	20:30	0.5	SERVICE RIG, FUNCTION PIPE RAMS.
20:30	06:00	9.5	DRILLED F/3771-4585' (814' @ 85.7'/HR) 16-18K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, 100-400 DIFF. MUD WT. 9.2, VIS 34.

SAFETY MEETINGS: DRILL PIPE, CLEANING THREADS.

NO INCIDENTS/ACCIDENTS REPORTED.

C.O.M. SET & CHECKED BY BOTH CREWS.

BOTH CREWS 1 MAN SHORT.

FUEL ON HAND: 6012 GAL. USED TODAY: 933 GAL.

FORMATION: WASATCH, NO FLARE.

09-04-2008 Reported By BEARDSLEY/ARRIETA

**Daily Costs: Drilling**      \$32,306                      **Completion**      \$0                      **Daily Total**      \$32,306  
**Cum Costs: Drilling**      \$510,364                      **Completion**      \$0                      **Well Total**      \$510,364  
**MD**      6,119      **TVD**      6,119      **Progress**      1,534      **Days**      3      **MW**      9.2      **Visc**      34.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**  
**Activity at Report Time:** DRILLING @ 6119'

Start	End	Hrs	Activity Description
06:00	13:30	7.5	DRILLED 4585' - 5055' (470') 62.66'/HR) 18-20K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 9.5 VIS. 33.
13:30	14:00	0.5	SERVICE RIG.
14:00	06:00	16.0	DRILL ROTATE 5055' - 6119' (1064') 66.5 FT/HR) 18-20K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 9.7 VIS. 34.

SAFETY MEETINGS: PIPE RAMS & DOPE PIPE  
 NO INCIDENTS/ACCIDENTS REPORTED.  
 C.O.M. SET & CHECKED BY BOTH CREWS  
 FULL CREWS ON BOTH TOURS.  
 FUEL ON HAND: 5100 GAL.    USED TODAY: 912 GAL.  
 FORMATION: BUCK CANYON @ 5809'  
 NO FLARE.

---

**09-05-2008      Reported By      CARLOS ARRIETA**  
**Daily Costs: Drilling**      \$31,604                      **Completion**      \$0                      **Daily Total**      \$31,604  
**Cum Costs: Drilling**      \$541,968                      **Completion**      \$0                      **Well Total**      \$541,968  
**MD**      6,942      **TVD**      6,942      **Progress**      823      **Days**      4      **MW**      9.8      **Visc**      35.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**  
**Activity at Report Time:** DRILLING @ 6942'

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILL ROTATE 6119' - 6465' (346') 49.4 FT/HR) 18-20K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 9.7 VIS. 34.
13:00	13:30	0.5	SERVICE RIG.
13:30	06:00	16.5	DRILL ROTATE 6465' - 6942' (477') 28.9 FT/HR) 18-20K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 10.0 VIS. 37.

SAFETY MEETINGS: OPENING CONTAINERS/SACKS & SMOKING  
 NO INCIDENTS/ACCIDENTS REPORTED.  
 C.O.M. SET & CHECKED BY BOTH CREWS  
 FULL CREWS ON BOTH TOURS.  
 FUEL ON HAND: 3706 GAL.    USED TODAY: 1394 GAL.  
 FORMATION: NORTH HORN FROM 6353'  
 NO FLARE.

---

**09-06-2008      Reported By      CARLOS ARRIETA**  
**Daily Costs: Drilling**      \$28,631                      **Completion**      \$0                      **Daily Total**      \$28,631  
**Cum Costs: Drilling**      \$570,600                      **Completion**      \$0                      **Well Total**      \$570,600  
**MD**      7,500      **TVD**      7,500      **Progress**      558      **Days**      5      **MW**      10.1      **Visc**      35.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

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

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILL ROTATE 6942' - 7154' (212') 30.28 FT/HR) 18-20K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 10.0 VIS. 37
13:00	13:30	0.5	SERVICE RIG
13:30	06:00	16.5	DRILL ROTATE 7154' - 7500' (346') 20.9' FT/HR) 18-20K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 10.3 VIS. 38
SAFETY MEETINGS: TOOLS/SACKS & V-DOOR			
NO INCIDENTS/ACCIDENTS REPORTED.			
C.O.M. SET & CHECKED BY BOTH CREWS			
ONE MAN SHORT ON NIGHT TOUR.			
FUEL ON HAND: 2733 GAL. USED TODAY: 973 GAL.			
FORMATION: PRICE RIVER, FROM 7499'			
NO FLARE.			

---

<b>09-07-2008</b>	<b>Reported By</b>	CARLOS ARRIETA
<b>Daily Costs: Drilling</b>	\$50,111	<b>Completion</b> \$0
<b>Cum Costs: Drilling</b>	\$620,711	<b>Completion</b> \$0
<b>Daily Total</b>		<b>Well Total</b> \$620,711
<b>MD</b>	7,762	<b>TVD</b> 7,762
<b>Progress</b>	262	<b>Days</b> 6
<b>MW</b>	10.4	<b>Visc</b> 37.0
<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>
		<b>PKR Depth : 0.0</b>

**Activity at Report Time: DRILLING @ 7762'**

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILL ROTATE 7500' - 7686' (186') 33.8' FT/HR) 18-20K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 10.3 VIS. 38
11:30	12:00	0.5	SERVICE RIG
12:00	14:30	2.5	DRILL ROTATE 7686' - 7752' (66') 26.4' FT/HR) 18-20K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 10.4 VIS. 40
14:30	16:30	2.0	LOST CIRCULATION NO RETURN, MIX & PUMP L.C.M. SWEEP OK, BUILD MUD, LOST 120 BBLS. OF MUD
16:30	17:30	1.0	CIRCULATE, MIX & PUMP PILL, DROP SURVEY, L/DN 3 JTS.
17:30	22:30	5.0	TRIP OUT HOLE FOR BIT # 2, PULL TIGHT FROM 3250' TO 2550'
22:30	23:30	1.0	L/DN 2 REAMERS & CHANGE MUD MOTOR, SURVEY 1.61 DEG.
23:30	04:30	5.0	TRIP IN HOLE W/ BIT # 2 REED DSR 616 D, FILL PIPE
04:30	05:30	1.0	WASH 95' TO BTTM. 34' FILL
05:30	06:00	0.5	DRILL ROTATE 7752' - 7762' (10') 20.0' FT/HR) 10-15K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 10.4 VIS. 42
LOST 134 BBLS MUD IN HOLE			
SAFETY MEETINGS: TRIPPING			
NO INCIDENTS/ACCIDENTS REPORTED.			
C.O.M. SET & CHECKED BY BOTH CREWS			
FULL CREW ON BOTH TOURS			
FUEL ON HAND: 6012 GAL. USED TODAY: 1221 GAL.			
FORMATION: PRICE RIVER, FROM 7499'			
NO FLARE.			

---

<b>09-08-2008</b>	<b>Reported By</b>	CARLOS ARRIETA
<b>Daily Costs: Drilling</b>	\$31,239	<b>Completion</b> \$0
<b>Cum Costs: Drilling</b>	\$651,951	<b>Completion</b> \$0
<b>Daily Total</b>		<b>Well Total</b> \$651,951

MD 8,800 TVD 8,800 Progress 1,038 Days 7 MW 10.5 Visc 38.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 8800'

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILL ROTATE 7762' - 8111' (349') 49.8' FT/HR) 10-15K WOB, 40-55 RPM, 74 RPM MOTOR, 461 GPM, MUD WT. 10.4 VIS. 42
13:00	13:30	0.5	SERVICE RIG
13:30	06:00	16.5	DRILL ROTATE 8111' - 8800' (689') 41.75' FT/HR) 18-20K WOB, 40-55 RPM, 72 RPM MOTOR, 455 GPM, MUD WT. 10.7 VIS. 40 LOST 0 BBLs MUD IN HOLE SAFETY MEETINGS: RI SERVICE & MIXING MUD NO INCIDENTS/ACCIDENTS REPORTED. C.O.M. SET & CHECKED BY BOTH CREWS FULL CREW ON BOTH TOURS FUEL ON HAND: 4743 GAL. USED TODAY: 1269 GAL. FORMATION: PRICE RIVER MIDDLE, FROM 8282' NO FLARE.

09-09-2008 Reported By CARLOS ARRIETA

Daily Costs: Drilling \$29,574 Completion \$0 Daily Total \$29,574  
 Cum Costs: Drilling \$681,526 Completion \$0 Well Total \$681,526

MD 9,080 TVD 9,080 Progress 280 Days 8 MW 11.0 Visc 41.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 9080'

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILL ROTATE 8800' - 8927' (127') 21.1' FT/HR) 18-20K WOB, 40-55 RPM, 72 RPM MOTOR, 455 GPM, MUD WT. 10.7 VIS. 40
12:00	12:30	0.5	SERVICE RIG
12:30	14:00	1.5	DRILL ROTATE 8927' - 8957' (30') 20' FT/HR) 18-20K WOB, 40-55 RPM, 72 RPM MOTOR, 455 GPM, MUD WT. 11 VIS. 44
14:00	15:00	1.0	CIRCULATE, FILL TRIP TANK, BUILD & PUMP PILL
15:00	19:30	4.5	TRIP OUT HOLE FOR BIT # 3, PULL THGT FROM 4200' TO 3650' 35K OVER PULL, L/DN MUD MOTOR
19:30	20:30	1.0	P/UP NEW MUD MOTOR & BIT # 3 HUGHES 506 Z X +,
20:30	00:00	3.5	TRIP IN HOLE, FILL PIPE
00:00	01:00	1.0	WASH 94' TO BTM. 8' FILL
01:00	06:00	5.0	DRILL ROTATE 8957' - 9080' (123') 24.6' FT/HR) 16-18K WOB, 40-55 RPM, 72 RPM MOTOR, 455 GPM, MUD WT. 10.8 VIS. 44 LOST 40 BBLs MUD IN HOLE ON TRIP SAFETY MEETINGS: PRESSURE LINES & TRIPPING NO INCIDENTS/ACCIDENTS REPORTED. C.O.M. SET & CHECKED BY BOTH CREWS FULL CREW ON BOTH TOURS FUEL ON HAND: 3706 GAL. USED TODAY: 1137 GAL. FORMATION: PRICE RIVER LOWER, FROM 9034' 8' FLARE ON TRIP GAS

09-10-2008 Reported By CARLOS ARRIETA

**DailyCosts: Drilling**      \$38,306                      **Completion**      \$0                      **Daily Total**      \$38,306  
**Cum Costs: Drilling**      \$719,832                      **Completion**      \$0                      **Well Total**      \$719,832  
**MD**      9,280      **TVD**      9,280      **Progress**      200      **Days**      9      **MW**      10.9      **Visc**      53.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING @ 9280'

Start	End	Hrs	Activity Description
06:00	16:00	10.0	DRILL ROTATE 9080' - 9261' (181') 18' FT/HR) 16-18K WOB, 40-55 RPM, 72 RPM MOTOR, 455 GPM, MUD WT. 10.8 VIS. 44
16:00	17:00	1.0	CIRCULATE, MIX & PUMP PILL, FILL TRIP TANK
17:00	21:30	4.5	TRIP OUT HOLE F/ BIT # 4
21:30	22:00	0.5	OTHER, CHANGE BIT P/UP BIT # 4 SEC. FMHX 753 ZR
22:00	03:00	5.0	TRIP IN HOLE
03:00	04:00	1.0	WASH 70' TO BTTM. 20' FILL
04:00	06:00	2.0	DRILL ROTATE 9261' - 9280' (19') 9.5' FT/HR) 16-20K WOB, 38-55 RPM, 72 RPM MOTOR, 455 GPM, MUD WT. 11.0 VIS. 35 LOST 0 BBLs MUD

SAFETY MEETINGS: MIXING CHEMICALS & TRIPPING  
 NO INCIDENTS/ACCIDENTS REPORTED.  
 C.O.M. SET & CHECKED BY BOTH CREWS  
 FULL CREW ON BOTH TOURS  
 FUEL ON HAND: 2578 GAL. USED TODAY: 1128 GAL.  
 FORMATION: PRICE RIVER LOWER, FROM 9034'  
 NO FLARE

**09-11-2008**      **Reported By**      CARLOS ARRIETA

**DailyCosts: Drilling**      \$44,855                      **Completion**      \$0                      **Daily Total**      \$44,855  
**Cum Costs: Drilling**      \$764,687                      **Completion**      \$0                      **Well Total**      \$764,687  
**MD**      9,695      **TVD**      9,695      **Progress**      415      **Days**      10      **MW**      10.8      **Visc**      34.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING @ 9695'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILL ROTATE 9280' - 9322' (42') 21' FT/HR) 16-20K WOB, 38-55 RPM, 72 RPM MOTOR, 455 GPM, MUD WT. 11.0 VIS. 35
08:00	11:30	3.5	LOST 100% CIRC., APPROX. 254 BBLs., 50 STKS. ON # 2 PUMP, MIX L.C.M., REGAIN CIRCULATION, BUILD VOLUME.
11:30	06:00	18.5	DRILL ROTATE 9322' - 9695' (373') 20.16' FT/HR) 18-20K WOB, 38-55 RPM, 72 RPM MOTOR, 455 GPM, MUD WT. 10.7 VIS. 37 LOST 264 BBLs MUD SAFETY MEETINGS: TONGS & PULLING PIPE UP CATWALK NO INCIDENTS/ACCIDENTS REPORTED. C.O.M. SET & CHECKED BY BOTH CREWS FULL CREW ON BOTH TOURS FUEL ON HAND: 5280 GAL. USED TODAY: 1298 GAL. FORMATION: SEGO, FROM 9657' NO FLARE

09-12-2008      Reported By      CARLOS ARRIETA

<b>Daily Costs: Drilling</b>	\$39,214	<b>Completion</b>	\$0	<b>Daily Total</b>	\$39,214
<b>Cum Costs: Drilling</b>	\$803,902	<b>Completion</b>	\$0	<b>Well Total</b>	\$803,902

MD      9,911      TVD      9,911      Progress      216      Days      11      MW      10.8      Visc      35.0

Formation :                      PBTD : 0.0                      Perf :                      PKR Depth : 0.0

Activity at Report Time: 9911' TD / LDDP

Start	End	Hrs	Activity Description
06:00	16:30	10.5	DRILL ROTATE 9695' - 9911' TD (216') 20.57' FT/HR) 18-20K WOB, 38-55 RPM, 72 RPM MOTOR, 455 GPM, MUD WT. 10.8 VIS. 35. REACHED TD AT 16:30 HRS, 9/11/08.
16:30	18:00	1.5	CIRCULATE COND. HOLE F/ SHORT TRIP
18:00	19:30	1.5	SHORT TRIP, 10 STDS. CHANGE ROTARY RUBBER
19:30	21:30	2.0	CIRCULATE HELD SAFETY MEETING W/ KIMZEY CASING SERVICE & RIG CREW, RIG UP L/DN MACHINE, PUMP 150 BBLs. PILL 12.5 PPG MUD ON BOTTOM. CASING POINT 09/11/2008, 21:30 HRS.
21:30	06:00	8.5	LAY DOWN DRILL PIPE & BHA, BREAK KELLY, NOTIFIED MS. DONNA L. KENNEY & MR. JAMES SPARGER FOR RUN CSG & CEMENT LOST 0 BBLs MUD

SAFETY MEETINGS: SERV. SCREW COMPRESSURE & L/DN PIPE  
NO INCIDENTS/ACCIDENTS REPORTED.  
C.O.M. SET & CHECKED BY BOTH CREWS  
FULL CREW ON BOTH TOURS  
FUEL ON HAND: 4218 GAL. USED TODAY: 1052 GAL.  
FORMATION: SEGO, TD @ 9911'  
NO FLARE

09-13-2008      Reported By      CARLOS ARRIETA

<b>Daily Costs: Drilling</b>	\$40,702	<b>Completion</b>	\$238,606	<b>Daily Total</b>	\$279,308
<b>Cum Costs: Drilling</b>	\$844,605	<b>Completion</b>	\$238,606	<b>Well Total</b>	\$1,083,211

MD      9,911      TVD      9,911      Progress      0      Days      12      MW      0.0      Visc      0.0

Formation :                      PBTD : 0.0                      Perf :                      PKR Depth : 0.0

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	07:30	1.5	FINISH L/DN PIPE & BHA
07:30	08:30	1.0	PULL WEAR BUSHING, HOLD SAFETY MEETING W/ KIMZEY CASING CREW & RIG CREW, RIG UP CSG EQUIPMENT.
08:30	15:30	7.0	RUN CASING 4 1/2" , # 11.6, P-110, LTC, 245 JTS SET 9908, AS FOLLOWS, FLOAT SHOE, 1 JT CSG, FLOAT COLLAR, 69 JTS CSG, 1 MARKER JT, 75 JTS CSG, 1 MARKER JT 101 JTS CSG + PUP JOINT, HANGER ASS & LANDING JT. FLOAT SHOE @ 9908', FLOAT COLLAR @ 9865.27', MARKER JT @ 7113.87', MARKER JT @ 4082.02'. CENTRALIZERS, 5 FT ABOVE SHOE, TOP OF JT #2 & EVERY 3 TH JT. TOTAL 30.
15:30	16:30	1.0	TAG @ 9908', LANDING CSG HANGER W/ 70K., FILL PIPE, CIRC. R/DN KIMZEY CASING L/ DN MACHINE, R/ UP SCHLUMBERGER CEMENTING EQUIPMENT, HELD SAFETY MEETING.

16:30 19:30 3.0 CEMENTING W/ SCHLUMBERGER, TEST LINES 5000 PSI, PUMPING 20 BBLS CHEM WASH & 20 BBLS WATER SPACER, LEAD CEMENT 730 SKS. 257.43 BBLS. 35/65 POZ G + ADDS MIX D020 5.% EXTENDER, D112 .75% FLUID LOSS, D046 .2%, ANTIFOAM, D013 .3% RATERDER, D130 .125 LOST CIRC. D065 .2% DISPERSANT. YIELD 1.98 FT3/SK, H2O 10 GAL/SK@ 12.5 PPG. TAIL 1750 SKS 402.06 BBLS. 50/50 POZ G + ADDS D020 2% EXTENDER, D046 .1% ANTIFOAM, D167 .2% FLUID LOSS, DO65 .2% DISPERSANT, D013 .1% RETARDER YIELD 1.29 FT3/SK , FRESH WATER 5.96 GAL/SK @ 14.1 PPG. DISP. TO FLOAT COLLER FRESH WATER. W/ 153.4 BBLS. AVG. DISP. RATE 7 BPM, NO RETURNS DROP PLUG @ 18:15 HRS. BUMPED PLUG @ 18:46 HRS. TO 3800 PSI. 1100 PSI. OVER LIFT HOLD PRESS.F/2 MINS. 2.0 BBL. BACK, LOST RETURN.

19:30 22:00 2.5 SET HANGER PACKING, TEST 5000 PSI. OK. NIPPLE DOWN, CLEAN MUD TANKS.

22:00 06:00 8.0 RIGGING DOWN.

SET F/ TRUCKS, R.W.JONES TO BE ON LOCATION TODAY @ 07:00, 09/13/08, MOVE TO NBU 559-17E , 1.4 MILES TO NEW LOCATION. RIG CAMP WILL BE MOVE SUNDAY 09/14/08. TRANSFER FROM NBU 569-17E TO NBU 559-17E, 5 JOINTS 4.5 CSG # 11.6 N-80 LTC + 2 MARKER JT. & 2046 GLS. FUEL, SEND 1000 BBLS OF LIQUID MUD TO NBU 559-17E

SAFETY MEETINGS: LAY DOWN PIPE & RUN CSG  
 NO INCIDENTS/ACCIDENTS REPORTED.  
 C.O.M. SET & CHECKED BY BOTH CREWS  
 FULL CREW ON BOTH TOURS  
 FUEL ON HAND: 4046 GAL. USED TODAY: 172 GAL.  
 NO FLARE

06:00 RIG RELEASED @ 22:00 HRS, 9/12/2008.  
 CASING POINT \$832,715

<b>09-24-2008</b>		<b>Reported By</b>		SEARLE							
<b>DailyCosts: Drilling</b>		\$0		<b>Completion</b>		\$223,500		<b>Daily Total</b>		\$223,500	
<b>Cum Costs: Drilling</b>		\$844,605		<b>Completion</b>		\$462,106		<b>Well Total</b>		\$1,306,711	
<b>MD</b>	9,911	<b>TVD</b>	9,911	<b>Progress</b>	0	<b>Days</b>	13	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>			<b>PBTD : 9865.0</b>			<b>Perf :</b>			<b>PKR Depth : 0.0</b>		
<b>Activity at Report Time: PREP FOR FRACS</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00			MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 100'. EST CEMENT TOP @ 500'. RD SCHLUMBERGER.								

<b>09-27-2008</b>		<b>Reported By</b>		MCCURDY							
<b>DailyCosts: Drilling</b>		\$0		<b>Completion</b>		\$1,724		<b>Daily Total</b>		\$1,724	
<b>Cum Costs: Drilling</b>		\$844,605		<b>Completion</b>		\$463,830		<b>Well Total</b>		\$1,308,435	
<b>MD</b>	9,911	<b>TVD</b>	9,911	<b>Progress</b>	0	<b>Days</b>	13	<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: WO COMPLETION</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 8500 PSIG. WO COMPLETION.								

<b>10-02-2008</b>		<b>Reported By</b>		KERN							
<b>DailyCosts: Drilling</b>		\$0		<b>Completion</b>		\$57,937		<b>Daily Total</b>		\$57,937	
<b>Cum Costs: Drilling</b>		\$844,605		<b>Completion</b>		\$521,767		<b>Well Total</b>		\$1,366,372	

MD 9,911 TVD 9,911 Progress 0 Days 14 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTID : 9865.0 Perf : 9128'-9769' PKR Depth : 0.0

Activity at Report Time: FRAC MESAVERDE AND WASATCH

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CUTTERS WIRELINE & PERFORATE LPR FROM 9609'-10', 9637'-38', 9651'-52', 9658'-59', 9686'-87', 9710'-11', 9720'-21', 9729'-30', 9748'-49', 9749'-50', 9758'-59', 9768'-69' @ 3 SPF @ 120° PHASING. RDWL. MIRU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 4165 GAL WF120 LINEAR PAD, 6315 GAL WF120 LINEAR 1# & 1.5#, 31186 GAL YF116ST+ W/ 111800 # 20/40 SAND @ 1-5 PPG. MTP 7714 PSIG. MTR 51.2 BPM. ATP 6017 PSIG. ATR 48.2 BPM. ISIP 3680 PSIG. RD SCHLUMBERGER.
			RUWL SET 10K CFP AT 9570'. PERFORATE LPR FROM 9346'-47', 9371'-72', 9378'-79', 9403'-04', 9436'-37', 9451'-52', 9477'-78', 9493'-94', 9512'-13', 9535'-36', 9536'-37', 9545'-46' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 6339 GAL WF120 LINEAR 1# & 1.5# SAND, 25868 GAL YF116ST+ W/ 88300 # 20/40 SAND @ 1-4 PPG. MTP 7754 PSIG. MTR 51.1 BPM. ATP 5988 PSIG. ATR 45.9 BPM. ISIP 3380 PSIG. RD SCHLUMBERGER.
			RUWL SET 10K CFP AT 9320'. PERFORATE M/LPR FROM 9128'-29', 9134'-35', 9154'-55', 9164'-65', 9185'-86', 9189'-90', 9218'-19', 9239'-40', 9252'-53', 9276'-77', 9290'-91', 9299'-9300' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 6313 GAL WF120 LINEAR 1# & 1.5# SAND, 34021 GAL YF116ST+ W/ 120300 # 20/40 SAND @ 1-5 PPG. MTP 8022 PSIG. MTR 52 BPM. ATP 6892 PSIG. ATR 47.8 BPM. ISIP 4400 PSIG. RD SCHLUMBERGER. SDFN.

10-03-2008 Reported By KERN

DailyCosts: Drilling	\$0	Completion	\$1,200	Daily Total	\$1,200
Cum Costs: Drilling	\$844,605	Completion	\$522,967	Well Total	\$1,367,572

MD 9,911 TVD 9,911 Progress 0 Days 15 MW 0.0 Visc 0.0  
 Formation : MESAVERDE/WASATCH PBTID : 9865.0 Perf : 7438'-9769' PKR Depth : 0.0

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RUWL. SET 10K CFP AT 9100'. PERFORATE MPR FROM 8857'-58', 8876'-77', 8900'-01', 8914'-15', 8937'-38', 8943'-44', 8968'-69', 9001'-02', 9007'-08', 9014'-15', 9067'-68', 9086'-87' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 4167 GAL WF120 LINEAR PAD, 8415 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 57714 GAL YF116ST+ W/208200# 20/40 SAND @ 1-5 PPG. MTP 7891 PSIG. MTR 51.2 BPM. ATP 6374 PSIG. ATR 49.7 BPM. ISIP 3780 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CFP AT 8834'. PERFORATE MPR FROM 8663'-64', 8679'-80', 8688'-89', 8718'-19', 8723'-24', 8740'-41', 8745'-46', 8774'-75', 8781'-82', 8801'-02', 8802'-03', 8811'-12' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6308 GAL WF120 LINEAR W/1# 20/40 SAND, 43094 GAL YF116ST+ W/153400# 20/40 SAND @ 1-5 PPG. MTP 8189 PSIG. MTR 51 BPM. ATP 6589 PSIG. ATR 48.6 BPM. ISIP 3500 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CFP AT 8635'. PERFORATE U/MPR FROM 8351'-52', 8377'-78', 8404'-05', 8415'-16', 8449'-50', 8465'-66', 8479'-80', 8486'-87', 8520'-21', 8563'-64', 8598'-99', 8613'-14' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 4168 GAL WF120 LINEAR PAD, 8410 GAL WF120 LINEAR W/1# 20/40 SAND, 68138 GAL YF116ST+ W/249500# 20/40 SAND @ 1-5 PPG. MTP 8173 PSIG. MTR 51.8 BPM. ATP 5767 PSIG. ATR 49.6 BPM. ISIP 3180 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CFP AT 8315'. PERFORATE UPR FROM 8098'-99', 8106'-07', 8116'-17', 8128'-29', 8145'-46', 8165'-66', 8170'-71', 8188'-89', 8195'-96', 8203'-04', 8217'-18', 8285'-86' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6296 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 29567 GAL YF116ST+ W/105900# 20/40 SAND @ 1-5 PPG. MTP 8055 PSIG. MTR 52.1 BPM. ATP 5983 PSIG. ATR 47.7 BPM. ISIP 3200 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8045'. PERFORATE UPR FROM 7682'-83', 7695'-96', 7701'-02', 7800'-01', 7921'-22', 7941'-42', 7956'-57', 7971'-72', 7981'-82', 8006'-07', 8012'-13', 8022'-23' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6302 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 43233 GAL YF116ST+ W/154600# 20/40 SAND @ 1-5 PPG. MTP 7730 PSIG. MTR 52 BPM. ATP 5547 PSIG. ATR 49.2 BPM. ISIP 2970 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7650'. PERFORATE NH/UPR FROM 7438'-39', 7447'-48', 7464'-65', 7468'-69', 7500'-01', 7509'-10', 7533'-34', 7565'-66', 7574'-75', 7591'-92', 7605'-06', 7634'-35' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6308 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 51693 GAL YF116ST+ W/185300# 20/40 SAND @ 1-5 PPG. MTP 8046 PSIG. MTR 52.2 BPM. ATP 5768 PSIG. ATR 49.3 BPM. ISIP 3000 PSIG. RD SCHLUMBERGER. SDFN

<b>10-04-2008</b>		<b>Reported By</b>		KERN							
<b>Daily Costs: Drilling</b>		\$0		<b>Completion</b>		\$552,036		<b>Daily Total</b>		\$552,036	
<b>Cum Costs: Drilling</b>		\$844,605		<b>Completion</b>		\$1,075,003		<b>Well Total</b>		\$1,919,609	
<b>MD</b>	9,911	<b>TVD</b>	9,911	<b>Progress</b>	0	<b>Days</b>	16	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>			PBTD : 9865.0			<b>Perf :</b> 5143'-9769'			<b>PKR Depth :</b> 0.0		
MESAVERDE/WASATCH											
<b>Activity at Report Time:</b> PREP TO MIRUSU											

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RUWL.. SET 10K CFP AT 7392'. PERFORATE NH FROM 7191'-92', 7203'-04', 7215'-16', 7245'-46', 7269'-70', 7277'-78', 7289'-90', 7305'-06', 7330'-31', 7331'-32', 7339'-40', 7347'-48' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 6316 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 29612 GAL YF116ST+ W/105700 # 20/40 SAND @ 1-5 PPG. MTP 7433 PSIG. MTR 52.2 BPM. ATP 5613 PSIG. ATR 49 BPM. ISIP 3600 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7155'. PERFORATE NH FROM 6837'-38', 6852'-53', 6861'-62', 6866'-67', 6973'-74', 7024'-25', 7041'-42', 7047'-48', 7056'-57', 7096'-97', 7106'-07', 7134'-35' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 6317 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 33303 GAL YF116ST+ W/115500 # 20/40 SAND @ 1-5 PPG. MTP 7697 PSIG. MTR 51.2 BPM. ATP 5451 PSIG. ATR 49.4 BPM. ISIP 2900 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6740'. PERFORATE Ba/NH FROM 6372'-73', 6373'-74', 6374'-75', 6425'-26', 6451'-52', 6515'-16', 6534'-35', 6551'-52', 6585'-86', 6593'-94', 6612'-13', 6718'-19' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 6314 GAL WF120 LINEAR 1# & 1.5# SAND, 29496 GAL YF116ST+ W/105700# 20/40 SAND @ 1-5 PPG. MTP 7496 PSIG. MTR 52.1 BPM. ATP 4839 PSIG. ATR 49.3 BPM. ISIP 2230 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6210'. PERFORATE Ba FROM 5908'-09', 5920'-21', 5948'-49', 5988'-89', 6022'-23', 6031'-32', 6038'-39', 6088'-89', 6107'-08', 6145'-46', 6150'-51', 6160'-61' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 6309 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 34757 GAL YF116ST+ W/125000# 20/40 SAND @ 1-5 PPG. MTP 7989 PSIG. MTR 52.1 BPM. ATP 4674 PSIG. ATR 49.2 BPM. ISIP 1950 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5815'. PERFORATE Ca FROM 5605'-07', 5614'-16', 5621'-23', 5635'-37', 5732'-33', 5738'-40', 5792'-93' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 4230 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 23043 GAL YF116ST+ W/84200# 20/40 SAND @ 1-5 PPG. MTP 4043 PSIG. MTR 51.6 BPM. ATP 3410 PSIG. ATR 42.8 BPM. ISIP 1800 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5540'. PERFORATE Ca FROM 5143'-45', 5190'-93', 5372'-73', 5492'-94', 5503'-05', 5510'-12' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 4212 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 24876 GAL YF116ST+ W/95400# 20/40 SAND @ 1-5 PPG. MTP 6242 PSIG. MTR 51.6 BPM. ATP 3919 PSIG. ATR 49.7 BPM. ISIP 1900 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 5001'. RDWL. SDFN.

<b>10-10-2008</b>	<b>Reported By</b>	BAUSCH									
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$38,648	<b>Daily Total</b>	\$38,648						
<b>Cum Costs: Drilling</b>	\$844,605	<b>Completion</b>	\$1,113,651	<b>Well Total</b>	\$1,958,257						
<b>MD</b>	9,911	<b>TVD</b>	9,911	<b>Progress</b>	0	<b>Days</b>	17	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 9865.0</b>		<b>Perf : 5143'-9769'</b>		<b>PKR Depth : 0.0</b>						
MESAVERDE/WASATCH											
<b>Activity at Report Time:</b> MIRUSU. C/O AFTER FRAC											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
07:00	16:00	9.0	MIRUSU. HOLD SAFETY MTG. ND FRAC TREE. NU BOP. RIH W/ BIT & PUMP OFF SUB TO 5105'. RU TO DRILL OUT PLUGS. SDFN.								

<b>10-11-2008</b>	<b>Reported By</b>	BAUSCH									
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$14,610	<b>Daily Total</b>	\$14,610						
<b>Cum Costs: Drilling</b>	\$844,605	<b>Completion</b>	\$1,128,261	<b>Well Total</b>	\$1,972,867						
<b>MD</b>	9,911	<b>TVD</b>	9,911	<b>Progress</b>	0	<b>Days</b>	18	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 9830.0</b>		<b>Perf : 5143'-9769'</b>		<b>PKR Depth : 0.0</b>						
MESAVERDE/WASATCH											
<b>Activity at Report Time:</b> RDMOSU. FLOW TEST WELL.											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
07:00	06:00	23.0	SICP 0 PSIG. SISCP 50 PSIG. HOLD SAFETY MTG. PRESSURE TEST FLOW LINES & POBS TO 2500 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5001', 5540', 5815', 6210', 6740', 7155', 7392', 7650', 8045', 8315', 8635', 8834', 9100', 9320' & 9570'. RIH. CLEANED OUT TO 9830'. LANDED TBG AT 8393.02' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.								

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'  
 1 JT 2-3/8 4.7# N-80 TBG 31.36'  
 XN NIPPLE 1.30'  
 266 JTS 2-3/8 4.7# N-80 TBG 8346.76'  
 2 3/8 N-80 NIPPLE & COUPLING 0.60'  
 BELOW KB 12.00'  
 LANDED @ 8393.02' KB

FLOWED 8 HRS. 32/64" CHOKE. FTP 1250 PSIG, CP 1300 PSIG. 80 BFPH. RECOVERED 640 BBLS, 17177 BLWTR.

<b>10-12-2008</b>	<b>Reported By</b>	BAUSCH									
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,480	<b>Daily Total</b>	\$2,480						
<b>Cum Costs: Drilling</b>	\$844,605	<b>Completion</b>	\$1,130,741	<b>Well Total</b>	\$1,975,347						
<b>MD</b>	9,911	<b>TVD</b>	9,911	<b>Progress</b>	0	<b>Days</b>	19	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 9830.0</b>		<b>Perf : 5143'-9769'</b>		<b>PKR Depth : 0.0</b>						
MESAVERDE/WASATCH											
<b>Activity at Report Time:</b> FLOW TEST											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								

06:00 06:00 24.0 FLOWED 24 HRS. 32/64" CHOKE. FTP 1150 PSIG. CP 1250 PSIG. 76 BFPH. RECOVERED 1830 BLW. 15347  
BLWTR.

**10-13-2008** Reported By BAUSCH

**Daily Costs: Drilling** \$0 **Completion** \$2,480 **Daily Total** \$2,480  
**Cum Costs: Drilling** \$844,605 **Completion** \$1,133,221 **Well Total** \$1,977,827

**MD** 9,911 **TVD** 9,911 **Progress** 0 **Days** 20 **MW** 0.0 **Visc** 0.0

**Formation :** **PBTD : 9830.0** **Perf : 5143'-9769'** **PKR Depth : 0.0**  
MESAVERDE/WASATCH

**Activity at Report Time:** FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 32/64" CHOKE. FTP 1200 PSIG, CP 1850 PSIG. 73 BFPH. RECOVERED 1760 BBLs, 13587 BLWTR.

**10-14-2008** Reported By BAUSCH

**Daily Costs: Drilling** \$0 **Completion** \$2,480 **Daily Total** \$2,480  
**Cum Costs: Drilling** \$844,605 **Completion** \$1,135,701 **Well Total** \$1,980,307

**MD** 9,911 **TVD** 9,911 **Progress** 0 **Days** 21 **MW** 0.0 **Visc** 0.0

**Formation :** **PBTD : 9830.0** **Perf : 5143'-9769'** **PKR Depth : 0.0**  
MESAVERDE/WASATCH

**Activity at Report Time:** FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 32/64 CHOKE. FTP- 1200 PSIG, CP- 2300 PSIG. 66 BFPH. RECOVERED 1590 BBLs, 11997 BLWTR.

**10-15-2008** Reported By BAUSCH

**Daily Costs: Drilling** \$0 **Completion** \$2,675 **Daily Total** \$2,675  
**Cum Costs: Drilling** \$844,605 **Completion** \$1,138,376 **Well Total** \$1,982,982

**MD** 9,911 **TVD** 9,911 **Progress** 0 **Days** 22 **MW** 0.0 **Visc** 0.0

**Formation :** **PBTD : 9830.0** **Perf : 5143'-9769'** **PKR Depth : 0.0**  
MESAVERDE/WASATCH

**Activity at Report Time:** FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 32/64 CHOKE. FTP- 1200 PSIG, CP- 2300 PSIG. 62 BFPH. RECOVERED 1480 BBLs, 10517 BLWTR.

**10-16-2008** Reported By BAUSCH

**Daily Costs: Drilling** \$0 **Completion** \$3,075 **Daily Total** \$3,075  
**Cum Costs: Drilling** \$844,605 **Completion** \$1,141,451 **Well Total** \$1,986,057

**MD** 9,911 **TVD** 9,911 **Progress** 0 **Days** 23 **MW** 0.0 **Visc** 0.0

**Formation :** **PBTD : 9830.0** **Perf : 5143'-9769'** **PKR Depth : 0.0**  
MESAVERDE/WASATCH

**Activity at Report Time:** FLOW TEST.

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 19 HRS. 32/64 CHOKE. FTP- 1350 PSIG, CP- 2350 PSIG. 62 BFPH. RECOVERED 1170 BBLs, 9347 BLWTR. WELL WAS SHUT IN 5 HRS SO WELDING ON FACILITIES COULD BE DONE.

FINAL COMPLETION DATE: 10/15/08

10-17-2008      Reported By      BAUSCH

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,480	<b>Daily Total</b>	\$2,480
<b>Cum Costs: Drilling</b>	\$844,605	<b>Completion</b>	\$1,143,931	<b>Well Total</b>	\$1,988,537

MD      9,911      TVD      9,911      Progress      0      Days      24      MW      0.0      Visc      0.0

Formation :                      PBTB : 9830.0                      Perf : 5143'-9769'                      PKR Depth : 0.0  
 MESAVERDE/WASATCH

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 17 HRS. 32/64 CHOKE. FTP- 1250 PSIG, CP- 2300 PSIG. 65 BFPH. RECOVERED 1145 BBLs, 8202 BLWTR. SHUT IN 7 HRS. WO FACILITIES.

FINAL COMPLETION DATE: 10/16/08

10-18-2008      Reported By      BAUSCH

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,480	<b>Daily Total</b>	\$2,480
<b>Cum Costs: Drilling</b>	\$844,605	<b>Completion</b>	\$1,146,411	<b>Well Total</b>	\$1,991,017

MD      9,911      TVD      9,911      Progress      0      Days      25      MW      0.0      Visc      0.0

Formation :                      PBTB : 9830.0                      Perf : 5143'-9769'                      PKR Depth : 0.0  
 MESAVERDE/WASATCH

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 18 HRS. 32/64" CHOKE. FTP 1200 PSIG. CP 2200 PSIG. 54 BFPH. RECOVERED 995 BLW. 7207 BLWTR.

10-19-2008      Reported By      BAUSCH

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,480	<b>Daily Total</b>	\$2,480
<b>Cum Costs: Drilling</b>	\$844,605	<b>Completion</b>	\$1,148,891	<b>Well Total</b>	\$1,993,497

MD      9,911      TVD      9,911      Progress      0      Days      26      MW      0.0      Visc      0.0

Formation :                      PBTB : 9830.0                      Perf : 5143'-9769'                      PKR Depth : 0.0  
 MESAVERDE/WASATCH

Activity at Report Time: FLOW TEST.

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 32/64" CHOKE. FTP 1200 PSIG. CP 2050 PSIG. 47 BFPH. RECOVERED 1131 BLW. 6103 BLWTR.

10-20-2008      Reported By      BAUSCH

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,480	<b>Daily Total</b>	\$2,480
<b>Cum Costs: Drilling</b>	\$844,605	<b>Completion</b>	\$1,151,371	<b>Well Total</b>	\$1,995,977

MD      9,911      TVD      9,911      Progress      0      Days      27      MW      0.0      Visc      0.0

Formation :                      PBTB : 9830.0                      Perf : 5143'-9769'                      PKR Depth : 0.0  
 MESAVERDE/WASATCH

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 32/64" CHOKE. FTP 1150 PSIG. CP 2000 PSIG. 44 BFPH. RECOVERED 1061 BLW. 5042 BLWTR.

10-21-2008      Reported By      BAUSCH

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,480	<b>Daily Total</b>	\$2,480
<b>Cum Costs: Drilling</b>	\$844,605	<b>Completion</b>	\$1,153,851	<b>Well Total</b>	\$1,998,457

MD 9,911 TVD 9,911 Progress 0 Days 28 MW 0.0 Visc 0.0  
 Formation : PBTB : 9830.0 Perf : 5143'-9769' PKR Depth : 0.0  
 MESAVERDE/WASATCH

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 32/64 CHOKE. FTP- 1100 PSIG, CP- 1900 PSIG. 37 BFPH. RECOVERED 895 BBLS, 4100 BLWTR.

10-22-2008 Reported By BAUSCH

Daily Costs: Drilling	\$0	Completion	\$2,480	Daily Total	\$2,480
Cum Costs: Drilling	\$844,605	Completion	\$1,156,331	Well Total	\$2,000,937

MD 9,911 TVD 9,911 Progress 0 Days 29 MW 0.0 Visc 0.0  
 Formation : PBTB : 9830.0 Perf : 5143'-9769' PKR Depth : 0.0  
 MESAVERDE/WASATCH

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 32/64 CHOKE. FTP- 1050 PSIG, CP- 1900 PSIG. 33 BFPH. RECOVERED 785 BBLS, 3332 BLWTR. SWI @ 6:00 AM. WAIT ON FACILITIES.

FINAL COMPLETION DATE: 10/21/08

10-28-2008 Reported By DUANE COOK

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$844,605	Completion	\$1,156,331	Well Total	\$2,000,937

MD 9,911 TVD 9,911 Progress 0 Days 30 MW 0.0 Visc 0.0  
 Formation : PBTB : 9830.0 Perf : 5143'-9769' PKR Depth : 0.0  
 MESAVERDE/WASATCH

Activity at Report Time: INITIAL PRODUCTION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION - OPENING PRESSURE: TP 1500 PSIG & CP 2300 PSIG. TURNED WELL OVER TO KERR-MAGEE SALES AT 10:00 HRS, 10/27/08. FLOWED 568 MCFD RATE ON 14/64" CHOKE. 504 STATIC . KERR MAGEE METER #985723.

10-29-2008 Reported By MICHAEL WHITE

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$844,605	Completion	\$1,156,331	Well Total	\$2,000,937

MD 9,911 TVD 9,911 Progress 0 Days 31 MW 0.0 Visc 0.0  
 Formation : PBTB : 9830.0 Perf : 5143'-9769' PKR Depth : 0.0  
 MESAVERDE/WASATCH

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 1024 MCF, 0 BC & 80 BW IN 24 HRS ON 14/64 CHOKE, FTP 1600 PSIG, CP 2300 PSIG.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

5. Lease Serial No.  
UTU01791

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

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.  
NATURAL BUTTES UN

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

8. Lease Name and Well No.  
NATURAL BUTTES UNIT 569-17E

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

9. API Well No.  
43-047-38534

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
 At surface SWNE 2009FNL 1809FEL 39.94961 N Lat, 109.57281 W Lon  
 At top prod interval reported below SWNE 2009FNL 1809FEL 39.94961 N Lat, 109.57281 W Lon  
 At total depth SWNE 2009FNL 1809FEL 39.94961 N Lat, 109.57281 W Lon

10. Field and Pool, or Exploratory  
NATURAL BUTTES/WASATCH/MV

11. Sec., T., R., M., or Block and Survey or Area  
Sec 17 T10S R21E Mer SLB

12. County or Parish UINTAH  
 13. State UT

14. Date Spudded 07/18/2008  
 15. Date T.D. Reached 09/11/2008  
 16. Date Completed  D & A  Ready to Prod. 10/27/2008

17. Elevations (DF, KB, RT, GL)\*  
5154 GL

18. Total Depth: MD 9911 TVD  
 19. Plug Back T.D.: MD 9830 TVD  
 20. Depth Bridge Plug Set: MD TVD

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2365		800		0	
7.875	4.500 P-110	11.6	0	9908		2480		500	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	8393							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH/MESAVERDE	5143	9769	9609 TO 9769		3	
B)			9346 TO 9546		3	
C)			9128 TO 9300		3	
D)			8857 TO 9087		3	

26. Perforation Record

Depth Interval	Amount and Type of Material
9609 TO 9769	41,831 GALS GELLED WATER & 111,800# 20/40 SAND
9346 TO 9546	32,372 GALS GELLED WATER & 88,300# 20/40 SAND
9128 TO 9300	40,499 GALS GELLED WATER & 120,300# 20/40 SAND
8857 TO 9087	70,461 GALS GELLED WATER & 208,200# 20/40 SAND

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

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
10/27/2008	11/03/2008	24	→	5.0	737.0	160.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
14/64"	SI 1550	2150.0	→	5	737	160		PGW	

28. Production - Interval A

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

28a. Production - Interval B

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

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

ELECTRONIC SUBMISSION #64776 VERIFIED BY THE BLM WELL INFORMATION SYSTEM  
 \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED

RECEIVED  
NOV 18 2008

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
WASATCH/MESAVERDE	5143	9769		GREEN RIVER	1379
				MAHOGANY	1960
				UTELAND BUTTE	4374
				WASATCH	4495
				CHAPITA WELLS	5098
				BUCK CANYON	5803
				PRICE RIVER	7519
MIDDLE PRICE RIVER	8457				

32. Additional remarks (include plugging procedure):

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

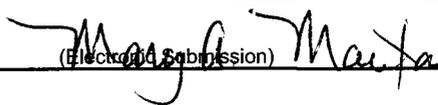
33. Circle enclosed attachments:

- 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 #64776 Verified by the BLM Well Information System.  
 For EOG RESOURCES, INC., sent to the Vernal**

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

Signature  (Electronic Submission) Date 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.

**Natural Buttes Unit 569-17E - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

8663-8812	3/spf
8351-8614	3/spf
8098-8286	3/spf
7682-8023	3/spf
7438-7635	3/spf
7191-7348	3/spf
6837-7135	3/spf
6372-6719	3/spf
5908-6161	3/spf
5605-5793	3/spf
5143-5512	3/spf

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

8663-8812	49,567 GALS GELLED WATER & 153,400# 20/40 SAND
8351-8614	80,881 GALS GELLED WATER & 249,500# 20/40 SAND
8098-8286	36,028 GALS GELLED WATER & 105,900# 20/40 SAND
7682-8023	49,700 GALS GELLED WATER & 154,600# 20/40 SAND
7438-7635	58,166 GALS GELLED WATER & 185,300# 20/40 SAND
7191-7348	36,093 GALS GELLED WATER & 105,700# 20/40 SAND
6837-7135	39,785 GALS GELLED WATER & 115,500# 20/40 SAND
6372-6719	35,975 GALS GELLED WATER & 105,700# 20/40 SAND
5908-6161	41,066 GALS GELLED WATER & 125,000# 20/40 SAND
5605-5793	27,273 GALS GELLED WATER & 84,200# 20/40 SAND
5143-5512	29,088 GALS GELLED WATER & 95,400# 20/40 SAND

Perforated the Lower Price River from 9609-10', 9637-38', 9651-52', 9658-59', 9686-87', 9710-11', 9720-21', 9729-30', 9748-49', 9749-50', 9758-59', 9768-69' w/ 3 spf.

Perforated the Lower Price River from 9346-47', 9371-72', 9378-79', 9403-04', 9436-37', 9451-52', 9477-78', 9493-94', 9512-13', 9535-36', 9536-37', 9545-46' w/ 3 spf.

Perforated the Middle/Lower Price River from 9128-29', 9134-35', 9154-55', 9164-65', 9185-86', 9189-90', 9218-19', 9239-40', 9252-53', 9276-77', 9290-91', 9299-9300' w/ 3 spf.

Perforated the Middle Price River from 8857-58', 8876-77', 8900-01', 8914-15', 8937-38', 8943-44', 8968-69', 9001-02', 9007-08', 9014-15', 9067-68', 9086-87' w/ 3 spf.

Perforated the Middle Price River from 8663-64', 8679-80', 8688-89', 8718-19', 8723-24', 8740-41', 8745-46', 8774-75', 8781-82', 8801-02', 8802-03', 8811-12' w/ 3 spf.

Perforated the Upper/Middle Price River from 8351-52', 8377-78', 8404-05', 8415-16', 8449-50', 8465-66', 8479-80', 8486-87', 8520-21', 8563-64', 8598-99', 8613-14' w/ 3 spf.

Perforated the Upper Price River from 8098-99', 8106-07', 8116-17', 8128-29', 8145-46', 8165-66', 8170-71', 8188-89', 8195-96', 8203-04', 8217-18', 8285-86' w/ 3 spf.

Perforated the Upper Price River from 7682-83', 7695-96', 7701-02', 7800-01', 7921-22', 7941-42', 7956-57', 7971-72', 7981-82', 8006-07', 8012-13', 8022-23' w/ 3 spf.

Perforated the North Horn/Upper Price River from 7438-39', 7447-48', 7464-65', 7468-69', 7500-01', 7509-10', 7533-34', 7565-66', 7574-75', 7591-92', 7605-06', 7634-35' w/ 3 spf.

Perforated the North Horn from 7191-92', 7203-04', 7215-16', 7245-46', 7269-70', 7277-78', 7289-90', 7305-06', 7330-31', 7331-32', 7339-40', 7347-48' w/ 3 spf.

Perforated the North Horn from 6837-38', 6852-53', 6861-62', 6866-67', 6973-74', 7024-25', 7041-42', 7047-48', 7056-57', 7096-97', 7106-07', 7134-35' w/ 3 spf.

Perforated the Ba/North Horn from 6372-73', 6373-74', 6374-75', 6425-26', 6451-52', 6515-16', 6534-35', 6551-52', 6585-86', 6593-94', 6612-13', 6718-19' w/ 3 spf.

Perforated the Ba from 5908-09', 5920-21', 5948-49', 5988-89', 6022-23', 6031-32', 6038-39', 6088-89', 6107-08', 6145-46', 6150-51', 6160-61' w/ 3 spf.

Perforated the Ca from 5605-07', 5614-16', 5621-23', 5635-37', 5732-33', 5738-40', 5792-93' w/ 3 spf.

Perforated the Ca from 5143-45', 5190-93', 5372-73', 5492-94', 5503-05', 5510-12' w/ 3 spf.

### **32. FORMATION (LOG) MARKERS**

Lower Price River	9244
Sego	9744

**REPORT OF WATER ENCOUNTERED DURING DRILLING**

Well name and number: NBU 569-17E

API number: 4304738534

Well Location: QQ SWNE Section 17 Township 10S Range 21E 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

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

<b>ROUTING</b>
1. DJJ
2. CDW

**X Change of Operator (Well Sold)**  
 Operator Name Change

Designation of Agent/Operator  
 Merger

The operator of the well(s) listed below has changed, effective: **10/1/2008**

<b>FROM:</b> (Old Operator): N9550-EOG Resources 1060 E Hwy 40 Vernal, UT 84078 Phone: 1-(435) 781-9111	<b>TO:</b> ( New Operator): N2995-Kerr-McGee Oil & Gas Onshore., LP 1368 South 1200 East Vernal, UT 84078 Phone: 1-(435) 781-7024
---	---

WELL NAME(S)	CA No.			Unit:		NATURAL BUTTES		
	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
NBU 570-17E	17	100S	210E	4304738529	2900	Federal	GW	P
NBU 569-17E	17	100S	210E	4304738534	2900	Federal	GW	P

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: Completion of well
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: Completion of well
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- (R649-9-2)Waste Management Plan has been received on: IN PLACE
- Inspections of LA PA state/fee well sites complete on: n/a
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM n/a BIA n/a
- Federal and Indian Units:**  
 The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**  
 The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 11/25/2008
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 11/25/2008
- Bond information entered in RBDMS on: n/a
- Fee/State wells attached to bond in RBDMS on: n/a
- Injection Projects to new operator in RBDMS on: n/a

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: n/a
- (R649-3-1) The **NEW** operator of any state or fee well(s) listed covered by Bond Number 22013542
- The **FORMER** operator has requested a release of liability from their bond on: n/a

**COMMENTS:**

Well to transfer upon completion to Unit Operator (See 9/23/2003 letter from EOG & agreement 9/17/03 from Westport)

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.  
UTU01791

6. If Indian, Allottee or Tribe Name

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

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

8. Well Name and No.  
NATURAL BUTTES UNIT 569-17E

9. API Well No.  
43-047-38534

10. Field and Pool, or Exploratory  
NATURAL BUTTES

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
EOG RESOURCES, INC. Contact: MICKENZIE THACKER  
E-Mail: MICKENZIE\_THACKER@EOGRESOURCES.COM

3a. Address  
1060 E. HWY 40  
VERNAL, UT 84078

3b. Phone No. (include area code)  
Ph: 453-781-9145

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 17 T10S R21E SWNE 2009FNL 1809FEL  
39.94961 N Lat, 109.57281 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 checked="" type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat. Interim reclamation was completed on 11/12/2008.

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #66337 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MICKENZIE THACKER Title OPERATIONS CLERK

Signature *Mickenzie Thacker* Date 01/14/2009

**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**  
**JAN 20 2009**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
Multiple Leases

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE** – Other instructions on page 2.

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
EOG Resources, Inc

3a. Address  
1060 EAST HIGHWAY 40, VERNAL, UT 84078

3b. Phone No. (include area code)  
435-781-9145

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

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

8. Well Name and No.  
Multiple Wells

9. API Well No.  
See Attached

10. Field and Pool or Exploratory Area  
Natural Buttes

11. Country or Parish, State  
Utah, Utah

12. CHECK THE 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 <u>Change of Operator</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

EOG Resources, Inc. has assigned all of its right, title and interest in the wells described in the attached list ("the Subject Wells") to Kerr-McGee Oil & Gas Onshore LP and will relinquish and transfer operatorship of all of the Subject Wells to Kerr-McGee Oil & Gas Onshore LP on January 1, 2010.

As of January 1, 2010, Kerr-McGee Oil & Gas Onshore LP will be considered to be the operator of each of the Subject Wells and will be responsible under the terms and conditions of the applicable lease for the operations conducted upon the leased lands. Bond coverage is provided under Kerr-McGee Oil & Gas Onshore LP's Nationwide BLM Bond No. WYB-000291.

Kerr-McGee Oil & Gas Onshore LP  
1099 18th Street, Suite 1800  
Denver, CO 80202-1918

Accepted by the  
Utah Division of  
Oil, Gas and Mining  
For Record Only *ER 1/31/2010*

By: Michael A. Nixon Date: 12/17/2009  
Michael A. Nixon  
Agent and Attorney-in-Fact

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

Name (Printed/Typed)  
J. Michael Schween

Title Agent and Attorney-in-Fact

Signature [Signature] Date 12/17/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

RECEIVED

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date **DEC 24 2009**

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

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.

Lease #	API #	Well Name	Footages	Legal Description
UTUO2270A	4304730261	NBU 1-07B	1975' FNL 1850' FWL	T10S-R21E-07-SESW
UTUO144868	4304730262	NBU 2-15B	1630' FSL 2125' FEL	T09S-R20E-15-NWSE
ML22651	4304730267	NBU 3-02B	1819' FNL 716' FWL	T10S-R22E-02-SWNW
UTUO10954A	4304730273	NBU 4-35B	2037' FNL 2539' FWL	T09S-R22E-35-SESW
ML22650	4304730272	NBU 5-36B	1023' FNL 958' FWL	T09S-R22E-36-NWNW
UTUO1791	4304730278	NBU 7-09B	330' FSL 1600' FWL	T10S-R21E-09-SESW
UTUO1207 ST	4304730274	NBU 10-29B	1100' FSL 1540' FEL	T09S-R22E-29-SWSE
UTUO1791	4304730294	NBU 13-08B	1600' FSL 1300' FEL	T10S-R21E-08-NESE
UTUO581	4304730296	NBU 15-29B	821' FNL 687' FWL	T09S-R21E-29-NWNW
UTUO1791	4304730316	NBU 16-06B	330' FSL 900' FEL	T10S-R21E-06-SESE
UTUO2270A	4304730317	NBU 17-18B	1014' FSL 2067' FEL	T10S-R21E-18-SWSE
UTUO144869	4304730328	NBU 19-21B	2015' FNL 646' FEL	T09S-R20E-21-SENE
UTUO575	4304730363	NBU 25-20B	1905' FNL 627' FWL	T09S-R21E-20-SWNW
UTU4485	4304730364	NBU 26-13B	600' FSL 661' FEL	T10S-R20E-13-SESE
UTUO1393B	4304730367	NBU 28-04B	529' FNL 2145' FWL	T10S-R21E-04-NENW
UTUO1393B	4304730368	NBU 29-05B	398' FSL 888' FWL	T10S-R21E-05-SESE
UTUO575	4304730380	NBU 30-18B	1895' FSL 685' FEL	T09S-R21E-18-NESE
ML01197A	4304730385	NBU 31-12B	565' FNL 756' FWL	T10S-R22E-12-NWNW
UTU461	4304730396	NBU 33-17B	683' FSL 739' FWL	T09S-R22E-17-SWSW
UTUO575	4304730404	NBU 34-17B	210' FNL 710' FEL	T09S-R21E-17-NENE
UTUO149767	4304730397	NBU 35-08B	1830' FNL 660' FWL	T09S-R21E-8-SWNW
UTUO144878B	4304730470	NBU 49-12B	551' FSL 1901' FEL	T09S-R20E-12-SWSE
UTUO140225	4304730473	NBU 52-01B	659' FSL 658' FEL	T09S-R21E-01-SESE
UTUO141315	4304730474	NBU 53-03B	495' FSL 601' FWL	T09S-R21E-03-SWSW
ML21510	4304730475	NBU 54-02B	660' FSL 660' FWL	T09S-R21E-02-SWSW
UTUO1193	4304730464	NBU 57-12B	676' FSL 1976' FEL	T09S-R21E-12-SWSE
UTUO1198B	4304730463	NBU 58-23B	1634' FNL 2366' FEL	T10S-R22E-23-SWNE
UTUO37167	4304730477	NBU 62-35B	760' FNL 2252' FEL	T10S-R22E-35-NWNE
UTU10186	4304730466	NBU 63-12B	1364' FNL 1358' FEL	T10S-R20E-12-SWNE
UTUO37167	4304730577	NBU 70-34B	1859' FSL 2249' FWL	T10S-R22E-34-NESW
UTU4476	4304730578	NBU 71-26B	1877' FNL 528' FEL	T10S-R20E-26-SENE
UTUO141315	4304731150	NBU 202-03	898' FSL 1580' FEL	T09S-R21E-03-SWSE
UTUO1791	4304731238	NBU 205-08	1432' FSL 1267' FWL	T10S-R21E-08-NWSW
UTUO1791	4304731165	NBU 206-09	1789' FNL 1546' FWL	T10S-R21E-09-SESW
UTUO1393B	4304731177	NBU 207-04	1366' FSL 1445' FWL	T10S-R21E-04-NESW
UTUO149076	4304731153	NBU 210-24	1000' FSL 1000' FWL	T09S-R21E-24-SWSW
UTUO284	4304731156	NBU 211-20	916' FSL 822' FEL	T09S-R22E-20-SESE
UTUO284	4304731267	NBU 212-19	289' FSL 798' FWL	T09S-R22E-19-SWSW
UTU22650	4304731268	NBU 213-36J	597' FNL 659' FEL	T09S-R22E-36-NENE
ML22651	4304731282	NBU 217-02	2045' FSL 766' FWL	T10S-R22E-02-NWSW
UTUO2270A	4304731310	NBU 218-17	2600' FNL 1500' FWL	T10S-R21E-17-SESW
UTUO149076	4304731308	NBU 219-24	1300' FNL 500' FWL	T09S-R21E-24-NWNW
UTUO149076	4304732131	NBU 301-24E	700' FSL 2450' FEL	T09S-R21E-24-SWSE
UTUO1791	4304732010	NBU 302-09E	1899' FSL 912' FWL	T10S-R21E-09-NWSW
UTUO575	4304732130	NBU 304-18E	782' FSL 1783' FEL	T09S-R21E-18-SWSE
UTUO149767	4304732135	NBU 305-07E	670' FNL 1950' FWL	T09S-R21E-07-NENW
UTUO581	4304732282	NBU 306-18E	1604' FSL 2797' FWL	T09S-R21E-18-NESW
UTUO1791	4304732014	NBU 307-06E	1979' FSL 2000' FEL	T10S-R21E-06-NWSE
UTUO284	4304732202	NBU 308-20E	1503' FSL 954' FWL	T09S-R22E-20-NWSW
UTUO575	4304732283	NBU 309-20E	930' FNL 667' FEL	T09S-R21E-20-NENE
UTUO149075	4304732203	NBU 311-23E	1101' FSL 1978' FEL	T09S-R21E-23-SWSE
UTUO581	4304732378	NBU 313-29E	1000' FNL 660' FEL	T09S-R21E-29-NENE
UTUO141315	4304732271	NBU 314-03E	1045' FSL 2584' FWL	T09S-R21E-03-SESW
UTUO575	4304732381	NBU 316-17E	1935' FNL 1067' FWL	T09S-R21E-17-SWNW
UTUO144868B	4304732362	NBU 317-12E	867' FNL 701' FEL	T09S-R20E-12-NENE
UTUO2270A	4304737511	NBU 319-17E	807' FNL 990' FWL	T10S-R21E-17-NWNW
UTUO1188	4304732379	NBU 321-10E	940' FSL 2508' FWL	T09S-R21E-10-SESW
UTUO575B	4304732376	NBU 325-08E	832' FSL 669' FWL	T09S-R21E-08-SWSW
UTUO1393B	4304733697	NBU 326-04E	1906' FNL 695' FWL	T10S-R21E-04-SWNW
UTUO1393B	4304739303	NBU 327-05E	1117' FNL 942' FEL	T10S-R21E-05-NENE (LOT 1)
UTU4485	4304732386	NBU 328-13E	1766' FSL 1944' FWL	T10S-R20E-13-NESW
UTUO1207 ST	4304732229	NBU 329-29E	2490' FNL 949' FEL	T09S-R22E-29-SENE

RECEIVED

DEC 24 2009

DIV. OF OIL, GAS & MINING

Lease #	API #	Well Name	Footages	Legal Description
UTUO10954A	4304732147	NBU 331-35E	1531' FNL 1153' FEL	T09S-R22E-35-SENE
UTUO1791	4304732148	NBU 332-08E	955' FSL 2508' FEL	T10S-R21E-08-SWSE
ML21510	4304732518	NBU 333-02E	1951' FSL 2245' FWL	T09S-R21E-02-NESW
UTUO149075	4304732265	NBU 335-23E	1419' FNL 828' FEL	T09S-R21E-23-SENE
UTUO149076	4304732264	NBU 336-24E	2024' FNL 1958' FWL	T09S-R21E-24-SENW
UTUO284	4304732281	NBU 339-19E	1890' FSL 674' FWL	T09S-R22E-19-NWSW
UTUO284B	4304732327	NBU 340-20E	1326' FSL 2569' FEL	T09S-R22E-20-NWSE
UTUO1207 ST	4304733055	NBU 341-29E	307' FSL 898' FEL	T09S-R22E-29-SESE
UTUO10954A	4304732212	NBU 342-35E	918' FNL 2563' FEL	T09S-R22E-35-NWNE
UTUO1393B	4304739338	NBU 346-05E	2233' FSL 676' FEL	T10S-R21E-05-NESE
UTUO575B	4304732326	NBU 349-07E	1641' FNL 1036' FWL	T09S-R21E-07-SWNW
UTUO1188	4304732519	NBU 352-10E	1806' FSL 842' FWL	T09S-R21E-10-NWSW
UTUO581	4304732383	NBU 356-29E	1600' FNL 1980' FEL	T09S-R21E-29-SWNE
UTUO2270A	4304732388	NBU 358-01E	736' FSL 1941' FEL	T10S-R20E-01-SWSE
UTU4485	4304750032	NBU 359-13E	661' FSL 2149' FEL	T10S-R20E-13-SWSE
UTU4485	4304732387	NBU 360-13E	1998' FSL 775' FWL	T10S-R20E-13-NWSW
ML21510	4304733782	NBU 379-02E	1967' FSL 898' FWL	T09S-R21E-02-NWSW
UTUO575	4304733064	NBU 382-18E	2030' FSL 2172' FEL	T09S-R21E-18-NWSE
UTUO149075	4304735889	NBU 384-23E	491' FSL 929' FEL	T09S-R21E-23-SESE
UTUO149076	4304733056	NBU 386-24E	450' FSL 1850' FWL	T09S-R21E-24-SESW
UTUO284	4304733057	NBU 388-19E	382' FSL 1847' FWL	T09S-R22E-19-SESW
UTUO1207 ST	4304733049	NBU 389-29E	2226' FSL 2166' FEL	T09S-R22E-29-NWSE
UTUO1393B	4304732835	NBU 390-04E	2577' FSL 1951' FWL	T10S-R21E-04-NESW
UTUO1393B	4304732988	NBU 391-05E	1215' FSL 2090' FEL	T10S-R21E-05-SWSE
UTUO1791	4304733783	NBU 392-06E	1926' FSL 611' FEL	T10S-R21E-06-NESE
UTU4485	4304733071	NBU 393-13E	1850' FSL 2141' FEL	T10S-R20E-13-NWSE
UTU4485	4304733072	NBU 394-13E	725' FSL 2027' FWL	T10S-R20E-13-SESW
UTUO1188	4304732544	NBU 400-11E	1983' FSL 1321' FWL	T09S-R21E-11-NESW
UTUO581	4304734216	NBU 421-29E	1985 FNL, 972 FEL	T09S-R21E-29-SENE
UTUO581	4304733698	NBU 422-29E	1980' FNL 785' FWL	T09S-R21E-29-SWNW
UTUO581	4304734206	NBU 423-30E	1980' FSL 660' FEL	T09S-R21E-30-NESE
ML3142	4304733699	NBU 424-32E	744' FNL 773' FEL	T09S-R21E-32-NENE
UTUO2270A	4304740049	NBU 428-07E	660' FSL 855' FWL	T10S-R21E-07-SWSW (Lot 4)
UTUO1791	4304733069	NBU 431-09E	2599' FNL 662' FWL	T10S-R21E-09-SWNW
UTUO2270A	4304738536	NBU 434-17E	1799' FNL 2176' FWL	T10S-R21E-17-SENW
UTUO2270A	4304738376	NBU 435-17E	1837' FNL 571' FWL	T10S-R21E-17-SWNW
UTUO2270A	4304734195	NBU 436-18E	1644' FSL 748' FEL	T10S-R21E-18-NESE
UTUO2270A	4304735499	NBU 437-18E	322' FSL 748' FEL	T10S-R21E-18-SESE
ML22792	4304737534	NBU 438-19E	661' FNL 1941' FEL	T10S-R21E-19-NWNE
ML22792	4304737535	NBU 439-19E	2111' FNL 1980' FWL	T10S-R21E-19-SWNE
UTUO10953	4304736279	NBU 451-01E	1965' FSL 2132' FWL	T10S-R22E-01-NESW
ML22651	4304736053	NBU 456-02E	493' FNL 1080' FWL	T10S-R22E-02-NWNW (Lot 4)
UTUO141315	4304733063	NBU 481-03E	1490' FSL 556' FEL	T09S-R21E-03-NESE
UTUO581	4304733065	NBU 483-19E	1850' FSL 1980' FWL	T09S-R21E-19-NESW
UTUO575	4304733784	NBU 484-20E	350' FNL 823' FWL	T09S-R21E-20-NWNW
UTUO2270A	4304739897	NBU 486-07E	1895 FSL' 1834' FWL	T10S-R21E-07-NESW
UTUO575B	4304733121	NBU 489-07E	763' FSL 733' FWL	T09S-R21E-07-SWSW (Lot 4)
UTUO2270A	4304733123	NBU 497-01E	2091' FSL 894' FEL	T10S-R20E-01-NESE
UTUO577A	4304733140	NBU 506-23E	720' FNL 1818' FWL	T09S-R20E-23-NENW
UTUO1791	4304733124	NBU 508-08E	915' FSL 355' FEL	T10S-R21E-08-SESE
UTUO1197A ST	4304739283	NBU 513-12EX	1850' FNL 2133' FWL	T10S-R22E-12-SENW
UTUO2270A	4304733696	NBU 516-12E	1950' FSL 1786' FEL	T10S-R20E-12-NWSE
UTUO141315	4304733779	NBU 519-03E	1749' FSL 798' FWL	T09S-R21E-03-NWSW
UTUO575B	4304733780	NBU 521-08E	2250' FSL 900' FWL	T09S-R21E-08-NWSW
UTUO1188	4304733781	NBU 522-10E	732' FSL 841' FEL	T09S-R21E-10-SESE
UTUO2270A	4304733685	NBU 523-12E	660' FSL 660' FEL	T10S-R20E-12-SESE
UTUO2270A	4304733701	NBU 524-12E	841' FSL 1795' FEL	T10S-R20E-12-SWSE
UTUO2270A	4304739722	NBU 529-07E	704' FNL 762' FWL	T10S-R21E-07-NWNW
UTUO581	4304734639	NBU 534-18E	1885' FSL 115' FWL	T09S-R21E-18-NWSW
UTUO2270A	4304735200	NBU 535-17E	1893' FSL 580' FWL	T10S-R21E-17-NWSW
ML22791	4304735252	NBU 536-18E	734' FSL 2293' FWL	T10S-R21E-18-SESW
UTUO2270A	4304735253	NBU 537-18E	1880' FSL 1830' FEL	T10S-R21E-18-NWSE

RECEIVED

DEC 24 2009

Lease #	API #	Well Name	Footages	Legal Description
UTUO284	4304735886	NBU 538-19E	1937' FSL 1833' FWL	T09S-R22E-19-NESW
UTUO149076	4304735887	NBU 539-24E	1870' FSL 477' FEL	T09S-R21E-24-NESE
UTUO10953	4304736280	NBU 546-01E	2036' FSL 699' FWL	T10S-R22E-01-NWSW
UTUO10953	4304736278	NBU 547-01E	749' FSL 598' FWL	T10S-R22E-01-SWSW
UTU474	4304737687	NBU 553-28E	767' FNL 753' FWL	T10S-R22E-28-NWNW
UTU474	4304737686	NBU 554-28E	2023' FNL 465' FWL	T10S-R22E-28-SWNW
ML22791	4304737685	NBU 555-18E	1984' FSL 1790' FWL	T10S-R21E-18-NESW
ML22791	4304737514	NBU 556-18E	1800' FSL 870' FWL	T10S-R21E-18-NWSW
ML22791	4304737513	NBU 557-18E	852' FSL 661' FWL	T10S-R21E-18-SWSW
UTUO2270A	4304737510	NBU 558-17E	748' FSL 611' FWL	T10S-R21E-17-SWSW
UTUO2278C	4304737509	NBU 559-17E	467' FSL 2065' FWL	T10S-R21E-17-SESW
UTUO2278	4304737508	NBU 560-17E	1946' FSL 1896' FWL	T10S-R21E-17-NESW
UTUO2278	4304737512	NBU 561-17E	857' FSL 1988' FEL	T10S-R21E-17-SWSE
ML22792	4304737536	NBU 562-19E	859' FNL 859' FEL	T10S-R21E-19-NENE
ML22792	4304737537	NBU 563-19E	1982' FSL 1878' FEL	T10S-R21E-19-NWSE
UTU4476	4304738962	NBU 564-26E	665' FNL 1945' FWL	T10S-R20E-26-NENW
ML22793	4304737533	NBU 565-30E	1865' FNL 1786' FEL	T10S-R21E-30-SWNE
UTUO2270A	4304738375	NBU 566-17E	538' FNL 1806' FWL	T10S-R21E-17-NENW
UTUO1791	4304738535	NBU 567-17E	690' FNL 1988' FEL	T10S-R21E-17-NWNE
UTUO1791	4304738537	NBU 568-17E	850' FNL 807' FEL	T10S-R21E-17-NENE
UTUO1791	4304738534	NBU 569-17E	2009' FNL 1809' FEL	T10S-R21E-17-SWNE
UTUO1791	4304738529	NBU 570-17E	2031' FNL 672' FEL	T10S-R21E-17-SENE
UTUO2278	4304738377	NBU 571-17E	1964' FSL 1831' FEL	T10S-R21E-17-NWSE
UTUO2278	4304738374	NBU 572-17E	1810' FSL 739' FEL	T10S-R21E-17-NESE
UTUO2278	4304738510	NBU 573-17E	813' FSL 481' FEL	T10S-R21E-17-SESE
ML22650	4304739308	NBU 602-36E	1723' FNL 719' FWL	T09S-R22E-36-SWNW
UTUO1393B	4304739305	NBU 614-05E	716' FNL 1967' FEL	T10S-R21E-05-NWNE
UTUO1393B	4304739655	NBU 615-05E	2384' FNL 1015' FEL	T10S-R21E-05-SENE
UTUO1393B	4304739337	NBU 617-04E	933' FNL 745' FWL	T10S-R21E-04-NWNW
UTUO1393B	4304739336	NBU 618-04E	998' FSL 661' FWL	T10S-R21E-04-SWSW
UTUO1393B	4304739414	NBU 625-04E	1937' FNL 1722' FWL	T10S-R21E-04-SENW
UO01197A ST	4304739192	NBU 632-12E	860' FNL 2032' FWL	T10S-R22E-12-NENW
UO01197A ST	4304739193	NBU 633-12E	789' FNL 2179' FEL	T10S-R22E-12-NWNE
UO01197A ST	4304739190	NBU 635-12E	1808' FNL 1754' FEL	T10S-R22E-12-SWNE
UTUO1197A ST	4304739191	NBU 636-12E	1824' FNL 461' FEL	T10S-R22E-12-SENE
UTUO8512 ST	4304750016	NBU 638-13E	1926' FNL 2504' FWL	T10S-R22E-13-SENW
UTUO8512 ST	4304750019	NBU 639-13E	859' FNL 1902' FEL	T10S-R22E-13-NWNE
UTUO8512 ST	4304750014	NBU 640-13E	1619' FNL 1639' FEL	T10S-R22E-13-SWNE
UTUO8512A ST	4304750058	NBU 641-13E	990' FNL 1184' FEL	T10S-R22E-13-NENE
UTUO8512 ST	4304750013	NBU 642-13E	1949' FNL 858' FEL	T10S-R22E-13-SENE
UTUO2270A	4304739957	NBU 653-07E	660' FNL 1980' FWL	T10S-R21E-07-NENW
UTUO2270A	4304739956	NBU 654-07E	1913' FNL 522' FWL	T10S-R21E-07-SWNW
UTUO2270A	4304739860	NBU 655-07E	1926' FSL 750' FWL	T10S-R21E-07-NWSW
UTUO1791	4304739856	NBU 658-01E	2177' FNL 1784' FEL	T10S-R20E-01-SWNE
UTUO2270A	4304739858	NBU 660-12E	661' FNL 691' FEL	T10S-R20E-12-NENE
ML22790	4304750011	NBU 661-24E	1734' FSL 661' FWL	T10S-R20E-24-NWSW
ML22790	4304750017	NBU 662-24E	809' FSL 807' FWL	T10S-R20E-24-SWSW
ML22790	4304750010	NBU 663-24E	810' FSL 1979' FWL	T10S-R20E-24-SESW
ML22790	4304739867	NBU 664-24E	1810' FNL 1781' FEL	T10S-R20E-24-NWSE
ML22790	4304750018	NBU 665-24E	1950' FSL 660' FEL	T10S-R20E-24-NESE
ML22790	4304750057	NBU 666-24E	1043' FSL 1722' FEL	T10S-R20E-24-SWSE
ML22790	4304750012	NBU 667-24E	660' FSL 660' FEL	T10S-R20E-24-SESE
UTUO2270A	4304739901	NBU 668-12E	859' FNL 1915' FEL	T10S-R20E-12-NWNE
UO1207 ST	4304740084	NBU 670-29E	2018' FSL 859' FEL	T09S-R22E-29-NESE
UO1207 ST	4304750027	NBU 691-29E	680' FNL 797' FEL	T09S-R22E-29-NENE
ML3140.5	4304738330	NBU 760-36E	1320' FNL 1320' FEL	T09S-R20E-36-NENE
UTU4476	4304738632	NBU 762-26E	1506' FNL 1449' FEL	T10S-R20E-26-SWNE
ML22792	4304738332	NBU 763-19E	1258' FSL 1388' FEL	T10S-R21E-19-SWSE
ML3142	4304738331	NBU 764-32E	875' FNL 667' FWL	T09S-R21E-32-NWNW
UTUO1791	4304738633	NBU 765-09E	1000' FSL 1640' FWL	T10S-R21E-09-SESW

RECEIVED

DEC 24 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-01791
<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> NATURAL BUTTES
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> NBU 569-17E
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>9. API NUMBER:</b> 43047385340000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	<b>PHONE NUMBER:</b> 720 929-6007 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2009 FNL 1809 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWNE Section: 17 Township: 10.0S Range: 21.0E 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: 11/24/2010	<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 checked="" 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 type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

This well returned to production on 11/24/2010.

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

<b>NAME (PLEASE PRINT)</b> Andy Lytle	<b>PHONE NUMBER</b> 720 929-6100	<b>TITLE</b> Regulatory Analyst
<b>SIGNATURE</b> N/A		<b>DATE</b> 12/6/2010