

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5a. Address 1060 EAST HIGHWAY 40, VERNAL, UT 84078		3b. Phone No. (include area code) 435-781-9111	5. Lease Serial No. UTU 61401
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 890 FNL 878 FWL (LOT 1) NWNW 40.084039 LAT 109.375775 LON 40.084062 At proposed prod. zone SAME 638539X 4438142-1 -109.375088		6. If Indian, Allottee or Tribe Name	
14. Distance in miles and direction from nearest town or post office* 36.1 MILES SOUTH OF VERNAL, UT		12. County or Parish UINTAH	13. State UT
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 680 LEASE LINE 380 DRILLING LINE	16. No. of acres in lease 629	17. Spacing Unit dedicated to this well 37 ACRES	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1700	19. Proposed Depth 9910	20. BLM/BIA Bond No. on file NM 2308	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4866 GL	22. Approximate date work will start*	23. Estimated duration 45 DAYS	

24. Attachments

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

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

25. Signature 	Name (Printed/Typed) KAYLENE R. GARDNER	Date 10/02/2006
Title SR. REGULATORY ASSISTANT		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 12-14-06
Title OFF ENVIRONMENTAL MANAGER		

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

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

*(Instructions on page 2)

RECEIVED

OCT 05 2006

DIV. OF OIL, GAS & MINING

**Federal Approval of this
Action is Necessary ***

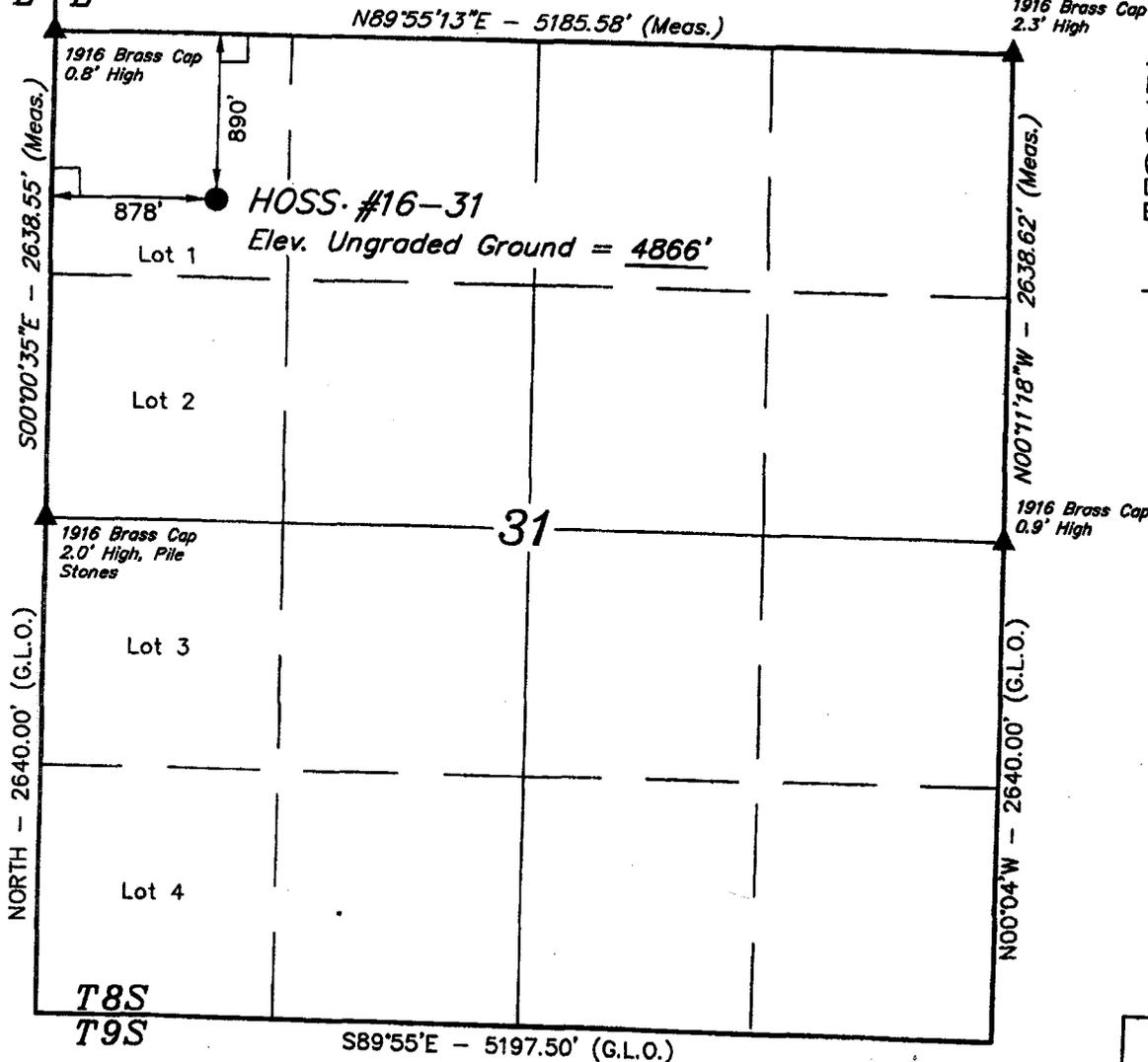
T8S, R23E, S.L.B.&M.

EOG RESOURCES, INC.

Well location, HOSS #16-31, located as shown in LOT 1 of Section 31, T8S, R23E, S.L.B.&M. Uintah County, Utah.

R
22
E

R
23
E

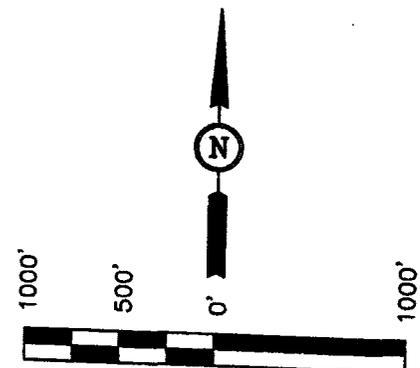


BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, 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 4697 FEET.

BASIS OF BEARINGS

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



CERTIFIED REGISTERED LAND SURVEYOR

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

ROBERT L. [Signature]
 REGISTERED LAND SURVEYOR
 STATE OF UTAH

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)
 LATITUDE = 40°05'02.54" (40.084039)
 LONGITUDE = 109°22'32.79" (109.375775)
 (NAD 27)
 LATITUDE = 40°05'02.67" (40.084075)
 LONGITUDE = 109°22'17.54" (109.371539)

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

SCALE 1" = 1000'	DATE SURVEYED: 06-20-06	DATE DRAWN: 06-21-06
PARTY T.A. B.C. S.L.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	

STATE OF UTAH)

) ss

COUNTY OF UINTAH)

VERIFICATION

Kaylene R. Gardner, of lawful age, being first duly sworn upon oath, deposes and says:

She is the Sr. Regulatory Assistant of EOG Resources, Inc., of Vernal, Utah. EOG Resources, Inc. is the operator of the following described well:

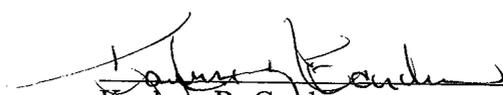
HOSS 16-31
890' FNL – 878' FWL (LOT 1) NWNW
SECTION 31, T8S, R23E
UINTAH COUNTY, UTAH

EOG Resources, Inc., Questar Exploration & Production Co., EnCana Oil & Gas (USA), Inc., and Newfield Production Company, Exhibit A, are the only owners in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 26th day of September 2006 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

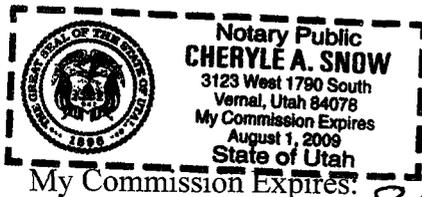
Said envelope which contained these instruments was addressed to the Utah Division of Oil, Gas & Mining, Bureau of Land Management, Questar Exploration & Production Co., EnCana Oil & Gas (USA), Inc., and Newfield Production Company

Further affiant saith not.



Kaylene R. Gardner
Sr. Regulatory Assistant

Subscribed and sworn before me this 26th day of September, 2006.



My Commission Expires:

8/1/2009



Cheryle A. Snow
Notary Public

Exhibit "A" to Affidavit
Hoss 16-31 Application to Commingle

Questar Exploration & Production Co.
Independence Plaza
1050 17th Street, Suite 500
Denver, Colorado 80265
Attention: Ms. Angela Page

Newfield Production Company
1401 17th Street, Suite 1000
Denver, CO 80202
Attn: Gary Alsobrook

EnCana Oil & Gas (USA), Inc.
370 17th Street, Suite 1700
Denver, CO 80202
Attention: Mr. Doug Jones



EOG Resources, Inc.
1060 E Hwy 40
Vernal, Utah 84078

CERTIFIED MAIL

ARTICLE NO: 7005 1820 0005 5392 9206

September 26, 2006

Questar Exploration & Production Co.
Independence Plaza
1050 17th Street, Suite 500
Denver, CO 80265
Attention: Ms. Angela Page

**RE: COMMINGLING APPLICATION
HOSS 16-31
890 FNL 878 FWL (Lot 1) NWNW
SECTION 31, T8S, R22E
UINTAH COUNTY, UTAH
LEASE: UTU 61401**

Ms. Page:

EOG Resources, Inc. has filed an application with the State of Utah Department of Oil Gas and Mining requesting commingling approval in the Wasatch and Mesaverde formations for the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from open hole logs. Production from the Wasatch, Mesaverde and Mancos formations will be commingled in the wellbore and produced through open ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

Sincerely,

A handwritten signature in black ink, appearing to read "Kaylene R. Gardner".

Kaylene R. Gardner
Sr. Regulatory Assistant



EOG Resources, Inc.
1060 E Hwy 40
Vernal, Utah 84078

CERTIFIED MAIL

ARTICLE NO: 7005 1820 0005 5392 9213

September 26, 2006

Newfield Production Company
1401 17th Street, Suite 1000
Denver, CO 80202
Attn: Gary Alsobrook

**RE: COMMINGLING APPLICATION
HOSS 16-31
890 FNL 878 FWL (Lot 1) NWNW
SECTION 31, T8S, R22E
UINTAH COUNTY, UTAH
LEASE: UTU 61401**

Mr. Alsobrook:

EOG Resources, Inc. has filed an application with the State of Utah Department of Oil Gas and Mining requesting commingling approval in the Wasatch and Mesaverde formations for the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from open hole logs. Production from the Wasatch, Mesaverde and Mancos formations will be commingled in the wellbore and produced through open ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

Sincerely,

A handwritten signature in black ink, appearing to read "Kaylene R. Gardner".

Kaylene R. Gardner
Sr. Regulatory Assistant



EOG Resources, Inc.
1060 E Hwy 40
Vernal, Utah 84078

CERTIFIED MAIL

ARTICLE NO: 7005 1820 0005 5392 9220

September 26, 2006

EnCana Oil & Gas (USA), Inc.
370 17th Street, Suite 1700
Denver, CO 80202
Attention: Mr. Doug Jones

**RE: COMMINGLING APPLICATION
HOSS 16-31
890 FNL 878 FWL (Lot 1) NWNW
SECTION 31, T8S, R22E
UINTAH COUNTY, UTAH
LEASE: UTU 61401**

Mr. Jones:

EOG Resources, Inc. has filed an application with the State of Utah Department of Oil Gas and Mining requesting commingling approval in the Wasatch and Mesaverde formations for the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from open hole logs. Production from the Wasatch, Mesaverde and Mancos formations will be commingled in the wellbore and produced through open ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

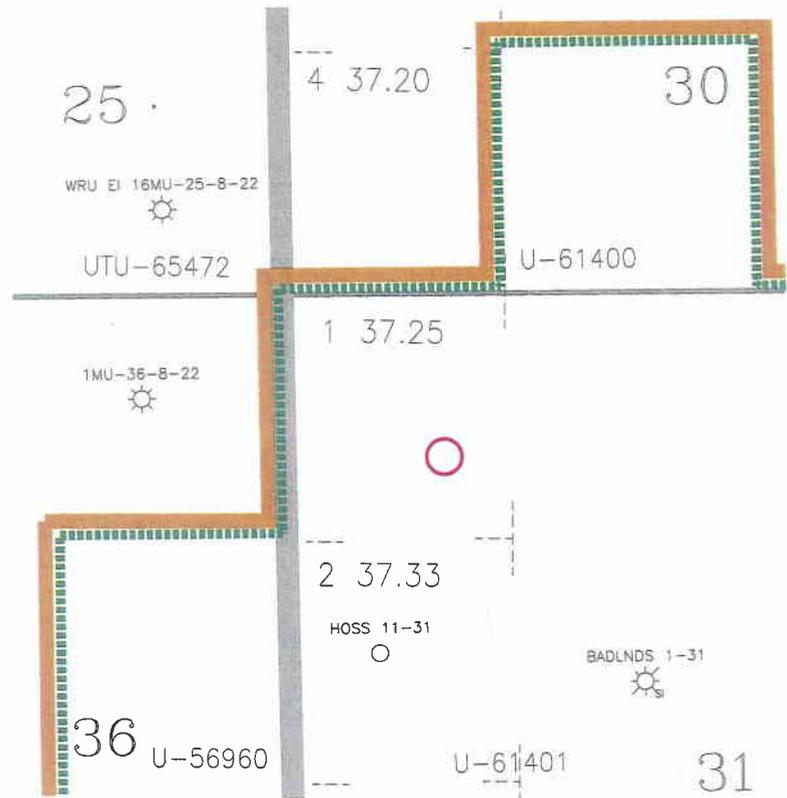
Sincerely,

A handwritten signature in black ink, appearing to read "Kaylene R. Gardner".

Kaylene R. Gardner
Sr. Regulatory Assistant

R 22 E

R 23 E

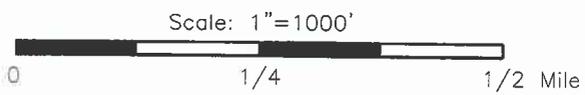


T
8
S

 HOSS 16-31

 Badlands Unit Outline

 Wasatch/Mesaverde/Mancos Fms P.A. "B"





Denver Division

EXHIBIT "A"

HOSS 16-31
Commingling Application
Uintah County, Utah

Scale: 1" = 1000'	D:\utah\Commingling\page_Hoss11-31_commingling.dwg Layout1	Author GT	Sep 07, 2006 - 1:06pm
----------------------	---	--------------	--------------------------

EIGHT POINT PLAN

HOSS 16-31
NW/NW, SEC. 31, T8S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

FORMATION	DEPTH (KB)
Green River FM	2,136'
Wasatch	5,151'
Chapita Wells	5,802'
Buck Canyon	6,475'
North Horn	7,082'
Island	7,379'
KMV Price River	7,675'
KMV Price River Middle	8,482'
KMV Price River Lower	9,311'
Sego	9,692'

Estimated TD: **9,910' or 200'± below Sego top**

Anticipated BHP: 5,410 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.

EOG Resources, Inc. requests authorization for commingling of production from the Wasatch and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from open hole logs. Production from the Wasatch and Mesaverde formations will be commingled in the wellbore and produced through open ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

	<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
Conductor:	17 1/2"	0' – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12-1/4"	45' – 2,300'KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production:	7-7/8"	2,300'± – TD	4-1/2"	11.6#	P-110	LTC	7560 PSI	10,710 Psi	284,000#

EIGHT POINT PLAN

HOSS 16-31 NW/NW, SEC. 31, T8S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

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

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Float Equipment: (Cont'd)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

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

EIGHT POINT PLAN

HOSS 16-31
NW/NW, SEC. 31, T8S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

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

9. **CEMENT PROGRAM:**

Surface Hole Procedure (Surface - 2300'±):

Lead: Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

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

Production Hole Procedure (2300'± - TD)

Lead: 155 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 960 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9 gps water.

EIGHT POINT PLAN

HOSS 16-31
NW/NW, SEC. 31, T8S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

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.

11. STANDARD REQUIRED EQUIPMENT:

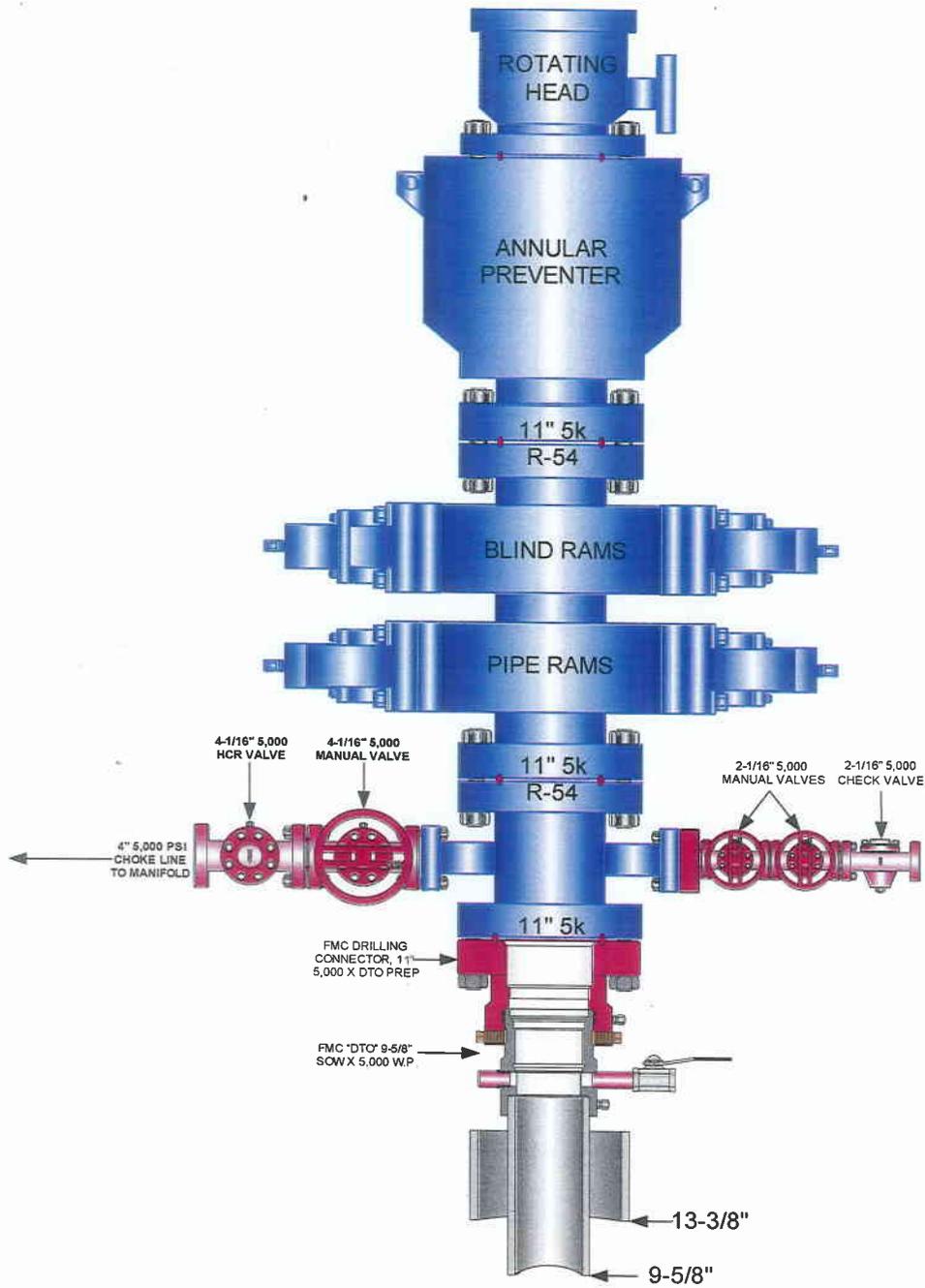
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

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.

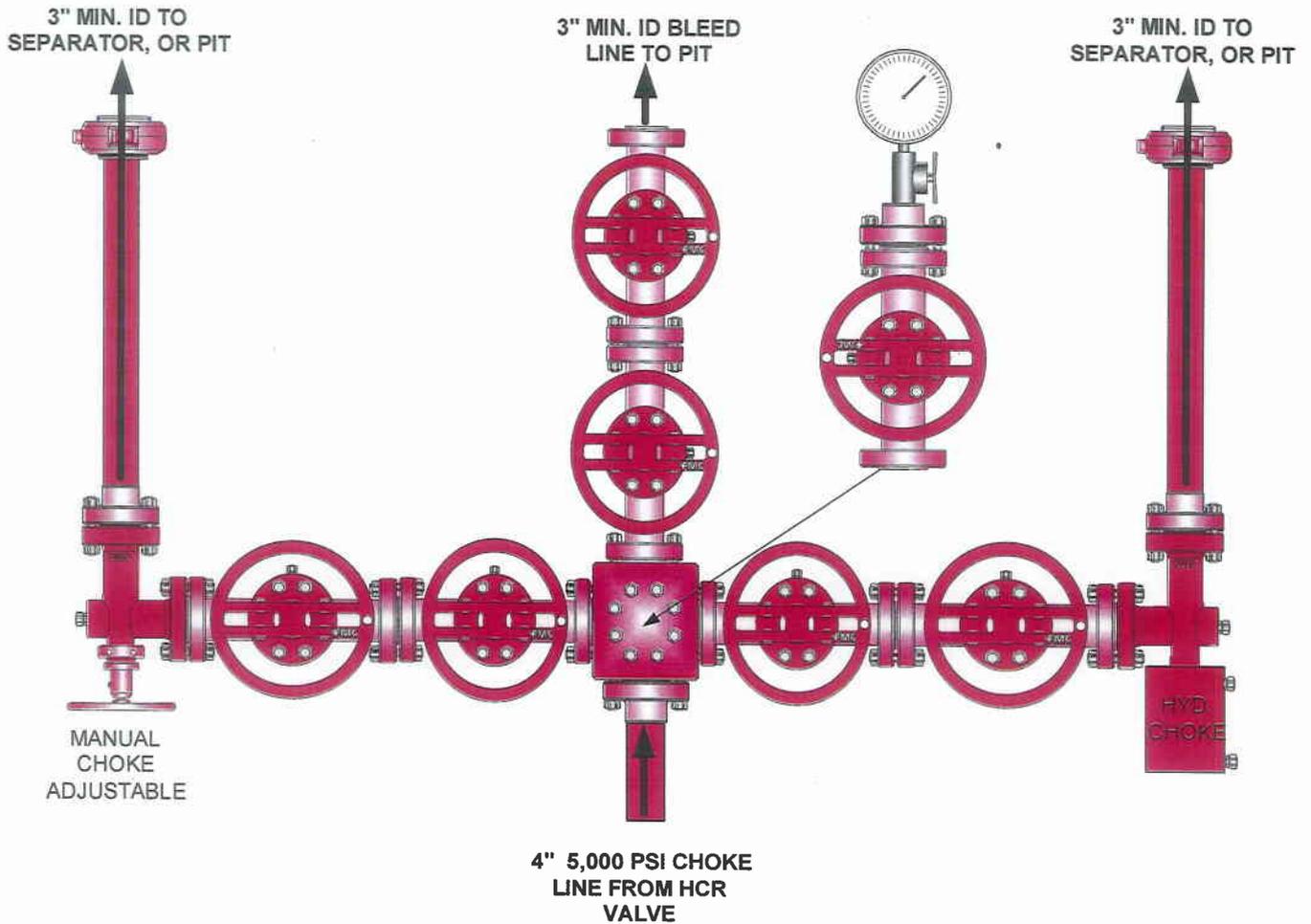
(Attachment: BOP Schematic Diagram)

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.



**HOSS 16-31
NWNW, Section 31, T8S, R23E
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.

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 110 feet long with a 30-foot right-of-way, disturbing approximately 0.08 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 1.92 acres. The pipeline is approximately 170 feet long with a 40-foot right-of-way, within Federal Lease UTU 61401 disturbing approximately 0.16 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 36.1 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 270' in length, 18"x40' CMP's will be used in the barrow ditches of the ingress and egress roads
- 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.
- I. No permanent road right-of-way on Federal acreage is required.

All travel will be confined to existing access road right-of-way.

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

The road shall be constructed/upgraded to meet the standards to the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed

safe road. Prior to upgrading the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation or debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

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

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.
3. The area inside the anchors where truck traffic will occur shall be graveled as needed.

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 170' x 40'. The proposed pipeline leaves the northern edge of the well pad (Lease UTU 61401) proceeding in a northerly direction for an approximate distance of 170' tying into an existing pipeline located in the NWNW of Section 31, T8S, R23E (Lease UTU-61401). 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, Zap-Lok 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 east corner of the location. The flare pit will be located downwind of the prevailing wind direction on the south 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 south of corner #5. The stockpiled location topsoil will be stored between corners #2 and #8. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the north.

FENCING REQUIREMENTS:

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

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

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

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

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Producing Location

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

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

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

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

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Crested Wheatgrass	9.0
Prostrate Kochia	3.0

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

B. Dry Hole/Abandoned Location

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

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Gardner saltbush	3.0
Shadscale	3.0
Crested Wheatgrass	3.0

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

11. SURFACE OWNERSHIP:

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

Bureau of Land Management

12. OTHER INFORMATION:

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

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

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

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

on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" and "Right-of-Way grant", if applicable, 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 7/6/2006 by Montgomery Archaeological Consultants. A Paleontology survey was conducted and will be submitted 7/10/2006 by Dr. Wade Miller.

Other Requirements:

Three erosion control dams shall be constructed on the east side of the location. These dams are needed to divert the drainages around both ends of the location.

Additional Surface Stipulations:

No construction or drilling will be allowed during the Antelope kidding season of May 15th to June 20th unless clearance has been obtained by the BLM wildlife biologist.

Prior to any construction between March 1 and July 15, all areas within 0.5 mile of prairie dog colonies will be surveyed for western burrowing owls. If burrowing owls are located, surface disturbance will not occur within 0.5 mile of owl nesting locations between April 1st and July 15th. If no nests are found within 0.5 mile of the proposed location, construction and drilling can occur.

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

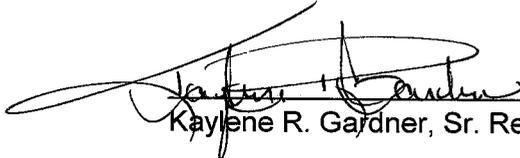
Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
307-276-4865

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 Hoss 16-31 well, located in NWNW, of Section 31, T8S, R23E, 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.

October 2, 2006

Date



Kaylene R. Gardner, Sr. Regulatory Assistant

Request for Exception to Buried Pipeline Requirement
HOSS 16-31
NWNW, Sec. 31, T8S, R23E
UTU-61401

EOG Resources, Inc. requests a variance to the requirement for a buried gas sales pipeline for the referenced well for the following reasons:

1. In order to bury pipe on the gas sales line route, additional surface disturbance relative to surface pipeline would be approximately *50' X Length* acres.
2. Ripping, cutting, or blasting of rock would be required, which in turn would leave long-term spoils on the right-of-way.
3. The disturbed soils on the pipeline corridor would be difficult to rehabilitate and would be susceptible to noxious weed infestation, which in turn would be hazardous to livestock.
4. Supplemental soil to replace removed rock would need to be hauled in from other locations to provide bedding and cover material.
5. The buried pipe would need to be coated and/or wrapped to minimize the potential for corrosion-caused gas leaks and blowouts.
6. Burying of pipe next to access roads increases the potential for damage, explosion, and fire when using graders and/or dozers for snow removal or road rehabilitation.
7. Surface equipment, including risers with blow down valves and pipeline markers will be required, adding to negative visual impact.
8. Disturbance of previously rehabilitated pipeline corridor could be necessary if increasing well density requires crossing of the corridor or location construction on the corridor.
9. Pipeline corridors subject to poor rehabilitation characteristics are susceptible to high rates of soil erosion.
10. Buried shallow pipelines in low areas subject to the occasional presence of standing water are susceptible to movement and surfacing.

EOG RESOURCES, INC.
HOSS #16-31
SECTION 31, T8S, R23E, S.L.B.&M.

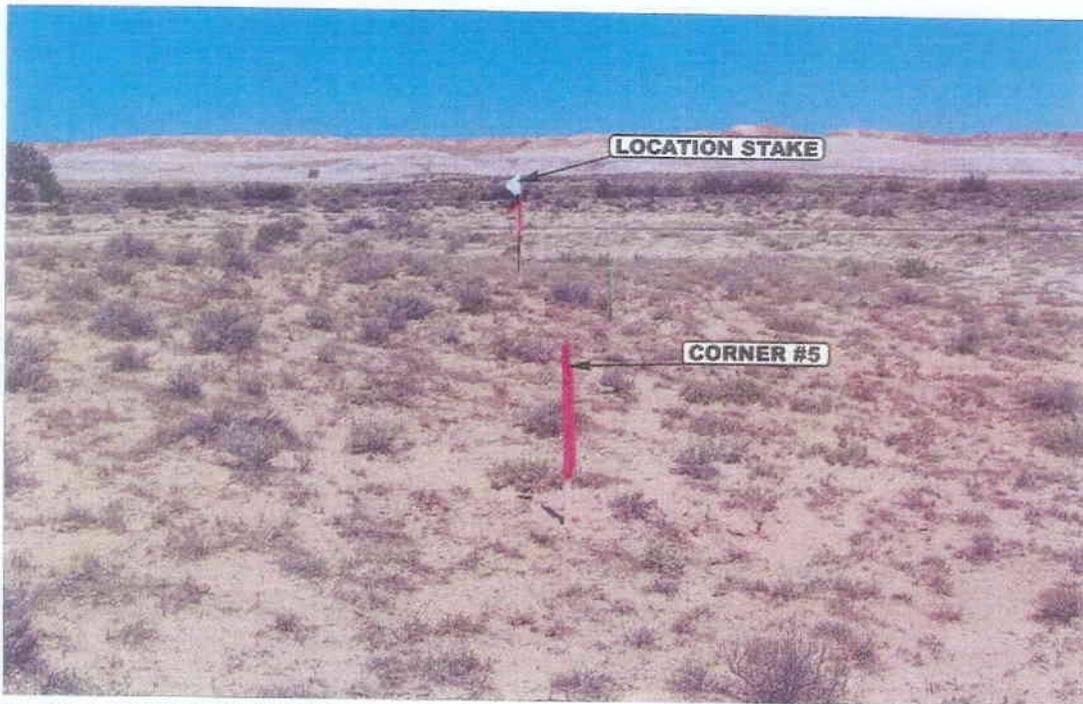
PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 19.2 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 8.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY DIRECTION APPROXIMATELY 130' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 36.1 MILES.

EOG RESOURCES, INC.

HOSS #16-31

LOCATED IN UINTAH COUNTY, UTAH
SECTION 31, T8S, R23E, S.L.B.7M.



LOCATION STAKE

CORNER #5

PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PROPOSED ACCESS

PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



Since 1964

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

LOCATION PHOTOS

06 23 06
MONTH DAY YEAR

PHOTO

TAKEN BY: T.A.

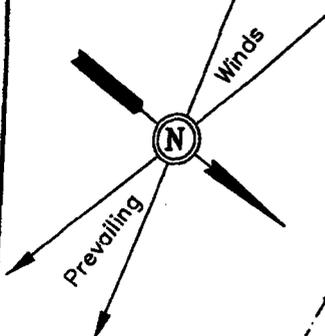
DRAWN BY: C.P.

REVISED: 00-00-00

EOG RESOURCES, INC.

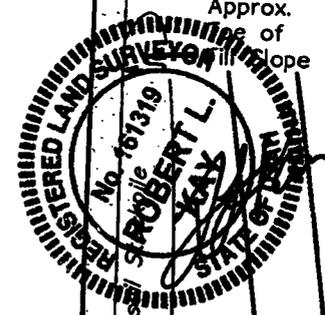
**LOCATION LAYOUT FOR
HOSS #16-31
SECTION 31, T8S, R23E, S.L.B.&M.
890' FNL 878' FWL**

CONSTRUCT
DIVERSION
DITCH



SCALE: 1" = 50'
DATE: 06-21-06
Drawn By: S.L.

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



Approx.
Top of
Cut Slope

Pit Topsoil

FLARE PIT

20' WIDE BENCH

El. 67.6'
C-14.4'
(btm. pit)

Reserve Pit Backfill
& Spoils Stockpile

15' WIDE BENCH

Total Pit Capacity
W/2' Of Freeboard
= 12,250 Bbls. ±
Total Pit Volume
= 3,320 Cu. Yds.
RESERVE PITS
(12' Deep)

SLOPE = 1-1/2 : 1

20' WIDE BENCH

El. 71.3'
C-18.1'
(btm. pit)

C-4.5'
El. 69.7'

C-3.9'
El. 69.1'

F-4.4'
El. 60.8'

CONSTRUCT
DIVERSION
DITCH

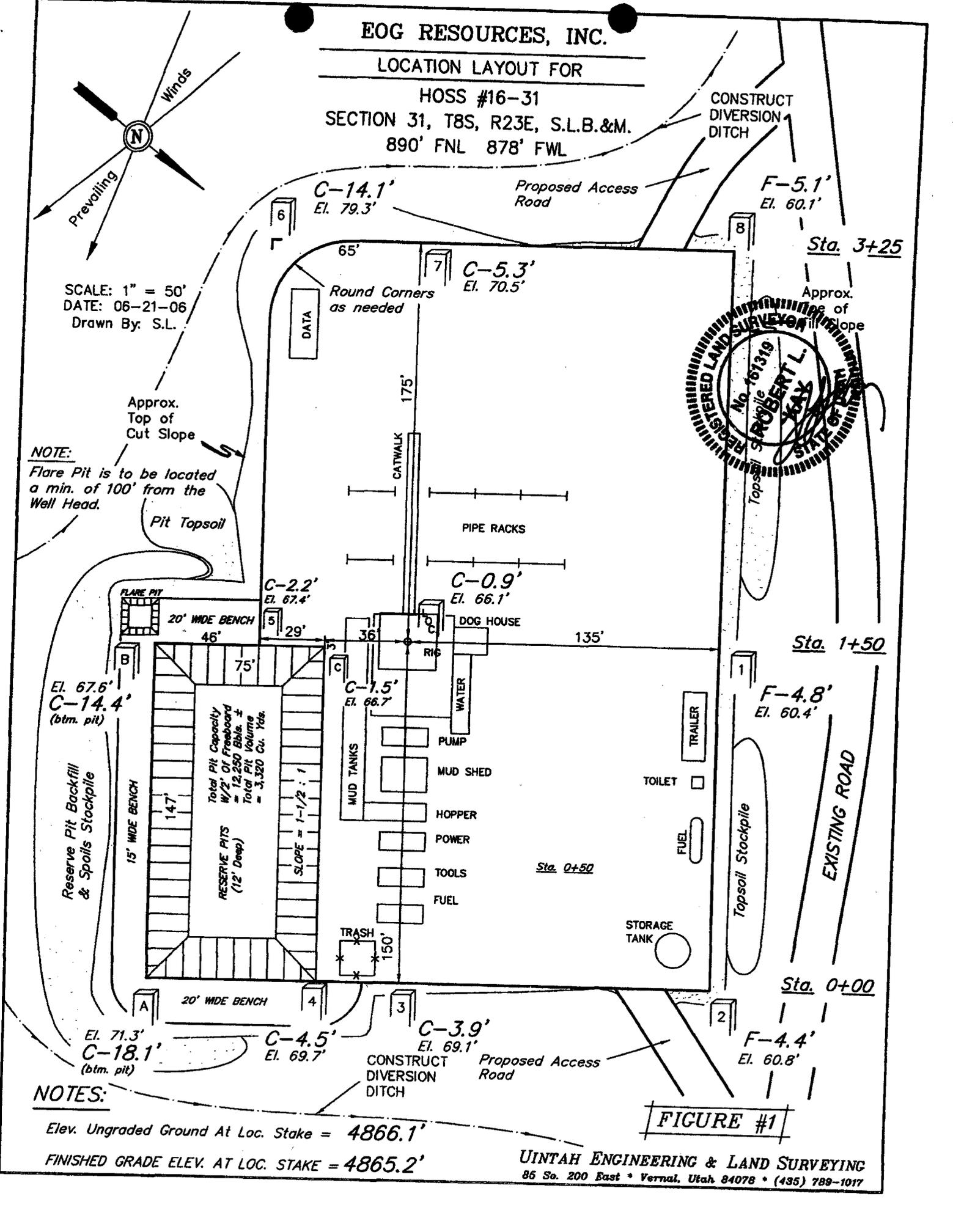
Proposed Access
Road

FIGURE #1

Elev. Ungraded Ground At Loc. Stake = 4866.1'

FINISHED GRADE ELEV. AT LOC. STAKE = 4865.2'

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



Sta. 3+25

Sta. 1+50

Sta. 0+50

Sta. 0+00

Topsoil Stockpile

EXISTING ROAD

Approx.
of
Slope

Top of Slope

TRAILER

TOILET

FUEL

STORAGE
TANK

PIPE RACKS

CATWALK

Round Corners
as needed

DATA

Approx.
Top of
Cut Slope

Pit Topsoil

FLARE PIT

20' WIDE BENCH

El. 67.6'
C-14.4'
(btm. pit)

Reserve Pit Backfill
& Spoils Stockpile

15' WIDE BENCH

Total Pit Capacity
W/2' Of Freeboard
= 12,250 Bbls. ±
Total Pit Volume
= 3,320 Cu. Yds.
RESERVE PITS
(12' Deep)

SLOPE = 1-1/2 : 1

20' WIDE BENCH

El. 71.3'
C-18.1'
(btm. pit)

C-4.5'
El. 69.7'

C-3.9'
El. 69.1'

F-4.4'
El. 60.8'

CONSTRUCT
DIVERSION
DITCH

Proposed Access
Road

FIGURE #1

Elev. Ungraded Ground At Loc. Stake = 4866.1'

FINISHED GRADE ELEV. AT LOC. STAKE = 4865.2'

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

EOG RESOURCES, INC.

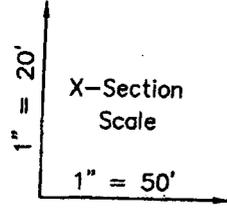
FIGURE #2

TYPICAL CROSS SECTIONS FOR

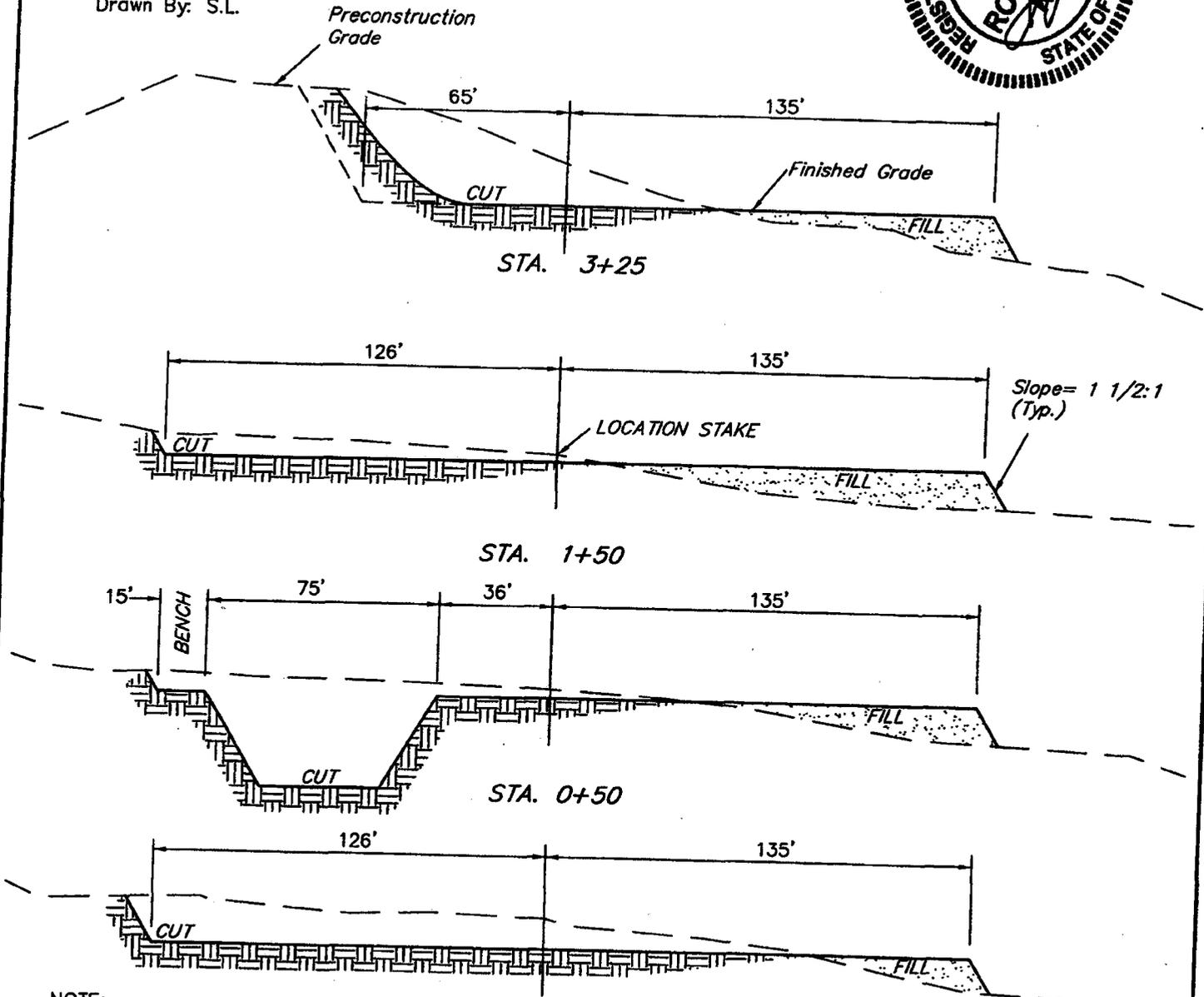
HOSS #16-31

SECTION 31, T8S, R23E, S.L.B.&M.

890' FNL 878' FWL



DATE: 06-21-06
Drawn By: S.L.



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

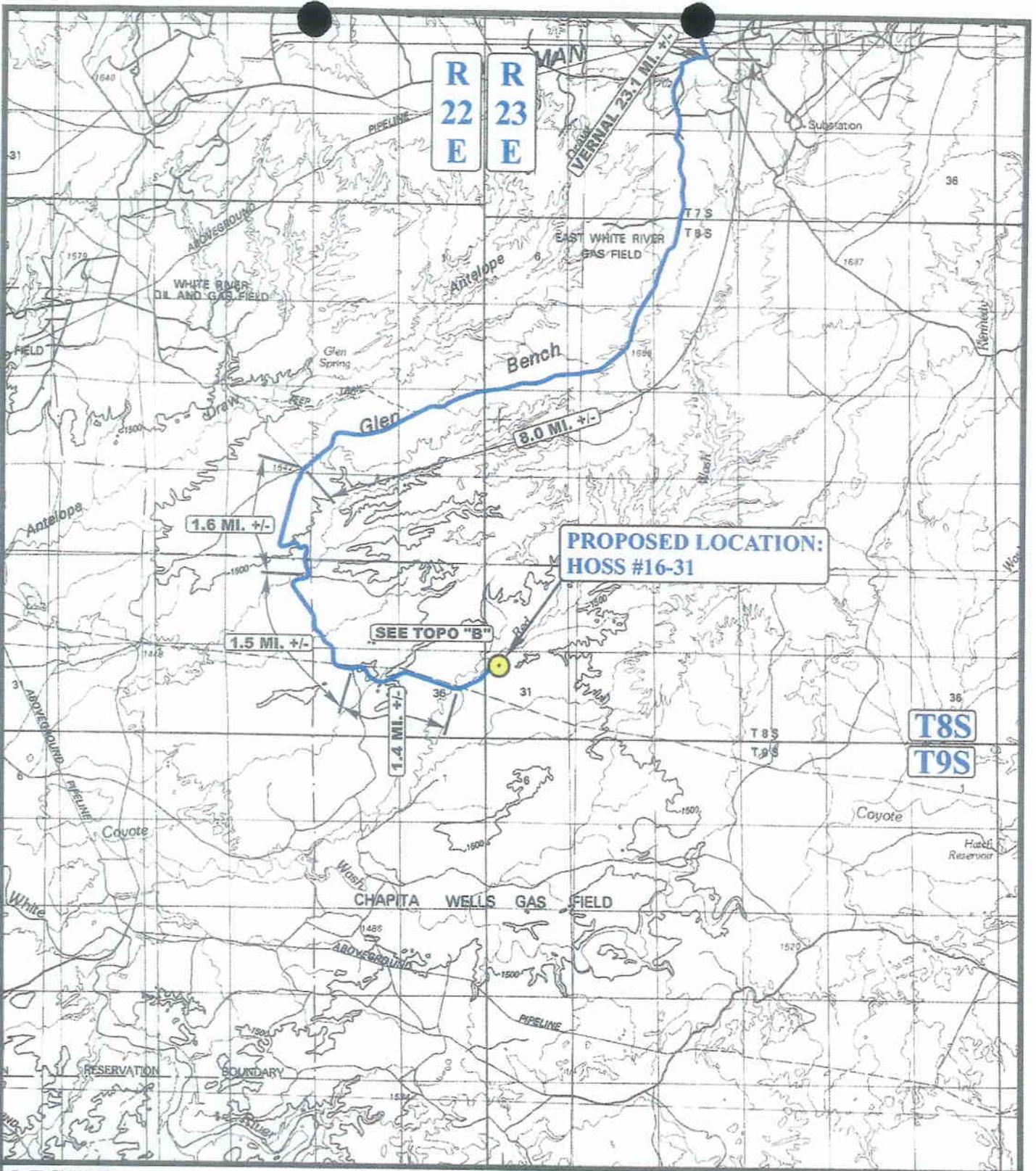
* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,640 Cu. Yds.
Remaining Location	= 7,110 Cu. Yds.
TOTAL CUT	= 8,750 CU.YDS.
FILL	= 5,450 CU.YDS.

EXCESS MATERIAL	= 3,300 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,300 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 788-1017



R 22 E
R 23 E

VERNAL 23.7 MI. +/-

PROPOSED LOCATION:
HOSS #16-31

SEE TOPO "B"

T8S
T9S

LEGEND:

PROPOSED LOCATION

EOG RESOURCES, INC.

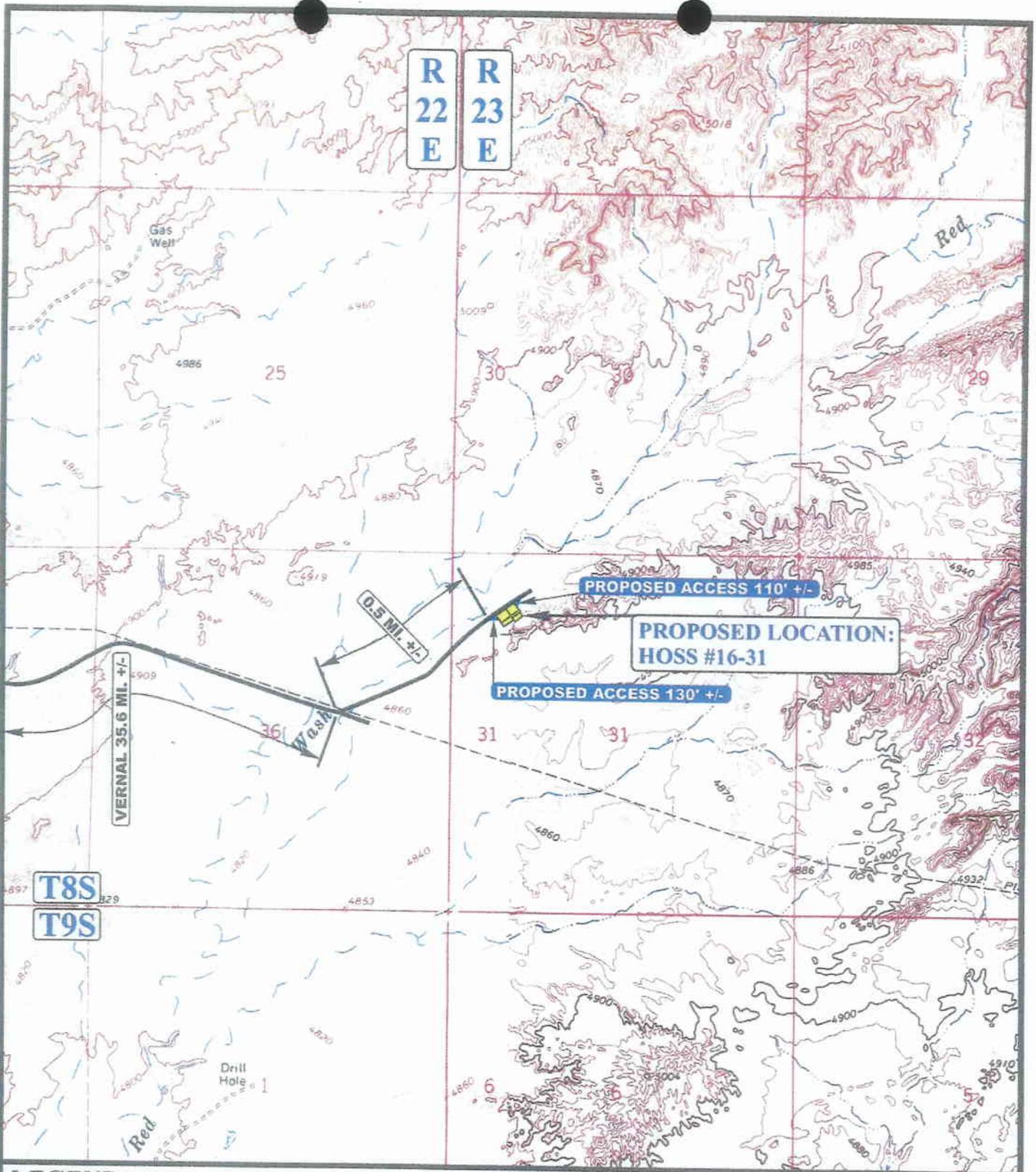
HOSS #16-31
SECTION 31, T8S, R23E, S.L.B.&M.
890' FNL 878' FWL



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

TOPOGRAPHIC MAP
 06 23 06
 MONTH DAY YEAR
 SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00





LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



EOG RESOURCES, INC.

HOSS #16-31
SECTION 31, T8S, R23E, S.L.B.&M.
890' FNL 878' FWL

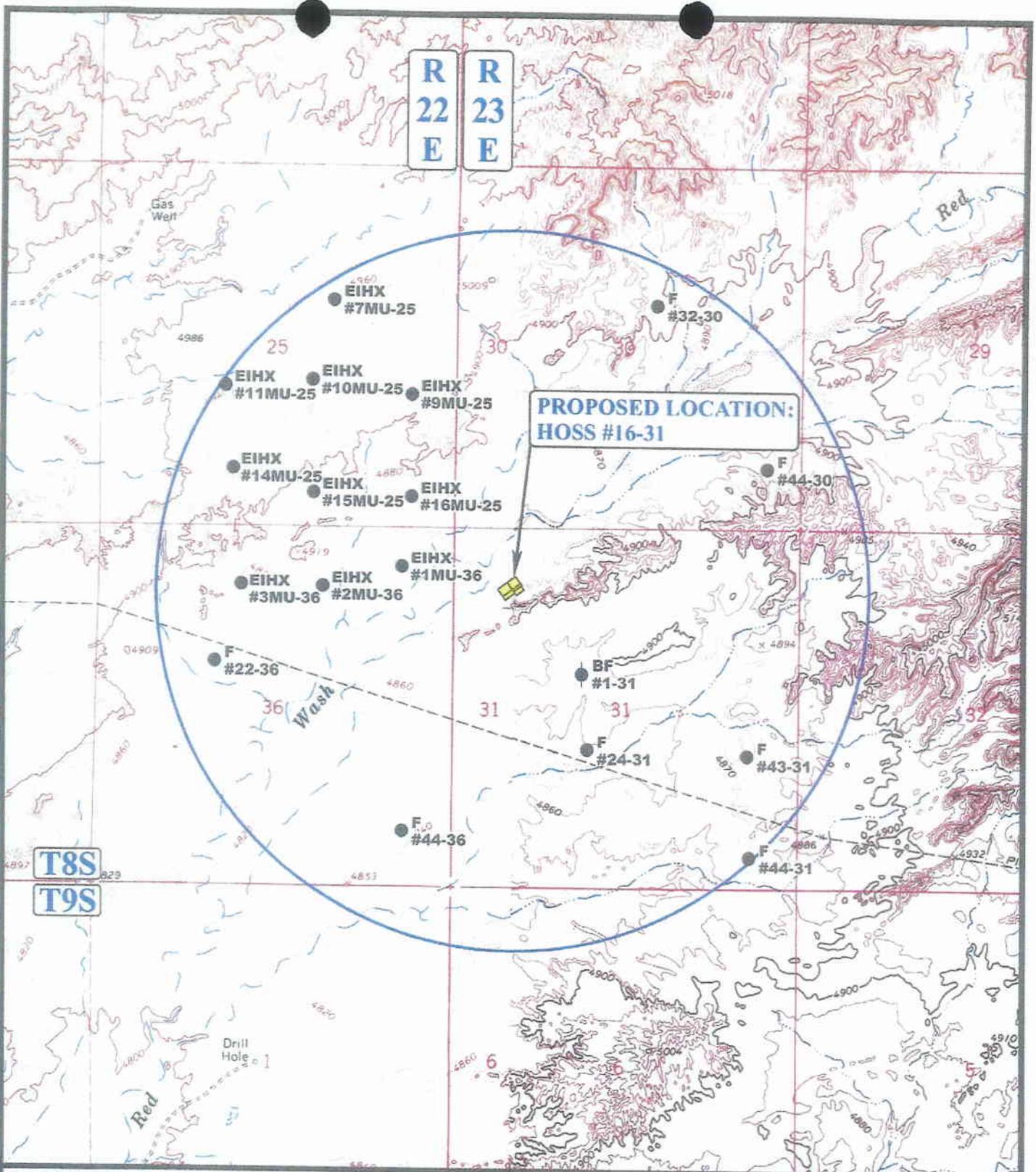


Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 06 23 06
MAP MONTH DAY YEAR

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





LEGEND:

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

EOG RESOURCES, INC.

HOSS #16-31
SECTION 31, T8S, R23E, S.L.B.&M.
890' FNL 878' FWL

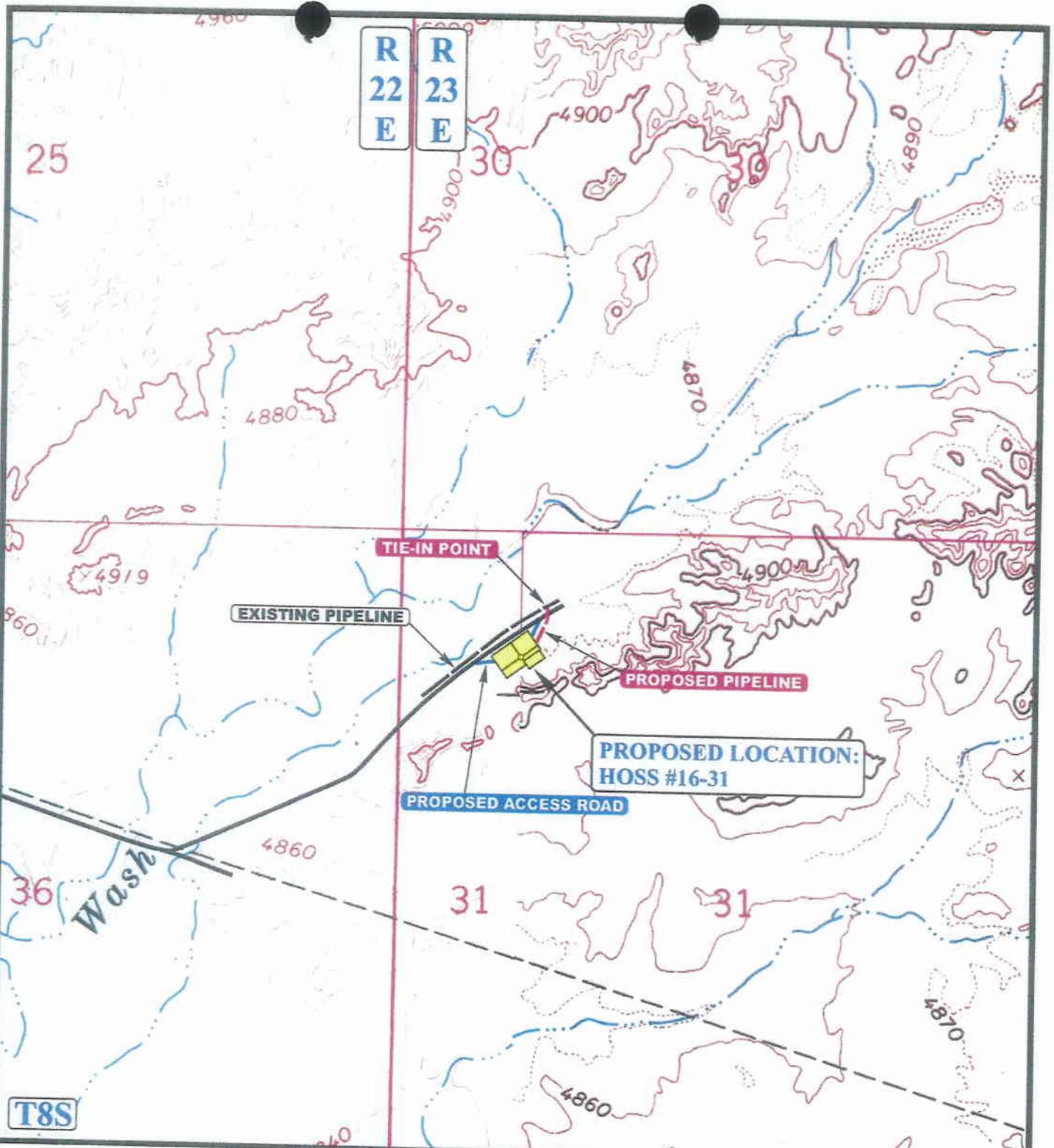


Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC MAP **06 23 06**
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 170' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE

EOG RESOURCES, INC.

HOSS #16-31
SECTION 31, T8S, R23E, S.L.B.&M.
890' FNL 878' FWL



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



TOPOGRAPHIC 09 07 06
MAP MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.H. REVISED: 00-00-00



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 10/05/2006

API NO. ASSIGNED: 43-047-38692

WELL NAME: HOSS 16-31
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

NWNW 31 080S 230E
 SURFACE: 0890 FNL 0878 FWL
 BOTTOM: 0890 FNL 0878 FWL
 COUNTY: UINTAH
 LATITUDE: 40.08406 LONGITUDE: -109.3751
 UTM SURF EASTINGS: 638539 NORTHINGS: 4438142
 FIELD NAME: NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU 61401
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

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

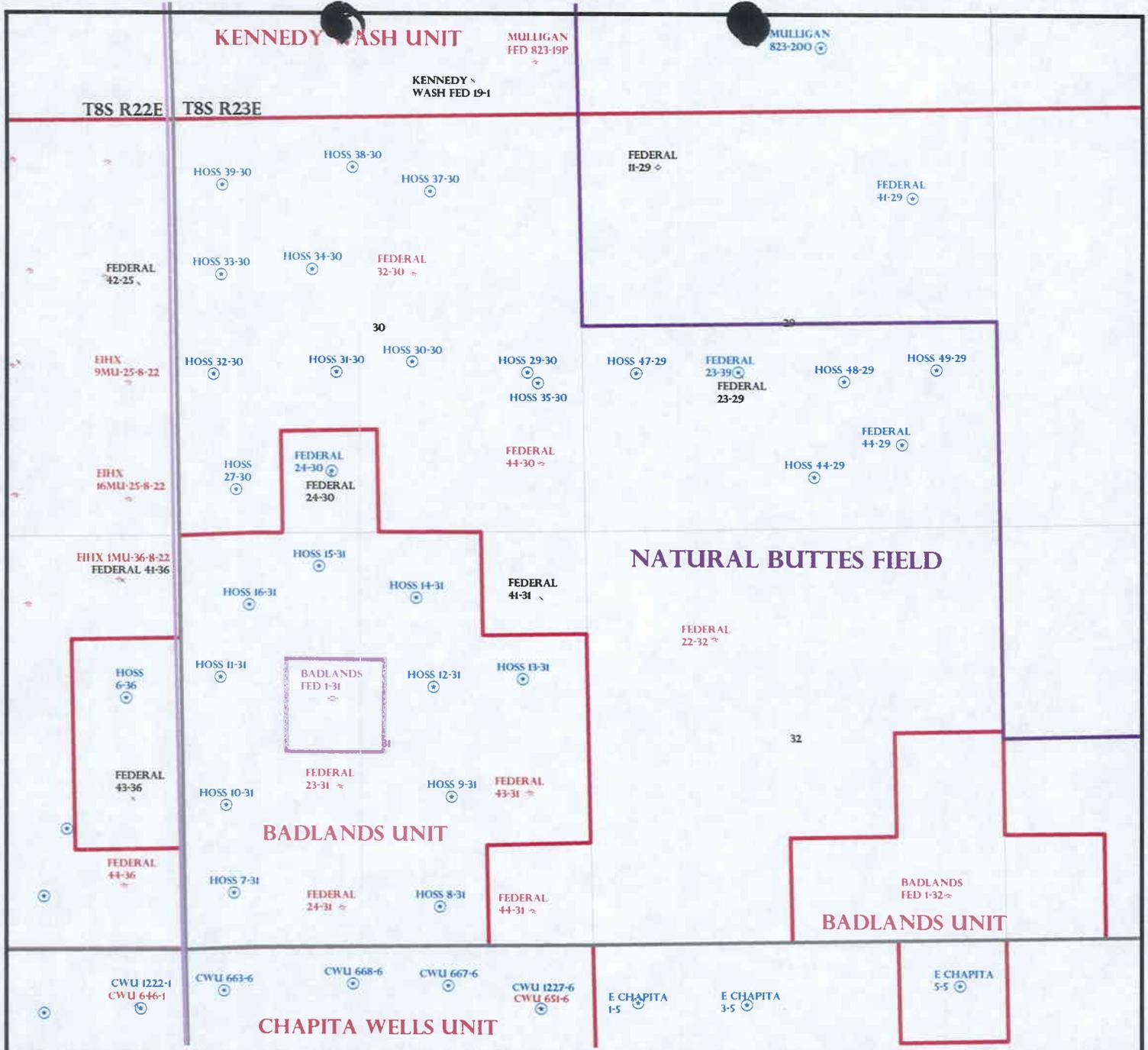
LOCATION AND SITING:

- R649-2-3.
- Unit: BADLANDS
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
- R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

1 Federal Approval
2 Spacing Slip



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 29,30,31 T.8S R. 23E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

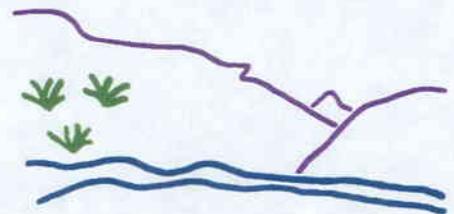
SPACING: R649-3-3 / EXCEPTION LOCATION

- 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
- x LOCATION ABANDONED
- o NEW LOCATION
- * PLUGGED & ABANDONED
- * PRODUCING GAS
- o PRODUCING OIL
- * SHUT-IN GAS
- o SHUT-IN OIL
- x TEMP. ABANDONED
- o TEST WELL
- ^ WATER INJECTION
- o WATER SUPPLY
- o WATER DISPOSAL
- o DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 12-OCTOBER-2006

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:
3160
(UT-922)

October 12, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2006 Plan of Development Badlands Unit, Uintah County,
Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Badlands, Uintah County, Utah.

API#	WELL NAME	LOCATION
(Proposed PZ Price River)		
43-047-38674	Hoss 13-31 Sec 31 T08S R23E 1894	FNL 0839 FEL
43-047-38692	Hoss 16-31 Sec 31 T08S R23E 0890	FNL 0878 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File – Badlands Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:10-12-06



EOG Resources, Inc.
600 Seventeenth Street
Suite 1000N
Denver, CO 80202
Main: 303-572-9000
Fax: 303-824-5400

December 11, 2006

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

Attention: Ms. Diana Whitney

RE: Request for Exception Location
Hoss 16-31 Well
Uintah County, Utah

Ladies and Gentlemen:

EOG Resources, Inc. ("EOGR") applied with the Utah Division of Oil, Gas and Mining for a Drilling Permit for the captioned well. The well is scheduled to drill at the following location in the captioned area to a proposed subsurface depth of 9,910 feet to test the Mesaverde Formation:

Township 8 South, Range 23 East, SLB&M
Section 31: NW/4NW/4
890' FNL and .878' FWL

Due to topographic reasons, EOGR is unable to drill this exploratory well at a legal location as defined under state rule R649-3-2. We therefore respectfully request that the State grant an exception to State rule R649-3-2 in accordance with rule R649-3-3.

Please be advised that the Bureau of Land Management lease UTU-61401 covers all of said Section 31, Township 8 South, Range 23 East. This lease, as to the pertinent lands, is held 100% by EOG Resources, Inc., as shown on the attached plat.

EOGR respectfully requests that the Utah Division of Oil, Gas and Mining grant administrative approval of this application for an exception location described herein at its earliest opportunity.

RECEIVED

DEC 13 2006

DIV. OF OIL, GAS & MINING

Utah Division of Oil, Gas and Mining
Request for Exception Location
Hoss 16-31 Well
December 11, 2006
Page 2 of 2

Thank you for your consideration of our request. Should you have any questions regarding this matter, please feel free to give me a call at (303) 824-5436.

Sincerely,

EOG RESOURCES, INC.

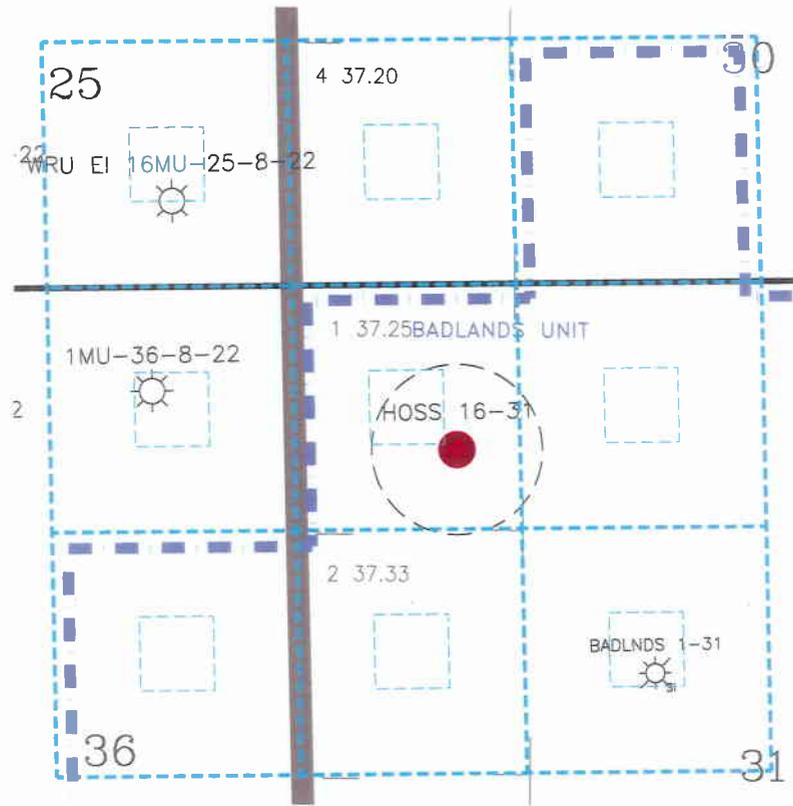
A handwritten signature in black ink that reads "Tessa Dean". The signature is written in a cursive style with a large, prominent "D" in the last name.

Tessa Dean
Land Associate

cc: Sheila Singer - Denver
Kaylene Gardner - Vernal

R 22 E

R 23 E



 Oil or Gas Well Location Pattern pursuant to Utah Administrative Code Rule R 649-3-2

 Legal window within which an oil and gas well could be drilled in compliance with R 649-3-2.

 460' Radius

   Locations at which oil or gas wells have been drilled

 Location at which applicant requests permission to drill the proposed Hoss 16-31 Well
890' FNL, 878' FWL, Lot 1 of Sec. 31, T8S, R23E



Exhibit "A"



Denver Division

Application for
Exception Well Location

HOSS 16-31 Well

UINTAH COUNTY, UTAH

Scale:
1"=1000'

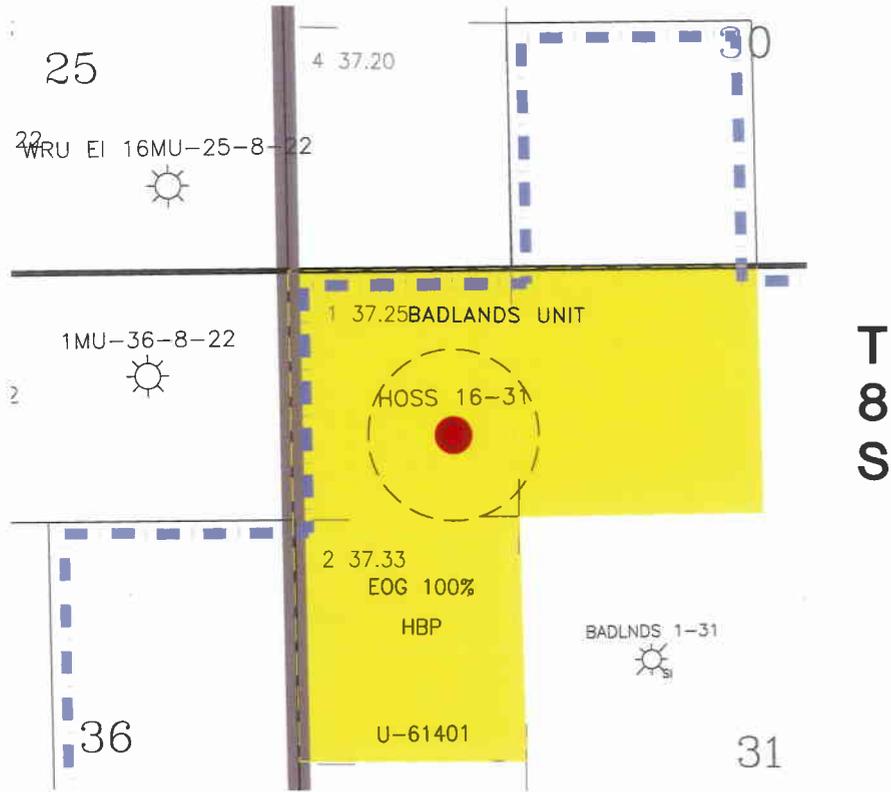
D:\uh\exception_plat\Hoss 16-31\exc.dwg
exc_A_40

Author
gt

Dec 07, 2006 -
2:22pm

R 22 E

R 23 E



Working Interest

 EOG 100%

 Location at which applicant requests permission to drill the proposed Hoss 16-31 Well
890' FNL, 878' FWL, Lot 1 of Sec. 31, T8S, R23E

Exhibit "B"

 **eog resources**

Denver Division

Application for
Exception Well Location

HOSS 16-31 Well

UINTAH COUNTY, UTAH



Scale: 1"=1000'

D:\utah\exception_plats\
Hoss16-31\exc.dwg
exc_B_40

Author

Dec 07, 2006 -
2:20pm



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

December 14, 2006

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

Re: Hoss 16-31 Well, 890' FNL, 878' FWL, NW NW, Sec. 31, T. 8 South,
R. 23 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.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby 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 43-047-38692.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

Operator: EOG Resources Inc.
Well Name & Number Hoss 16-31
API Number: 43-047-38692
Lease: UTU-61401

Location: NW NW Sec. 31 T. 8 South R. 23 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

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

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **EOG Resources, Inc.**

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**890' FNL & 878' FWL (NW/NW)
 Sec. 31-T8S-R23E 40.084039 LAT 109.375775 LON**

5. Lease Serial No.
UTU-61401

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Hoss 16-31

9. API Well No.
43-047-38692

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

11. County or Parish, State
Uintah County, Utah

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Commingling
	<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. requests authorization to commingle the Wasatch and Mesaverde formations for the referenced well as indicated by the APD and affidavit submitted 10/2/2006.

Accepted by the
Utah Division of
Oil, Gas and Mining

Date: 1/18/07
By: [Signature]

Federal Approval Of This
Action Is Necessary

COPIES SENT TO OPERATOR
Date: 1/18/07
Initials: [Signature]

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mary A. Maestas

Title **Regulatory Assistant**

Signature

[Signature: Mary A. Maestas]

Date

01/11/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Date

Office

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

(Instructions on page 2)

RECEIVED

JAN 12 2007

DIV. OF OIL, GAS & MINING

STATE OF UTAH)

) ss

COUNTY OF UINTAH)

VERIFICATION

Kaylene R. Gardner, of lawful age, being first duly sworn upon oath, deposes and says:

She is the Sr. Regulatory Assistant of EOG Resources, Inc., of Vernal, Utah. EOG Resources, Inc. is the operator of the following described well:

HOSS 16-31
890' FNL - 878' FWL (LOT 1) NWNW
SECTION 31, T8S, R23E
UINTAH COUNTY, UTAH

EOG Resources, Inc., Questar Exploration & Production Co., EnCana Oil & Gas (USA), Inc., and Newfield Production Company, Exhibit A, are the only owners in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 26th day of September 2006 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

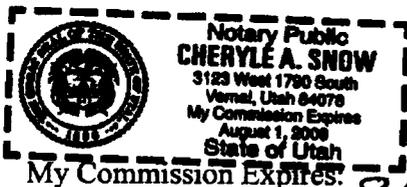
Said envelope which contained these instruments was addressed to the Utah Division of Oil, Gas & Mining, Bureau of Land Management, Questar Exploration & Production Co., EnCana Oil & Gas (USA), Inc., and Newfield Production Company

Further affiant saith not.



Kaylene R. Gardner
Sr. Regulatory Assistant

Subscribed and sworn before me this 26th day of September, 2006.



My Commission Expires:

8/1/2009



Notary Public

**Exhibit "A" to Affidavit
Hoss 16-31 Application to Commingle**

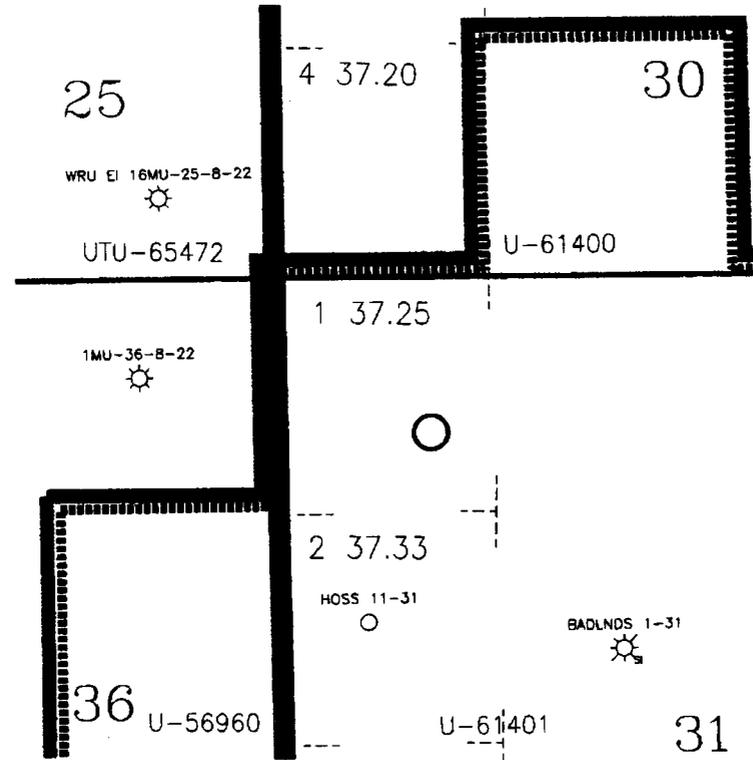
**Questar Exploration & Production Co.
Independence Plaza
1050 17th Street, Suite 500
Denver, Colorado 80265
Attention: Ms. Angela Page**

**Newfield Production Company
1401 17th Street, Suite 1000
Denver, CO 80202
Attn: Gary Alsobrook**

**EnCana Oil & Gas (USA), Inc.
370 17th Street, Suite 1700
Denver, CO 80202
Attention: Mr. Doug Jones**

R 22 E

R 23 E



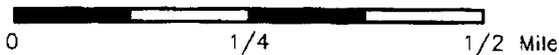
T
8
S

○ HOSS 16-31

 Badlands Unit Outline

 Wasatch/Mesoverde/Mancos Fms P.A. "B"

Scale: 1"=1000'



 **Deog resources**

Denver Division

EXHIBIT "A"

HOSS 16-31

Commingling Application
Uintah County, Utah

Scale: 1"=1000'

D:\utah\Commingling\page_Hoss11-31_commingling.dwg
Layout1

Author
GT

Sep 07, 2008 -
1:06pm

RECEIVED

OCT - 3 2006

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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

5. Lease Serial No. UTU 61401
6. If Indian, Allottee or Tribe Name

APPLICATION FOR PERMIT TO DRILL OR REENTER

BLM VERNAL, UTAH

1a. Type of work: [X] DRILL [] REENTER

7. If Unit or CA Agreement, Name and No. Badlands
8. Lease Name and Well No. HOSS 16-31

1b. Type of Well: [] Oil Well [X] Gas Well [] Other [] Single Zone [X] Multiple Zone

2. Name of Operator EOG RESOURCES, INC

9. API Well No. 43,047,38692

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

3b. Phone No. (include area code) 435-781-9111

10. Field and Pool, or Exploratory NATURAL BUTTES

4. Location of Well (Report location clearly and in accordance with any State requirements.*) At surface 890 FNL 878 FWL (LOT 1) NWNW 40.084039 LAT 109.375775 LON At proposed prod. zone SAME

11. Sec., T. R. M. or Blk. and Survey or Area SEC. 31, T8S, R23E S.L.B.&M

14. Distance in miles and direction from nearest town or post office* 36.1 MILES SOUTH OF VERNAL, UT

12. County or Parish UINTAH 13. State UT

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 680 LEASE LINE 380 DRILLING LINE

16. No. of acres in lease 629

17. Spacing Unit dedicated to this well 37 ACRES

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1700

19. Proposed Depth 9910

20. BLM/BIA Bond No. on file NM 2308

21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4866 GL

22. Approximate date work will start*

23. Estimated duration 45 DAYS

24. Attachments

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

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

25. Signature [Signature] Title SR. REGULATORY ASSISTANT

Name (Printed Typed) KAYLENE R. GARDNER

Date 10/02/2006

Approved by (Signature) [Signature] Title Assistant Field Manager Lands & Mineral Resources

Name (Printed Typed) JERRY KEENE Office

Date 1-29-2007

VERNAL FIELD OFFICE

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

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

*(Instructions on page 2)

CONDITIONS OF APPROVAL ATTACHED

NOTICE OF APPROVAL

RECEIVED

FEB 02 2007

OFFICE OF OIL, GAS & MINING

06 BLM 1881A

NCS 2/3/06



**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE
170 South 500 East VERNAL, UT 84078 (435) 781-4400**



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	EOG Resources	Location:	Lot 1, Sec 31, T8S, R23E
Well No:	HOSS 16-31	Lease No:	UTU-61401
API No:	43-047-38692	Agreement:	Badlands Unit

Title	Name	Office Phone Number	Cell Phone Number
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	
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:	Melissa Hawk	435-781-4476	435-828-7381
NRS/Enviro Scientist:	Chuck MacDonald	435-781-4441	
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	
After Hours Contact Number: 435-781-4513		Fax: 435-781-4410	

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

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

NOTIFICATION REQUIREMENTS

Location Construction (Notify NRS/Enviro Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify NRS/Enviro 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 Supervisory Petroleum Technician)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings
BOP & Related Equipment Tests (Notify Supervisory Petroleum Technician)	-	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)***

See APD for condition of approval

- If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.
- All the culverts will be installed according to the BLM Gold Book.
- The road and well pad will have road base on the surface.

General Surface COA

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

DOWNHOLE CONDITIONS OF APPROVAL

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

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- 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.
- 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.

Commingling:

- Downhole commingling for the Wasatch-Mesaverde formations is approved. Authorized Officer reserves the right to rescind this approval if conditions change. Authorized Officer also reserves the right to require allocation of production volumes between the Wasatch and Mesaverde if deemed necessary.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE

pressure tests shall be performed by a test pump with a chart recorder and NOT by the rig pumps. Test shall be reported in the driller's log.

- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).
- All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
- The lessee/operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, etc.) to Peter Sokolosky or another geologist of the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- All shows of fresh water and minerals shall be reported and protected. A sample shall be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the

disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.
- All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.

- This APD is approved subject to the requirement that, shall the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and / or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

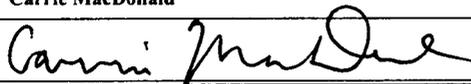
SUBMIT IN TRIPLICATE- Other instructions on reverse side.		5. Lease Serial No. UTU-61401
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG Resources, Inc.		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 600 17th Street, Suite 1000N, Denver, CO 80202	3b. Phone No. (include area code) 303-262-2812	8. Well Name and No. Hoss 16-31
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 890' FNL & 878' FWL (NWNW) Sec. 31-T8S-R23E 40.084039 LAT 109.375775 LON		9. API Well No. 43-047-38692
		10. Field and Pool, or Exploratory Area Natural Buttes/Wasatch/Mesaverde
		11. County or Parish, State Uintah County, Utah

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

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

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

The referenced well spud on 2/16/2007.

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Carrie MacDonald	Title Operations Clerk
Signature 	Date 02/20/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

(Instructions on page 2)

RECEIVED

FEB 22 2007

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

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. UTU-61401
2. Name of Operator EOG Resources, Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 600 17th Street, Suite 1000N, Denver, CO 80202	3b. Phone No. (include area code) 303-824-5526	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 890' FNL & 878' FWL (NWNW) Sec. 31-T8S-R23E 40.084039 LAT 109.375775 LON		8. Well Name and No. Hoss 16-31
		9. API Well No. 43-047-38692
		10. Field and Pool, or Exploratory Area Natural Buttes/Wasatch/Mesaverde
		11. County or Parish, State Uintah County, Utah

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

The referenced well was turned to sales on 5/4/2007. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

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

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

Name (Printed/Typed) Mary A. Maestas	Title Regulatory Assistant
Signature <i>Mary A. Maestas</i>	Date 05/09/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

WELL CHRONOLOGY REPORT

Report Generated On: 05-09-2007

Well Name	HOSS 016-31	Well Type	DEVG	Division	DENVER
Field	PONDEROSA	API #	43-047-38692	Well Class	COMP
County, State	UINTAH, UT	Spud Date	03-26-2007	Class Date	
Tax Credit	N	TVD / MD	9,990/ 9,990	Property #	059893
Water Depth	0	Last CSG	2.375	Shoe TVD / MD	0/ 0
KB / GL Elev	4,885/ 4,865				
Location	Section 31, T8S, R23E, NWNW, 890 FNL & 878 FWL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	100.0	NRI %	67.0

AFE No	304266	AFE Total		DHC / CWC							
Rig Contr	BASIC	Rig Name	BASIC #31	Start Date	01-03-2007	Release Date	04-10-2007				
01-03-2007	Reported By	SHARON CAUDILL									
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0						
Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0						
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTB : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: LOCATION DATA

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

06:00	06:00	24.0	LOCATION DATA 890' FNL & 878' FWL (NW/NW) SECTION 31, T8S, R23E UINTAH COUNTY, UTAH
-------	-------	------	--

LAT 40.084075, LONG 109.371539 (NAD 27)

RIG: BASIC #31
OBJECTIVE: 9910' TD, MESAVERDE
DW/GAS
PONDEROSA PROSPECT
DD&A: CHAPITA DEEP WELLS
PONDEROSA FIELD

LEASE: UTU-61401

ELEVATION: 4866.1' NAT GL, 4865.2' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4865'), 4885' KB (20')

EOG WI 100%, NRI 67%

02-05-2007	Reported By	TERRY CSERE
-------------------	--------------------	-------------

Daily Costs: Drilling	\$.	Completion	\$0	Daily Total	
------------------------------	-----	-------------------	-----	--------------------	--

MD 2.571 TVD 2.571 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: MOVING RIG.

Start	End	Hrs	Activity Description
06:00	07:00	1.0	RIG IDLE.
07:00	19:00	12.0	MOVE RIG TO HOSS 16-31. 100% OF RIG SET IN.
19:00	06:00	11.0	RIG IDLE.

SAFETY MEETING ON MOVING RIG.
 FULL CREWS & NO ACCIDENTS.
 ESTIMATED PRESSURE TEST ON 03/17/2007.
 ESTIMATED SPUD 03/18/2007

03-18-2007 Reported By JESSE TATMAN

Daily Costs: Drilling \$ Completion \$ Daily Total \$
 Cum Costs: Drilling \$ Completion \$ Well Total \$

MD 2.571 TVD 2.571 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RIGGING UP & RIG REPAIR.

Start	End	Hrs	Activity Description
06:00	07:00	1.0	RIG IDLE.
07:00	18:00	11.0	HELD SAFETY MEETING, RIG UP, RAISE DERRICK, FILL WATER TANK & START WATER PUMPS.
18:00	21:00	3.0	SLIP & CUT 230' DRILL LINE FOR FLAT WEAR ON LINE.
21:00	06:00	9.0	RIG IDLE. INSPECT DRUM DRIVE CHAIN / RELOCATE RIG CONTROLS AND REPAIR SAME

SAFETY MEETING ON RAISING DERRICK & CUTTING DRILLING LINE.
 SHORT ONE DRILLER ON DAYLIGHTS & NO ACCIDENTS.
 ESTIMATED PRESSURE TEST ON 03/20/2007.
 ESTIMATED SPUD ON 03/21/2007.
 NOTIFIED MICHAEL LEE WITH THE VERNAL BLM OF SPUD & PRESSURE TEST ON 03/16/2007 @ 13:30 HOURS.

03-19-2007 Reported By JESSE TATMAN

Daily Costs: Drilling \$ Completion \$ Daily Total \$
 Cum Costs: Drilling \$ Completion \$ Well Total \$

MD 2.571 TVD 2.571 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RIG REPAIR & RIGGING UP.

Start	End	Hrs	Activity Description
06:00	07:00	1.0	RIG IDLE.
07:00	18:00	11.0	RIG UP BACK YARD & RIG REPAIR.

RIG REPAIR ITEMS DONE, INSTALL INSPECTION PLATES ON DRIVE CHAIN GUARD, MOVED #1 WINCH CONTROL OFF DRILLERS CONTROL PANEL & LOCATED IT @ V-DOOR.

CHANGED OUT BRAKE ASSIST CONTROL & MOVED IT UNDER DRUM CLUTCH CONTROL.
SAFETY MODIFY, CUT BACK EXHAUST PIPES & STARTED TO INSTALL PIN POCKETS TO PIN STAIRS IN PLACE.

3 HANDS WORKED ON RIG REPAIR FOR 10 HOURS.
6 HANDS WORKED ON RIGGING UP.

18:00 06:00 12.0 RIG IDLE.

SHORT ONE DRILLER ON DAYLIGHTS.
SAFETY MEETING ON RIGGING UP & FIRE WATCH.
ESTIMATED PRESSURE TEST ON 03/20/2007.
ESTIMATED SPUD 03/21/2007.

03-20-2007 Reported By JESSE TATMAN

Daily Costs: Drilling	Completion	\$0	Daily Total	:
Cum Costs: Drilling	Completion	\$0	Well Total	
MD 2,571 TVD 2,571	Progress 0	Days 0	MW 0.0	Visc 0.0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0	

Activity at Report Time: RIGGING UP & RIG REPAIR.

Start	End	Hrs	Activity Description
06:00	18:00	12.0	RIGGING UP & RIG REPAIR.

RIG REPAIR ITEMS DONE, MECHANICS INSPECTED DRIVE CHAIN & INSTALLED INSPECTION COVERS.
RUN BLOCKS UP & DOWN IN DERRICK DRILLING LINE LOOKS GOOD & SPOOLED ON DRUM GOOD, WE WILL CHECK SPOOLING AGAIN UNDER HOOK LOAD.

SAFETY MODIFY WITH WELDERS, WELDERS WORKED ON STAIR PINS, EXTENDING 2" HIGH PRESSURE BLEED OFF ON MUD PUMPS DOWN TO THE FLOOR. STARTED TO BUILD GUARDS ON WINCHES.

WAITING ON JAM NUTS FOR BRAKE LINKAGE TO BE BUILT IN MACHINE SHOP, DUE ON 03/21/2007.

5 HANDS WORKED ON RIG REPAIR.
5 HANDS WORKED ON RIGGING UP.

18:00 06:00 12.0 RIG IDLE.

SAFETY MEETING ON HOUSE KEEPING & RIGGING UP.
FULL CREWS & NO ACCIDENTS.
ESTIMATED PRESSURE TEST ON 03/21/2007.
ESTIMATED SPUD ON 03/22/2007.

03-21-2007 Reported By JESSE TATMAN

Daily Costs: Drilling	\$	Completion	\$0	Daily Total	:
Cum Costs: Drilling	!	Completion	\$0	Well Total	
MD 2,571 TVD 2,571	Progress 0	Days 0	MW 0.0	Visc 0.0	
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0		

Activity at Report Time: RIGGING UP & RIG REPAIR.

Start	End	Hrs	Activity Description
06:00	07:00	1.0	RIG IDLE.
07:00	18:00	11.0	RIG REPAIR & RIGGING UP.

RIG REPAIR ITEMS DONE, MECHANICS INSTALLED FOOT THROTTLE ON SUB.
 SAFETY MODIFY WITH WELDERS WINCH GUARDS, MUD PUMP GUARDS, PIN POCKETS FOR STAIRS,
 GROUND ROD HOLDERS & EXHAUST PIPES.

RIG UP GAS BUSTER WITH R.W. JONES CRANE TRUCK, HAD TO RAISE BUSTER 3' FOR U-TUBE.
 RIGGED UP BUSTER LINES.
 CLEANED ON RIG.

1 HAND HELPED MECHANIC FOR 2 HOURS.
 2 HANDS HELPED WELDERS FOR 9 HOURS.

18:00 06:00 12.0 RIG IDLE.

SAFETY MEETING ON WORKING WITH CRANE.
 FULL CREWS & NO ACCIDENTS.
 ESTIMATED PRESSURE TEST ON 03/21/2007.
 ESTIMATED SPUD ON 03/22/2007.

03-22-2007	Reported By	ROBERT DYSART									
Daily Costs: Drilling		Completion	\$0	Daily Total	\$						
Cum Costs: Drilling	\$	Completion	\$0	Well Total	\$						
MD	2,571	TVD	2,571	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0		Perf :		PKR Depth : 0.0					

Activity at Report Time: TEST BOPE

Start	End	Hrs	Activity Description
06:00	11:00	5.0	RIG REPAIR WELDERS BUILD FOOT THROTTLE GUARD, INSTALL GROUND ROD HOLDERS
11:00	15:00	4.0	NIPPLE UP BOPE. START DAY WORK @ 11:00 HRS. 03/21/07
15:00	21:00	6.0	RIG UP FLOOR, PICK UP KELLY.
21:00	06:00	9.0	TEST BOPE AS PER PROGRAM. BLM REP CLIFF JOHNSON, VERNAL OFFICE NOTIFIED @ 11:00 HRS ON 03/21/07 FOR BOPE TEST. TESTER: IPS DOUBLE JACK. TEST IBOP, SAFETY VALVE, UPPER & LOWER KELLY COCK. 250/5000 PSI 5/10 MIN. CHOKE & KILL LINES, CHOKE MANIFOLD. 250/5000 PSI 5/10 MIN. PIPE, BLIND RAMS 250/5000 PSI 5/10 MIN. ANNULAR 250/2500 PSI 5/10 MIN. PERFORM ACCUMULATOR TEST. CHECK ALL PRE- CHARGES.
			NO ACCIDENTS, FULL CREWS SAFETY MTGS: NIPPLE UP, BOP TEST FUEL 2416 ON HAND

03-23-2007	Reported By	ROBERT DYSART									
Daily Costs: Drilling		Completion	\$0	Daily Total	\$						
Cum Costs: Drilling	\$	Completion	\$0	Well Total	\$						
MD	2,571	TVD	2,571	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0		Perf :		PKR Depth : 0.0					

Activity at Report Time: RIG REPAIR

Start	End	Hrs	Activity Description
06:00	07:30	1.5	CONT. TEST BOPE. TEST 9 5/8" CSG. 1500 PSI 30 MIN. RIG DOWN TESTER
07:30	08:00	0.5	INSTALL WEAR BUSHING.
08:00	18:00	10.0	HOLD PRE JOB SAFETY MTG. RIG UP LAY DOWN MACHINE. MAKE UP & RIH BHA, D.P. TO TOP OF CMNT. 2464' RIG DOWN LAY DOWN MACHINE.
18:00	19:30	1.5	SERVICE RIG, INSTALL ROT. HEAD RUBBER
19:30	22:00	2.5	#1 PUMP DOWN, WAIT ON MECHANIC TO START. CONDUCT INSPECTIONS ON RIG PREP FOR DRLG.
22:00	23:00	1.0	PUMP THROUGH CHOKE MANIFOLD & SEPERATOR, VERIFY LINES CLEAR.
23:00	01:00	2.0	SECURE & CENTER BOP STACK, INSTALL FILL UP LINE.
01:00	06:00	5.0	CHAIN TENSIONER ON COMPOUND FELL IN GUARD BOX, REMOVING CHAIN, DRIVELINE & SPROCKET TO RETREIVE TENSIONER AND RE-INSTALL SAME.

NO ACCIDENTS, DAY CREW 1 MAN SHORT
 SAFETY MTGS:PINCH POINTS, DRLG. CMNT.
 CHECK COM X 2
 FUEL 2083, USED 333

03-24-2007 Reported By ROBERT DYSART

Daily Costs: Drilling	Completion	\$0	Daily Total	
Cum Costs: Drilling	Completion	\$0	Well Total	
MD	2,586	TVD	2,586	Progress 15
				Days 0
Formation :			PBTD : 0.0	Perf :
				MW 0.0
				Visc 0.0
				PKR Depth : 0.0

Activity at Report Time: FIT

Start	End	Hrs	Activity Description
06:00	03:00	21.0	RIG REPAIR, REPAIR DRIVE CHAIN TENSIONER ON COMPOUND, SENT INTO VERNAL TO MACHINE SHOP TO BE REPAIRED.
03:00	05:00	2.0	DRILL CEMENT/FLOAT EQUIP. FROM 2464' TO 2571'
05:00	06:00	1.0	DRILL ROTATE FROM 2571' TO 2586' (15') CIRC. HOLE CLEAN. SPOT HI-VIS IN O/H FOR FIT. M/W 8.4
			NO ACCIDENTS, FULL CREWS
			SAFETY MTGS:WORKING WITH WELDERS, REPAIRING CHAIN CASE
			CHECK COM
			FUEL 6666, USED 83, RECEIVED 4500

03-25-2007 Reported By ROBERT DYSART

Daily Costs: Drilling	Completion	\$0	Daily Total	\$.
Cum Costs: Drilling	Completion	\$0	Well Total	\$
MD	2,586	TVD	2,586	Progress 0
				Days 0
Formation :			PBTD : 0.0	Perf :
				MW 0.0
				Visc 0.0
				PKR Depth : 0.0

Activity at Report Time: RIG REPAIR

Start	End	Hrs	Activity Description
06:00	07:00	1.0	CONDUCT FIT @ 2590' SHOE DEPTH. 60 PSI WITH 8.4 PPG TEST FLUID. MIX HI-VIS LCM PILL SPOT IN OPEN HOLE. RE-DO FIT 400 PSI 11.4 EMW. CONFIRM WITH SURVEY MACHINE SHOE @ 2590'
07:00	18:00	11.0	RIG REPAIR, REPLACE SECONDARY CHAIN TENSIONER. TEST EQUIP. ROTARY TABLE MAIN BEARINGS OUT. WAIT ON MECHANIC
18:00	00:00	6.0	POOH

00:00 06:00 6.0 RIG REPAIR PULL ROTARY TABLE. MODIFY REPLACEMENT TABLE MOUNTING CHOCKS FOR INSTALLMENT.

NO ACCIDENTS, FULL CREWS
 SAFETY MTGS: WORKING ON DRIVE CHAINS, TRIPS
 CHECK COM
 FUEL 5666, USED 1000

03-26-2007 Reported By ROBERT DYSART

Daily Costs: Drilling		Completion	\$0	Daily Total
Cum Costs: Drilling		Completion	\$0	Well Total
MD	2,586	TVD	2,586	Progress
			0	Days
			0	MW
				Visc
				31.0
Formation :		PBTD : 0.0		Perf :
				PKR Depth : 0.0

Activity at Report Time: TRIP IN HOLE

Start	End	Hrs	Activity Description
06:00	03:00	21.0	RIG REPAIR, INSTALL NEW ROTARY, FUNCTION TEST SAME. TABLE NOT ROTATING PROPERLY. BASIC MECHANIC ON LOCATION TROUBLE SHOOTING AND REPAIRING. (FOUND BAD "U" JOINT)
03:00	06:00	3.0	TRIP IN HOLE.

NO ACCIDENTS, FULL CREWS
 SAFETY MTGS: INSTALLING ROTARY TABLE
 CHECK COM
 FUEL 5000, USED 666

03-27-2007 Reported By ROBERT DYSART

Daily Costs: Drilling	\$	Completion	\$0	Daily Total
Cum Costs: Drilling		Completion	\$0	Well Total
MD	3,900	TVD	3,900	Progress
			1,314	Days
			1	MW
				Visc
				32.0
Formation :		PBTD : 0.0		Perf :
				PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:00	2.0	TRIP IN HOLE
08:00	17:00	9.0	DRILL ROTATE 2589' TO 3043' (454') ROP 50 WOB 15/20K, RPM 40/70 + 75, 420 GPM, PSI 1400
17:00	17:30	0.5	SURVEY @ 2970' 2.75 DEG
17:30	01:00	7.5	DRILL ROTATE 3043' TO 3584' (541') ROP 72 WOB 15/20K, RPM 40/70 + 75, 420 GPM, PSI 1450
01:00	01:30	0.5	SURVEY @ 3510' 2.5 DEG.
01:30	06:00	4.5	DRILL ROTATE 3584' TO 3900' (316') ROP 70 WOB 15/20K, RPM 40/70 + 75, 420 GPM, PSI 1500 M/W 8.6, VIS 34

NO ACCIDENTS, FULL CREWS
 SAFETY MTGS: NEW HANDS, MAKING CONNECTIONS.
 CHECK COM x 2
 FUEL 4333, USED 667.

LITHOLOGY:
 50% SHALE, 40% SS, 10% LS.
 B/G 1500/2900
 CONN 3288/3498
 D/T 8361 @ 3044'
 HIGH 3192 @ 3274'

06:00 18.0 SPUD 7 7/8" HOLE ON 3/26/07 @ 08:00 HRS.

03-28-2007 Reported By ROBERT DYSART

Daily Costs: Drilling	Completion	\$0	Daily Total	
Cum Costs: Drilling	Completion	\$0	Well Total	
MD 5,020 TVD 5,020	Progress 1,120	Days 2	MW 8.7	Visc 32.0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0	

Activity at Report Time: BIT TRIP

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILL ROTATE 3900' TO 4314' (414') ROP 69 WOB 15/20K, RPM 40/50, GPM 420, 1500 PSI, 250 DIFF
12:00	12:30	0.5	SERVICE RIG
12:30	14:30	2.0	DRILL ROTATE 4314" TO 4504" (190') ROP 95 WOB 15/20K, RPM 40/50, GPM 420, 1500 PSI, 250 DIFF
14:30	15:00	0.5	SURVEY 4431' 4 DEG.
15:00	04:30	13.5	DRILL ROTATE 4504' TO 5020' (516') ROP 38 WOB 15/20K, RPM 40/50, GPM 420, 1500 PSI, 250 DIFF
04:30	05:30	1.0	CIRCULATE HOLE, DROP SURVEY, PUMP SLUG.
05:30	06:00	0.5	POOH FOR BIT #2 M/W 8.5, VIS 35

NO ACCIDENTS, FULL CREWS
 SAFETY MTGS: COMMUNICATIONS, CONFINED SPACE'S
 CHECK COM x 2
 FUEL 3166, USED 1167.

LITHOLOGY:
 10% SHALE, 40% LIMESTONE, 40% SANDSTONE
 B/G 122/262
 CONN 411/913
 D/T 4267 @ 4441'
 HIGH 3909 @ 4047'

03-29-2007 Reported By ROBERT DYSART

Daily Costs: Drilling	Completion	\$0	Daily Total	
Cum Costs: Drilling	Completion	\$0	Well Total	
MD 5,100 TVD 5,100	Progress 80	Days 3	MW 8.8	Visc 34.0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:30	6.5	BIT TRIP OUT OF HOLE. LAY OUT BIT & MOTOR.
12:30	13:00	0.5	SERVICE RIG
13:00	18:00	5.0	MAKE UP BIT, MOTOR, LAY OUT #2 DC, PICK UP #2 HWDP, TRIP IN HOLE TO 3200'
18:00	18:30	0.5	POOH TO SHOE FROM 3200' TO SHOE FOR DRAWWORKS GUARD REPAIR.
18:30	23:00	4.5	MAKE UP CIRC. SWAGE, CIRC HOLE @ SPR MECHANIC & WELDER ON SITE FOR DRAWWORK CHAIN CASE REPAIR. OIL SEAL OUT, GUARD RUBBING ON SHAFT CAUSING WEAR.
23:00	02:00	3.0	TRIP IN HOLE TO 5020'
02:00	02:30	0.5	DRILL ROTATE 5020' TO 5032' (12')
			WOB 5/10K, RPM 40/50, GPM 420, 1300 PSI, 200 DIFF
02:30	03:00	0.5	SERVICE RIG
03:00	06:00	3.0	DRILL ROTATE 5032' TO 5100' (68') ROP 22.6
			WOB 15/17K, RPM 40/50, GPM 420, 1300 PSI, 200 DIFF
			M/W 8.9, VIS 40
			NO ACCIDENTS, FULL CREWS
			SAFETY MTGS: TRIPS,
			CHECK COM x 2
			FUEL 2333, USED 833.
			LITHOLOGY:
			60% SHALE, 10% LIMESTONE, 20% SANDSTONE, 10% RED SHALE
			B/G 173/338
			CONN 4181/1251
			TRIP 7519 @ 5021'

03-30-2007	Reported By	ROBERT DYSART									
Daily Costs: Drilling	\$	Completion	\$0	Daily Total	\$						
Cum Costs: Drilling	\$	Completion	\$0	Well Total	\$						
MD	6.100	TVD	6.100	Progress	1.000	Days	4	MW	9.1	Visc	34.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILL ROTATE 5100' TO 5315' (215')
			WOB 10/15K, RPM 40/50, GPM 420, 1400 PSI, 200 DIFF
12:30	13:00	0.5	SERVICE RIG
13:00	06:00	17.0	DRILL ROTATE 5315' TO 6100' (785') ROP 46
			WOB 14/17K, RPM 40/50, GPM 420, 1450/1650 PSI, 200 DIFF
			M/W 8.8, VIS 38
			NO ACCIDENTS, FULL CREWS
			SAFETY MTGS: ATTITUDES, MAKING CONNECTIONS
			CHECK COM x 2
			FUEL 2333, USED 833. RECEIVED 2800

LITHOLOGY:

60% SHALE, 10% LIMESTONE, 20% SANDSTONE, 10% RED SHALE

B/G 85/172

CONN 223/1723

WASATCH 5090'

CHAPITA WELS 5700'

03-31-2007 Reported By ROBERT DYSART

Daily Costs: Drilling		Completion	\$0		Daily Total						
Cum Costs: Drilling	\$	Completion	\$0		Well Total						
MD	6,900	TVD	6,900	Progress	800	Days	5	MW	0.0	Visc	0.0
Formation :		PBTD :	0.0	Perf :		PKR Depth :	0.0				

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRILL ROTATE 6100' TO 6300' (200') ROP 25 WOB 12/17K, RPM 40/50 + 75, GPM 420, 1400/1600 PSI, 200 DIFF. 20/80% 400+ BBLs. LOSSES INCURRED FROM 6180' TO 6300' PUMPING SWEEPS WITH 15 / 30 PPB TO TREAT FOR LOSSES
14:00	14:30	0.5	SERVICE RIG
14:30	06:00	15.5	DRILL ROTATE 6300' TO 6900' WOB 12/17K, RPM 40/50 + 75, GPM 420, 1400/1600 PSI, 200 DIFF. 20/50% LOSSES F/ 6553' TO 6620' (150 BBL) M/W 9.2, VIS 35

NO ACCIDENTS, FULL CREWS
SAFETY MTGS: ATTITUDES, MAKING CONNECTIONS
CHECK COM x 2
FUEL 5499
LITHOLOGY:
50% SHALE, 30% SANDSTONE, 12% RED SHALE
B/G 80/200
CONN. 200/3000

WASATCH 5090'
CHAPITA WELS 5700'
BUCK CANYON 6350'

04-01-2007 Reported By ROBERT DYSART

Daily Costs: Drilling		Completion		Daily Total							
Cum Costs: Drilling		Completion		Well Total							
MD	7,575	TVD	7,575	Progress	675	Days	6	MW	9.1	Visc	34.0
Formation :		PBTD :	0.0	Perf :		PKR Depth :	0.0				

Activity at Report Time: DRILLING

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

06:00 12:00 6.0 DRILL ROTATE 6900' TO 7029' (129') ROP 21.5
 WOB 15/20K, RPM 40/50 + 75, GPM 420, 1400/1600 PSI, 200 DIFF.
 BY-PASSING SHAKERS

12:00 12:30 0.5 SERVICE RIG

12:30 06:00 17.5 DRILL ROTATE 7029' TO 7575' (546') ROP
 WOB 15/20K, RPM 40/50 + 75, GPM 420, 1400/1600 PSI, 200 DIFF.
 BY-PASSING SHAKERS
 M/W 9.2, VIS 36

NO ACCIDENTS, FULL CREWS
 SAFETY MTGS: PINCH POINTS, HAND PLACEMENT
 CHECK COM x 2, BOP DRILL 1MIN 20 SEC.
 FUEL 4333, USED 1166

LITHOLOGY:
 50% SHALE, 40% SANDSTONE, 10% RED SHALE
 B/G 80/195
 CONN. 232/1023
 HIGH 1444 @ 7342'

WASATCH 5090'
 CHAPITA WELS 5700'
 BUCK CANYON 6350'
 NORTH HORN 7105'

04-02-2007 Reported By ROBERT DYSART

Daily Costs: Drilling	\$	Completion	\$0	Daily Total	
Cum Costs: Drilling	\$	Completion		Well Total	
MD	8.488	TVD	8.488	Progress	913
				Days	7
Formation :		PBTD : 0.0		Perf :	
				MW	9.1
				Visc	38.0
				PKR Depth : 0.0	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILL ROTATE 7575' TO 7789' (214') ROP 30.5 WOB 18/20K, RPM 40/50 + 75, GPM 420, 1400/1600 PSI, 200 DIFF. RETURNS BY-PASSING SHAKERS 6% LCM
13:00	13:30	0.5	SERVICE RIG
13:30	06:00	16.5	DRILL ROTATE 7789' TO 8488' (699') ROP 42 WOB 15/20K, RPM 40/50 + 75, GPM 420, 1600/1850 PSI, 350 DIFF. BY-PASSING SHAKERS M/W 9.8, VIS 39

NO ACCIDENTS, FULL CREWS
 SAFETY MTGS: PINCH POINTS, BOP DRILLS
 CHECK COM x 2, BOP DRILL 1MIN 10 SEC.
 FUEL 3166, USED 1167

LITHOLOGY:
 50% SHALE, 40% SANDSTONE, 10% RED SHALE
 B/G 120-900
 CONN. 289-7070
 HIGH 6156 @ 8105'
 UPR 7670'

04-03-2007 Reported By ROBERT DYSART

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion		Well Total
MD	8,965 TVD	8,965 Progress	477 Days
			8 MW
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: CIRCULATE FOR BIT TRIP

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRILL ROTATE 8488' TO 8740' (252') ROP 31.5 WOB 15/20K, RPM 40/50 + 75, GPM 420, 1600/1850 PSI, 350 DIFF. BY-PASSING SHAKERS
14:00	14:30	0.5	SERVICE RIG
14:30	15:30	1.0	DRILL ROTATE 8740' TO 8788' (48') ROP 48 WOB 15/20K, RPM 40/50 + 75, GPM 420, 1600/1850 PSI, 350 DIFF. BY-PASSING SHAKERS
15:30	16:00	0.5	CHANGE OVER PUMP, RE-SET POPOFF
16:00	19:00	3.0	DRILL ROTATE 8788' TO 8868' (80') ROP 26.5 WOB 15/20K, RPM 40/50 + 75, GPM 420, 1600/1850 PSI, 350 DIFF. BY-PASSING SHAKERS
19:00	20:00	1.0	CHANGE SWAB #1 PUMP, #2 PUMP OBSTRUCTION IN SUCTION.
20:00	21:00	1.0	DRILL ROTATE 8868' TO 8896' (28') WOB 15/20K, RPM 40/50 + 75, GPM 420, 1600/1850 PSI, 350 DIFF. BY-PASSING SHAKERS
21:00	00:30	3.5	100% LOSSES, M/W 9.4 PPG CIRC. HOLE 50 SPM 3.89 BPM. MIX & PUMP LCM PILLS, TAKE ON MUD. BUILD VOLUME. RE-GAIN FULL RETURNS.
00:30	05:00	4.5	DRILL ROTATE 8896' TO 8965' (69') ROP 13.8 WOB 15/20K, RPM 40/50 + 75, GPM 420, 1600/1850 PSI, 350 DIFF. M/W 9.6 / BY-PASSING SHAKER
05:00	06:00	1.0	CIRCULATE FOR BIT TRIP. BUILD & PUMP SLUG, DROP SURVEY.

I MAN SHORT DAY CREW.
 SAFETY MTGS: MIXING MUD

CHECK COM x 2,
 FUEL 1666, USED 1500
 LITHOLOGY:
 40% SHALE, 40% SANDSTONE, 20% SILTSTONE, tr CARBSHALE
 B/G 416-2093
 CONN. 2051-6746
 HIGH 3761 @ 8826'

 UPR 7670'
 MPR 8450

04-04-2007 **Reported By** ROBERT DYSART

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

Cum Costs: Drilling **Completion** **Well Total** "

MD 8,965 **TVD** 8,965 **Progress** 0 **Days** 9 **MW** 9.8 **Visc** 37.0

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

Activity at Report Time: TRIP

Start	End	Hrs	Activity Description
06:00	08:30	2.5	CIRCULATE & CONDITION MUD 9.7 PPG, BUILD SLUG
08:30	09:00	0.5	DROP SURVEY, PUMP SLUG
09:00	19:00	10.0	POOH F/ 8965' TO SURFACE, LAY OUT MOTOR & BIT.
19:00	00:00	5.0	MAKE UP BIT, MOTOR TRIP IN HOLE TO 3500'
00:00	01:00	1.0	BREAK CIRC. SPOT LCM PILL.
01:00	05:00	4.0	TRIP IN HOLE TO 8900' NO RESISTANCE OR OBSTRUCTIONS
05:00	06:00	1.0	MAKE UP KELLY, WASH FROM 8900' TO 8965'

M/W 9.5, VISC 36
 BY-PASSING SHAKER

 NO ACCIDENTS, FULL CREWS
 SAFETY MTGS:TRIPPING PIPE
 CHECK COM x 2,
 FUEL 4600 USED 1566, RECEIVED 4500

LITHOLOGY:
 40% SHALE, 40% SANDSTONE, 20% SILTSTONE, tr CARBSHALE
 B/G 400-800

04-05-2007 **Reported By** ROBERT DYSART

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

Cum Costs: Drilling **Completion** **Well Total** "

MD 9,300 **TVD** 9,300 **Progress** 335 **Days** 10 **MW** 9.6 **Visc** 36.0

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

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	09:00	3.0	MAKE UP KELLY @ 8900' TO WASH. REAM TO BOTTOM. 8910' HOLE PACK OFF, BLEED OFF STAND PIPE PRESSURE TO 300 PSI. WORK STRING. S/O 100K, P/U 275K UNABLE TO ROTATE. WORK STRING FREE, REGAIN CIRCULATION & ROTATION.
09:00	09:30	0.5	WASH & REAM F/ 8910' TO 8965'
09:30	15:00	5.5	DRILL ROTATE 8965' TO 9154' (189') ROP 34 WOB 10/15K, RPM 40/50 + 75, GPM 420, 1700/1950 PSI, 250 DIFF. BY-PASSING SHAKERS, PUMP LCM PILL'S, BUILD VOLUME. LOSSES @ 20/40 BBL/HR. M/W 9.6 PPG
15:00	15:30	0.5	SERVICE RIG
15:30	18:30	3.0	DRILL ROTATE 9154' TO 9233' (79') ROP 26 WOB 14/16K, RPM 40/50 + 75, GPM 420, 1700/1950 PSI, 250 DIFF. BY-PASSING SHAKERS, PUMP LCM PILL'S, BUILD VOLUME. LOSSES @ 10/20 BBL/HR. M/W 9.6 PPG
18:30	02:30	8.0	RAPID PIT GAIN 10 BBL PER/MIN., INCREASE IN GAS UNITS F/ 3000 TO 6400, 5/10 FT FLARE. PICK UP OFF BOTTOM. SPACE OUT, SHUT IN WELL. 80 BBL GAIN TOTAL. SICP=0 SIDPP=0 CIRC. BOTTOMS UP 5000 STKS ON FULL OPEN CHOKE 60 SPM 600 PSI 50 BBL LOSSES. SHUT DOWN PUMP, CLOSE CHOKE, OPEN CHOKE, FLOW CHECK 5 MIN. FULL RETURNS 20 BBL PIT GAIN. CIRC. HOLE ON FULL OPEN CHOKE 60 SPM 600/750 PSI. 6000 STKS, WT. UP MUD TO 9.7 PPG. IN/OUT. 30/40 BBL PER/HR LOSSES. BUILD VOLUME, PUMP LCM PILL'S. GAS 5000/8000 UNITS 5/10 FT INTERMITANT FLARE. SHUT DOWN PUMP FLOW CHECK, 5 BBL GAIN 10 MIN. OPEN UP WELL, CIRC. HOLE 110 SPM 1700 PSI 4000/5000 UNITS GAS, 8/10 BBL PER/HR. LOSSES.
02:30	06:00	3.5	DRILL ROTATE 9233' TO 9300' (87') ROP 24.8 WOB 14/16K, RPM 40/50 + 75, GPM 420, 1700/1950 PSI, 250 DIFF. BY-PASSING SHAKERS, PUMP LCM PILL'S, BUILD VOLUME. LOSSES @ 10/15 BBL/HR. M/W 9.7 PPG. NO ACCIDENTS, FULL CREWS SAFETY MTGS:WORKING STUCK PIPE, ADJUSTING BRAKES DAY BOP DRILL: 67 SEC. NIGHT BOP DRILL 120 SEC. CHECK COM x 2, FUEL 5333 LITHOLOGY: 40% CARBSHALE, 40% SANDSTONE, 20% SILTSTONE B/G: 400-800 CONN: 2770/7520 TRIP: 3789 @ 8964' D/T: 6189 @ 9225' HIGH GAS: 7355 @ 9234' 10/12 FT.FLARE LOWER PR 9210'

04-07-2007 Reported By ROBERT DYSART

Daily Costs: Drilling		Completion	\$0	Daily Total	
Cum Costs: Drilling	\$	Completion		Well Total	\$
MD	9,940	TVD	9,940	Progress	320
				Days	12
Formation :		PBTD : 0.0		Perf :	
				MW	9.7
				Visc	38.0
				PKR Depth : 0.0	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:30	2.5	DRILL ROTATE 9620' TO 9662' (42') ROP 16.8 WOB 16/18K, RPM 40/50 + 55, GPM 340, 1800/2000 PSI, 250 DIFF. BY-PASSING SHAKERS, M/W 9.7 PPG.
08:30	09:00	0.5	SERVICE RIG
09:00	06:00	21.0	DRILL ROTATE 9662' TO 9940' (278') ROP 13.2 WOB 18/20K, RPM 40/50 + 55, GPM 340, 1800/2000 PSI, 250 DIFF. BY-PASSING SHAKERS, NO LOSSES 5000/8000 UNITS GAS 10/20 FT FLARE. WEIGHT UP SYSTEM FROM 9.7 TO 9.9 PPG 6 HRS, 40/50 BPH LOSSES @ 9.9 PPG CUT MUD WT BACK TO 9.8 PPG
			NO ACCIDENTS, FULL CREWS SAFETY MTGS: MIXING MUD NIGHT, BOPDRILL 95 SEC. CHECK COM x 2, FUEL 2750, 1250 USED
			LITHOLOGY: 50% SANDSTONE, 20% SILTSTONE, 30% CARBSHALE B/G: 5345-6685 CONN: 6846-7136 D/T GAS: 6881 @ 9766' HIGH GAS: 7606 @ 9606'

04-08-2007 Reported By ROBERT DYSART

Daily Costs: Drilling		Completion	\$0	Daily Total	
Cum Costs: Drilling	\$	Completion		Well Total	\$
MD	9,990	TVD	9,990	Progress	50
				Days	13
				MW	9.9
				Visc	37.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: LAY DOWN DRILL PIPE

Start	End	Hrs	Activity Description
06:00	07:00	1.0	SERVICE RIG
07:00	11:30	4.5	RIG REPAIR, ADJUST BRAKES. CAMMED OVER, LOCKED IN PLACE, UNABLE TO UNLOCK. WAIT ON MECH & RIG SUPT. MECH. FREE UP BRAKES & ADJUST SAME. CIRC. SWEDGE ON PIPE CIRC. 104 SPM ROTATE PIPE FREQUENTLY.
11:30	16:30	5.0	DRILL ROTATE 9940' TO 9990' (50') ROP 10 WOB 16/18K, RPM 40/50 + 55, GPM 340, 1800/2000 PSI, 250 DIFF. BY-PASSING SHAKERS, M/W 9.9 PPG. REACHED TD AT 16:30 HRS, 4/7/07.
16:30	20:00	3.5	CIRCULATE HOLE @ 448 GPM, PREP FOR PUMPING WEIGHTED PILL. HOLD PRE-JOB SAFETY MTG. RIG UP LAYDOWN MACHINE.
20:00	21:00	1.0	PUMP 350 BBL 14.5 PPG PILL.
21:00	00:30	3.5	POOH, LAY DOWN DRILL PIPE F/ 9990' TO 7660'
00:30	01:30	1.0	RIG REPAIR, REPAIR BROKEN WATER LINE TO BRAKE DRUM.
01:30	06:00	4.5	POOH, LAY DOWN DRILL PIPE F/ 7660' TO 3200'

NO ACCIDENTS, FULL CREWS
 DAY BOP DRILL 65 SEC.
 SAFETY MTGS: BOP DRILL, L/D DRILL PIPE
 CHECK COM x 2,
 FUEL 5950, USED 1300, RECEIVED 4500

04-09-2007 Reported By ROBERT DYSART

Daily Costs: Drilling	Completion	\$	Daily Total
Cum Costs: Drilling	Completion	\$	Well Total
MD 9,990 TVD 9,990	Progress 0	Days 14	MW 0.0 Visc 0.0
Formation :	PBTB : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: RUN CASING

Start	End	Hrs	Activity Description
06:00	12:00	6.0	LAY DOWN DRILL PIPE & BHA, BREAK KELLY CONN. PULL WEAR BUSHING.
12:00	15:00	3.0	HOLD PRE-JOB SAFETY MTG. RIG UP CASING CREW. WAIT ON CASING CREW TO REPAIR TONGS.
15:00	01:00	10.0	MAKE UP SHOE TRACK, CHECK FLOAT EQUIP. RUNNING CONVENTIONAL SHOE & FLOAT COLLAR. TAG FILL @ 9964' RUN IN HOLE A TOTAL OF 232 JT'S (230 FULL + 2 SHORT JT'S) OF 4 1/2" #11.6 PPF P-110 LTC INSTALL CENTRALIZER ON SHOE JT. THREADLOCK SHOE, FLOAT & 2ND JT. CENTRALIZE EVERY 2ND JT. TO 7350' FOR A TOTAL OF 31 CENTRALIZERS. DETAILS TO FOLLOW.
01:00	06:00	5.0	ATTEMPT TO WASH FROM 9964' SHOE TRACK PLUGGED, WORK STRING, PRESSURE UP 900/1500 PSI SURGE BLEEDING PRESSURE. CIRCULATION ESTABLISHED @ 1750 PSI.

NO ACCIDENTS, FULL CREWS
 SAFETY MTGS: RUNNING CASING
 CHECK COM x 2,
 FUEL 4950, USED 1000.

04-10-2007 Reported By ROBERT DYSART

Daily Costs: Drilling		Completion		Daily Total
Cum Costs: Drilling		Completion		Well Total
MD	9,990	TVD	9,990	Progress 0
				Days 15
				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	08:00	2.0	RUN IN HOLE A TOTAL OF 232 JT'S (229 FULL + 3 SHORT JT'S) OF 4 1/2" #11.6 P110 LTC CASING AS FOLLOWS: FLOAT SHOE LANDED AT 9948' 1 JT CASING, FLOAT COLLAR AT 9900', #52 JT'S CASING, MARKER JT. AT 7654" - 7632', 69 JT'S CASING, MARKER JT. AT 4674' - 4652', #107 JT'S CASING. SHORT JT. INSTALL CENTRALIZER ON SHOE JT. THREADLOCK SHOE.FLOAT & 2ND JT. CENTRALIZE EVERY 2ND JT. TO 7350' FOR A TOTAL OF 31 CENTRALIZERS. STRING WT:80K, P/U:100K, S/O:65K TAG UP @ 9964' BOTTOM @ 9990' ATTEMPT TO WASH DOWN, UNABLE TO DUE TO LOSSES.
08:00	09:00	1.0	RIG DOWN CASING CREW EQUIP. RIG UP CEMENTERS
09:00	13:30	4.5	HOLD PRE-JOB SAFETY MTG. PRESS TEST LINES 6K PSI. CEMENT W/ SCHLUMBERGER, PUMP 20 BBL H2O, 20 BBL CHEM WASH. LEAD 780 SX 314 BBL @ 12 PPG 35/65 POZ G, WITH 12.95 GAL/SX MIX WATER, YIELD 2.26 TAIL 1595 SX 14.1 PPG 50/50 POZ G, 5.96 GAL/SX MIX WATER YIELD 1.29 366 BBL HAD PARTIAL RETURNS, ON LAST 180 BBL OF LEAD. DISPLACED WITH 153 BBL H2O BUMPED PLUG W/ 3050 PSI. FCP 2200 PSI. FLOATS HELD ON 2ND PRESSURE UP, 2 BBL BLEED BACK MONITOR 5 MINUTES. SLACK OFF STRING SET DTO HANGER W/ 80,000#, DTO HANGER SEALS TESTED TO 5000 PSI OK. WELL HEAD SECURE.
13:30	00:00	10.5	CLEAN OUT MUD TANKS. WELL DRILLED BY-PASSING SHAKERS DUE TO HIGH LOSSES LARGE AMOUNT OF SOLIDS & LCM IN TANKS. NO ACCIDENTS, SAFETY MTGS. RUNNING CASING, CONFINED SPACE ENTRY, LOCKOUT TAGOUT. 5500 GAL FUEL X-FERED FROM HOSS 16-31 TO HOSS 29-30 RIG MOVE SCHEDULED FOR 04/12/07 TO HOSS 29-30 1 MILE MOVE.
00:00	06:00	6.0	WAIT ON DAYLIGHTS.
06:00		18.0	RIG RELEASED @ 00:00 HRS, 4/10/2007. CASING POINT COST \$1,166,354

04-14-2007 Reported By SEARLE

Daily Costs: Drilling	\$0	Completion		Daily Total
Cum Costs: Drilling	\$	Completion		Well Total
MD	9,990	TVD	9,990	Progress 0
				Days 16
				MW 0.0
				Visc 0.0
Formation :		PBTD : 9396.0		Perf :
				PKR Depth : 0.0

Activity at Report Time: PREP TO FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CBL/VDL/GR FROM PBTD TO 60'. EST CEMENT TOP @ 2560'. RD SCHLUMBERGER.

04-22-2007 Reported By MCCURDY

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

Activity at Report Time: WO SERVICE UNIT TO CLEAN OUT SAND AND DRILL OUT FRAC PLUGS

Start	End	Hrs	Activity Description
06:00	14:00	8.0	<p>SICP 1832 PSIG. RUWL SET 10K CFP AT 8,355'. PERFORATE UPR FROM 8114'-15', 8121'-22', 8138'-39', 8157'-58', 8181'-82', 8217'-18', 8227'-28', 8261'-62', 8268'-69', 8280'-81', 8327'-28' (SHOTS 8323'-24' MISFIRED) @ 3 SPF @ 120° PHASING. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4965 GAL YF123ST+ PAD, 50,559 GAL YF123ST+ & YF118ST+ WITH 168,100 # 20/40 SAND @ 1-6 PPG. MTP 6547 PSIG. MTR 50.1 BPM. ATP 4734 PSIG. ATR 47.8 BPM. ISIP 2560 PSIG. RD SCHLUMBERGER.</p> <p>RUWL SET 10K CFP AT 8,075'. PERFORATE UPR FROM 7891'-92', 7898'-99', 7925'-26', 7937'-38', 7960'-61', 7966'-67', 7984'-85', 7997'-98', 8006'-07', 8044'-45', 8048'-49', 8057'-58' @ 3 SPF @ 120° PHASING. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4981 GAL YF123ST+ PAD, 50,459 GAL YF123ST+ & YF118ST+ WITH 168,600 # 20/40 SAND @ 1-6 PPG. MTP 6230 PSIG. MTR 50.1 BPM. ATP 4321 PSIG. ATR 47.8 BPM. ISIP 2440 PSIG. RD SCHLUMBERGER.</p> <p>RUWL SET 10K CFP AT 7,850'. PERFORATE UPR FROM 7668'-69', 7673'-74', 7682'-83', 7693'-94', 7713'-14', 7718'-19', 7749'-50', 7769'-70', 7800'-01', 7810'-11', 7817'-18', 7821'-22' @ 3 SPF @ 120° PHASING. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4947 GAL YF123ST+ PAD, 50,619 GAL YF123ST+ & YF118ST+ WITH 167,800 # 20/40 SAND @ 1-6 PPG. MTP 5762 PSIG. MTR 50.1 BPM. ATP 3951 PSIG. ATR 47.7 BPM. ISIP 1900 PSIG. RD SCHLUMBERGER.</p> <p>RUWL SET 10K CFP AT 7,640'. PERFORATE NORTH HORN FROM 7393'-94', 7418'-19', 7458'-59', 7473'-74', 7483'-84', 7497'-98', 7507'-08', 7516'-17', 7524'-25', 7535'-36', 7583'-84', 7615'-16' @ 3 SPF @ 120° PHASING. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4946 GAL YF123ST+ PAD, 50,074 GAL YF123ST+ & YF118ST+ WITH 167,600 # 20/40 SAND @ 1-6 PPG. MTP 6099 PSIG. MTR 50.1 BPM. ATP 48 PSIG. ATR 48 BPM. ISIP 2180 PSIG. RD SCHLUMBERGER.</p> <p>RUWL SET 10K CFP AT 7,360'. PERFORATE NORTH HORN FROM 7096'-97', 7120'-21', 7127'-28', 7146'-47', 7157'-58', 7165'-66', 7187'-88', 7247'-48', 7309'-10', 7316'-17', 7335'-36', 7346'-47' @ 3 SPF @ 120° PHASING. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4952 GAL YF123ST+ PAD, 35,410 GAL YF123ST+ & YF118ST+ WITH 99,000 # 20/40 SAND @ 1-6 PPG. MTP 5750 PSIG. MTR 50.1 BPM. ATP 4346 PSIG. ATR 47.4 BPM. ISIP 1840 PSIG. RD SCHLUMBERGER.</p>
14:00	20:00	6.0	<p>RUWL SET 10K CFP AT 7,058'. PERFORATE BA FROM 6778'-80', 6809'-10', 6838'-39', 6925'-26', 6945'-46', 6950'-51', 6960'-61', 6972'-73', 7006'-07', 7025'-26', 7037'-38' @ 3 SPF @ 120° PHASING. RU SCHLUMBERGER, FRAC DOWN CASING WITH 400 GAL 15% HCL PLUS ADDS, 2494 GAL YF123ST+ PAD, 24,176 GAL YF123ST+ WITH 77,700 # 20/40 SAND @ 1-8 PPG. MTP 3548 PSIG. MTR 36.3 BPM. ATP 2653 PSIG. ATR 34.1 BPM. ISIP 1440 PSIG. RD SCHLUMBERGER.</p> <p>RUWL SET 10K CFP AT 6,650'. PERFORATE BA FROM 6334'-35', 6357'-58', 6413'-14', 6435'-36', 6464'-65', 6521'-23', 6528'-30', 6550'-51', 6598'-99', 6624'-25' @ 3 SPF @ 120° PHASING. RU SCHLUMBERGER, FRAC DOWN CASING WITH 400 GAL 15% HCL PLUS ADDS, 2511 GAL YF125ST+ PAD, 23,907 GAL YF125ST+ WITH 77,200 # 20/40 SAND @ 1-8 PPG. MTP 3132 PSIG. MTR 36.3 BPM. ATP 2511 PSIG. ATR 34.2 BPM. ISIP 1460 PSIG. RD SCHLUMBERGER.</p> <p>RUWL SET 10K CFP AT 6,280'. PERFORATE CA FROM 6056'-57', 6066'-67', 6072'-73', 6077'-78', 6130'-31', 6139'-40', 6143'-44', 6148'-49', 6181'-82', 6203'-04', 6245'-46', 6257'-58' @ 3 SPF @ 120° PHASING. RU SCHLUMBERGER, FRAC DOWN CASING WITH 400 GAL 15% HCL PLUS ADDS, 2496 GAL YF125ST+ PAD, 35,850 GAL YF125ST+ WITH 126,700 # 20/40 SAND @ 1-8 PPG. MTP 3155 PSIG. MTR 41.7 BPM. ATP 2713 PSIG. ATR 39.6 BPM. ISIP 1550 PSIG. RD SCHLUMBERGER.</p> <p>RUWL SET 10K CFP AT 6,010'. PERFORATE PP FROM 5844'-45', 5855'-56', 5864'-65', 5872'-73', 5880'-81', 5905'-06', 5928'-29', 5949'-50', 5963'-64', 5968'-69', 5974'-76' @ 3 SPF @ 120° PHASING. RU SCHLUMBERGER, FRAC DOWN CASING WITH 400 GAL 15% HCL PLUS ADDS, 2489 GAL YF125ST+ PAD, 27,289 GAL YF125ST+ WITH 84,350 # 20/40 SAND @ 1-8 PPG. MTP 3870 PSIG. MTR 41.7 BPM. ATP 3177 PSIG. ATR 38.8 BPM. ISIP 1900 PSIG. RD SCHLUMBERGER.</p>

RUWL SET 10K CBP AT 5,747'. BLEED WELL OFF TO 0 PSIG. SWIFN. RDMO CUTTERS WIRELINE.

05-01-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$34,493	Daily Total	\$34,493
Cum Costs: Drilling	\$1,124,895	Completion	\$881,438	Well Total	\$2,006,334
MD	9,990	TVD	9,990	Progress	0
		Days	21	MW	0.0
		Visc			0.0
Formation : MESAVERDE	PBTD : 9396.0	Perf : 5844'-9594'		PKR Depth : 0.0	

Activity at Report Time: CLEAN OUT AFTER FRAC

Start End Hrs Activity Description

06:00	06:00	24.0	MIRU ROYAL WELL SERVICE RIG #2. SICP 0 PSIG. ND FRAC VALVE. NU BOP. RIH WITH 3-7/8" HURRICANE MILL & PUMP OFF BIT SUB TO CBP @ 5747'. CLEANED OUT & DRILLED OUT PLUGS @ 5747', 6010', 6280' & 6650'. POH TO 5810'. SDFN.
-------	-------	------	--

05-02-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$112,563	Daily Total	\$112,563
Cum Costs: Drilling	\$1,124,895	Completion	\$994,001	Well Total	\$2,118,897
MD	9,990	TVD	9,990	Progress	0
		Days	22	MW	0.0
		Visc			0.0
Formation : MESAVERDE	PBTD : 9396.0	Perf : 5844'-9594'		PKR Depth : 0.0	

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00	06:00	24.0	SITP 0 PSIG. SICP 200 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7058', 7360', 7640', 7850', 8075', 8355', 8530, 8770', 9060' & 9305'. RIH. CLEANED OUT TO 9710'. LANDED TUBING @ 7857' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.
-------	-------	------	--

FLOWED 12 HRS. 16/64" CHOKE. FTP 1100 PSIG. CP 1500 PSIG. 30 BFPH. RECOVERED 337 BLW. 16563 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB .91'
 1 JT 2-3/8" 4.7# L-80 TBG 32.78'
 XN NIPPLE 1.30'
 238 JTS 2-3/8" 4.7# L-80 TBG 7802.44'
 BELOW KB 20.00'
 LANDED @ 7857.43' KB

05-03-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$3,938	Daily Total	\$3,938
Cum Costs: Drilling	\$1,124,895	Completion	\$997,939	Well Total	\$2,122,835
MD	9,990	TVD	9,990	Progress	0
		Days	23	MW	0.0
		Visc			0.0
Formation : MESAVERDE	PBTD : 9396.0	Perf : 5844'-9594'		PKR Depth : 0.0	

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00	06:00	24.0	FLOWED 24 HRS. 20/64" CHOKE. FTP 1000 PSIG. CP 1850 PSIG. 38 BFPH. RECOVERED 864 BLW. 15699 BLWTR.
-------	-------	------	--

05-04-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$3,388	Daily Total	\$3,388
Cum Costs: Drilling	\$1,124,895	Completion	\$1,001,327	Well Total	\$2,126,223

MD 9,990 TVD 9,990 Progress 0 Days 24 MW 0.0 Visc 0.0
 Formation : MESAVERDE PBTD : 9396.0 Perf : 5844'-9594' PKR Depth : 0.0

Activity at Report Time: FLOW TESTING

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 20/64" CHOKE. FTP 950 PSIG. CP 1950 PSIG. 38 BFPH. RECOVERED 874 BLW. 14825 BLWTR.

JRS

05-05-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$3,250	Daily Total	\$3,250
Cum Costs: Drilling	\$1,124,895	Completion	\$1,004,577	Well Total	\$2,129,473

MD 9,990 TVD 9,990 Progress 0 Days 25 MW 0.0 Visc 0.0
 Formation : MESAVERDE PBTD : 9396.0 Perf : 5844'-9594' PKR Depth : 0.0

Activity at Report Time: FLOW TO SALES-INITIAL PRODUCTION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 20/64" CHOKE. FTP 900 PSIG. CP 2050 PSIG. 30 BFPH. RECOVERED 832 BLW. 13993 BLWTR.

INITIAL PRODUCTION. OPENING PRESSURE: TP 940 & CP 2100 PSI. TURNED WELL TO QUESTAR SALES AT 6:00 PM, 5/4/07. FLOWED 165 MCFD RATE ON 20/64" POS CHOKE.

05-06-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,675	Daily Total	\$2,675
Cum Costs: Drilling	\$1,124,895	Completion	\$1,007,252	Well Total	\$2,132,148

MD 9,990 TVD 9,990 Progress 0 Days 26 MW 0.0 Visc 0.0
 Formation : MESAVERDE PBTD : 9396.0 Perf : 5844'-9594' PKR Depth : 0.0

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED THROUGH TEST UNIT 24 HRS. 20/64" CHOKE. FTP 900 PSIG. CP 2100 PSIG. 467 MCFD. 30 BFPH. RECOVERED 688 BLW. 13305 BLWTR.

FLOWED 138 MCFD, 10 BC & 560 IN 24 HRS ON 20/64" CK, TP 900 & CP 2050 PSIG.

05-07-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,675	Daily Total	\$2,675
Cum Costs: Drilling	\$1,124,895	Completion	\$1,009,927	Well Total	\$2,134,823

MD 9,990 TVD 9,990 Progress 0 Days 27 MW 0.0 Visc 0.0
 Formation : MESAVERDE PBTD : 9396.0 Perf : 5844'-9594' PKR Depth : 0.0

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED THROUGH TEST UNIT 24 HRS. 20/64" CHOKE. FTP 975 PSIG. CP 2100 PSIG. 699 MCFD. 30 BFPH. RECOVERED 690 BLW. 12615 BLWTR.

FLOWED 305 MCFD, 60 BC & 680 BW IN 24 HRS ON 20/64" CK, TP 900 & CP 2100 PSIG.

05-08-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,675	Daily Total	\$2,675
-----------------------	-----	------------	---------	-------------	---------

Cum Costs: Drilling	\$1,124,895	Completion	\$1,012,602	Well Total	\$2,137,498
MD	9,990	TVD	9,990	Progress	0
Formation : MESAVERDE	PBTD : 9396.0	Days	28	MW	0.0
		Perf : 5844'-9594'		Visc	0.0
				PKR Depth : 0.0	

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED THROUGH TEST UNIT 24 HRS. 22/64" CHOKE. FTP 1000 PSIG. CP 2100 PSIG. 767 MCFD. 34 BFPH. RECOVERED 774 BLW. 11841 BLWTR.

FLOWED 363 MCFD, 40 BC & 690 BW IN 24 HRS ON 20/64" CK, TP 1000 & CP 2100 PSIG.

05-09-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$3,087	Daily Total	\$3,087
Cum Costs: Drilling	\$1,124,895	Completion	\$1,015,689	Well Total	\$2,140,585
MD	9,990	TVD	9,990	Progress	0
Formation : MESAVERDE	PBTD : 9396.0	Days	29	MW	0.0
		Perf : 5844'-9594'		Visc	0.0
				PKR Depth : 0.0	

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED THROUGH TEST UNIT 24 HRS. 22/64" CHOKE. FTP 1000 PSIG. CP 2050 PSIG. 982 MCFD. 30 BFPH. RECOVERED 722 BLW. 11119 BLWTR.

FLOWED 476 MCFD, 90 BC & 774 BW IN 24 HRS ON 20/64" CK, TP 1000 & CP 2150 PSIG.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other					5. Lease Serial No. UTU-61401					
b. Type of Completion: <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resrv., Other _____					6. If Indian, Allottee or Tribe Name					
2. Name of Operator EOG Resources, Inc.					7. Unit or CA Agreement Name and No.					
3. Address 600 17th Street, Suite 1000N, Denver, CO 80202			3a. Phone No. (include area code) 303-824-5526		8. Lease Name and Well No. Hoss 16-31					
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 890' FNL & 878' FWL (NWNW) 40.084039 LAT 109.375775 At top prod. interval reported below Same At total depth Same					9. AFI Well No. 43-047-38692					
14. Date Spudded 02/16/2007					15. Date T.D. Reached 04/07/2007		16. Date Completed 05/04/2007 <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.		17. Elevations (DF, RKB, RT, GL)* 4866' NAT GL	
18. Total Depth: MD 9990 TVD			19. Plug Back T.D.: MD 9396 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? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy)					
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	
12-1/4"	9-5/8"	36.0#	J-55	0-2571		700 sx				
7-7/8"	4-1/2"	11.6#	P-110	0-9948		2375 sx				
24. Tubing Record										
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)		
2-3/8"	7857									
25. Producing Intervals					26. Perforation Record					
Formation	Top	Bottom	Perforated Interval		Size	No. Holes	Perf. Status			
A) Wasatch/Mesaverde	5844	9594	9361-9594			3/spf				
B)			9145-9275			3/spf				
C)			8816-9037			3/spf				
D)			8552-8734			3/spf				
27. Acid, Fracture, Treatment, Cement Squeeze, etc.										
Depth Interval			Amount and Type of Material							
9361-9594			57,663 GALS GELLED WATER & 169,000# 20/40 SAND							
9145-9275			48,297 GALS GELLED WATER & 131,700# 20/40 SAND							
8816-9037			62,319 GALS GELLED WATER & 168,600# 20/40 SAND							
8552-8734			62,577 GALS GELLED WATER & 192,800# 20/40 SAND							
28. Production - Interval A										
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method	
05/04/2007	05/09/2007	24	→	90	476	774			FLOWS FROM WELL	
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status		
20/64"	SI 1000	2150	→	90	476	774			PRODUCING GAS WELL	
28a. Production - Interval B										
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method	
			→							
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status		
	SI		→							

*(See instructions and spaces for additional data on page 2)

RECEIVED
MAY 18 2007

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	5844	9594		Wasatch	5155
				Chapita Wells	5789
				Buck Canyon	6443
				North Horn	7051
				Price River	7623
				Middle Price River	8460
				Lower Price River	9238
Sego	9790				

32. Additional remarks (include plugging procedure):

SEE ATTACHED SHEET.

33. Indicate which items have been attached by placing a check in the appropriate boxes:

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

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

Name (please print) Mary A. Maestas

Title Regulatory Assistant

Signature

Mary A. Maestas

Date 05/17/2007

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.

Hoss 16-31 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

8407-8510	3/spf
8114-8328	3/spf
7891-8058	3/spf
7668-7822	3/spf
7393-7616	3/spf
7096-7347	3/spf
6778-7038	3/spf
6334-6625	3/spf
6056-6258	3/spf
5844-5976	3/spf

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

8407-8510	99,327 GALS GELLED WATER & 240,700# 20/40 SAND
8114-8328	55,689 GALS GELLED WATER & 168,100# 20/40 SAND
7891-8058	55,605 GALS GELLED WATER & 168,600# 20/40 SAND
7668-7822	55,731 GALS GELLED WATER & 167,800# 20/40 SAND
7393-7616	55,185 GALS GELLED WATER & 167,600# 20/40 SAND
7096-7347	40,527 GALS GELLED WATER & 99,000# 20/40 SAND
6778-7038	400 GALS HCL; 26,670 GALS GELLED WATER & 77,700# 20/40 SAND
6334-6625	400 GALS HCL; 26,418 GALS GELLED WATER & 77,200# 20/40 SAND
6056-6258	400 GALS HCL; 38,346 GALS GELLED WATER & 126,700# 20/40 SAND
5844-5976	400 GALS HCL; 29,778 GALS GELLED WATER & 84,350# 20/40 SAND

Perforated the Lower Price River from 9361-9362', 9371-9372', 9379-9380', 9390-9391', 9430-9431', 9451-9452', 9509-9510', 9524-9525', 9539-9540', 9558-9559', 9568-9569', 9574-9575', 9586-9587' & 9593-9594' w/ 3 spf.

Perforated the Lower/Middle Price River from 9145-9146', 9152-9153', 9176-9177', 9181-9182', 9192-9193', 9210-9211', 9216-9217', 9239-9240', 9243-9244', 9259-9261' & 9274-9275' w/ 3 spf.

Perforated the Middle Price River from 8816-8817', 8838-8839', 8858-8859', 8886-8887', 8900-8901', 8920-8921', 8931-8932', 8960-8961', 8967-8968', 8976-8977', 9016-9017' & 9036-9037' w/ 3 spf.

Perforated the Middle Price River from 8552-8553', 8565-8566', 8573-8574', 8590-8591', 8606-8607', 8616-8617', 8656-8657', 8667-8668', 8692-8694', 8725-8726' & 8733-8734' w/ 3 spf.

Perforated the Middle/Upper Price River from 8407-8408', 8411-8412', 8416-8417', 8422-8423', 8429-8430', 8464-8465', 8470-8472', 8495-8496', 8500-8501', 8504-8505' & 8509-8510' w/ 3 spf.

Perforated the Upper Price River from 8114-8115', 8121-8122', 8138-8139', 8157-8158', 8181-8182', 8217-8218', 8227-8228', 8261-8262', 8268-8269', 8280-8281', & 8327-8328' w/ 3 spf.

Perforated the Upper Price River from 7891-7892', 7898-7899', 7925-7926', 7937-7938', 7960-7961', 7966-7967', 7984-7985', 7997-7998', 8006-8007', 8044-8045', 8048-8049' & 8057-8058' w/ 3 spf.

Perforated the Upper Price River from 7668-7669', 7673-7674', 7682-7683', 7693-7694', 7713-7714', 7718-7719', 7749-7750', 7769-7770', 7800-7801', 7810-7811', 7817-7818' & 7821-7822' w/ 3 spf.

Perforated the North Horn from 7393-7394', 7418-7419', 7458-7459', 7473-7474', 7483-7484', 7497-7498', 7507-7508', 7516-7517', 7524-7525', 7535-7536', 7583-7584' & 7615-7616' w/ 3 spf.

Perforated the North Horn from 7096-7097', 7120-7121', 7127-7128', 7146-7147', 7157-7158', 7165-7166', 7187-7188', 7247-7248', 7309-7310', 7316-7317', 7335-7336' & 7346-7347' w/ 3 spf.

Perforated the Buck Canyon from 6778-6780', 6809-6810', 6838-6839', 6925-6926', 6945-6946', 6950-6951', 6960-6961', 6972-6973', 7006-7007', 7025-7026' & 7037-7038' w/ 3 spf.

Perforated the Buck Canyon from 6334-6335', 6357-6358', 6413-6414', 6435-6436', 6464-6465', 6521-6523', 6528-6530', 6550-6551', 6598-6599' & 6624-6625' w/ 3 spf.

Perforated the Chapita Wells from 6056-6057', 6066-6067', 6072-6073', 6077-6078', 6130-6131', 6139-6140', 6143-6144', 6148-6149', 6181-6182', 6203-6204', 6245-6246' & 6257-6258' w/ 3 spf.

Perforated the Pp from 5844-5845', 5855-5856', 5864-5865', 5872-5873', 5880-5881', 5905-5906', 5928-5929', 5949-5950', 5963-5964', 5968-5969' & 5974-5976' w/ 3 spf.

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

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: HOSS 16-31

API number: _____

Well Location: QQ LOT1 Section 31 Township 8S Range 23E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIG'S ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1367

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
2,240	2,300	NO FLOW	NOT KNOWN

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

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

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

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 5/17/2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU61401

6. If Indian, Allottee or Tribe Name

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

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		8. Well Name and No. HOSS 16-31
2. Name of Operator EOG RESOURCES INC Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		9. API Well No. 43-047-38692
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202	3b. Phone No. (include area code) Ph: 303-824-5526	10. Field and Pool, or Exploratory NATURAL BUTTES/WASATCH/MV
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 31 T8S R23E NWNW 890FNL 878FWL 40.08404 N Lat, 109.37578 W Lon		11. County or Parish, and State UINTAH COUNTY, UT

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

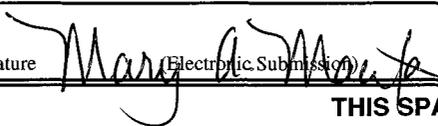
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input 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.

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

**Electronic Submission #58032 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 01/14/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

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

RECEIVED

JAN 17 2008

DIV. OF OIL, GAS & MINING