

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
U-81657

6. If Indian, Allottee or Tribe Name

1a. Type of work: DRILL REENTER

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

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

8. Lease Name and Well No.
NORTH CHAPITA 342-23

2. Name of Operator
EOG RESOURCES, INC

9. API Well No. **43047-38951**

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/MESAVERD

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface **636057857 FNL 1790 FEL NWNE 40.113142 LAT 109.404214 LON**
At proposed prod. zone **SAME 44413344 40.113212 -109.403515**

11. Sec., T. R. M. or Blk. and Survey or Area
SECTION 23, T8S, R22E S.L.B.&M

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

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) **670 DRILLING LINE
472 LEASE LINE**

16. No. of acres in lease
160

17. Spacing Unit dedicated to this well
40

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. **5975**

19. Proposed Depth
11,350

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
4864 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  Name (Printed/Typed) **KAYLENE R. GARDNER** Date **12/28/2006**
Title **SR. REGULATORY ASSISTANT**

Approved by  Name (Printed/Typed) **BRADLEY G. HILL** Date **01-25-07**
Title **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.

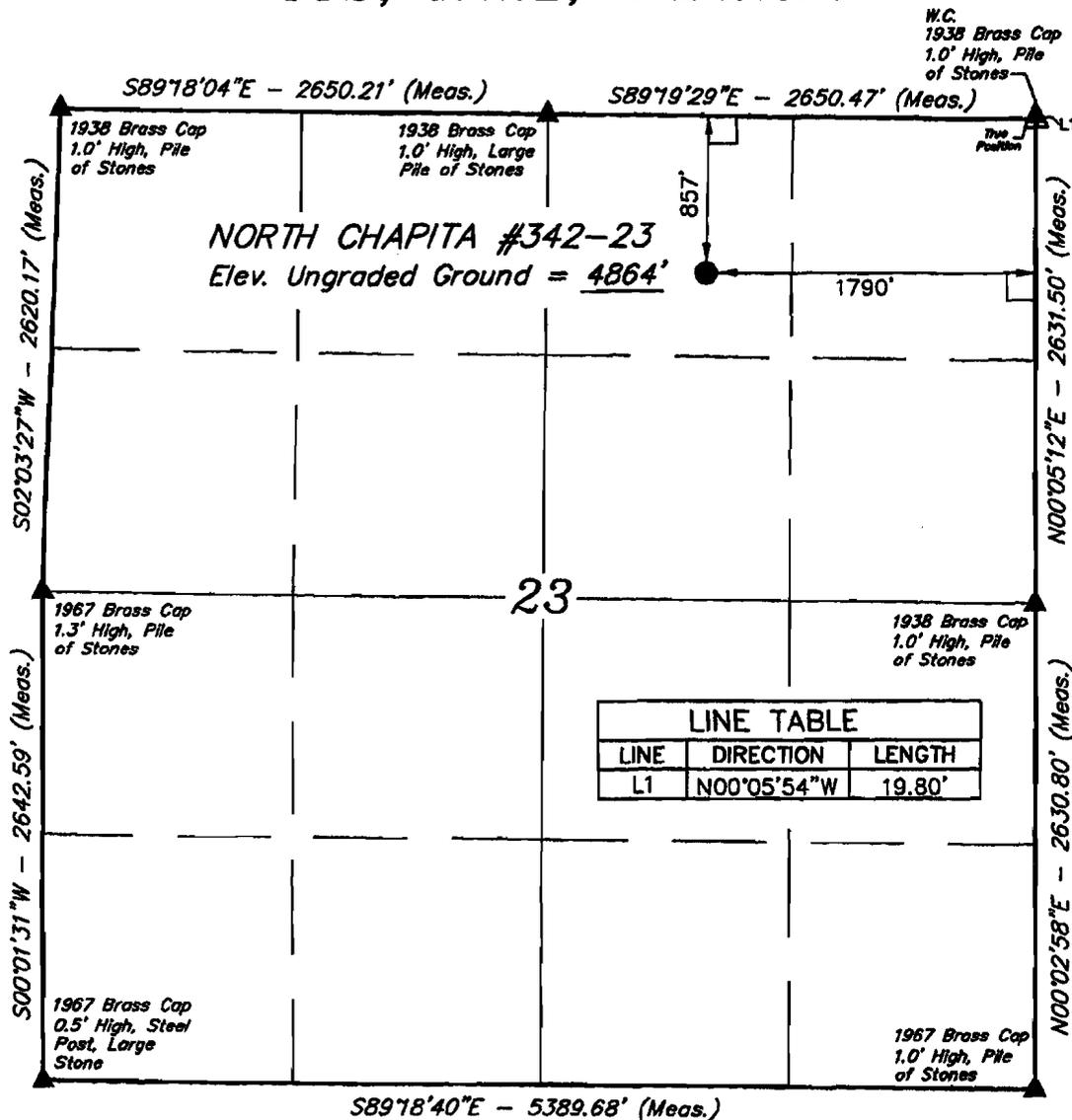
*(Instructions on page 2)

**RECEIVED
JAN 04 2007**

DIV. OF OIL, GAS & MINING

**Federal Approval of this
Action is Necessary**

T8S, R22E, S.L.B.&M.



LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED. (Not Set On Ground)

(NAD 83)
 LATITUDE = 40°06'47.31" (40.113142)
 LONGITUDE = 109°24'15.17" (109.404214)
 (NAD 27)
 LATITUDE = 40°06'47.44" (40.113178)
 LONGITUDE = 109°24'12.71" (109.403531)

EOG RESOURCES, INC.

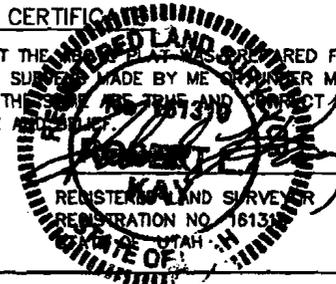
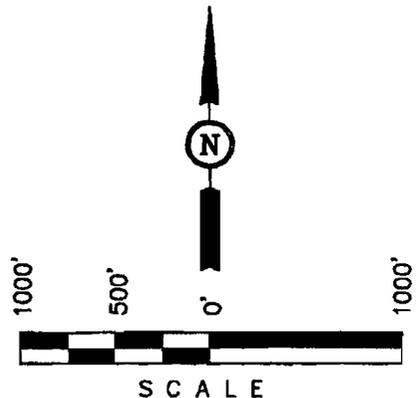
Well location, NORTH CHAPITA #342-23, located as shown in the NW 1/4 NE 1/4 of Section 23, T8S, R22E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK (20EAM) LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M., TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL 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.



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

REVISED: 12-26-06 C.H.

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

SCALE 1" = 1000'	DATE SURVEYED: 11-03-06	DATE DRAWN: 11-15-06
PARTY G.S. J.H. L.K.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	



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

CERTIFIED MAIL

ARTICLE NO: 7005 2150 0003 5770 5062

December 28, 2006

III Exploration Company
555 South Cole Road
P.O. Box 7608
Boise, Idaho 83707
Attention: Mr. Ken Smith

**RE: COMMINGLING APPLICATION
NORTH CHAPITA 342-23
857' FNL – 1790' FEL (NWNE)
SECTION 23, T8S, R22E
LEASE: U-81657**

Mr. Smith:

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 cased 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.

Sincerely,

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

Kaylece R. Gardner
Sr. Regulatory Assistant



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

CERTIFIED MAIL

ARTICLE NO: 7005 2150 0003 5770 5062

December 28, 2006

Questar Exploration and Production Company
Independence Plaza
1050 17th Street, Suite 500
Denver, Colorado 80265
Attention: Mr. Nate Koeniger

**RE: COMMINGLING APPLICATION
NORTH CHAPITA 342-23
857' FNL – 1790' FEL (NWNE)
SECTION 23, T8S, R22E
LEASE: U-81657**

Mr. Koeniger:

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 cased 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.

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 2150 0003 5770 5055

December 28, 2006

Kerr-McGee Oil & Gas Onshore LP
1999 Broadway, Suite 3700
Denver, Colorado 80202
Attn: Mr. W. Chris Latimer

**RE: COMMINGLING APPLICATION
NORTH CHAPITA 342-23
857' FNL – 1790' FEL (NWNE)
SECTION 23, T8S, R22E
LEASE: U-81657**

Mr. Latimer:

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 cased 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.

Sincerely,

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

Kaylene R. Gardner
Sr. Regulatory Assistant

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

NORTH CHAPITA 342-23
857' FNL – 1790' FEL (NWNE)
SECTION 23, T8S, R22E
UINTAH COUNTY, UTAH

EOG Resources, Inc., Kerr-McGee Oil & Gas Onshore LP, Questar Exploration and Production Company, and III Exploration 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 28th day of December 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, Kerr-McGee Oil & Gas Onshore LP, Questar Exploration and Production Company, and III Exploration Company.

Further affiant saith not.



Kaylene R. Gardner
Sr. Regulatory Assistant

Subscribed and sworn before me this 28th day of December, 2006.


Notary Public
CHERYLE A. SNOW
3123 West 1790 South
Vernal, Utah 84078
My Commission Expires
August 1, 2009
State of Utah
My Commission Expires: 8/1/2009



Notary Public

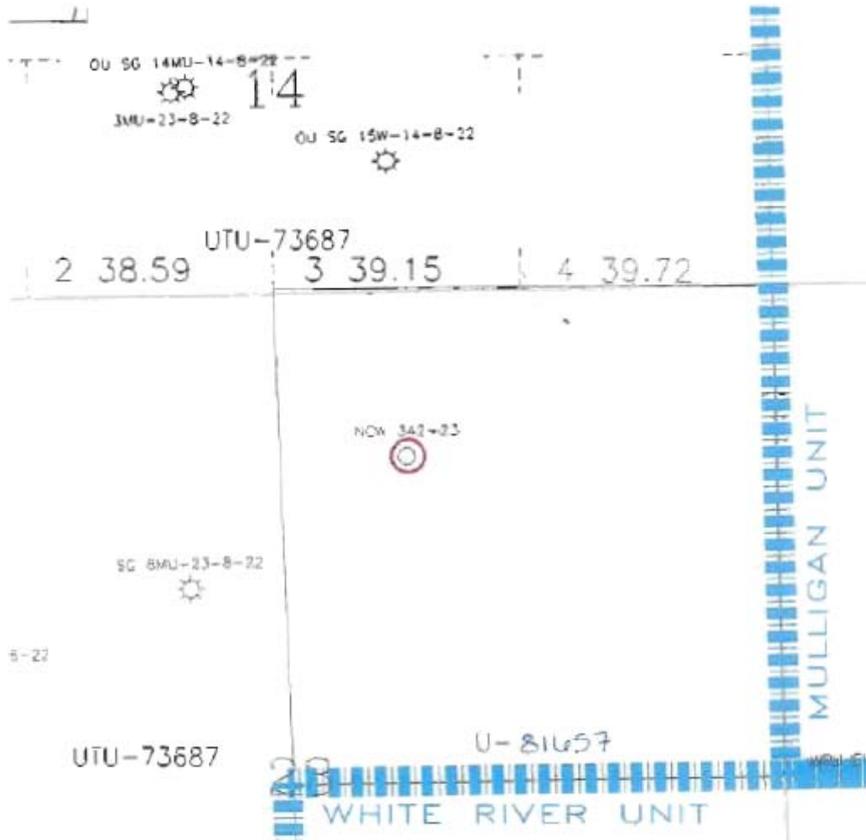
Exhibit "A" to Affidavit
North Chapita 342-23 Application to Commingle

Kerr-McGee & Gas Onshore LP
1999 Broadway, Suite 3700
Denver, Colorado 80202
Attn: Mr. Chris Latimer

Questar Exploration and Production Company
Independence Plaza
1050 17th Street, Suite 500
Denver, Colorado 80265
Attention: Mr. Nate Koeniger

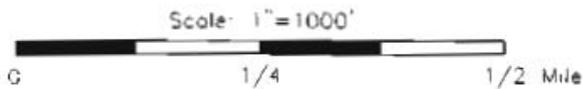
III Exploration Company
555 South Cole Road
P.O. Box 7608
Boise, Idaho 83707
Attention: Mr. Ken Smith

R 22 E



T 8 S

○ NORTH CHAPITA 342-23





Denver Division

EXHIBIT "A"
NORTH CHAPITA 342-23
Commingling Application
Uintah County, Utah

Scale: 1" = 1000'	Checked/Compiled: PAGE_NCS42-02_commingling WRL	Author	Dec 07, 2008 - 3:51pm
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EIGHT POINT PLAN

NORTH CHAPITA 342-23
NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective
Green River	2,539	Possible gas
Wasatch	5,523	Possible gas/oil
Chapita Wells	6,066	
Buck Canyon	6,733	
North Horn	7,382	
KMV Price River	8,126	GAS (S)
KMV Price River Middle	9,021	Possible gas
KMV Price River Lower	9,853	Possible gas
Sego	10,314	GAS (P)
KMV Castlegate	10,493	GAS (P)
KMV Blackhawk	11,069	GAS (S)
Mancos	11,290	GAS (P)
TD	11,350	

EST. TD: 11,350' or 200'± below Mancos top

Anticipated BHP: 6,790 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, Mesaverde and Mancos 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.

EIGHT POINT PLAN

NORTH CHAPITA 342-23
NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

3. CASING PROGRAM:

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</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:	26"	0' – 40'	20"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface:	17 1/2"	40' – 500'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Intermediate:	12-1/4"	500' – 3,400'KB±	9-5/8"	43.5#	P-110	LTC	5600 PSI	8700 Psi	106,000#
Production:	7-7/8"	3,400'± – TD	4-1/2"	11.6#	P-110	LTC	7560 PSI	10,710 Psi	284,000#

Note: 12-1/4" intermediate 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' - 3400'±)

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)

Production Hole Procedure (3400'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, P-110 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. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 3400'±):

Air/air mist or aerated water.

EIGHT POINT PLAN

NORTH CHAPITA 342-23
NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

Production Hole Procedure (3400'± - TD): Anticipated mud weight 10.5 – 11.5 ppg depending on actual wellbore conditions encountered while drilling.

3400'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

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

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

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

8. CEMENT PROGRAM:

Conductor Hole Procedure (Surface - 500'±):

Tail: 190 sxs 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.

Surface Hole Procedure (Surface - 3400'±):

Lead: 50 sxs 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: 730 sxs Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

EIGHT POINT PLAN

NORTH CHAPITA 342-23
NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

Top Out: As necessary with Class "G" cement with 2% CaCl₂, 1/4#/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 100' above the casing shoe.

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

Production Hole Procedure (3400'± - TD)

Lead: **170 sks:** 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: **1610 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., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 500'± 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 - 3400'±):

Lost circulation

Production Hole (3400'± - TD):

Sloughing shales 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

EIGHT POINT PLAN

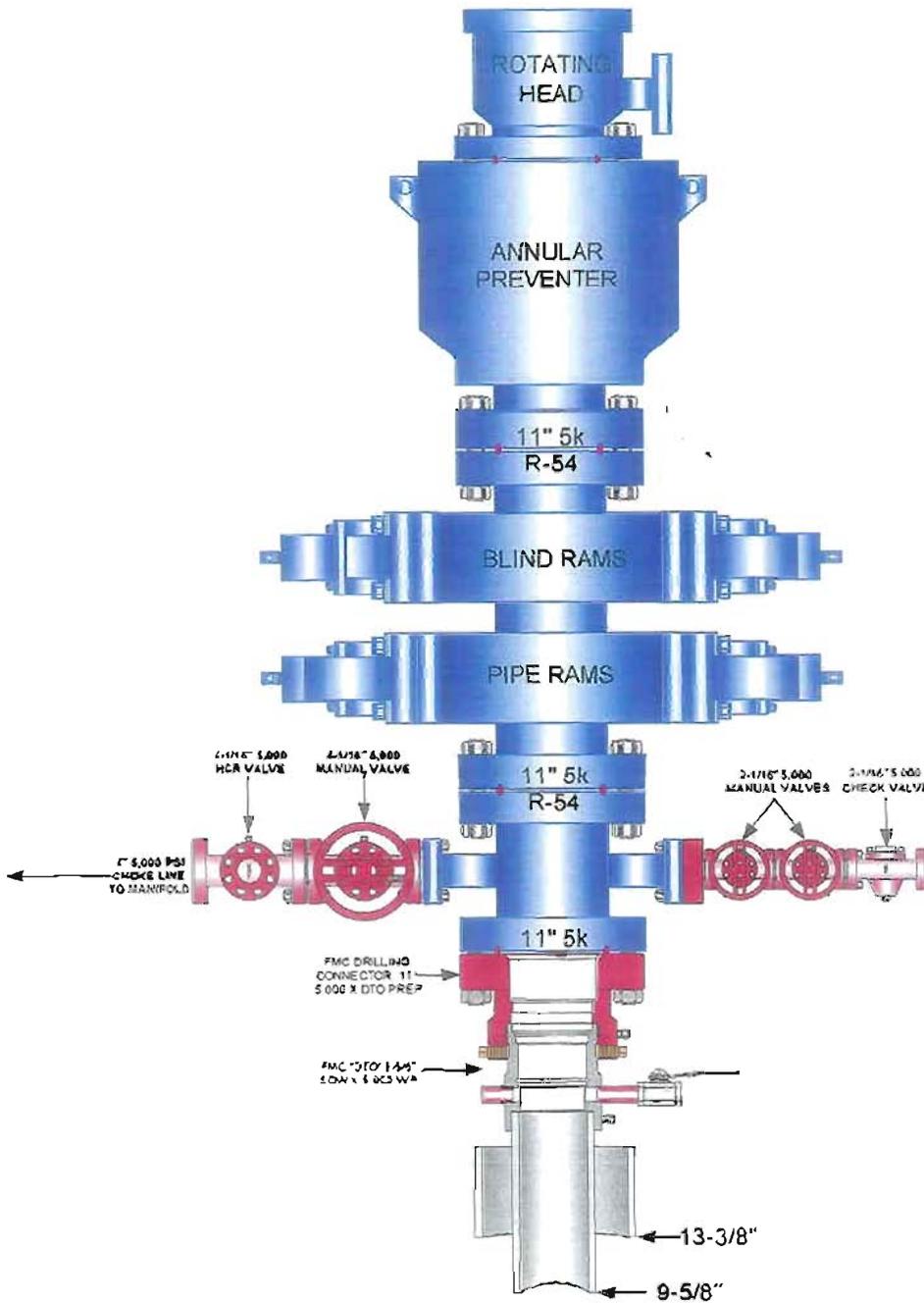
NORTH CHAPITA 342-23
NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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.

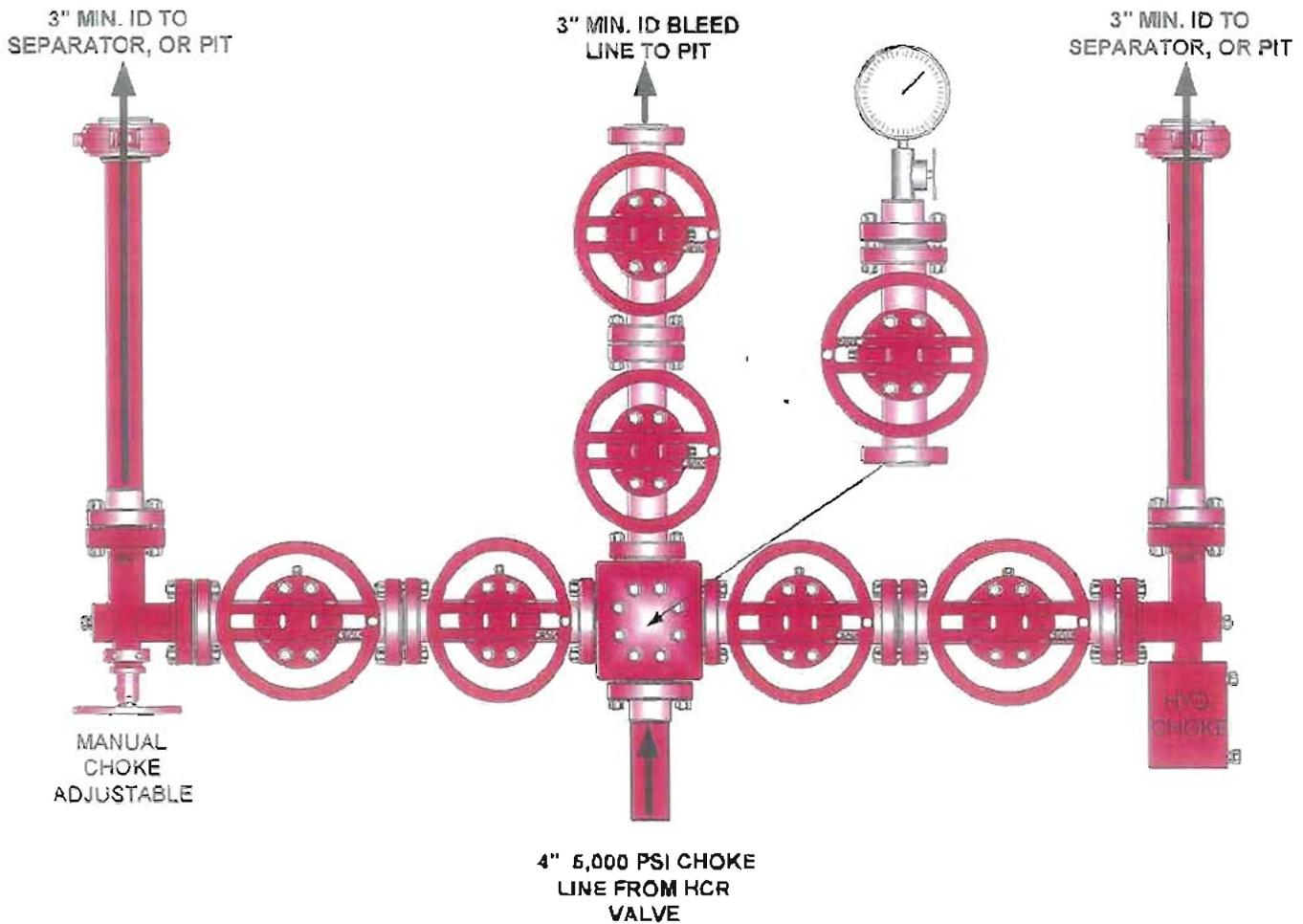
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF 2



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.



**NORTH CHAPITA WELLS 342-23
NW/NE, Section 23, T8S, R22E
Uintah County, Utah**

SURFACE USE PLAN

NOTIFICATION REQUIREMENTS

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

The well pad is approximately 350 feet long with a 196-foot width, containing 1.57 acres more or less. The well access road is approximately 230 feet long with a 30-foot right-of-way, disturbing approximately 0.16 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 1.73 acres. The pipeline is approximately 249 feet long with a 40-foot right-of-way, disturbing approximately 0.23 acre.

An off lease road right-of-way was requested within NCW 343-23 Application for Permit to Drill, filed December 28, 2006, addressing 244 feet of road located within Federal Lease U-28652. The requested right-of-way will also be used to access North Chapita 344-23, and North Chapita 342-23.

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 33.5 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

- A. The access road will be approximately 230' in length, **culverts will be installed as needed**. See attached Topo Map "B".
- 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 culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface. **Gravel shall be used as needed**.
- H. No gates, cattleguards, or fences will be required or encountered.

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

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation or debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by

run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

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

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

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

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

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

A. On Well Pad

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400 BBL vertical tanks and attaching piping.
2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.
3. **The location 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 249' x 40'. The proposed pipeline leaves the eastern edge of the well pad (U-81657) proceeding in a southerly direction for an approximate distance of 249' tying into the proposed pipeline for North Chapita 343-23 located in the NWNE of Section 23, T8S, R22E.

The proposed pipeline is located within lease and will not require a right-of-way.

3. Proposed pipeline will be a 4" OD steel, welded buried line.
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 16 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 west corner of the location. The flare pit will be located downwind of the prevailing wind direction on the west side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled location topsoil will be stored between corners #6 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 west.

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
Kochia Prostrata	3.0

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

B. Dry Hole/Abandoned Location

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

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 or herbicides or other pesticides or possible hazardous chemicals.
- C. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.
- D. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

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

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

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

A cultural resources survey was conducted and will be submitted by Montgomery Archaeological Consultants. A paleontological survey was conducted and submitted December 15, 2006 by Intermountain Paleo-Consulting.

Additional Surface Stipulations:

No construction or drilling shall occur during wet weather due to critical soils.

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

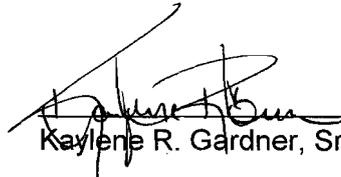
DRILLING OPERATIONS

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 North Chapita 342-23 Well, located in the NWNE, of Section 23, T8S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

December 28, 2006
Date



Kaylene R. Gardner, Sr. Regulatory Assistant

EOG RESOURCES, INC.
NORTH CHAPITA #342-23
 LOCATED IN UTAH COUNTY, UTAH
 SECTION 23, T8S, R22E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY

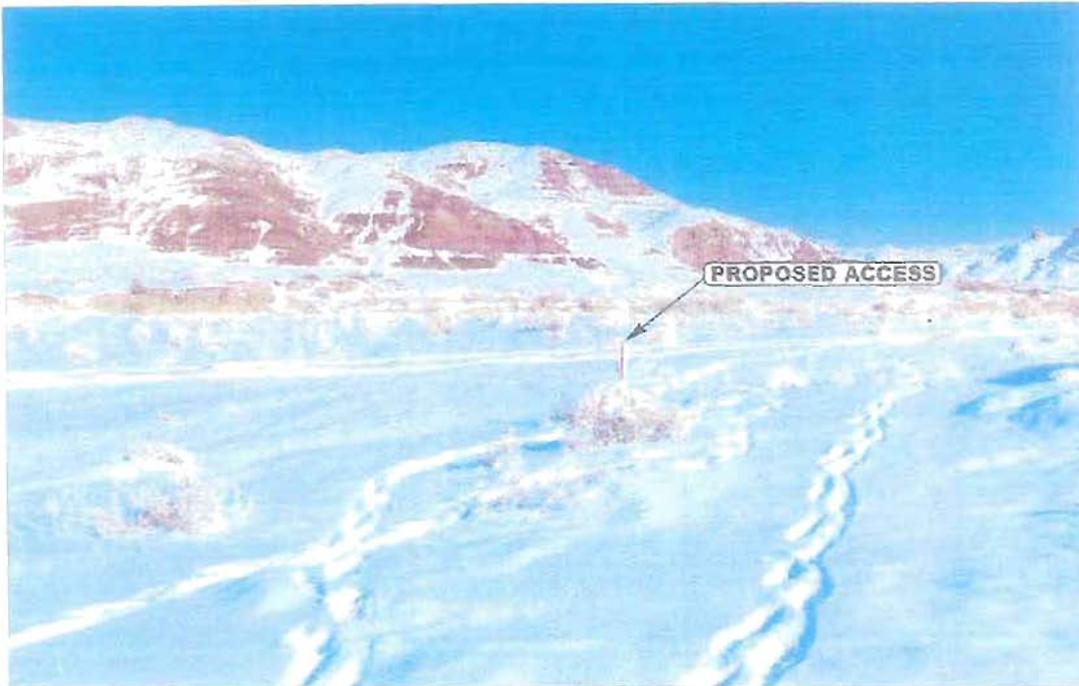


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



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

LOCATION PHOTOS			11	14	06	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: GS.	DRAWN BY: L.K.	REVISED: 12-22-06				

EOG RESOURCES, INC.

**NORTH CHAPITA #342-23
SECTION 23, T8S, R22E, S.L.B.&M.**

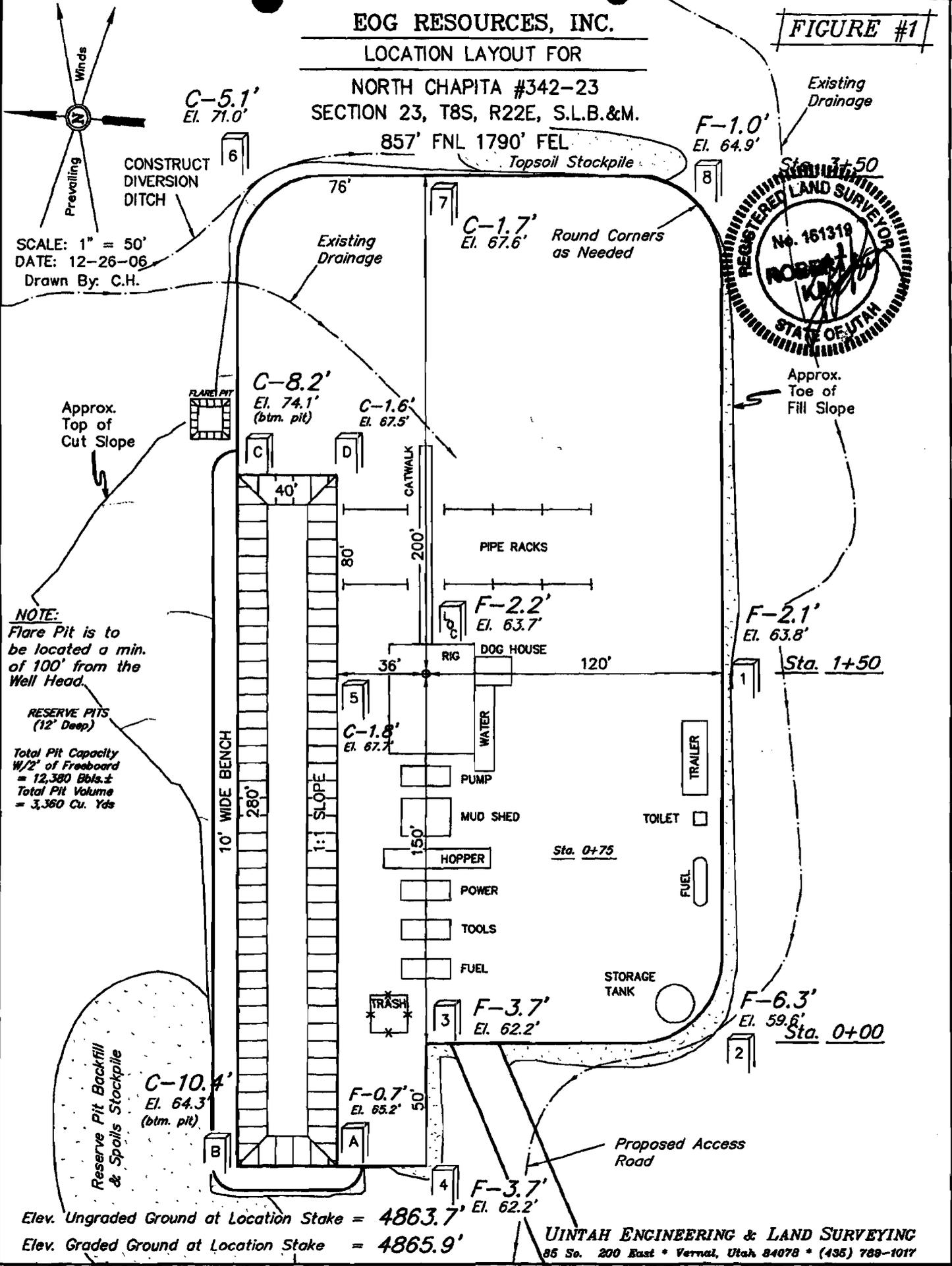
PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 19.2 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN 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 DIRECTION APPROXIMATELY 1.4 MILES TO BEGINNING OF THE PROPOSED ACCESS ROAD FOR THE #13W-23 TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #12W-23 TO THE NORTH; FOLLOW ROAD FLAGS IN A NORTHERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #5W-23 TO THE NORTH; FOLLOW ROAD FLAGS IN A NORTHERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #6W-23 TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #343-23 TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 230' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 33.85 MILES.

EOG RESOURCES, INC.

**LOCATION LAYOUT FOR
NORTH CHAPITA #342-23
SECTION 23, T8S, R22E, S.L.B.&M.
857' FNL 1790' FEL**

FIGURE #1



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

RESERVE PITS (12' Deep)
Total Pit Capacity W/2' of Freeboard = 12,380 Bbls.±
Total Pit Volume = 3,360 Cu. Yds

Elev. Ungraded Ground at Location Stake = 4863.7'
Elev. Graded Ground at Location Stake = 4865.9'

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

EOG RESOURCES, INC.

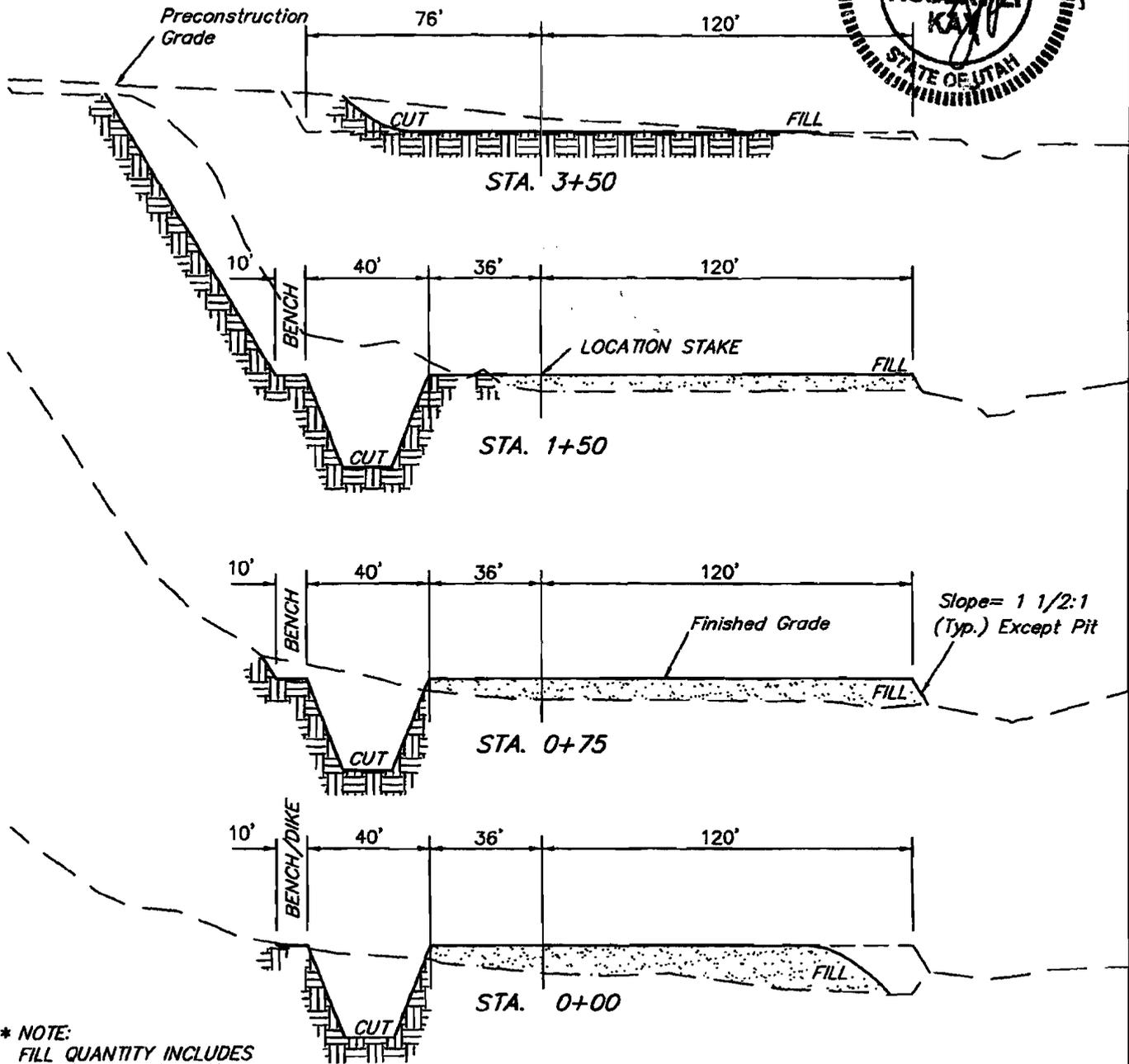
FIGURE #2

TYPICAL CROSS SECTIONS FOR

NORTH CHAPITA #342-23
SECTION 23, T8S, R22E, S.L.B.&M.
857' FNL 1790' FEL

1" = 20'
X-Section Scale
1" = 50'

DATE: 12-26-06
Drawn By: C.H.



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	1,710	Cu. Yds.
Remaining Location	=	6,790	Cu. Yds.
TOTAL CUT	=	8,500	CU.YDS.
FILL	=	5,110	CU.YDS.

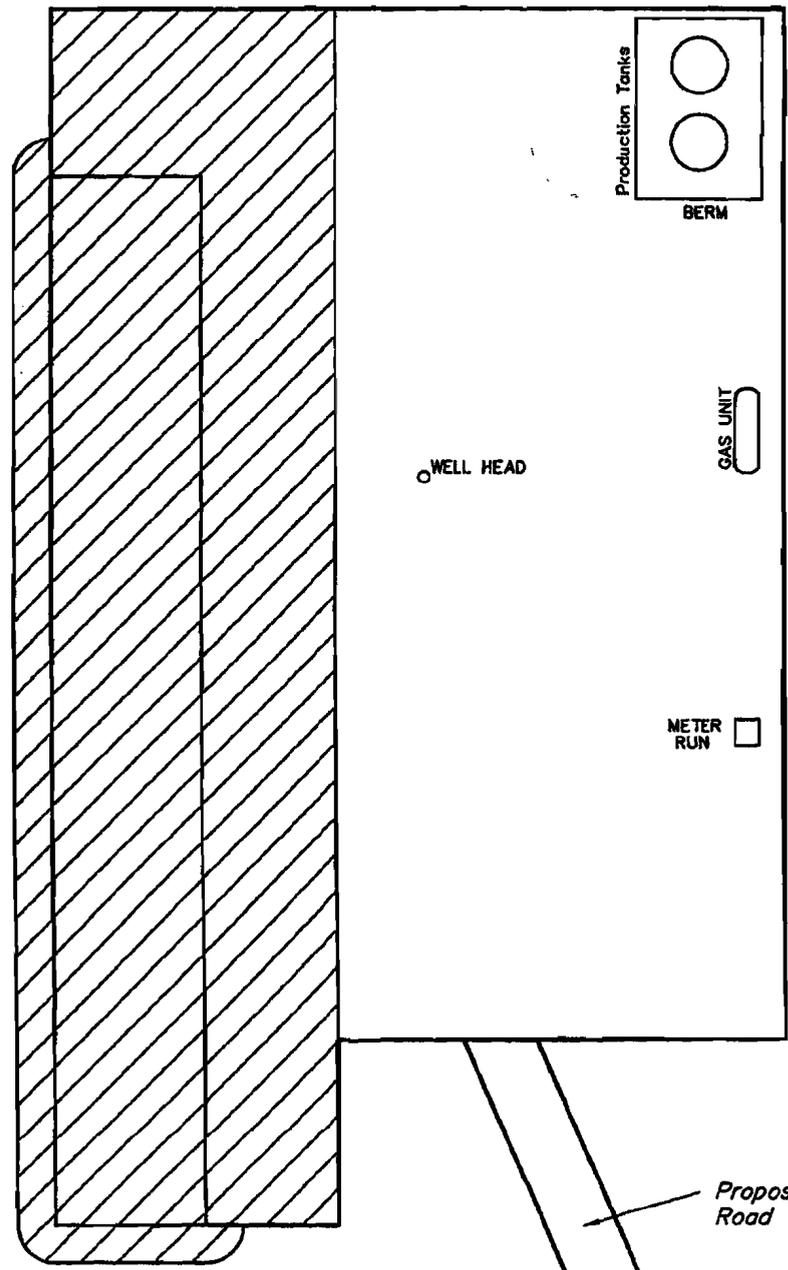
EXCESS MATERIAL	=	3,390	Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	3,390	Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	=	0	Cu. Yds.

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EOG RESOURCES, INC.
PRODUCTION FACILITY LAYOUT FOR
NORTH CHAPITA #342-23
SECTION 23, T8S, R22E, S.L.B.&M.
857' FNL 1790' FEL

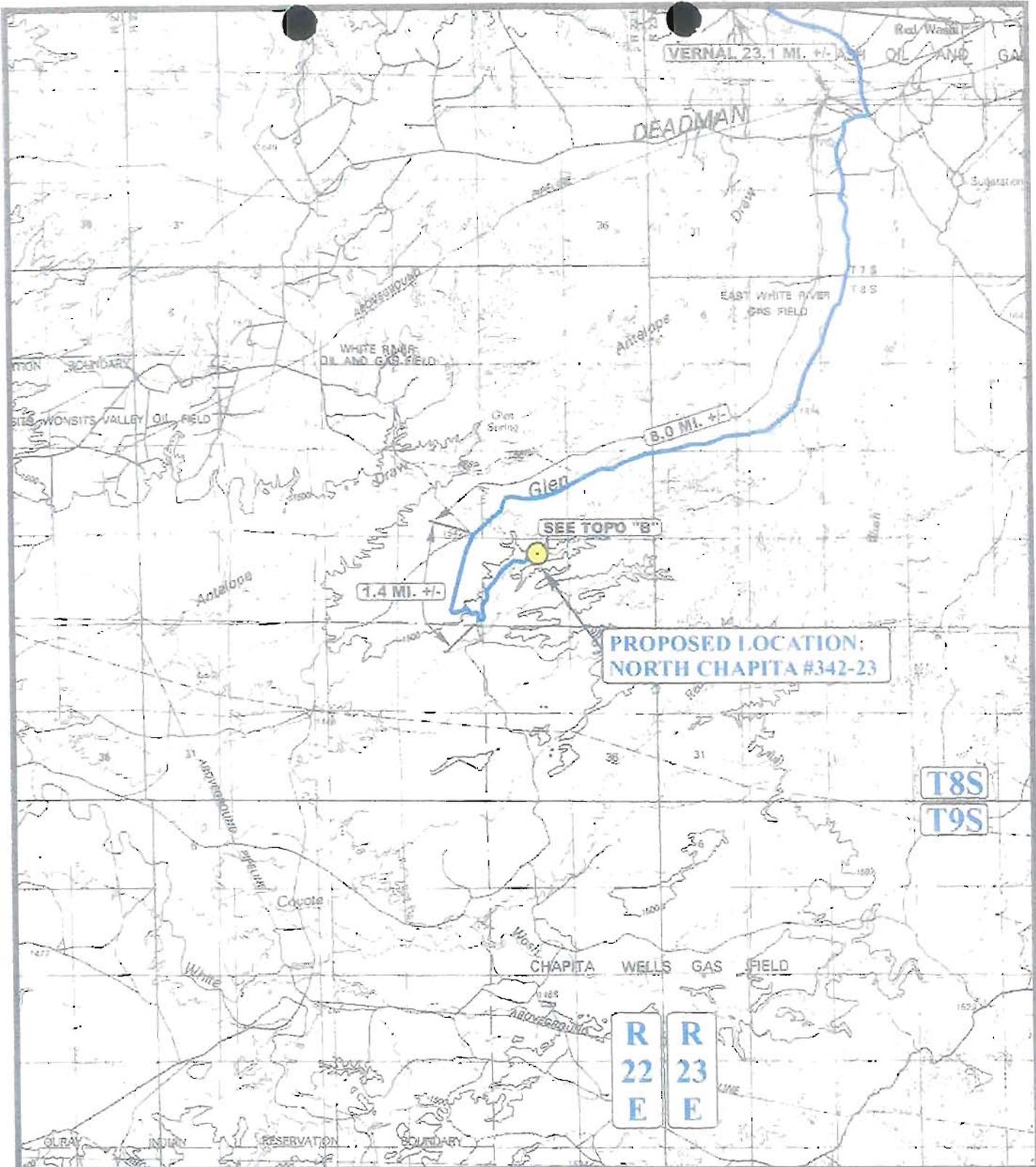


SCALE: 1" = 50'
DATE: 12-26-06
Drawn By: C.H.



 RE-HABED AREA

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



**PROPOSED LOCATION;
NORTH CHAPITA #342-23**

**T8S
T9S**

**R
22
E** **R
23
E**

LEGEND:
 **PROPOSED LOCATION**

EOG RESOURCES, INC.

**NORTH CHAPITA #342-23
SECTION 23, T8S, R22E, S.L.B.&M.
857' FNL 1790' FEL**

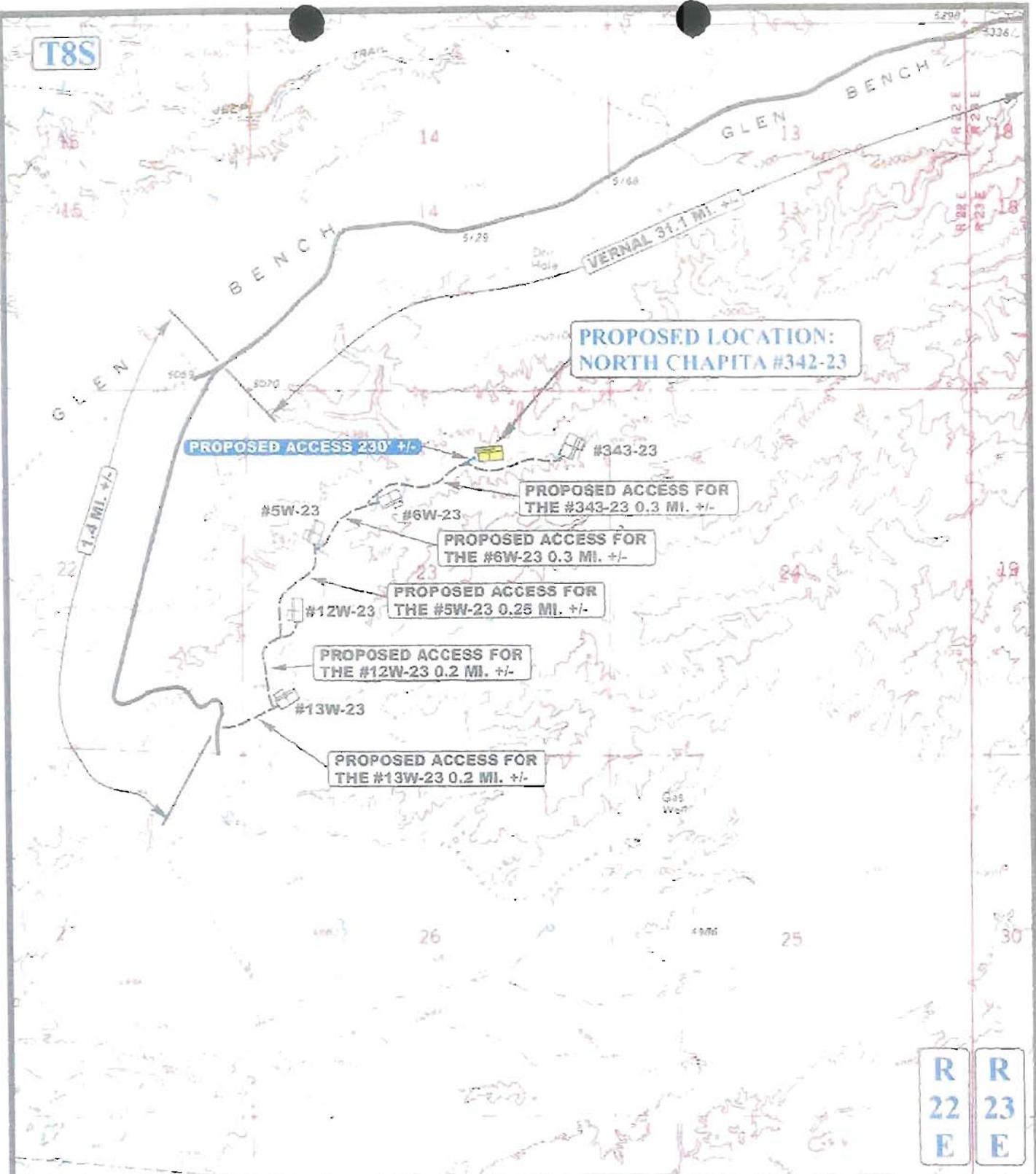
UELS
Uintah Engineering & Land Surveying
 88 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC MAP **11 14 06**
MONTH DAY YEAR
SCALE: 1:100,000 **DRAWN BY: L.K.** **REVISED: (2-22-06)** **A TOPO**

T8S

R22E R23E



R	R
22	23
E	E

LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD



EOG RESOURCES, INC.

NORTH CHAPITA #342-23
SECTION 23, T8S, R22E, S.1.B.&M.
857' FNL 1790' FEL



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 85 South 200 East Vernal, Utah 84078
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TOPOGRAPHIC MAP **11 14 06**
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 12-22-06



T8S

10

12

Drill Hole

Glen Spring

Antelope

1290

BENCH

GLEN 13

14

#6-14-3

14

SG #12A-14

SG #11MU-14

Drill Hole #1

#9W-15

SG #12MU-14

SG #14MU-14

SG #13MU-14

SG #15MU-14

#16W-15

SG #4MU-23

SG #6MU-23

SG #5MU-23

#822-24G

GB #822-221

SG #12MU-23

WRU #11SG-23

WRU #9ML-23

WRU #11ML-24

WRU #11ML-23

WRU #10ML-23

WRU #14MU-23

WRU #16ML-23

WRU #15ML-23

PROPOSED LOCATION:
NORTH CHAPITA #342-23

R
22
E

LEGEND:

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

N



EOG RESOURCES, INC.

NORTH CHAPITA #342-23
SECTION 23, T8S, R22E, S.1.B.&M.
857' FNL 1790' FEL.

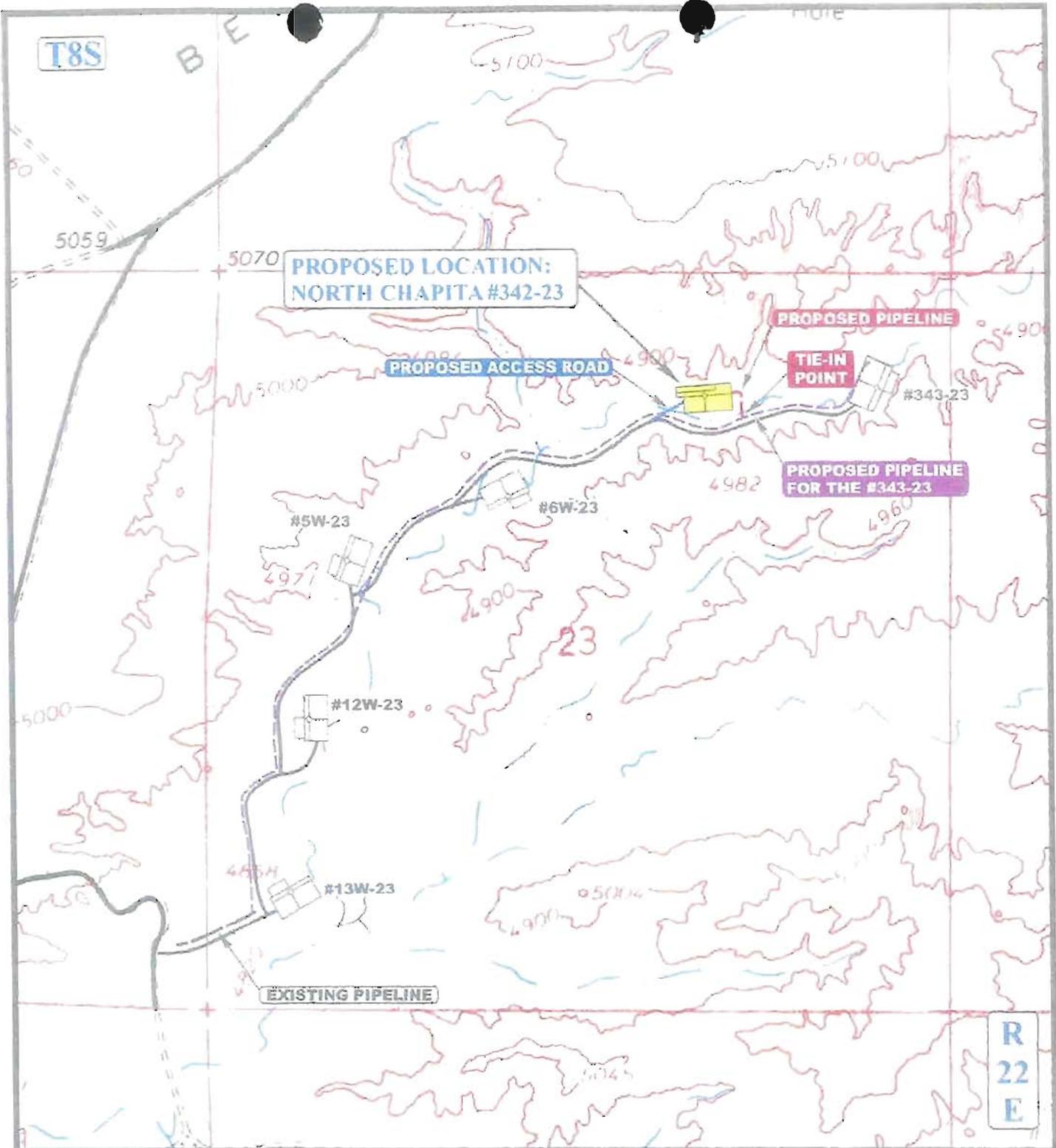


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 • FAX (435) 789-1813

TOPOGRAPHIC MAP 11 14 06
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 12-22-06





APPROXIMATE TOTAL PIPELINE DISTANCE - 249' +/-

LEGEND:

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



EOG RESOURCES, INC.

**NORTH CHAPITA #342-23
SECTION 23, T8S, R22E, S.L.B.&M.
857' FNI, 1790' FEL.**



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

TOPOGRAPHIC MAP 11 14 06
MONTH DAY YEAR
SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 12-22-06



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 01/04/2007

API NO. ASSIGNED: 43-047-38951

WELL NAME: N CHAPITA 342-23

OPERATOR: EOG RESOURCES INC (N9550)

PHONE NUMBER: 435-781-9111

CONTACT: KAYLENE GARDNER

PROPOSED LOCATION:

NWNE 23 080S 220E
 SURFACE: 0857 FNL 1790 FEL
 BOTTOM: 0857 FNL 1790 FEL
 COUNTY: UINTAH
 LATITUDE: 40.11321 LONGITUDE: -109.4035
 UTM SURF EASTINGS: 636057 NORTHINGS: 4441334
 FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	1/25/07
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-81657

PROPOSED FORMATION: MNCS

SURFACE OWNER: 1 - Federal

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)
(Wasatch, mesaverde)

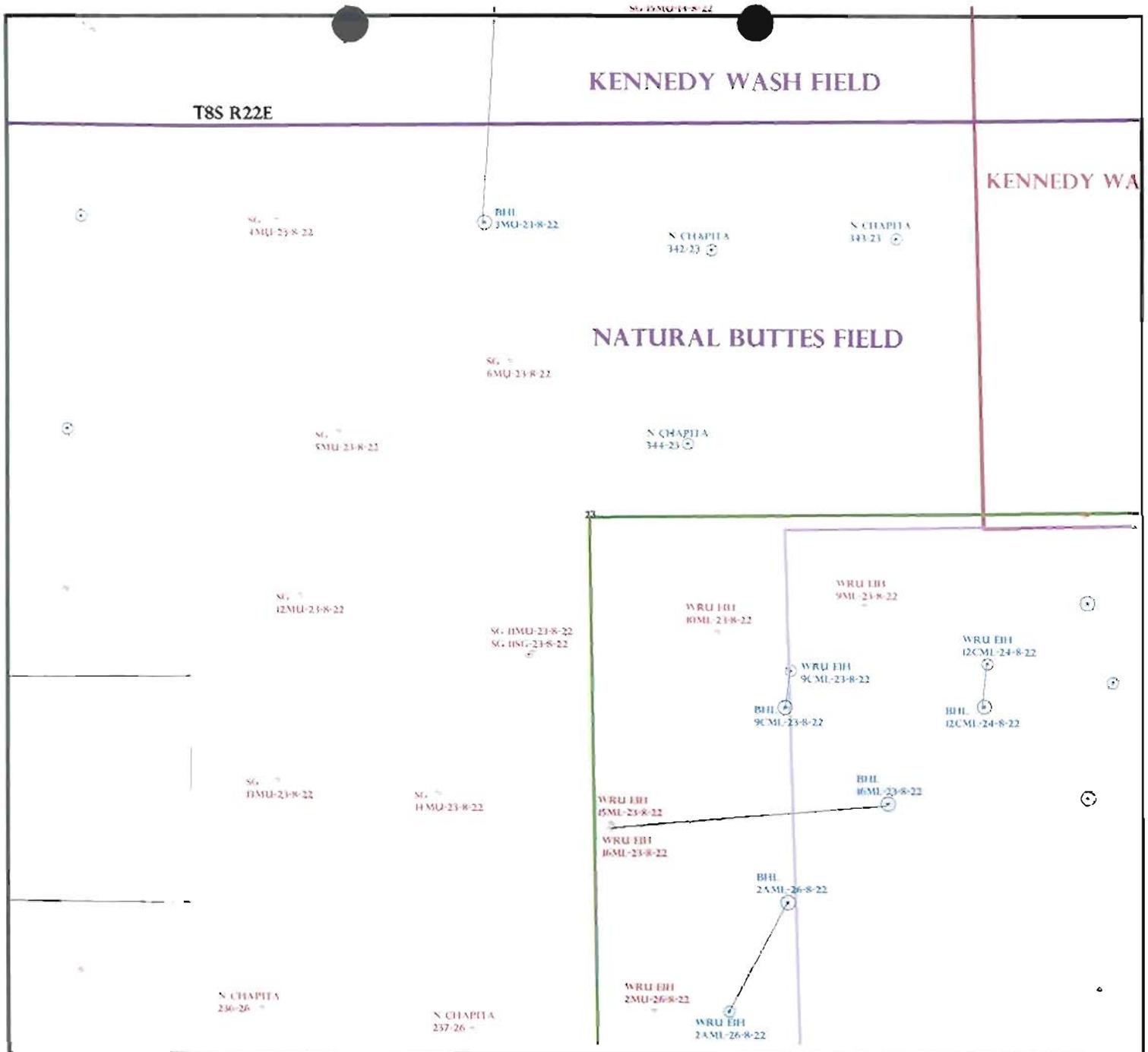
LOCATION AND SITING:

- R649-2-3.
- Unit: _____
- 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. Section Approval
 2. Spacing Slip
 3. Commingle



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 23 T.8S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITTING

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

- Unit Status**
- EXPLORATORY
 - GAS STORAGE
 - NF PP OIL
 - NF SECONDARY
 - PENDING
 - P1 OIL
 - PP GAS
 - PP GEOTHERML
 - PP OIL
 - SECONDARY
 - TERMINATED

Wells Status

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



PREPARED BY: DIANA MASON
DATE: 5-JANUARY-2007



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

January 25, 2007

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

Re: North Chapita 342-23 Well, 857' FNL, 1790' FEL, NW NE, Sec. 23,
T. 8 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Administrative approval for commingling the production from the Wasatch formation and the Mesaverde formation in this well is hereby granted. Appropriate information has been submitted to DOGM in accordance with R649-3-22. No written objections from owners were received by DOGM.

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 43-047-38951.

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 North Chapita 342-23
API Number: 43-047-38951
Lease: U-81657

Location: NW NE **Sec.** 23 **T.** 8 South **R.** 22 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

4. 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

RECEIVED

DEC 29 2006

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No. U-81657	
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA Agreement, Name and No.	
8. Lease Name and Well No. NORTH CHAPITA 342-23	
9. API Well No. 43-047-38951	
10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERD	
11. Sec., T. R. M. or Blk. and Survey or Area SECTION 23, T8S, R22E S.L.B.&M	
12. County or Parish UINTAH	
13. State UT	
14. Distance in miles and direction from nearest town or post office* 33.9 MILES SOUTH OF VERNAL, UTAH	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease
670 DRILLING LINE 472 LEASE LINE	160
17. Spacing Unit dedicated to this well	
40	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth
5975	11,350
20. BLM/BIA Bond No. on file	
NM 2308	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4864 GL	22. Approximate date work will start*
	45 DAYS
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 12/28/2006
Title SR. REGULATORY ASSISTANT		

Approved by (Signature) 	Name (Printed Typed) Tracy Kavelka	Date 10-16-2007
Title Assistant Field Manager Lands & Mineral Resources	Office 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)

NOTICE OF APPROVAL.

CONDITIONS OF APPROVAL ATTACHED

RECEIVED

OCT 23 2007

DIV. OF OIL, GAS & MINING

*NOS 11/28/06
C72P1019A*



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:** NWNE, Sec. 23, T8S, R22E
Well No: North Chapita 342-23 **Lease No:** UTU-81657
API No: 43-047-38951 **Agreement:** N/A

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	435-828-7368
Supervisory Petroleum Technician:	Jamie Sparger	435-781-4502	435-828-3913
NRS/Enviro Scientist:	Paul Buhler	435-781-4475	435-828-4029
NRS/Enviro Scientist:	Karl Wright	435-781-4484	
NRS/Enviro Scientist:	Holly Villa	435-781-4404	
NRS/Enviro Scientist:	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	

Fax: 435-781-4410

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

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

NOTIFICATION REQUIREMENTS

Location Construction (Notify 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)***

General Surface COAs

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

Specific Surface COAs

Conditions are in the APD

- The road and location will be graveled.
- Rip Rap from stake 2-8 South side of location). Rip Rap material will be large angular rock unless determined by BLM that coble rock shall be used.
- Construct a Low water crossing, according to BLM specification (see Gold Book).
- Berm north side of location after pit has been
- Bury the pipe line down to the QEP location 6MU-23-8-22.
- Due to critical soils, BLM will be contacted prior to construction and drilling, if the weather conditions are wet, to determine if construction or drilling will proceed.
- The access road will require at least two, 36" culverts.

DOWNHOLE CONDITIONS OF APPROVAL

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- 2M BOPE shall be required before drilling out the 13 5/8 inch surface casing shoe.
- Electronic/mechanical mud monitoring equipment shall be required, from intermediate 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 after drilling twenty feet or less below the intermediate casing shoe.
- The surface and intermediate casing shall be cemented to surface.
- The top of the production casing cement shall extend a minimum of 200 feet above the intermediate casing shoe.
- Variance Granted:
 - 75 foot long blooie line approved.

Commingling:

- Downhole commingling for the Wasatch, Mesaverde, and Mancos formations is approved. This approval can be rescinded at any time the Authorized Officer determines the commingling to be detrimental to the interest of the United States.

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

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

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

- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

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

including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

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

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.
UTU81657

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.

8. Well Name and No.
NORTH CHAPITA 342-23

9. API Well No.
43-047-38951

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

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

1. Type of Well
 Oil Well Gas Well Other

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 23 T8S R22E NWNE 857FNL 1790FEL
40.11314 N Lat, 109.40421 W Lon

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 Change to Original A PD
	<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.)

EOG Resources, Inc. requests permission to change the drilling program for the referenced well. A revised drilling plan is attached.

Request for commingling for the referenced well was previously approved with the APD.

Accepted by the
Utah Division of
Oil, Gas and Mining
Date: 12/7/07
BY: [Signature]

Federal Approval Of This
Action Is Necessary

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #57411 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 [Signature] Date 12/05/2007

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.

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

COPY SENT TO OPERATOR
Date: 12-10-2007
Initials: [Signature]

RECEIVED
DEC 06 2007

DIV. OF OIL, GAS & MINING

EIGHT POINT PLAN

NORTH CHAPITA 342-23
NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	2,537		Shale	
Wasatch	5,515	Primary	Sandstone	Gas
Chapita Wells	6,064	Primary	Sandstone	Gas
Buck Canyon	6,731	Primary	Sandstone	Gas
North Horn	7,380	Primary	Sandstone	Gas
KMV Price River	8,118	Primary	Sandstone	Gas
KMV Price River Middle	9,019	Primary	Sandstone	Gas
KMV Price River Lower	9,851	Primary	Sandstone	Gas
Sego	10,319		Sandstone	
KMV Castlegate	10,491		Sandstone	
KMV Black Hawk	11,067	Primary	Sandstone	Gas
Mancos	11,288		Shale	
TD	11,350			

EST. TD: 11,350' or 200'± below TD

Anticipated BHP: 6,790 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 cased-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.

3. CASING PROGRAM:

EIGHT POINT PLAN

NORTH CHAPITA 342-23
NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

<u>CASING</u>	<u>Hole Size</u>	<u>Length</u>	<u>Size</u>	<u>WEIGHT</u>	<u>Grade</u>	<u>Thread</u>	<u>Rating Collapse</u>	<u>Factor Burst</u>	<u>Tensile</u>
Conductor	26"	0 – 45'	20"	94.0#	H-40	STC	520 PSI	1530 PSI	581,000#
Surface	17 1/2"	Surface – 500' KB±	13-3/8"	48.0#	H-40	STC	770 PSI	1730 Psi	322,000#
Intermediate:	12 1/4"	Surface – 6,400' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface ± – TD	4-1/2"	11.6#	P-110	LTC	7560 PSI	10,690 Psi	279,000#

Note: 12-1/4" intermediate hole will be drilled to a total depth of 200'± below the base of the Wasatch lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 6400' 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' - 500'±)

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)

Intermediate Hole Procedure (0' - 6400'±):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 9-5/8", 36#, J-55 or equivalent.. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

Production Hole Procedure (Surface - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, P-110 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. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

EIGHT POINT PLAN

NORTH CHAPITA 342-23
NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

Surface Hole Procedure (Surface - 500'±):

Air/air mist or aerated water.

Intermediate Hole Procedure (Surface - 6400'±):

Anticipated mud weight 8.5 – 9.5 ppg depending on actual wellbore conditions encountered while drilling

Production Hole Procedure (6400'± - TD):

Anticipated mud weight 10.5 – 11.5 ppg depending on actual wellbore conditions encountered while drilling.

6400'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

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

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

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.

EIGHT POINT PLAN

NORTH CHAPITA 342-23
NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

8. CEMENT PROGRAM:

Surface Hole Procedure (Surface – 500'±):

Tail: 315 sxs Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.8 ppg, 1.16 ft³/sk.,
4.946 gps water.

Note: **Final Cement volumes will be calculated to bring lead cement to surface.**

Intermediate Hole Procedure (Surface - 6400'±):

Lead: 395 sxs Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx
GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.91 ft³/sk. yield, 25.247 gps water.

Tail: 405 sxs Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 14.10 ppg, 1.29 ft³/sk.,
5.985 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
100' above the casing shoe.

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

Production Hole Procedure (Surface - TD)

Lead: 220 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65
(Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200%
D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk.,
9.178 gps water.

Tail: 685 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13

EIGHT POINT PLAN

NORTH CHAPITA 342-23
NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

(Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.29 ft³/sk., 5.974 gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 500'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Price River.
Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

Intermediate Hole (Surface - 6400'±):

Lost circulation

Production Hole (6400'± - TD):

Sloughing shales 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)

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

			5. LEASE DESIGNATION AND SERIAL NUMBER: UTU81657
			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
			7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			8. WELL NAME and NUMBER: North Chapita 342-23
2. NAME OF OPERATOR: EOG Resources, Inc.			9. API NUMBER: 43-047-38951
3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY: Vernal STATE: UT ZIP: 84078		PHONE NUMBER: (435) 781-9111	10. FIELD AND POOL, OR WILDCAT: Natural Buttes
4. LOCATION OF WELL			
FOOTAGES AT SURFACE: 857 FNL - 1790 FEL 40.113142 LAT 109.404214 LON			COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 23 8S 22E S			STATE: UTAH

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

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

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

EOG Resources, Inc. requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 01-23-08
By: [Signature]

COPY SENT TO OPERATOR

Date: 1-24-2008
Initials: KLS

NAME (PLEASE PRINT) Kaylene R. Gardner	TITLE Lead Regulatory Assistant
SIGNATURE <u>[Signature]</u>	DATE 1/15/2008

(This space for State/use Only)

RECEIVED
JAN 22 2008

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

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

API: 43-047-38951
Well Name: North Chapita 342-23
Location: 857 FNL - 1790 FEL (NWNE), SECTION 23, T8S, R22E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 1/25/2007

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

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

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

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

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

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

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

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

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


Signature

1/15/2008

Date

Title: Lead Regulatory Assistant

Representing: EOG Resources, Inc.

RECEIVED

JAN 22 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU81657

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.

8. Well Name and No.
NORTH CHAPITA 342-23

9. API Well No.
43-047-38951

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

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

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG RESOURCES, INC.

Contact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 23 T8S R22E NWNE 857FNL 1790FEL
40.11314 N Lat, 109.40421 W Lon

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 Change to Original APD
	<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.)

EOG Resources, Inc. requests authorization to change the TD of the referenced well from
11,350'
to
10,460'
A revised drilling plan is attached.

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

COPY SENT TO OPERATOR

Date: 07-31-08
By: [Signature]

Date: 8-4-2008
Initials: KS

14. I hereby certify that the foregoing is true and correct.
**Electronic Submission #61793 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 [Signature]
(Electronic Submission)

Date 07/29/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

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

RECEIVED

JUL 30 2008

DIV. OF OIL, GAS & MINING

DRILLING PLAN

NORTH CHAPITA 342-23
NW/NE, SEC. 23, T8S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	2,537		Shale	
Mahogany Oil Shale Bed	3,178		Shale	
Wasatch	5,515	Primary	Sandstone	Gas
Chapita Wells	6,064	Primary	Sandstone	Gas
Buck Canyon	6,731	Primary	Sandstone	Gas
North Horn	7,380	Primary	Sandstone	Gas
KMV Price River	8,118	Primary	Sandstone	Gas
KMV Price River Middle	9,019	Primary	Sandstone	Gas
KMV Price River Lower	9,851	Primary	Sandstone	Gas
Sego	10,461		Sandstone	
TD	10,460			

Estimated TD: 10,460' or 200'± TD

Anticipated BHP: 5,711 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
 BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 ½"	0 – 45'	13 ¾"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-½"	11.6#	P-110	LTC	7560 PSI	10,690 Psi	279,000#

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

All casing will be new or inspected.

DRILLING PLAN

NORTH CHAPITA 342-23 NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

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)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 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.

DRILLING PLAN

NORTH CHAPITA 342-23 NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

**Reference: Onshore Oil and Gas Order No. 1
Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations**

- EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

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

DRILLING PLAN

NORTH CHAPITA 342-23 NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

- Lead: 185 sks** 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: 207 sks** 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: 181 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: 959 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., 5.9gps water.
- Note:** The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

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

DRILLING PLAN

NORTH CHAPITA 342-23 NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

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.

13. Air Drilling Operations:

1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

(Attachment: BOP Schematic Diagram)

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Multiple (See Attached)
2. NAME OF OPERATOR: EOG Resources, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1060 E. HWY 40 Vernal UT 84078		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: Multiple (See Attached)		8. WELL NAME and NUMBER: Multiple (See Attached)
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 43 047 38951 NW 342-23 8S 22E 23		9. API NUMBER: Multiple (See Attached)
PHONE NUMBER: (435) 789-0790		10. FIELD AND POOL, OR WILDCAT: Natural Buttes
COUNTY: Uintah, UT		STATE: UTAH

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

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

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

EOG Resources, Inc. respectfully requests authorization for air drilling operations, see attached.

COPY SENT TO OPERATOR

Date: 10-14-2008

Initials: KS

NAME (PLEASE PRINT) <u>Mickenzie Thacker</u>	TITLE <u>Operations Clerk</u>
SIGNATURE <u>Mickenzie Thacker</u>	DATE <u>9/17/2008</u>

(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and Mining

Federal Approval Of This
Action Is Necessary

RECEIVED

SEP 22 2008

DIV. OF OIL, GAS & MINING

Date: 10/7/08
By: [Signature]

(See Instructions on Reverse Side)

API #	Lease #	Well Name	Footages	$\frac{1}{4}$ - $\frac{1}{4}$ Legal Description
43-047-38951	UTU-81657	NCW 342-23	857' FNL 1790' FEL	NWNE Sec. 23 T8S R22E
43-047-38957	UTU-81657	NCW 343-23	783' FNL 544' FEL	NENE Sec. 23 T8S R22E
43-047-38956	UTU-81657	NCW 344-23	2170' FNL 1970' FEL	SWNE Sec. 23 T8S R22E

Air Drilling Operations:

1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1

Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

1. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
2. EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
3. EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
4. EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
5. EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

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.
UTU81657

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.

8. Well Name and No.
NORTH CHAPITA 342-23

9. API Well No.
43-047-38951

1. Type of Well
 Oil Well Gas Well Other

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

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

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

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 23 T8S R22E NWNE 857FNL 1790FEL
40.11314 N Lat, 109.40421 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 checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A PD
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

EOG Resources, Inc. requests authorization to change the TD of the referenced well from
10,460
to
10,650
A revised drilling plan is attached.

**Federal Approval of this
Action is Necessary**

COPY SENT TO OPERATOR

Date: 10.2.2008

Initials: KS

14. I hereby certify that the foregoing is true and correct.
**Electronic Submission #63161 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal**

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

Signature *Mary A. Maestas* Date 09/17/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By *Bradley G. Hill* Title **BRADLEY G. HILL** Date 10-01-08

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 ENVIRONMENTAL MANAGER

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

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

RECEIVED

SEP 23 2008

DIV. OF OIL, GAS & MINING

DRILLING PLAN

NORTH CHAPITA 342-23 NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	2,537		Shale	
Mahogany Oil Shale Bed	3,178		Shale	
Wasatch	5,515	Primary	Sandstone	Gas
Chapita Wells	6,064	Primary	Sandstone	Gas
Buck Canyon	6,731	Primary	Sandstone	Gas
North Horn	7,380	Primary	Sandstone	Gas
KMV Price River	8,118	Primary	Sandstone	Gas
KMV Price River Middle	9,019	Primary	Sandstone	Gas
KMV Price River Lower	9,851	Primary	Sandstone	Gas
Sego	10,461		Sandstone	
TD	10,650			

Estimated TD: 10,650' or 200'± TD

Anticipated BHP: 5,815 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 ½"	0 – 60'	13 ¾"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-½"	11.6#	P-110	LTC	7560 PSI	10,690 Psi	279,000#

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

All casing will be new or inspected.

DRILLING PLAN

NORTH CHAPITA 342-23 NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

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)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 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.

DRILLING PLAN

NORTH CHAPITA 342-23 NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1
Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

- EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

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

DRILLING PLAN

NORTH CHAPITA 342-23 NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

- Lead: 185 sks** 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: 207 sks** 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: 175 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: 1010 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., 5.9gps water.
- Note:** The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

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

DRILLING PLAN

NORTH CHAPITA 342-23 **NW/NE, SEC. 23, T8S, R22E, S.L.B.&M..** **UINTAH COUNTY, UTAH**

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.

13. Air Drilling Operations:

1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

(Attachment: BOP Schematic Diagram)

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:

UTU-81657

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:

North Chapita 342-23

2. NAME OF OPERATOR:
EOG Resources, Inc.

9. API NUMBER:
43-047-38951

3. ADDRESS OF OPERATOR:
1060 East Highway 40 Vernal UT 84078

PHONE NUMBER:
(435) 781-9111

10. FIELD AND POOL, OR WILDCAT:
Natural Buttes

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **857 FNL - 1790 FEL 40.113142 LAT 109.404214 LON**

COUNTY: **Uintah**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NWNE 23 8S 22E S**

STATE: **UTAH**

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

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

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

EOG Resources, Inc. requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 01-07-09
By: [Signature]

NAME (PLEASE PRINT) Mickenzie Thacker

TITLE Operations Clerk

SIGNATURE [Signature: Mickenzie Thacker]

DATE 12/29/2008

(This space for State use only)

COPY SENT TO OPERATOR

Date: 1.8.2009

Initials: KS

(See Instructions on Reverse Side)

RECEIVED

JAN 05 2009

DIV. OF OIL, GAS & MINING

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

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

API: 43-047-38951
Well Name: North Chapita 342-23
Location: 857 FNL - 1790 FEL (NWNE), SECTION 23, T8S, R22E S.L.B.&M
Company Permit Issued to: EOG Resources, Inc.
Date Original Permit Issued: 1/25/2007

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

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

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

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

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

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

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

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

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

Michellie Thacker
Signature

12/29/2008

Date

Title: Operations Clerk

Representing: EOG Resources, Inc.

RECEIVED

JAN 05 2009

DIV. OF OIL, GAS & MINING

CONDITIONS OF APPROVAL

EOG Resources, Inc.

Notice of Intent APD Extension

Lease: UTU-81657
Well: North Chapita 342-23
Location: NWNE Sec 23-T8S-R22E

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

1. The extension and APD shall expire on 10/16/2011.
2. No other extension shall be granted.

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

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: U-81657
---	--

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
--	--

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: N CHAPITA 342-23
------------------------------------	---

2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047389510000
--	---

3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
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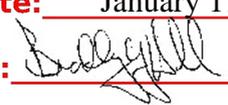
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0857 FNL 1790 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 23 Township: 08.0S Range: 22.0E Meridian: S	COUNTY: UINTAH STATE: UTAH
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11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 1/4/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER:

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

Approved by the
 Utah Division of
 Oil, Gas and Mining

Date: January 11, 2010
 By: 

NAME (PLEASE PRINT) Mickenzie Gates	PHONE NUMBER 435 781-9145	TITLE Operations Clerk
SIGNATURE N/A	DATE 1/4/2010	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047389510000

API: 43047389510000

Well Name: N CHAPITA 342-23

Location: 0857 FNL 1790 FEL QTR NWNE SEC 23 TWP 080S RNG 220E MER S

Company Permit Issued to: EOG RESOURCES, INC.

Date Original Permit Issued: 1/25/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
- Has the approved source of water for drilling changed? Yes No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No
- Is bonding still in place, which covers this proposed well? Yes No

Approved by the Utah Division of Oil, Gas and Mining

Signature: Mickenzie Gates Date: 1/4/2010 Title: Operations Clerk Representing: EOG RESOURCES, INC.

Date: January 11, 2010

By: [Signature]

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: U-81657
---	--

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
--	--

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: N CHAPITA 342-23
------------------------------------	---

2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047389510000
--	---

3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1000 N , Denver, CO, 80202	PHONE NUMBER: 435 781-9111 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
---	--	--

4. LOCATION OF WELL FOOTAGES AT SURFACE: 0857 FNL 1790 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 23 Township: 08.0S Range: 22.0E Meridian: S	COUNTY: UINTAH STATE: UTAH
---	---

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 7/2/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER:

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

EOG Resources, Inc. requests authorization to change the drilling plan on the referenced well as per the attached. Item #4: Casing Program, Intermediate Casing added; Item #9: Cement Program, Cement volumes added/changed.

Accepted by the Utah Division of Oil, Gas and Mining

Date: February 03, 2010

By: *Derek Quist*

NAME (PLEASE PRINT) Mary Maestas	PHONE NUMBER 303 824-5526	TITLE Regulatory Assistant
SIGNATURE N/A	DATE 1/29/2010	

DRILLING PLAN

NORTH CHAPITA 342-23 NW/NE, SEC. 23, T8S, R22E, S.L.B.&M., UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	2,481		Shale	
Mahogany Oil Shale Bed	3,178		Shale	
Wasatch	5,515	Primary	Sandstone	Gas
Chapita Wells	6,064	Primary	Sandstone	Gas
Buck Canyon	6,731	Primary	Sandstone	Gas
North Horn	7,380	Primary	Sandstone	Gas
KMV Price River	8,118	Primary	Sandstone	Gas
KMV Price River Middle	9,019	Primary	Sandstone	Gas
KMV Price River Lower	9,851	Primary	Sandstone	Gas
Sego	10,461		Sandstone	
TD	10,650			

Estimated TD: 10,650' or 200'± below TD

Anticipated BHP: 5,815 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGH T	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	20"	40 – 60'	14"	32.5#	A252			1880	10,000#
Surface	12.25"	0 – 2300'KB±	9.625"	36.0#	J-55	STC	2,020	3,520	394,000#
Intermediate	8.75"	0 - 7500' KB ±	7"	23.0#	N-80	LTC	3,830	6,340	442,000#
Production	6.125"	Surface – TD	4.5"	11.6#	P-110	LTC	7,560	10,690	279,000#

Note: 12-1/4" surface hole will be drilled to a total depth of 2300'± and cased w/ 9-5/8" 36#. Drilled depth may be shallower or deeper than the 2300' shown above.

7" Intermediate casing will only be run if needed to reach TD.

All casing will be new or inspected.

DRILLING PLAN

NORTH CHAPITA 342-23 NW/NE, SEC. 23, T8S, R22E, S.L.B.&M., UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe
Insert Float Collar (PDC drillable)
Centralizers: 1-5' above shoe, top of jts.

Intermediate Hole Procedure (0' - 7500'±)

Guide Shoe
Insert Float Collar (PDC drillable)
Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint with 15 total.

Production Hole Procedure (0'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 3rd joint to 400' above the top of primary objective. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

DRILLING PLAN

NORTH CHAPITA 342-23 **NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.,** **UINTAH COUNTY, UTAH**

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Intermediate Hole Procedure (2300 - 7500'±):

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

Production Hole Procedure (7500'± - TD):

Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

7500'± - TD

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

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1 Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

- EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

DRILLING PLAN

NORTH CHAPITA 342-23
NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.,
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
CBL/CCL/VDL/GR

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 250'±):

Tail: 400 sks 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.

Intermediate Hole Procedure (Surface - 7500'±):

Lead: 135 sks 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: 920 sks 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 400' above the Green River formation and are based on gauge hole.

Production Hole Procedure (3000'± - TD)

Lead: 240 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: 315 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., 5.9gps water.

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

Cement volumes are based upon gauge-hole plus 45% excess.

DRILLING PLAN

NORTH CHAPITA 342-23 NW/NE, SEC. 23, T8S, R22E, S.L.B.&M., UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Intermediate Hole (2300 - 7500'±):

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

Production Hole (7500'± - 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.

13. Air Drilling Operations:

1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

(Attachment: BOP Schematic Diagram)

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: U-81657
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SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
--	--

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: N CHAPITA 342-23
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2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047389510000
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3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
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4. LOCATION OF WELL FOOTAGES AT SURFACE: 0857 FNL 1790 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 23 Township: 08.0S Range: 22.0E Meridian: S	COUNTY: UINTAH STATE: UTAH
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11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 2/8/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER:

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

EOG Resources, Inc. requests authorization to change the drilling plan on the referenced well as per the attached. Item #4: Casing Program, Surface Casing changed Item #9: Cement Program, Cement volumes changed

Accepted by the Utah Division of Oil, Gas and Mining

Date: February 11, 2010

By: *Derek Duff*

NAME (PLEASE PRINT) Mickenzie Gates	PHONE NUMBER 435 781-9145	TITLE Operations Clerk
SIGNATURE N/A	DATE 2/8/2010	

DRILLING PLAN

NORTH CHAPITA 342-23
NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.,
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	2,481		Shale	
Mahogany Oil Shale Bed	3,178		Shale	
Wasatch	5,515	Primary	Sandstone	Gas
Chapita Wells	6,064	Primary	Sandstone	Gas
Buck Canyon	6,731	Primary	Sandstone	Gas
North Horn	7,380	Primary	Sandstone	Gas
KMV Price River	8,118	Primary	Sandstone	Gas
KMV Price River Middle	9,019	Primary	Sandstone	Gas
KMV Price River Lower	9,851	Primary	Sandstone	Gas
Sego	10,461		Sandstone	
TD	10,650			

Estimated TD: 10,650' or 200'± below TD

Anticipated BHP: 5,815 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGH T	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	20"	40 – 60'	14"	32.5#	A252			1880	10,000#
Surface	12.25"	0 – 3100'KB±	9.625"	36.0#	J-55	STC	2,020	3,520	394,000#
Intermediate*	8.75"	0 - 7500' KB ±	7"	23.0#	N-80	LTC	3,830	6,340	442,000#
Production	6.125"	Surface – TD	4.5"	11.6#	P-110	LTC	7,560	10,690	279,000#

Note: 12-1/4" surface hole will be drilled to a total depth of 3100'± and cased w/ 9-5/8" 36#. Drilled depth may be shallower or deeper than the 3100' shown above.

***7" Intermediate casing will only be run if needed to reach TD.**

All casing will be new or inspected.

DRILLING PLAN

NORTH CHAPITA 342-23 NW/NE, SEC. 23, T8S, R22E, S.L.B.&M., UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe
Insert Float Collar (PDC drillable)
Centralizers: 1-5' above shoe, top of jts.

Intermediate Hole Procedure (0' - 7500'±)

Guide Shoe
Insert Float Collar (PDC drillable)
Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint with 15 total.

Production Hole Procedure (0'± - 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 3rd joint to 400' above the top of primary objective. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

DRILLING PLAN

NORTH CHAPITA 342-23 NW/NE, SEC. 23, T8S, R22E, S.L.B.&M., UINTAH COUNTY, UTAH

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Intermediate Hole Procedure (2300 - 7500'±):

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

Production Hole Procedure (7500'± - TD):

Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

7500'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum

7. VARIANCE REQUESTS:

**Reference: Onshore Oil and Gas Order No. 1
Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations**

- EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

DRILLING PLAN

NORTH CHAPITA 342-23
NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.,
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
CBL/CCL/VDL/GR

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 3100'±):

Tail: 400 sks 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.

Intermediate Hole Procedure* (Surface - 7500'±):

Lead: 300 sks 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: 930 sks 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 400' above the Wasatch formation and are based on gauge hole with 50% excess.

Production Hole Procedure (Surface'± - TD)

Lead: 575 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: 775 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., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation with 50% excess. Lead volume to be calculated to bring cement to 400'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Price River.

Cement volumes are based upon gauge-hole plus 50% excess.

DRILLING PLAN

NORTH CHAPITA 342-23 NW/NE, SEC. 23, T8S, R22E, S.L.B.&M., UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Intermediate Hole (2300 - 7500'±):

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

Production Hole (7500'± - 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.

13. Air Drilling Operations:

1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

(Attachment: BOP Schematic Diagram)

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: U-81657
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SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
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1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: N CHAPITA 342-23
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2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047389510000
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3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
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4. LOCATION OF WELL FOOTAGES AT SURFACE: 0857 FNL 1790 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 23 Township: 08.0S Range: 22.0E Meridian: S	COUNTY: UINTAH STATE: UTAH
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11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 2/17/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
 EOG Resources, Inc. requests authorization to change the drilling plan on the referenced well as per the attached.

Accepted by the Utah Division of Oil, Gas and Mining

Date: February 17, 2010

By: *Derek Quist*

NAME (PLEASE PRINT) Mickenzie Gates	PHONE NUMBER 435 781-9145	TITLE Operations Clerk
SIGNATURE N/A	DATE 2/17/2010	

DRILLING PLAN

NORTH CHAPITA 342-23 NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	2,481		Shale	
Mahogany Oil Shale Bed	3,178		Shale	
Wasatch	5,515	Primary	Sandstone	Gas
Chapita Wells	6,064	Primary	Sandstone	Gas
Buck Canyon	6,731	Primary	Sandstone	Gas
North Horn	7,380	Primary	Sandstone	Gas
KMV Price River	8,118	Primary	Sandstone	Gas
KMV Price River Middle	9,019	Primary	Sandstone	Gas
KMV Price River Lower	9,851	Primary	Sandstone	Gas
Sego	10,461		Sandstone	
TD	10,650			

Estimated TD: 10,650' or 200'± below TD

Anticipated BHP: 5,815 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 on the 9-5/8" surface casing. All other casing strings will be isolated by cement.

3. PRESSURE CONTROL EQUIPMENT:

Intermediate/Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGH T	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	24"	0 – 90'	16"						
Surface	12.25"	0 – 3100'KB±	9.625"	36.0#	J-55	STC	2,020	3,520	394,000#
Intermediate*	8.75"	0 - 7500' KB ±	7"	23.0#	N-80	LTC	3,830	6,340	442,000#
Production	6.125"	Surface – TD	4.5"	11.6#	P-110	LTC	7,560	10,690	279,000#

Note: 12-1/4" surface hole will be drilled to a total depth of 3100'± and cased w/ 9-5/8" 36#. Drilled depth may be shallower or deeper than the 3100' shown above.

*7" Intermediate casing will only be run if needed to reach TD.

All casing will be new or inspected.

DRILLING PLAN

NORTH CHAPITA 342-23 NW/NE, SEC. 23, T8S, R22E, S.L.B.&M., UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 3100'±)

Guide Shoe
Insert Float Collar (PDC drillable)
Centralizers: 1-5' above shoe, top of jts.

Intermediate Hole Procedure* (0' - 7500'±)

Guide Shoe
Insert Float Collar (PDC drillable)
Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint with 15 total.

Production Hole Procedure (0'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, P-110 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 Formation top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 3100'±):

Air/air mist or aerated water.

Intermediate Hole Procedure* (3100 - 7500'±):

Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

A closed-loop 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

DRILLING PLAN

NORTH CHAPITA 342-23 NW/NE, SEC. 23, T8S, R22E, S.L.B.&M., UINTAH COUNTY, UTAH

Production Hole Procedure (7500'± - TD):

Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

7500'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum

7. VARIANCE REQUESTS:

Reference: **Onshore Oil and Gas Order No. 1**
Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

- EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

8. EVALUATION PROGRAM:

Logs:

Cased-hole Logs:

Mud log from base of surface casing to TD.

Cased-hole logs will be run in lieu of open-hole logs consisting of the following:

Cement Bond / Casing Collar Locator and Pulsed Neutron

DRILLING PLAN

NORTH CHAPITA 342-23
NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.,
UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

A. With Intermediate Casing String

Surface Hole Procedure (Surface - 3100'±):

Tail: **838* sks** 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.
*Does not include excess.

Intermediate Hole Procedure* (Surface - 7500'±):

Lead: **200 sks** 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: **930 sks** 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 400' above the Wasatch formation and are based on gauge hole with 50% excess.

Production Hole Procedure (Surface'± - TD)

Lead: **100 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: **650 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., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation with 50% excess. Lead volume to be calculated to bring cement to 400'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch Formation.

B. Without Intermediate Casing

Surface Hole Procedure (Surface - 3100'±):

Tail: **838* sks** 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.
*Does not include excess.

DRILLING PLAN

NORTH CHAPITA 342-23 NW/NE, SEC. 23, T8S, R22E, S.L.B.&M., UINTAH COUNTY, UTAH

Production Hole Procedure (Surface'± - TD)

Lead: 400 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: 950 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., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation with 50% excess.
Lead volume to be calculated to bring cement to 400'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Price River Formation.

Cement volumes are based upon gauge-hole plus 50% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 3100'±):

Lost circulation

Intermediate Hole* (3100 - 7500'±):

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

Production Hole (7500'± - 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:

DRILLING PLAN

NORTH CHAPITA 342-23 **NW/NE, SEC. 23, T8S, R22E, S.L.B.&M.,** **UINTAH COUNTY, UTAH**

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.

13. Air Drilling Operations:

1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
5. Mouse and Rat Hole will be pre-set.
6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

(Attachment: BOP Schematic Diagram)

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: U-81657
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SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
--	--

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: N CHAPITA 342-23
------------------------------------	---

2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047389510000
--	---

3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
--	--	--

4. LOCATION OF WELL FOOTAGES AT SURFACE: 0857 FNL 1790 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 23 Township: 08.0S Range: 22.0E Meridian: S	COUNTY: UINTAH STATE: UTAH
---	---

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 5/7/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input checked="" type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER:

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

EOG Resources, Inc. respectfully requests authorization for the disposal of produced water at the following locations: 1. NBU 20-20B SWD 2. CWU 550-30N SWD 3. CWU 2-29 SWD 4. Red Wash Evaporation Ponds 1,2,3,4,5,6&7 5. White River Evaporation Ponds 1&2 6. RNI Disposal 7. H... SWD Wells ROW# UTU86010 & UTU897093

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 May 12, 2010

NAME (PLEASE PRINT) Michelle Robles	PHONE NUMBER 307 276-4842	TITLE Regulatory Assistant
SIGNATURE N/A	DATE 5/10/2010	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: U-81657
---	--

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
--	--

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: N CHAPITA 342-23
------------------------------------	---

2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047389510000
--	---

3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
--	--	--

4. LOCATION OF WELL FOOTAGES AT SURFACE: 0857 FNL 1790 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 23 Township: 08.0S Range: 22.0E Meridian: S	COUNTY: UINTAH STATE: UTAH
---	---

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 5/7/2010	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: Drilling Operations

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

No activity has occurred since spud on May 7, 2010.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 May 17, 2010

NAME (PLEASE PRINT) Michelle Robles	PHONE NUMBER 307 276-4842	TITLE Regulatory Assistant
SIGNATURE N/A	DATE 5/10/2010	

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

FORM 6

ENTITY ACTION FORM

Operator: EOG Resources, Inc. Operator Account Number: N 9550
 Address: 1060 East Highway 40
city Vernal
state UT zip 84078 Phone Number: (307) 276-4842

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38951	N CHAPITA 342-23		NWNE	23	8S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	17606	5/7/2010			5/18/10	
Comments: <u>Wasatch/Mesaverde</u>							

Well 2

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

Well 3

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

ACTION CODES:

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

RECEIVED
MAY 18 2010

Michelle Robles

Name (Please Print)

Michelle Robles

Signature

Regulatory Assistant

Title

5/10/2010

Date

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: U-81657
---	--

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
--	--

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: N CHAPITA 342-23
------------------------------------	---

2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047389510000
--	---

3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
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4. LOCATION OF WELL FOOTAGES AT SURFACE: 0857 FNL 1790 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 23 Township: 08.0S Range: 22.0E Meridian: S	COUNTY: UINTAH STATE: UTAH
---	---

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 6/2/2010	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER:

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

No activity has occurred since spud on 5/7/2010 to 6/2/2010. Drilling operations are scheduled to begin on or about 6/10/2010.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 June 07, 2010

NAME (PLEASE PRINT) Mickenzie Gates	PHONE NUMBER 435 781-9145	TITLE Operations Clerk
SIGNATURE N/A	DATE 6/2/2010	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: U-81657
	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: N CHAPITA 342-23
2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047389510000
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0857 FNL 1790 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 23 Township: 08.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 7/1/2010	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER:

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

Please see the attached well chronology report for the referenced well showing all activity up to 7/1/2010.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 July 01, 2010

NAME (PLEASE PRINT) Michelle Robles	PHONE NUMBER 307 276-4842	TITLE Regulatory Assistant
SIGNATURE N/A	DATE 7/1/2010	

WELL CHRONOLOGY REPORT

Report Generated On: 07-01-2010

Well Name	NCW 342-23	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API #	43-047-38951	Well Class	DRIL
County, State	UINTAH, UT	Spud Date	06-13-2010	Class Date	
Tax Credit	N	TVD / MD	10,650/ 10,650	Property #	060411
Water Depth	0	Last CSG	4.5	Shoe TVD / MD	10,642/ 10,642
KB / GL Elev	4,883/ 4,866				
Location	Section 23, T8S, R22E, NWNE, 857 FNL & 1790 FEL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	50.0	NRI %	38.75

AFE No	304447	AFE Total	1,587,800	DHC / CWC	664,700/ 923,100
Rig Contr	TRUE	Rig Name	TRUE #34	Start Date	01-12-2007
01-12-2007	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 :		PBTD :	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:
			857' FNL & 1790' FEL (NW/NE)
			SECTION 23, T8S, R22E
			UINTAH COUNTY, UTAH
			LAT 40.113142, LONG 109.404214(NAD 83)
			LAT 40.113178, LONG 109.403531(NAD 27)
			TRUE # 34
			OBJECTIVE: 10650' TD, MESAVERDE
			DW/GAS
			NORTH CHAPITA PROSPECT
			DD&A FIELD: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: U-81657
			ELEVATION: 4863.7' NAT GL, 4865.9' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4866'), 4885' KB (19')
			EOG WI 50%, NRI 38.75%

04-05-2010 Reported By TERRY CSERE

Daily Costs: Drilling \$100,000 **Completion** \$0 **Daily Total** \$100,000
Cum Costs: Drilling \$100,000 **Completion** \$0 **Well Total** \$100,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION STARTED 4/5/10. STARTING ROAD. C. S. STIPS.

04-06-2010 Reported By TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$100,000 **Completion** \$0 **Well Total** \$100,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	WORKING ON ROAD AND CMPS. LOCATION 10%.

04-07-2010 Reported By TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$100,000 **Completion** \$0 **Well Total** \$100,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	WORKING ON ROAD & CMPS. LOCATION 50%.

04-08-2010 Reported By TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$100,000 **Completion** \$0 **Well Total** \$100,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	WORKING ON ROAD & CMPS. LOCATION IS 80% COMPLETE.

04-09-2010 Reported By TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$100,000 **Completion** \$0 **Well Total** \$100,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	WORKING ON ROAD AND CMPS. LOCATION 95% COMPLETE.

04-12-2010 Reported By TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$100,000 **Completion** \$0 **Well Total** \$100,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: BUILD LOCATION

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

05-07-2010 **Reported By** KENT DAVENPORT

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$100,000 **Completion** \$0 **Well Total** \$100,000
MD 80 **TVD** 80 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: SPUD NOTIFICATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	CRAIGS ROUSTABOUT SERVICE SPUD A 26" HOLE ON 5/7/10 @ 10:00 AM. SET +/-80' OF 16" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE MESSAGE AND BLM WAS NOTIFIED BY EMAIL OF SPUD ON 5/6/10 @ 10:10 AM.

05-15-2010 **Reported By** KERRY SALES

Daily Costs: Drilling \$33,882 **Completion** \$0 **Daily Total** \$33,882
Cum Costs: Drilling \$133,882 **Completion** \$0 **Well Total** \$133,882
MD 989 **TVD** 989 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	HAMMER AIR DRILLED 12 3/8" HOLE FROM 80' TO 970'. (TRUE 34 RKB DEPTH 989'). CIRCULATE, TOH AND RIG DOWN. WORT. TOPPED OFF WELL WITH 55 BARRELS OF 11.4 PPG DRILLING MUD AND COVERED THE WELL AND CELLER WITH STEEL CAGE.

06-13-2010 **Reported By** GLEN PRUET

Daily Costs: Drilling \$94,634 **Completion** \$0 **Daily Total** \$94,634
Cum Costs: Drilling \$228,517 **Completion** \$0 **Well Total** \$228,517
MD 989 **TVD** 989 **Progress** 0 **Days** 0 **MW** 10.1 **Visc** 67.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: PREP TO SPUD

Start	End	Hrs	Activity Description
06:00	11:00	5.0	RDRT, MOVING RIG FROM THE NCW 343-23 TO NCW 342-23, 0.3 MILES WITH RW JONES TRUCKING.
11:00	01:30	14.5	RURT, RAISED DERRICK 15:00 HRS. 6/12/10. NU CONDUCTOR, FLOWLINE, FLARE LINE. START DAY RATE AT 01:30 HRS, 6/13/10.
01:30	03:30	2.0	PU/LD BHA & TOOLS. TAG FILL AT 335'.
03:30	06:00	2.5	WASH/REAM FROM 335' TO 605'. (270').

TRANSFER 3192 GALLONS DIESEL FUEL, 2.40/GALLON. TRANSFER 5 JTS. 208.82' (5 JTS) 11.6# P-110 LTC CASING AND 2 MKR. JT 30.48' P-110 11.6#. TO NCW 342-23.

FULL CREWS, NO ACCIDENTS.

SAFETY MEETING TOPIC: RURT. PU BHA.

FUEL 7524 GALLONS, USED 168 GALLONS. TRANSFER 3192, RECEIVED 4500 GALLONS.

WEATHER; TEMP 49 DEG. DEWPOINT 43 DEG. WINDS ENE 8 MPH, LIGHT RAIN.

06-14-2010	Reported By	GLEN PRUET									
DailyCosts: Drilling	\$46,716	Completion	\$0	Daily Total	\$46,716						
Cum Costs: Drilling	\$275,233	Completion	\$0	Well Total	\$275,233						
MD	2,105	TVD	2,105	Progress	1,116	Days	1	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: DRILLING @ 2105'											

Start	End	Hrs	Activity Description
06:00	09:00	3.0	WASH/REAM FROM 605' TO 989'. (384'), FUNC COM F/DRILLING.
09:00	09:30	0.5	DRILLING 989' - 1011'.
09:30	10:00	0.5	SERVICE RIG.
10:00	10:30	0.5	SURVEY @ 933', 0.75 DEGREES.
10:30	18:00	7.5	DRILL 1011' TO 1664'(653' @ 87.0 F/H) 15/22 WOB, 180 RPM (60 ROT + 120 MTR), 10.0 PPG MW, 66 VIS, SPP 2385 PSI. DIFF PRESSURE 288. PUMP 760 GPM.
18:00	18:30	0.5	SURVEY @ 1587', 2.5 DEGREES.
18:30	01:00	6.5	DRILL 1664' TO 2005'(341' @ 52.46 F/H) 15/22 WOB, 185 RPM (70 ROT + 115 MTR), 10.2 PPG MW, 68 VIS, SPP 2455 PSI. DIFF PRESSURE 310. PUMP 722 GPM.
01:00	03:00	2.0	HOLE PACKED OFF, WORKED PIPE FREE. LOST 350 BBLS MUD.
03:00	06:00	3.0	DRILL 2005' TO 2105'(100' @ 33.3 F/H) 18 WOB, 120 RPM (67 ROT + 113 MTR), 10.1 PPG MW, 55 VIS, SPP 2455 PSI. DIFF PRESSURE 310. PUMP 710 GPM.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.

SAFETY MEETING TOPICS; RIG INSPECTION AFTER RIG MOVE. DRILLING SURFACE HOLE.

FUEL ON HAND 6042. FUEL USED 1158.

CURRENT MUD WEIGHT 10.1 PPG, VIS 55.

WEATHER; TEMP 49 DEG. DEWPOINT 44 DEG. WINDS WNW @ 3 MPH, 10 MI. VIS.

06:00 SPUD 12 1/4" SURFACE HOLE AT 09:00 HRS, 6/13/10.

06-15-2010	Reported By	GLEN PRUET									
DailyCosts: Drilling	\$57,560	Completion	\$0	Daily Total	\$57,560						
Cum Costs: Drilling	\$332,793	Completion	\$0	Well Total	\$332,793						
MD	2,421	TVD	2,421	Progress	316	Days	2	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: DRILLING @ 2421'											

Start	End	Hrs	Activity Description
06:00	11:00	5.0	DRILL 2105' TO 2286'(181' @ 36.2 F/H) 18 WOB, 120 RPM (67 ROT + 113 MTR), 10.1 PPG MW, 55 VIS, SPP 2455 PSI. DIFF PRESSURE 310. PUMP 710 GPM. (FUNC COM @ 2129'). HOLE TAKING MUD AND STICKY.
FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.			
SAFETY MEETING TOPICS; RIG INSPECTION AFTER RIG MOVE. DRILLING SURFACE HOLE.			
FUEL ON HAND 6042. FUEL USED 1158.			
CURRENT MUD WEIGHT 10.1 PPG, VIS 55.			
WEATHER; TEMP 49 DEG. DEWPOINT 44 DEG. WINDS WNW @ 3 MPH, 10 MI. VIS.			

11:00 13:00 2.0 POOH, TIGHT F/2145' TO 1952' AND @ 626'.
 13:00 14:00 1.0 L/D MOTOR, CHANGED BIT. P/U BIT SUB & HUGHES GX-30DXO BUTTON BIT.
 14:00 15:00 1.0 BUILD VOLUME IN MUD TANKS. REPLACE MUD LOST TO HOLE ON TRIP OUT.
 15:00 15:30 0.5 SERVICE RIG
 15:30 17:00 1.5 TIH NO TIGHT SPOTS .
 17:00 18:00 1.0 WASH/REAM TO BOTTOM FROM 2184' - 2286' , 25' FILL ON BOTTOM.
 18:00 06:00 12.0 DRILLING WITH NO RETURNS TO PARTIAL RETURNS TO FULL PUMP RATE AND RETURNS.
 DRILL 2286' TO 2421' (135' @ 11.29 F/H) 18/36 WOB, 55/80 RPM 300 / 665 GPM, 140 / 2050 PP. 10.1 / 9.4, 75 / 48 VIS. (FUNC COM F/DRLG MODE). (REGAINED CIRCULATION @ 2350'. TOTAL 3000 BBLs. EST. LOSS).
 DRILLING GREEN RIVER SHALE FORMATION F/2335'.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETING TOPICS; DRILLING LOSING MUD. LOSS CIRC. MIXING MUD IN SURFACE HOLE.
 FUEL ON HAND 5016. FUEL USED 1026.
 CURENT MUD WEIGHT 9.4 PPG, VIS 48.
 WEATHER; TEMP 48 DEG. DEWPOINT 41 DEG. WINDS W @ 7 MPH, 10 MI. VIS.

06-16-2010		Reported By		GLEN PRUET							
DailyCosts: Drilling	\$47,510	Completion	\$0	Daily Total	\$47,510						
Cum Costs: Drilling	\$380,303	Completion	\$0	Well Total	\$380,303						
MD	2,731	TVD	2,731	Progress	310	Days	3	MW	9.3	Visc	45.0
Formation :		PBTD : 0.0			Perf :		PKR Depth : 0.0				
Activity at Report Time: DRILLING @ 2731'											

Start	End	Hrs	Activity Description
06:00	13:30	7.5	DRILL 2421' - 2604'. (183' @ 24.4 F/H) WOB 37K, RPM 90, SPP 1945 PSI. DRILLING GREEN RIVER F/2335', BIRDSNEST ZONE F/2585'.
13:30	14:00	0.5	SERVICE RIG.
14:00	15:30	1.5	DRILL 2604' - 2636'. (32' @ 21.3 F/H) WOB 37K, RPM 90, SPP 1945 PSI.
15:30	16:00	0.5	SURVEY @ 2500', 1.37 DEGREES.
16:00	18:30	2.5	DRILL 2636' - 2674'. (38' @ 15.2 F/H) WOB 38K, RPM 90, SPP 1945 PSI.
18:30	23:00	4.5	TFNB @ 2674'. HOLE TIGHT F/2253' - 2070'. P/U MOTOR AND BIT #3.
23:00	00:30	1.5	TIH WITH BIT #3 TO 2035'.
00:30	04:30	4.0	WASH/REAM F/2035' - 2674' (639') TO BOTTOM. 15' FILL.. GAINED 68 BBLs MUD.
04:30	06:00	1.5	DRILL 2674' TO 2731' (57' @ 38.0 F/H) 18 WOB, 169 RPM (60 ROT + 109 MTR), 9.4 PPG MW, 58 VIS, SPP 2150 PSI. DIFF PRESSURE 145. PUMP 684 GPM. DRILLING BIRDNEST ZONE.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETING TOPICS; MIXING CHEMICALS, TRIP. P/U BHA.
 FUEL ON HAND 3876. FUEL USED 1140.
 CURENT MUD WEIGHT 9.4 PPG, VIS 58.
 WEATHER; TEMP 54 DEG. DEWPOINT 40 DEG. WINDS WNW @ 7 MPH, 10 MI. VIS.

06-17-2010		Reported By		JOHNNY TURNER							
DailyCosts: Drilling	\$35,302	Completion	\$0	Daily Total	\$35,302						
Cum Costs: Drilling	\$415,606	Completion	\$0	Well Total	\$415,606						
MD	3,070	TVD	3,070	Progress	339	Days	4	MW	9.5	Visc	48.0
Formation :		PBTD : 0.0			Perf :		PKR Depth : 0.0				

Activity at Report Time: WIPER TRIP

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRILL 2731' TO 2878' (147' @ 16.3 F/H) 20-25 WOB, 169 RPM (60 ROT + 109 MTR), 9.4 PPG MW, 58 VIS, SPP 2150 PSI. DIFF PRESSURE 145. PUMP 684 GPM. DRILLING BIRDNEST ZONE.
15:00	15:30	0.5	SERVICE RIG.
15:30	03:30	12.0	DRILL FROM 2878' TO 3070' (192', 16 FPH) 20-25 WOB, 169 RPM (60 ROT, 109 MTR) 9.6 MW, 60 VIS, SPP 2150, DIFF. 145, PUMP 684 GPM, DRILLING BIRD NEST FORMATION.
03:30	04:30	1.0	CIRC. & CONDITION HOLE FOR WIPER TRIP.
04:30	06:00	1.5	MAKE WIPER TRIP TO RUN SURFACE CASING, TD @ 3070' (WORKING TIGHT HOLE @ 2550').

NO INCIDENT, NO ACCIDENT, FULL CREWS
COM CHECK ,TRIPPING
FUEL 8376 GAL, 1536 USED

06-18-2010 **Reported By** JOHNNY TURNER

DailyCosts: Drilling	\$81,264	Completion	\$0	Daily Total	\$81,264						
Cum Costs: Drilling	\$496,870	Completion	\$0	Well Total	\$496,870						
MD	3,070	TVD	3,070	Progress	0	Days	5	MW	9.7	Visc	48.0
Formation :		PBTD :	0.0	Perf :		PKR Depth :	0.0				

Activity at Report Time: TESTING BOP

Start	End	Hrs	Activity Description
06:00	08:30	2.5	WIPER TRIP TO 600' & TRIP IN HOLE (NO FILL).
08:30	10:00	1.5	CIRC. & COND. HOLE TO RUN SURFACE CASING.
10:00	12:00	2.0	TRIP OUT OF HOLE TO RUN SURFACE CASING.
12:00	12:30	0.5	SAFETY MEETING W/ FRANKS LAYDOWN CREW & RIG UP LAY DOWN MACHINE TO LAY DOWN 8" TOOLS.
12:30	13:30	1.0	LAY DOWN 8" TOOLS.
13:30	14:30	1.0	SAFETY MEETING W/ FRANKS CASING CREW & RIG UP CASERS.
14:30	19:00	4.5	RUN 71JTS OF 9 5/8", 36#, J-55 ST&C SURFACE CASING(LANDED @ 3055.68').
19:00	20:30	1.5	CIRCULATE CASING ON BOTTOM & RIG UP CEMENTERS.
20:30	22:30	2.0	CEMENT W/ SCHLUMBERGER, PUMPED 20 BBL SPACER, 410SK.(290.6 BBL) 11#, 3.98 YIELD, TYPE G CEMENT LEAD CEMENT W/ 12% BENTONITE, 1% SODIUM META-SILICATE, .25% FLUID LOSS ADDITIVE, .2% ANTI FOAM AGENT, .25#/SK CELLOPANE FLAKE, 5% SODIUM CHLORIDE, 2# BBL CEM NET. 150SK (31BBL) 15.8#, 1.16 YIELD TYPE G TAIL CEMENT W/ .25# CELLOPHANE FLAKE. DISPLACED W/ 232 BBL OF FRESH WATER. BUMP PLUG, HELD PRESSURE FOR 5 MIN., RELEASED PRESSURE, FLOAT HELD. WE HAD ABOUT 80% RETURN THROUGH JOB TIL 150 BBL INTO DISPLACEMENT. RETURNS KEEP GETTING LESS INTO DISPLACEMENT. AT 210 BBL INTO DISPLACEMENT WE LOST ALL RETURNS.
22:30	00:00	1.5	RIG DOWN CEMENT HEAD, LAYDOWN LANDING JOINT, NIPPLE DOWN CONDUCTOR & REMOVE.
00:00	00:30	0.5	RIG UP CEMENTERS TO DO TOP JOB.
00:30	01:30	1.0	PUMP 100SK (20 BBL) OF 15.8# CEMENT W/ 3 BBL CEMENT TO SURFACE.
01:30	02:30	1.0	WASH UP CEMENTERS & RIG DOWN CEMENTERS.
02:30	05:30	3.0	NIPPLE UP BOP.
05:30	06:00	0.5	TEST UPPER & LOWER KELLY VALVE, FLOOR VALVE, BOP TO 3000#.

NO ACCIDENT, INCIDENT W/ MBT BACKED INTO PRE-MIX TANK NO DAMAGE TO PRE-MIX TANK, BUT DAMAGED TRUCK ON DRIVERS SIDE

FULL CREWS, FUEL 6270 GALS, USED 570 GALS., COM CHECK TRIPPING

06-19-2010		Reported By		JOHNNY TURNER							
DailyCosts: Drilling		\$26,043	Completion		\$0	Daily Total		\$26,043			
Cum Costs: Drilling		\$522,914	Completion		\$0	Well Total		\$522,914			
MD	4,100	TVD	4,100	Progress	1,020	Days	6	MW	9.1	Visc	36.0
Formation :		PBTD : 0.0			Perf :		PKR Depth : 0.0				
Activity at Report Time: DRILLING @ 4100'											
Start	End	Hrs	Activity Description								
06:00	08:00	2.0	TEST BOP, CHOKE MANIFOLD, KILL LINE VALVES 3000#, ANNULAR 1500#								
08:00	08:30	0.5	TEST CASING @ 1500# FOR 30 MIN.								
08:30	09:00	0.5	INSTALL WEAR BUSHING								
09:00	11:00	2.0	PICK UP MUD MOTOR, BIT & TRIP IN HOLE								
11:00	11:30	0.5	INSTALL DRIVE BUSHING ON KELLY & INSTALL ROTATING HEAD RUBBER								
11:30	13:00	1.5	DRILL CEMENT & FLOAT EQUIPMENT & 15' OF NEWHOLE								
13:00	13:30	0.5	F.I.T. @ 3085', 246 PSI (HELD) EWM 10.5								
13:30	16:30	3.0	DRILL FROM 3085' TO 3256' = 171' ROP 57', SPP 2200#, DIFF. 150-270, ROTARY 40-60 (MM 76), WOB 12-20, MUD WIEGHT 9#, VIS 40, MAHOGANY OIL SHALE BED FORMATION								
16:30	17:00	0.5	SERVICE RIG								
17:00	02:00	9.0	DRILL FROM 3256' TO 3911' = 655' ROP 72.7, SPP 2300#,DIFF 150-270, ROTARY 40-60, MM 76, WOB 15-20, MUD WEIGHT 9.1, VIS 38								
02:00	03:00	1.0	REPAIR #1 FLOOR MOTOR CLUTCH HOSE								
03:00	06:00	3.0	DRILL FROM 3911' TO 4100' = 189' ROP 63, SPP 2300#, DIFF 150-250, ROTARY 40-60, MM 76, WOB 15-20, MUD WEIGHT 9.1, VIS 38								
NO INCIDENT, NO ACCIDENT											
FULL CREWS											
COM CHECK DRILLING & TRIPPING											
FUEL 5244 GALS. USED 1026 GALS.											

06-20-2010		Reported By		JOHNNY TURNER							
DailyCosts: Drilling		\$148,888	Completion		\$0	Daily Total		\$148,888			
Cum Costs: Drilling		\$670,264	Completion		\$0	Well Total		\$670,264			
MD	5,402	TVD	5,402	Progress	1,302	Days	7	MW	9.1	Visc	37.0
Formation :		PBTD : 0.0			Perf :		PKR Depth : 0.0				
Activity at Report Time: DRILLING @ 5402'											
Start	End	Hrs	Activity Description								
06:00	06:30	0.5	DRILL FROM 4100' TO 4130' = 30, , ROP 60, SPP 2300, DIFF 160- 200, WOB 15- 20, RPM 45-60 (MM 76), MUD WEIGHT 9.1, VIS 38								
06:30	07:00	0.5	SURVEY @ 4050, 2.28 DEGREE								
07:00	11:30	4.5	DRILL FROM 4130' TO 4630' = 300', ROP 66.7, SPP 2225, DIFF 200-290, WOB 15-20, RPM 40-60, (MM76), MUD WEIGHT 9.1, VIS 38								
11:30	12:00	0.5	SERVICE RIG								
12:00	21:00	9.0	DRILL FROM 4630' TO 5161' = 531', ROP 59, SPP 2190, DIFF 150-250, WOB 15-20, RPM 40-60,(MM76), MUD WEIGHT 9.3, VIS 38, MAHOGANY FORMATION								
21:00	21:30	0.5	SURVEY @ 5078 2.42 DEGREE								

21:30 06:00 8.5 DRILL FROM 5161' TO 5402' = 241', ROP 28.4, SPP 2280, DIFF 100-260, WOB 15-20, RPM 40-60, MM 76, MUD WEIGHT 9.3, VIS 38.

NO ACCIDENT, NO INCIDENT
FULL CREWS
COM. CHECK DRILLING
FUEL 3762 GALS, USED 1482 GALS

06-21-2010	Reported By	JOHNNY TURNER									
DailyCosts: Drilling	\$42,159	Completion	\$0	Daily Total	\$42,159						
Cum Costs: Drilling	\$712,424	Completion	\$0	Well Total	\$712,424						
MD	6,148	TVD	6,148	Progress	701	Days	8	MW	9.5	Visc	36.0
Formation :	PBTD : 0.0		Perf :		PKR Depth : 0.0						

Activity at Report Time: DRILLING @ 6148'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILL FROM 5402' TO 5427' = 25', ROP 25, SPP 2400, DIFF. 60-150, WOB 18-25, RPM 40-60, MM 79, MUD WEIGHT 9.4, VIS 38
07:00	07:30	0.5	CIRC. & BUILD & PUMP PILL
07:30	09:30	2.0	TRIP OUT OF HOLE FOR BIT #4
09:30	10:30	1.0	LAY DOWN BIT & MOTOR & PICK UP FRESH BIT & FRESH MOTOR
10:30	11:30	1.0	TRIP IN HOLE TO CASING SHOE, TEST MOTOR. PUMP PRESSURE WAS HIGH & FLUCTUATING A 1000#
11:30	14:00	2.5	TRIP OUT OF HOLE TO CHECK MOTOR. BROKE OFF BIT & BIT WAS FULL OF RUBBER FROM MOTOR.
14:00	14:30	0.5	CHANGE OUT MOTOR
14:30	16:30	2.0	TRIP IN HOLE WITH BIT #5. FILL PIPE @ 3100
16:30	17:00	0.5	WASH 46' TO BOTTOM (NO FILL)
17:00	18:00	1.0	DRILL FROM 5427' TO 5472' = 45', ROP 45, WOB 12-18, SPP 2475, DIFF. 200-300, RPM 40-50, MM76, MUD WEIGHT 9.4, VIS 38
18:00	18:30	0.5	SERVICE RIG
18:30	06:00	11.5	DRILL FROM 5472' TO 6148' = 676', ROP 54FPH, WOB 15-20, SPP 2280, DIFF. 100-350, RPM 40-50, MM 76, MUD WEIGHT 9.6, VIS 38., WASATCH 5555', CHAPITA WELLS 6099'.

NO INCIDENT, NO ACCIDENT, FULL CREWS
COM CHECK DRILLING & TRIPPING
FUEL 7296 GAL., USED 966 GAL.

06-22-2010	Reported By	JOHNNY TURNER									
DailyCosts: Drilling	\$23,197	Completion	\$4,516	Daily Total	\$27,713						
Cum Costs: Drilling	\$735,621	Completion	\$4,516	Well Total	\$740,137						
MD	7,317	TVD	7,317	Progress	1,169	Days	9	MW	9.7	Visc	41.0
Formation :	PBTD : 0.0		Perf :		PKR Depth : 0.0						

Activity at Report Time: DRILLING @ 7317'

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILL FROM 6148' TO 6192' = 44', ROP 88 FPH, WOB 15-20, SPP 2280, DIFF. 200-300, RPM 45-50, MM 79, MUD WEIGHT 9.7, VIS 40, CHAPITA WELLS 6099
06:30	07:00	0.5	SERVICE RIG
07:00	07:30	0.5	SURVEY @ 6111' @ 1.8 DEGREE

07:30 06:00 22.5 DRILL FROM 6192' TO 7317'= 1169', ROP 50.8 FPH, WOB 18-24, SPP 2450, DIFF 200-350, RPM 45-50, MM 78, MUD WEIGHT 9.8, VIS40, BUCK CANYON 6784'
 NO INCIDENT, NO ACCIDENT
 FULL CREWS
 COM CHECK DRILLING
 FUEL 5928 GALS, USED 1368 GALS

06-23-2010 **Reported By** JOHNNY TURNER
Daily Costs: Drilling \$42,414 **Completion** \$2,323 **Daily Total** \$44,737
Cum Costs: Drilling \$778,035 **Completion** \$6,839 **Well Total** \$784,874
MD 8,036 **TVD** 8,036 **Progress** 719 **Days** 10 **MW** 9.8 **Visc** 38.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**
Activity at Report Time: DRILLING @ 8036'

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRILL, 126', ROP 42 FPH, WOB 18-24, SPP 2500, DIFF. 100-300, RPM 40-50, MM78, MUD WEIGHT 9.9, VIS 38, BUCK CANYON 6784'
09:00	09:30	0.5	SERVICE RIG
09:30	06:00	20.5	DRILL, 593', ROP 28.9 FPH, WOB 18-25, SPP 2375, DIFF. 100-300, RPM 40-50, MM 76, MUD WEIGHT 9.8, VIS 40.

NO INCIDENTS, NO ACCIDENTS
 FULL CREWS
 COM CHECK DRILLING
 FUEL 4466 GALS, USED 1494 GALS

06-24-2010 **Reported By** JOHNNY TURNER
Daily Costs: Drilling \$34,212 **Completion** \$0 **Daily Total** \$34,212
Cum Costs: Drilling \$812,248 **Completion** \$6,839 **Well Total** \$819,087
MD 8,808 **TVD** 8,808 **Progress** 772 **Days** 11 **MW** 9.8 **Visc** 38.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**
Activity at Report Time: DRILLING @ 8808'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILL, 23', ROP 23FPH, WOB 20-25, RPM 40-50, MM 76, SPP 2375, DIFF. 100-300, WUD WEIGHT 9.8, VIS 40, FORMATION: BUCK HORN 7469'
07:00	07:30	0.5	SERVICE RIG
07:30	08:00	0.5	SURVEY @ 8024', 2.22 DEGREE
08:00	11:00	3.0	TRIP OUT OF HOLE WITH BIT #5, LAY DOWN REAMERS & CHANGE BIT FROM 8 3/4" TO 7 7/8" BIT
11:00	12:00	1.0	TRIP IN HOLE WITH BIT #6
12:00	13:00	1.0	SLIP & CUT 110' OF DRILL LINE, (FILL PIPE)
13:00	14:30	1.5	TRIP IN HOLE WITH BIT #6 (FILL PIPE @ 6759')
14:30	15:00	0.5	WASH & REAM 96' (NO FILL)
15:00	06:00	15.0	DRILL, 749', ROP 49.9 FPH, SPP 2400, DIF. 150-350, WOB 20-25, RPM 40-50, MM 68, MUD WEIGHT 10.0, VIS 38, FORMATION- PRICE RIVER- 8114'.

NO INCIDENT, NO ACCIDENT
 FULL CREWS
 COM CHECK DRILLING & TRIPPING
 FUEL 3192 GALS, USED 1274 GALS

06-25-2010 **Reported By** JOHNNY TURNER

Daily Costs: Drilling \$48,763 **Completion** \$0 **Daily Total** \$48,763
Cum Costs: Drilling \$861,012 **Completion** \$6,839 **Well Total** \$867,851

MD 10,028 **TVD** 10,028 **Progress** 1,220 **Days** 12 **MW** 10.0 **Visc** 40.0

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

Activity at Report Time: DRILLING @ 10028'

Start	End	Hrs	Activity Description
06:00	13:30	7.5	DRILL, 406', ROP 54.1, WOB 20-25, SPP 2400, DIF. 100-300, RPM 40-50, MM 69, MUD WEIGHT 10, VIS 39, FORMATION- PRICE RIVER MIDDLE 9032'
13:30	14:00	0.5	SERVICE RIG
14:00	06:00	16.0	DRILL, 814', ROP 50.9, WOB 20-25, SPP 2375, DIF. 70-300, RPM 40-50, MM 67, MUD WEIGHT 10.1, VIS 41, FORMATION- LOWER PRICE 9901'.

NO INCIDENT, NO ACCIDENT
 FULL CREWS
 BOP DRILL, BOTH CREWS
 FUEL 5814 GALS, USED 1378 GALS

06-26-2010 **Reported By** JOHNNY TURNER

Daily Costs: Drilling \$37,966 **Completion** \$0 **Daily Total** \$37,966
Cum Costs: Drilling \$898,978 **Completion** \$6,839 **Well Total** \$905,817

MD 10,650 **TVD** 10,650 **Progress** 622 **Days** 13 **MW** 10.4 **Visc** 39.0

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

Activity at Report Time: LAYING DOWN DRILLPIPE

Start	End	Hrs	Activity Description
06:00	14:30	8.5	DRILL, 438', ROP 51.5 FPH, WOB 20-25, RPM 40-50, MM 69, SPP 2600, DIFF. 200-400, MUD WEIGHT 10.4, VIS 42, FORMATION- PRICE RIVER 9901', SEGO 10457'
14:30	15:00	0.5	SERVICE RIG
15:00	19:00	4.0	DRILL, 184', ROP 46 FPH, WOB 20-25, RPM 40-50, MM 69, SPP 2700, DIFF. 100-350, MUD WEIGHT 10.5, VIS 41, FORMATION- SEGO. REACHED TD @ 19:00 HRS, 6/25/10.
19:00	20:30	1.5	CIRCULATE FOR SHORT TRIP
20:30	23:00	2.5	SHORT TRIP 28 STDS UP TO 8.75" HOLE
23:00	01:00	2.0	CIRCULATE TO LAY DOWN DRILL PIPE & RIG UP LAY DOWN TRUCK
01:00	01:30	0.5	DROP SURVEY & PUMP SLUG.
01:30	06:00	4.5	LAY DOWN DRILLPIPE.

NO INCIDENT, NO ACCIDENT
 FULL CREWS
 COM CHECK DRILLING & TRIPPING
 FUEL 4560 GALS, USED 1254 GALS

06-27-2010 **Reported By** JOHNNY TURNER

Daily Costs: Drilling \$30,428 **Completion** \$199,446 **Daily Total** \$229,874
Cum Costs: Drilling \$927,851 **Completion** \$206,285 **Well Total** \$1,134,136

MD 10,650 **TVD** 10,650 **Progress** 0 **Days** 14 **MW** 10.5 **Visc** 40.0

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: U-81657
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SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
--	--

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: N CHAPITA 342-23
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2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047389510000
--	---

3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
--	--	--

4. LOCATION OF WELL FOOTAGES AT SURFACE: 0857 FNL 1790 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 23 Township: 08.0S Range: 22.0E Meridian: S	COUNTY: UINTAH STATE: UTAH
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11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 7/16/2010	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input checked="" type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER:

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

The referenced well was turned to sales on 7/14/2010. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 July 20, 2010

NAME (PLEASE PRINT) Nanette Lupcho	PHONE NUMBER 435 781-9157	TITLE Regulatory Assistant
SIGNATURE N/A	DATE 7/16/2010	

WELL CHRONOLOGY REPORT

Report Generated On: 07-16-2010

Well Name	NCW 342-23	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API #	43-047-38951	Well Class	COMP
County, State	UINTAH, UT	Spud Date	06-13-2010	Class Date	07-14-2010
Tax Credit	N	TVD / MD	10,650/ 10,650	Property #	060411
Water Depth	0	Last CSG	4.5	Shoe TVD / MD	10,642/ 10,642
KB / GL Elev	4,883/ 4,866				
Location	Section 23, T8S, R22E, NWNE, 857 FNL & 1790 FEL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	50.0	NRI %	38.75

AFE No	304447	AFE Total	1,587,800	DHC / CWC	664,700/ 923,100
Rig Contr	TRUE	Rig Name	TRUE #34	Start Date	01-12-2007
Rig Contr	TRUE	Rig Name	ROYAL RIG 1	Start Date	01-12-2007
01-12-2007	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 :	PBTD : 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: 857' FNL & 1790' FEL (NW/NE) SECTION 23, T8S, R22E UINTAH COUNTY, UTAH LAT 40.113142, LONG 109.404214(NAD 83) LAT 40.113178, LONG 109.403531(NAD 27) TRUE # 34 OBJECTIVE: 10650' TD, MESAVERDE DW/GAS NORTH CHAPITA PROSPECT DD&A FIELD: CHAPITA DEEP NATURAL BUTTES FIELD LEASE: U-81657 ELEVATION: 4863.7' NAT GL, 4865.9' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4866'), 4885' KB (19') EOG WI 50%, NRI 38.75%

04-05-2010 Reported By TERRY CSERE

DailyCosts: Drilling \$100,000 Completion \$0 Daily Total \$100,000

Cum Costs: Drilling \$100,000 Completion \$0 Well Total \$100,000

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

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Table with 4 columns: Start, End, Hrs, Activity Description. Row 1: 06:00, 06:00, 24.0, LOCATION STARTED 4/5/10. STARTING ROAD. C. S. STIPS.

04-06-2010 Reported By TERRY CSERE

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

Cum Costs: Drilling \$100,000 Completion \$0 Well Total \$100,000

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

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Table with 4 columns: Start, End, Hrs, Activity Description. Row 1: 06:00, 06:00, 24.0, WORKING ON ROAD AND CMPS. LOCATION 10%.

04-07-2010 Reported By TERRY CSERE

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

Cum Costs: Drilling \$100,000 Completion \$0 Well Total \$100,000

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

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Table with 4 columns: Start, End, Hrs, Activity Description. Row 1: 06:00, 06:00, 24.0, WORKING ON ROAD & CMPS. LOCATION 50%.

04-08-2010 Reported By TERRY CSERE

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

Cum Costs: Drilling \$100,000 Completion \$0 Well Total \$100,000

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

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Table with 4 columns: Start, End, Hrs, Activity Description. Row 1: 06:00, 06:00, 24.0, WORKING ON ROAD & CMPS. LOCATION IS 80% COMPLETE.

04-09-2010 Reported By TERRY CSERE

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

Cum Costs: Drilling \$100,000 Completion \$0 Well Total \$100,000

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

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Table with 4 columns: Start, End, Hrs, Activity Description. Row 1: 06:00, 06:00, 24.0, WORKING ON ROAD AND CMPS. LOCATION 95% COMPLETE.

04-12-2010 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
Cum Costs: Drilling \$100,000 Completion \$0 Well Total \$100,000

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

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description
06:00 06:00 24.0 LOCATION COMPLETE.START CLOSED LOOP TUES.

04-13-2010 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
Cum Costs: Drilling \$100,000 Completion \$0 Well Total \$100,000

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

Activity at Report Time: BUILD LOCATION

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

04-14-2010 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
Cum Costs: Drilling \$100,000 Completion \$0 Well Total \$100,000

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

Activity at Report Time: BUILD LOCATION

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

04-15-2010 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
Cum Costs: Drilling \$100,000 Completion \$0 Well Total \$100,000

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

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description
06:00 06:00 24.0 GEL CLOSED LOOP.

04-16-2010 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
Cum Costs: Drilling \$100,000 Completion \$0 Well Total \$100,000

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

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description
06:00 06:00 24.0 GEL CLOSED LOOP.

04-19-2010 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
Cum Costs: Drilling \$100,000 Completion \$0 Well Total \$100,000

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

Activity at Report Time: BUILD LOCATION

Table with 4 columns: Start, End, Hrs, Activity Description. Row 1: 06:00, 06:00, 24.0, GEL CLOSED LOOP.

04-20-2010 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
Cum Costs: Drilling \$100,000 Completion \$0 Well Total \$100,000

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

Activity at Report Time: BUILD LOCATION

Table with 4 columns: Start, End, Hrs, Activity Description. Row 1: 06:00, 06:00, 24.0, GEL CLOSED LOOP.

04-21-2010 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
Cum Costs: Drilling \$100,000 Completion \$0 Well Total \$100,000

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

Activity at Report Time: BUILD LOCATION

Table with 4 columns: Start, End, Hrs, Activity Description. Row 1: 06:00, 06:00, 24.0, GEL CLOSED LOOP.

04-22-2010 Reported By NATALIE BRAYTON

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
Cum Costs: Drilling \$100,000 Completion \$0 Well Total \$100,000

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

Activity at Report Time: BUILD LOCATION

Table with 4 columns: Start, End, Hrs, Activity Description. Row 1: 06:00, 06:00, 24.0, GEL CLOSED LOOP.

04-23-2010 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
Cum Costs: Drilling \$100,000 Completion \$0 Well Total \$100,000

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

Activity at Report Time: BUILD LOCATION

Table with 4 columns: Start, End, Hrs, Activity Description. Row 1: 06:00, 06:00, 24.0, GEL CLOSED LOOP.

04-26-2010 **Reported By** TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$100,000 **Completion** \$0 **Well Total** \$100,000

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

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

Activity at Report Time: BUILD LOCATION

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

05-07-2010 **Reported By** KENT DAVENPORT

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$100,000 **Completion** \$0 **Well Total** \$100,000

MD 80 **TVD** 80 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: SPUD NOTIFICATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	CRAIGS ROUSTABOUT SERVICE SPUD A 26" HOLE ON 5/7/10 @ 10:00 AM. SET +/-80' OF 16" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE MESSAGE AND BLM WAS NOTIFIED BY EMAIL OF SPUD ON 5/6/10 @ 10:10 AM.

05-15-2010 **Reported By** KERRY SALES

Daily Costs: Drilling \$33,882 **Completion** \$0 **Daily Total** \$33,882
Cum Costs: Drilling \$133,882 **Completion** \$0 **Well Total** \$133,882

MD 989 **TVD** 989 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	HAMMER AIR DRILLED 12 3/8" HOLE FROM 80' TO 970'. (TRUE 34 RKB DEPTH 989'). CIRCULATE, TOH AND RIG DOWN. WORT. TOPPED OFF WELL WITH 55 BARRELS OF 11.4 PPG DRILLING MUD AND COVERED THE WELL AND CELLER WITH STEEL CAGE.

06-13-2010 **Reported By** GLEN PRUET

Daily Costs: Drilling \$94,634 **Completion** \$0 **Daily Total** \$94,634
Cum Costs: Drilling \$228,517 **Completion** \$0 **Well Total** \$228,517

MD 989 **TVD** 989 **Progress** 0 **Days** 0 **MW** 10.1 **Visc** 67.0

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

Activity at Report Time: PREP TO SPUD

Start	End	Hrs	Activity Description
06:00	11:00	5.0	RDRT, MOVING RIG FROM THE NCW 343-23 TO NCW 342-23, 0.3 MILES WITH RW JONES TRUCKING.
11:00	01:30	14.5	RURT, RAISED DERRICK 15:00 HRS. 6/12/10. NU CONDUCTOR, FLOWLINE, FLARE LINE. START DAY RATE AT 01:30 HRS, 6/13/10.
01:30	03:30	2.0	PU/LD BHA & TOOLS. TAG FILL AT 335'.
03:30	06:00	2.5	WASH/REAM FROM 335' TO 605'. (270').

TRANSFER 3192 GALLONS DIESEL FUEL, 2.40/GALLON. TRANSFER 5 JTS. 208.82' (5 JTS) 11.6# P-110 LTC CASING AND 2 MKR. JT 30.48' P-110 11.6#. TO NCW 342-23.

FULL CREWS, NO ACCIDENTS.

SAFETY MEETING TOPIC: RURT. PU BHA.

FUEL 7524 GALLONS, USED 168 GALLONS. TRANSFER 3192, RECEIVED 4500 GALLONS.

WEATHER; TEMP 49 DEG. DEWPOINT 43 DEG. WINDS ENE 8 MPH, LIGHT RAIN.

06-14-2010	Reported By	GLEN PRUET									
Daily Costs: Drilling	\$46,716	Completion	\$0	Daily Total	\$46,716						
Cum Costs: Drilling	\$275,233	Completion	\$0	Well Total	\$275,233						
MD	2,105	TVD	2,105	Progress	1,116	Days	1	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING @ 2105'

Start	End	Hrs	Activity Description
06:00	09:00	3.0	WASH/REAM FROM 605' TO 989'. (384'), FUNC COM F/DRILLING.
09:00	09:30	0.5	DRILLING 989' - 1011'.
09:30	10:00	0.5	SERVICE RIG.
10:00	10:30	0.5	SURVEY @ 933', 0.75 DEGREES.
10:30	18:00	7.5	DRILL 1011' TO 1664'(653' @ 87.0 F/H) 15/22 WOB, 180 RPM (60 ROT + 120 MTR), 10.0 PPG MW, 66 VIS, SPP 2385 PSI. DIFF PRESSURE 288. PUMP 760 GPM.
18:00	18:30	0.5	SURVEY @ 1587', 2.5 DEGREES.
18:30	01:00	6.5	DRILL 1664' TO 2005'(341' @ 52.46 F/H) 15/22 WOB, 185 RPM (70 ROT + 115 MTR), 10.2 PPG MW, 68 VIS, SPP 2455 PSI. DIFF PRESSURE 310. PUMP 722 GPM.
01:00	03:00	2.0	HOLE PACKED OFF, WORKED PIPE FREE. LOST 350 BBLS MUD.
03:00	06:00	3.0	DRILL 2005' TO 2105'(100' @ 33.3 F/H) 18 WOB, 120 RPM (67 ROT + 113 MTR), 10.1 PPG MW, 55 VIS, SPP 2455 PSI. DIFF PRESSURE 310. PUMP 710 GPM.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.

SAFETY MEETING TOPICS; RIG INSPECTION AFTER RIG MOVE. DRILLING SURFACE HOLE.

FUEL ON HAND 6042. FUEL USED 1158.

CURRENT MUD WEIGHT 10.1 PPG, VIS 55.

WEATHER; TEMP 49 DEG. DEWPOINT 44 DEG. WINDS WNW @ 3 MPH, 10 MI. VIS.

06:00 SPUD 12 1/4" SURFACE HOLE AT 09:00 HRS, 6/13/10.

06-15-2010	Reported By	GLEN PRUET									
Daily Costs: Drilling	\$57,560	Completion	\$0	Daily Total	\$57,560						
Cum Costs: Drilling	\$332,793	Completion	\$0	Well Total	\$332,793						
MD	2,421	TVD	2,421	Progress	316	Days	2	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING @ 2421'

Start	End	Hrs	Activity Description
06:00	11:00	5.0	DRILL 2105' TO 2286'(181' @ 36.2 F/H) 18 WOB, 120 RPM (67 ROT + 113 MTR), 10.1 PPG MW, 55 VIS, SPP 2455 PSI. DIFF PRESSURE 310. PUMP 710 GPM. (FUNC COM @ 2129'). HOLE TAKING MUD AND STICKY.
			FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
			SAFETY MEETING TOPICS; RIG INSPECTION AFTER RIG MOVE. DRILLING SURFACE HOLE.
			FUEL ON HAND 6042. FUEL USED 1158.

CURRENT MUD WEIGHT 10.1 PPG, VIS 55.

WEATHER; TEMP 49 DEG. DEWPOINT 44 DEG. WINDS WNW @ 3 MPH, 10 MI. VIS.

11:00 13:00 2.0 POOH, TIGHT F/2145' TO 1952' AND @ 626'.
 13:00 14:00 1.0 L/D MOTOR, CHANGED BIT. P/U BIT SUB & HUGHES GX-30DXO BUTTON BIT.
 14:00 15:00 1.0 BUILD VOLUME IN MUD TANKS. REPLACE MUD LOST TO HOLE ON TRIP OUT.
 15:00 15:30 0.5 SERVICE RIG
 15:30 17:00 1.5 TIH NO TIGHT SPOTS .
 17:00 18:00 1.0 WASH/REAM TO BOTTOM FROM 2184' - 2286' , 25' FILL ON BOTTOM.
 18:00 06:00 12.0 DRILLING WITH NO RETURNS TO PARTIAL RETURNS TO FULL PUMP RATE AND RETURNS.
 DRILL 2286' TO 2421'(135' @ 11.29 F/H) 18/36 WOB, 55/80 RPM 300 / 665 GPM, 140 / 2050 PP. 10.1 /9.4, 75 / 48
 VIS. (FUNC COM F/DRLG MODE). (REGAINED CIRCULATION @ 2350'. TOTAL 3000 BBLs. EST. LOSS).
 DRILLING GREEN RIVER SHALE FORMATION F/2335'.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.

SAFETY MEETING TOPICS; DRILLING LOSING MUD. LOSS CIRC. MIXING MUD IN SURFACE HOLE.

FUEL ON HAND 5016. FUEL USED 1026.

CURRENT MUD WEIGHT 9.4 PPG, VIS 48.

WEATHER; TEMP 48 DEG. DEWPOINT 41 DEG. WINDS W @ 7 MPH, 10 MI. VIS.

06-16-2010	Reported By	GLEN PRUET									
Daily Costs: Drilling	\$47,510	Completion	\$0	Daily Total	\$47,510						
Cum Costs: Drilling	\$380,303	Completion	\$0	Well Total	\$380,303						
MD	2,731	TVD	2,731	Progress	310	Days	3	MW	9.3	Visc	45.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING @ 2731'

Start	End	Hrs	Activity Description
06:00	13:30	7.5	DRILL 2421' - 2604'. (183' @ 24.4 F/H) WOB 37K, RPM 90, SPP 1945 PSI. DRILLING GREEN RIVER F/2335', BIRDSNEST ZONE F/2585'.
13:30	14:00	0.5	SERVICE RIG.
14:00	15:30	1.5	DRILL 2604' - 2636'. (32' @ 21.3 F/H) WOB 37K, RPM 90, SPP 1945 PSI.
15:30	16:00	0.5	SURVEY @ 2500', 1.37 DEGREES.
16:00	18:30	2.5	DRILL 2636' - 2674'. (38' @ 15.2 F/H) WOB 38K, RPM 90, SPP 1945 PSI.
18:30	23:00	4.5	TFNB @ 2674'. HOLE TIGHT F/2253' - 2070'. P/U MOTOR AND BIT #3.
23:00	00:30	1.5	TIH WITH BIT #3 TO 2035'.
00:30	04:30	4.0	WASH/REAM F/2035' - 2674' (639') TO BOTTOM. 15' FILL.. GAINED 68 BBLs MUD.
04:30	06:00	1.5	DRILL 2674' TO 2731'(57' @ 38.0 F/H) 18 WOB, 169 RPM (60 ROT + 109 MTR), 9.4 PPG MW, 58 VIS, SPP 2150 PSI. DIFF PRESSURE 145. PUMP 684 GPM. DRILLING BIRDNEST ZONE.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.

SAFETY MEETING TOPICS; MIXING CHEMICALS, TRIP. P/U BHA.

FUEL ON HAND 3876. FUEL USED 1140.

CURRENT MUD WEIGHT 9.4 PPG, VIS 58.

WEATHER; TEMP 54 DEG. DEWPOINT 40 DEG. WINDS WNW @ 7 MPH, 10 MI. VIS.

06-17-2010	Reported By	JOHNNY TURNER							
Daily Costs: Drilling	\$35,302	Completion	\$0	Daily Total	\$35,302				
Cum Costs: Drilling	\$415,606	Completion	\$0	Well Total	\$415,606				

MD 3,070 **TVD** 3,070 **Progress** 339 **Days** 4 **MW** 9.5 **Visc** 48.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: WIPER TRIP

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRILL 2731' TO 2878' (147' @ 16.3 F/H) 20-25 WOB, 169 RPM (60 ROT + 109 MTR), 9.4 PPG MW, 58 VIS, SPP 2150 PSI. DIFF PRESSURE 145. PUMP 684 GPM. DRILLING BIRDNEST ZONE.
15:00	15:30	0.5	SERVICE RIG.
15:30	03:30	12.0	DRILL FROM 2878' TO 3070' (192', 16 FPH) 20-25 WOB, 169 RPM (60 ROT, 109 MTR) 9.6 MW, 60 VIS, SPP 2150, DIFF. 145, PUMP 684 GPM, DRILLING BIRD NEST FORMATION.
03:30	04:30	1.0	CIRC. & CONDITION HOLE FOR WIPER TRIP.
04:30	06:00	1.5	MAKE WIPER TRIP TO RUN SURFACE CASING, TD @ 3070' (WORKING TIGHT HOLE @ 2550').

NO INCIDENT, NO ACCIDENT, FULL CREWS
 COM CHECK ,TRIPPING
 FUEL 8376 GAL, 1536 USED

06-18-2010 **Reported By** JOHNNY TURNER

Daily Costs: Drilling \$81,264 **Completion** \$0 **Daily Total** \$81,264
Cum Costs: Drilling \$496,870 **Completion** \$0 **Well Total** \$496,870

MD 3,070 **TVD** 3,070 **Progress** 0 **Days** 5 **MW** 9.7 **Visc** 48.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: TESTING BOP

Start	End	Hrs	Activity Description
06:00	08:30	2.5	WIPER TRIP TO 600' & TRIP IN HOLE (NO FILL).
08:30	10:00	1.5	CIRC. & COND. HOLE TO RUN SURFACE CASING.
10:00	12:00	2.0	TRIP OUT OF HOLE TO RUN SURFACE CASING.
12:00	12:30	0.5	SAFETY MEETING W/ FRANKS LAYDOWN CREW & RIG UP LAY DOWN MACHINE TO LAY DOWN 8" TOOLS.
12:30	13:30	1.0	LAY DOWN 8" TOOLS.
13:30	14:30	1.0	SAFETY MEETING W/ FRANKS CASING CREW & RIG UP CASERS.
14:30	19:00	4.5	RUN 71JTS OF 9 5/8", 36#, J-55 ST&C SURFACE CASING(LANDED @ 3055.68').
19:00	20:30	1.5	CIRCULATE CASING ON BOTTOM & RIG UP CEMENTERS.
20:30	22:30	2.0	CEMENT W/ SCHLUMBERGER, PUMPED 20 BBL SPACER, 410SK.(290.6 BBL) 11#, 3.98 YIELD, TYPE G CEMENT LEAD CEMENT W/ 12% BENTONITE, 1% SODIUM META-SILICATE, .25% FLUID LOSS ADDITIVE, .2% ANTI FOAM AGENT, .25#/SK CELLOPHANE FLAKE, 5% SODIUM CHLORIDE, 2# BBL CEM NET. 150SK (31BBL) 15.8#, 1.16 YIELD TYPE G TAIL CEMENT W/ .25# CELLOPHANE FLAKE. DISPLACED W/ 232 BBL OF FRESH WATER. BUMP PLUG, HELD PRESSURE FOR 5 MIN., RELEASED PRESSURE, FLOAT HELD. WE HAD ABOUT 80% RETURN THROUGH JOB TIL 150 BBL INTO DISPLACEMENT. RETURNS KEEP GETTING LESS INTO DISPLACEMENT. AT 210 BBL INTO DISPLACEMENT WE LOST ALL RETURNS.
22:30	00:00	1.5	RIG DOWN CEMENT HEAD, LAYDOWN LANDING JOINT, NIPPLE DOWN CONDUCTOR & REMOVE.
00:00	00:30	0.5	RIG UP CEMENTERS TO DO TOP JOB.
00:30	01:30	1.0	PUMP 100SK (20 BBL) OF 15.8# CEMENT W/ 3 BBL CEMENT TO SURFACE.
01:30	02:30	1.0	WASH UP CEMENTERS & RIG DOWN CEMENTERS.
02:30	05:30	3.0	NIPPLE UP BOP.
05:30	06:00	0.5	TEST UPPER & LOWER KELLY VALVE, FLOOR VALVE, BOP TO 3000#.

NO ACCIDENT, INCIDENT W/ MBT BACKED INTO PRE- MIX TANK NO DAMAGE TO PRE-MIX TANK, BUT DAMAGED TRUCK ON DRIVERS SIDE
 FULL CREWS, FUEL 6270 GALS, USED 570 GALS., COM CHECK TRIPPING

06-19-2010		Reported By		JOHNNY TURNER							
DailyCosts: Drilling	\$26,043	Completion	\$0	Daily Total	\$26,043						
Cum Costs: Drilling	\$522,914	Completion	\$0	Well Total	\$522,914						
MD	4,100	TVD	4,100	Progress	1,020	Days	6	MW	9.1	Visc	36.0
Formation :		PBTD : 0.0			Perf :		PKR Depth : 0.0				
Activity at Report Time: DRILLING @ 4100'											

Start	End	Hrs	Activity Description
06:00	08:00	2.0	TEST BOP, CHOKE MANIFOLD, KILL LINE VALVES 3000#, ANNULAR 1500#
08:00	08:30	0.5	TEST CASING @ 1500# FOR 30 MIN.
08:30	09:00	0.5	INSTALL WEAR BUSHING
09:00	11:00	2.0	PICK UP MUD MOTOR, BIT & TRIP IN HOLE
11:00	11:30	0.5	INSTALL DRIVE BUSHING ON KELLY & INSTALL ROTATING HEAD RUBBER
11:30	13:00	1.5	DRILL CEMENT & FLOAT EQUIPMENT & 15' OF NEWHOLE
13:00	13:30	0.5	F.I.T. @ 3085', 246 PSI (HELD) EWM 10.5
13:30	16:30	3.0	DRILL FROM 3085' TO 3256' = 171' ROP 57', SPP 2200#, DIFF. 150-270, ROTARY 40-60 (MM 76), WOB 12-20, MUD WIEGHT 9#, VIS 40, MAHOGANY OIL SHALE BED FORMATION
16:30	17:00	0.5	SERVICE RIG
17:00	02:00	9.0	DRILL FROM 3256' TO 3911' = 655' ROP 72.7, SPP 2300#,DIFF 150-270, ROTARY 40-60, MM 76, WOB 15-20, MUD WEIGHT 9.1, VIS 38
02:00	03:00	1.0	REPAIR #1 FLOOR MOTOR CLUTCH HOSE
03:00	06:00	3.0	DRILL FROM 3911' TO 4100' = 189' ROP 63, SPP 2300#, DIFF 150-250, ROTARY 40-60, MM 76, WOB 15-20, MUD WEIGHT 9.1, VIS 38

NO INCIDENT, NO ACCIDENT
 FULL CREWS
 COM CHECK DRILLING & TRIPPING
 FUEL 5244 GALS. USED 1026 GALS.

06-20-2010		Reported By		JOHNNY TURNER							
DailyCosts: Drilling	\$148,888	Completion	\$0	Daily Total	\$148,888						
Cum Costs: Drilling	\$670,264	Completion	\$0	Well Total	\$670,264						
MD	5,402	TVD	5,402	Progress	1,302	Days	7	MW	9.1	Visc	37.0
Formation :		PBTD : 0.0			Perf :		PKR Depth : 0.0				
Activity at Report Time: DRILLING @ 5402'											

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILL FROM 4100' TO 4130' = 30, , ROP 60, SPP 2300, DIFF 160- 200, WOB 15- 20, RPM 45-60 (MM 76), MUD WEIGHT 9.1, VIS 38
06:30	07:00	0.5	SURVEY @ 4050, 2.28 DEGREE
07:00	11:30	4.5	DRILL FROM 4130' TO 4630'= 300', ROP 66.7, SPP 2225, DIFF 200-290, WOB 15-20, RPM 40-60, (MM76), MUD WEIGHT 9.1, VIS 38
11:30	12:00	0.5	SERVICE RIG

12:00 21:00 9.0 DRILL FROM 4630' TO 5161' = 531', ROP 59, SPP 2190, DIFF 150-250, WOB 15-20, RPM 40-60,(MM76), MUD WEIGHT 9.3, VIS 38, MAHOGANY FORMATION
 21:00 21:30 0.5 SURVEY @ 5078 2.42 DEGREE
 21:30 06:00 8.5 DRILL FROM 5161' TO 5402' = 241', ROP 28.4, SPP 2280, DIFF 100-260, WOB 15-20, RPM 40-60, MM 76, MUD WEIGHT 9.3, VIS 38.

NO ACCIDENT, NO INCIDENT
 FULL CREWS
 COM. CHECK DRILLING
 FUEL 3762 GALS, USED 1482 GALS

06-21-2010	Reported By	JOHNNY TURNER									
DailyCosts: Drilling	\$42,159	Completion	\$0	Daily Total	\$42,159						
Cum Costs: Drilling	\$712,424	Completion	\$0	Well Total	\$712,424						
MD	6,148	TVD	6,148	Progress	701	Days	8	MW	9.5	Visc	36.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: DRILLING @ 6148'											

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILL FROM 5402' TO 5427' = 25', ROP 25, SPP 2400, DIFF. 60-150, WOB 18-25,RPM 40-60, MM 79,MUD WEIGHT 9.4, VIS 38
07:00	07:30	0.5	CIRC. & BUILD & PUMP PILL
07:30	09:30	2.0	TRIP OUT OF HOLE FOR BIT #4
09:30	10:30	1.0	LAY DOWN BIT & MOTOR & PICK UP FRESH BIT & FRESH MOTOR
10:30	11:30	1.0	TRIP IN HOLE TO CASING SHOE, TEST MOTOR. PUMP PRESSURE WAS HIGH & FLUCTUATING A 1000#
11:30	14:00	2.5	TRIP OUT OF HOLE TO CHECK MOTOR. BROKE OFF BIT & BIT WAS FULL OF RUBBER FROM MOTOR.
14:00	14:30	0.5	CHANGE OUT MOTOR
14:30	16:30	2.0	TRIP IN HOLE WITH BIT #5. FILL PIPE @ 3100
16:30	17:00	0.5	WASH 46' TO BOTTOM (NO FILL)
17:00	18:00	1.0	DRILL FROM 5427' TO 5472' = 45', ROP 45, WOB 12-18, SPP 2475, DIFF. 200-300, RPM 40-50, MM76, MUD WEIGHT 9.4, VIS 38
18:00	18:30	0.5	SERVICE RIG
18:30	06:00	11.5	DRILL FROM 5472' TO 6148' = 676', ROP 54FPH, WOB 15-20,SPP 2280, DIFF. 100-350, RPM 40-50, MM 76, MUD WEIGHT 9.6, VIS 38,, WASATCH 5555', CHAPITA WELLS 6099'.
NO INCIDENT, NO ACCIDENT, FULL CREWS			
COM CHECK DRILLING & TRIPPING			
FUEL 7296 GAL., USED 966 GAL.			

06-22-2010	Reported By	JOHNNY TURNER									
DailyCosts: Drilling	\$23,197	Completion	\$4,516	Daily Total	\$27,713						
Cum Costs: Drilling	\$735,621	Completion	\$4,516	Well Total	\$740,137						
MD	7,317	TVD	7,317	Progress	1,169	Days	9	MW	9.7	Visc	41.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: DRILLING @ 7317'											

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILL FROM 6148' TO 6192' = 44', ROP 88 FPH, WOB 15-20, SPP 2280, DIFF. 200-300, RPM 45-50, MM 79, MUD WEIGHT 9.7, VIS 40, CHAPITA WELLS 6099

06:30 07:00 0.5 SERVICE RIG
 07:00 07:30 0.5 SURVEY @ 6111' @ 1.8 DEGREE
 07:30 06:00 22.5 DRILL FROM 6192' TO 7317'= 1169', ROP 50.8 FPH, WOB 18-24, SPP 2450, DIFF 200-350, RPM 45-50, MM 78, MUD WEIGHT 9.8, VIS40, BUCK CANYON 6784'
 NO INCIDENT, NO ACCIDENT
 FULL CREWS
 COM CHECK DRILLING
 FUEL 5928 GALS, USED 1368 GALS

06-23-2010 **Reported By** JOHNNY TURNER

Daily Costs: Drilling \$42,414 **Completion** \$2,323 **Daily Total** \$44,737
Cum Costs: Drilling \$778,035 **Completion** \$6,839 **Well Total** \$784,874
MD 8,036 **TVD** 8,036 **Progress** 719 **Days** 10 **MW** 9.8 **Visc** 38.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**
Activity at Report Time: DRILLING @ 8036'

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRILL, 126', ROP 42 FPH, WOB 18-24, SPP 2500, DIFF. 100-300, RPM 40-50, MM78, MUD WEIGHT 9.9, VIS 38, BUCK CANYON 6784'
09:00	09:30	0.5	SERVICE RIG
09:30	06:00	20.5	DRILL, 593', ROP 28.9 FPH, WOB 18-25, SPP 2375, DIFF. 100-300, RPM 40-50, MM 76, MUD WEIGHT 9.8, VIS 40. NO INCIDENTS, NO ACCIDENTS FULL CREWS COM CHECK DRILLING FUEL 4466 GALS, USED 1494 GALS

06-24-2010 **Reported By** JOHNNY TURNER

Daily Costs: Drilling \$34,212 **Completion** \$0 **Daily Total** \$34,212
Cum Costs: Drilling \$812,248 **Completion** \$6,839 **Well Total** \$819,087
MD 8,808 **TVD** 8,808 **Progress** 772 **Days** 11 **MW** 9.8 **Visc** 38.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**
Activity at Report Time: DRILLING @ 8808'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILL, 23', ROP 23FPH, WOB 20-25, RPM 40-50, MM 76, SPP 2375, DIFF. 100-300, WUD WEIGHT 9.8, VIS 40, FORMATION: BUCK HORN 7469'
07:00	07:30	0.5	SERVICE RIG
07:30	08:00	0.5	SURVEY @ 8024', 2.22 DEGREE
08:00	11:00	3.0	TRIP OUT OF HOLE WITH BIT #5, LAY DOWN REAMERS & CHANGE BIT FROM 8 3/4" TO 7 7/8" BIT
11:00	12:00	1.0	TRIP IN HOLE WITH BIT #6
12:00	13:00	1.0	SLIP & CUT 110' OF DRILL LINE, (FILL PIPE)
13:00	14:30	1.5	TRIP IN HOLE WITH BIT #6 (FILL PIPE @ 6759')
14:30	15:00	0.5	WASH & REAM 96' (NO FILL)
15:00	06:00	15.0	DRILL, 749', ROP 49.9 FPH, SPP 2400, DIF. 150-350, WOB 20-25, RPM 40-50, MM 68, MUD WEIGHT 10.0, VIS 38, FORMATION- PRICE RIVER- 8114'. NO INCIDENT, NO ACCIDENT FULL CREWS

COM CHECK DRILLING & TRIPPING
 FUEL 3192 GALS, USED 1274 GALS

06-25-2010 **Reported By** JOHNNY TURNER

Daily Costs: Drilling \$48,763 **Completion** \$0 **Daily Total** \$48,763

Cum Costs: Drilling \$861,012 **Completion** \$6,839 **Well Total** \$867,851

MD 10,028 **TVD** 10,028 **Progress** 1,220 **Days** 12 **MW** 10.0 **Visc** 40.0

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

Activity at Report Time: DRILLING @ 10028'

Start	End	Hrs	Activity Description
06:00	13:30	7.5	DRILL, 406', ROP 54.1, WOB 20-25, SPP 2400, DIF. 100-300, RPM 40-50, MM 69, MUD WEIGHT 10, VIS 39, FORMATION- PRICE RIVER MIDDLE 9032'
13:30	14:00	0.5	SERVICE RIG
14:00	06:00	16.0	DRILL, 814', ROP 50.9, WOB 20-25, SPP 2375, DIF. 70-300, RPM 40-50, MM 67, MUD WEIGHT 10.1, VIS 41, FORMATION- LOWER PRICE 9901'.

NO INCIDENT, NO ACCIDENT
 FULL CREWS
 BOP DRILL, BOTH CREWS
 FUEL 5814 GALS, USED 1378 GALS

06-26-2010 **Reported By** JOHNNY TURNER

Daily Costs: Drilling \$37,966 **Completion** \$0 **Daily Total** \$37,966

Cum Costs: Drilling \$898,978 **Completion** \$6,839 **Well Total** \$905,817

MD 10,650 **TVD** 10,650 **Progress** 622 **Days** 13 **MW** 10.4 **Visc** 39.0

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

Activity at Report Time: LAYING DOWN DRILLPIPE

Start	End	Hrs	Activity Description
06:00	14:30	8.5	DRILL, 438', ROP 51.5 FPH, WOB 20-25, RPM 40-50, MM 69, SPP 2600, DIFF. 200-400, MUD WEIGHT 10.4, VIS 42, FORMATION- PRICE RIVER 9901', SEGO 10457'
14:30	15:00	0.5	SERVICE RIG
15:00	19:00	4.0	DRILL, 184', ROP 46 FPH, WOB 20-25, RPM 40-50, MM 69, SPP 2700, DIFF. 100-350, MUD WEIGHT 10.5, VIS 41, FORMATION- SEGO. REACHED TD @ 19:00 HRS, 6/25/10.
19:00	20:30	1.5	CIRCULATE FOR SHORT TRIP
20:30	23:00	2.5	SHORT TRIP 28 STDS UP TO 8.75" HOLE
23:00	01:00	2.0	CIRCULATE TO LAY DOWN DRILL PIPE & RIG UP LAY DOWN TRUCK
01:00	01:30	0.5	DROP SURVEY & PUMP SLUG.
01:30	06:00	4.5	LAY DOWN DRILLPIPE.

NO INCIDENT, NO ACCIDENT
 FULL CREWS
 COM CHECK DRILLING & TRIPPING
 FUEL 4560 GALS, USED 1254 GALS

06-27-2010 **Reported By** JOHNNY TURNER

Daily Costs: Drilling \$38,567 **Completion** \$199,446 **Daily Total** \$238,013

Cum Costs: Drilling \$937,545 **Completion** \$206,285 **Well Total** \$1,143,830
MD 10,650 **TVD** 10,650 **Progress** 0 **Days** 14 **MW** 10.5 **Visc** 40.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:30	0.5	LAY DOWN DRILLPIPE
06:30	07:00	0.5	BREAK KELLY & PULL ROTATING HEAD RUBBER
07:00	08:00	1.0	LAY DOWN BHA
08:00	08:30	0.5	PULL WEAR BUSHING
08:30	09:00	0.5	HOLD SAFETY WEETING & RIG UP CASING CREW
09:00	14:30	5.5	RUN 258 JTS OF 4.5", 11.6#P-110, LT&C CASING WITH 2 MAKER JTS. ONE AT 5137' & ONE AT 8093'. LANDED @ 10643'. RAN 3 TURBOLIZERS ON BOTTOM 3 JTS & 25 CENTRALIZERS EVERY 3 JT TIL GONE.
14:30	15:30	1.0	WASH 30' TO BOTTOM
15:30	18:00	2.5	LAND CASING & CIRC. CASING ON BOTTOM. (RIG DOWN CASERS) HOLD SAFETY MEETING W/ SCHLUMBERGER
18:00	22:30	4.5	PUMP 25BBLs OF FLUSH, 25BBLs SPACER. PUMP 560 SKS(221 BBLs) OF 12#, 2.2 YIELD, 12.49 GALS OF WATER PER SACK OF LEAD CEMENT. TYPE 35/65- POZ/G, 65% G CEMENT, 35% LITEPOZ 3, 6% BENTONITE, 2% EXPANDING AGENT, .75% FLUID LOSS ADDITIVE, .3% RETARDER, .2% ANTIFOAM AGENT, .25#/SK CELLOPHANE . PUMPED 2013 SKS (472 BBLs) OF 14.1#, 1.25 YIELD, 5.62 GALS OF WATER PER SACK OF TAIL CEMENT. TYPE 50/50- POZ/G, 50% G CEMENT, 50% POZ LITE POZ 3, 2% BENTONITE, .1% ANTIFOAM AGENT, .2% FLUID LOSS ADDITIVE, .2% DISPERSANT, .2% RETARDER, .25#/SK CELLOPHANE FLAKE.DROP PLUG & DISPLACED WITH 164.7 BBLs OF FRESH WATER. LOST FULL RETURNS WITH 55 BBLs OF DISPLACEMENT GONE. BUMPED PLUG W/ 2500# LIFT PRESSURE. PRESSURED UP TO 3700#, HELD 5 MIN. & BLED OF TO CHECK FLOAT, (2.5 BBLs BACK) FLOAT HELD. PRESSURED BACK UP TO 1500# & HELD FOR 2 HRS.
22:30	23:30	1.0	LAY DOWN LANDING JT & SET PACK OFF RING
23:30	02:00	2.5	NIPPLE DOWN & CLEAN MUD PITS
02:00	06:00	4.0	RIG DOWN TO MOVE TO ECW 84-03

NO INCIDENT NO ACCIDENT

FULL CREWS FUEL 4236 GALS, USED 324 GALS

TRANSFERED 4236 GALS FUEL, 5 JTS OF 4.5" 11.6#, P-110, LT&C, 202.47', 1 MARKER JT 4.5", 11.6#, P-110, LT&C 10.03' TO ECW 84-03

TRANSFERED 4 JTS OF 9 5/8", 36#, J-55, ST&C CASING 173.25', 1 JT OF 4.5" 11.6#, P-110, LT&C 41.76' W/ A BAD PIN TO WHITE RIVER YARD

06:00 RIG RELEASED @ 02:00, 6/27/2010
 CASING POINT COST \$927,852

06-30-2010 Reported By SEARLE

Daily Costs: Drilling \$0 **Completion** \$29,300 **Daily Total** \$29,300
Cum Costs: Drilling \$937,545 **Completion** \$235,585 **Well Total** \$1,173,130

MD 10,650 **TVD** 10,650 **Progress** 0 **Days** 15 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 10598.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM 10503' TO 200'. EST CEMENT TOP @ 1440'. RDWL.

07-08-2010 Reported By MCCURDY

DailyCosts: Drilling \$0 **Completion** \$813 **Daily Total** \$813
Cum Costs: Drilling \$937,545 **Completion** \$236,398 **Well Total** \$1,173,943
MD 10,650 **TVD** 10,650 **Progress** 0 **Days** 16 **MW** 0.0 **Visc** 0.0
Formation : MESAVERDE **PBTD : 10598.0** **Perf : 9469'-10381'** **PKR Depth : 0.0**
Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	<p>STAGE 1. MIRU CUTTERS WIRELINE & PERFORATE LPR FROM 10104'-05', 10110'-11', 10119'-20', 10127'-28', 10133'-34', 10187'-88', 10216'-17', 10290'-91', 10301'-02', 10308'-09', 10315'-16', 10322'-23', 10369'-70', 10380'-81' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 3140 GAL 16# LINEAR W/3100# 20/40 SAND @ 1 PPG, 44983 GAL 16# DELTA 200 W/146900# 20/40 SAND @ 1.5-5 PPG. MTP 8160 PSIG. MTR 51.5 BPM. ATP 5184 PSIG. ATR 48.8 BPM. ISIP 3360 PSIG. RD HALLIBURTON.</p> <p>STAGE 2. RUWL. SET 6K CFP AT 10068'. PERFORATE MPR/LPR FROM 9804'-05', 9810'-11', 9844'-45', 9860'-61', 9897'-98', 9907'-08', 9914'-15', 9933'-34', 9962'-63', 9988'-89', 10009'-10', 10014'-15', 10027'-28', 10044'-45' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7378 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 44390 GAL 16# DELTA 200 W/153600# 20/40 SAND @ 2-5 PPG. MTP 7129 PSIG. MTR 50.3 BPM. ATP 5447 PSIG. ATR 49.3 BPM. ISIP 4058 PSIG. RD HALLIBURTON.</p> <p>STAGE 3. RUWL. SET 6K CFP AT 9764'. PERFORATE MPR FROM 9469'-70', 9480'-81', 9551'-52', 9556'-57', 9568'-69', 9584'-85', 9596'-97', 9627'-28', 9642'-43', 9650'-51', 9661'-62', 9722'-23', 9729'-30', 9744'-45' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7333 GAL 16# LINEAR W/9400# 20/40 SAND @ 1-1.5 PPG, 56650 GAL 16# DELTA 200 W/197400# 20/40 SAND @ 2-5 PPG. MTP 8209 PSIG. MTR 50.2 BPM. ATP 6046 PSIG. ATR 48.4 BPM. ISIP 4948 PSIG. RD HALLIBURTON. SDFN.</p>

07-09-2010 Reported By MCCURDY

DailyCosts: Drilling \$0 **Completion** \$1,338 **Daily Total** \$1,338
Cum Costs: Drilling \$937,545 **Completion** \$237,736 **Well Total** \$1,175,281
MD 10,650 **TVD** 10,650 **Progress** 0 **Days** 17 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 10598.0** **Perf : 7097'-10381'** **PKR Depth : 0.0**
MESAVERDE/WASATCH
Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	<p>STAGE 4. SICIP 2719 PSIG. RUWL. SET 6K CFP AT 9436'. PERFORATE MPR FROM 9175'-76', 9185'-86', 9193'-94', 9201'-02', 9214'-15', 9225'-26', 9242'-43', 9256'-57', 9268'-69', 9385'-86', 9393'-94', 9399'-400', 9409'-10', 9417'-18' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7510 GAL 16# LINEAR W/9700# 20/40 SAND @ 1-1.5 PPG, 47607 GAL 16# DELTA 200 W/165600# 20/40 SAND @ 2-5 PPG. MTP 7996 PSIG. MTR 50.7 BPM. ATP 4792 PSIG. ATR 48.6 BPM. ISIP 2592 PSIG. RD HALLIBURTON.</p> <p>STAGE 5. RUWL. SET 6K CFP AT 9120'. PERFORATE UPR FROM 8856'-57', 8896'-97', 8904'-05', 8910'-11', 8923'-24', 8992'-93', 9012'-13', 9020'-21', 9032'-33', 9041'-42', 9048'-49', 9073'-74', 9085'-86', 9096'-97' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7454 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 41315 GAL 16# DELTA 200 W/143000# 20/40 SAND @ 2-5 PPG. MTP 7454 PSIG. MTR 50.2 BPM. ATP 4987 PSIG. ATR 49.3 BPM. ISIP 2787 PSIG. RD HALLIBURTON.</p>

STAGE 6. RUWL. SET 6K CFP AT 8826'. PERFORATE UPR FROM 8473'-74', 8481'-82', 8492'-93', 8534'-35', 8544'-45', 8575'-76', 8615'-16', 8630'-31', 8665'-66', 8747'-48', 8752'-53', 8783'-84', 8791'-92', 8800'-01' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7410 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 41992 GAL 16# DELTA 200 W/145400# 20/40 SAND @ 2-5 PPG. MTP 7410 PSIG. MTR 50.1 BPM. ATP 5066 PSIG. ATR 49.8 BPM. ISIP 2518 PSIG. RD HALLIBURTON.

STAGE 7. RUWL. SET 6K CFP AT 8427'. PERFORATE UPR FROM 8157'-58', 8169'-70', 8185'-86', 8194'-95', 8222'-23', 8241'-42', 8249'-50', 8258'-59', 8314'-15', 8339'-40', 8362'-63', 8370'-71', 8399'-400', 8407'-08' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7434 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 32759 GAL 16# DELTA 200 W/111900# 20/40 SAND @ 2-5 PPG. MTP 7434 PSIG. MTR 50.2 BPM. ATP 4339 PSIG. ATR 49.9 BPM. ISIP 2294 PSIG. RD HALLIBURTON.

STAGE 8. RUWL. SET 6K CFP AT 8112'. PERFORATE NH FROM 7798'-99', 7800'-01', 7867'-68', 7881'-82', 7908'-09', 7943'-44', 7963'-64', 7991'-92', 8004'-05', 8010'-11', 8015'-16', 8068'-69', 8074'-75', 8091'-92' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7388 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 35211 GAL 16# DELTA 200 W/121700# 20/40 SAND @ 2-5 PPG. MTP 8268 PSIG. MTR 50.2 BPM. ATP 49.6 PSIG. ATR 49.6 BPM. ISIP 2268 PSIG. RD HALLIBURTON.

STAGE 9. RUWL. SET 6K CFP AT 7740'. PERFORATE Ba/NH FROM 7429'-30', 7434'-35', 7461'-62', 7504'-05', 7560'-61', 7580'-81', 7582'-83', 7588'-89', 7602'-03', 7617'-18', 7631'-32', 7675'-76', 7712'-13', 7720'-21' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7396 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 36698 GAL 16# DELTA 200 W/126800# 20/40 SAND @ 2-5 PPG. MTP 6551 PSIG. MTR 50.3 BPM. ATP 3861 PSIG. ATR 49.1 BPM. ISIP 1982 PSIG. RD HALLIBURTON.

STAGE 10. RUWL. SET 6K CFP AT 7378'. PERFORATE Ba FROM 7097'-98', 7106'-07', 7116'-17', 7155'-56', 7157'-58', 7160'-61', 7164'-65', 7167'-68', 7201'-02', 7214'-15', 7221'-22', 7247'-48', 7257'-58', 7351'-52' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 7402 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 30398 GAL 16# DELTA 200 W/106600# 20/40 SAND @ 2-5 PPG. MTP 7402 PSIG. MTR 50.3 BPM. ATP 3923 PSIG. ATR 50.1 BPM. ISIP 1840 PSIG. RD HALLIBURTON. SDFN.

07-10-2010		Reported By		MCCURDY	
Daily Costs: Drilling	\$0	Completion	\$453,225	Daily Total	\$453,225
Cum Costs: Drilling	\$937,545	Completion	\$690,961	Well Total	\$1,628,507
MD	10,650	TVD	10,650	Progress	0
Formation :		PBTD :	10598.0	Perf :	6264'-10381'
MESAVERDE/WASATCH				PKR Depth :	0.0

Activity at Report Time: MIRUSU CLEAN OUT SAND AND DRILL OUT FRAC PLUGS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	STAGE 11. INTIAL 1244 PSIG. RUWL. SET 6K CFP AT 6780'. PERFORATE Ca FROM 6487'-88', 6489'-90', 6491'-92', 6559'-61', 6698'-99', 6701'-02', 6704'-05', 6707'-08', 6742'-43', 6751'-52', 6756'-57' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 7596 GAL 16# LINEAR W/9700# 20/40 SAND @ 1-1.5 PPG, 27954 GAL 16# DELTA 200 W/94300# 20/40 SAND @ 2-5 PPG. MTP 6486 PSIG. MTR 51.1 BPM. ATP 3354 PSIG. ATR 49.9 BPM. ISIP 1749 PSIG. RD HALLIBURTON.

STAGE 12. RUWL. SET 6K CFP AT 6375'. PERFORATE Ca FROM 6264'-65', 6267'-68', 6270'-71', 6273'-74', 6376'-77', 6279'-80', 6282'-83', 6285'-86', 6346'-47', 6351'-52', 6353'-54', 6355'-56' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 34839 GAL 16# DELTA 200 W/134200# 20/40 SAND @ 4 PPG. MTP 4201 PSIG. MTR 50.7 BPM. ATP 3282 PSIG. ATR 50.2 BPM. ISIP 2270 PSIG. RD HALLIBURTON.

RUWL. SET 6K CBP AT 6156'. BLED WELL TO 0 PSIG. RDMO CUTTERS WIRELINE & HALIBURTON SERVICES. SWIFN.

07-13-2010 **Reported By** BASTIAN

DailyCosts: Drilling \$0 **Completion** \$4,365 **Daily Total** \$4,365

Cum Costs: Drilling \$937,545 **Completion** \$695,326 **Well Total** \$1,632,872

MD 10,650 **TVD** 10,650 **Progress** 0 **Days** 16 **MW** 0.0 **Visc** 0.0

Formation : **PBTD :** 10598.0 **Perf :** 6264'-10,381' **PKR Depth :** 0.0

MESAVERDE/WASTCH

Activity at Report Time: POST FRAC CLEAN OUT

Start	End	Hrs	Activity Description
07:00	15:00	8.0	MIRUSU. ND FRAC TREE & NU BOP. RIH W/3-7/8" HURRICANE MILL & PUMP OFF SUB TO 6156'. RU TO DRILL OUT PLUGS. PRESSURE TESTED BLIND RAMS & BOTH SETS OF PIPE RAMS SEPARATELY TO 3000 PSIG. SDFN.

07-14-2010 **Reported By** BASTIAN

DailyCosts: Drilling \$0 **Completion** \$7,395 **Daily Total** \$7,395

Cum Costs: Drilling \$937,545 **Completion** \$702,721 **Well Total** \$1,640,267

MD 10,650 **TVD** 10,650 **Progress** 0 **Days** 17 **MW** 0.0 **Visc** 0.0

Formation : **PBTD :** 10598.0 **Perf :** 6264'-10,381' **PKR Depth :** 0.0

MESAVERDE/WASTCH

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. SISCP 0 PSIG. HELD SAFETY MTG. PRESSURE TESTED FLOW LINES & POBS TO 2500 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6156', 6375', 6780', 7378', 7740', 8112', 8427', 8826', 9120', 9436', 9764', & 10,068'. RIH. CLEANED OUT TO 10,500'. LANDED TBG @ 9129.40' KB. ND BOPE &. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'
 1 JT 2-3/8 4.7# N-80 TBG 32.55'
 XN NIPPLE 1.81 ID 1.30'
 279 JTS 2-3/8 4.7# N-80 TBG 9075.55'
 BELOW KB 15.00'
 LANDED @ 9129.40' KB

FLOWED 15 HRS. 24/64 CHOKE. FTP 700 PSIG, CP 725 PSIG. 76 BFPH. RECOVERED 1150 BBLS, 13,880 BLWTR.

07-15-2010 **Reported By** BASTIAN/ DUANE COOK

DailyCosts: Drilling \$0 **Completion** \$3,700 **Daily Total** \$3,700

Cum Costs: Drilling \$937,545 **Completion** \$706,421 **Well Total** \$1,643,967

MD 10,650 **TVD** 10,650 **Progress** 0 **Days** 18 **MW** 0.0 **Visc** 0.0

Formation : **PBTD :** 10598.0 **Perf :** 6264'-10,381' **PKR Depth :** 0.0

MESAVERDE/WASTCH

Activity at Report Time: INITIAL PRODUCTION/ FLOW TEST

Start	End	Hrs	Activity Description
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06:00 06:00 24.0 INITIAL PRODUCTION. OPENING PRESSURE: TP 675 PSIG & CP 725 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 10:00 AM, 07/14/10. FLOWED 185 MCFD RATE ON 24/64" POS CHOKE. STATIC 225. QUESTAR METER #008506.

FLOWED THROUGH TEST UNIT TO SALES. 24 HRS ON 24/64" CHOKE. FTP 650 PSIG, CTP 600 PSIG, 66 BPH. RECOVERED 1525 BBLs. 12355 BWLTR. 250 MCFD RATE TO SALES.

07-16-2010 **Reported By** BASTIAN

Daily Costs: Drilling	\$0	Completion	\$3,700	Daily Total	\$3,700
Cum Costs: Drilling	\$937,545	Completion	\$710,121	Well Total	\$1,647,667

MD 10,650 **TVD** 10,650 **Progress** 0 **Days** 19 **MW** 0.0 **Visc** 0.0

Formation : **PBTD : 10598.0** **Perf : 6264'-10,381'** **PKR Depth : 0.0**
 MESAVERDE/WASTCH

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED THROUGH TEST UNIT TO SALES. 24 HRS 24/64" CHOKE. FTP 1000 PSIG. CP 550 PSIG 58 BFPH. RECOVERED 1392 BBLs 10,963 BWLTR. 350 MCFD RATE.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU81657

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other			6. If Indian, Allottee or Tribe Name		
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. Resvr. Other _____			7. Unit or CA Agreement Name and No.		
2. Name of Operator EOG RESOURCES, INC. Contact: MICHELLE E ROBLES E-Mail: MICHELLE_ROBLES@EOGRESOURCES.COM			8. Lease Name and Well No. NORTH CHAPITA 342-23		
3. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		3a. Phone No. (include area code) Ph: 307-276-4842	9. API Well No. 43-047-38951		
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface NWNE 857FNL 1790FEL 40.11314 N Lat, 109.40421 W Lon At top prod interval reported below NWNE 857FNL 1790FEL 40.11314 N Lat, 109.40421 W Lon At total depth NWNE 857FNL 1790FEL 40.11314 N Lat, 109.40421 W Lon					10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE
14. Date Spudded 05/07/2010	15. Date T.D. Reached 06/25/2010		16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 07/14/2010	17. Elevations (DF, KB, RT, GL)* 4864 GL	
18. Total Depth: MD 10650 TVD		19. Plug Back T.D.: MD 10598 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 analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)		

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0		3056		838		0	
7.875	4.500 P-110	11.6		10643		2573		1440	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	9129							

25. Producing Intervals

26. Perforation Record **2264**

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
AWASATCH/MESAVERDE	6264	10381	10104 TO 10381		2	
B)			9804 TO 10045		2	
C)			9469 TO 9745		2	
D)			9175 TO 9418		2	

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

Depth Interval	Amount and Type of Material
10104 TO 10381	48,343 GALS OF GELLED WATER & 150,000# 20/40 SAND
9804 TO 10045	51,988 GALS OF GELLED WATER & 163,100# 20/40 SAND
9469 TO 9745	64,203 GALS OF GELLED WATER & 206,800# 20/40 SAND
9175 TO 9418	55,337 GALS OF GELLED WATER & 175,300# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
07/14/2010	07/27/2010	24	→	20.0	1202.0	460.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
24/64	SI 775	500.0	→	20	1202	460		PGW	

28a. Production - Interval B

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

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

ELECTRONIC SUBMISSION #91332 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** AUG 23 2010**

RECEIVED

North Chapita 342-23- ADDITIONAL REMARKS (CONTINUED):

43. PERFORATION RECORD

8856-9097	2
8473-8801	2
8157-8408	2
7798-8092	2
7429-7721	2
7097-7352	2

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

8856-9097	48,989 GALS GELLED WATER & 152,600# 20/40 SAND
8473-8801	49,622 GALS GELLED WATER & 154,900# 20/40 SAND
8157-8408	40,413 GALS GELLED WATER & 121,500# 20/40 SAND
7798-8092	42,819 GALS GELLED WATER & 131,200# 20/40 SAND
7429-7721	44,314 GALS GELLED WATER & 136,300# 20/40 SAND
7097-7352	37,855 GALS GELLED WATER & 116,100# 20/40 SAND

PERFORATE LOWER PRICE RIVER FROM 10104'-05', 10110'-11', 10119'-20', 10127'-28', 10133'-34', 10187'-88', 10216'-17', 10290'-91', 10301'-02', 10308'-09', 10315'-16', 10322'-23', 10369'-70', 10380'-81' @ 2 SPF.

PERFORATE MIDDLE PRICE RIVER/LOWER PRICE RIVER FROM 9804'-05', 9810'-11', 9844'-45', 9860'-61', 9897'-98', 9907'-08', 9914'-15', 9933'-34', 9962'-63', 9988'-89', 10009'-10', 10014'-15', 10027'-28', 10044'-45' @ 2 SPF.

PERFORATE MIDDLE PRICE RIVER FROM 9469'-70', 9480'-81', 9551'-52', 9556'-57', 9568'-69', 9584'-85', 9596'-97', 9627'-28', 9642'-43', 9650'-51', 9661'-62', 9722'-23', 9729'-30', 9744'-45' @ 2 SPF.

PERFORATE MIDDLE PRICE RIVER FROM 9175'-76', 9185'-86', 9193'-94', 9201'-02', 9214'-15', 9225'-26', 9242'-43', 9256'-57', 9268'-69', 9385'-86', 9393'-94', 9399'-400', 9409'-10', 9417'-18' @ 2 SPF.

PERFORATE UPPER PRICE RIVER FROM 8856'-57', 8896'-97', 8904'-05', 8910'-11', 8923'-24', 8992'-93', 9012'-13', 9020'-21', 9032'-33', 9041'-42', 9048'-49', 9073'-74', 9085'-86', 9096'-97' @ 2 SPF.

PERFORATE UPPER PRICE RIVER FROM 8473'-74', 8481'-82', 8492'-93', 8534'-35', 8544'-45', 8575'-76', 8615'-16', 8630'-31', 8665'-66', 8747'-48', 8752'-53', 8783'-84', 8791'-92', 8800'-01' @ 2 SPF.

PERFORATE UPPER PRICE RIVER FROM 8157'-58', 8169'-70', 8185'-86', 8194'-95', 8222'-23', 8241'-42', 8249'-50', 8258'-59', 8314'-15', 8339'-40', 8362'-63', 8370'-71', 8399'-400', 8407'-08' @ 2 SPF.

PERFORATE NH FROM 7798'-99', 7800'-01', 7867'-68', 7881'-82', 7908'-09',
7943'-44', 7963'-64', 7991'-92', 8004'-05', 8010'-11', 8015'-16', 8068'-69',
8074'-75', 8091'-92' @ 2 SPF.

PERFORATE Ba/NH FROM 7429'-30', 7434'-35', 7461'-62', 7504'-05', 7560'-61',
7580'-81', 7582'-83', 7588'-89', 7602'-03', 7617'-18', 7631'-32', 7675'-76',
7712'-13', 7720'-21' @ 2 SPF.

PERFORATE Ba FROM 7097'-98', 7106'-07', 7116'-17', 7155'-56', 7157'-58',
7160'-61', 7164'-65', 7167'-68', 7201'-02', 7214'-15', 7221'-22', 7247'-48',
7257'-58', 7351'-52' @ 2 SPF.

PERFORATE Ca FROM 6487'-88', 6489'-90', 6491'-92', 6559'-61', 6698'-99',
6701'-02', 6704'-05', 6707'-08', 6742'-43', 6751'-52', 6756'-57' @ 3 SPF.

PERFORATE Ca FROM 6264'-65', 6267'-68', 6270'-71', 6273'-74', 6376'-77',
6279'-80', 6282'-83', 6285'-86', 6346'-47', 6351'-52', 6353'-54', 6355'-56' @ 3 SPF.

52. FORMATION (LOG) MARKERS

Middle Price River	9116
Low Price River	9917
Sego	10476