



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 343-23  
783' FNL – 544' FEL (NENE)  
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 343-23  
783' FNL – 544' FEL (NENE)  
SECTION 23, T8S, R22E  
LEASE: U-81657**

Mr. Latimer:

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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 343-23**  
**783' FNL – 544' FEL (NENE)**  
**SECTION 23, T8S, R22E**  
**LEASE: U-81657**

Mr. Smith:

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Kaylene R. Gardner  
Sr. Regulatory Assistant

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

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

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-81657
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC		7. If Unit or CA Agreement, Name and No.
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		8. Lease Name and Well No. NORTH CHAPITA 343-23
3b. Phone No. (include area code) 435-781-9111		9. API Well No. 43-047-38957
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 636436X 783 FNL 544 FEL NENE 40.113303 LAT 109.399758 LON At proposed prod. zone SAME 4441357Y 40.11 3361 - 109.399057		10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERD
14. Distance in miles and direction from nearest town or post office* 34 MILES SOUTH OF VERNAL, UTAH		11. Sec., T. R. M. or Blk. and Survey or Area SECTION 23, T8S, R22E S.L.B.&M
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 544 DRILLING LINE 537 LEASE LINE	16. No. of acres in lease 160	12. County or Parish UINTAH
17. Spacing Unit dedicated to this well 40	13. State UT	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 6140	19. Proposed Depth 10,470	20. BLM/BIA Bond No. on file NM 2308
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4878 GL	22. Approximate date work will start*	23. Estimated duration 45 DAYS

24. Attachments

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

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

25. Signature 	Name (Printed/Typed) KAYLENE R. GARDNER	Date 12/28/2006
Title SR. REGULATORY ASSISTANT		
Approved by (Signature) 	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)

**Federal Approval of this  
Action is Necessary**

**RECEIVED**

**JAN 04 2007**

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

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

EOG RESOURCES, INC.

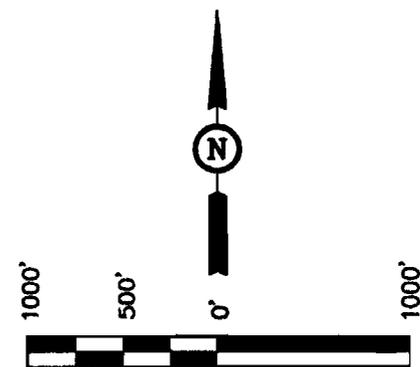
Well location, NORTH CHAPITA #343-23, located as shown in the NE 1/4 NE 1/4 of Section 23, T8S, R22E, S.L.B.&M., Uintah County, Utah.

**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**

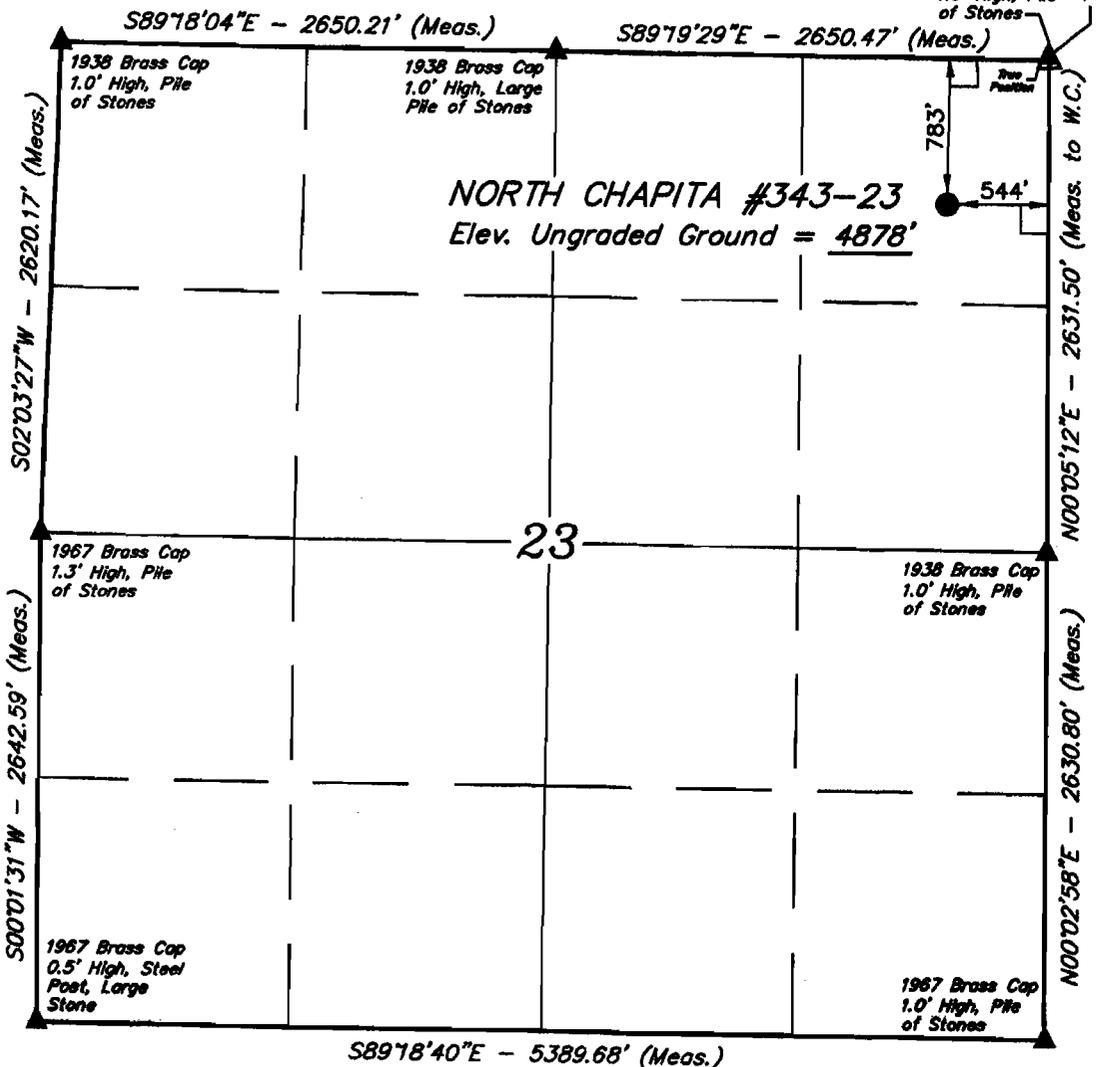
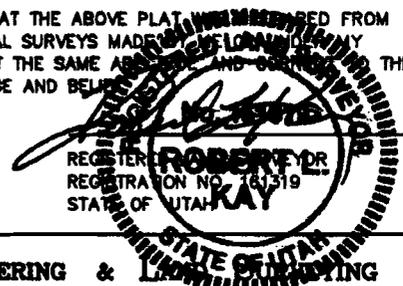
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE

**CERTIFICATE**

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



**LEGEND:**

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

(NAD 83)  
 LATITUDE = 40°06'47.89" (40.113303)  
 LONGITUDE = 109°23'59.13" (109.399758)  
 (NAD 27)  
 LATITUDE = 40°06'48.02" (40.113339)  
 LONGITUDE = 109°23'56.67" (109.399075)

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

SCALE 1" = 1000'	DATE SURVEYED: 11-03-06	DATE DRAWN: 11-14-06
PARTY G.S. J.H. C.H.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

STATE OF UTAH )

) ss

COUNTY OF UINTAH )

VERIFICATION

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

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

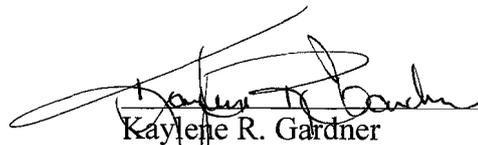
**NORTH CHAPITA 343-23**  
**783' FNL – 544' FEL (NENE)**  
**SECTION 23, T8S, R22E**  
**UINTAH COUNTY, UTAH**

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.

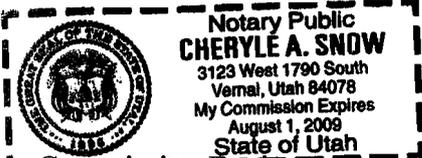
On the 28<sup>th</sup> day of December 2006 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

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 28<sup>th</sup> 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

  
\_\_\_\_\_  
Cheryle A. Snow  
Notary Public

Exhibit "A" to Affidavit  
North Chapita 343-23 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

14

13

OU SC 15W-14-8-22



UTU-73687

3 39.15

4 39.72

U-0385

NCW 343-23



T 8 S

22

23

U-81657

U-0385 24

WHITE RIVER UNIT

MULLIGAN UNIT

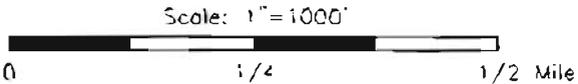
○ NORTH CHAPITA 343-23



Denver Division

EXHIBIT "A"

NORTH CHAPITA 343-23  
Commingling Application  
Uintah County, Utah



Scale: 1" = 1000'	D:\utah\Commingling\page_10343-23_commingling.well	Author JLM	Dec 07, 2006 - 3:57pm
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**EIGHT POINT PLAN**

**NORTH CHAPITA 343-23**  
**NE/NE, SEC. 23, T8S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>TVD-RKB (ft)</b>	<b>Objective</b>
Green River	2,526	Possible gas
Wasatch	5,532	Possible gas/oil
Chapita Wells	6,074	
Buck Canyon	6,746	
North Horn	7,397	
KMV Price River	8,100	GAS (S)
KMV Price River Middle	8,990	Possible gas
KMV Price River Lower	9,839	Possible gas
Sego	10,267	GAS (P)
<b>TD</b>	<b>10,470</b>	

Estimated TD: **10,470' or 200'± below Sego top**

**Anticipated BHP: 5,715 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 343-23**  
**NE/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' – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface:	17 1/2"	45' – 2,300'KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production:	7-7/8"	2,300'± – TD	4-1/2"	11.6#	P-110	LTC	7560 PSI	10,710 Psi	284,000#

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

**All casing will be new or inspected.**

5. **Float Equipment:**

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

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

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

6. **MUD PROGRAM**

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

Air/air mist or aerated water.

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

**EIGHT POINT PLAN**

**NORTH CHAPITA 343-23**  
**NE/NE, SEC. 23, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

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

**7. VARIANCE REQUESTS:**

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

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

**8. EVALUATION PROGRAM:**

**Logs:** Mud log from base of surface casing to TD.  
**Cased-hole Logs:** Cased-hole logs will be run in lieu of open-hole logs consisting of the following:  
**Cement Bond / Casing Collar Locator and Pulsed Neutron**

**9. CEMENT PROGRAM:**

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

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

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

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

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

**EIGHT POINT PLAN**

**NORTH CHAPITA 343-23**  
**NE/NE, SEC. 23, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

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

**Lead:**           **185 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:**           **955 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

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

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

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

**11. STANDARD REQUIRED EQUIPMENT:**

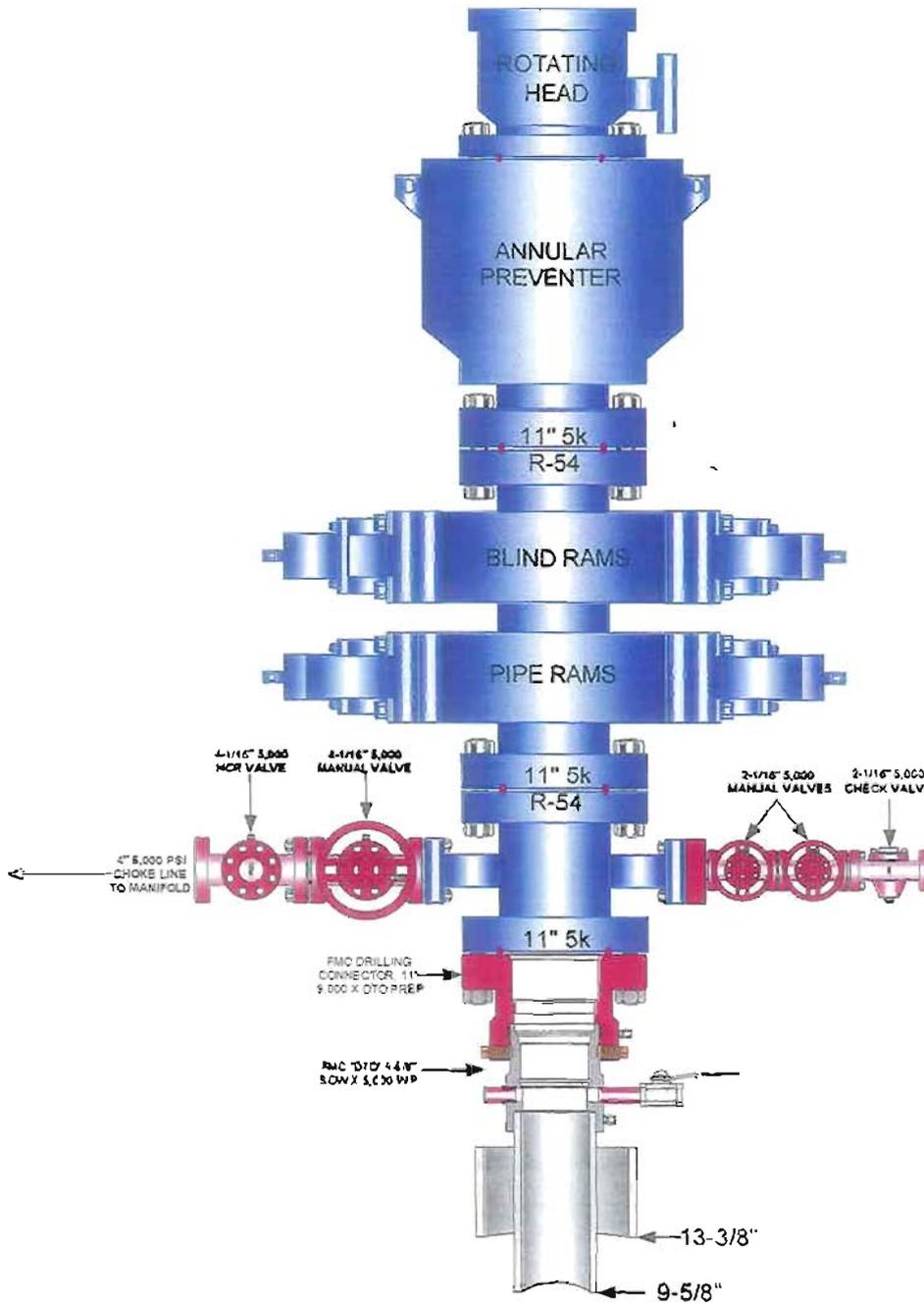
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

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

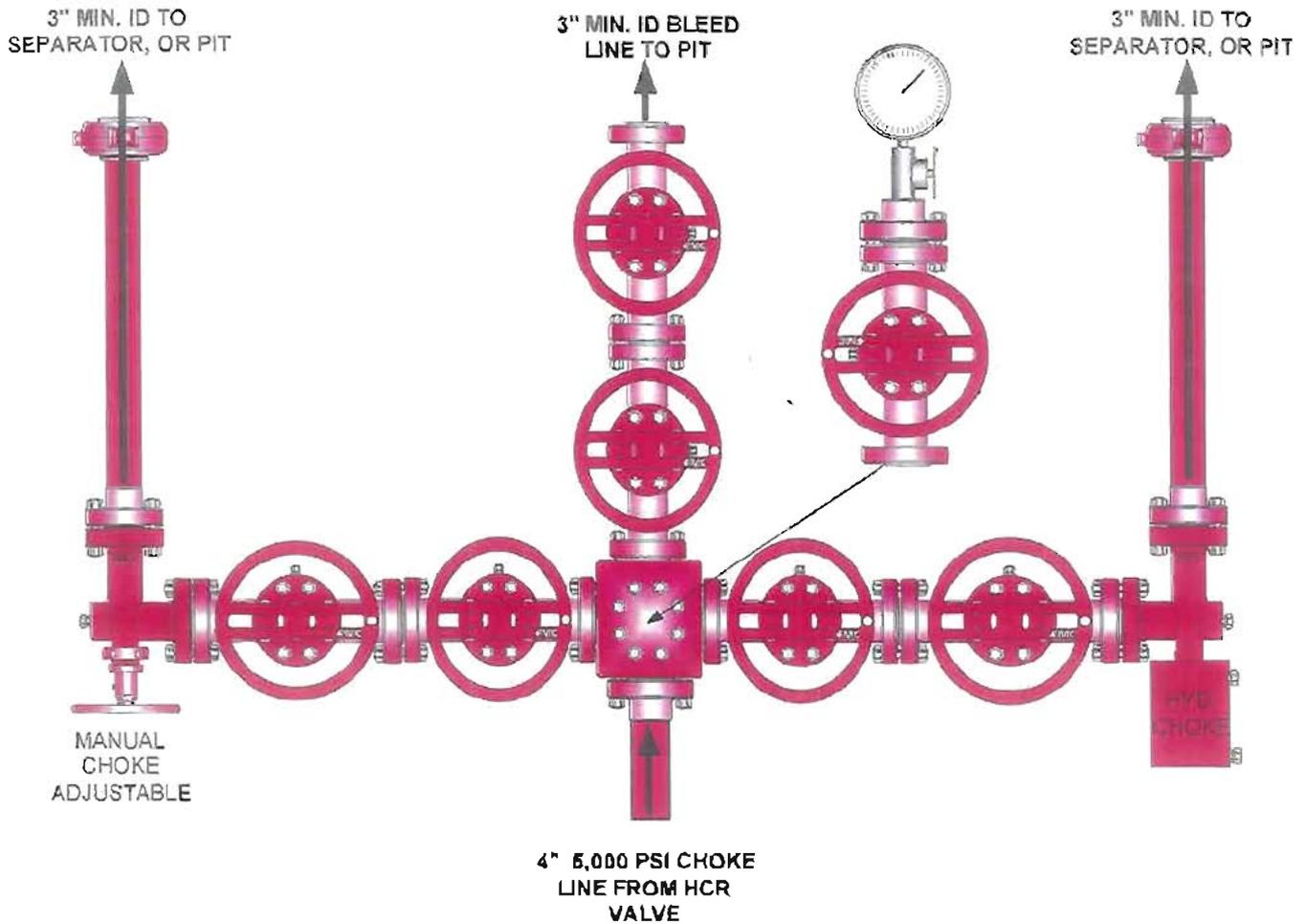
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF 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 343-23  
NE/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.

EOG Resources, Inc., hereby applies under Section 28 of the Act of February 25, 1920 (41 state. 449), (30 U.S.C. Section 185) as amended by the Act of November 16, 1973, (87 Stat. 576) and requests that this APD serve as the construction, operations and maintenance plan for the right-of-way application for the pipeline on federal lands. A 30-year right-of-way term is requested.

The requested road right-of-way on Federal acreage necessary is approximately 284 x 30', containing 0.20 acre more or less within Federal Lease U-28652 (see attached survey plats and maps).

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 8184 feet long with a 30-foot right-of-way, disturbing approximately 5.64 acres. New surface disturbance associated with access road and the well pad is estimated to be approximately 7.48 acres. The pipeline is approximately 3142 feet long within Federal Lease U 81657 disturbing approximately 2.16 acres.

**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 34 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 8184' in length, **with two (2) armored low water crossings and two (2) 36" x 40' CMP's or CPP's.** 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 3142’ x 40’. The proposed pipeline leaves the southern edge of the well pad (U-81657) proceeding in a southerly direction for an approximate distance of 3142’ tying into an existing pipeline located in the SWSW 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, Zap-Lok line laid on the surface. **To protect the existing ATV trails, the proposed pipeline shall be buried for an approximate distance of 810' to the point it joins QEP 6W-23 well.**
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 east corner of the location. The flare pit will be located downwind of the prevailing wind direction on the west side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

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

Access to the well pad will be from the north.

**FENCING REQUIREMENTS:**

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

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

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

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

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

**A. Producing Location**

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

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

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

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

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
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.

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

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

**11. SURFACE OWNERSHIP:**

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

Bureau of Land Management

**12. OTHER INFORMATION:**

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

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

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

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

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

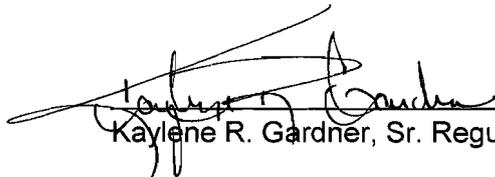
**DRILLING OPERATIONS**

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 343-23 Well, located in the NENE, 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

**Request for Exception to Buried Pipeline Requirement**  
**North Chapita 343-23**  
**NE/NE, Sec. 23, T8S, R22E**  
**U-81657**

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

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

**EOG RESOURCES, INC.**  
**NORTH CHAPITA #343-23**  
 LOCATED IN UTAH COUNTY, UTAH  
 SECTION 23, T8S, R22E, S.1..B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

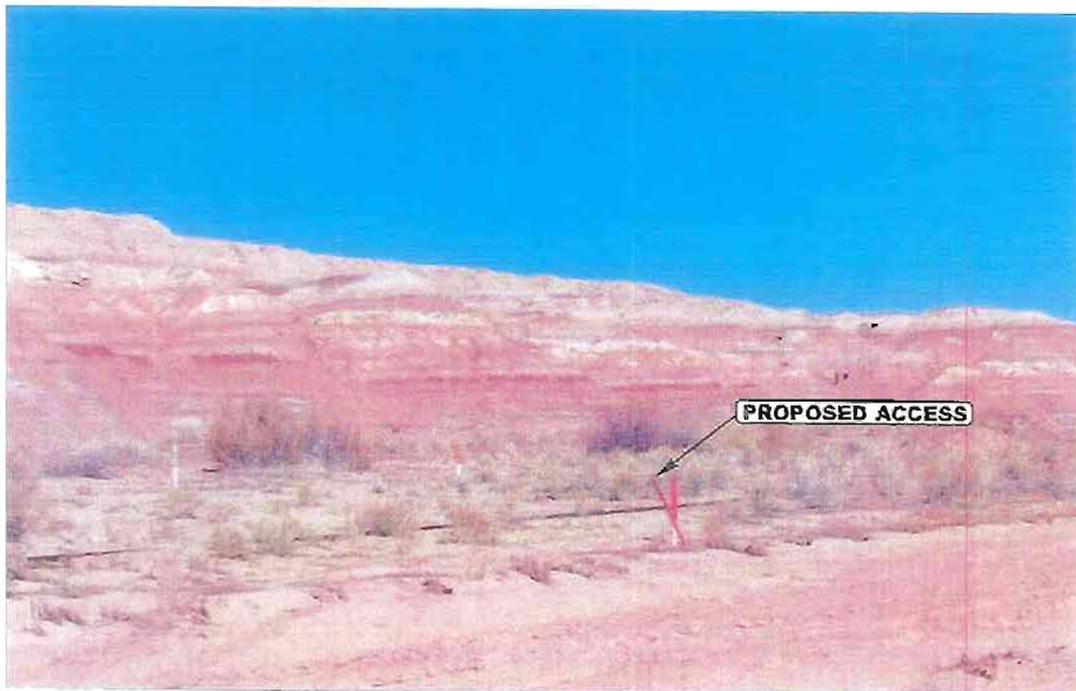


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



Since 1964

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

<b>LOCATION PHOTOS</b>			<b>11</b>	<b>13</b>	<b>06</b>	<b>PHOTO</b>
			MONTH	DAY	YEAR	
TAKEN BY: GS.	DRAWN BY: L.K.	REVISED: 00-00-00				

# **EOG RESOURCES, INC.**

**NORTH CHAPITA #343-23  
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 NORTEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE PROPOSED LOCATION.**

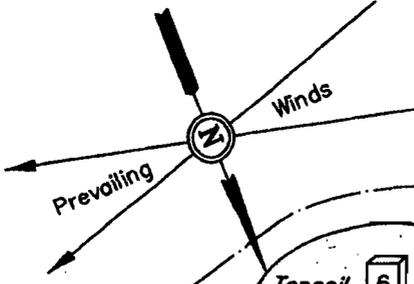
**TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 34.05 MILES.**

EOG RESOURCES, INC.

LOCATION LAYOUT FOR  
 NORTH CHAPITA #343-23  
 SECTION 23, T8S, R22E, S.L.B.&M.  
 783' FNL 544' FEL

CONSTRUCT  
 DIVERSION  
 DITCH

Proposed Access  
 Road



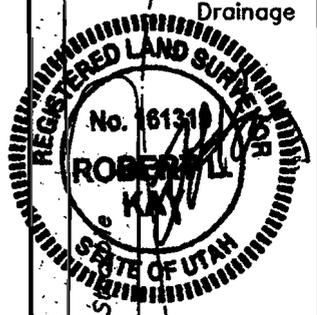
SCALE: 1" = 50'  
 DATE: 11-14-06  
 Drawn By: C.H.

NOTE:

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

NOTE:

Earthwork Calculations Require  
 a Fill of 0.9' @ the Location  
 Stake For Balance. All Fill is  
 to be Compacted to a Minimum  
 of 95% of the Maximum Dry  
 Density Obtained by AASHTO  
 Method t-99.



Steeper Cut  
 Slopes as Needed

Pit Topsoil  
 & Spoils  
 Stockpile

FLARE PIT

20' WIDE BENCH

46'

El. 98.1'  
 C-31.6  
 (btm. pit)

15' WIDE BENCH

75'

147'

Total Pit Capacity  
 W/2' Of Freeboard  
 = 12,250 Bbls. ±  
 Total Pit Volume  
 = 3,320 Cu. Yds.  
 RESERVE PITS  
 (12' Deep)  
 SLOPE = 1-1/2 : 1

C-2.2'  
 El. 80.7'

29'

36'

36'

C-0.4'  
 El. 78.9'

150'

TRASH

150'

20' WIDE BENCH

4

3

El. 84.2'  
 C-17.7'  
 (btm. pit)

CONSTRUCT  
 DIVERSION  
 DITCH

C-2.9'  
 El. 81.4'

4

3

C-2.3'  
 El. 80.8'

2

1

F-5.6'  
 El. 72.9'

1

1

F-5.0'  
 El. 73.5'

1

1

F-0.9'  
 El. 77.6'

DOG HOUSE

RIG

WATER

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

TRAILER

TOILET

FUEL

STORAGE TANK

PIPE RACKS

CATWALK

175'

65'

DATA

6

7

8

Install CMP  
 as Needed

Round Corners  
 as needed

Existing  
 Drainage

Topsoil S

Sta. 3+25

Sta. 1+50

Sta. 0+00

Approx.  
 Toe of  
 Fill Slope

NOTES:

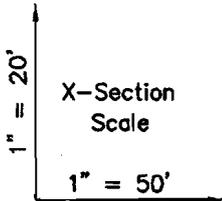
Elev. Ungraded Ground At Loc. Stake = 4877.6'  
 FINISHED GRADE ELEV. AT LOC. STAKE = 4878.5'

FIGURE #1

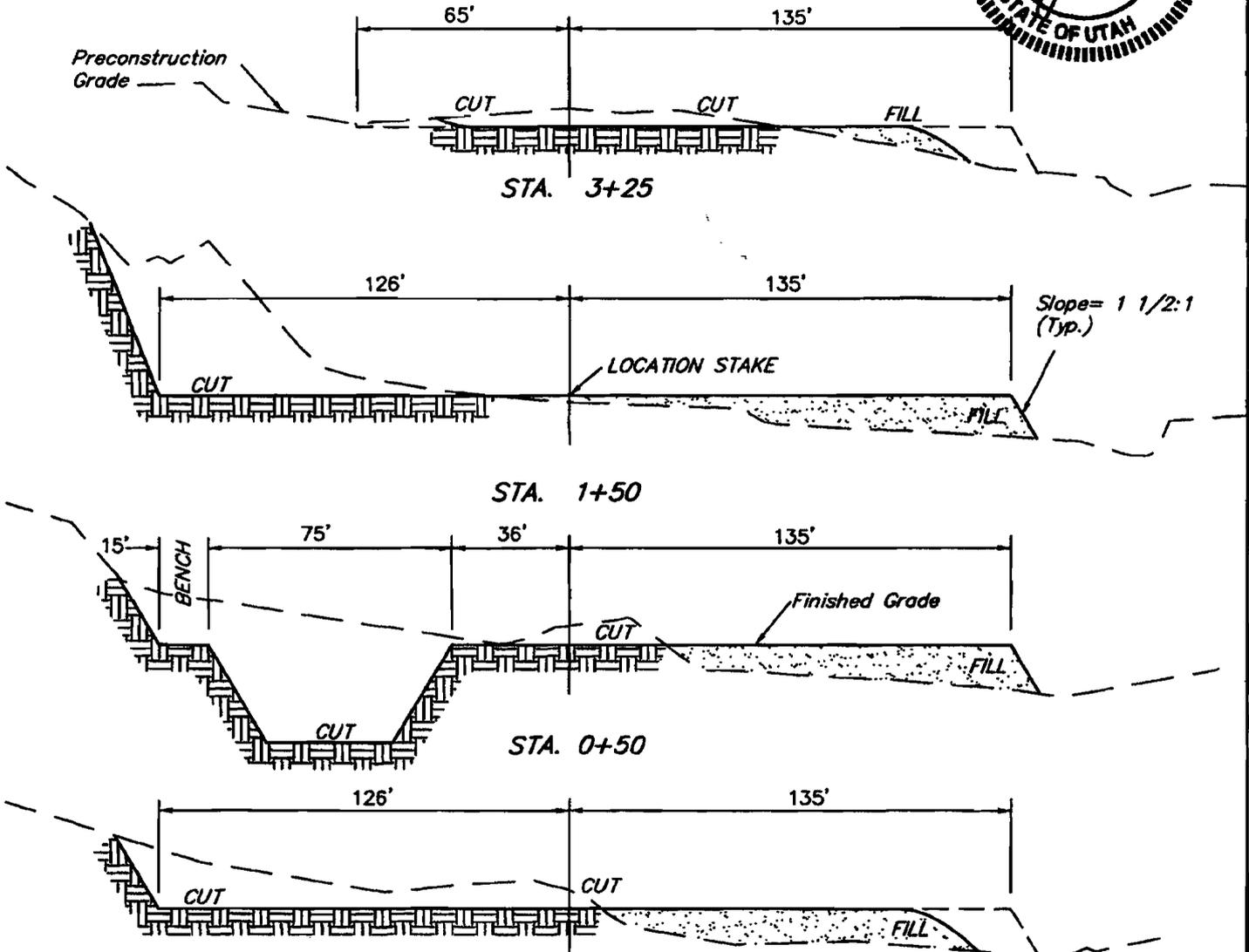
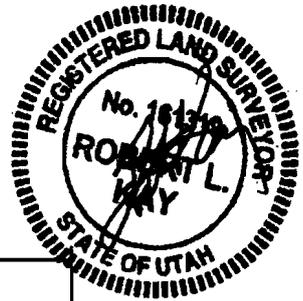
EOG RESOURCES, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR  
 NORTH CHAPITA #343-23  
 SECTION 23, T8S, R22E, S.L.B.&M.  
 783' FNL 544' FEL



DATE: 11-14-06  
 Drawn By: C.H.



NOTE:

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

\* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,690 Cu. Yds.
Remaining Location	= 7,830 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 9,520 CU.YDS.</b>
<b>FILL</b>	<b>= 6,170 CU.YDS.</b>

EXCESS MATERIAL	= 3,350 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,350 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

**EOG RESOURCES, INC.**

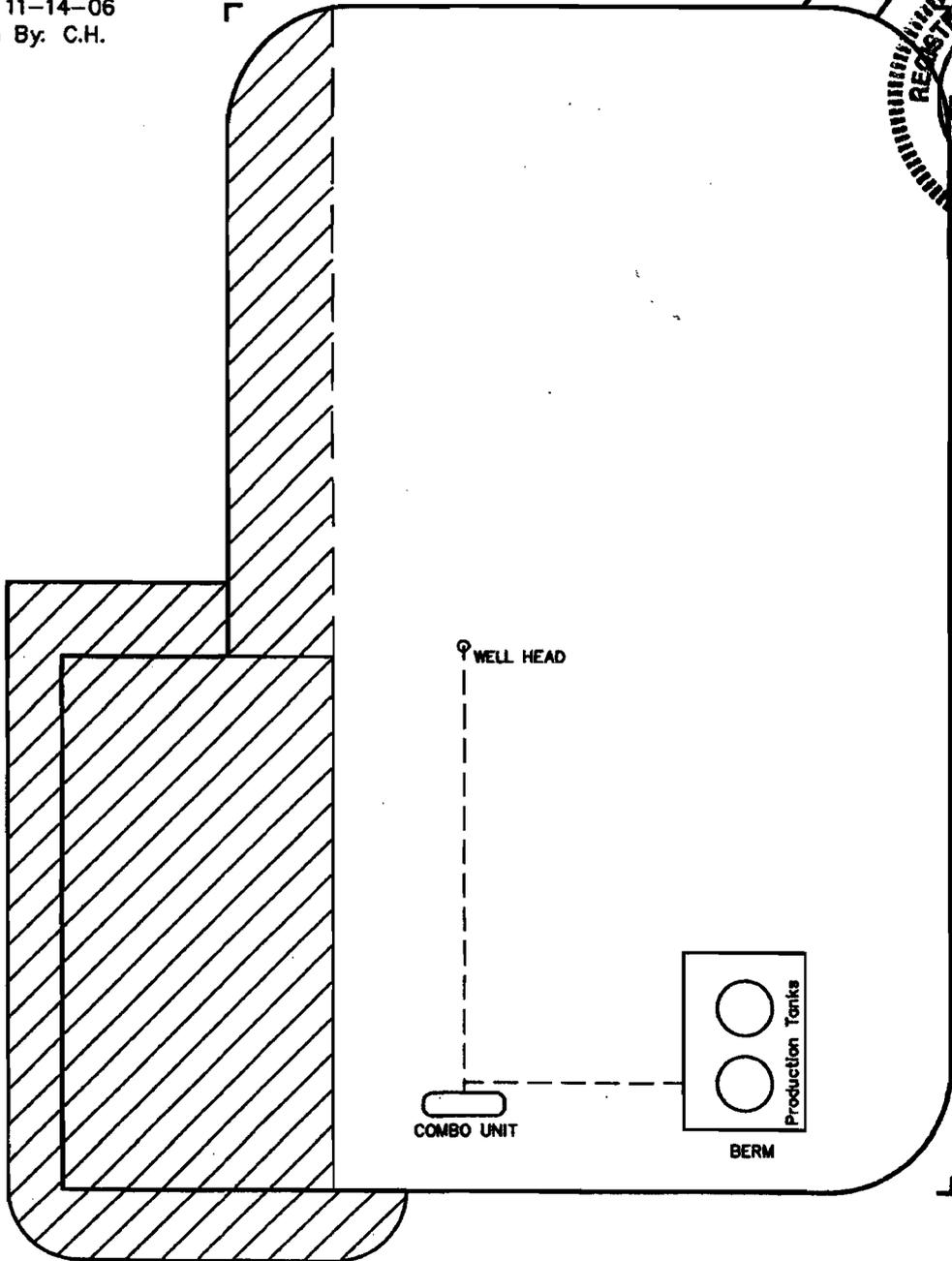
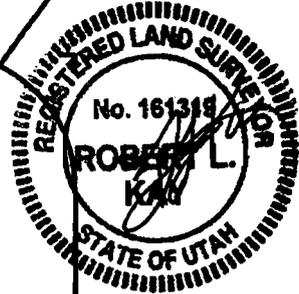
**PRODUCTION FACILITY LAYOUT FOR**

**NORTH CHAPITA #343-23  
SECTION 23, T8S, R22E, S.L.B.&M.  
783' FNL 544' FEL**



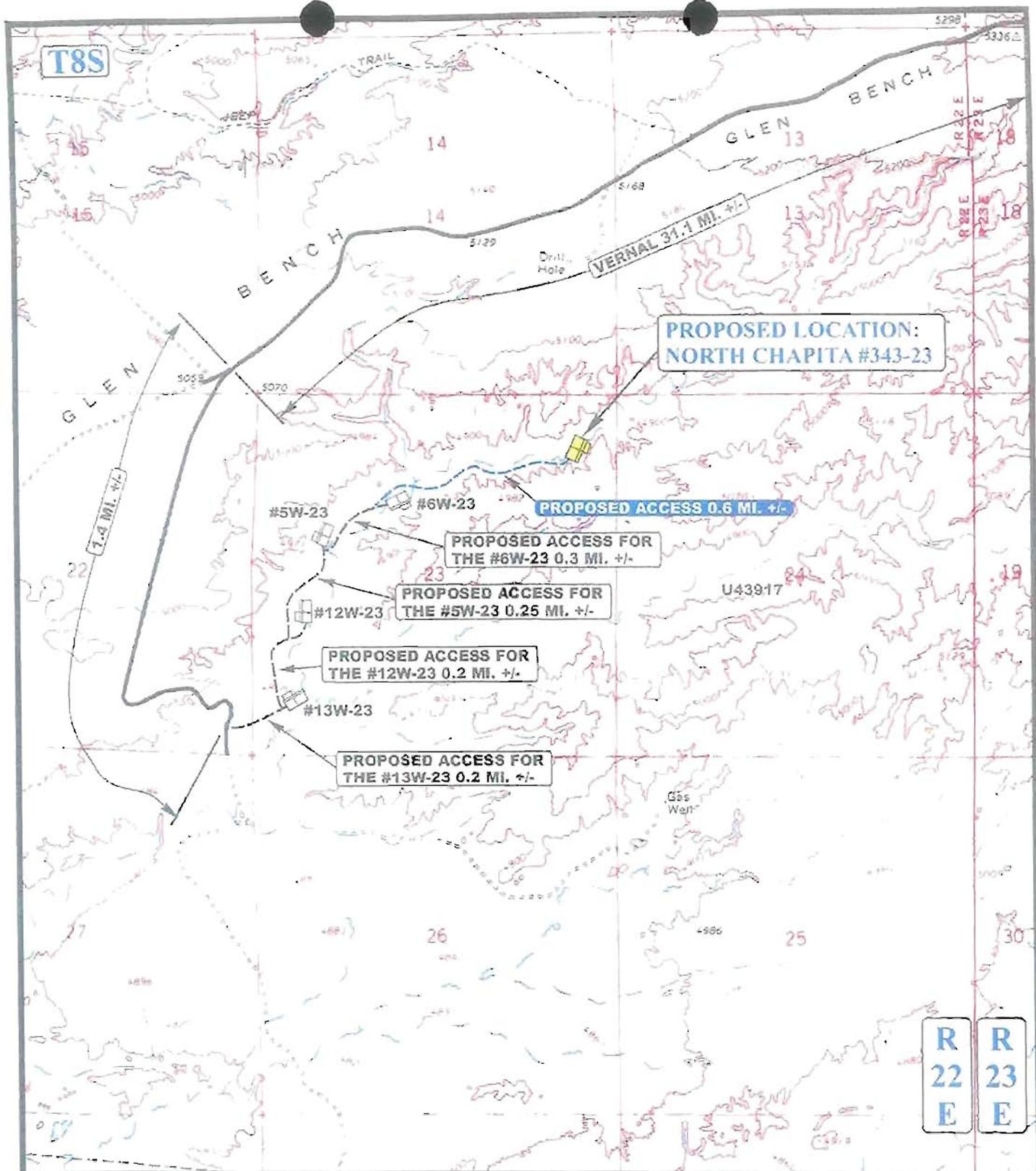
SCALE: 1" = 50'  
DATE: 11-14-06  
Drawn By: C.H.

*Proposed Access Road*



 RE-HABED AREA





**PROPOSED LOCATION:  
NORTH CHAPITA #343-23**

**PROPOSED ACCESS 0.6 MI. +/-**

**PROPOSED ACCESS FOR  
THE #6W-23 0.3 MI. +/-**

**PROPOSED ACCESS FOR  
THE #5W-23 0.25 MI. +/-**

**PROPOSED ACCESS FOR  
THE #12W-23 0.2 MI. +/-**

**PROPOSED ACCESS FOR  
THE #13W-23 0.2 MI. +/-**

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

**LEGEND:**

- EXISTING ROAD
- - - PROPOSED ACCESS ROAD



**EOG RESOURCES, INC.**

**NORTH CHAPITA #343-23  
SECTION 23, T8S, R22E, S.L.B.&M.  
783' FNL. 544' FEL**



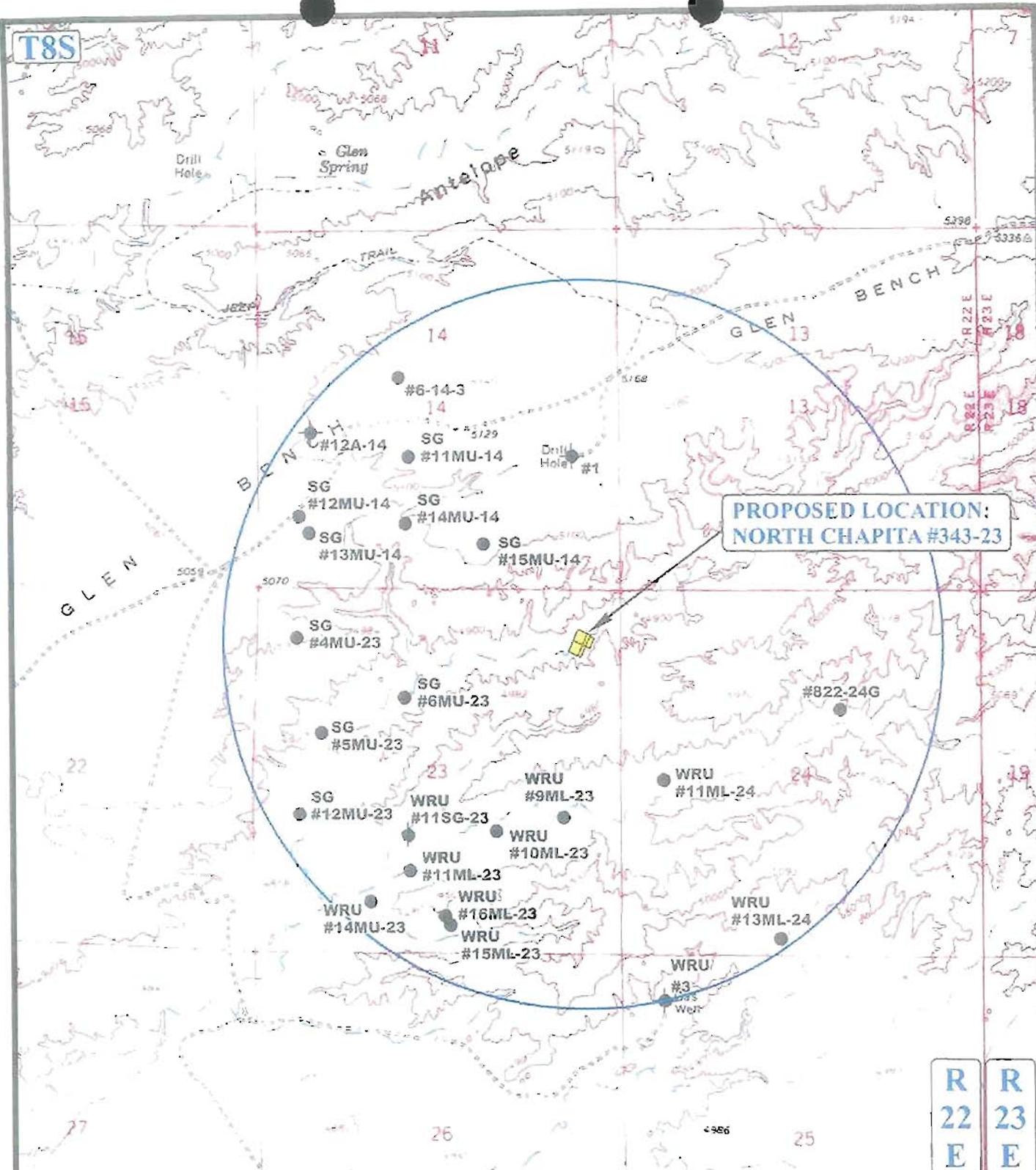
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC MAP** 11 13 06  
MONTH DAY YEAR

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



T8S



**PROPOSED LOCATION:  
NORTH CHAPITA #343-23**

R	R
22	23
E	E

**LEGEND:**

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



**EOG RESOURCES, INC.**

**NORTH CHAPITA #343-23**  
**SECTION 23, T8S, R22E, S.L.B.&M.**  
**783' FNL 544' FEL**

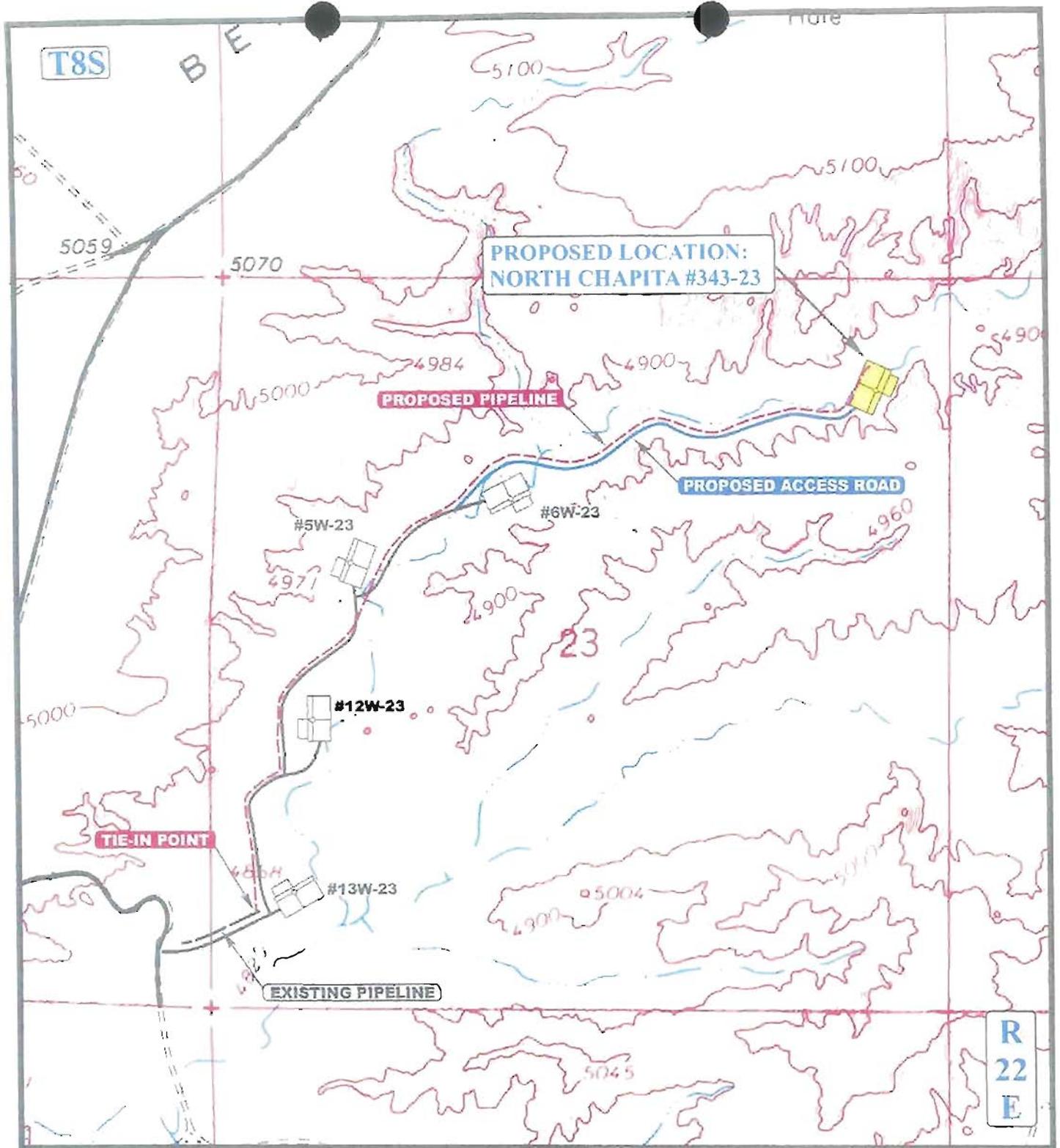


**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** 11 13 06  
**MAP** MONTH DAY YEAR

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





APPROXIMATE TOTAL PIPELINE DISTANCE = 3,142' +/-

**LEGEND:**

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



**EOG RESOURCES, INC.**

**NORTH CHAPITA #343-23**  
**SECTION 23, T8S, R22E, S.L.B.&M.**  
**783' FNL 544' FEL**



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

**TOPOGRAPHIC** 11 13 06  
**MAP** MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 00-00-00



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 01/04/2007

API NO. ASSIGNED: 43-047-38957

WELL NAME: N CHAPITA 343-23  
 OPERATOR: EOG RESOURCES INC ( N9550 )  
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

NENE 23 080S 220E  
 SURFACE: 0783 FNL 0544 FEL  
 BOTTOM: 0783 FNL 0544 FEL  
 COUNTY: UINTAH  
 LATITUDE: 40.11336 LONGITUDE: -109.3991  
 UTM SURF EASTINGS: 636436 NORTHINGS: 4441357  
 FIELD NAME: NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: U-81657  
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

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

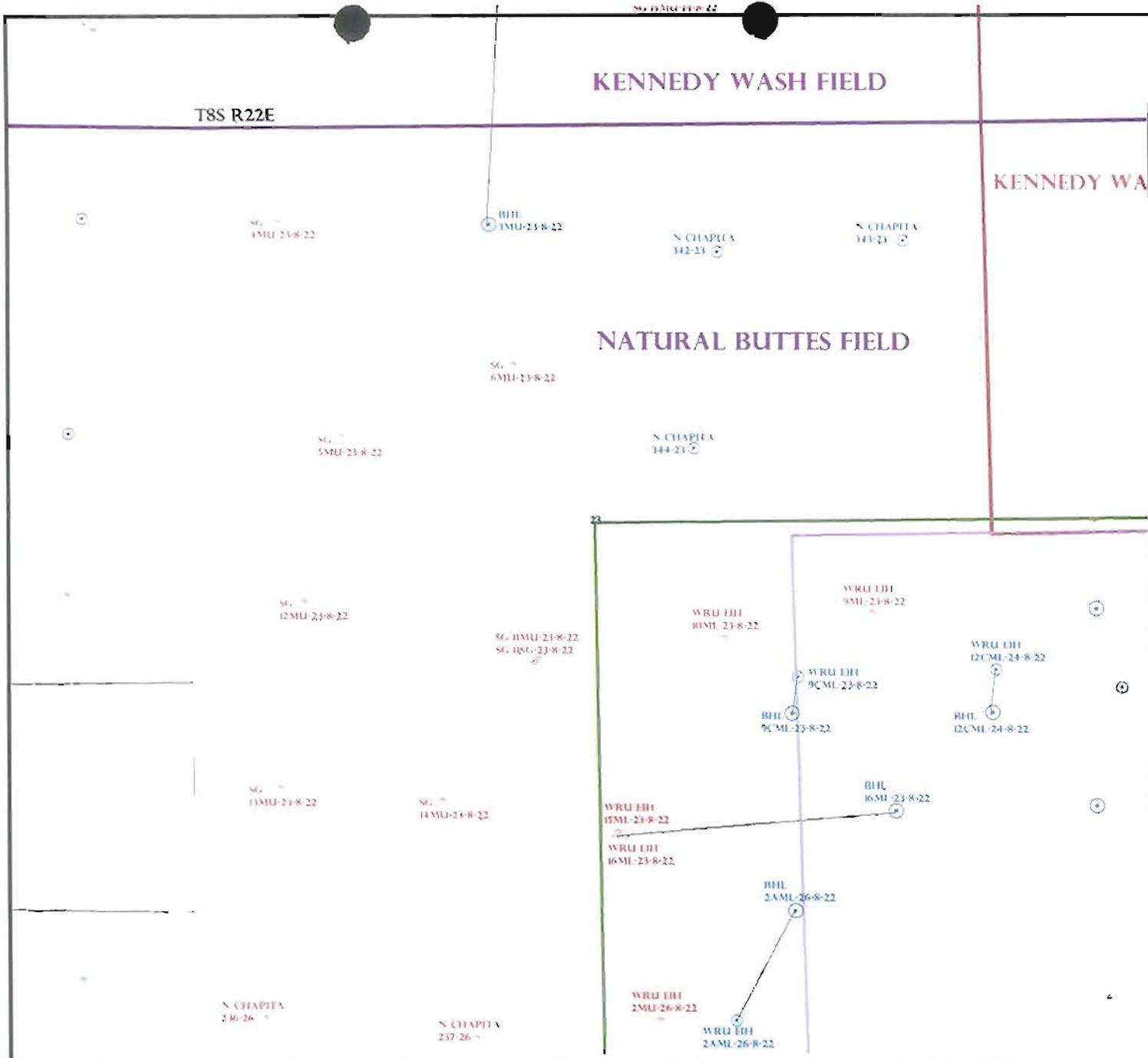
LOCATION AND SITING:

- 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- Code of Approval
- 2- Spec of Well
- 3- Commingle



OPERATOR: EDG RESOURCES INC (N9550)

SEC: 23 T.8S R. 22E

FIELD: NATURAL BUTTES (630)

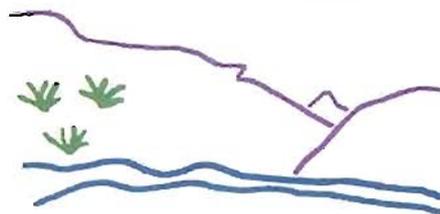
COUNTY: UTAH

SPACING: R649-3-2 / GENERAL SITING

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

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

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



Utah Oil Gas and Mining



PREPARED BY: DIANA 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 343-23 Well, 783' FNL, 544' FEL, NE 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 43-047-38957.

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 343-23  
**API Number:** 43-047-38957  
**Lease:** U-81657

**Location:** NE 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.

RECEIVED

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

DEC 29 2006

APPLICATION FOR PERMIT TO DRILL OR REENTER

BLM VERNAL, UTAH

5a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-81657
6a. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
7. Name of Operator EOG RESOURCES, INC		7. If Unit or CA Agreement, Name and No.
8a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		8. Lease Name and Well No. NORTH CHAPITA 343-23
8b. Phone No. (include area code) 435-781-9111		9. API Well No. 43-047-38957
9. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 783 FNL 544 FEL NENE 40.113303 LAT 109.399758 LON At proposed prod. zone SAME		10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERD
11. Distance in miles and direction from nearest town or post office* 34 MILES SOUTH OF VERNAL, UTAH		11. Sec., T. R. M. or Blk. and Survey or Area SECTION 23, T8S, R22E S.L.B.&M
12. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 544 DRILLING LINE 537 LEASE LINE		12. County or Parish UINTAH
13. No. of acres in lease 160		13. State UT
14. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 6140		17. Spacing Unit dedicated to this well 40
15. Proposed Depth 10,470		20. BLM/BIA Bond No. on file NM 2308
16. Elevations (Show whether DF, KDB, RT, GL, etc.) 4878 GL		23. Estimated duration 45 DAYS
17. Approximate date work will start*		

24. Attachments

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

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

25. Signature 	Name (Printed/Typed) KAYLENE R. GARDNER	Date 12/28/2006
Title SR. REGULATORY ASSISTANT		

Approved by (Signature) 	Name (Printed/Typed) JERRY KENCICKA	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)

CONDITIONS OF APPROVAL ATTACHED

NOTICE OF APPROVAL

RECEIVED

OCT 23 2007

DIV. OF OIL, GAS & MINING

16 EOG  
07PP16357



**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:** NENE, Sec. 23, T8S, R22E  
**Well No:** North Chapita 343-23           **Lease No:** UTU-81657  
**API No:** 43-047-38957                      **Agreement:** N/A

<b>Title</b>	<b>Name</b>	<b>Office Phone Number</b>	<b>Cell Phone Number</b>
Petroleum Engineer:	Matt Baker	435-781-4490	435-828-4470
Petroleum Engineer:	Michael Lee	435-781-4432	435-828-7875
Petroleum Engineer:	James Ashley	435-781-4470	435-828-7874
Petroleum Engineer:	Ryan Angus	435-781-4430	435-828-7368
Supervisory Petroleum Technician:	Jamie Sparger	435-781-4502	435-828-3913
NRS/Enviro Scientist:	Paul Buhler	435-781-4475	435-828-4029
NRS/Enviro Scientist:	Karl Wright	435-781-4484	
NRS/Enviro Scientist:	Holly Villa	435-781-4404	
NRS/Enviro Scientist:	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 (north side of location). Rip Rap material will be large angular rock unless determined by BLM that cobble rock could be used.
- Construct a drainage ditch on South side of road.
- Build erosion dam in drainage on west side of location, and build berm from stake 5 to stake 6.
- Bury the pipe line down to the QEP location 4MU-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 eight, 36" culverts and two 48" culverts.
- Berm east side of location after pit has been closed (the side the pit was located)

## **DOWNHOLE CONDITIONS OF APPROVAL**

### **SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL**

- Electronic/mechanical mud monitoring equipment shall be required, from surface casing shoe to TD, which shall include as a minimum: pit volume totalizer (PVT); stroke counter; and flow sensor.
- A formation integrity test shall be performed twenty feet or less below the surface casing shoe.
- The top of the production casing cement shall extend a minimum of 200 feet above the surface casing shoe.

#### **Variance Granted:**

- 75 foot long blooie line approved.

#### **Commingling:**

- Downhole commingling for the Wasatch-Mesaverde 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 343-23

9. API Well No.  
43-047-38957

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 NENE 783FNL 544FEL  
40.11330 N Lat, 109.39976 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 permission to change the TD of the referenced well from 10,470' to 10,600'. A revised drilling plan is attached.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 12-17-07

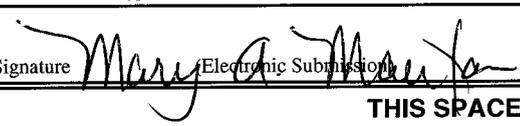
By: 

**COPY SENT TO OPERATOR**  
Date: 12-17-2007  
Initials: J/S

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #57401 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 

Date 12/04/2007

**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 \*\***

**RECEIVED**  
DEC 06 2007

DIV. OF OIL, GAS & MINING

**EIGHT POINT PLAN**

**NORHT CHAPITA WELLS 343-23**  
**NE/NE, SEC. 23, T8S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>TVD-RKB (ft)</b>	<b>Objective</b>	<b>Lithology</b>	
Green River	2,532		Shale	
Wasatch	5,538	Primary	Sandstone	Gas
Chapita Wells	6,080	Primary	Sandstone	Gas
Buck Canyon	6,752	Primary	Sandstone	Gas
North Horn	7,403	Primary	Sandstone	Gas
KMV Price River	8,106	Primary	Sandstone	Gas
KMV Price River Middle	8,996	Primary	Sandstone	Gas
KMV Price River Lower	9,845	Primary	Sandstone	Gas
Sego	10,405		Sandstone	
<b>TD</b>	<b>10,600</b>			

Estimated TD: 10,600' or 200'± below TD

**Anticipated BHP: 5,790 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.

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
 BOP schematic diagrams attached.

**4. CASING PROGRAM:**

<b>CASING</b>	<b>Hole Size</b>	<b>Length</b>	<b>Size</b>	<b>WEIGHT</b>	<b>Grade</b>	<b>Thread</b>	<b>Rating Collapse</b>	<b>Factor Burst</b>	<b>Tensile</b>
Conductor	17 1/2"	0 – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 1/4"	Surface – 2,300' 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" 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.**

## **EIGHT POINT PLAN**

### **NORHT CHAPITA WELLS 343-23** **NE/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 5<sup>th</sup> joint to surface. (15 total)

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

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

#### **6. MUD PROGRAM**

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

Air/air mist or aerated water.

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

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

#### **7. VARIANCE REQUESTS:**

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

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

**EIGHT POINT PLAN**

**NORHT CHAPITA WELLS 343-23**  
**NE/NE, SEC. 23, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**8. EVALUATION PROGRAM:**

**Logs:** Mud log from base of surface casing to TD.  
**Cased-hole Logs:** Cased-hole logs will be run in lieu of open-hole logs consisting of the following:  
**Cement Bond / Casing Collar Locator and Pulsed Neutron**

**9. CEMENT PROGRAM:**

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

**Lead:** 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:** 207 sks Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

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

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

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

**Lead:** 244 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 1072 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9 gps water.

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

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

**EIGHT POINT PLAN**

**NORHT CHAPITA WELLS 343-23**  
**NE/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.

(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: <b>UTU81657</b>
		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: <b>North Chapita 343-23</b>
2. NAME OF OPERATOR: <b>EOG Resources, Inc.</b>		9. API NUMBER: <b>43-047-38957</b>
3. ADDRESS OF OPERATOR: 1060 East Highway 40      CITY <b>Vernal</b> STATE <b>UT</b> ZIP <b>84078</b>		PHONE NUMBER: <b>(435) 781-9111</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>783 FNL - 544 FEL 40.003303 LAT 109.399758 LON</b>		10. FIELD AND POOL, OR WILDCAT: <b>Natural Buttes</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NENE 23 8S 22E S</b>		COUNTY: <b>Uintah</b> STATE: <b>UTAH</b>

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

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

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

(This space for State use only)

**RECEIVED**  
**JAN 22 2008**  
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:** 43-047-38957  
**Well Name:** North Chapita 343-23  
**Location:** 783 FNL - 544 FEL (NENE), 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

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

FORM 9

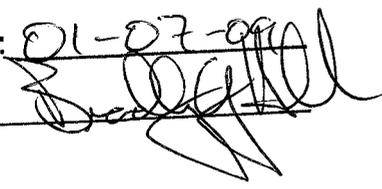
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU-81657</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		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: <b>North Chapita 343-23</b>	
2. NAME OF OPERATOR: <b>EOG Resources, Inc.</b>		9. API NUMBER: <b>43-047-38957</b>
3. ADDRESS OF OPERATOR: <b>1060 East Highway 40 Vernal UT 84078</b>	PHONE NUMBER: <b>(435) 781-9111</b>	10. FIELD AND POOL, OR WILDCAT: <b>Natural Buttes</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>783 FNL - 544 FEL 40.113303 LAT 109.399758 LON</b>		COUNTY: <b>Uintah</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NENE 23 8S 22E S</b>		STATE: <b>UTAH</b>

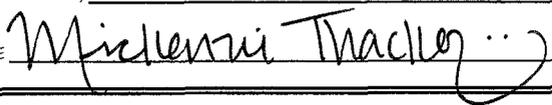
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> 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
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	<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: 

NAME (PLEASE PRINT) <u>Mickenzie Thacker</u>	TITLE <u>Operations Clerk</u>
SIGNATURE 	DATE <u>12/29/2008</u>

(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:** 43-047-38957  
**Well Name:** North Chapita 343-23  
**Location:** 783 FNL - 544 FEL (NENE), 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

Mickenna Trackley  
Signature

12/29/2008  
Date

Title: Operations Clerk

Representing: EOG Resources, Inc.

**RECEIVED**  
JAN 05 2009

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**RECEIVED**

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

**SUNDRY NOTICES AND REPORTS ON WELLS** SEP 24 2009  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

**BLM**

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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU81657
2. Name of Operator EOG RESOURCES, INC.		6. If Indian, Allottee or Tribe Name
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 453-781-9145		8. Well Name and No. NORTH CHAPITA 343-23
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 23 T8S R22E NENE 783FNL 544FEL 40.11330 N Lat, 109.39976 W Lon		9. API Well No. 43-047-38957
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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. respectfully requests the APD for the referenced well be extended for two years.

VERNAL DIST. \_\_\_\_\_  
 NG. \_\_\_\_\_  
 GEOL. \_\_\_\_\_  
 E.S. \_\_\_\_\_  
 PET. \_\_\_\_\_  
 A.M. \_\_\_\_\_

**CONDITIONS OF APPROVAL ATTACHED**

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

Electronic Submission #74741 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal  
Committed to AFMSS for processing by GAIL JENKINS on 09/24/2009 ()

Name (Printed/Typed) MICKENZIE THACKER	Title OPERATIONS CLERK
Signature (Electronic Submission)	Date 09/24/2009

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

Approved By	Title Petroleum Engineer	Date OCT 19 2009
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office

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

**RECEIVED**

NOV 23 2009

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

DIV. OF OIL, GAS & MINING

**UDOGM**

1062605E

# CONDITIONS OF APPROVAL

## EOG Resources, Inc.

### Notice of Intent APD Extension

**Lease:** UTU-81657  
**Well:** North Chapita 343-23  
**Location:** NENE 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.

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-81657
	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> N CHAPITA 343-23
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047389570000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0783 FNL 0544 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENE Section: 23 Township: 08.0S Range: 22.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 1/4/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> 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"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> 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 checked="" 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 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: 

<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 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 43047389570000

API: 43047389570000

Well Name: N CHAPITA 343-23

Location: 0783 FNL 0544 FEL QTR NENE SEC 23 TWNP 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]

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-81657
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<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
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<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> N CHAPITA 343-23
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<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047389570000
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<b>3. ADDRESS OF OPERATOR:</b> 600 17th Street, Suite 1000 N , Denver, CO, 80202	<b>PHONE NUMBER:</b> 435 781-9111 Ext	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
---	--	--

<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0783 FNL 0544 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENE Section: 23 Township: 08.0S Range: 22.0E Meridian: S	<b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH
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11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 5/21/2010  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> ACIDIZE <input checked="" type="checkbox"/> <b>CHANGE TO PREVIOUS PLANS</b> <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 Duff*

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

**DRILLING PLAN**

**NORTH CHAPITA 343-23**  
**NE/NE, SEC. 23, T8S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>TVD-RKB (ft)</b>	<b>Objective</b>	<b>Lithology</b>	
Green River	2,532		Shale	
Mahogany Oil Shale Bed	3,178		Shale	
Wasatch	5,538	Primary	Sandstone	Gas
Chapita Wells	6,080	Primary	Sandstone	Gas
Buck Canyon	6,752	Primary	Sandstone	Gas
North Horn	7,403	Primary	Sandstone	Gas
KMV Price River	8,106	Primary	Sandstone	Gas
KMV Price River Middle	8,996	Primary	Sandstone	Gas
KMV Price River Lower	9,845	Primary	Sandstone	Gas
Sego	10,405		Sandstone	
<b>TD</b>	<b>10,600</b>			

**Estimated TD: 10,600' or 200'± below TD**

**Anticipated BHP: 5,788 Psig**

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

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

**4. CASING PROGRAM:**

<b>CASING</b>	<b>Hole Size</b>	<b>Length</b>	<b>Size</b>	<b>WEIGHT</b>	<b>Grade</b>	<b>Thread</b>	<b>Rating Collapse</b>	<b>Factor Burst</b>	<b>Tensile</b>
Conductor	20"	0 – 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 343-23 NE/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 5<sup>th</sup> 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 2<sup>nd</sup> joint.

#### **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

## DRILLING PLAN

### NORTH CHAPITA 343-23 NE/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:

**Cased-hole Logs:**

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

## DRILLING PLAN

### NORTH CHAPITA 343-23 NE/NE, SEC. 23, T8S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 9. CEMENT PROGRAM:

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

**Tail: 400 sks** Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

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

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

**Lead: 135 sks** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail: 920 sks** Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 400' above the Green River formation and are based on gauge hole.

##### Production Hole Procedure (7500'± - TD)

**Lead: 235 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail: 310 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:** The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 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 343-23** **NE/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)**

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-81657
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> N CHAPITA 343-23
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047389570000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0783 FNL 0544 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENE Section: 23 Township: 08.0S Range: 22.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 2/8/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input checked="" type="checkbox"/> <b>CHANGE TO PREVIOUS PLANS</b>	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> 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 type="checkbox"/> OTHER	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*

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

**DRILLING PLAN**

**NORTH CHAPITA 343-23**  
**NE/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	2,532		Shale	
Mahogany Oil Shale Bed	3,178		Shale	
Wasatch	5,538	Primary	Sandstone	Gas
Chapita Wells	6,080	Primary	Sandstone	Gas
Buck Canyon	6,752	Primary	Sandstone	Gas
North Horn	7,403	Primary	Sandstone	Gas
KMV Price River	8,106	Primary	Sandstone	Gas
KMV Price River Middle	8,996	Primary	Sandstone	Gas
KMV Price River Lower	9,845	Primary	Sandstone	Gas
Sego	10,405		Sandstone	
<b>TD</b>	<b>10,600</b>			

**Estimated TD: 10,600' or 200'± below TD**

**Anticipated BHP: 5,788 Psig**

- Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
- 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	20"	0 – 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 343-23 NE/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 5<sup>th</sup> 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 2<sup>nd</sup> joint.

#### 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

## DRILLING PLAN

### NORTH CHAPITA 343-23 NE/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:

**Cased-hole Logs:**

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

## DRILLING PLAN

### NORTH CHAPITA 343-23 NE/NE, SEC. 23, T8S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 9. CEMENT PROGRAM:

##### Hole Procedure (Surface - 3100'±):

**Tail:**            **400 sks**        Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

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

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

**Lead:**            **300 sks**        Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:**            **930 sks**        Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:**                        Cement volumes will be calculated to bring lead cement to surface and tail cement to 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 ft<sup>3</sup>/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 ft<sup>3</sup>/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 343-23** **NE/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)**

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-81657
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> N CHAPITA 343-23
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047389570000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0783 FNL 0544 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENE Section: 23 Township: 08.0S Range: 22.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

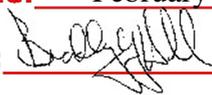
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 2/17/2010  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> ACIDIZE <input checked="" type="checkbox"/> <b>CHANGE TO PREVIOUS PLANS</b> <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. TD: from 10,600 to 10,650

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

**Date:** February 18, 2010

**By:** 

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

## DRILLING PLAN

### NORTH CHAPITA 343-23 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	2,532		Shale	
Mahogany Oil Shale Bed	3,178		Shale	
Wasatch	5,538	Primary	Sandstone	Gas
Chapita Wells	6,080	Primary	Sandstone	Gas
Buck Canyon	6,752	Primary	Sandstone	Gas
North Horn	7,403	Primary	Sandstone	Gas
KMV Price River	8,106	Primary	Sandstone	Gas
KMV Price River Middle	8,996	Primary	Sandstone	Gas
KMV Price River Lower	9,845	Primary	Sandstone	Gas
Sego	10,405		Sandstone	
<b>TD</b>	<b>10,650</b>			

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 343-23 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 5<sup>th</sup> 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 2<sup>nd</sup> 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 343-23 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 343-23**  
**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% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:**                            As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.  
\*Does not include excess.

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

**Lead:**            **200 sks**            Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:**            **930 sks**            Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:**                                    Cement volumes will be calculated to bring lead cement to surface and tail cement to 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 ft<sup>3</sup>/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 ft<sup>3</sup>/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% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:**                            As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.  
\*Does not include excess.

## DRILLING PLAN

### NORTH CHAPITA 343-23 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 ft<sup>3</sup>/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 ft<sup>3</sup>/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 343-23** **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 90' 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)**

**DIVISION OF OIL, GAS AND MINING**

**SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: N CHAPITA 343-23

Api No: 43-047-38957 Lease Type: FEDERAL

Section 23 Township 08S Range 22E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # BUCKET

**SPUDDED:**

Date 05/06/2010

Time 9:00 AM

How DRY

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

Reported by KENT DAVENPORT

Telephone # (435) 828- 8200

Date 05/06/2010 Signed CHD

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-81657
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> N CHAPITA 343-23
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047389570000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0783 FNL 0544 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENE Section: 23 Township: 08.0S Range: 22.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> 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"/> <b>SPUD REPORT</b> 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"/> <b>DRILLING REPORT</b> Report Date: 5/6/2010	<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 5/6/2010.

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 May 13, 2010

<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 5/6/2010	

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
43-047-50325	CHAPITA WELLS UNIT 1261-21		NWSE	21	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>A B</i>	99999	<i>13650</i>	5/4/2010			<i>5/18/10</i>	
Comments: MESAVERDE <i>PREV = MVRD</i>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38957	NORTH CHAPITA 343-23		NENE	23	8S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>A</i>	99999	<i>17607</i>	5/6/2010			<i>5/18/10</i>	
Comments: WASATCH/MESAVERDE <i>PREV = MVRD = WSMVD</i>							

**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)

Mickenzie Gates

Name (Please Print)

*Mickenzie Gates*

Signature

Operations Clerk

5/6/2010

Title

Date

RECEIVED

MAY 06 2010

DIV. OF OIL, GAS & MINING

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-81657
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> N CHAPITA 343-23
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047389570000
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<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0783 FNL 0544 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENE Section: 23 Township: 08.0S Range: 22.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> 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"/> <b>SPUD REPORT</b> 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"/> <b>DRILLING REPORT</b> 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.

Drilling operations for the referenced well began on 5/24/2010. Please see the attached well chronology report for the referenced well showing all activity up to 6/2/2010.

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 June 03, 2010

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

# WELL CHRONOLOGY REPORT

Report Generated On: 06-01-2010

<b>Well Name</b>	NCW 343-23	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-38957	<b>Well Class</b>	DRIL
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>		<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	10,600/ 10,600	<b>Property #</b>	060412
<b>Water Depth</b>	0	<b>Last CSG</b>	9.63	<b>Shoe TVD / MD</b>	3,069/ 3,069
<b>KB / GL Elev</b>	4,896/ 4,879				
<b>Location</b>	Section 23, T8S, R22E, NENE, 783 FNL & 544 FEL				

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

<b>AFE No</b>	304448	<b>AFE Total</b>	1,587,800	<b>DHC / CWC</b>	664,700/ 923,100
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #34	<b>Start Date</b>	01-15-2007
<b>01-15-2007</b>	<b>Reported By</b>	SHARON CAUDILL			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA: 783' FNL & 544' FEL (NE/NE) SECTION 23, T8S, R22E UINTAH COUNTY, UTAH  LAT 40.113303, LONG 109.399758 (NAD 83) LAT 40.113339, LONG 109.399075 (NAD 27)  TRUE #34 OBJECTIVE: 10600' TD, MESAVERDE DW/GAS NORTH CHAPITA PROSPECT DD&A FIELD: CHAPITA DEEP NATURAL BUTTES FIELD  LEASE: U-81657 ELEVATION: 4877.6' NAT GL, 4878.5' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4879'), 4898' 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

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

**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	ACCESS ROAD WORK.

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

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ACCESS ROAD WORK 10%.

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

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ACCESS ROAD 15% 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

Start	End	Hrs	Activity Description
06:00	06:00	24.0	WORKING ON ACCESS ROAD. LOCATION STARTED.

04-12-2010      Reported By      TERRY CSERE







**Cum Costs: Drilling** \$320,851 **Completion** \$0 **Well Total** \$320,851  
**MD** 3,050 **TVD** 3,050 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** RURT

Start	End	Hrs	Activity Description
10:30	16:30	6.0	RIG DOWN TO MOVE TO NCW 343-23. DERRICK DOWN @ 11:30AM. TRANSFERED 2166 GALS. OF FUEL FROM THE ECW 102-16, TRANSFERED 119.2' OF 4.5" 11.6, N-80, LT&C CASING & 10.35' OF 4.5" 11.60#, P-110, LT&C MARKER JOINT FROM ECW 102-16.
			NO ACCIDENT, NO INCIDENT, SAFETY MEETING W/ CREWS & TRUCK DRIVERS. FULL CREWS
16:30	18:00	1.5	MOVE RIG 13.8 MILES
18:00	06:00	12.0	RIG UP, READY TO RAISE DERRICK @ DAYLIGHT.

**05-29-2010** **Reported By** JOHNNY TURNER

**Daily Costs: Drilling** \$57,473 **Completion** \$0 **Daily Total** \$57,473  
**Cum Costs: Drilling** \$378,325 **Completion** \$0 **Well Total** \$378,325  
**MD** 3,050 **TVD** 3,050 **Progress** 0 **Days** 0 **MW** 8.4 **Visc** 29.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** RIG REPAIR (ROTARY TABLE)

Start	End	Hrs	Activity Description
06:00	12:00	6.0	RAISE DERRICK @ 06:00 & RIG UP ROTARY TOOLS( RIG ACCEPTED @ 12:00 5-28-2009)
12:00	13:30	1.5	RIG UP CONDUCTOR PIPE
13:30	14:00	0.5	HOLD SAFETY MEETING W/ LAY DOWN GREW ON PICKING UP BHA
14:00	17:00	3.0	RIG UP LAY DOW MACHINE & PICK UP BHA
17:00	17:30	0.5	TAG @ 305 ( RIG DOWN LAY DOWN MACHINE)
17:30	18:30	1.0	WASH & REAM FROM 305' TO 468'
18:30	19:00	0.5	INSTALL DRIVE BUSHING FOR ROTATING HEAD & TRY TO REMOVE MASTER BUSHING
19:00	20:00	1.0	TRIP OUT OF HOLE TO REMOVE MASTER BUSHING
20:00	06:00	10.0	RIG REPAIR (PULL ROTARY TABLE & PUT ON GROUND TO CUT MASTER BUSHING OUT OF ROTARY TABLE NO ACCIDENT, NO INCIDENT, FULL CREWS FUEL 10190 GAL., USED 204 GAL.

**05-30-2010** **Reported By** JOHNNY TURNER

**Daily Costs: Drilling** \$27,600 **Completion** \$0 **Daily Total** \$27,600  
**Cum Costs: Drilling** \$399,675 **Completion** \$0 **Well Total** \$399,675  
**MD** 3,050 **TVD** 3,050 **Progress** 0 **Days** 0 **MW** 8.8 **Visc** 30.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** WORK TIGHT HOLE @ 1800'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	WORK ON ROTARY TABLE
08:00	09:30	1.5	TRIP IN HOLE TO CLEAN OUT HOLE
09:30	15:00	5.5	WASH & REAM FROM 438' TO 868'
15:00	15:30	0.5	SERVICE RIG
15:30	21:30	6.0	WASH & REAM FROM 868' TO 1939'
21:30	06:00	8.5	LOST RETURNS, ATTEMPT TO PULL UP & HOLE WAS TIGHT, WORK TIGHT HOLE FROM 1939' TO 1800', LOST APPROX. 2100 BBLS OF FLUID, NO ACCIDENT, NO INCIDENT, FULL CREWS, FUEL 9234 GALS., 956 GAL. USED

**05-31-2010**      **Reported By**      JOHNNY TURNER

<b>Daily Costs: Drilling</b>	\$31,623	<b>Completion</b>	\$0	<b>Daily Total</b>	\$31,623
<b>Cum Costs: Drilling</b>	\$431,299	<b>Completion</b>	\$0	<b>Well Total</b>	\$431,299

**MD**      3,050      **TVD**      3,050      **Progress**      0      **Days**      0      **MW**      10.0      **Visc**      34.0

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

**Activity at Report Time:** WASH & REAM @ 1579'

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	08:00	2.0	WORK TIGHT PIPE WITH NO CIRCULATION F/ 1810' TO 1716'. REGAINED CIRCULATION @ 1716'.
08:00	09:00	1.0	CIRCULATE AND CONDITION HOLE.
09:00	11:30	2.5	TOH, TIGHT HOLE F/ 1716' TO 1464'. (FUNCTION TEST COM F/ TIP MODE).
11:30	14:00	2.5	TOH, FROM 1416' TO BHA.
14:00	15:00	1.0	HANDLE BHA. LAYED DOWN THREE POINT REAMER, XO AND CHANGED THE FLOAT IN BIT.
15:00	16:00	1.0	TIH AND TAG BRIDGE AT 584'.
16:00	18:00	2.0	CIRCULATE AND CONDITION MUD AT 584'.
18:00	18:30	0.5	SERVICE RIG.
18:30	19:30	1.0	CIRCULATE AND CONDITION MUD AT 584'. MUD WT 10 PPG, VIS 43.
19:30	22:00	2.5	WASH AND REAM FROM 584' TO 678' THE HOLE WAS SLOUGHING AND BRIDGING OFF. WE HAD TO LAY THE SAME JOINT DOWN THREE TIMES BECAUSE WE COULD NOT GET THE BUSHINGS BACK IN THE ROTARY TABLE THE HOLE BRIDGED OFF. THIS HAPPENED ON 2 JOINTS. MUD 10+, VIS 44
22:00	06:00	8.0	CONTINUE REAMING FROM 678' TO 1579', MUD WEIGHT 10.1, VIS 43-45, NO ACCIDENT, NO INCIDENT, FULL CREWS, COM CHECK DRILLING, FUEL: 8322 GALS, USED: 912 GALS

**06-01-2010**      **Reported By**      JOHNNY TURNER

<b>Daily Costs: Drilling</b>	\$33,816	<b>Completion</b>	\$0	<b>Daily Total</b>	\$33,816
<b>Cum Costs: Drilling</b>	\$465,115	<b>Completion</b>	\$0	<b>Well Total</b>	\$465,115

**MD**      3,050      **TVD**      3,050      **Progress**      0      **Days**      0      **MW**      10.3      **Visc**      53.0

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

**Activity at Report Time:** BUILDING VOLUME & COND. MUD @ 1500'

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	09:00	3.0	WASH & REAM FROM 1579' TO 2048' (LOST CIRCULATION @ 2048', PULL OUT OF HOLE TIGHT)
09:00	12:30	3.5	WORK TIGHT HOLE W/ NO CIRCULATION FROM 2048' TO 1800' (REGAINED RETURNS @ 1800', WITH NO TIGHT HOLE)
12:30	14:30	2.0	CIRCULATE & MIX LCM W/ FULL RETURNS @ 1800' V(MUD WEIGHT 10.2, VIS 45, LCM 15%)
14:30	15:00	0.5	SERVICE RIG
15:00	16:30	1.5	TRIP OUT OF HOLE TO 298', HOLE IN GOOD SHAPE.
16:30	18:30	2.0	CIRCULATE & CONDITION MUD, BUILD VOLUME, W/ 10-15% LCM, 45-50 VIS, 10-10.2 MUD WEIGHT
18:30	23:00	4.5	WASH & REAM FROM 298' TO 800', GOOD RETURNS, HOLE IN GOOD SHAPE
23:00	00:00	1.0	TRIP IN HOLE TO 1752' (HIT NO BRIDGES, HOLE IN GOOD SHAPE)
00:00	03:30	3.5	WASH & REAM FROM 1752' TO 2361' (LOST CIRCULATION @ 1752', PUMP TO POLY SWELL SWEEPS WITH NO RETURNS (MUD WEIGHT 10.2, VIS 52, 14% LCM
03:30	06:00	2.5	TRIP OUT OF HOLE FROM 2361' TO LAYING 3 JTS @ A TIME CHECKING FOR RETURNS TO 1800' NO RETURNS, SET KELLY BACK PULL TO 1500', HOLE HAD NO DRAG FULL CREWS NO ACCIDENT, NO INCIDENT COM CHECK WASHING & TRIPPING FUEL 7298 GAL., USED 1026 GAL.

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-81657
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> N CHAPITA 343-23
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047389570000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0783 FNL 0544 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENE Section: 23 Township: 08.0S Range: 22.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> 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"/> <b>SPUD REPORT</b> 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"/> <b>DRILLING REPORT</b> 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 reference 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

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

# WELL CHRONOLOGY REPORT

Report Generated On: 07-01-2010

<b>Well Name</b>	NCW 343-23	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-38957	<b>Well Class</b>	COMP
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	06-03-2010	<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	10,650/ 10,650	<b>Property #</b>	060412
<b>Water Depth</b>	0	<b>Last CSG</b>	4.5	<b>Shoe TVD / MD</b>	10,645/ 10,645
<b>KB / GL Elev</b>	4,896/ 4,879				
<b>Location</b>	Section 23, T8S, R22E, NENE, 783 FNL & 544 FEL				

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

<b>AFE No</b>	304448	<b>AFE Total</b>	1,587,800	<b>DHC / CWC</b>	664,700/ 923,100
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #34	<b>Start Date</b>	01-15-2007
<b>01-15-2007</b>	<b>Reported By</b>	SHARON CAUDILL			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA: 783' FNL & 544' FEL (NE/NE) SECTION 23, T8S, R22E UINTAH COUNTY, UTAH  LAT 40.113303, LONG 109.399758 (NAD 83) LAT 40.113339, LONG 109.399075 (NAD 27)  TRUE #34 OBJECTIVE: 10600' TD, MESAVERDE DW/GAS NORTH CHAPITA PROSPECT DD&A FIELD: CHAPITA DEEP NATURAL BUTTES FIELD  LEASE: U-81657 ELEVATION: 4877.6' NAT GL, 4878.5' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4879'), 4898' 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

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

**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	ACCESS ROAD WORK.

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

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ACCESS ROAD WORK 10%.

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

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ACCESS ROAD 15% 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

Start	End	Hrs	Activity Description
06:00	06:00	24.0	WORKING ON ACCESS ROAD. LOCATION STARTED.

04-12-2010      Reported By      TERRY CSERE







**Cum Costs: Drilling** \$323,624 **Completion** \$0 **Well Total** \$323,624  
**MD** 3,050 **TVD** 3,050 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** RURT

Start	End	Hrs	Activity Description
10:30	16:30	6.0	RIG DOWN TO MOVE TO NCW 343-23. DERRICK DOWN @ 11:30AM. TRANSFERED 2166 GALS. OF FUEL FROM THE ECW 102-16, TRANSFERED 119.2' OF 4.5" 11.6, N-80, LT&C CASING & 10.35' OF 4.5" 11.60#, P-110, LT&C MARKER JOINT FROM ECW 102-16.
NO ACCIDENT, NO INCIDENT, SAFETY MEETING W/ CREWS & TRUCK DRIVERS. FULL CREWS			
16:30	18:00	1.5	MOVE RIG 13.8 MILES
18:00	06:00	12.0	RIG UP, READY TO RAISE DERRICK @ DAYLIGHT.

**05-29-2010** **Reported By** JOHNNY TURNER

**Daily Costs: Drilling** \$57,473 **Completion** \$0 **Daily Total** \$57,473  
**Cum Costs: Drilling** \$381,098 **Completion** \$0 **Well Total** \$381,098  
**MD** 3,050 **TVD** 3,050 **Progress** 0 **Days** 0 **MW** 8.4 **Visc** 29.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** RIG REPAIR (ROTARY TABLE)

Start	End	Hrs	Activity Description
06:00	12:00	6.0	RAISE DERRICK @ 06:00 & RIG UP ROTARY TOOLS. RIG ACCEPTED @ 12:00 HRS, 5-28-2010.
12:00	13:30	1.5	RIG UP CONDUCTOR PIPE.
13:30	14:00	0.5	HOLD SAFETY MEETING W/ LAY DOWN CREW ON PICKING UP BHA.
14:00	17:00	3.0	RIG UP LAY DOWN MACHINE & PICK UP BHA.
17:00	17:30	0.5	TAG @ 305 ( RIG DOWN LAY DOWN MACHINE).
17:30	18:30	1.0	WASH & REAM FROM 305' TO 468'.
18:30	19:00	0.5	INSTALL DRIVE BUSHING FOR ROTATING HEAD & TRY TO REMOVE MASTER BUSHING.
19:00	20:00	1.0	TRIP OUT OF HOLE TO REMOVE MASTER BUSHING.
20:00	06:00	10.0	RIG REPAIR (PULL ROTARY TABLE & PUT ON GROUND TO CUT MASTER BUSHING OUT OF ROTARY TABLE.

NO ACCIDENT, NO INCIDENT, FULL CREWS  
FUEL 10190 GAL., USED 204 GAL.

**05-30-2010** **Reported By** JOHNNY TURNER

**Daily Costs: Drilling** \$27,600 **Completion** \$0 **Daily Total** \$27,600  
**Cum Costs: Drilling** \$402,448 **Completion** \$0 **Well Total** \$402,448  
**MD** 3,050 **TVD** 3,050 **Progress** 0 **Days** 0 **MW** 8.8 **Visc** 30.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** WORK TIGHT HOLE @ 1800'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	WORK ON ROTARY TABLE.
08:00	09:30	1.5	TRIP IN HOLE TO CLEAN OUT HOLE.
09:30	15:00	5.5	WASH & REAM FROM 438' TO 868'.

15:00 15:30 0.5 SERVICE RIG.  
 15:30 21:30 6.0 WASH & REAM FROM 868' TO 1939'.  
 21:30 06:00 8.5 LOST RETURNS, ATTEMPT TO PULL UP & HOLE WAS TIGHT, WORK TIGHT HOLE FROM 1939' TO 1800'.

LOST APOX. 2100 BBLS OF FLUID, NO ACCIDENT, NO INCIDENT, FULL CREWS, FUEL 9234 GALS., 956 GAL. USED

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<b>05-31-2010</b>	<b>Reported By</b>	JOHNNY TURNER									
<b>Daily Costs: Drilling</b>	\$31,623	<b>Completion</b>	\$0	<b>Daily Total</b>	\$31,623						
<b>Cum Costs: Drilling</b>	\$434,072	<b>Completion</b>	\$0	<b>Well Total</b>	\$434,072						
<b>MD</b>	3,050	<b>TVD</b>	3,050	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	10.0	<b>Visc</b>	34.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** WASH & REAM @ 1579'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	WORK TIGHT PIPE WITH NO CIRCULATION F/ 1810' TO 1716'. REGAINED CIRCULATION @ 1716'.
08:00	09:00	1.0	CIRCULATE AND CONDITION HOLE.
09:00	11:30	2.5	TOH, TIGHT HOLE F/ 1716' TO 1464'. (FUNCTION TEST COM F/ TIP MODE).
11:30	14:00	2.5	TOH, FROM 1416' TO BHA.
14:00	15:00	1.0	HANDLE BHA. LAYED DOWN THREE POINT REAMER, XO AND CHANGED THE FLOAT IN BIT.
15:00	16:00	1.0	TIH AND TAG BRIDGE AT 584'.
16:00	18:00	2.0	CIRCULATE AND CONDITION MUD AT 584'.
18:00	18:30	0.5	SERVICE RIG.
18:30	19:30	1.0	CIRCULATE AND CONDITION MUD AT 584'. MUD WT 10 PPG, VIS 43.
19:30	22:00	2.5	WASH AND REAM FROM 584' TO 678' THE HOLE WAS SLOUGHING AND BRIDGING OFF. WE HAD TO LAY THE SAME JOINT DOWN THREE TIMES BECAUSE WE COULD NOT GET THE BUSHINGS BACK IN THE ROTARY TABLE THE HOLE BRIDGED OFF. THIS HAPPENED ON 2 JOINTS. MUD 10+, VIS 44
22:00	06:00	8.0	CONTINUE REAMING FROM 678' TO 1579'.

MUD WEIGHT 10.1, VIS 43-45, NO ACCIDENT, NO INCIDENT, FULL CREWS, COM CHECK DRILLING, FUEL: 8322 GALS, USED: 912 GALS

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<b>06-01-2010</b>	<b>Reported By</b>	JOHNNY TURNER									
<b>Daily Costs: Drilling</b>	\$33,816	<b>Completion</b>	\$0	<b>Daily Total</b>	\$33,816						
<b>Cum Costs: Drilling</b>	\$467,889	<b>Completion</b>	\$0	<b>Well Total</b>	\$467,889						
<b>MD</b>	3,050	<b>TVD</b>	3,050	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	10.3	<b>Visc</b>	53.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** BUILDING VOLUME & COND MUD @ 1500'

Start	End	Hrs	Activity Description
06:00	09:00	3.0	WASH & REAM FROM 1579' TO 2048' (LOST CIRCULATION @ 2048', PULL OUT OF HOLE TIGHT).
09:00	12:30	3.5	WORK TIGHT HOLE W/ NO CIRCULATION FROM 2048' TO 1800' (REGAINED RETURNS @ 1800', WITH NO TIGHT HOLE).
12:30	14:30	2.0	CIRCULATE & MIX LCM W/ FULL RETURNS @ 1800' V(MUD WEIGHT 10.2, VIS 45, LCM 15%).
14:30	15:00	0.5	SERVICE RIG.
15:00	16:30	1.5	TRIP OUT OF HOLE TO 298', HOLE IN GOOD SHAPE.
16:30	18:30	2.0	CIRCULATE & CONDITION MUD, BUILD VOLUME, W/ 10-15% LCM, 45-50 VIS, 10-10.2 MUD WEIGHT.
18:30	23:00	4.5	WASH & REAM FROM 298' TO 800', GOOD RETURNS, HOLE IN GOOD SHAPE.
23:00	00:00	1.0	TRIP IN HOLE TO 1752' (HIT NO BRIDGES, HOLE IN GOOD SHAPE).

00:00 03:30 3.5 WASH & REAM FROM 1752' TO 2361' (LOST CIRCULATION @ 1752', PUMP TO POLY SWELL SWEEPS WITH NO RETURNS (MUD WEIGHT 10.2, VIS 52, 14% LCM.  
 03:30 06:00 2.5 TRIP OUT OF HOLE FROM 2361' TO LAYING 3 JTS @ A TIME CHECKING FOR RETURNS TO 1800' NO RETURNS, SET KELLY BACK PULL TO 1500', HOLE HAD NO DRAG.

FULL CREWS  
 NO ACCIDENT, NO INCIDENT  
 COM CHECK WASHING & TRIPPING  
 FUEL 7298 GAL., USED 1026 GAL.

**06-02-2010**      **Reported By**      JOHNNY TURNER

**DailyCosts: Drilling**      \$49,521      **Completion**      \$0      **Daily Total**      \$49,521  
**Cum Costs: Drilling**      \$517,410      **Completion**      \$0      **Well Total**      \$517,410

**MD**      3,069      **TVD**      3,069      **Progress**      0      **Days**      0      **MW**      10.2      **Visc**      50.0

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

**Activity at Report Time:** RUNNING 9 5/8" SURFACE CASING

**Start      End      Hrs      Activity Description**

06:00 09:30 3.5 CIRCULATE & COND. MUD. BUILD VOLUME MIX MUD & LCM @ 1423'.  
 09:30 10:30 1.0 TRIP IN HOLE TO 2361'.  
 10:30 14:00 3.5 WASH & REAM FROM 2361' TO 2954' (WITH LITTLE TO NO RETURNS).  
 14:00 15:30 1.5 WORK TIGHT HOLE FROM 2954' TO 2920'.  
 15:30 16:30 1.0 TRIP OUT OF HOLE TO 1690' TO BUILD VOLUME).  
 16:30 17:00 0.5 SERVICE RIG.  
 17:00 21:30 4.5 BUILD VOLUME MUD WEIGHT 10.2, VIS 50, 15% LCM IN MUD TANKS & PRE MIX TANK.  
 21:30 22:00 0.5 TRIP IN HOLE TO 2954', NO PROBLEMS.  
 22:00 23:00 1.0 WASH & REAM FROM 2954' TO 3069' ( W/ LITTLE TO NO RETURNS).  
 23:00 00:00 1.0 CIRCULATE @ TD 3069' WITH NO RETURNS.  
 00:00 02:30 2.5 TRIP OUT OF HOLE TO RUN 9 5/8" SURFACE CASING.  
 02:30 03:30 1.0 RIG UP LAY DOWN MACHINE & LAY DOWN 8" DC.  
 03:30 04:30 1.0 PJSM W/ CASING & LAYDOWN CREWS, RIG UP CASING CREW TO RUN 9 5/8" CASING.  
 04:30 06:00 1.5 RUN SURFACE CASING.

NO INCIDENT, NO ACCIDENT, FULL CREWS  
 COM CHECK DRILLING & TRIPPING  
 FUEL 6726 GAL. USED 570 GAL.

**06-03-2010**      **Reported By**      GLEN PRUET

**DailyCosts: Drilling**      \$187,073      **Completion**      \$0      **Daily Total**      \$187,073  
**Cum Costs: Drilling**      \$704,483      **Completion**      \$0      **Well Total**      \$704,483

**MD**      3,069      **TVD**      3,069      **Progress**      0      **Days**      0      **MW**      0.0      **Visc**      0.0

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

**Activity at Report Time:** TIH

**Start      End      Hrs      Activity Description**

06:00 08:30 2.5 RUN CASING WITH FRANKS CASING SERVICE AS FOLLOWS: RAN 72 JTS (3038.78') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON TX. PATTERN SHOE AND FLOAT COLLAR. 9 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 3065', FLOAT COLLAR @ 3021'.

08:30 10:00 1.5 PJSM, RD FRANKS CASING TOOLS & LD MACHINE. PJSM HALLIBURTON, FILL CASING, PUMP THRU FLOAT AND ATTEMPT TO CIRCULATE HOLE.

10:00 11:30 1.5 TEST PUMP & LINES 3000 PSI, OK. PUMP 10 BBLS FRESH WATER, 20 BBLS GEL WATER. MIX & PUMP 375 SKS (274 BBLS) VARICEM @ 10.5 PPG, 4.1 YIELD, 26.88 GPS/WTR FOLLOW WITH 300 SKS (63 BBLS) HALCEM @ 15.6 PPG, 1.18 YIELD, 5.2 GPS/WTR. DROP PLUG AND DISPLACED WITH 234 BBLS FRESH WATER, @ 8 BPM 180 BBLS. 0 - 156 PSI, @ 7 BPM 20 BBLS. 156- 245 PSI, @ 4 BPM 33.5 BBLS. -270 PSI. BUMP PLUG WITH 234 BBLS FRESH WATER, PRESSURE 270 - 700 PSI. FLOAT HELD. CEMENTING WITH NO RETURNS DURING JOB. PLUG DOWN @ 11:37 HRS. 6/2/2010.

11:30 13:30 2.0 L/D LANDING JT. ND BOP. RU TO RUN 1" TBG DOWN SURFACE CASING ANNULUS AND CEMENT TOP.

13:30 14:00 0.5 PUMP 100 SKS (21 BBLS) THROUGH 1" TBG @ 200' BGL. NO RETURNS. (100 SKS, 21 BBLS COVERS 400' CALCULATED 9 5/8" x 12 1/4 HOLE).

14:00 16:30 2.5 WAIT ON CEMENT.

16:30 17:30 1.0 PUMPED 200 SKS(42 BBLS) THROUGH 1" TBG FROM 200' TD. AFTER 8 BBLS CMT PUMPED ESTABLISHED FULL CIRCULATION CONTAMINATED DRILLING MUD ONLY. CONTINUED MIXING AND PUMPING CEMENT, AFTER 38 BBLS CMT PUMPED CEMENT CIRCULATED TO SURFACE. PUMPED 4 BBLS CEMENT WITH FULL CEMENT RETURNS. SHUT DOWN, MONITORED WELL. CEMENT DID NOT FALL. RDMO HALLIBURTON.

17:30 18:00 0.5 WAIT ON CEMENT. FMC TECHNICIAN SET DTO DRLG CONNECTOR LOCK DOWN AND TEST TO 5000 PSI. OK.

18:00 20:30 2.5 NU BOPE.

20:30 06:00 9.5 HELD PJSM WITH B & C QUICK TEST, INC. RU AND TEST PIPE RAMS, (CHANGE SEALS IN PIPE RAMS).( CHANGED SEAL ON TEST PLUG. 1.5 HRS. WAIT ON NEW SEALS FOR TEST PLUG). TEST BLIND RAMS, HCR, CHOKE LINES, MANIFOLD, KILL LINE VALVES, UPPER & LOWER KELLY & INSIDE BOP 250 LOW/ 5000 PSI HI, 10 MINUTES. TEST ANNULAR PREVENTER 250/2500 PSI FOR 10 MINUTES.

ONE 3RD PARTY ACCIDENT, (1ST DEGREE BURN. HEATED CAN SPRAYED FACE WHEN OPENED)  
 SAFETY MEETINGS; NU BOPE. TESTING BOPE.  
 COM CHECK DRILLING & TRIPPING  
 FUEL 6384 GAL. USED 342 GAL.  
 JOHNNY TURNER SENT BLM NOTIFICATION ON 5/28/2010 FOR BOP TEST ON 11" BOP.  
 WEATHER; TEMP 57 DEG. DEW POINT 42 DEG. VISIBILITY 10 MILES, WIND CALM.

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<b>06-04-2010</b>	<b>Reported By</b>	GLEN PRUET									
<b>Daily Costs: Drilling</b>	\$54,393	<b>Completion</b>	\$0	<b>Daily Total</b>	\$54,393						
<b>Cum Costs: Drilling</b>	\$742,303	<b>Completion</b>	\$0	<b>Well Total</b>	\$742,303						
<b>MD</b>	4,675	<b>TVD</b>	4,675	<b>Progress</b>	1,606	<b>Days</b>	1	<b>MW</b>	9.0	<b>Visc</b>	36.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>		<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time:</b> DRILLING @ 4675'											

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:30	0.5	INSTALL WEAR BUSHING.
06:30	07:30	1.0	PU 8 3/4" STC 5 BLADE PDC BIT, & TIH. TAG CEMENT @ 3010' (FUNCTION COM FOR TRIP MODE).
07:30	08:00	0.5	INSTALL DRIVE BUSHING & ROTATING RUBBER.
08:00	09:30	1.5	DRILL CEMENT/FLOAT EQUIP. (FUNC. COM FOR DRILL MODE).
09:30	10:00	0.5	CONDITION MUD AND DRILL 10' FORMATION. CBU.
10:00	10:30	0.5	PERFORM FIT @ 3080'. 8.9 PPG + 325 PSI SIP FOR 10.9 PPG EMW.
10:30	14:00	3.5	DRILL 3080' TO 3333', 253' @ 72.2 FPH, WOB=16-20K, RPM=55+67MM, SPP=1450-1650, DP=150-350.

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14:00 16:30 2.5 DRILL 3333' TO 3566'(233' @ 93.2 F/H) 22 WOB, 168 RPM (65 ROT + 103 MTR), 9.0 PPG MW, 36 VIS, DRILLING MAHOGANY OIL SHALE F/3197' SPP 1900/2300 PSI. DIFF PRESSURE 220/420.  
 16:30 17:00 0.5 SERVICE RIG.  
 17:00 22:30 5.5 DRILL 3566' TO 4101'(535' @ 97.27 F/H) 20 WOB, 145 RPM (60 ROT + 85 MTR), 9.0 PPG MW, 35 VIS, DRILLING MAHOGANY OIL SHALE F/3197' SPP 2060/2230 PSI. DIFF PRESSURE 220/405.  
 22:30 23:00 0.5 SURVEY @4010', 1.93 DEG.  
 23:00 06:00 7.0 DRILL 4101' TO 4675'( 574' @ 82.0 F/H) 20 WOB, 130 RPM (60 ROT + 70 MTR), 9.2 PPG MW, 35 VIS, DRILLING MAHOGANY OIL SHALE F/3197' SPP 1860/2066 PSI. DIFF PRESSURE 168/375.

FULL CREWS, NO ACCIDENTS.  
 SAFETY MEETING; DRILLING, WORKING ON MUD PUMP.  
 FUEL 5222 GAL. USED 1140 GAL.  
 WEATHER; TEMP 58 DEG. DEWPOINT 44 DEG. WINDS CALM, 10 MI. VIS.

06:00 SPUD 8 3/4" HOLE @ 10:30 HRS, 6/3/2010.

<b>06-05-2010</b>		<b>Reported By</b>		GLEN PRUET							
<b>DailyCosts: Drilling</b>		\$33,920	<b>Completion</b>		\$0	<b>Daily Total</b>		\$33,920			
<b>Cum Costs: Drilling</b>		\$776,224	<b>Completion</b>		\$0	<b>Well Total</b>		\$776,224			
<b>MD</b>	6,070	<b>TVD</b>	6,070	<b>Progress</b>	1,395	<b>Days</b>	2	<b>MW</b>	9.2	<b>Visc</b>	36.0
<b>Formation :</b>			<b>PBTD : 0.0</b>			<b>Perf :</b>		<b>PKR Depth : 0.0</b>			

**Activity at Report Time:** DRILLING @ 6070'

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILL 4675' TO 4949'(274' @ 78.2 F/H) 20/22 WOB, 130 RPM (50 ROT + 70 MTR), 9.2 PPG MW, 36 VIS, DRILLING MAHOGANY OIL SHALE F/3197' SPP 1645/1837 PSI. DIFF PRESSURE 170/361.
09:30	10:00	0.5	SERVICE RIG.
10:00	10:30	0.5	SURVEY 4871' 1.82 DEGREES.
10:30	14:00	3.5	DRILL 4949' TO 5167'(218' @ 62.28 F/H) 20/22 WOB, 130 RPM (50 ROT + 70 MTR), 9.2 PPG MW, 36 VIS, DRILLING MAHOGANY OIL SHALE F/3197' SPP 1645/1837 PSI. DIFF PRESSURE 170/361. CHANGED #2 PUMP LINERS TO 6.25". BOP DRILL @ 5074' WELL SECURE 90 SEC.
14:00	19:00	5.0	DRILL 5167' TO 5449'(282' @ 56.4 F/H) 20/22 WOB, 128 RPM (50 ROT + 78 MTR), 9.2 PPG MW, 36 VIS, DRILLING MAHOGANY OIL SHALE F/3197' SPP 2000/2300 PSI. DIFF PRESSURE 148/450.
19:00	19:30	0.5	SURVEY 5325' 1.26 DEGREES.
19:30	00:00	4.5	DRILL 5449' TO 5755'(306' @ 68.0 F/H) 20 WOB, 138 RPM (60 ROT + 78 MTR), 9.2 PPG MW, 37 VIS, DRLG. MAHOGANY OIL SHALE F/3197'. DRILLING WASATCH F/5575', SPP 2000/2300 PSI. DIFF PRESSURE 148/450.
00:00	06:00	6.0	DRILL 5755' TO 6070'(315' @ 52.5 F/H) 22 WOB, 128 RPM (45 ROT + 78 MTR), 9.3 PPG MW, 37 VIS, DRILLING WASATCH F/5575', SPP 2224/2335 PSI. DIFF PRESSURE 200/315.

FULL CREWS, NO ACCIDENTS.  
 SAFETY MEETING; BOP DRILLS, TEAM WORK.  
 FUEL 3819 GAL. USED 1403 GAL.  
 WEATHER; TEMP 68 DEG. DEWPOINT 47 DEG. WINDS NE @ 7 MPH, 10 MI. VIS.

<b>06-06-2010</b>		<b>Reported By</b>		GLEN PRUET							
<b>DailyCosts: Drilling</b>		\$55,509	<b>Completion</b>		\$0	<b>Daily Total</b>		\$55,509			
<b>Cum Costs: Drilling</b>		\$831,733	<b>Completion</b>		\$0	<b>Well Total</b>		\$831,733			
<b>MD</b>	7,025	<b>TVD</b>	7,025	<b>Progress</b>	955	<b>Days</b>	3	<b>MW</b>	9.6	<b>Visc</b>	36.0
<b>Formation :</b>			<b>PBTD : 0.0</b>			<b>Perf :</b>		<b>PKR Depth : 0.0</b>			

**Activity at Report Time: DRILLING @ 7025'**

Start	End	Hrs	Activity Description
06:00	15:30	9.5	DRILL 6070' TO 6571'(501' @ 52.7 F/H) 22 WOB, 128/133 RPM (45/50 ROT + 78/83 MTR), 9.36PPG MW, 37 VIS, DRILLING WASATCH & CHAPITA WELLS, SPP 2125/2350 PSI. DIFF PRESSURE 187/412. CHECK CROWN-O-MATIC. BOP DRILL FULL CREWS, NO ACCIDENTS. SAFETY MEETING; BOP DRILLS, TEAM WORK. FUEL 3819 GAL. USED 1403 GAL. WEATHER; TEMP 68 DEG. DEWPOINT 47 DEG. WINDS NE @ 7 MPH, 10 MI. VIS.
15:30	16:00	0.5	SERVICE RIG.
16:00	06:00	14.0	DRILL 6571' TO 7025'(454' @ 32.4 F/H) 22 WOB, 128/133 RPM (45/50 ROT + 78/83 MTR), 9.7 PPG MW, 37 VIS, DRILL CHAPITA WELLS & BUCK CANYON SPP 2125/2350 PSI. DIFF PRESSURE 187/412.  FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED. FUNCTION COM DRILLING, FUNCTION BOP & CHOKE. BOP DRILL 90 SEC. SAFETY MEETING; BOP DRILLS, TEAM WORK, CHECK/SET CROWN-O-MATIC. FUEL 6840 GAL. USED 1479 GAL. RECEIVED 4600 GAL. WEATHER; TEMP 58 DEG. DEWPOINT 42 DEG. WINDS WNW @ 7 MPH, 3 MI. VIS.

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<b>06-07-2010</b>	<b>Reported By</b>	GLEN PRUET									
<b>DailyCosts: Drilling</b>	\$29,031	<b>Completion</b>	\$0	<b>Daily Total</b>	\$29,031						
<b>Cum Costs: Drilling</b>	\$860,765	<b>Completion</b>	\$0	<b>Well Total</b>	\$860,765						
<b>MD</b>	7,675	<b>TVD</b>	7,675	<b>Progress</b>	650	<b>Days</b>	4	<b>MW</b>	9.8	<b>Visc</b>	37.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: DRILLING @ 7675'**

Start	End	Hrs	Activity Description
06:00	16:30	10.5	DRILL 7025' TO 7380'(355' @ 33.8 F/H) 22 WOB, 128/133 RPM (45/50 ROT + 78/83 MTR), 9.7 PPG MW, 37 VIS, DRILLING BUCK CANYON SPP 2125/2350 PSI. DIFF PRESSURE 187/412.
16:30	17:00	0.5	SERVICE RIG
17:00	06:00	13.0	DRILL 7380' TO 7675'(295' @ 22.6 F/H) 22/25 WOB, 106/114 RPM (40/45 ROT + 66/68 MTR), 9.8 PPG MW, 38 VIS, DRILLING BUCK CANYON, NORTH HORN SPP 2125/2550 PSI. DIFF PRESSURE 112/380.  FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED. SAFETY MEETINGS; MAKING CONNECTIONS. USING SANDER FUEL ON HAND 4560. FUEL USED 2280. CURENT MUD WEIGHT 9.8 PPG, VIS 38. INCREASING MUD WT 10.0 PPG TO TFNB, HOLE SEEPING +/- 8 BPH. WEATHER; TEMP 64 DEG. DEWPOINT 41 DEG. WINDS CALM, 10 MI. VIS. 39

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<b>06-08-2010</b>	<b>Reported By</b>	GLEN PRUET									
<b>DailyCosts: Drilling</b>	\$34,260	<b>Completion</b>	\$0	<b>Daily Total</b>	\$34,260						
<b>Cum Costs: Drilling</b>	\$895,026	<b>Completion</b>	\$0	<b>Well Total</b>	\$895,026						
<b>MD</b>	8,210	<b>TVD</b>	8,210	<b>Progress</b>	535	<b>Days</b>	5	<b>MW</b>	9.9	<b>Visc</b>	38.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: DRILLING @ 8210'**

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRILL 7675' TO 7723'(48' @ 16.0 F/H) 25 WOB, 106/114 RPM (40/45 ROT + 66/72 MTR), 9.8 PPG MW, 38 VIS, DRILLING NORTH HORN SPP 2125/2452 PSI. DIFF PRESSURE 195/358. (FUNC COM DRILLING).
09:00	09:30	0.5	CHECK FLOW, DROP TOTCO & PUMP DRY JOB.
09:30	14:30	5.0	TFNB, FUNC COM F/TRIPPING, HOLE TIGHT 5100' TO 5000'.
14:30	15:00	0.5	LD REAMERS & BIT #1.(8 3/4"), PU BIT #2 (7 7/8"), SMITH PDC MI616. (FUNC BLIND RAMS).
15:00	16:30	1.5	TIH TO BOTTOM OF SURFACE CASING.
16:30	17:30	1.0	SLIP & CUT DRILL LINE
17:30	19:30	2.0	TIH, NO HOLE PROBLEMS. TOTAL MUD LOST ON TRIP 84 BBLs. + 75 BBLs SOLIDS/LIQUID WHEN BADGER CLEANED MUD TANKS.
19:30	20:00	0.5	WASH 70' TO BOTTOM, NO FILL.
20:00	21:30	1.5	DRILL 7723' TO 7807'(84' @ 56.0 F/H) 14/19 WOB, 112 RPM (44 ROT + 68 MTR), 9.8 PPG MW, 38 VIS, DRILLING NORTH HORN SPP 2515/2682 PSI. DIFF PRESSURE 51/218. (FUNC COM FOR DRLG).
21:30	22:00	0.5	SERVICE RIG
22:00	06:00	8.0	DRILL 7807' TO 8210'(403' @ 50.3 F/H) 18/21 WOB, 112 RPM (45 ROT + 67 MTR), 9.8 PPG MW, 38 VIS, DRILLING NORTH HORN AND KMV PRICE RIVER. PUMP #1, 10x6x120=420 GPM SPP 2300/2425 PSI. DIFF PRESSURE 108/255.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.  
 SAFETY MEETINGS; LOTO, UNLOAD CSG. TRIPS.  
 FUEL ON HAND 3434. FUEL USED 1126.  
 CURRENT MUD WEIGHT 9.9 PPG, VIS 39.  
 WEATHER; TEMP 57 DEG. DEWPOINT 41 DEG. WINDS NNW @ 12 MPH, 10 MI. VIS.

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<b>06-09-2010</b>	<b>Reported By</b>	GLEN PRUET									
<b>Daily Costs: Drilling</b>	\$48,886	<b>Completion</b>	\$0	<b>Daily Total</b>	\$48,886						
<b>Cum Costs: Drilling</b>	\$943,912	<b>Completion</b>	\$0	<b>Well Total</b>	\$943,912						
<b>MD</b>	9,565	<b>TVD</b>	9,565	<b>Progress</b>	1,355	<b>Days</b>	6	<b>MW</b>	10.0	<b>Visc</b>	39.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time:</b> DRILLING @ 9565'											

Start	End	Hrs	Activity Description
06:00	16:00	10.0	DRILL 8210' TO 8714'(504' @ 50.4 F/H) 20/22 WOB, 112 RPM (45 ROT + 67 MTR), 9.8 PPG MW, 38 VIS, DRILLING KMV PRICE RIVER. PUMP #1, 10x6x120=420 GPM SPP 2100/2350 PSI. DIFF.
16:00	16:30	0.5	SERVICE RIG. FUNC PIPE RAMS.
16:30	06:00	13.5	DRILL 8714' TO 9565'(851' @ 63.0 F/H) 20/22 WOB, 113/122 RPM (45/55 ROT + 68 MTR), 10.1 PPG MW, 39 VIS, DRILLING KMV PRICE RIVER, MIDDLE PRICE RIVER. PUMP #1, 10x6x120=420 GPM SPP 2200/2590 PSI. DIFF PRESSURE

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.  
 SAFETY MEETINGS; DRIVING TO WORK, TRANSFER MUD, WELL CONTROL STATIONS.  
 FUEL ON HAND 6156. FUEL USED 1278. RECEIVED 4000 GALLONS.  
 CURENT MUD WEIGHT 10.1 PPG, VIS 39.  
 WEATHER; TEMP 59 DEG. DEWPOINT 42 DEG. WINDS WNW @ 3 MPH, 10 MI. VIS.

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<b>06-10-2010</b>	<b>Reported By</b>	GLEN PRUET									
<b>Daily Costs: Drilling</b>	\$39,433	<b>Completion</b>	\$0	<b>Daily Total</b>	\$39,433						
<b>Cum Costs: Drilling</b>	\$983,345	<b>Completion</b>	\$0	<b>Well Total</b>	\$983,345						
<b>MD</b>	10,590	<b>TVD</b>	10,590	<b>Progress</b>	1,025	<b>Days</b>	7	<b>MW</b>	10.4	<b>Visc</b>	39.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 10,590'

Start	End	Hrs	Activity Description
06:00	16:00	10.0	DRILL 9565' TO 10,060' (495' @ 49.5 F/H) 20/22 WOB, 112/128 RPM (45/50 ROT + 68 MTR), 10.2 PPG MW, 40 VIS, DRILLING KMV MIDDLE & LOWER PRICE RIVER. PUMP #1, 10x6x120=420 GPM SPP 2475/2680 PSI. DIFF PRESSURE 80/350. FUNC COM @ 9564'.
16:00	16:30	0.5	SERVICE RIG AND FUNC ANNULAR.
16:30	20:30	4.0	DRILL 10,060' TO 10,268' (208' @ 52.0 F/H) 20/22 WOB, 112/128 RPM (45/50 ROT + 68 MTR), 10.2 PPG MW, 40 VIS, DRILLING KMV MIDDLE & LOWER PRICE RIVER. PUMP #1, 10x6x120=420 GPM SPP 2475/2680 PSI. DIFF PRESSURE 80/350. FUNC COM @ 9564'.
20:30	06:00	9.5	DRILL 10,268' TO 10,590' (322' @ 33.89 F/H) 18/22 WOB, 100 RPM (44 ROT + 56 MTR), 10.4 PPG MW, 39 VIS, DRILLING KMV LOWER PRICE RIVER, SEGO. PUMP #1, 10x6x100=350 GPM SPP 2170/2395 PSI. DIFF PRESSURE 150/325. HOLE SEEPING FROM 10,281' - 10,410' AND HOLE TIGHT ON CONNECTIONS WHILE INCREASING MUD WEIGHT TO 10.4 PPG.

BLM NOTIFIED VIA EMAIL @19:30 HRS. 6/9/10 AND UDOGM @ 21:00 HRS (CAROL DANIELS VOICE MAIL) RE: RUN PROD. CSG. @ 02:00 HRS. 6/11/10.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.

SAFETY MEETINGS; AIR HOST OPERATIONS, WELL CONTROL STATIONS.

FUEL ON HAND 4446, FUEL USED 1710.

MUD WEIGHT 10.4 PPG, VIS 41. MUD LOSS; 150 BBLs. DRLG F/10,281' TO 10,410' INCREASING WEIGHT 10.4 PPG.

WEATHER; TEMP 63 DEG. DEWPOINT 43 DEG. WINDS NE @ 7 MPH, 10 MI. VIS.

06-11-2010 Reported By GLEN PRUET

Daily Costs: Drilling	\$41,181	Completion	\$0	Daily Total	\$41,181
Cum Costs: Drilling	\$1,024,527	Completion	\$0	Well Total	\$1,024,527

MD	10,650	TVD	10,650	Progress	60	Days	8	MW	0.0	Visc	0.0
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Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RUNNING 4-1/2" CASING @ 6812'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILL 10,590' TO 10,650' (60' @ 30.0 F/H) 18/22 WOB, 108 RPM (45 ROT + 63 MTR), 10.4 PPG MW, 41 VIS, DRLG SEGO. PUMP #1, 10x6x112=392 GPM SPP 2200/2350 PSI. DIFF PRESSURE 175/325. REACHED TD @ 08:00 HRS, 6/10/2010.
08:00	09:00	1.0	CIRCULATE BOTTOMS UP FOR WIPER TRIP.
09:00	14:00	5.0	WIPER TRIP 81 STDS TO SURFACE CASING. HOLE CLEAN.
14:00	14:30	0.5	WASH 23' TO BOTTOM F/10,627' TO 10,650', NO FILL.
14:30	16:30	2.0	CIRCULATE HOLE CLEAN. PJSM W/FRANKS WESTATES SERVICES AND R/U LD MACHINE.
16:30	23:30	7.0	DEVIATION SURVEY, PUMP DRY PIPE & LDDP. BREAK KELLY, PULL ROTATING RUBBER, & LD BHA.
23:30	00:00	0.5	PULL WEAR BUSHING.
00:00	06:00	6.0	PJSM WITH FRANK'S WESTATES SERVICES CASING AND L/D MACHINE CREWS. R/U AND RUN 166 JTS (6812') OF 258 JTS OF 4.5" 11.60#/FT P-110 LT&C CASING WITH DAVIS LYNCH DIFFERENTIAL FLOAT SHOE, FLOAT COLLAR AND LATCH DOWN PLUG INSERT. RAN 3 TURBULIZERS ON BTM. 3 JTS. AND 25 BOW SPRING CENTRILIZERS, ONE EACH 3RD JT.

BLM NOTIFIED VIA EMAIL. UDOGM NOTIFIED (CAROL DANIELS VOICE MAIL) RE: RUN PROD. CSG. @ 02:00 HRS. 6/11/10.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.  
 SAFETY MEETINGS; LDDP, WORKING WITH 3RD PARTY CREWS, RUNNING CASING.  
 FUEL ON HAND 3534, FUEL USED 912.  
 WEATHER; TEMP 55 DEG. DEWPOINT 36 DEG. WINDS NE @ 12 MPH, VIS. 10 MI.

<b>06-12-2010</b>	<b>Reported By</b>	GLEN PRUET									
<b>DailyCosts: Drilling</b>	\$28,164	<b>Completion</b>	\$274,572	<b>Daily Total</b>	\$302,736						
<b>Cum Costs: Drilling</b>	\$1,052,692	<b>Completion</b>	\$274,572	<b>Well Total</b>	\$1,327,264						
<b>MD</b>	10,650	<b>TVD</b>	10,650	<b>Progress</b>	0	<b>Days</b>	9	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

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

Start	End	Hrs	Activity Description
06:00	08:30	2.5	PJSM WITHFRANKS WESTATES SERVICES CASING AND L/D MACHINE CREWS. CONTINUE TO RUN 258 JTS OF 4.5" 11.60#/FT P-110 LT&C CASING WITH DAVIS LYNCH DIFFERENTIAL FLOAT SHOE, FLOAT COLLAR AND LATCH DOWN PLUG INSERT. RAN 3 TURBULIZERS ON BTM. 3 JTS. AND 25 BOW SPRING CENTRILIZERS, ONE EACH 3RD JT.. PICK UP JT #259 TO TAG BOTTOM THEN LAID DOWN JOINT #259. PU AND INSTALL FMC FLUTED MANDREL HANGER. LANDED WITH SHOE @ 10,645', FLOAT COLLAR @ 10,601'. RAN 2 JTS 4 1/2" P-110 MARKER JOINTS PLACED @ 8118' & 5185'. SET STRING WEIGHT (103,500#) ON HANGER. DROP ONE BALL WHEN MANDREL SET.
08:30	11:00	2.5	RU CIRCULATING HEAD. CIRCULATE & PUMP BALL THROUGH FLOATS @1280 PSI. CIRCULATE GAS OUT AND HOLE CLEAN. SAFETY MEETING WITH HALLIBURTON. R/D FRANK'S WESTATES EQUIPMENT.
11:00	14:00	3.0	HALLIBURTON TEST PUMP AND LINES TO 6000 PSI. CEMENT AS FOLLOWS: PUMP 20 BBLs MUD FLUSH III MIX AND PUMP 670 SX (219 BBL) LEAD CEMENT HIBOND 75. @ 12.0 #/GAL YIELD 1.84, WATER GAL/SK 9.86. FOLLOW WITH 1680 SX (440 BBLs) MIX @ 13.5 #/GAL YIELD 1.47. WATER GAL/SK 6.98. PUMP @ 8 BPM. UNTIL RETURNS LOST AT 300 BBLs OF 440 BBLs TAIL CEMENT AWAY. PUMPED @ 6 BPM. WASH UP, LOAD TOP LATCH DOWN PLUG. START FRESH WATER DISPLACE @ 6 BPM FOR 36 BBLs TO PRESSURE, 350 PSI. INCREASED TO 2480 PSI @ 3 BPM. BUMP PLUG 2480 TO 4200 PSI, HELD FOR 5 MIN. RELEASE PRESSURE FLOW BACK 2. BBLs. FLOATS HELD. RE PRESSURE UP TO 2600 PSI FOR 2 HOUR. PLUG DOWN @ 14:00 HRS. 6/11/10. NO RETURNS THROUGH DISPLACEMENT, NO CEMENT CIRCULATED TO SURFACE.
14:00	16:00	2.0	WAIT ON CEMENT. HELD 2600 PSI FOR 2 HOUR.
16:00	17:00	1.0	INSTALL PACK OFF AND TEST TO 5000 PSI.
17:00	18:00	1.0	INSTALL PACK OFF AND TEST TO 5000 PSI. CLEAN MUD TANKS.
18:00	06:00	12.0	RDRT. MOVING RIG FROM THE NCW 343-23 TO NCW 342-23, 0.3 MILES. RW JONES TRUCKING TO MOVE RIG 6/12/10. LAY DERRICK DOWN @ 17:00 HRS. 6/11/10.  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: MOVING RIG. TRUCK SAFETY. FUEL 3192 GALLONS, USED 342 GALLONS. WEATHER; TEMP 53 DEG. DEWPOINT 40 DEG. WINDS NNE 20 MPH, 10 MI. VIS.
06:00			RELEASED RIG @ 18:00 HRS, 6/11/2010. CASING POINT COST \$1,041,598

<b>06-26-2010</b>	<b>Reported By</b>	MCCURDY							
<b>DailyCosts: Drilling</b>	\$23,134	<b>Completion</b>	\$17,781	<b>Daily Total</b>	\$40,915				

**Cum Costs: Drilling** \$1,075,826 **Completion** \$292,353 **Well Total** \$1,368,179  
**MD** 10,650 **TVD** 10,650 **Progress** 0 **Days** 10 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	6/21/10 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM 10583 TO 970'. EST CEMENT TOP @ 2250. RDWL.

NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

**07-01-2010** **Reported By** HISLOP

**Daily Costs: Drilling** \$0 **Completion** \$9,895 **Daily Total** \$9,895  
**Cum Costs: Drilling** \$1,075,826 **Completion** \$302,248 **Well Total** \$1,378,074  
**MD** 10,650 **TVD** 10,650 **Progress** 0 **Days** 10 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** 8411'- 10471' **PKR Depth : 0.0**  
 MEASEVERDE/WASATCH

**Activity at Report Time:** FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	STAGE #1: RU CUTTERS WIRELINE & PERFORATE LPR FROM 10223'-24', 10275'-76', 10281'-82', 10290'-91', 10297'-98', 10362'-63', 10370'-71', 10388'-89', 10410'011', 10421'-22', 10438'-39', 10447'-48', 10463'-64', 10470'-71' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7422 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 43227 GAL 16# DELTA 200 W/146000# 20/40 SAND @ 2-5 PPG. MTP 8048 PSIG. MTR 50.4 BPM. ATP 5531 PSIG. ATR 49.3 BPM. ISIP 3497 PSIG. RD HALLIBURTON.

STAGE #2: RUWL. SET 10K CFP AT 10135'. PERFORATE MPR/LPR FROM 9855'-56', 9861'-62', 9879'-80', 9889'-90', 9905'-06', 9921'-22', 9933'-34', 9949'-50', 10001'-02', 10032'-33', 10086'-87', 1090'-91', 10101'-02', 10115'-16' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7481 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 44217 GAL 16# DELTA 200 W/149900# 20/40 SAND @ 2-5 PPG. MTP 7496 PSIG. MTR 50.5 BPM. ATP 5447 PSIG. ATR 50.2 BPM. ISIP 3538 PSIG. RD HALLIBURTON.

STAGE #3: RUWL. SET 10K CFP AT 9836'. PERFORATE MPR FROM 9595'-96', 9608'-09', 9617'-18', 9625'-26', 9631'-32', 9662'-63', 9675'-76', 9716'-17', [SHOTS 9724'-25' MISSED FIRED], 9731'-32', 9775'-76', 9779'-80', 9795'-96', 9814'-15' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7490 GAL 16# LINEAR W/9400# 20/40 SAND @ 1-1.5 PPG, 36709 GAL 16# DELTA 200 W/116700# 20/40 SAND @ 2-4 PPG. MTP 8120 PSIG. MTR 50.5 BPM. ATP 6587 PSIG. ATR 49.6 BPM. ISIP 5100 PSIG. RD HALLIBURTON.

STAGE #4: RUWL. SET 6K CFP AT 9575'. PERFORATE MPR FROM 9347'-48', 9359'-60', 9369'-70', 9377'-78', 9387'-88', 9411'-12', 9433'-34', 9447'-48', 9485'-86', 9503'-04', 9518'-19', 9534'-35', 9546'-47', 9552'-53' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7600 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 53469 GAL 16# DELTA 200 W/188700182900# 20/40 SAND @ 2-5 PPG. MTP 8237 PSIG. MTR 50.0 BPM. ATP 4456 PSIG. ATR 50.0 BPM. ISIP 2423 PSIG. RD HALLIBURTON.

STAGE #5: RUWL. SET 6K CFP AT 9323'. PERFORATE MPR FROM 9140'-41', 9146'-47', 9153'-54', 9164'-65', 9179'-80', [SHOTS 9188'-89' MISSED FIRED], 9201'-02', 9213'-14', 9228'-29', 9247'-48', 9276'-77', 9281'-82', 9291'-92', 9300'-01' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7575 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 47119 GAL 16# DELTA 200 W/160600# 20/40 SAND @ 2-5 PPG. MTP 7429 PSIG. MTR 50.7 BPM. ATP 4763 PSIG. ATR 50.0 BPM. ISIP 2821 PSIG. RD HALLIBURTON.

STAGE #6: RUWL. SET 6K CFP AT 9085'. PERFORATE UPR FROM 8799'-00', 8854'-55', 8874'-75', 8881'-82', 8893'-94', 8903'-04', 8912'-13', 8942'-43', 8949'-50', 8994'-95', 9001'-02', 9031'-32', 9054'-55', 9063'-64' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7672 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 47514 GAL 16# DELTA 200 W/161700# 20/40 SAND @ 2-5 PPG. MTP 7691 PSIG. MTR 50.6 BPM. ATP 4713 PSIG. ATR 50.1 BPM. ISIP 2800 PSIG. RD HALLIBURTON.

STAGE #7: RUWL. SET 6K CFP AT 8750'. PERFORATE UPR FROM 8411'-12', 8421'-22', 8442'-43', 8452'-53', 8461'-62', 8471'-72', 8480'-81', 8571'-72', 8579'-80', 8597'-98', 8655'-56', 8667'-68', [SHOTS 8716'-17' MISSED FIRED], 8724'-25' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7572 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 50612 GAL 16# DELTA 200 W/173100# 20/40 SAND @ 2-5 PPG. MTP 7551 PSIG. MTR 51.0 BPM. ATP 3960 PSIG. ATR 50.6 BPM. ISIP 2060 PSIG. RD HALLIBURTON. SDFN

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<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-81657
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> N CHAPITA 343-23
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047389570000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0783 FNL 0544 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENE Section: 23 Township: 08.0S Range: 22.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> 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"/> <b>SPUD REPORT</b> 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"/> <b>DRILLING REPORT</b> Report Date: 7/10/2010	<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"/> <b>PRODUCTION START OR RESUME</b>	<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 7/10/2010. 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

<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 7/15/2010	

# WELL CHRONOLOGY REPORT

Report Generated On: 07-15-2010

<b>Well Name</b>	NCW 343-23	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-38957	<b>Well Class</b>	COMP
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	06-03-2010	<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	10,650/ 10,650	<b>Property #</b>	060412
<b>Water Depth</b>	0	<b>Last CSG</b>	2.375	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	4,896/ 4,879				
<b>Location</b>	Section 23, T8S, R22E, NENE, 783 FNL & 544 FEL				

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

<b>AFE No</b>	304448	<b>AFE Total</b>	1,587,800	<b>DHC / CWC</b>	664,700/ 923,100
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #34	<b>Start Date</b>	01-15-2007
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	ROYAL RIG 1	<b>Start Date</b>	01-15-2007
<b>01-15-2007</b>	<b>Reported By</b>	SHARON CAUDILL			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time: LOCATION DATA**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA: 783' FNL & 544' FEL (NE/NE) SECTION 23, T8S, R22E UINTAH COUNTY, UTAH  LAT 40.113303, LONG 109.399758 (NAD 83) LAT 40.113339, LONG 109.399075 (NAD 27)  TRUE #34 OBJECTIVE: 10600' TD, MESAVERDE DW/GAS NORTH CHAPITA PROSPECT DD&A FIELD: CHAPITA DEEP NATURAL BUTTES FIELD  LEASE: U-81657 ELEVATION: 4877.6' NAT GL, 4878.5' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4879'), 4898' 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, ACCESS ROAD WORK.

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, ACCESS ROAD WORK 10%.

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, ACCESS ROAD 15% 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 ACCESS ROAD. LOCATION STARTED.

**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	WORKING ON ACCESS ROAD. LOCATION 30%

**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	WORKING ON ACCESS ROAD. LOCATION 40%.

**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	WORKING ON ACCESS ROAD.ROCKED OUT. DRLG.

**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	SHOOTING TODAY.

**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	LOCATION 80% COMPLETE.

**04-19-2010**      **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. STARTING CLOSED LOOP.

**04-20-2010**      **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	CLOSED LOOP 75% COMPLETE.

**04-21-2010**      **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	CLOSED LOOP 75% COMPLETE.

**04-22-2010**      **Reported By**      NATALIE BRAYTON

**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	CLOSED LOOP 80% COMPLETE.

**04-23-2010**      **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	GEL CLOSED LOOP.

04-26-2010 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.

05-06-2010 Reported By KENT DAVENPORT

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

MD 90 TVD 90 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 5/6/10 @ 9:00 AM. SET +/-90' 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 5/5/10 @ 8:25 AM.

05-24-2010 Reported By KERRY SALES

DailyCosts: Drilling \$123,081 Completion \$0 Daily Total \$123,081
Cum Costs: Drilling \$223,081 Completion \$0 Well Total \$223,081

MD 3,050 TVD 3,050 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 MIRU CRAIG'S AIR RIG #2 ON 5/14/2010. DRILLED 12-1/4" HOLE TO 3050' GL (3069' KB). ENCOUNTERED NO WATER. DRILLED WITH AIR AND FOAM AND PUMP DRILLED TO TD. SPOTTED 150 BBL'S OF DRILLING MUD ON BOTTOM. TOH, TIGHT HOLE FROM 2650' TO 2610'. CONTINUE TOH TO 1100'. TIGHT HOLE AND LITE BACK REAMING TO 830'. 830' TO 515' MAXIMUM RIG PULL AND BACK REAMING, WORK THROUGH TIGHT HOLE. WELL SWABBING. LAY DOWN BHA AND RIG UP AND RUN 9 5/8" CASING. WE HIT FIRST BRIDGE AT 297' TO 299' WORKED THROUGH. THE HOLE STARTED GETTING TIGHT AT 597' CONTINUED TO 677'. THE CASING WAS FULL OF WATER; WE COULD PICK UP WITH NO PROBLEM BUT COULD NOT GET PAST 677'. WE LAYED DOWN 16 JOINTS OF CASING AND TIH WITH BIT AND THREE POINT STRING REAMED 30' UP FROM BIT. WE REAMED FROM 200' TO 990'. LOST CIRCULATION APPEARED TO PACK OFF AT 990' AND HAD TIGHT HOLE BUT WE COULD ROTATE, WORKED PIPE FREE AND STARTED LAYING DOWN SINGLES TO REGAIN CIRCULATION. LAYED DOWN 8 JOINTS TO 750' AND REGAINED CIRCULATION AT 720'. WELL BALLONED BACK 400 +- BBL'S OF WATER. THE DECISSION WAS MADE TO LET TURE 34 REAM HOLE AND RUN CASING. WE SPOTTED 250 BBL'S OF DRILLING MUD AND TOH THEN TOPPED OFF WELL WITH WATER. RIGGED DOWN CRAIG'S RIG 2. WE WILL MONITOR WELL TWICE A DAY FOR FLUID DEPTH, LEL%, OXYGEN CONTENT AND RECORD FOR THE BLM UNTIL TRUE RIG #34 ARRIVES.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.
CRAIGS RIG 2 TOOK 4 SURVEYS WHILE DRILLING HOLE @ 1590' = 1.25 DEGREES, 1980' = 1.5 DEGREES, 2550' = 2.75 DEGREES, 3030' = 2 DEGREES.

KYLAN COOK NOTIFIED THE BLM OF THE SURFACE CASING & CEMENT JOB ON 5/18/2010 @ 09:00 PM. CONTACT ON 4-17-2010. KYLAN COOK NOTIFIED CAROL DANIELS W/UDOGM ON 5-18-2010 AT 9:00 PM FOR SURFACE CASING AND CEMENT. CONTACT ON 5-17-2010 @ 08:39 AM.

05-28-2010 Reported By JOHNNY TURNER

**DailyCosts: Drilling**      \$100,543                      **Completion**      \$0                      **Daily Total**      \$100,543  
**Cum Costs: Drilling**      \$323,624                      **Completion**      \$0                      **Well Total**      \$323,624  
**MD**      3,050      **TVD**      3,050      **Progress**      0      **Days**      0      **MW**      0.0      **Visc**      0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** RURT

Start	End	Hrs	Activity Description
10:30	16:30	6.0	RIG DOWN TO MOVE TO NCW 343-23. DERRICK DOWN @ 11:30AM. TRANSFERED 2166 GALS. OF FUEL FROM THE ECW 102-16, TRANSFERED 119.2' OF 4.5" 11.6, N-80, LT&C CASING & 10.35' OF 4.5" 11.60#, P-110, LT&C MARKER JOINT FROM ECW 102-16.
			NO ACCIDENT, NO INCIDENT, SAFETY MEETING W/ CREWS & TRUCK DRIVERS. FULL CREWS
16:30	18:00	1.5	MOVE RIG 13.8 MILES
18:00	06:00	12.0	RIG UP, READY TO RAISE DERRICK @ DAYLIGHT.

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**05-29-2010**      **Reported By**      JOHNNY TURNER

**DailyCosts: Drilling**      \$57,473                      **Completion**      \$0                      **Daily Total**      \$57,473  
**Cum Costs: Drilling**      \$381,098                      **Completion**      \$0                      **Well Total**      \$381,098  
**MD**      3,050      **TVD**      3,050      **Progress**      0      **Days**      0      **MW**      8.4      **Visc**      29.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** RIG REPAIR (ROTARY TABLE)

Start	End	Hrs	Activity Description
06:00	12:00	6.0	RAISE DERRICK @ 06:00 & RIG UP ROTARY TOOLS. RIG ACCEPTED @ 12:00 HRS, 5-28-2010.
12:00	13:30	1.5	RIG UP CONDUCTOR PIPE.
13:30	14:00	0.5	HOLD SAFETY MEETING W/ LAY DOWN CREW ON PICKING UP BHA.
14:00	17:00	3.0	RIG UP LAY DOWN MACHINE & PICK UP BHA.
17:00	17:30	0.5	TAG @ 305 ( RIG DOWN LAY DOWN MACHINE).
17:30	18:30	1.0	WASH & REAM FROM 305' TO 468'.
18:30	19:00	0.5	INSTALL DRIVE BUSHING FOR ROTATING HEAD & TRY TO REMOVE MASTER BUSHING.
19:00	20:00	1.0	TRIP OUT OF HOLE TO REMOVE MASTER BUSHING.
20:00	06:00	10.0	RIG REPAIR (PULL ROTARY TABLE & PUT ON GROUND TO CUT MASTER BUSHING OUT OF ROTARY TABLE.
			NO ACCIDENT, NO INCIDENT, FULL CREWS
			FUEL 10190 GAL., USED 204 GAL.

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**05-30-2010**      **Reported By**      JOHNNY TURNER

**DailyCosts: Drilling**      \$27,600                      **Completion**      \$0                      **Daily Total**      \$27,600  
**Cum Costs: Drilling**      \$402,448                      **Completion**      \$0                      **Well Total**      \$402,448  
**MD**      3,050      **TVD**      3,050      **Progress**      0      **Days**      0      **MW**      8.8      **Visc**      30.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** WORK TIGHT HOLE @ 1800'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	WORK ON ROTARY TABLE.
08:00	09:30	1.5	TRIP IN HOLE TO CLEAN OUT HOLE.

09:30 15:00 5.5 WASH & REAM FROM 438' TO 868'.  
 15:00 15:30 0.5 SERVICE RIG.  
 15:30 21:30 6.0 WASH & REAM FROM 868' TO 1939'.  
 21:30 06:00 8.5 LOST RETURNS, ATTEMPT TO PULL UP & HOLE WAS TIGHT, WORK TIGHT HOLE FROM 1939' TO 1800'.

LOST APPROX. 2100 BBLS OF FLUID, NO ACCIDENT, NO INCIDENT, FULL CREWS, FUEL 9234 GALS., 956 GAL. USED

**05-31-2010**      **Reported By**      JOHNNY TURNER

**Daily Costs: Drilling**      \$31,623      **Completion**      \$0      **Daily Total**      \$31,623

**Cum Costs: Drilling**      \$434,072      **Completion**      \$0      **Well Total**      \$434,072

**MD**      3,050      **TVD**      3,050      **Progress**      0      **Days**      0      **MW**      10.0      **Visc**      34.0

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

**Activity at Report Time:** WASH & REAM @ 1579'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	WORK TIGHT PIPE WITH NO CIRCULATION F/ 1810' TO 1716'. REGAINED CIRCULATION @ 1716'.
08:00	09:00	1.0	CIRCULATE AND CONDITION HOLE.
09:00	11:30	2.5	TOH, TIGHT HOLE F/ 1716' TO 1464'. (FUNCTION TEST COM F/ TIP MODE).
11:30	14:00	2.5	TOH, FROM 1416' TO BHA.
14:00	15:00	1.0	HANDLE BHA. LAYED DOWN THREE POINT REAMER, XO AND CHANGED THE FLOAT IN BIT.
15:00	16:00	1.0	TIH AND TAG BRIDGE AT 584'.
16:00	18:00	2.0	CIRCULATE AND CONDITION MUD AT 584'.
18:00	18:30	0.5	SERVICE RIG.
18:30	19:30	1.0	CIRCULATE AND CONDITION MUD AT 584'. MUD WT 10 PPG, VIS 43.
19:30	22:00	2.5	WASH AND REAM FROM 584' TO 678' THE HOLE WAS SLOUGHING AND BRIDGING OFF. WE HAD TO LAY THE SAME JOINT DOWN THREE TIMES BECAUSE WE COULD NOT GET THE BUSHINGS BACK IN THE ROTARY TABLE THE HOLE BRIDGED OFF. THIS HAPPENED ON 2 JOINTS. MUD 10+, VIS 44
22:00	06:00	8.0	CONTINUE REAMING FROM 678' TO 1579'.

MUD WEIGHT 10.1, VIS 43-45, NO ACCIDENT, NO INCIDENT, FULL CREWS, COM CHECK DRILLING, FUEL: 8322 GALS, USED: 912 GALS

**06-01-2010**      **Reported By**      JOHNNY TURNER

**Daily Costs: Drilling**      \$33,816      **Completion**      \$0      **Daily Total**      \$33,816

**Cum Costs: Drilling**      \$467,889      **Completion**      \$0      **Well Total**      \$467,889

**MD**      3,050      **TVD**      3,050      **Progress**      0      **Days**      0      **MW**      10.3      **Visc**      53.0

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

**Activity at Report Time:** BUILDING VOLUME & COND MUD @ 1500'

Start	End	Hrs	Activity Description
06:00	09:00	3.0	WASH & REAM FROM 1579' TO 2048' (LOST CIRCULATION @ 2048', PULL OUT OF HOLE TIGHT).
09:00	12:30	3.5	WORK TIGHT HOLE W/ NO CIRCULATION FROM 2048' TO 1800' (REGAINED RETURNS @ 1800', WITH NO TIGHT HOLE).
12:30	14:30	2.0	CIRCULATE & MIX LCM W/ FULL RETURNS @ 1800' V(MUD WEIGHT 10.2, VIS 45, LCM 15%).
14:30	15:00	0.5	SERVICE RIG.
15:00	16:30	1.5	TRIP OUT OF HOLE TO 298', HOLE IN GOOD SHAPE.
16:30	18:30	2.0	CIRCULATE & CONDITION MUD, BUILD VOLUME, W/ 10-15% LCM, 45-50 VIS, 10-10.2 MUD WEIGHT.
18:30	23:00	4.5	WASH & REAM FROM 298' TO 800', GOOD RETURNS, HOLE IN GOOD SHAPE.

23:00 00:00 1.0 TRIP IN HOLE TO 1752' (HIT NO BRIDGES, HOLE IN GOOD SHAPE).  
 00:00 03:30 3.5 WASH & REAM FROM 1752' TO 2361' (LOST CIRCULATION @ 1752', PUMP TO POLY SWELL SWEEPS WITH NO RETURNS (MUD WEIGHT 10.2, VIS 52, 14% LCM).  
 03:30 06:00 2.5 TRIP OUT OF HOLE FROM 2361' TO LAYING 3 JTS @ A TIME CHECKING FOR RETURNS TO 1800' NO RETURNS, SET KELLY BACK PULL TO 1500', HOLE HAD NO DRAG.

FULL CREWS  
 NO ACCIDENT, NO INCIDENT  
 COM CHECK WASHING & TRIPPING  
 FUEL 7298 GAL., USED 1026 GAL.

**06-02-2010**      **Reported By**      JOHNNY TURNER

<b>Daily Costs: Drilling</b>	\$49,521	<b>Completion</b>	\$0	<b>Daily Total</b>	\$49,521						
<b>Cum Costs: Drilling</b>	\$517,410	<b>Completion</b>	\$0	<b>Well Total</b>	\$517,410						
<b>MD</b>	3,069	<b>TVD</b>	3,069	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	10.2	<b>Visc</b>	50.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

**Activity at Report Time:** RUNNING 9 5/8" SURFACE CASING

Start	End	Hrs	Activity Description
06:00	09:30	3.5	CIRCULATE & COND. MUD. BUILD VOLUME MIX MUD & LCM @ 1423'.
09:30	10:30	1.0	TRIP IN HOLE TO 2361'.
10:30	14:00	3.5	WASH & REAM FROM 2361' TO 2954' (WITH LITTLE TO NO RETURNS).
14:00	15:30	1.5	WORK TIGHT HOLE FROM 2954' TO 2920'.
15:30	16:30	1.0	TRIP OUT OF HOLE TO 1690' TO BUILD VOLUME).
16:30	17:00	0.5	SERVICE RIG.
17:00	21:30	4.5	BUILD VOLUME MUD WEIGHT 10.2, VIS 50, 15% LCM IN MUD TANKS & PRE MIX TANK.
21:30	22:00	0.5	TRIP IN HOLE TO 2954', NO PROBLEMS.
22:00	23:00	1.0	WASH & REAM FROM 2954' TO 3069' ( W/ LITTLE TO NO RETURNS).
23:00	00:00	1.0	CIRCULATE @ TD 3069' WITH NO RETURNS.
00:00	02:30	2.5	TRIP OUT OF HOLE TO RUN 9 5/8" SURFACE CASING.
02:30	03:30	1.0	RIG UP LAY DOWN MACHINE & LAY DOWN 8" DC.
03:30	04:30	1.0	PJSM W/ CASING & LAYDOWN CREWS, RIG UP CASING CREW TO RUN 9 5/8" CASING.
04:30	06:00	1.5	RUN SURFACE CASING.

NO INCIDENT, NO ACCIDENT, FULL CREWS  
 COM CHECK DRILLING & TRIPPING  
 FUEL 6726 GAL. USED 570 GAL.

**06-03-2010**      **Reported By**      GLEN PRUET

<b>Daily Costs: Drilling</b>	\$187,073	<b>Completion</b>	\$0	<b>Daily Total</b>	\$187,073						
<b>Cum Costs: Drilling</b>	\$704,483	<b>Completion</b>	\$0	<b>Well Total</b>	\$704,483						
<b>MD</b>	3,069	<b>TVD</b>	3,069	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

**Activity at Report Time:** TIH

Start	End	Hrs	Activity Description
06:00	08:30	2.5	RUN CASING WITH FRANKS CASING SERVICE AS FOLLOWS: RAN 72 JTS (3038.78") OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON TX. PATTERN SHOE AND FLOAT COLLAR. 9 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 3065', FLOAT COLLAR @ 3021'.

08:30 10:00 1.5 PJSM, RD FRANKS CASING TOOLS & LD MACHINE. PJSM HALLIBURTON, FILL CASING, PUMP THRU FLOAT AND ATTEMPT TO CIRCULATE HOLE.

10:00 11:30 1.5 TEST PUMP & LINES 3000 PSI, OK. PUMP 10 BBLS FRESH WATER, 20 BBLS GEL WATER. MIX & PUMP 375 SKS (274 BBLS) VARICEM @ 10.5 PPG, 4.1 YIELD, 26.88 GPS/WTR FOLLOW WITH 300 SKS (63 BBLS) HALCEM @ 15.6 PPG, 1.18 YIELD, 5.2 GPS/WTR. DROP PLUG AND DISPLACED WITH 234 BBLS FRESH WATER, @ 8 BPM 180 BBLS. 0 - 156 PSI, @ 7 BPM 20 BBLS. 156- 245 PSI, @ 4 BPM 33.5 BBLS. -270 PSI. BUMP PLUG WITH 234 BBLS FRESH WATER, PRESSURE 270 - 700 PSI. FLOAT HELD. CEMENTING WITH NO RETURNS DURING JOB. PLUG DOWN @ 11:37 HRS. 6/2/2010.

11:30 13:30 2.0 L/D LANDING JT. ND BOP. RU TO RUN 1" TBG DOWN SURFACE CASING ANNULUS AND CEMENT TOP.

13:30 14:00 0.5 PUMP 100 SKS (21 BBLS) THROUGH 1" TBG @ 200' BGL. NO RETURNS. (100 SKS, 21 BBLS COVERS 400' CALCULATED 9 5/8" x 12 1/4 HOLE).

14:00 16:30 2.5 WAIT ON CEMENT.

16:30 17:30 1.0 PUMPED 200 SKS(42 BBLS) THROUGH 1" TBG FROM 200' TD. AFTER 8 BBLS CMT PUMPED ESTABLISHED FULL CIRCULATION CONTAMINATED DRILLING MUD ONLY. CONTINUED MIXING AND PUMPING CEMENT, AFTER 38 BBLS CMT PUMPED CEMENT CIRCULATED TO SURFACE. PUMPED 4 BBLS CEMENT WITH FULL CEMENT RETURNS. SHUT DOWN, MONITORED WELL. CEMENT DID NOT FALL. RDMO HALLIBURTON.

17:30 18:00 0.5 WAIT ON CEMENT. FMC TECHNICIAN SET DTO DRLG CONNECTOR LOCK DOWN AND TEST TO 5000 PSI. OK.

18:00 20:30 2.5 NU BOPE.

20:30 06:00 9.5 HELD PJSM WITH B & C QUICK TEST, INC. RU AND TEST PIPE RAMS, (CHANGE SEALS IN PIPE RAMS).( CHANGED SEAL ON TEST PLUG. 1.5 HRS. WAIT ON NEW SEALS FOR TEST PLUG). TEST BLIND RAMS, HCR, CHOKE LINES, MANIFOLD, KILL LINE VALVES, UPPER & LOWER KELLY & INSIDE BOP 250 LOW/ 5000 PSI HI, 10 MINUTES. TEST ANNULAR PREVENTER 250/2500 PSI FOR 10 MINUTES.

ONE 3RD PARTY ACCIDENT, (1ST DEGREE BURN. HEATED CAN SPRAYED FACE WHEN OPENED)  
 SAFETY MEETINGS; NU BOPE. TESTING BOPE.  
 COM CHECK DRILLING & TRIPPING  
 FUEL 6384 GAL. USED 342 GAL.  
 JOHNNY TURNER SENT BLM NOTIFICATION ON 5/28/2010 FOR BOP TEST ON 11" BOP.  
 WEATHER; TEMP 57 DEG. DEW POINT 42 DEG. VISIBILITY 10 MILES, WIND CALM.

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<b>06-04-2010</b>	<b>Reported By</b>	GLEN PRUET									
<b>Daily Costs: Drilling</b>	\$54,393	<b>Completion</b>	\$0	<b>Daily Total</b>	\$54,393						
<b>Cum Costs: Drilling</b>	\$742,303	<b>Completion</b>	\$0	<b>Well Total</b>	\$742,303						
<b>MD</b>	4,675	<b>TVD</b>	4,675	<b>Progress</b>	1,606	<b>Days</b>	1	<b>MW</b>	9.0	<b>Visc</b>	36.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time:</b> DRILLING @ 4675'											

Start	End	Hrs	Activity Description
06:00	06:30	0.5	INSTALL WEAR BUSHING.
06:30	07:30	1.0	PU 8 3/4" STC 5 BLADE PDC BIT, & TIH. TAG CEMENT @ 3010' (FUNCTION COM FOR TRIP MODE).
07:30	08:00	0.5	INSTALL DRIVE BUSHING & ROTATING RUBBER.
08:00	09:30	1.5	DRILL CEMENT/FLOAT EQUIP. (FUNC. COM FOR DRILL MODE).
09:30	10:00	0.5	CONDITION MUD AND DRILL 10' FORMATION. CBU.
10:00	10:30	0.5	PERFORM FIT @ 3080'. 8.9 PPG + 325 PSI SIP FOR 10.9 PPG EMW.
10:30	14:00	3.5	DRILL 3080' TO 3333', 253' @ 72.2 FPH, WOB=16-20K, RPM=55+67MM, SPP=1450-1650, DP=150-350.

14:00 16:30 2.5 DRILL 3333' TO 3566'(233' @ 93.2 F/H) 22 WOB, 168 RPM (65 ROT + 103 MTR), 9.0 PPG MW, 36 VIS, DRILLING MAHOGANY OIL SHALE F/3197' SPP 1900/2300 PSI. DIFF PRESSURE 220/420.

16:30 17:00 0.5 SERVICE RIG.

17:00 22:30 5.5 DRILL 3566' TO 4101'(535' @ 97.27 F/H) 20 WOB, 145 RPM (60 ROT + 85 MTR), 9.0 PPG MW, 35 VIS, DRILLING MAHOGANY OIL SHALE F/3197' SPP 2060/2230 PSI. DIFF PRESSURE 220/405.

22:30 23:00 0.5 SURVEY @4010', 1.93 DEG.

23:00 06:00 7.0 DRILL 4101' TO 4675'( 574' @ 82.0 F/H) 20 WOB, 130 RPM (60 ROT + 70 MTR), 9.2 PPG MW, 35 VIS, DRILLING MAHOGANY OIL SHALE F/3197' SPP 1860/2066 PSI. DIFF PRESSURE 168/375.

FULL CREWS, NO ACCIDENTS.  
 SAFETY MEETING; DRILLING, WORKING ON MUD PUMP.  
 FUEL 5222 GAL. USED 1140 GAL.  
 WEATHER; TEMP 58 DEG. DEWPOINT 44 DEG. WINDS CALM, 10 MI. VIS.

06:00 SPUD 8 3/4" HOLE @ 10:30 HRS, 6/3/2010.

<b>06-05-2010</b>		<b>Reported By</b>		GLEN PRUET							
<b>DailyCosts: Drilling</b>		\$33,920	<b>Completion</b>		\$0	<b>Daily Total</b>		\$33,920			
<b>Cum Costs: Drilling</b>		\$776,224	<b>Completion</b>		\$0	<b>Well Total</b>		\$776,224			
<b>MD</b>	6,070	<b>TVD</b>	6,070	<b>Progress</b>	1,395	<b>Days</b>	2	<b>MW</b>	9.2	<b>Visc</b>	36.0
<b>Formation :</b>			<b>PBTD : 0.0</b>			<b>Perf :</b>		<b>PKR Depth : 0.0</b>			
<b>Activity at Report Time:</b> DRILLING @ 6070'											

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILL 4675' TO 4949'(274' @ 78.2 F/H) 20/22 WOB, 130 RPM (50 ROT + 70 MTR), 9.2 PPG MW, 36 VIS, DRILLING MAHOGANY OIL SHALE F/3197' SPP 1645/1837 PSI. DIFF PRESSURE 170/361.
09:30	10:00	0.5	SERVICE RIG.
10:00	10:30	0.5	SURVEY 4871' 1.82 DEGREES.
10:30	14:00	3.5	DRILL 4949' TO 5167'(218' @ 62.28 F/H) 20/22 WOB, 130 RPM (50 ROT + 70 MTR), 9.2 PPG MW, 36 VIS, DRILLING MAHOGANY OIL SHALE F/3197' SPP 1645/1837 PSI. DIFF PRESSURE 170/361. CHANGED #2 PUMP LINERS TO 6.25". BOP DRILL @ 5074' WELL SECURE 90 SEC.
14:00	19:00	5.0	DRILL 5167' TO 5449'(282' @ 56.4 F/H) 20/22 WOB, 128 RPM (50 ROT + 78 MTR), 9.2 PPG MW, 36 VIS, DRILLING MAHOGANY OIL SHALE F/3197' SPP 2000/2300 PSI. DIFF PRESSURE 148/450.
19:00	19:30	0.5	SURVEY 5325' 1.26 DEGREES.
19:30	00:00	4.5	DRILL 5449' TO 5755'(306' @ 68.0 F/H) 20 WOB, 138 RPM (60 ROT + 78 MTR), 9.2 PPG MW, 37 VIS, DRLG. MAHOGANY OIL SHALE F/3197'. DRILLING WASATCH F/5575', SPP 2000/2300 PSI. DIFF PRESSURE 148/450.
00:00	06:00	6.0	DRILL 5755' TO 6070'(315' @ 52.5 F/H) 22 WOB, 128 RPM (45 ROT + 78 MTR), 9.3 PPG MW, 37 VIS, DRILLING WASATCH F/5575', SPP 2224/2335 PSI. DIFF PRESSURE 200/315.

FULL CREWS, NO ACCIDENTS.  
 SAFETY MEETING; BOP DRILLS, TEAM WORK.  
 FUEL 3819 GAL. USED 1403 GAL.  
 WEATHER; TEMP 68 DEG. DEWPOINT 47 DEG. WINDS NE @ 7 MPH, 10 MI. VIS.

<b>06-06-2010</b>		<b>Reported By</b>		GLEN PRUET							
<b>DailyCosts: Drilling</b>		\$55,509	<b>Completion</b>		\$0	<b>Daily Total</b>		\$55,509			
<b>Cum Costs: Drilling</b>		\$831,733	<b>Completion</b>		\$0	<b>Well Total</b>		\$831,733			
<b>MD</b>	7,025	<b>TVD</b>	7,025	<b>Progress</b>	955	<b>Days</b>	3	<b>MW</b>	9.6	<b>Visc</b>	36.0
<b>Formation :</b>			<b>PBTD : 0.0</b>			<b>Perf :</b>		<b>PKR Depth : 0.0</b>			

**Activity at Report Time: DRILLING @ 7025'**

Start	End	Hrs	Activity Description
06:00	15:30	9.5	DRILL 6070' TO 6571'(501' @ 52.7 F/H) 22 WOB, 128/133 RPM (45/50 ROT + 78/83 MTR), 9.36PPG MW, 37 VIS, DRILLING WASATCH & CHAPITA WELLS, SPP 2125/2350 PSI. DIFF PRESSURE 187/412. CHECK CROWN-O-MATIC. BOP DRILL FULL CREWS, NO ACCIDENTS. SAFETY MEETING; BOP DRILLS, TEAM WORK. FUEL 3819 GAL. USED 1403 GAL. WEATHER; TEMP 68 DEG. DEWPOINT 47 DEG. WINDS NE @ 7 MPH, 10 MI. VIS.
15:30	16:00	0.5	SERVICE RIG.
16:00	06:00	14.0	DRILL 6571' TO 7025'(454' @ 32.4 F/H) 22 WOB, 128/133 RPM (45/50 ROT + 78/83 MTR), 9.7 PPG MW, 37 VIS, DRILL CHAPITA WELLS & BUCK CANYON SPP 2125/2350 PSI. DIFF PRESSURE 187/412.  FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED. FUNCTION COM DRILLING, FUNCTION BOP & CHOKE. BOP DRILL 90 SEC. SAFETY MEETING; BOP DRILLS, TEAM WORK, CHECK/SET CROWN-O-MATIC. FUEL 6840 GAL. USED 1479 GAL. RECEIVED 4600 GAL. WEATHER; TEMP 58 DEG. DEWPOINT 42 DEG. WINDS WNW @ 7 MPH, 3 MI. VIS.

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<b>06-07-2010</b>	<b>Reported By</b>	GLEN PRUET									
<b>DailyCosts: Drilling</b>	\$29,031	<b>Completion</b>	\$0	<b>Daily Total</b>	\$29,031						
<b>Cum Costs: Drilling</b>	\$860,765	<b>Completion</b>	\$0	<b>Well Total</b>	\$860,765						
<b>MD</b>	7,675	<b>TVD</b>	7,675	<b>Progress</b>	650	<b>Days</b>	4	<b>MW</b>	9.8	<b>Visc</b>	37.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: DRILLING @ 7675'**

Start	End	Hrs	Activity Description
06:00	16:30	10.5	DRILL 7025' TO 7380'(355' @ 33.8 F/H) 22 WOB, 128/133 RPM (45/50 ROT + 78/83 MTR), 9.7 PPG MW, 37 VIS, DRILLING BUCK CANYON SPP 2125/2350 PSI. DIFF PRESSURE 187/412.
16:30	17:00	0.5	SERVICE RIG
17:00	06:00	13.0	DRILL 7380' TO 7675'(295' @ 22.6 F/H) 22/25 WOB, 106/114 RPM (40/45 ROT + 66/68 MTR), 9.8 PPG MW, 38 VIS, DRILLING BUCK CANYON, NORTH HORN SPP 2125/2550 PSI. DIFF PRESSURE 112/380.  FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED. SAFETY MEETINGS; MAKING CONNECTIONS. USING SANDER FUEL ON HAND 4560. FUEL USED 2280. CURENT MUD WEIGHT 9.8 PPG, VIS 38. INCREASING MUD WT 10.0 PPG TO TFNB, HOLE SEEPING +/- 8 BPH. WEATHER; TEMP 64 DEG. DEWPOINT 41 DEG. WINDS CALM, 10 MI. VIS. 39

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<b>06-08-2010</b>	<b>Reported By</b>	GLEN PRUET									
<b>DailyCosts: Drilling</b>	\$34,260	<b>Completion</b>	\$0	<b>Daily Total</b>	\$34,260						
<b>Cum Costs: Drilling</b>	\$895,026	<b>Completion</b>	\$0	<b>Well Total</b>	\$895,026						
<b>MD</b>	8,210	<b>TVD</b>	8,210	<b>Progress</b>	535	<b>Days</b>	5	<b>MW</b>	9.9	<b>Visc</b>	38.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: DRILLING @ 8210'**

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRILL 7675' TO 7723'(48' @ 16.0 F/H) 25 WOB, 106/114 RPM (40/45 ROT + 66/72 MTR), 9.8 PPG MW, 38 VIS, DRILLING NORTH HORN SPP 2125/2452 PSI. DIFF PRESSURE 195/358. (FUNC COM DRILLING).
09:00	09:30	0.5	CHECK FLOW, DROP TOTCO & PUMP DRY JOB.
09:30	14:30	5.0	TFNB, FUNC COM F/TRIPPING, HOLE TIGHT 5100' TO 5000'.
14:30	15:00	0.5	LD REAMERS & BIT #1.(8 3/4"), PU BIT #2 (7 7/8"), SMITH PDC MI616. (FUNC BLIND RAMS).
15:00	16:30	1.5	TIH TO BOTTOM OF SURFACE CASING.
16:30	17:30	1.0	SLIP & CUT DRILL LINE
17:30	19:30	2.0	TIH, NO HOLE PROBLEMS. TOTAL MUD LOST ON TRIP 84 BBLs. + 75 BBLs SOLIDS/LIQUID WHEN BADGER CLEANED MUD TANKS.
19:30	20:00	0.5	WASH 70' TO BOTTOM, NO FILL.
20:00	21:30	1.5	DRILL 7723' TO 7807'(84' @ 56.0 F/H) 14/19 WOB, 112 RPM (44 ROT + 68 MTR), 9.8 PPG MW, 38 VIS, DRILLING NORTH HORN SPP 2515/2682 PSI. DIFF PRESSURE 51/218. (FUNC COM FOR DRLG).
21:30	22:00	0.5	SERVICE RIG
22:00	06:00	8.0	DRILL 7807' TO 8210'(403' @ 50.3 F/H) 18/21 WOB, 112 RPM (45 ROT + 67 MTR), 9.8 PPG MW, 38 VIS, DRILLING NORTH HORN AND KMV PRICE RIVER. PUMP #1, 10x6x120=420 GPM SPP 2300/2425 PSI. DIFF PRESSURE 108/255.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.  
 SAFETY MEETINGS; LOTO, UNLOAD CSG. TRIPS.  
 FUEL ON HAND 3434. FUEL USED 1126.  
 CURRENT MUD WEIGHT 9.9 PPG, VIS 39.  
 WEATHER; TEMP 57 DEG. DEWPOINT 41 DEG. WINDS NNW @ 12 MPH, 10 MI. VIS.

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<b>06-09-2010</b>	<b>Reported By</b>	GLEN PRUET									
<b>Daily Costs: Drilling</b>	\$48,886	<b>Completion</b>	\$0	<b>Daily Total</b>	\$48,886						
<b>Cum Costs: Drilling</b>	\$943,912	<b>Completion</b>	\$0	<b>Well Total</b>	\$943,912						
<b>MD</b>	9,565	<b>TVD</b>	9,565	<b>Progress</b>	1,355	<b>Days</b>	6	<b>MW</b>	10.0	<b>Visc</b>	39.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							
<b>Activity at Report Time:</b> DRILLING @ 9565'											

Start	End	Hrs	Activity Description
06:00	16:00	10.0	DRILL 8210' TO 8714'(504' @ 50.4 F/H) 20/22 WOB, 112 RPM (45 ROT + 67 MTR), 9.8 PPG MW, 38 VIS, DRILLING KMV PRICE RIVER. PUMP #1, 10x6x120=420 GPM SPP 2100/2350 PSI. DIFF.
16:00	16:30	0.5	SERVICE RIG. FUNC PIPE RAMS.
16:30	06:00	13.5	DRILL 8714' TO 9565'(851' @ 63.0 F/H) 20/22 WOB, 113/122 RPM (45/55 ROT + 68 MTR), 10.1 PPG MW, 39 VIS, DRILLING KMV PRICE RIVER, MIDDLE PRICE RIVER. PUMP #1, 10x6x120=420 GPM SPP 2200/2590 PSI. DIFF PRESSURE

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.  
 SAFETY MEETINGS; DRIVING TO WORK, TRANSFER MUD, WELL CONTROL STATIONS.  
 FUEL ON HAND 6156. FUEL USED 1278. RECEIVED 4000 GALLONS.  
 CURENT MUD WEIGHT 10.1 PPG, VIS 39.  
 WEATHER; TEMP 59 DEG. DEWPOINT 42 DEG. WINDS WNW @ 3 MPH, 10 MI. VIS.

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<b>06-10-2010</b>	<b>Reported By</b>	GLEN PRUET									
<b>Daily Costs: Drilling</b>	\$39,433	<b>Completion</b>	\$0	<b>Daily Total</b>	\$39,433						
<b>Cum Costs: Drilling</b>	\$983,345	<b>Completion</b>	\$0	<b>Well Total</b>	\$983,345						
<b>MD</b>	10,590	<b>TVD</b>	10,590	<b>Progress</b>	1,025	<b>Days</b>	7	<b>MW</b>	10.4	<b>Visc</b>	39.0

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

**Activity at Report Time:** DRILLING @ 10,590'

Start	End	Hrs	Activity Description
06:00	16:00	10.0	DRILL 9565' TO 10,060' (495' @ 49.5 F/H) 20/22 WOB, 112/128 RPM (45/50 ROT + 68 MTR), 10.2 PPG MW, 40 VIS, DRILLING KMV MIDDLE & LOWER PRICE RIVER. PUMP #1, 10x6x120=420 GPM SPP 2475/2680 PSI. DIFF PRESSURE 80/350. FUNC COM @ 9564'.
16:00	16:30	0.5	SERVICE RIG AND FUNC ANNULAR.
16:30	20:30	4.0	DRILL 10,060' TO 10,268' (208' @ 52.0 F/H) 20/22 WOB, 112/128 RPM (45/50 ROT + 68 MTR), 10.2 PPG MW, 40 VIS, DRILLING KMV MIDDLE & LOWER PRICE RIVER. PUMP #1, 10x6x120=420 GPM SPP 2475/2680 PSI. DIFF PRESSURE 80/350. FUNC COM @ 9564'.
20:30	06:00	9.5	DRILL 10,268' TO 10,590' (322' @ 33.89 F/H) 18/22 WOB, 100 RPM (44 ROT + 56 MTR), 10.4 PPG MW, 39 VIS, DRILLING KMV LOWER PRICE RIVER, SEGO. PUMP #1, 10x6x100=350 GPM SPP 2170/2395 PSI. DIFF PRESSURE 150/325. HOLE SEEPING FROM 10,281' - 10,410' AND HOLE TIGHT ON CONNECTIONS WHILE INCREASING MUD WEIGHT TO 10.4 PPG.

BLM NOTIFIED VIA EMAIL @19:30 HRS. 6/9/10 AND UDOGM @ 21:00 HRS (CAROL DANIELS VOICE MAIL) RE: RUN PROD. CSG. @ 02:00 HRS. 6/11/10.  
 FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.  
 SAFETY MEETINGS; AIR HOST OPERATIONS, WELL CONTROL STATIONS.  
 FUEL ON HAND 4446, FUEL USED 1710.  
 MUD WEIGHT 10.4 PPG, VIS 41. MUD LOSS; 150 BBLs. DRLG F/10,281' TO 10,410' INCREASING WEIGHT 10.4 PPG.  
 WEATHER; TEMP 63 DEG. DEWPOINT 43 DEG. WINDS NE @ 7 MPH, 10 MI. VIS.

**06-11-2010** **Reported By** GLEN PRUET

<b>Daily Costs: Drilling</b>	\$41,181	<b>Completion</b>	\$0	<b>Daily Total</b>	\$41,181
<b>Cum Costs: Drilling</b>	\$1,024,527	<b>Completion</b>	\$0	<b>Well Total</b>	\$1,024,527

<b>MD</b>	10,650	<b>TVD</b>	10,650	<b>Progress</b>	60	<b>Days</b>	8	<b>MW</b>	0.0	<b>Visc</b>	0.0
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**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** RUNNING 4-1/2" CASING @ 6812'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILL 10,590' TO 10,650' (60' @ 30.0 F/H) 18/22 WOB, 108 RPM (45 ROT + 63 MTR), 10.4 PPG MW, 41 VIS, DRLG SEGO. PUMP #1, 10x6x112=392 GPM SPP 2200/2350 PSI. DIFF PRESSURE 175/325. REACHED TD @ 08:00 HRS, 6/10/2010.
08:00	09:00	1.0	CIRCULATE BOTTOMS UP FOR WIPER TRIP.
09:00	14:00	5.0	WIPER TRIP 81 STDS TO SURFACE CASING. HOLE CLEAN.
14:00	14:30	0.5	WASH 23' TO BOTTOM F/10,627' TO 10,650', NO FILL.
14:30	16:30	2.0	CIRCULATE HOLE CLEAN. PJSM W/FRANKS WESTATES SERVICES AND R/U LD MACHINE.
16:30	23:30	7.0	DEVIATION SURVEY, PUMP DRY PIPE & LDDP. BREAK KELLY, PULL ROTATING RUBBER, & LD BHA.
23:30	00:00	0.5	PULL WEAR BUSHING.
00:00	06:00	6.0	PJSM WITH FRANK'S WESTATES SERVICES CASING AND L/D MACHINE CREWS. R/U AND RUN 166 JTS (6812') OF 258 JTS OF 4.5" 11.60#/FT P-110 LT&C CASING WITH DAVIS LYNCH DIFFERENTIAL FLOAT SHOE, FLOAT COLLAR AND LATCH DOWN PLUG INSERT. RAN 3 TURBULIZERS ON BTM. 3 JTS. AND 25 BOW SPRING CENTRILIZERS, ONE EACH 3RD JT.

BLM NOTIFIED VIA EMAIL. UDOGM NOTIFIED (CAROL DANIELS VOICE MAIL) RE: RUN PROD. CSG. @ 02:00 HRS. 6/11/10.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.  
 SAFETY MEETINGS; LDDP, WORKING WITH 3RD PARTY CREWS, RUNNING CASING.  
 FUEL ON HAND 3534, FUEL USED 912.  
 WEATHER; TEMP 55 DEG. DEWPOINT 36 DEG. WINDS NE @ 12 MPH, VIS. 10 MI.

<b>06-12-2010</b>	<b>Reported By</b>	GLEN PRUET									
<b>Daily Costs: Drilling</b>	\$28,164	<b>Completion</b>	\$274,572	<b>Daily Total</b>	\$302,736						
<b>Cum Costs: Drilling</b>	\$1,052,692	<b>Completion</b>	\$274,572	<b>Well Total</b>	\$1,327,264						
<b>MD</b>	10,650	<b>TVD</b>	10,650	<b>Progress</b>	0	<b>Days</b>	9	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

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

Start	End	Hrs	Activity Description
06:00	08:30	2.5	PJSM WITHFRANKS WESTATES SERVICES CASING AND L/D MACHINE CREWS. CONTINUE TO RUN 258 JTS OF 4.5" 11.60#/FT P-110 LT&C CASING WITH DAVIS LYNCH DIFFERENTIAL FLOAT SHOE, FLOAT COLLAR AND LATCH DOWN PLUG INSERT. RAN 3 TURBULIZERS ON BTM. 3 JTS. AND 25 BOW SPRING CENTRILIZERS, ONE EACH 3RD JT.. PICK UP JT #259 TO TAG BOTTOM THEN LAID DOWN JOINT #259. PU AND INSTALL FMC FLUTED MANDREL HANGER. LANDED WITH SHOE @ 10,645', FLOAT COLLAR @ 10,601'. RAN 2 JTS 4 1/2" P-110 MARKER JOINTS PLACED @ 8118' & 5185'. SET STRING WEIGHT (103,500#) ON HANGER. DROP ONE BALL WHEN MANDREL SET.
08:30	11:00	2.5	RU CIRCULATING HEAD. CIRCULATE & PUMP BALL THROUGH FLOATS @1280 PSI. CIRCULATE GAS OUT AND HOLE CLEAN. SAFETY MEETING WITH HALLIBURTON. R/D FRANK'S WESTATES EQUIPMENT.
11:00	14:00	3.0	HALLIBURTON TEST PUMP AND LINES TO 6000 PSI. CEMENT AS FOLLOWS: PUMP 20 BBLs MUD FLUSH III MIX AND PUMP 670 SX (219 BBL) LEAD CEMENT HIBOND 75. @ 12.0 #/GAL YIELD 1.84, WATER GAL/SK 9.86. FOLLOW WITH 1680 SX (440 BBLs) MIX @ 13.5 #/GAL YIELD 1.47. WATER GAL/SK 6.98. PUMP @ 8 BPM. UNTIL RETURNS LOST AT 300 BBLs OF 440 BBLs TAIL CEMENT AWAY. PUMPED @ 6 BPM. WASH UP, LOAD TOP LATCH DOWN PLUG. START FRESH WATER DISPLACE @ 6 BPM FOR 36 BBLs TO PRESSURE, 350 PSI. INCREASED TO 2480 PSI @ 3 BPM. BUMP PLUG 2480 TO 4200 PSI, HELD FOR 5 MIN. RELEASE PRESSURE FLOW BACK 2. BBLs. FLOATS HELD. RE PRESSURE UP TO 2600 PSI FOR 2 HOUR. PLUG DOWN @ 14:00 HRS. 6/11/10. NO RETURNS THROUGH DISPLACEMENT, NO CEMENT CIRCULATED TO SURFACE.
14:00	16:00	2.0	WAIT ON CEMENT. HELD 2600 PSI FOR 2 HOUR.
16:00	17:00	1.0	INSTALL PACK OFF AND TEST TO 5000 PSI.
17:00	18:00	1.0	INSTALL PACK OFF AND TEST TO 5000 PSI. CLEAN MUD TANKS.
18:00	06:00	12.0	RDRT. MOVING RIG FROM THE NCW 343-23 TO NCW 342-23, 0.3 MILES. RW JONES TRUCKING TO MOVE RIG 6/12/10. LAY DERRICK DOWN @ 17:00 HRS. 6/11/10.  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: MOVING RIG. TRUCK SAFETY. FUEL 3192 GALLONS, USED 342 GALLONS. WEATHER; TEMP 53 DEG. DEWPOINT 40 DEG. WINDS NNE 20 MPH, 10 MI. VIS.
06:00			RELEASED RIG @ 18:00 HRS, 6/11/2010. CASING POINT COST \$1,041,598

<b>06-26-2010</b>	<b>Reported By</b>	MCCURDY							
<b>Daily Costs: Drilling</b>	\$23,134	<b>Completion</b>	\$17,781	<b>Daily Total</b>	\$40,915				

**Cum Costs: Drilling** \$1,075,826 **Completion** \$292,353 **Well Total** \$1,368,179  
**MD** 10,650 **TVD** 10,650 **Progress** 0 **Days** 10 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	6/21/10 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM 10583 TO 970'. EST CEMENT TOP @ 2250. RDWL.  NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

**07-01-2010** **Reported By** HISLOP

**Daily Costs: Drilling** \$0 **Completion** \$9,895 **Daily Total** \$9,895  
**Cum Costs: Drilling** \$1,075,826 **Completion** \$302,248 **Well Total** \$1,378,074  
**MD** 10,650 **TVD** 10,650 **Progress** 0 **Days** 10 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf : 8411'- 10471'** **PKR Depth : 0.0**  
 MEASEVERDE/WASATCH

**Activity at Report Time:** FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	STAGE #1: RU CUTTERS WIRELINE & PERFORATE LPR FROM 10223'-24', 10275'-76', 10281'-82', 10290'-91', 10297'-98', 10362'-63', 10370'-71', 10388'-89', 10410'011', 10421'-22', 10438'-39', 10447'-48', 10463'-64', 10470'-71' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7422 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 43227 GAL 16# DELTA 200 W/146000# 20/40 SAND @ 2-5 PPG. MTP 8048 PSIG. MTR 50.4 BPM. ATP 5531 PSIG. ATR 49.3 BPM. ISIP 3497 PSIG. RD HALLIBURTON.  STAGE #2: RUWL. SET 10K CFP AT 10135'. PERFORATE MPR/LPR FROM 9855'-56', 9861'-62', 9879'-80', 9889'-90', 9905'-06', 9921'-22', 9933'-34', 9949'-50', 10001'-02', 10032'-33', 10086'-87', 1090'-91', 10101'-02', 10115'-16' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7481 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 44217 GAL 16# DELTA 200 W/149900# 20/40 SAND @ 2-5 PPG. MTP 7496 PSIG. MTR 50.5 BPM. ATP 5447 PSIG. ATR 50.2 BPM. ISIP 3538 PSIG. RD HALLIBURTON.  STAGE #3: RUWL. SET 10K CFP AT 9836'. PERFORATE MPR FROM 9595'-96', 9608'-09', 9617'-18', 9625'-26', 9631'-32', 9662'-63', 9675'-76', 9716'-17', [SHOTS 9724'-25' MISSED FIRED], 9731'-32', 9775'-76', 9779'-80', 9795'-96', 9814'-15' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7490 GAL 16# LINEAR W/9400# 20/40 SAND @ 1-1.5 PPG, 36709 GAL 16# DELTA 200 W/116700# 20/40 SAND @ 2-4 PPG. MTP 8120 PSIG. MTR 50.5 BPM. ATP 6587 PSIG. ATR 49.6 BPM. ISIP 5100 PSIG. RD HALLIBURTON.  STAGE #4: RUWL. SET 6K CFP AT 9575'. PERFORATE MPR FROM 9347'-48', 9359'-60', 9369'-70', 9377'-78', 9387'-88', 9411'-12', 9433'-34', 9447'-48', 9485'-86', 9503'-04', 9518'-19', 9534'-35', 9546'-47', 9552'-53' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7600 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 53469 GAL 16# DELTA 200 W/188700182900# 20/40 SAND @ 2-5 PPG. MTP 8237 PSIG. MTR 50.0 BPM. ATP 4456 PSIG. ATR 50.0 BPM. ISIP 2423 PSIG. RD HALLIBURTON.  STAGE #5: RUWL. SET 6K CFP AT 9323'. PERFORATE MPR FROM 9140'-41', 9146'-47', 9153'-54', 9164'-65', 9179'-80', [SHOTS 9188'-89' MISSED FIRED], 9201'-02', 9213'-14', 9228'-29', 9247'-48', 9276'-77', 9281'-82', 9291'-92', 9300'-01' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7575 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 47119 GAL 16# DELTA 200 W/160600# 20/40 SAND @ 2-5 PPG. MTP 7429 PSIG. MTR 50.7 BPM. ATP 4763 PSIG. ATR 50.0 BPM. ISIP 2821 PSIG. RD HALLIBURTON.

STAGE #6: RUWL. SET 6K CFP AT 9085'. PERFORATE UPR FROM 8799'-00', 8854'-55', 8874'-75', 8881'-82', 8893'-94', 8903'-04', 8912'-13', 8942'-43', 8949'-50', 8994'-95', 9001'-02', 9031'-32', 9054'-55', 9063'-64' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7672 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 47514 GAL 16# DELTA 200 W/161700# 20/40 SAND @ 2-5 PPG. MTP 7691 PSIG. MTR 50.6 BPM. ATP 4713 PSIG. ATR 50.1 BPM. ISIP 2800 PSIG. RD HALLIBURTON.

STAGE #7: RUWL. SET 6K CFP AT 8750'. PERFORATE UPR FROM 8411'-12', 8421'-22', 8442'-43', 8452'-53', 8461'-62', 8471'-72', 8480'-81', 8571'-72', 8579'-80', 8597'-98', 8655'-56', 8667'-68', [SHOTS 8716'-17' MISSED FIRED], 8724'-25' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7572 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 50612 GAL 16# DELTA 200 W/173100# 20/40 SAND @ 2-5 PPG. MTP 7551 PSIG. MTR 51.0 BPM. ATP 3960 PSIG. ATR 50.6 BPM. ISIP 2060 PSIG. RD HALLIBURTON. SDFN.

07-02-2010 Reported By HISLOP

DailyCosts: Drilling \$0 Completion \$536,132 Daily Total \$536,132

Cum Costs: Drilling \$1,075,826 Completion \$838,380 Well Total \$1,914,206

MD 10,650 TVD 10,650 Progress 0 Days 11 MW 0.0 Visc 0.0

Formation : MEASEVERDE/WASATCH PBSD : 10601.0 Perf : 5745' - 10471' PKR Depth : 0.0

Activity at Report Time: MIRUSU

Start End Hrs Activity Description
06:00 06:00 24.0 STAGE #8: SICP 1800 PSIG. RUWL. SET 6K CFP AT 8385'. PERFORATE NH/UPR FROM 8108'-09', 8118'-19', 8127'-28', 8147'-48', 8154'-55', 8166'-67', 8195'-96', 8209'-10', 8255'-56', 8287'-88', 8326'-27', 8338'-39', 8350'-51', 8373'-74' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7511 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 5087 GAL 16# DELTA 200 W/173400# 20/40 SAND @ 2-5 PPG. MTP 8084 PSIG. MTR 51.6 BPM. ATP 4329 PSIG. ATR 50.5 BPM. ISIP 2018 PSIG. RD HALLIBURTON.

STAGE #9: RUWL. SET 6K CFP AT 8030'. PERFORATE NH FROM 7735'-36', 7764'-65', 7773'-74', 7804'-05', 7819'-20', 7833'-34', 7847'-48', 7857'-58', 7863'-64', 7891'-92', 7929'-30', 7945'-46', 8001'-002', 8007'-08' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7579 GAL 16# LINEAR W/9700# 20/40 SAND @ 1-1.5 PPG, 33059 GAL 16# DELTA 200 W/110700# 20/40 SAND @ 2-5 PPG. MTP 6881 PSIG. MTR 51.1 BPM. ATP 4746 PSIG. ATR 50.5 BPM. ISIP 2342 PSIG. RD HALLIBURTON.

STAGE #10: RUWL. SET 6K CFP AT 7640'. PERFORATE Ba/NH FROM 7371'-73', 7409'-10', 7424'-25', 7450'-51', 7479'-80', 7546'-47', 7568'-70', 7576'-77', 7589'-90', 7603'-04' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7584 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 40491 GAL 16# DELTA 200 W/108500# 20/40 SAND @ 2-5 PPG. MTP 6326 PSIG. MTR 51.4 BPM. ATP 4354 PSIG. ATR 49.7 BPM. ISIP 2000 PSIG. RD HALLIBURTON.

STAGE #11: RUWL. SET 6K CFP AT 7310'. PERFORATE Ba FROM 7061'-62', 7070'-71', 7077'-78', 7083'-84', 7100'-01', 7106'-07', 7191'-92', 7204'-05', 7213'-14', 7246'-47', 7252'-53', 7261'-62', 7276'-77', 7290'-91' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 7560 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 33734 GAL 16# DELTA 200 W/114200# 20/40 SAND @ 2-5 PPG. MTP 6831 PSIG. MTR 51.1 BPM. ATP 4301 PSIG. ATR 50.7 BPM. ISIP 2016 PSIG. RD HALLIBURTON.

STAGE #12: RUWL. SET 6K CFP AT 6855'. PERFORATE Ca FROM 6482'-83', 6484'-85', 6486'-87', 6488'-89', 6495'-97', 6544'-46', 6736'-37', 6738'-39', 6740'-41', 6742'-43', 6813'-14', 6818'-19' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 7568 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 29318 GAL 16# DELTA 200 W/91100# 20/40 SAND @ 2-4 PPG. MTP 4706 PSIG. MTR 51.3 BPM. ATP 3517 PSIG. ATR 50.9 BPM. ISIP 1680 PSIG. RD HALLIBURTON.

STAGE #13: RUWL. SET 6K CFP AT 6375'. PERFORATE Pp/Ca FROM 6051'-52', 6054'-55', 6058'-59', 6061'-62', 6179'-80', 6184'-85', 6187'-88', 6189'-90', 6231'-33', 6237'-38', 6239'-40', 6345'-46', 6347'-48' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 7639 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 27762 GAL 16# DELTA 200 W/82400# 20/40 SAND @ 2-4 PPG. MTP 4706 PSIG. MTR 51.3 BPM. ATP 3517 PSIG. ATR 50.9 BPM. ISIP 2025 PSIG. RD HALLIBURTON.

STAGE #14: RUWL. SET 6K CFP AT 5920'. PERFORATE Pp FROM 5745'-46', 5751'-52', 5782'-83', 5787'-88', 5790'-91', 5793'-94', 5796'-97', 5853'-56', 5895'-96', 5897'-98' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 7593 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 28007 GAL 16# DELTA 200 W/87400# 20/40 SAND @ 2-4 PPG. MTP 4160 PSIG. MTR 51.0 BPM. ATP 3598 PSIG. ATR 50.6 BPM. ISIP 2428 PSIG. RD HALLIBURTON.

RUWL. SET 6K CBP AT 5626'. RD CUTTERS WIRELINE. SDFN.

<b>07-09-2010</b>		<b>Reported By</b>		BASTIAN							
<b>Daily Costs: Drilling</b>		\$0	<b>Completion</b>		\$5,620	<b>Daily Total</b>		\$5,620			
<b>Cum Costs: Drilling</b>		\$1,075,826	<b>Completion</b>		\$844,000	<b>Well Total</b>		\$1,919,826			
<b>MD</b>	10,650	<b>TVD</b>	10,650	<b>Progress</b>	0	<b>Days</b>	12	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>		<b>PBTD :</b> 10601.0			<b>Perf :</b> 5745'- 10471'		<b>PKR Depth :</b> 0.0				
MEASEVERDE/WASATCH											
<b>Activity at Report Time:</b> POST FRAC CLEAN OUT											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
07:00	15:30	8.5	MIRUSU. ND FRAC TREE & NU BOP. RIH W/3-7/8" HURRICANE MILL & PUMP OFF SUB TO 5626'. RU TO DRILL OUT PLUGS. PRESSURE TESTED BLIND RAMS TO 3000 PSIG. PRESSURE TESTED BOTH SETS OF PIPE RAMS TO 3000 PSIG. SDFN.								

<b>07-10-2010</b>		<b>Reported By</b>		BASTIAN							
<b>Daily Costs: Drilling</b>		\$0	<b>Completion</b>		\$9,050	<b>Daily Total</b>		\$9,050			
<b>Cum Costs: Drilling</b>		\$1,075,826	<b>Completion</b>		\$853,050	<b>Well Total</b>		\$1,928,876			
<b>MD</b>	10,650	<b>TVD</b>	10,650	<b>Progress</b>	0	<b>Days</b>	13	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>		<b>PBTD :</b> 10601.0			<b>Perf :</b> 5745'- 10471'		<b>PKR Depth :</b> 0.0				
MEASEVERDE/WASATCH											
<b>Activity at Report Time:</b> DRILL PLUGS											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	16:30	10.5	SICP 0 PSIG. SISCP 0 PSIG. HELD SAFETY MTG. PRESSURE TESTED FLOW LINES TO 2500 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5626', 5920', 6375', 6855', 7310', 7640', 8030' 8385', 8750', 9085', 9323', 9575', 9836', & 10,135'. RIH AND CLEANED OUT TO 10,593'. LANDED TBG AT 9094.82' 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 32.57'  
 XN NIPPLE 1.81 ID 1.30'  
 278 JTS 2-3/8 4.7# N-80 TBG 9044.95'  
 BELOW KB 15.00'  
 LANDED @ 9094.82' KB

FLOWED 12 HRS. 24/64 CHOKE. FTP- 1050 PSIG, CP- 1450 PSIG. 68 BFPH. RECOVERED 996 BBLS, 17580 BLWTR.

<b>07-11-2010</b>		<b>Reported By</b>		BASTIAN					
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**Daily Costs: Drilling** \$0 **Completion** \$4,575 **Daily Total** \$4,575  
**Cum Costs: Drilling** \$1,075,826 **Completion** \$857,625 **Well Total** \$1,933,451  
**MD** 10,650 **TVD** 10,650 **Progress** 0 **Days** 14 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD :** 10601.0 **Perf :** 5745' - 10471' **PKR Depth :** 0.0  
 MEASEVERDE/WASATCH

**Activity at Report Time:** HOOK UP BRECO UINT,& FLOW BACK

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION. OPENING PRESSURE: TP 950 PSIG & CP 1450 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 11:00 AM, 07/10/10. FLOWED 400 MCFD RATE ON 24/64" POS CHOKE. STATIC 154. QUESTAR METER #008501.
FLOWED 24 HRS. 24/64 CHOKE. FTP- 900 PSIG, CP- 1450 PSIG. 60 BFPH. RECOVERED 1578 BBLS, 16,002 BLWTR. 485 MCF/D. FLOWED THROUGH TEST UNIT TO SALES.			

**07-12-2010** **Reported By** BASTIAN

**Daily Costs: Drilling** \$0 **Completion** \$4,575 **Daily Total** \$4,575  
**Cum Costs: Drilling** \$1,075,826 **Completion** \$862,200 **Well Total** \$1,938,026  
**MD** 10,650 **TVD** 10,650 **Progress** 0 **Days** 15 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD :** 10601.0 **Perf :** 5745' - 10471' **PKR Depth :** 0.0  
 MEASEVERDE/WASATCH

**Activity at Report Time:** FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED THROUGH TEST UNIT TO SALES 24 HRS. 24/64 CHOKE. FTP 850 PSIG. CP 1400 PSIG. 56 BFPH. RECOVERED 1372 BLW. 14630 BLWTR. 500 MCFD RATE.

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

**Daily Costs: Drilling** \$0 **Completion** \$3,955 **Daily Total** \$3,955  
**Cum Costs: Drilling** \$1,075,826 **Completion** \$866,155 **Well Total** \$1,941,981  
**MD** 10,650 **TVD** 10,650 **Progress** 0 **Days** 16 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD :** 10601.0 **Perf :** 5745' - 10471' **PKR Depth :** 0.0  
 MEASEVERDE/WASATCH

**Activity at Report Time:** FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED THROUGH TEST UNIT TO SALES 24 HRS. 24/64 CHOKE. FTP 800 PSIG. CP 1400 PSIG. 48 BFPH. RECOVERED 1212 BLW. 13418 BLWTR. 532 MCFD RATE.

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

**Daily Costs: Drilling** \$0 **Completion** \$3,955 **Daily Total** \$3,955  
**Cum Costs: Drilling** \$1,075,826 **Completion** \$870,110 **Well Total** \$1,945,936  
**MD** 10,650 **TVD** 10,650 **Progress** 0 **Days** 17 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD :** 10601.0 **Perf :** 5745' - 10471' **PKR Depth :** 0.0  
 MEASEVERDE/WASATCH

**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 850 PSIG. CP 2100 PSIG. 44 BFPH. RECOVERED 1136 BLW. 12282 BLWTR. 652 MCFD RATE.

**07-15-2010** **Reported By** BASTIAN

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$3,955	<b>Daily Total</b>	\$3,955
<b>Cum Costs: Drilling</b>	\$1,075,826	<b>Completion</b>	\$874,065	<b>Well Total</b>	\$1,949,891
<b>MD</b>	10,650	<b>TVD</b>	10,650	<b>Progress</b>	0
				<b>Days</b>	18
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 10601.0</b>		<b>Perf : 5745' - 10471'</b>	<b>PKR Depth : 0.0</b>	
MEASEVERDE/WASATCH					

**Activity at Report Time:** FLOW TEST

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	FLOWED THROUGH TEST UNIT TO SALES. 24 HRS 24/64" CHOKE. FTP 850 PSIG CP 2200 PSIG, 40 BPFH. RECOVERED 1008 BBLs. 11274 BLWTR. 802 MCFD RATE.

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**NORTH CHAPITA 343-23 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

9140-9301	2/spf
8799-9064	2/spf
8411-8668	2/spf
8108-8374	2/spf
7735-8008	2/spf
7371-7604	3/spf
7061-7291	2/spf
6482-6819	2/spf
6051-6348	2/spf
5745-5898	2/spf

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

9140-9301	54,914 GALS GELLED WATER & 170,100# 20/40 SAND
8799-9064	55,406 GALS GELLED WATER & 171,200# 20/40 SAND
8411-8668	58,404 GALS GELLED WATER & 183,000# 20/40 SAND
7735-8008	40,858 GAL GELLED WATER & 120,400# 20/40 SAND
7371-7604	48,295 GAL GELLED WATER & 118,100# 20/40 SAND
7061-7291	41,349 GAL GELLED WATER & 123,800# 20/40 SAND
6482-6819	36,941 GAL GELLED WATER & 100,700# 20/40 SAND
6051-6348	35,456 GALS GELLED WATER & 92,000# 20/40 SAND
5745-5898	35,655 GALS GELLED WATER & 96,900# 20/40 SAND

Perforated the Lower Price River from 10223'-24', 10275'-76', 10281'-82', 10290'-91', 10297'-98', 10362'-63', 10370'-71', 10388'-89', 10410'011', 10421'-22', 10438'-39', 10447'-48', 10463'-64', 10470'-71' W/ 2 SPF.

Perforated the Middle Price River/Lower Price River from 9855'-56', 9861'-62', 9879'-80', 9889'-90', 9905'-06', 9921'-22', 9933'-34', 9949'-50', 10001'-02', 10032'-33', 10086'-87', 1090'-91', 10101'-02', 10115'-16' W/ 2 SPF.

Perforated the Middle Price River from 9855'-56', 9861'-62', 9879'-80', 9889'-90', 9905'-06', 9921'-22', 9933'-34', 9949'-50', 10001'-02', 10032'-33', 10086'-87', 1090'-91', 10101'-02', 10115'-16' W/ 2 SPF.

Perforated the Middle Price River from 9347'-48', 9359'-60', 9369'-70', 9377'-78', 9387'-88', 9411'-12', 9433'-34', 9447'-48', 9485'-86', 9503'-04', 9518'-19', 9534'-35', 9546'-47', 9552'-53' W/ 2 SPF.

Perforated the Middle Price River from 9140'-41', 9146'-47', 9153'-54', 9164'-65', 9179'-80', 9201'-02', 9213'-14', 9228'-29', 9247'-48', 9276'-77', 9281'-82', 9291'-92', 9300'-01' W/ 2 SPF.

Perforated the Upper Price River from 8799'-00', 8854'-55', 8874'-75', 8881'-82', 8893'-94', 8903'-04', 8912'-13', 8942'-43', 8949'-50', 8994'-95', 9001'-02', 9031'-32', 9054'-55', 9063'-64' W/ 2 SPF.

Perforated the Upper Price River from 8411'-12', 8421'-22', 8442'-43', 8452'-53', 8461'-62', 8471'-72', 8480'-81', 8571'-72', 8579'-80', 8597'-98', 8655'-56', 8667'-68', 8724'-25' W/ 2 SPF.

Perforated North Horn/ Upper Price River from 8108'-09', 8118'-19', 8127'-28', 8147'-48', 8154'-55', 8166'-67', 8195'-96', 8209'-10', 8255'-56', 8287'-88', 8326'-27', 8338'-39', 8350'-51', 8373'-74' W/ 2 SPF.

Perforate North Horn from 7735'-36', 7764'-65', 7773'-74', 7804'-05', 7819'-20', 7833'-34', 7847'-48', 7857'-58', 7863'-64', 7891'-92', 7929'-30', 7945'-46', 8001'-002', 8007'-08' W/ 2 SPF.

Perforated Ba/North Horn from 7371'-73', 7409'-10', 7424'-25', 7450'-51', 7479'-80', 7546'-47', 7568'-70', 7576'-77', 7589'-90', 7603'-04' W/ 3 SPF.

Perforated Ba from 7061'-62', 7070'-71', 7077'-78', 7083'-84', 7100'-01', 7106'-07', 7191'-92', 7204'-05', 7213'-14', 7246'-47', 7252'-53', 7261'-62', 7276'-77', 7290'-91' W/ 2 SPF.

Perforated Ca from 6482'-83', 6484'-85', 6486'-87', 6488'-89', 6495'-97', 6544'-46', 6736'-37', 6738'-39', 6740'-41', 6742'-43', 6813'-14', 6818'-19' W/ 2 SPF.

Perforated Pp/Ca from 6051'-52', 6054'-55', 6058'-59', 6061'-62', 6179'-80', 6184'-85', 6187'-88', 6189'-90', 6231'-33', 6237'-38', 6239'-40', 6345'-46', 6347'-48' W/ 2 SPF.

Perforated Pp from 5745'-46', 5751'-52', 5782'-83', 5787'-88', 5790'-91', 5793'-94', 5796'-97', 5853'-56', 5895'-96', 5897'-98' W/ 2 SPF.

### 32. FORMATION (LOG) MARKERS

Middle Price River	9132
Lower Price River	9936
Sego	10490

**Carol Daniels - Re: NCW 343-23**

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**From:** Carol Daniels  
**To:** Nanette\_Lupcho@eogresources.com  
**Date:** 8/11/2010 2:27 PM  
**Subject:** Re: NCW 343-23

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Thank you for responding. We will have to expand the box for the water amount in our d/b. We wanted to make sure it wasn't a typo.

Carol

>>> <Nanette\_Lupcho@eogresources.com> 8/11/2010 2:17 PM >>>  
Hi Carol,

The water test volume is correct at 11,274. I can supply you with a different test day data if needed.

Thank you !

*Nanette Lupcho*  
*Regulatory Assistant*  
*EOG Resources*  
*(435) 781-9157*

**RECEIVED**

**AUG 11 2010**

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