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

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

5. MINERAL LEASE NO:	6. SURFACE:
ML 47045	State

1A. TYPE OF WORK: DRILL ☑ REENTER ☐ DEEPEN ☐

7. IF INDIAN, ALLOTTEE OR TRIBE NAME:

B. TYPE OF WELL: OIL ☐ GAS ☑ OTHER _____ SINGLE ZONE ☐ MULTIPLE ZONE ☑

8. UNIT or CA AGREEMENT NAME:

2. NAME OF OPERATOR:
EOG Resources, Inc.

9. WELL NAME and NUMBER:
East Chapita 50-16

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

PHONE NUMBER:
(435) 781-9111

10. FIELD AND POOL, OR WILDCAT:
Natural Buttes/Mesaverde/Wasatch

4. LOCATION OF WELL (FOOTAGES) 641812X 4432323Y 40.031104
AT SURFACE: 855 FSL 728 FWL (SWSW) 40.031058 LAT 109.338725 LON
AT PROPOSED PRODUCING ZONE: Same -109.337981

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
SWSW 16 9S 23E S

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE:
55.2 Miles South of Vernal, UT

12. COUNTY:
Uintah

13. STATE:
UTAH

15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)	16. NUMBER OF ACRES IN LEASE:	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:
728	640	40
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)	**19. PROPOSED DEPTH:**	**20. BOND DESCRIPTION:**
1380	9,060	NM 2308
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):	**22. APPROXIMATE DATE WORK WILL START:**	**23. ESTIMATED DURATION:**
4948 GL		45 Days

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
17-1/2	13-3/8	H-40	48#	45	See Attached Eight Point Plan
12-1/4	9-5/8	J-55	36#	2,300	See Attached Eight Point Plan
7-7/8	4-1/2	N-80	11.6#	9,060	See Attached Eight Point Plan

25. **ATTACHMENTS**

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

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
☑ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
☑ COMPLETE DRILLING PLAN
☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Kaylene R. Gardner TITLE Sr. Regulatory Assistant

SIGNATURE _____ DATE 2/22/2007

(This space for State use only)

API NUMBER ASSIGNED: 43-047-39057

Approved by the Utah Division of Oil, Gas and Mining

APPROVAL:

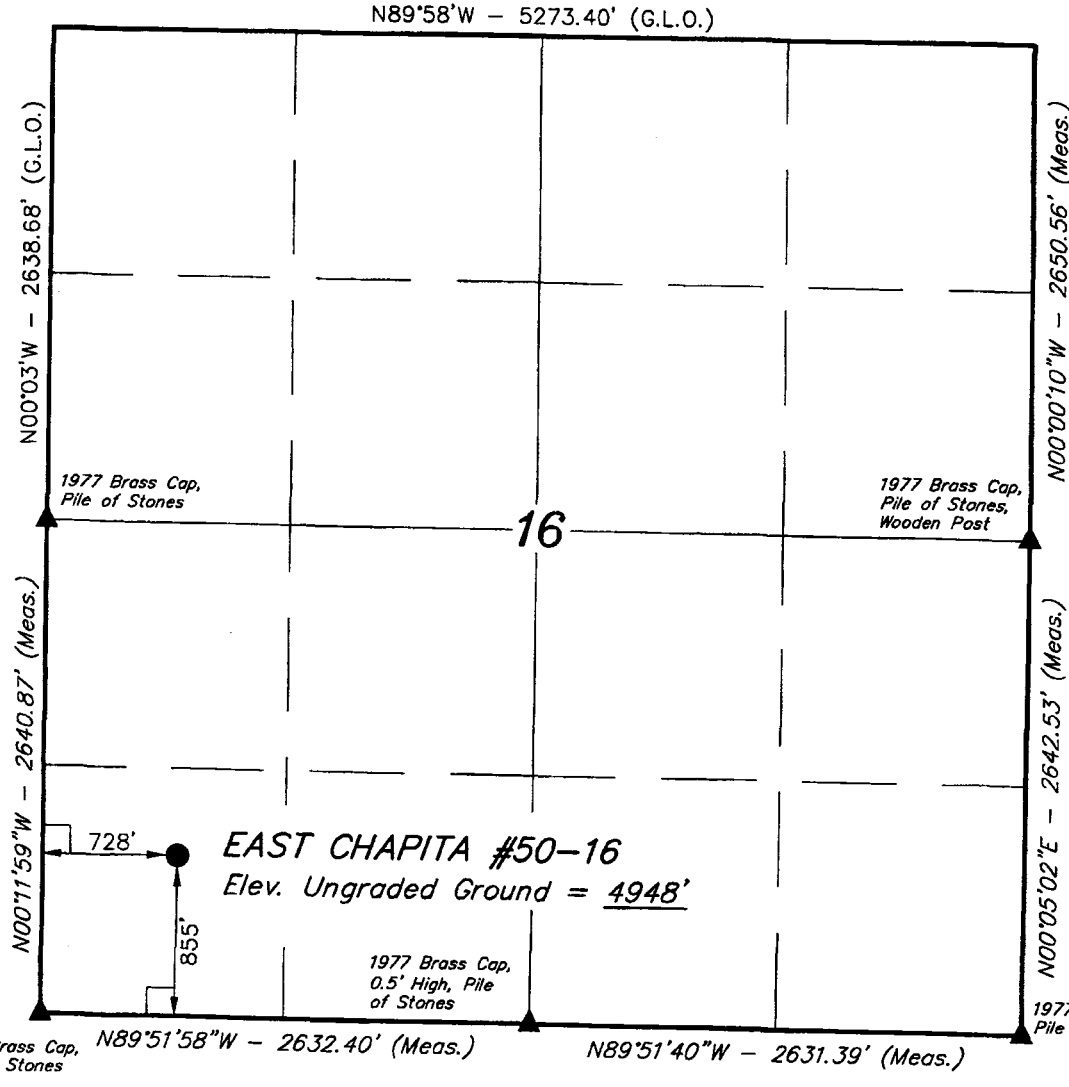
Date: 04-10-07

By: _____

RECEIVED
FEB 23 2007
DIV. OF OIL, GAS & MINING

(11/2001) (See Instructions on Reverse Side)

T9S, R23E, S.L.B.&M.



EOG RESOURCES, INC.

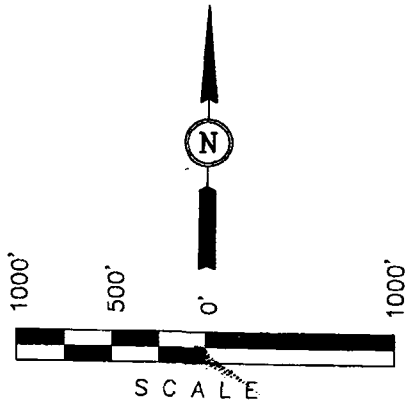
Well location, EAST CHAPITA #50-16, located as shown in the SW 1/4 SW 1/4 of Section 16, T9S, R23E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

BASIS OF BEARINGS

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



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABO[illegible] WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SA[illegible] THE BEST OF MY KNOWLEDGE AND B[illegible]

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)
LATITUDE = 40°01'51.81" (40.031058)
LONGITUDE = 109°20'19.41(109.338725)
(NAD 27)
LATITUDE = 40°01'51.93" (40.031092)
LONGITUDE = 109°20'16.96" (109.338044)

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

SCALE: 1" = 1000'	DATE SURVEYED: 03-21-06	DATE DRAWN: 05-04-06
PARTY: B.J. G.S. C.H.	REFERENCES: G.L.O. PLAT	
WEATHER: WARM	FILE: EOG RESOURCES, INC.	

STATE OF UTAH)

) ss

COUNTY OF UINTAH)

VERIFICATION

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

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

EAST CHAPITA 50-16
855' FSL – 728' FWL (SWSW)
SECTION 16, T9S, R23E
UINTAH COUNTY, UTAH

EOG Resources, Inc., and Kerr-McGee Oil and Gas Onshore LP are the only owners in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 22nd day of February, 2007 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 and Kerr-McGee Oil and Gas Onshore LP.

Further affiant saith not.

Kaylene R. Gardner
Sr. Regulatory Assistant

Subscribed and sworn before me this 22nd day of February, 2007.

Carla R. White
Notary Public

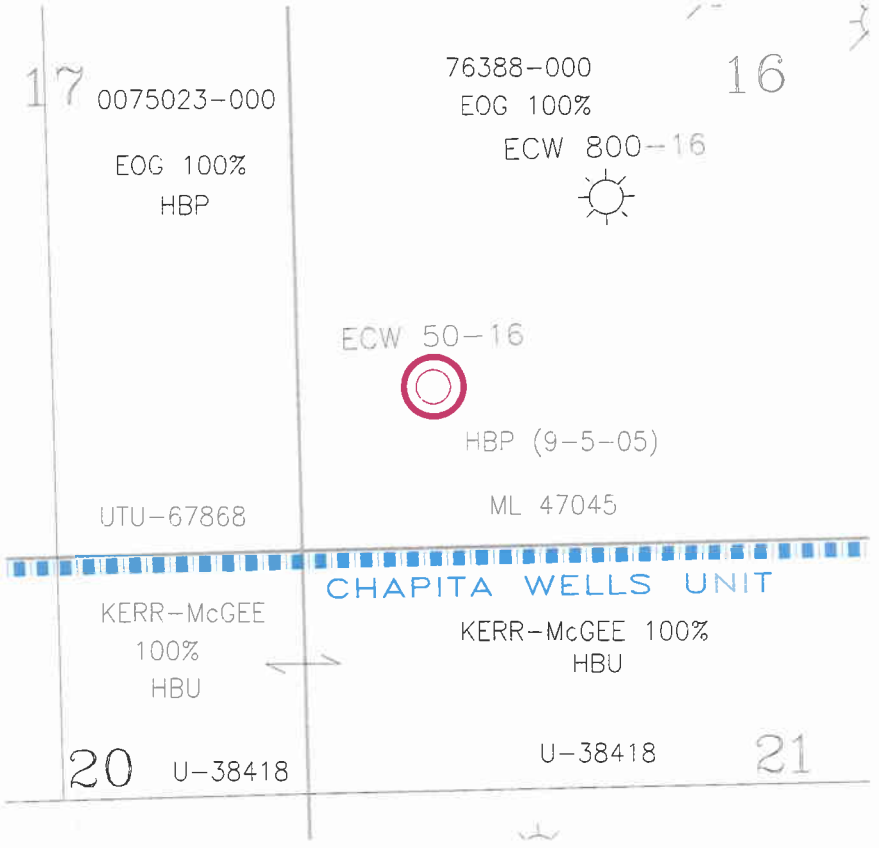
My Commission Expires: 4/15/2008

CARLA R WHITE
Notary Public
State of Utah
My Comm. Expires Apr 15, 2008
147 East Main Vernal UT 84078

Exhibit "A" to Affidavit
East Chapita 50-16 Application to Commingle

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

R 23 E



T 9 S

EAST CHAPITA 50-16

Scale: 1"=1000'

0 1/4 1/2 Mile

N

eog resources

Denver Division

EXHIBIT "A"

EAST CHAPITA 50-16

Commingling Application

Uintah County, Utah

Scale: 1"=1000'	D:\Utah\Commingled\page_EC50-16_commingled.dwg WELL	Author TLM	Feb 15, 2007 - 8:16am

EIGHT POINT PLAN

EAST CHAPITA 50-16
SW/SW, SEC. 16, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,611		Shale	
Wasatch	4,578	Primary	Sandstone	Gas
Chapita Wells	5,149	Primary	Sandstone	Gas
Buck Canyon	5,810	Primary	Sandstone	Gas
North Horn	6,436	Primary	Sandstone	Gas
KMV Price River	6,784	Primary	Sandstone	Gas
KMV Price River Middle	7,575	Primary	Sandstone	Gas
KMV Price River Lower	8,432	Primary	Sandstone	Gas
Sego	8,852		Sandstone	
TD	**9,060**			

Estimated TD: **9,060' or 200'± below Sego top** **Anticipated BHP: 4,947 Psig**

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

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

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

3. PRESSURE CONTROL EQUIPMENT: Production Hole – 5000 Psig
BOP schematic diagrams attached.

EIGHT POINT PLAN

EAST CHAPITA 50-16
SW/SW, SEC. 16, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 ½"	0 – 45'	13 ⅜"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	45' – 2,300' KB±	9-⅝"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	2,300'± – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-⅝" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

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

Production Hole Procedure (2300'± - TD):

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

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay

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

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: **185 sks** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% $CaCl_2$, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft^3/sk. yield, 23 gps water.

Tail: **207 sks** Class "G" cement with 2% $CaCl_2$, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft^3/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% $CaCl_2$, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft^3/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: **130 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^3/sk., 24.5 gps water.

Tail: **870 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^3/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:

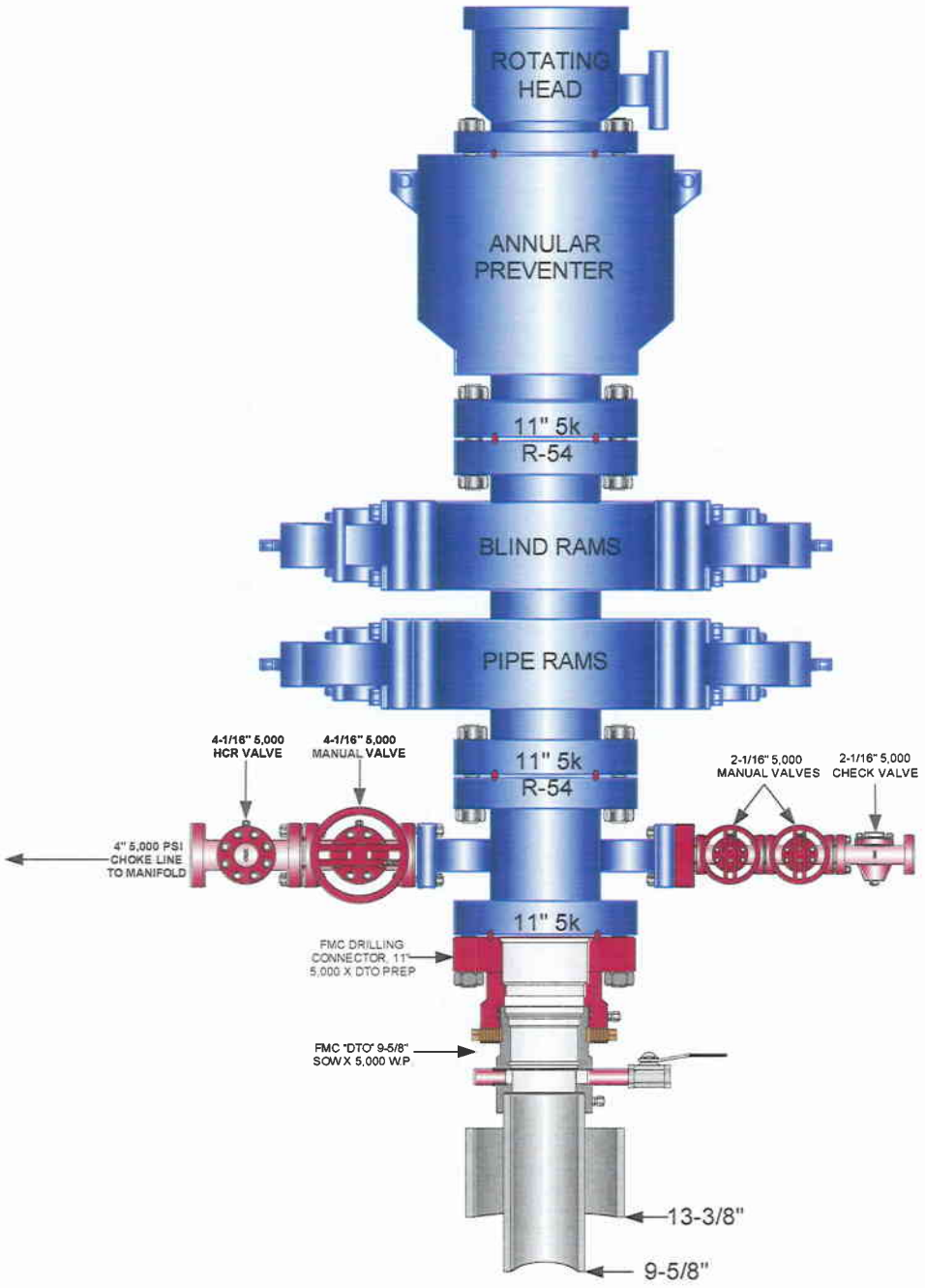
A. Choke Manifold
B. Upper and Lower Kelly Cock
C. Stabbing Valve
D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

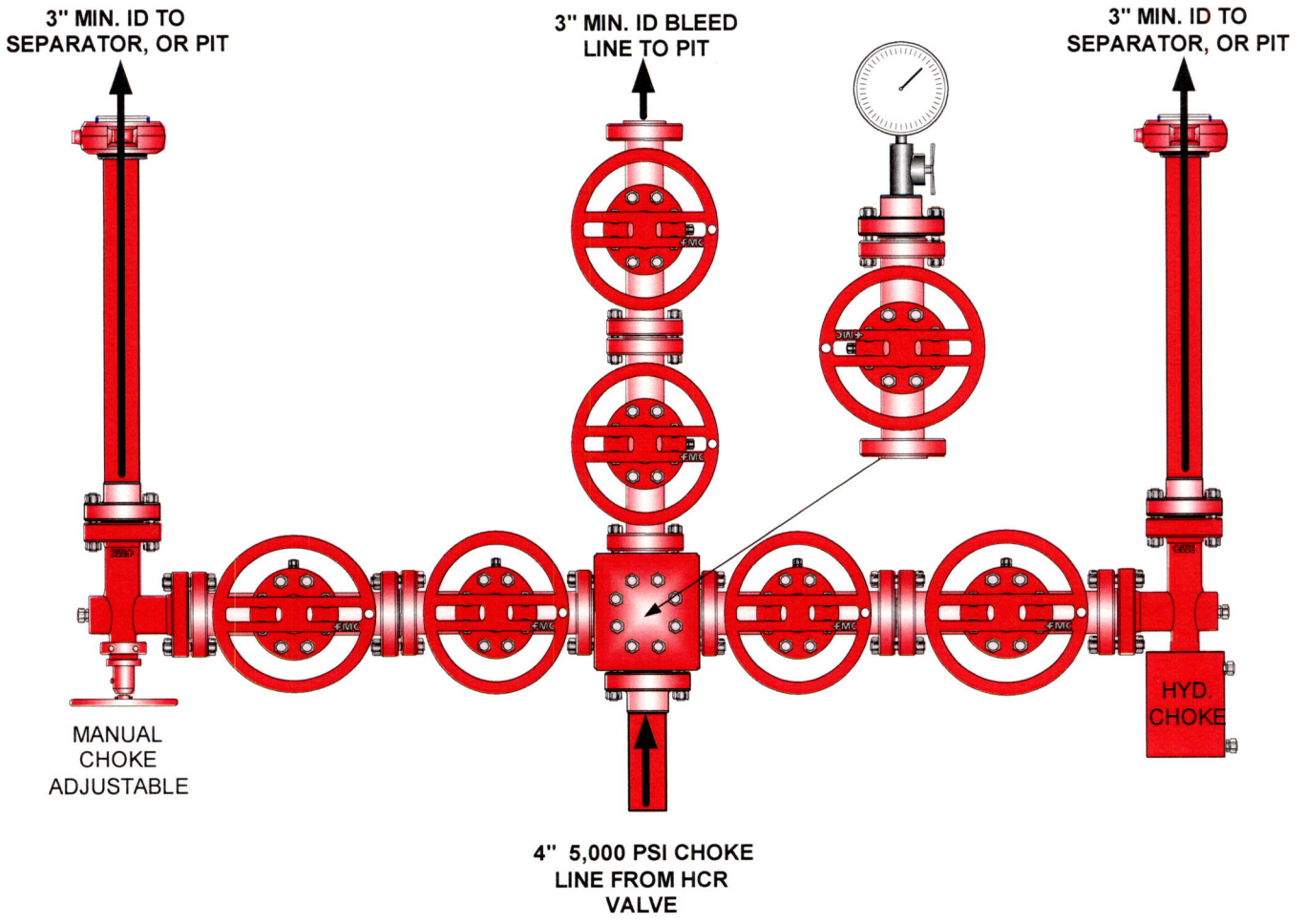
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold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



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.

eog resources

EAST CHAPITA 50-16
SWSW, Section 16, T9S, R23E
Uintah County, Utah

SURFACE USE PLAN

NOTIFICATION REQUIREMENTS

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

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 1056 feet long with a 30-foot right-of-way, disturbing approximately 0.73 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.57 acres. The pipeline is approximately 1045 feet long with a 40-foot right-of-way, disturbing approximately 0.96 acre.

1. EXISTING ROADS:

A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.

B. The proposed well site is located approximately 55.2 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 1056' in length.

B. The access road has a 30 foot ROW w/18 foot running surface.

C. Maximum grade of the new access road will be 8 percent.

D. No turnouts will be required.

E. No bridges, or major cuts and fills will be required.

F. The access road will be dirt surface.

G. No gates, cattleguards, or fences will be required or encountered.

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

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation or debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around then avoided.

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

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

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

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

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

A. On Well Pad

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400 BBL vertical tanks and attaching piping.

2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

B. Off Well Pad

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.

2. The length of the new proposed pipeline is 1045' x 40'. The proposed pipeline leaves the northern edge of the well pad proceeding in a northerly direction for an approximate distance of 1045' tieing into an existing pipeline located in SESW of Section 16, T9S, R23E. Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lok, electric weld with a 35 mil X-Tru coating, laid on the surface.

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

The stockpiled location topsoil will be stored between corners #1 and #2. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpiller 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. 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 State of Utah will attach the appropriated surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP:

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

State of Utah

12. OTHER INFORMATION:

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

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

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

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application or herbicides or other pesticides or possible hazardous chemicals.

C. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

D. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

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

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

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

A cultural resources survey was conducted and submitted June, 2006 by Montgomery Archaeological Consultants. A Paleontology survey was conducted and submitted July, 2006 by Stephen Sandau.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT
Kaylene R. Gardner
EOG Resources, Inc.
1060 East Highway 40
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 East Chapita 50-16 Well, located in the SWSW, of Section 16, T9S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

February 22, 2007
Date

Kaylene R. Gardner, Sr. Regulatory Assistant

EOG RESOURCES, INC.

EAST CHAPITA #50-16

LOCATED IN UINTAH COUNTY, UTAH
SECTION 16, T9S, R23E, S.L.B.&M.

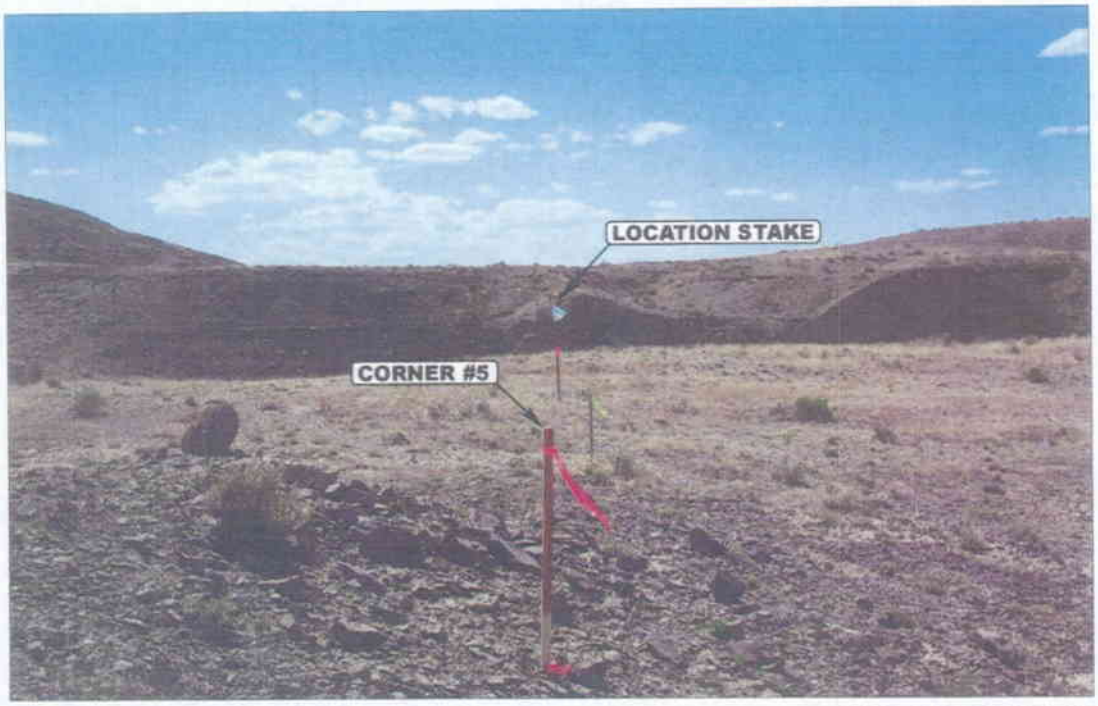


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE — CAMERA ANGLE: WESTERLY

PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS — CAMERA ANGLE: SOUTHWESTERLY

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

- Since 1964 -

LOCATION PHOTOS	05 MONTH	05 DAY	06 YEAR	PHOTO
TAKEN BY: B.J.	DRAWN BY: B.C.	REVISED: 00-00-00		

EOG RESOURCES, INC.

EAST CHAPITA #50-16
SECTION 16, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRCTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY THEN EASTERLY DIRECTION APPROXIMATELY 4.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #8-16 TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 55.2 MILES.

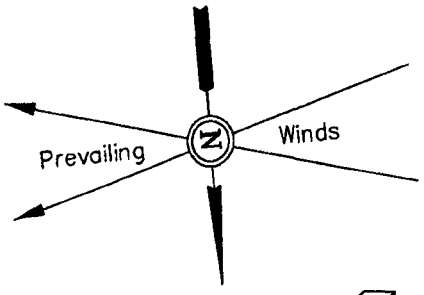
EOG RESOURCES, INC.

LOCATION LAYOUT FOR

EAST CHAPITA #50-16

SECTION 16, T9S, R23E, S.L.B.&M.

855' FSL 728' FWL



SCALE: 1" = 50'
DATE: 05-04-06
Drawn By: C.H.

Approx. Toe of Fill Slope

C-14.3'
El. 60.2'

F-10.1'
El. 35.8'

Sta. 3+25

65'

175'

DATA

F-0.4'
El. 45.5'

Round Corners as needed

Existing Drainage

Approx. Top of Cut Slope

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

CATWALK

PIPE RACKS

Pit Topsoil

C-5.0'
El. 50.9'

C-2.6'
El. 48.5'

FLARE PIT

20' WIDE BENCH

46'

29'

36'

DOG HOUSE

135'

RIG

Sta. 1+50

75'

C-2.9'
El. 48.8'

WATER

TRAILER

El. 49.6'
C-15.7'
(btm. pit)

F-7.0'
El. 38.9'

PUMP

MUD SHED

MUD TANKS

TOILET

HOPPER

POWER

TOOLS

FUEL

Sta. 0+50

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

15' WIDE BENCH

147'

Reserve Pit Backfill & Spoils Stockpile

Topsoil Stockpile

STORAGE TANK

TRASH

150'

Sta. 0+00

20' WIDE BENCH

El. 53.7'
C-19.8'
(btm. pit)

C-1.4'
El. 47.3'

C-0.7'
El. 46.6'

F-3.8'
El. 42.1'

Proposed Access Road

NOTES:

Elev. Ungraded Ground At Loc. Stake = 4948.5'

FINISHED GRADE ELEV. AT LOC. STAKE = 4945.9'

FIGURE #1

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

EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

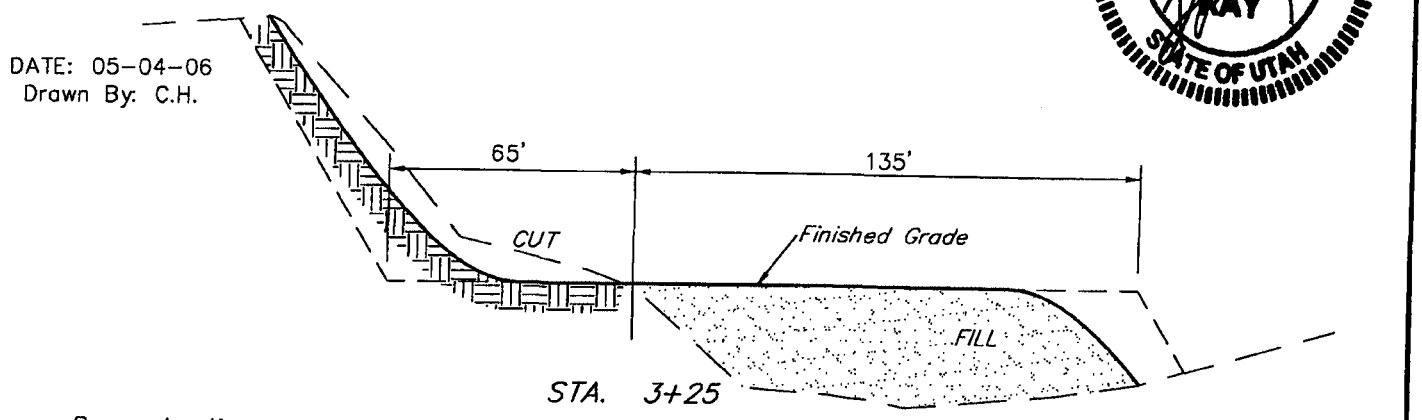
EAST CHAPITA #50-16
SECTION 16, T9S, R23E, S.L.B.&M.
855' FSL 728' FWL

FIGURE #2

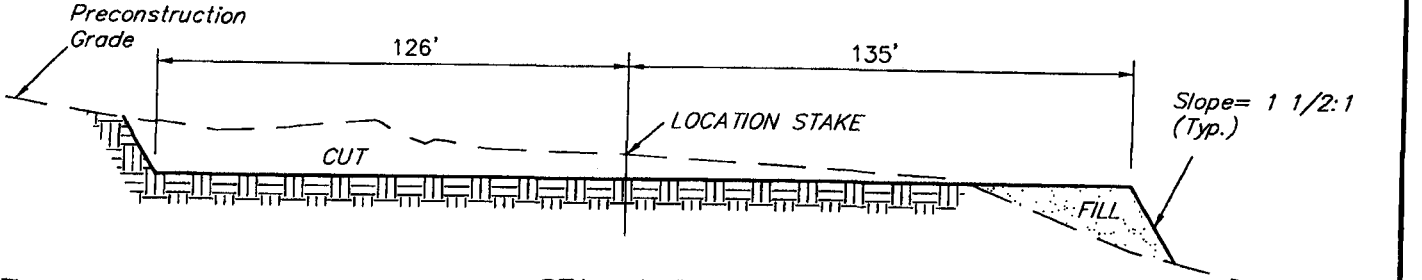
REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH

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

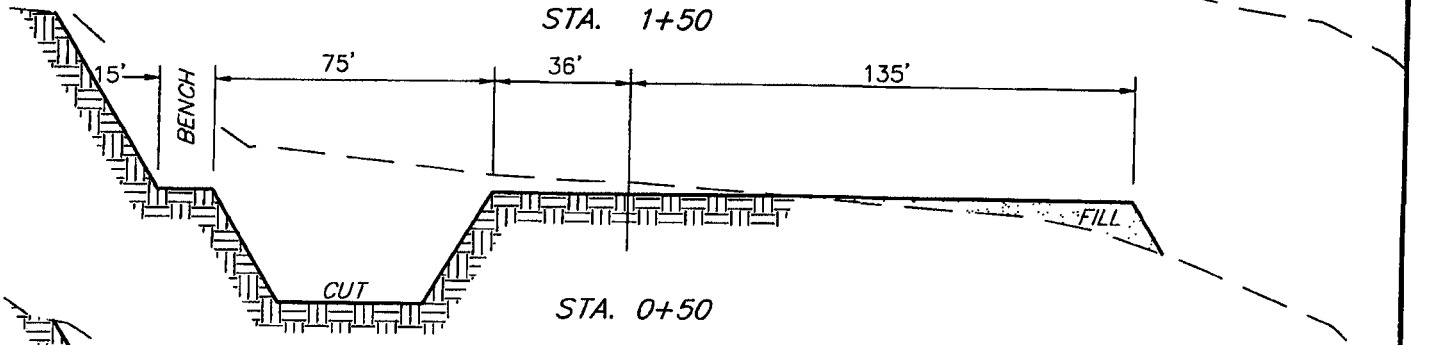
DATE: 05-04-06
Drawn By: C.H.



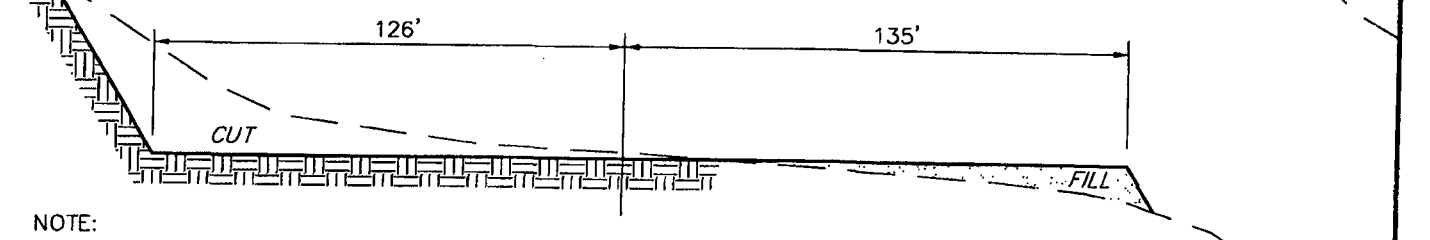
STA. 3+25



STA. 1+50



STA. 0+50



STA. 0+00

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

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

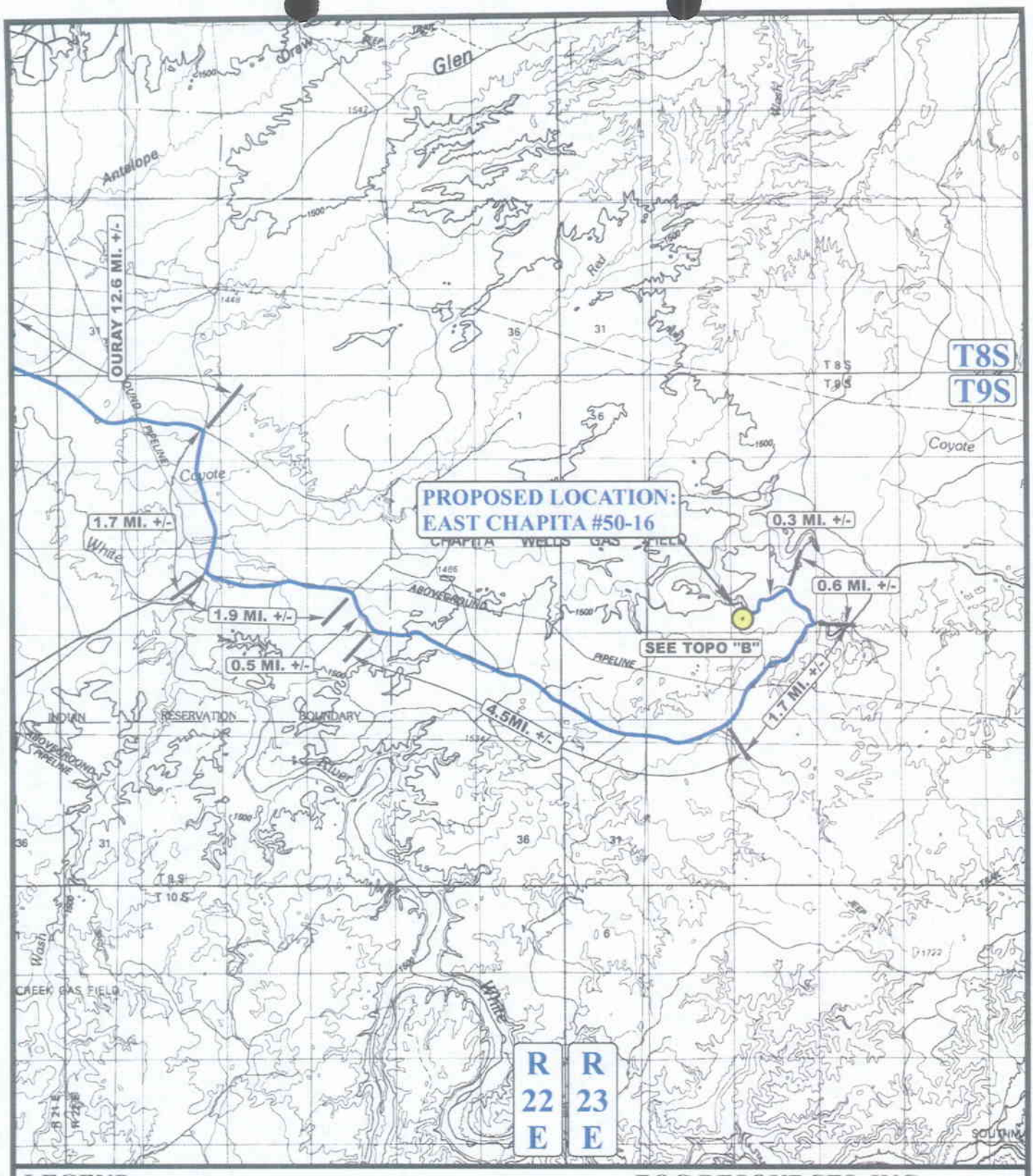
APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 1,830 Cu. Yds.
Remaining Location = 9,050 Cu. Yds.

TOTAL CUT = 10,880 CU.YDS.
FILL = 7,390 CU.YDS.

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

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



LEGEND:

PROPOSED LOCATION

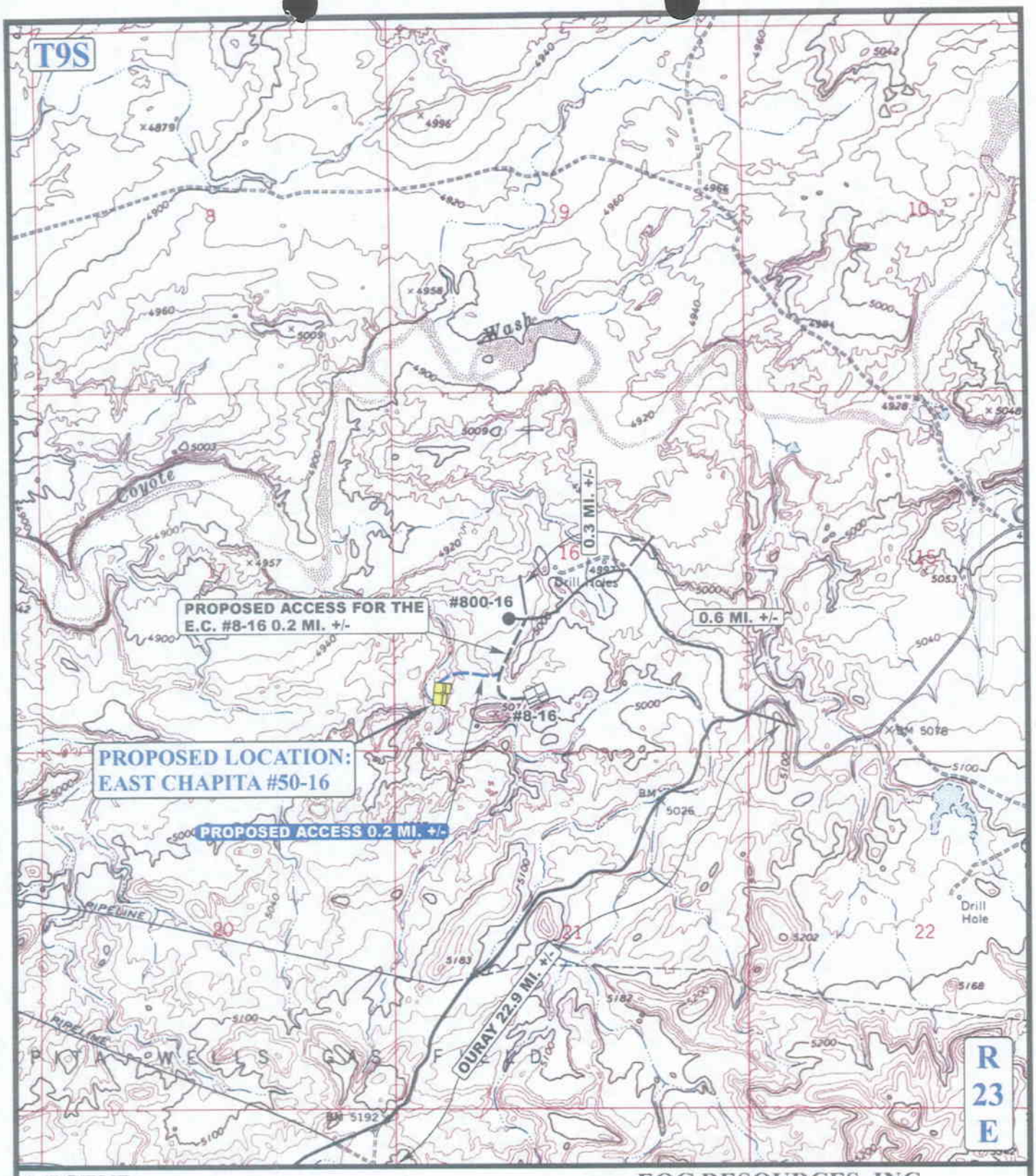
N

EOG RESOURCES, INC.

EAST CHAPITA #50-16
SECTION 16, T9S, R23E, S.L.B.&M.
855' FSL 728' FWL

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

TOPOGRAPHIC MAP	05 MONTH	05 DAY	06 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: B.C.	REVISED: 00-00-00		



LEGEND:

EXISTING ROAD

PROPOSED ACCESS ROAD

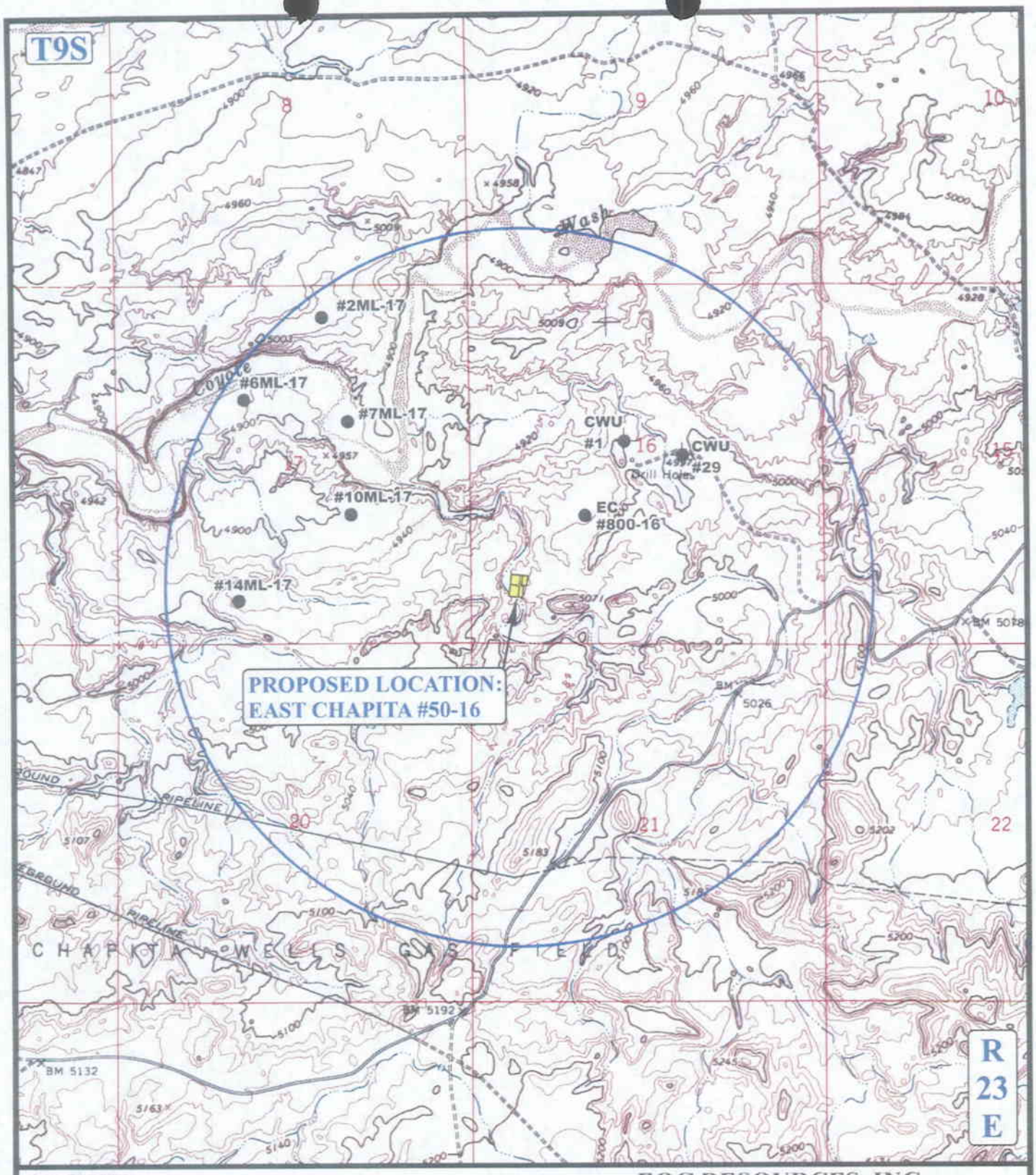
N

EOG RESOURCES, INC.

EAST CHAPITA #50-16
SECTION 16, T9S, R23E, S.L.B.&M.
855' FSL 728' FWL

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

TOPOGRAPHIC MAP	05 MONTH	05 DAY	06 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: B.C.	REVISED: 00-00-00		



LEGEND:

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

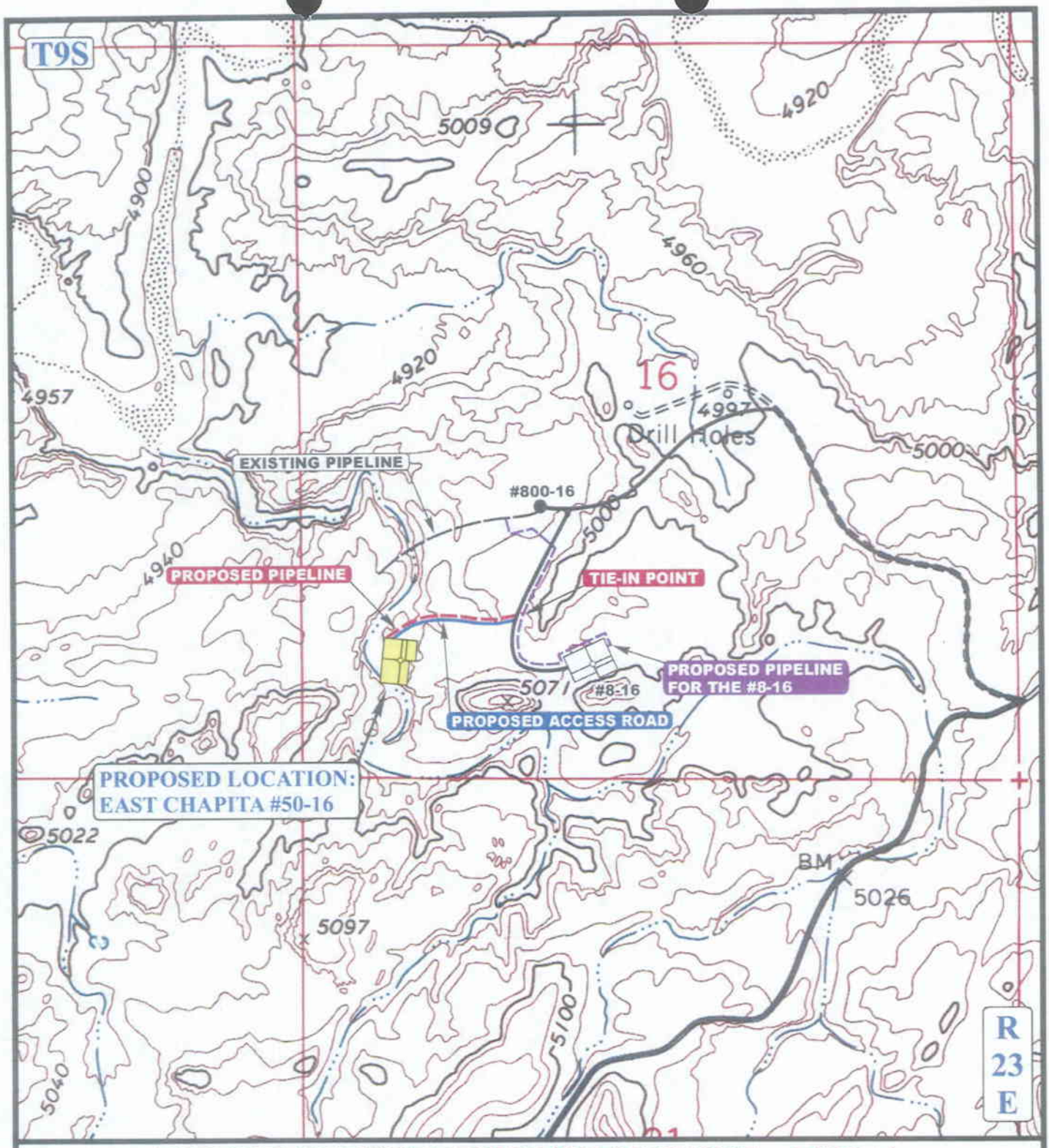
N

EOG RESOURCES, INC.

EAST CHAPITA #50-16
SECTION 16, T9S, R23E, S.L.B.&M.
855' FSL 728' FWL

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

TOPOGRAPHIC MAP	05 MONTH	05 DAY	06 YEAR	C TOPO
SCALE: 1" = 2000'	DRAWN BY: B.C.	REVISED: 00-00-00		



APPROXIMATE TOTAL PIPELINE DISTANCE = 1,045' +/-

LEGEND:

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

N

EOG RESOURCES, INC.

EAST CHAPITA #50-16
SECTION 16, T9S, R23E, S.L.B.&M.
855' FSL 728' FWL

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

TOPOGRAPHIC MAP	05 MONTH	05 DAY	06 YEAR
SCALE: 1" = 1000'	DRAWN BY: B.C.	REVISED: 00-00-00	D TOPO

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/23/2007

API NO. ASSIGNED: 43-047-39057

WELL NAME: E CHAPITA 50-16

OPERATOR: EOG RESOURCES INC (N9550)

PHONE NUMBER: 435-781-9111

CONTACT: KAYLENE GARDNER

PROPOSED LOCATION:

SWSW 16 090S 230E

SURFACE: 0855 FSL 0728 FWL

BOTTOM: 0855 FSL 0728 FWL

COUNTY: UINTAH

LATITUDE: 40.03110 LONGITUDE: -109.3380

UTM SURF EASTINGS: 641812 NORTHINGS: 4432323

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	3/29/07
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: ML 47045

PROPOSED FORMATION: WSMVD

SURFACE OWNER: 3 - State

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

✓ Plat

✓ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 6196017)

N Potash (Y/N)

N Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit
(No. 49-1501)

N RDCC Review (Y/N)
(Date:)

N/A Fee Surf Agreement (Y/N)

Y 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

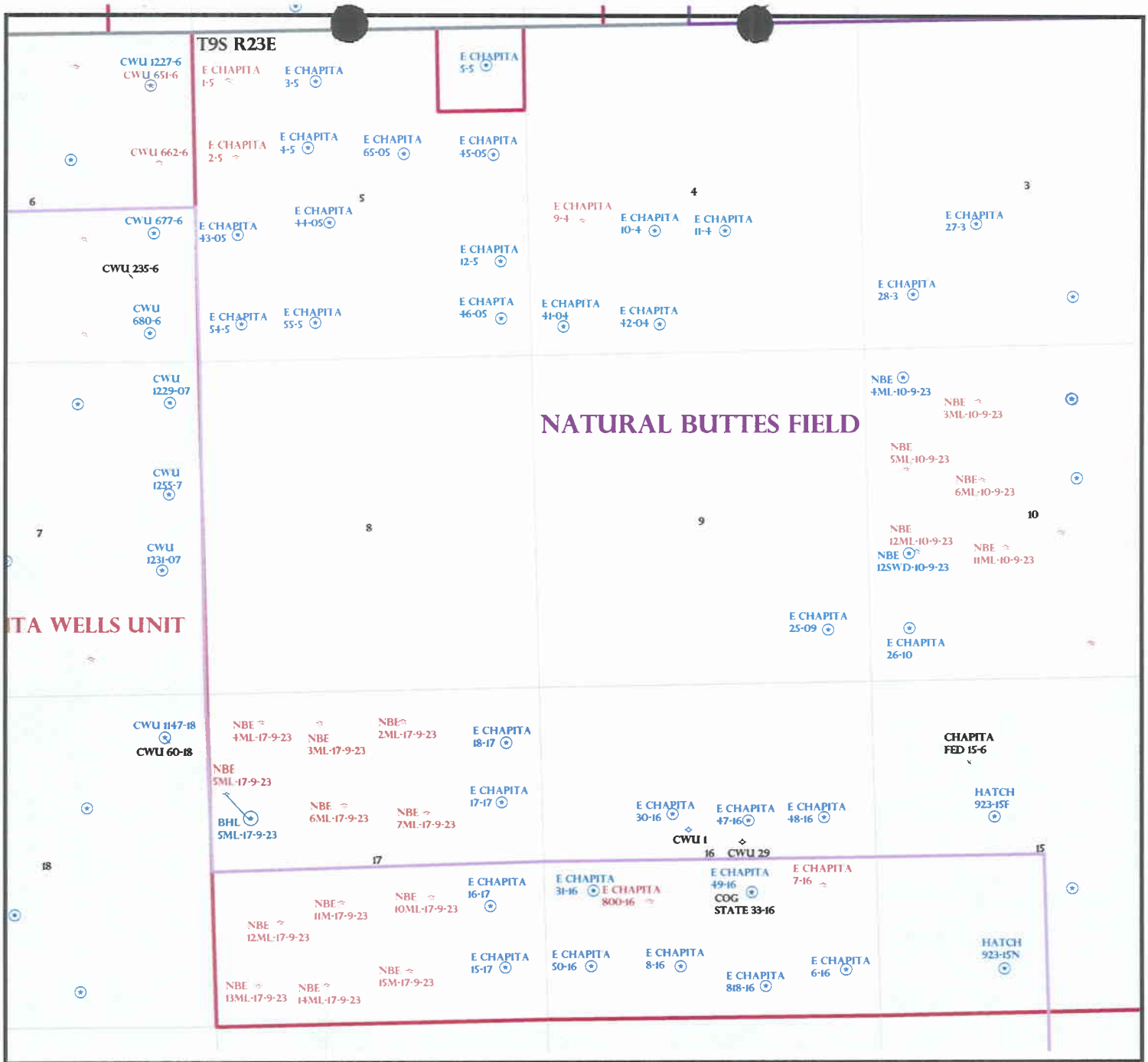
___ R649-3-3. Exception

___ Drilling Unit
Board Cause No: ___
Eff Date: ___
Siting: ___

___ R649-3-11. Directional Drill

COMMENTS: Needs Presite (03-06-07)

STIPULATIONS:
1- Spacing Slip
2- ~~STATEMENT~~ OF BASIS
3- Commingle
4- Surface Csg Cmt stip
5- Cmt Stip #3 (4½" production, 2100' MD)



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 4,5,16 **T.**9S **R.** 23E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

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

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

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

Utah Oil Gas and Mining

N
W E
S

PREPARED BY: DIANA MASON
DATE: 12-MARCH-2007

Application for Permit to Drill
Statement of Basis

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
273	43-047-39057-00-00		GW	S	No

Operator EOG RESOURCES INC **Surface Owner-APD**
Well Name E CHAPITA 50-16 **Unit**
Field UNDESIGNATED **Type of Work**
Location SWSW 16 9S 23E S 855 FSL 728 FWL GPS Coord (UTM) 641812E 4432323N

Geologic Statement of Basis

EOG proposes to set 45 feet of conductor and 2,300 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at approximately 1,000 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The proposed surface casing should adequately protect any near surface aquifers.

Brad Hill — **APD Evaluator**
3/13/2007 — **Date / Time**

Surface Statement of Basis

The general area is within the Coyote Wash Drainage. This drainage is a major drainage beginning near the Utah-Colorado border to the east and joining the White River approximately 6 miles to the southwest. The drainage consists of several significant side drainages. The drainage is dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. The topography is characterized by rolling hills, frequently divided by gentle to deep draws, which flow into Coyote Wash. The draws are often rimmed with steep side hills with exposed sand stone bedrock cliffs. Vernal, Utah is approximately 35 air miles and 55 road miles to the northwest. The area is accessed by Utah State, Uintah County and oilfield development Roads to with 0.2 miles of the location where a new road will be constructed.

The proposed East Chapita #50-16 gas well is on a small side-bench of a major a tributary of Coyote Wash. It is not a good place for a location in that the bench is too small being encroached on the south end by the bottom of an active drainage. Corner 8 of the location is across this drainage. This corner must be rounded off so that fill is not deposited into or across the drainage as shown. Large boulders are present in the drainage and could be moved against the toe of the fill after it is rounded. The location cannot be shifted more than about 5 feet to the north and remain within the normal drilling window and also a deep drainage on this end. It could be moved a small distance to the east into the hillside but this would add an un-balanced cut. If constructed EOG will have to operated on a reduced size location.

A culvert with a minimum diameter of 24 inches must be installed in the access road across the drainage immediately north of the location.

Both the surface and minerals for this location are owned by SITLA. Jim Davis of SITLA attended the pre-site visit and agreed with the concerns for this location. Mr Byron Tolamn representing EOG made notes of the necessary adjustments in the location.

Ben Williams represented the Utah Division of Wildlife Resources. Mr. Williams stated the area is classified as critical yearlong habitat for antelope. He however recommended no stipulations for this species as the loss of forage from this location is not significant and water not forage is the factor limiting the herd population in the area. No other wildlife is expected to be affected. He gave Byron Tolman, representing EOG Resources, and

Mr. Davis a copy of his evaluation and a DWR recommended seed mix to use when re-vegetating the area.

Even with its reduced size the location appears to be the best site for constructing and operating a well in the immediate area.

Floyd Bartlett	3/6/2007
Onsite Evaluator	**Date / Time**

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	The corner of the pad at corner 8 must be rounded so that fill is not deposited into the drainage.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator	EOG RESOURCES INC						
Well Name	E CHAPITA 50-16						
API Number	43-047-39057-0		**APD No** 273			**Field/Unit** UNDESIGNATED	
Location: 1/4,1/4 SWSW		**Sec** 16	**Tw** 9S	**Rng** 23E	855 FSL 728 FWL		
GPS Coord (UTM) 641809		4432324	**Surface Owner**				

Participants

Floyd Bartlett (DOGM), Jim Davis (SITLA), Byron Tolman (Agent for EOG Resources) and Ben Williams (UDWR).

Regional/Local Setting & Topography

The general area is within the Coyote Wash Drainage. This drainage is a major drainage beginning near the Utah-Colorado border to the east and joining the White River approximately 6 miles to the southwest. The drainage consists of several significant side drainages. The drainage is dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. The topography is characterized by rolling hills, frequently divided by gentle to deep draws, which flow into Coyote Wash. The draws are often rimmed with steep side hills with exposed sand stone bedrock cliffs. Vernal, Utah is approximately 35 air miles and 55 road miles to the northwest. The area is accessed by Utah State, Uintah County and oilfield development Roads to with 0.2 miles of the location where a new road will be constructed.

The proposed East Chapita #50-16 gas well is on a small side-bench of a major a tributary of Coyote Wash. It is not a good place for a location in that the bench is too small being encroached on the south end by the active drainage. Corner 8 of the location is across this drainage. This corner must be rounded off so that the fill is not deposited into or fill the drainage as shown. Large boulders are present in the drainage and could be moved against the toe of the fill after it is rounded. The location cannot be shifted more than 5 feet to the north because of the drilling window and also a drainage on this end. It could be moved a small distance to the east into the hillside but this would add un-balanced cut.

Both the surface and minerals for this location are owned by SITLA.

Surface Use Plan

Current Surface Use

Grazing

Wildlfe Habitat

New Road Miles	**Well Pad**		**Src Const Material**	**Surface Formation**
0.2	**Width** 261	**Length** 325	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Barren . Halogeton, sagebrush, shadscale, cheatgrass and prickly pear are present.

Antelope, coyote, small mammals and birds. Winter domestic sheep grazing

Soil Type and Characteristics

Shallow gravely sandy loam.

Erosion Issues Y

As planned corner 8 is across draw which is active during spring runnoff or following intense summer storms. It would be eroded away.

Sedimentation Issues N

Site Stability Issues Y

As stated above.

Drainage Diverson Required N

Berm Required? N

Erosion Sedimentation Control Required? Y

See above. During construction this corner must be rounded.

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

Reserve Pit

Site-Specific Factors		Site Ranking
Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	300 to 1320	10
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	<10	0
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0
	Final Score	25 1 **Sensitivity Level**

Characteristics / Requirements

The reserve pit is proposed on the northheast portion of the location within an area of cut. Dimensions are 75' x 147' x 12' deep. A liner is required. EOG customarily uses a 16 mil liner with an appropriate thickness of sub-felt to cushion the liner.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** Y

Other Observations / Comments

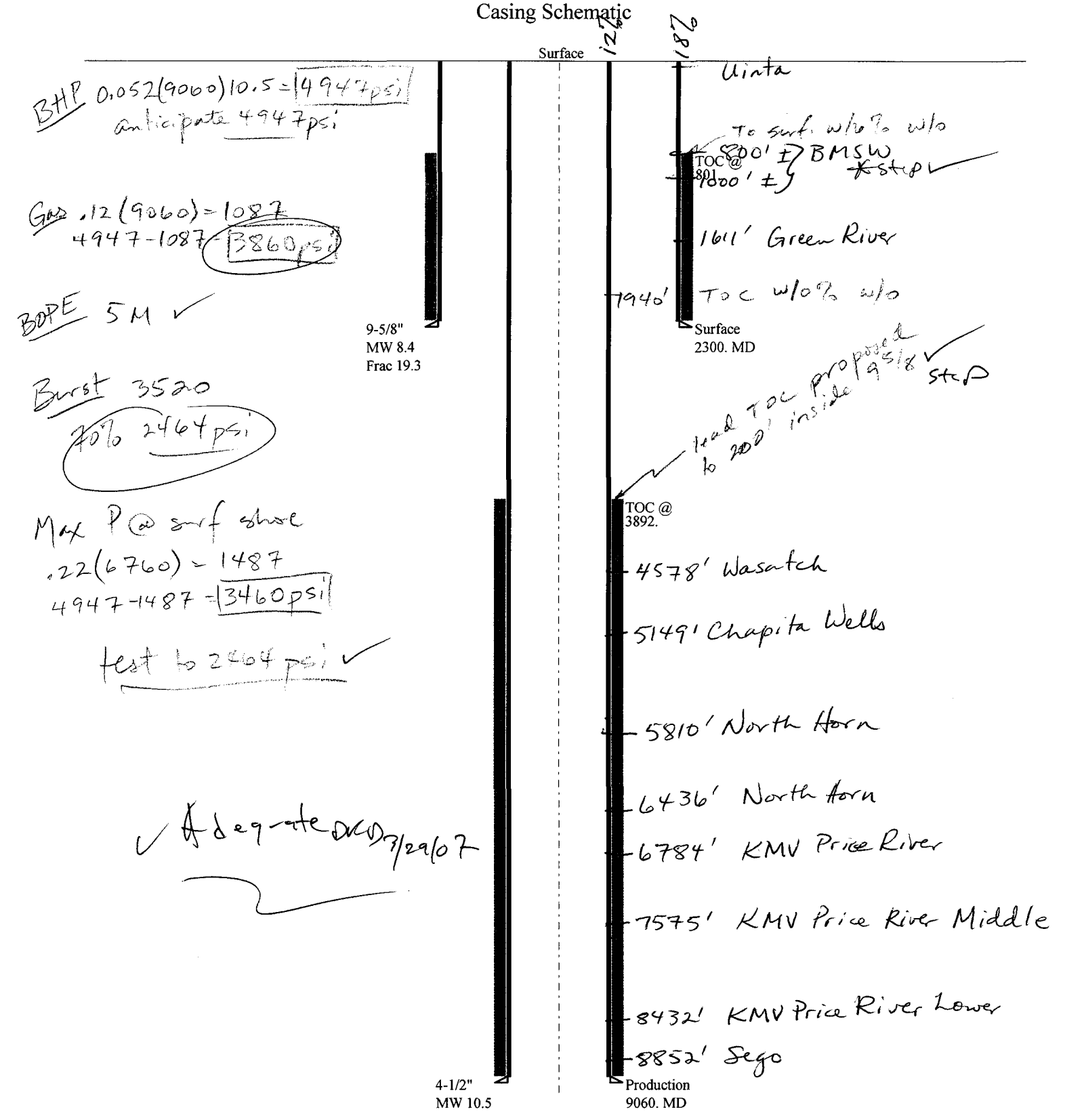
Atv's were used to reach the location.

Floyd Bartlett — **Evaluator**

3/6/2007 — **Date / Time**

2007-03 EOG E Chapita 0-16

Casing Schematic



BHP 0.052(9060)10.5 = 4947psi
anticipate 4947psi

Gas .12(9060) = 1087
4947 - 1087 = 3860psi

BOPE 5M ✓

Burst 3520
70% 2464psi

Max P@ surf shoe
.22(6760) = 1487
4947 - 1487 = 3460psi

test to 2464 psi ✓

✓ Adequate DKD 7/29/07

✓ Step

✓ Step

Well name:	**2007-03 EOG E Chapita 50-16**
Operator:	**EOG Resources Inc.**
String type:	Surface
Project ID:	43-047-39057
Location:	Uintah County

Design parameters:

Collapse
Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 2,024 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,300 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 2,014 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 107 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 290 ft

Cement top: 801 ft

Non-directional string.

Re subsequent strings:
Next setting depth: 9,060 ft
Next mud weight: 10.500 ppg
Next setting BHP: 4,942 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,300 ft
Injection pressure: 2,300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	2300	9.625	36.00	J-55	ST&C	2300	2300	8.796	998.3

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1004	2020	2.013	2300	3520	1.53	73	394	5.43 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Minerals
Phone: 801-538-5357
FAX: 801-359-3940
Date: March 20,2007
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 2300 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	**2007-03 EOG E Chapita 50-16**
Operator:	**EOG Resources Inc.**
String type:	Production
Project ID:	43-047-39057
Location:	Uintah County

Design parameters:

Collapse
Mud weight: 10.500 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 2,949 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 4,942 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 7,638 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 202 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 3,892 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	9060	4.5	11.60	N-80	LT&C	9060	9060	3.875	790.6

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	4942	6350	1.285	4942	7780	1.57	89	223	2.52 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Minerals
Phone: 801-538-5357
FAX: 801-359-3940
Date: March 20,2007
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 9060 ft, a mud weight of 10.5 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

From: Ed Bonner
To: Mason, Diana
Date: 4/9/2007 4:10 PM
Subject: Well Clearance

CC: Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil

The following wells have been given cultural resources clearance by the Trust Lands Cultural Resources Group:

EOG Resources, Inc
- East Chapita 49-16 (API 43 047 39058)
- East Chapita 48-16 (API 43 047 39060)
- East Chapita 47-16 (API 43 047 39061)
- East Chapita 50-16 (API 43 047 39057)
- East Chapita 818-16 (API 43 047 39059)

If you have any questions regarding this matter please give me a call.

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

April 10, 2007

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

Re: East Chapita 50-16 Well, 855' FSL, 728' FWL, SW SW, Sec. 16, T. 9 South, R. 23 East, Uintah County, Utah

Gentlemen:

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

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 43-047-39057.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

Operator: EOG Resources, Inc
Well Name & Number East Chapita 50-16
API Number: 43-047-39057
Lease: ML-47045

Location: SW SW **Sec.** 16 **T.** 9 South **R.** 23 East

Conditions of Approval

1. **General**

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

2. **Notification Requirements**

   The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

   - 24 hours prior to cementing or testing casing – contact Dan Jarvis
   - 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
   - 24 hours prior to spudding the well – contact Carol Daniels
   - Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
   - Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

   The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

   - Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
   - Any changes to the approved drilling plan – contact Dustin Doucet

   The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

   - Dan Jarvis at: (801) 538-5338 office
     (801) 942-0873 home
   - Carol Daniels at: (801) 538-5284 office
   - Dustin Doucet at: (801) 538-5281 office
     (801) 733-0983 home

3. **Reporting Requirements**

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

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

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

6. 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.

7. Surface casing shall be cemented to the surface.

8. Cement volume for the 4 1/2" production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to 2100' MD as indicated in the submitted drilling plan.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: **EOG RESOURCES INC**

Well Name: **E CHAPITA 50-16**

Api No: **43-047-39057** Lease Type: **STATE**

Section **16** Township **09S** Range **23E** County **UINTAH**

Drilling Contractor **ROCKY MOUNTAIN DRLG** RIG # **RATHOLE**

SPUDDED:

Date **02/19/ 08**

Time **12:00 NOON**

How **DRY**

Drilling will Commence:

Reported by **JERRY BARNES**

Telephone # **(435) 828-1720**

Date **02/19/08** **Signed** **CHD**

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

FORM 6

ENTITY ACTION FORM

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

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39057	East Chapita 50-16		SWSW	16	9S	23E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
A	99999	16704	2/19/2008			2/28/08	
Comments: WSMVD							

Well 2

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

Well 3

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

ACTION CODES:

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

Mary A. Maestas
Name (Please Print)
Mary A. Maestas
Signature
Regulatory Assistant
Title
2/19/2008
Date

RECEIVED
FEB 19 2008
DIV. OF OIL, GAS & MINING

(5/2000)

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: ML-47045

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: East Chapita 50-16

2. NAME OF OPERATOR: EOG Resources, Inc.

9. API NUMBER: 43-047-39057

3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 824-5526

10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverde

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 855' FSL & 728' FWL 40.031058 LAT 109.338725 LON

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 16 9S 23E S.L.B. & M.

STATE: UTAH

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

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

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

EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.

1. Natural Buttes Unit 21-20B SWD
2. Chapita Wells Unit 550-30N SWD
3. Chapita Wells Unit 2-29 SWD
4. Red Wash Evaporation ponds 1, 2, 3 & 4
5. RN Industries

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

NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas DATE 3/4/2008

(This space for State use only)

RECEIVED
MAR 05 2008
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

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: ML-47045	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
7. UNIT or CA AGREEMENT NAME:	
1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER	8. WELL NAME and NUMBER: East Chapita 50-16
2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43-047-39057
3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202	PHONE NUMBER: (303) 824-5526 / 10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverde

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 855' FSL & 728' FWL 40.031058 LAT 109.338725 LON — COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 16 9S 23E S.L.B. & M. — STATE: UTAH

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

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

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

The referenced well was turned to sales on 6/3/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

NAME (PLEASE PRINT) Mary A. Maestas — TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas — DATE 6/4/2008

(This space for State use only)

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JUN 06 2008
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

WELL CHRONOLOGY REPORT

Report Generated On: 06-04-2008

Well Name	ECW 050-16	**Well Type**	DEVG	**Division**	DENVER
Field	CHAPITA DEEP	**API #**	43-047-39057	**Well Class**	1SA
County, State	UINTAH, UT	**Spud Date**	04-09-2008	**Class Date**	06-03-2008
Tax Credit	N	**TVD / MD**	9,060/ 9,060	**Property #**	059262
Water Depth	0	**Last CSG**	0.0	**Shoe TVD / MD**	0/ 0
KB / GL Elev	4,962/ 4,946				
Location	Section 16, T9S, R23E, SWSW, 855 FSL & 728 FWL				

Event No	1.0	**Description**	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	**WI %**	100.0	**NRI %**	81.0

AFE No	304106	**AFE Total**	2,018,900	**DHC / CWC**	880,700/ 1,138,200		
Rig Contr	TRUE	**Rig Name**	TRUE #31	**Start Date**	03-05-2007	**Release Date**	04-14-2008

03-05-2007 **Reported By** SHARON CAUDILL

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0
Cum Costs: Drilling	$0	**Completion**	$0	**Well Total**	$0

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

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

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA 855' FSL & 728' FWL (SW/SW) SECTION 16, T9S, R23E UINTAH COUNTY, UTAH LAT 40.031092, LONG 109.338044 (NAD 27) LAT 40.031058, LONG 109.338725 (NAD) TRUE # 31 OBJECTIVE: 9060' TD, MESAVERDE DW/GAS EAST CHAPITA PROSPECT DD&A: CHAPITA DEEP NATURAL BUTTES FIELD LEASE: ML 47045 ELEVATION: 4948.5' NAT GL, 4945.9' PREP GL (DUE TO ROUNDING THE PREP IS 4946' GL), 4962 ' KB (16') EOG WI 100%, NRI 81%

02-05-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $38,000 **Completion** $0 **Daily Total** $38,000
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	STARTED LOCATION TODAY 2/05/08.

02–06–2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

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

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

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 20% COMPLETE.

02–08–2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 90% COMPLETE. STARTING PIT.

02–11–2008 **Reported By** TERRY CSERE

DailyCosts: Drilling $0 **Completion** $0 **Daily Total** $0
Cum Costs: Drilling $38,000 **Completion** $0 **Well Total** $38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0
Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

02–12–2008 **Reported By** TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FINAL BLADING.

02-13-2008 **Reported By** TERRY CSERE

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

Activity at Report Time: WO BUCKET TRUCK

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

02-20-2008 **Reported By** JERRY BARNES

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

Activity at Report Time: WO/AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 02/19/08 @ 12:00 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM & MICHAEL LEE W/BLM OF THE SPUD 02/19/08 @ 11:15 AM.

04-04-2008 **Reported By** JERRY BARNES

DailyCosts: Drilling	$160,707	**Completion**	$0	**Daily Total**	$160,707		
Cum Costs: Drilling	$198,707	**Completion**	$0	**Well Total**	$198,707		
MD 2,450	**TVD** 2,450	**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 ASPEN DRILLING RIG # 14 ON 3/23/2008. DRILLED 12-1/4" HOLE TO 2478' GL. RAN 57 JTS (2434.74') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH TOPCO GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2450' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO AIR RIG. MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 188 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (146 BBLS) OF PREMIUM LEAD CEMENT W/0.2% VARASET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/YIELD OF 4.01 CF/SX. TAILED IN W/200 SX (44.5 BBLS) OF PREMIUM CEMENT W/2 % CACL2. MIXED TAIL CEMENT TO 15.2 W/YIELD OF 1.25 CF/SX. DISPLACED CEMENT W/185.5 BBLS FRESH WATER. BUMPED PLUG W/500# @ 2:28 PM, 3/27/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (20.5 BBLS) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS.

TOP JOB # 2: MIXED & PUMPED 100 SX (20.5 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC

2 HRS.

TOP JOB # 3: MIXED & PUMPED 100 SX (20.5 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC

2 HRS.

TOP JOB # 4: MIXED & PUMPED 200 SX (41 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

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

ASPEN DRILLING TOOK SURVEYS WHILE DRILLING @ 338'-0.75?, 1208'-1.0?, 1598'

-1.0?, 1998'-2.0?, 2408'-1.5?.

CONDUCTOR LEVEL RECORD: PS= 90.0 OPS= 90.0 VDS= 90.0 MS= 90.0.

9 5/8 CASING LEVEL RECORD: PS= 90.0 OPS= 90.0 VDS= 90.0 MS= 90.0.

DANNY FARNSWORTH NOTIFIED ROOSEVELT OFFICE W/UDOGM OF THE SURFACE CASING & CEMENT JOB ON 3/24/2008 @ 5:00 PM.

04-06-2008 **Reported By** JIM LOUDERMILK

DailyCosts: Drilling	$18,532	**Completion**	$0	**Daily Total**	$18,532
Cum Costs: Drilling	$217,239	**Completion**	$0	**Well Total**	$217,239

MD	2,450	**TVD**	2,450	**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
06:00	07:00	1.0	RDRT / PREPARE FOR TRUCKS.
07:00	06:00	23.0	HSM WITH WESTROC TRUCKING, ROCKY MTN CRANE SERVICE & RIG CREW.
			WESTROC TRUCKING MOVING RIG 1 MILE FROM THE ECW 818-16 TO THE ECW 50-16, UTILIZING 4 BED TRUCKS, 2 HAUL TRUCKS, 1 FORK LIFT & 1 CRANE. RIG MOVE DELAYS DUE TO CRANE BREAK DOWN AND POOR ROAD CONDITIONS. OURAY CONSTRUCTION SENT DOZER TO FREE CRANES THAT GOT STUCK PULLING OFF OLD LOCATION & PULLING ON TO NEW LOCATION.
			TRUE'S MECHANICS ARE TO REPLACE BRAKE FLANGES ON DRWKS & WORK ON CATHEADS IN HOWCRAFTS YARD IN VERNAL. WESTROC WELDER'S ARE MODIFYING CHOKE MANIFOLD AND HORIZONTAL RENTALS INC.'S GAS BUSTER. REPAIRS AND WELDING EXPECTED TO TAKE 24-36 HOURS.
			TRANSFER 7 JTS, (293.69' NET), OF 4.5", 11.6#, N80, LTC R3 CASING, 1 LANDING JT, (16.0' NET), OF 4.5", 11.6#, HCP110 LTC CASING AND 3000 GAL. DIESEL FROM THE ECW 818-16 TO THE ECW 50-16. TRANSFER APPROXIMATELY 1100 BBL'S OF 10.7 PPG MUD TO THE MUD STORAGE FACILITY.

04-07-2008 **Reported By** JIM LOUDERMILK

DailyCosts: Drilling	$18,532	**Completion**	$0	**Daily Total**	$18,532
Cum Costs: Drilling	$235,771	**Completion**	$0	**Well Total**	$235,771

MD	2,450	TVD	2,450	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
06:00	14:00	8.0	HSM WITH WESTROC TRUCKING, ROCKY MTN CRANE SERVICE & RIG CREW. MOVE RIG UTILIZING 4 BED TRUCKS, 2 HAUL TRUCKS, 1 FORK LIFT & 1 CRANE. RELEASED TRUCKS ON 4/6/2008 @ 14:00 HRS.
14:00	20:00	6.0	RURT.
20:00	06:00	10.0	INSTALLING HORIZONTAL RENTAL'S GAS BUSTER UTILIZING 4 WELDERS, 2 ROUSTABOUTS & CRANE. ESTIMATE BUSTER INSTALLATION TO BE COMPLETED ON 4/7/2008 @ 18:00 HRS & DRWKS REPAIR TO BE COMPLETED ON 4/7/2008 @ 15:00 HRS. CREWS: FULL / NO INCIDENTS REPORTED / HSM: RURT, PINCH POINTS & SUSPENDED LOADS. FUEL 2600 GAL. NOTIFIED JAKE BIRCHELL, (VIA VOICE MAIL), WITH THE BLM'S VERNAL FIELD OFFICE ON 4/6/2008 @ 20: 00 OF BOP TEST TO TAKE PLACE ON 4/7/2007 @ 02:00+/-.

04-08-2008 **Reported By** JIM LOUDERMILK

DailyCosts: Drilling	$49,149	Completion	$0	Daily Total	$49,149
Cum Costs: Drilling	$284,920	Completion	$0	Well Total	$284,920

MD	2,450	TVD	2,450	Progress	0	Days	0	MW	0.0	Visc	0.0

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

Activity at Report Time: RU GAS BUSTER.

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INSTALLING HORIZONTAL RENTAL'S GAS BUSTER UTILIZING 4 WELDERS & 2 ROUSTABOUTS. ESTIMATE BUSTER INSTALLATION TO BE COMPLETED ON 4/8/2008 @ 18:00 HRS. DRWKS REPAIRS COMPLETED ON 4/7/1900 HRS. DRWKS TO BE INSTALLED ON 4/8/2008 @ 09:00. ESTMATE SPUD ON 4/9/2008. CREWS: FULL / NO INCIDENTS REPORTED / HSM: RIG MAINTAINENCE & REPAIRS.

04-09-2008 **Reported By** JIM LOUDERMILK

DailyCosts: Drilling	$28,612	Completion	$0	Daily Total	$28,612
Cum Costs: Drilling	$313,532	Completion	$0	Well Total	$313,532

MD	2,450	TVD	2,450	Progress	0	Days	0	MW	0.0	Visc	0.0

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

Activity at Report Time: PREPARE TO SPUD

Start	End	Hrs	Activity Description
06:00	12:00	6.0	SET IN DRWKS, RAISED DERRICK ON 4/8/2008 @ 12:00 HRS. RU FLOOR & PREPARE TO TEST BOP.
12:00	14:00	2.0	FINISH NU BOP & PREPARE TO TEST. DAYWORK BEGINS ON 4/8/2008 @ 12:00 HRS.
14:00	19:00	5.0	TESTED PIPE RAMS, BLIND RAMS, HCR, CHOKE VALVE, CHOKE LINE & MANIFOLD AND KILL LINE VALVES TO 5000 PSI FOR 10 MINUTES. TESTED UPPER & LOWER KELLY COCKS, FLOOR VALVE & INSIDE BOP TO 5000 PSI FOR 10 MINUTES. TESTED ANNULAR PREVENTER TO 2500 PSI FOR 10 MINUTES. PERFORMED ACCUMULATOR FUNCTION TEST. INITIAL ACCUMULATOR PRESSURE WAS 2800 PSI & 1200 PSI AFTER FUNCTION TEST. TESTED CASING TO 1500 PSI FOR 30 MINUTES. NOTIFIED JAKE BIRCHELL, (VIA VOICE MAIL), WITH THE BLM'S VERNAL FIELD OFFICE ON 4/8/2008 @ 11: 00 HRS OF BOP TEST TO TAKE PLACE ON 4/8/2008 @ 14:00+/-. NO BLM REP TO WITNESS TEST.
19:00	22:00	3.0	GAS BUSTER INSTALLATION COMPLETE. R/U WEATHERFORD TRS & PU BHA.
22:00	23:00	1.0	SLIP & CUT DRILL LINE, INSTALL ROTATING RUBBER.
23:00	00:00	1.0	TAG CMT. 2395'. DRILL CEMENT & F.E.
00:00	01:30	1.5	TRIP OUT / MOTOR FAILURE.

01:30	04:00	2.5	CHANGE OUT MOTORS & TRIP IN.
04:00	05:30	1.5	DRILL CEMENT & F.E. / FC @ 2414', SHOE @ 2450'.
05:30	06:00	0.5	DRILL TO 2455' & PERFORM 10.5 PPG EMW TEST, (270 PSI SPP). FUNCTIONED PIPE RAMS & HCR.
			CREWS: FULL / NO INCIDENTS REPORTED / HSM: PU BHA & DP – PINCH POINTS.
			FUEL: 9400 GAL. USED 650 GAL. MUD LOGIC UNMANNED OPERATIONAL ON 4/9/2008 @ 00:00 HRS, 1 DAY.

04–10–2008 **Reported By** JIM LOUDERMILK

DailyCosts: Drilling	$38,740	**Completion**	$0	**Daily Total**	$38,740
Cum Costs: Drilling	$352,272	**Completion**	$0	**Well Total**	$352,272

MD	5,025	**TVD**	5,025	**Progress**	2,575	**Days**	1	**MW**	8.4	**Visc**	27.0
Formation :		**PBTD :** 0.0				**Perf :**				**PKR Depth :** 0.0	

Activity at Report Time: DRILLING @ 5025'

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILL 2455'–2810', (12–18K WOB / 65 RPM–65MTR / 409 GPM), 101.4 FPH.
09:30	10:00	0.5	WLS / 1.5 DEGREES @ 2734'.
10:00	11:30	1.5	DRILL 2810'–2955', (12–18K WOB / 65 RPM–68MTR / 420 GPM), 96.7 FPH.
11:30	14:00	2.5	RIG REPAIR / REPLACE SWIVEL PACKING.
14:00	14:30	0.5	SERVICE RIG / FUNCTION ANNULAR PREVENTER & CHECK COM.
14:30	02:00	11.5	DRILL 2955'–4450', (12–18K WOB / 65 RPM–68MTR / 420 GPM), 130 FPH.
02:00	02:30	0.5	WLS / 2 DEGREES @ 4372'.
02:30	06:00	3.5	DRILL 4450'–5025', (12–18K WOB / 65 RPM–68MTR / 420 GPM), 164.3 FPH. VIS 28, WT 8.9.
			CREWS: FULL / NO INCIDENTS REPORTED / HSM: MAKING CONNECTIONS & PINCH POINTS.
			FUEL: 8100 GAL. USED 1300 GAL. BOTH CREWS HELD BOP DRILLS.
			MUD LOGIC UNMANNED 2 DAYS
06:00		18.0	SPUD 7 7/8" HOLE AT 06:00 HRS, 4/09/08.

04–11–2008 **Reported By** JIM LOUDERMILK

DailyCosts: Drilling	$33,921	**Completion**	$0	**Daily Total**	$33,921
Cum Costs: Drilling	$386,193	**Completion**	$0	**Well Total**	$386,193

MD	6,945	**TVD**	6,945	**Progress**	1,920	**Days**	2	**MW**	8.6	**Visc**	29.0
Formation :		**PBTD :** 0.0				**Perf :**				**PKR Depth :** 0.0	

Activity at Report Time: DRLG AHEAD @ 6945'.

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRILL 5025'–5840', (18–21K WOB / 65 RPM–68MTR / 420 GPM), 101.8 FPH.
14:00	14:30	0.5	SERVICE RIG / FUNCTION PIPE RAMS & CHECK COM.
14:30	06:00	15.5	DRILL 5840'–6945', (18–21K WOB / 65 RPM–68MTR / 420 GPM), 71.3 FPH. VIS 30, WT 9.4.
			CREWS: FULL / NO INCIDENTS REPORTED / HSM: TONG SAFETY & MAINTENENCE.
			FUEL: 6766 GAL. USED 1334 GAL. MUD LOGIC UNMANNED UNIT 3 DAYS.

04–12–2008 **Reported By** JIM LOUDERMILK

DailyCosts: Drilling	$106,491	**Completion**	$0	**Daily Total**	$106,491
Cum Costs: Drilling	$492,685	**Completion**	$0	**Well Total**	$492,685

MD	8,050	**TVD**	8,050	**Progress**	1,105	**Days**	3	**MW**	9.4	**Visc**	30.0
Formation :		**PBTD :** 0.0				**Perf :**				**PKR Depth :** 0.0	

Activity at Report Time: DRILLING @ 8050'

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRILL 6945-7535', (18-21K WOB / 65 RPM-68MTR / 420 GPM), 65.5 FPH.
15:00	15:30	0.5	SERVICE RIG / FUNCTION PIPE RAMS & CHECK COM.
15:30	06:00	14.5	DRILL 7535'-8050', (18-21K WOB / 65 RPM-68MTR / 420 GPM), 35.5 FPH. VIS 32, WT 10.2.
			CREWS: FULL / NO INCIDENTS REPORTED / HSM: ELECTRICAL SAFETY, LOTO.
			FUEL: 5300 GAL. USED 1466 GAL. MUD LOGIC UNMANNED UNIT 4 DAYS.

04-13-2008 **Reported By** JIM LOUDERMILK

DailyCosts: Drilling	$38,918	**Completion**	$0	**Daily Total**	$38,918
Cum Costs: Drilling	$531,604	**Completion**	$0	**Well Total**	$531,604

MD	8,940	**TVD**	8,940	**Progress**	861	**Days**	4	**MW**	10.3	**Visc**	32.0

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

Activity at Report Time: DRILLING @ 8940'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILL 8050'-8090', (18-21K WOB / 65 RPM-68MTR / 420 GPM), 35.5 FPH.
07:00	07:30	0.5	DROP SURVEY / PUMP PILL.
07:30	10:30	3.0	TRIP OUT WITH BIT #1 / INCORRECT JT COUNT, DEPTH CORRECTED FROM 8090'-8119'.
10:30	11:00	0.5	CHECK SURVEY, LD RMR'S & CHANGE OUT MTRS.
11:00	13:30	2.5	TRIP IN / NO TROUBLES.
13:30	14:00	0.5	REAM 8048'-8119'.
14:00	17:00	3.0	DRILL 8119'-8285', (12-18K WOB / 65 RPM-68MTR / 420 GPM), 55.3 FPH.
17:00	17:30	0.5	SERVICE RIG / FUNCTION PIPE RAMS & CHECK COM.
17:30	06:00	12.5	DRILL 8285'-8940', (18K WOB / 65 RPM-68MTR / 420 GPM), 52.4 FPH. VIS 34, WT 10.7.
			CREWS: FULL / NO INCIDENTS REPORTED / HSM: WORK ON PUMPS / LOTO.
			FUEL: 3966 GAL. USED 1334 GAL. MUD LOGIC UNMANNED UNIT 5 DAYS.

04-14-2008 **Reported By** JIM LOUDERMILK

DailyCosts: Drilling	$53,157	**Completion**	$143,308	**Daily Total**	$196,465
Cum Costs: Drilling	$584,761	**Completion**	$143,308	**Well Total**	$728,069

MD	9,060	**TVD**	9,060	**Progress**	120	**Days**	5	**MW**	10.7	**Visc**	35.0

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

Activity at Report Time: RDRT

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILL 8285'-9060', (18K WOB / 65 RPM-68MTR / 420 GPM), 52.4 FPH. VIS 34, WT 10.7.
			TD ON 4/13/2008 @ 09:30 HRS / NOTIFIED GEORGE ROSS & ERIK KLING, VIA EMAIL.
09:30	10:30	1.0	SHORT TRIP 9060'-8078'
10:30	11:30	1.0	CBU / HSM WITH WEATHERFORD TRS & RU.
11:30	17:30	6.0	LDDP, BREAK KELLY & RETRIEVE WEAR BUSHING.
17:30	18:30	1.0	HSM WITH WEATHERFORD TRS & RU.
18:30	01:00	6.5	RAN WEATHERFORD MODEL 303E FLOAT SHOE, (1.50'), 1JT, (40.16'), OF 4.5", 11.6#, N80, LTC, R3 CASING AND WFORD MODEL 402E FLOAT COLLAR, (1.50'). FOLLOWED BY 222 JOINTS, (8936.99'), OF 4.5", 11.6#, N80, LTC, R3 CASING, 3 MARKER JOINTS, (44.35'), 1 MCH, (8.30') AND 1 LANDING JOINT W / HANGER, (16.00'). ALL 4.5", 11.6#, HCP-110, LTC CASING. TD OF 9060', LANDED @ 9048.80', FLOAT COLLAR @ 9005.64' WITH MARKERS @ ', 6009.25' & 4535.71'.**WEATHERFORD TRS INSTALLED THE WASATCH MARKER JOINT408' LOW**. PU JT #224 & TAG 18' IN, ATTEMPT TO WASH JOINT DOWN / NO GO. LD JT & LAND MCH.

			NOTIFIED JAMIE SPARGER, VIA VOICE MAIL, WITH THE VERNAL BLM FIELD OFFICE ON 4/12/2008 @ 16:00 HRS OF CASING RUN & CEMENT JOB TO TAKE PLACE ON 4/13/2008 @ 16:00 HRS.
01:00	02:30	1.5	LAND MCH, CBU / HSM WITH SCHLUMBERGER & RU.
02:30	04:30	2.0	TEST LINES TO 5K. PUMP 20 BBL'S MUD FLUSH & 20 BBL'S OF FRESH WATER SPACER.
			LEAD: 250 SKS OF "G" MIXED @ 11.5 PPG, 2.98YLD+10%D020+.2%D046+.2%D167+.5%D065+.125 LB/SK D130. TAIL: 1475 SKS OF 50/50 POZ"G" MIXED @ 14.1 PPG AND 1.29 YLD+.2%DO20 +.1%D046+.2%D065+.2%D167+. 1%D013 FOR ADDITIVES.
			DSPL: 134.5 BBL'S OF FRESH WATER PUMPED @ 6 BPM. FULL MUD RETURNS THROUGHOUT THE JOB, BUMPED PLUG WITH 1000 PSI OVER FPIP OF 2350 PSI, FLOATS HELD BLED BACK 1 BBL. CEMENT IN PLACE ON 4/14/2008 @ 04:40 HRS.
04:30	05:30	1.0	WAIT ON CEMENT / FMC REP TESTED PACK OFF TO 5K. FULL STRING WEIGHT OF 70K SET ON HANGER.
05:30	06:00	0.5	ND BOP, CLEAN MUD TANKS & RELEASE RIG ON 4/14/2008 @ 06:00 HRS. CASING POINT COST 584,762.
			CREWS: FULL / NO INCIDENTS REPORTED / HSM: LDDP, RUN CSG & CMT–PINCH POINTS & PRESSURIZED LINES. FUEL: 3113GAL. USED 853 GAL. MUD LOGIC UNMANNED UNIT 6 DAYS, RELEASED ON 4/13/2008 @ 12:00.
			WESTROC TRUCKING TO MOVE RIG 1.1 MILES FROM THE ECW 50–16 TO THE ECW 57–16 ON 4/14/2008 @ 09: 00 HRS. TRANSFER 6 JTS, (243.61' NET), OF 4.5", 11.6#, N80, LTC R3 CASING, 1 LANDING JT & 1 MJ, (27.20' NET), OF 4.5", 11.6#, HCP110 LTC CASING AND 3113 GAL. DIESEL FROM THE ECW 50–16 TO THE ECW 57–16. TRANSFER APPROXIMATELY 1100 BBL'S OF 10.7 PPG MUD TO THE MUD STORAGE FACILITY.

04–17–2008 **Reported By** SEARLE

DailyCosts: Drilling	$0	**Completion**	$43,065	**Daily Total**	$43,065
Cum Costs: Drilling	$584,761	**Completion**	$186,373	**Well Total**	$771,134

MD	9,060	**TVD**	9,060	**Progress**	0	**Days**	6	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 9006.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 500'. EST CEMENT TOP @ 700'. RD SCHLUMBERGER.

04–26–2008 **Reported By** MCCURDY

DailyCosts: Drilling	$0	**Completion**	$1,653	**Daily Total**	$1,653
Cum Costs: Drilling	$584,761	**Completion**	$188,026	**Well Total**	$772,787

MD	9,060	**TVD**	9,060	**Progress**	0	**Days**	7	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 9006.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

05–06–2008 **Reported By** JOE VIGIL

DailyCosts: Drilling	$0	**Completion**	$23,304	**Daily Total**	$23,304
Cum Costs: Drilling	$584,761	**Completion**	$211,330	**Well Total**	$796,091

MD	9,060	**TVD**	9,060	**Progress**	0	**Days**	8	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE / WASATCH **PBTD :** 9006.0 **Perf :** 7568'–8796' **PKR Depth :** 0.0

Activity at Report Time: FRAC MPR

Start	End	Hrs	Activity Description

06:00	06:00	24.0	MIRU CUTTERS WIRELINE & PERFORATE LPR FROM 8568'-69', 8597'-98', 8610'-11', 8624'-25', 8637'-38', 8644'-45', 8658'-59', 8668'-69', 8710'-11', 8748'-49', 8789'-90', 8795'-96', @ 3 SPF @ 120° PHASING. RDWL. MIRU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5260 GAL 16# DELTA 200, 7557 GAL 16#DELTA 200 W/ 1# & 1.5#, 36155 GAL 16# DELTA 200+ W/ 129100 # 20/40 SAND @ 1-5 PPG. MTP 6551 PSIG. MTR 53 BPM. ATP 4231 PSIG. ATR 48 BPM. ISIP 2174 PSIG. RD HALLIBURTON. RUWL SET 6K CFP AT 8460'. PERFORATE MPR/LPR FROM 8242'-43', 8258'-59', 8285'-86', 8295'-96', 8328'-29', 8338'-39', 8350'-51', 8367'-68', 8397'-98', 8421'-22', 8436'-37', 8443; -44', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIABURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4588 GAL 16# DELTA 200 PAD, 7188 GAL 16# DELTA 200 W/ 1# & 1.5# SAND, 33458 GAL 16# DELTA 200 + W/ 123100# 20/40 SAND @ 1-5 PPG. MTP 5537 PSIG. MTR 56 BPM. ATP 4018 PSIG. ATR 48 BPM. ISIP 2850 PSIG. RD HALLIBURTON. RUWL SET 6K CFP AT 8150. PERFORATE MPR FROM 7892'-93', 7904'-05', 7914'-15', 7939'-40', 7960'-61', 7981'-82', 8014'-15', 8023'-24', 8031'-32', 8057'-58', 8067'-68', 8122'-23', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4619 GAL 16# DELTA 200 PAD, 6769 GAL 16# DELTA 200 W/ 1# & 1.5# SAND, 30360 GAL 16# DELTA 200 + W/ 113100# 20/40 SAND @ 1-5 PPG. MTP 6482 PSIG. MTR 53 BPM. ATP 4723 PSIG. ATR 49 BPM. ISIP 2341 PSIG. RD HALLIBURTON. RUWL SET 6K CFP AT 7830'. PERFORATE MPR FROM 7568'-69', 7597'-98', 7608'-09', 7627'-28', 7652'-53', 7672'-73', 7691'-92', 7726'-27', 7746'-47', 7764'-65', 7782'-83', 7814'-15', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4588 GAL 16# DELTA 200 PAD, 12632 GAL 16# DELTA 200 W/ 1# & 1.5# SAND, 59787 GAL 16# DELTA 200 + W/ 217300# 20/40 SAND @ 1-5 PPG. MTP 6105 PSIG. MTR 51.5 BPM. ATP 3880 PSIG. ATR 48.5 BPM. ISIP 2243 PSIG. RD HALLIBURTON. SDFN.

05-07-2008 **Reported By** JOE VIGIL

DailyCosts: Drilling	$0	**Completion**	$4,030	**Daily Total**	$4,030
Cum Costs: Drilling	$584,761	**Completion**	$215,360	**Well Total**	$800,121

MD	9,060	**TVD**	9,060	**Progress**	0	**Days**	9	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE / WASATCH **PBTD :** 9006.0 **Perf :** 6425' - 8796' **PKR Depth :** 0.0

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RUWL SET 6K CFP AT 7530'. PERFORATE UPR FROM 7311'-12', 7321'-22', 7330'-31', 7360'-61', 7404'-05', 7421'-22', 7436'-37', 7478'-79', 7484'-85', 7493'-94', 7501'-03 @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4210 GAL 16# DELTA 200 PAD, 6807 GAL 16# DELTA 200 W/1# & 1.5# 20/40 SAND, 28295 GAL 16# DELTA 200 + W/112000# 20/40 SAND @ 1-5 PPG. MTP 5101 PSIG. MTR 54 BPM. ATP 3571 PSIG. ATR 48 BPM. ISIP 2592 PSIG. RD HALLIBURTON. RUWL. SET 6K CFP AT 7285'. PERFORATE UPR FROM 7091'-92', 7096'-97', 7128'-29', 7139'-40', 7148'-49', 7155'-56', 7163'-64', 7171'-72', 7211'-12', 7217'-18', 7224'-25', 7270'-71' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 1279 GAL 16# DELTA 200 PAD, 6569 GAL 16# DELTA 200 W/1# & 1.5# 20/40 SAND, 32392 GAL 16# DELTA 200 + W/ 108000# 20/40 SAND @ 1-5 PPG. MTP 5032 PSIG. MTR 53 BPM. ATP 3847 PSIG. ATR 43.6 BPM. ISIP 2267 PSIG. RD HALLIBURTON. RUWL. SET 6K CFP AT 7065'. PERFORATE UPR FROM 6910'-11', 6917'-18', 6929'-30', 6938'-39', 6950'-51', 6967'-68', 6977'-78', 6989'-90', 7004'-05', 7018'-19', 7036'-37', 7050'-51' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4176 GAL 16# DELTA 200 PAD, 9610 GAL 16# DELTA 200 W/1# & 1.5# 20/40 SAND, 42074 GAL 16# DELTA 200 + W/157900# 20/40 SAND @ 1-5 PPG. MTP 4837 PSIG. MTR 51.3 BPM. ATP 3375 PSIG. ATR 48 BPM. ISIP 1946 PSIG. RD HALLIBURTON. RUWL. SET 6K CFP AT 6885'. PERFORATE NH/UPR FROM 6703'-05', 6731'-32', 6762'-63', 6808'-10', 6820'-22', 6828'-30', 6868'-70' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4162 GAL 16# DELTA 200 PAD, 6571 GAL 16# DELTA 200 W/ 1# & 1.5# 20/40 SAND, 28432 GAL 16# DELTA 200 + W/ 12000# 20/40 SAND @ 1-5 PPG. MTP 4849 PSIG. MTR 51.5 BPM. ATP 3514 PSIG. ATR 48 BPM. ISIP 2206 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 6650'. PERFORATE NH FROM 6425'-26', 6446'-47', 6493'-94', 6517'-18', 6526'-27', 6535'-36', 6554'-55', 6567'-68', 6585'-87', 6607'-08', 6633'-34', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIABURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2599 GAL 16# DELTA 200 PAD, 6562 GAL 16# DELTA 200 W/1# & 1.5# 20/40 SAND, 29416 GAL 16# DELTA 200 + W/105700# 20/40 SAND @ 1-5 PPG. MTP 5152 PSIG. MTR 52 BPM. ATP 4011 PSIG. ATR 48 BPM. ISIP 2367 PSIG. RD HALLIBURTON. SDFN.

05-08-2008 **Reported By** JOE VIGIL

DailyCosts: Drilling	$0	**Completion**	$515,233	**Daily Total**	$515,233
Cum Costs: Drilling	$584,761	**Completion**	$730,593	**Well Total**	$1,315,355

MD	9,060	**TVD**	9,060	**Progress**	0	**Days**	10	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE / WASATCH **PBTD :** 9006.0 **Perf :** 5095' - 8796' **PKR Depth :** 0.0

Activity at Report Time: MISU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RUWL SET 6K CFP AT 6370'. PERFORATE BA FROM 6027'-28', 6954'-55', 6071'-72', 6098'-99', 6114'-17', 6172'-73', 6212'-13', 6263'-64', 6305'-06', 6349'-50', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIABURTON, FRAC DOWN CASING W/ 1596 GAL 16# DELTA 200 PAD, 9545 GAL 16# DELTA 200 W/ 1# & 1.5# SAND, 29893 GAL 16# DELTA 200 + W/ 104100# 20/40 SAND @ 1-4 PPG. MTP 5290 PSIG. MTR 52.5 BPM. ATP 3605 PSIG. ATR 45 BPM. ISIP 1975 PSIG. RD HALLIBURTON. RUWL SET 6K CFP AT 5920'. PERFORATE BA FROM 5639'-41', 5668'-69', 5708'-10', 5732'-33', 5772'-73', 5792'-93', 5826'-27', 5893'-94', 5902'-04', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIABURTON, FRAC DOWN CASING W/ 1015 GAL 16# DELTA 200 PAD, 8414 GAL 16# DELTA 200 W/ 1# & 1.5# SAND, 23163 GAL 16# DELTA 200 + W/ 80200# 20/40 SAND @ 1-4 PPG. MTP 5642 PSIG. MTR 51 BPM. ATP 3540 PSIG. ATR 47 BPM. ISIP 1968 PSIG. RD HALLIBURTON RUWL SET 6K CFP AT 5470'. PERFORATE CA/BA FROM 5390'-91', 5405'-06', 5420'-22', 5424'-26', 5435'-37', 5445'-47', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIABURTON, FRAC DOWN CASING W/ 590 GAL 16# DELTA 200 PAD, 9509 GAL 16# DELTA 200 W/ 1# & 1.5# SAND, 29045 GAL 16# DELTA 200 + W/ 101300# 20/40 SAND @ 1-4 PPG. MTP 3947 PSIG. MTR 42 BPM. ATP 2847 PSIG. ATR 38.6 BPM. ISIP 2134 PSIG. RD HALLIBURTON. RUWL SET 6K CFP AT 5310'. PERFORATE CA FROM 5170'-71', 5195'-97', 5215'-17', 5225'-27', 5260'-62', 5287'-88', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIABURTON, FRAC DOWN CASING W/ 537 GAL 16# DELTA 200 PAD, 9733 GAL 16# DELTA 200 W/ 1# & 1.5# SAND, 31436 GAL 16# DELTA 200 + W/ 101500# 20/40 SAND @ 1-4 PPG. MTP 4240 PSIG. MTR 40 BPM. ATP 3141 PSIG. ATR 39 BPM. ISIP 2123 PSIG. RD HALLIBURTON. RUWL SET 6K CBP AT 5135'. PERFORATE PP FROM 5095'-01', 5107'-11', @ 3 SPF @ 120° PHASING. RDWL. RU HALLIABURTON, FRAC DOWN CASING W/ 612 GAL 16# DELTA 200 PAD, 8416 GAL 16# DELTA 200 W/ 1# & 1.5 # SAND, 25160 GAL 16# DELTA 200 + W/ 84800# 20/40 SAND @ 1-4 PPG. MTP 5124 PSIG. MTR 43 BPM. ATP 3577 PSIG. ATR 38 BPM. ISIP 2307 PSIG. RD HALLIBURTON. RUWL. SET 6K CBP AT 4974'. RDMO WIRELINE. SDFN.

05-09-2008 **Reported By** POWELL

DailyCosts: Drilling	$0	**Completion**	$1,200	**Daily Total**	$1,200
Cum Costs: Drilling	$584,761	**Completion**	$731,793	**Well Total**	$1,316,555

MD	9,060	**TVD**	9,060	**Progress**	0	**Days**	11	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE / WASATCH **PBTD :** 9006.0 **Perf :** 5095' - 8796' **PKR Depth :** 0.0

Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
07:00	15:00	8.0	MIRUSU. ND FRAC TREE. NU BOPE. RIH W/BIT & PUMP OFF SUB TO 4974'. RU TO DRILL OUT. SDFN.

05–10–2008 **Reported By** POWELL

DailyCosts: Drilling	$0	**Completion**	$1,200	**Daily Total**	$1,200
Cum Costs: Drilling	$584,761	**Completion**	$732,993	**Well Total**	$1,317,755

MD	9,060	**TVD**	9,060	**Progress**	0	**Days**	12	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE / WASATCH **PBTD :** 9006.0 **Perf :** 5095' – 8796' **PKR Depth :** 0.0

Activity at Report Time: RU SLICKLINE

Start	End	Hrs	Activity Description
07:00	15:00	8.0	CLEANED OUT & DRILLED OUT PLUG @ 4974'. STRING FLOAT IN PUMP OFF SUB FAILED. SDFN.

05–11–2008 **Reported By** POWELL

DailyCosts: Drilling	$0	**Completion**	$10,660	**Daily Total**	$10,660
Cum Costs: Drilling	$584,761	**Completion**	$743,653	**Well Total**	$1,328,415

MD	9,060	**TVD**	9,060	**Progress**	0	**Days**	13	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE / WASATCH **PBTD :** 9006.0 **Perf :** 5095' – 8796' **PKR Depth :** 0.0

Activity at Report Time: SET WIRE LINE FLOAT, DRILL OUT PLUGS.

Start	End	Hrs	Activity Description
07:00	20:00	13.0	MIRU. DELSCO WIRE LINE, SET PUMP THROUGH PLUG IN XN NIPPLE. CLEANED OUT& DRILLED OUT PLUGS @ 4974', 5135', 5310', 5470', 5920', 6370', 6650', 6805', 7065', 7285',7530',7830',8150' & 8460'. RIH. CLEANED OUT TO PBTD @ 9006'. LANDED TBG AT 7300' KB. ND BOPE. NU TREE. RU WIRE LINE, PULL PUMP THROUGH PLUG. RD WIRE LINE. PUMP OFF BIT & SUB. RDMOSU. FLOWED 11 HRS. 24/64" CHOKE. FTP 900 PSIG. CP 1300 PSIG. 68 BFPH. RECOVERED 715 BLW. 15376 BLWTR.

TUBING DETAIL	LENGTH
PUMP OFF SUB	1.00'
1 JT 2–3/8" 4.7# N–80 TBG	31.56'
XN NIPPLE	1.10'
229 JTS 2–3/8" 4.7# N–80 TBG	7254.84'
BELOW KB	12.00'
LANDED @	7300.50' KB

05–12–2008 **Reported By** POWELL

DailyCosts: Drilling	$0	**Completion**	$3,000	**Daily Total**	$3,000
Cum Costs: Drilling	$584,761	**Completion**	$746,653	**Well Total**	$1,331,415

MD	9,060	**TVD**	9,060	**Progress**	0	**Days**	14	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE / WASATCH **PBTD :** 9006.0 **Perf :** 5095' – 8796' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 800 PSIG. CP 1250 PSIG. 58 BFPH. RECOVERED 1434 BLW. 13942 BLWTR.

05–13–2008 **Reported By** POWELL

DailyCosts: Drilling $0 **Completion** $3,000 **Daily Total** $3,000

Cum Costs: Drilling $584,761 **Completion** $749,653 **Well Total** $1,334,415

MD 9,060 **TVD** 9,060 **Progress** 0 **Days** 15 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE / WASATCH **PBTD :** 9006.0 **Perf :** 5095' – 8796' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 800 PSIG. CP 1600 PSIG. 48 BFPH. RECOVERED 1206 BLW. 12736 BLWTR.

05-14-2008 **Reported By** POWELL

DailyCosts: Drilling $0 **Completion** $3,000 **Daily Total** $3,000

Cum Costs: Drilling $584,761 **Completion** $752,653 **Well Total** $1,337,415

MD 9,060 **TVD** 9,060 **Progress** 0 **Days** 16 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE / WASATCH **PBTD :** 9006.0 **Perf :** 5095' – 8796' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 900 PSIG. CP 2050 PSIG. 38 BFPH. RECOVERED 980 BLW. 11748 BLWTR.

05-15-2008 **Reported By** POWELL

DailyCosts: Drilling $0 **Completion** $3,000 **Daily Total** $3,000

Cum Costs: Drilling $584,761 **Completion** $755,653 **Well Total** $1,340,415

MD 9,060 **TVD** 9,060 **Progress** 0 **Days** 17 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE / WASATCH **PBTD :** 9006.0 **Perf :** 5095' – 8796' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1000 PSIG. CP 2050 PSIG. 38 BFPH. RECOVERED 902 BLW. 10846 BLWTR.

05-16-2008 **Reported By** POWELL

DailyCosts: Drilling $0 **Completion** $3,000 **Daily Total** $3,000

Cum Costs: Drilling $584,761 **Completion** $758,653 **Well Total** $1,343,415

MD 9,060 **TVD** 9,060 **Progress** 0 **Days** 18 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE / WASATCH **PBTD :** 9006.0 **Perf :** 5095' – 8796' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1100 PSIG. CP 1950 PSIG. 30 BFPH. RECOVERED 736 BLW. 10110 BLWTR.

05-17-2008 **Reported By** POWELL

DailyCosts: Drilling $0 **Completion** $3,000 **Daily Total** $3,000

Cum Costs: Drilling $584,761 **Completion** $761,653 **Well Total** $1,346,415

MD 9,060 **TVD** 9,060 **Progress** 0 **Days** 19 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE / WASATCH **PBTD :** 9006.0 **Perf :** 5095' – 8796' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1100 PSIG. CP 1900 PSIG. 31 BFPH. RECOVERED 692 BLW. 9452 BLWTR.

05–18–2008 **Reported By** POWELL

DailyCosts: Drilling	$0	**Completion**	$3,000	**Daily Total**	$3,000
Cum Costs: Drilling	$584,761	**Completion**	$764,653	**Well Total**	$1,349,415

MD	9,060	**TVD**	9,060	**Progress**	0	**Days**	20	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE / WASATCH **PBTD :** 9006.0 **Perf :** 5095' – 8796' **PKR Depth :** 0.0

Activity at Report Time: SI/WO FACILITIES

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1100 PSIG. CP 1900 PSIG. 21 BFPH. RECOVERED 504 BLW. 8948 BLWTR. SI. WO FACILITIES. FINAL COMPLETION DATE: 5/17/08

06–04–2008 **Reported By** DUANE COOK

DailyCosts: Drilling	$0	**Completion**	$3,000	**Daily Total**	$3,000
Cum Costs: Drilling	$584,761	**Completion**	$767,653	**Well Total**	$1,352,415

MD	9,060	**TVD**	9,060	**Progress**	0	**Days**	21	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE / WASATCH **PBTD :** 9006.0 **Perf :** 5095' – 8796' **PKR Depth :** 0.0

Activity at Report Time: INITIAL PRODUCTION–FIRST GAS SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION: TURNED TO GAS SALES. SITP 950 & SICP 2200 PSIG. TURNED WELL TO QUESTAR SALES AT 10:15 AM, 6/03/08. FLOWING 245 MCFD RATE ON 14/64" POS CK. STATIC 344.

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

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ DRY ☐ OTHER

7. UNIT or CA AGREEMENT NAME:

b. TYPE OF WORK: NEW WELL ☑ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER

8. WELL NAME and NUMBER: East Chapita 50-16

2. NAME OF OPERATOR: EOG Resources, Inc.

9. API NUMBER: 43-047-39057

3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80229

PHONE NUMBER: (303) 824-5526

10 FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverde

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 855' FSL & 728' FWL 40.031058 LAT 109.338725 LON
AT TOP PRODUCING INTERVAL REPORTED BELOW: Same
AT TOTAL DEPTH: Same

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 16 9S 23E S

12. COUNTY: Uintah

13. STATE: UTAH

14. DATE SPUDDED:	15. DATE T.D. REACHED:	16. DATE COMPLETED:		17. ELEVATIONS (DF, RKB, RT, GL):
2/19/2008	4/13/2008	6/3/2008	ABANDONED ☐ READY TO PRODUCE ☑	4949' NAT GL

18. TOTAL DEPTH: MD 9,060 TVD	19. PLUG BACK T.D.: MD 9,006 TVD	20. IF MULTIPLE COMPLETIONS, HOW MANY? *	21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
RST/CBL/CCL/~~VDL~~/GR ; Temp.

23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☑ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12-1/4"	9-5/8 J-55	36.0	0	2,450		900			
7-7/8"	4-1/2 N-80	11.6	0	9,049		1725			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8"	7,301							

26. PRODUCING INTERVALS

27. PERFORATION RECORD 5095. 8796

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Wasatch/Mesaverde	5,095	8,796			8,568 8,796		3	Open ☐ Squeezed ☐
(B)					8,242 8,444		3	Open ☐ Squeezed ☐
(C)					7,892 8,123		3	Open ☐ Squeezed ☐
(D)					7,568 7,815		3	Open ☐ Squeezed ☐

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

RECEIVED
JUN 24 2008
DIV. OF OIL, GAS & MINING

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
8568-8796	49,137 GALS GELLED WATER & 129,100# 20/40 SAND
8242-8444	45,399 GALS GELLED WATER & 123,100# 20/40 SAND
7892-8123	41,913 GALS GELLED WATER & 113,100# 20/40 SAND

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS: Producing

(5/2000)

(CONTINUED ON BACK)

31. INITIAL PRODUCTION — **INTERVAL A (As shown in item #26)**

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
6/3/2008	6/10/2008	24		28	935	240	Flows

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:
14/64"	1,500	2,150					28	935	240	

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Wasatch/Mesaverde	5,095	8,796		Green River	1,682
				Mahogany	2,311
				Uteland Butte	4,484
				Wasatch	4,586
				Chapita Wells	5,183
				Buck Canyon	5,828
				Price River	6,797
				Middle Price River	7,544
				Lower Price River	8,331
				Sego	8,865

35. ADDITIONAL REMARKS (Include plugging procedure)

See attached page for additional information.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas DATE 6/23/2008

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

East Chapita 50-16 - ADDITIONAL REMARKS (CONTINUED):

27. PERFORATION RECORD

7311-7503	3/spf
7091-7271	3/spf
6910-7051	3/spf
6703-6870	3/spf
6425-6634	3/spf
6027-6350	3/spf
5639-5904	3/spf
5390-5447	3/spf
5170-5288	3/spf
5095-5111	3/spf

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

7568-7815	77,172 GALS GELLED WATER & 217,300# 20/40 SAND
7311-7503	39,477 GALS GELLED WATER & 112,000# 20/40 SAND
7091-7271	40,405 GALS GELLED WATER & 108,000# 20/40 SAND
6910-7051	56,025 GALS GELLED WATER & 157,900# 20/40 SAND
6703-6870	39,330 GALS GELLED WATER & 112,000 # 20/40 SAND
6425-6634	38,742 GALS GELLED WATER & 105,700# 20/40 SAND
6027-6350	41,034 GALS GELLED WATER & 104,100# 20/40 SAND
5639-5904	32,592 GALS GELLED WATER & 80,200# 20/40 SAND
5390-5447	39,144 GALS GELLED WATER & 101,300# 20/40 SAND
5170-5288	41,706 GALS GELLED WATER & 101,500# 20/40 SAND
5095-5111	34,188 GALS GELLED WATER & 84,800# 20/40 SAND

Perforated the Lower Price River from 8568-69', 8597-98', 8610-11', 8624-25', 8637-38', 8644-45', 8658-59', 8668-69', 8710-11', 8748-49', 8789-90' & 8795-96' w/ 3 spf.

Perforated the Middle/Lower Price River from 8242-43', 8258-59', 8285-86', 8295-96', 8328-29', 8338-39', 8350-51', 8367-68', 8397-98', 8421-22', 8436-37' & 8443-44' w/ 3 spf.

Perforated the Middle Price River from 7892-93', 7904-05', 7914-15', 7939-40', 7960-61', 7981-82', 8014-15', 8023-24', 8031-32', 8057-58', 8067-68' & 8122-23' w/ 3 spf.

Perforated the Middle Price River from 7568-69', 7597-98', 7608-09', 7627-28', 7652-53', 7672-73', 7691-92', 7726-27', 7746-47', 7764-65', 7782-83' & 7814-15' w/ 3 spf.

Perforated the Upper Price River from 7311-12', 7321-22', 7330-31', 7360-61', 7404-05', 7421-22', 7436-37', 7478-79', 7484-85', 7493-94' & 7501-03' w/ 3 spf.

Perforated the Upper Price River from 7091-92', 7096-97', 7128-29', 7139-40', 7148-49', 7155-56', 7163-64', 7171-72', 7211-12', 7217-18', 7224-25' & 7270-71' w/ 3 spf.

Perforated the Upper Price River from 6910-11', 6917-18', 6929-30', 6938-39', 6950-51', 6967-68', 6977-78', 6989-90', 7004-05', 7018-19', 7036-37' & 7050-51' w/ 3 spf.

Perforated the North Horn/Upper Price River from 6703-05', 6731-32', 6762-63', 6808-10', 6820-22', 6828-30' & 6868-70' w/ 3 spf.

Perforated the North Horn from 6425-26', 6446-47', 6493-94', 6517-18', 6526-27', 6535-36', 6554-55', 6567-68', 6585-87', 6607-08' & 6633-34' w/ 3 spf.

Perforated the Ba from 6027-28', 6054-55', 6071-72', 6098-99', 6114-17', 6172-73', 6212-13', 6263-64', 6305-06' & 6349-50' w/ 3 spf.

Perforated the Ba from 5639-41', 5668-69', 5708-10', 5732-33', 5772-73', 5792-93', 5826-27', 5893-94' & 5902-04' w/ 3 spf.

Perforated the Ca/Ba from 5390-91', 5405-06', 5420-22', 5424-26', 5435-37' & 5445-47' w/ 3 spf.

Perforated the Ca from 5170-71', 5195-97', 5215-17', 5225-27', 5260-62' & 5287-88' w/ 3 spf.

Perforated the Pp from 5095-5101' & 5107-11' w/ 3 spf.

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

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: ECW 50-16

API number: 4304739057

Well Location: QQ SWSW Section 16 Township 9S Range 23E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078 Phone: (435) 781-9111

Drilling contractor: ASPEN DRILLING

Address: 560 S. COMMERCIAL DR. UNIT #1

city GRAND JUNCTION state CO zip 81505 Phone: (970) 242-9592

Water encountered (attach additional pages as needed):

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

Formation tops: (Top to Bottom)

1	2	3
4	5	6
7	8	9
10	11	12

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

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

NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas DATE 6/23/2008

(5/2000)

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: East Chapita 50-16

2. NAME OF OPERATOR: EOG Resources, Inc.

9. API NUMBER: 43-047-39057

3. ADDRESS OF OPERATOR: 1060 E Hwy 40 Vernal UT 84078

PHONE NUMBER: (435) 781-9111

10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverde

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 855' FSL & 728' FWL 40.031058 LAT 109.338725 LON

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 16 9S 23E S.L.B. & M.

STATE: UTAH

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

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

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

Attached please find a site facility diagram.

RECEIVED
JUL 07 2008
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Mickenzie Thacker TITLE Operations Clerk

SIGNATURE Mickenzie Thacker DATE 6/19/2008

(This space for State use only)

(5/2000) (See Instructions on Reverse Side)

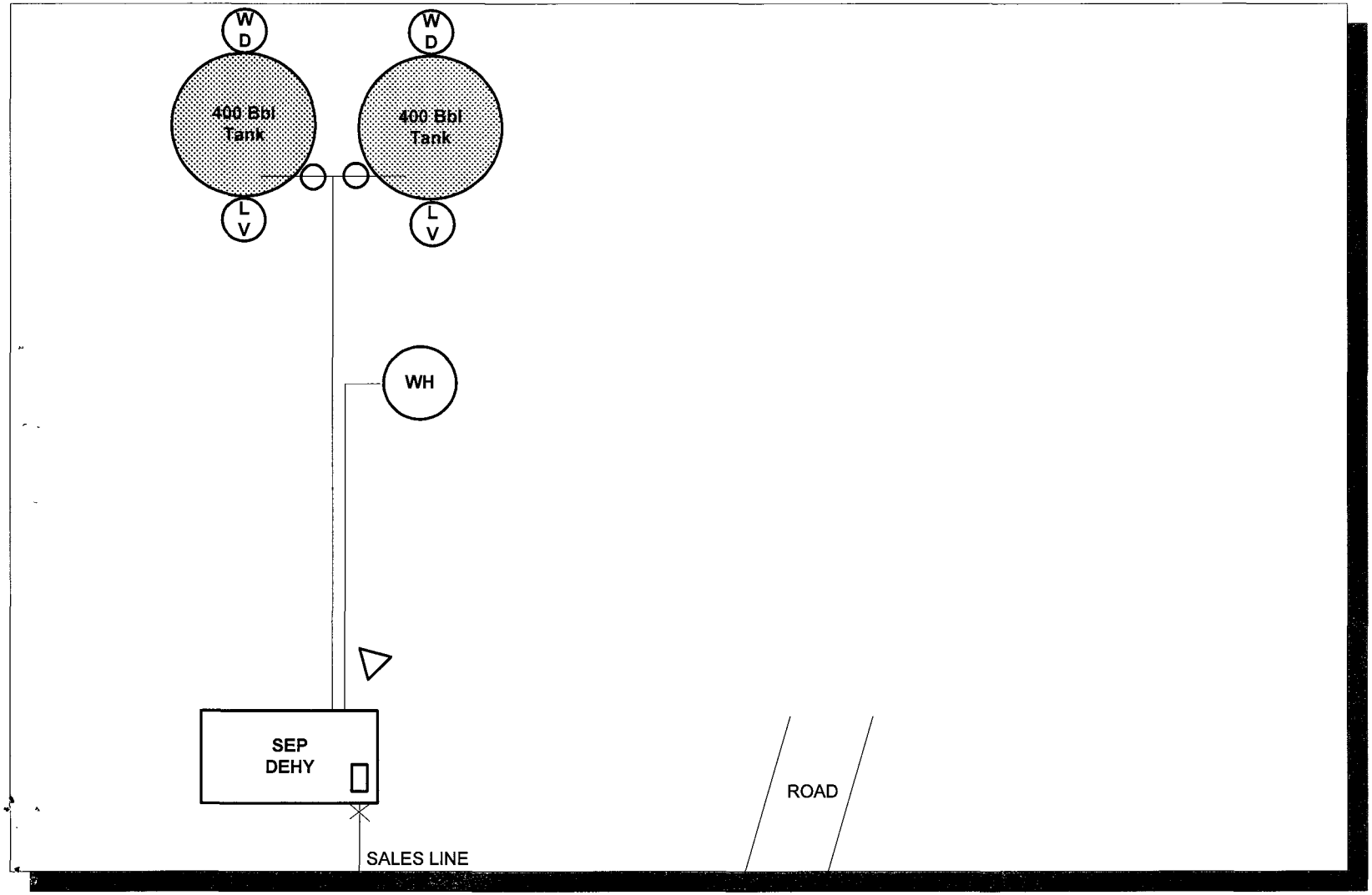
eog resources
Site Facility Diagram

Well Name: EAST CHAPITA 50-16
1/4 1/4:SW/SW Sec: 16 T:9S R:23E
County: UINTAH State: UTAH
Lease: ML-47045

Site facility diagrams & site security plans are located at the Vernal office in Vernal, Utah. The office is located at 1060 East Hwy 40 and normal business hours are 7:00 a.m. to 4:30 p.m. Mon -Thurs and 7:00 a.m. to 1:00 p.m. fridays.

Valve	Production Phase	Sales Phase	Water Drain
PV	O	SC	SC
LV	SC	O	SC
WD	SC	SC	O

DATED 6/16/2008



Abbreviations

AM= Allocation Meter
AR = Access Road
CHT = Chemical Tank
COMP = Compressor
CON = Condensor
CT = Condensate Tank
DL = Dump Line
EP = Electrical Panel
ET = Emergency Tank
FW = Firewall
LACT = LACT Unit
LH = Line Heater
LV = Load Valve
MAN = Manifold
MB = Methanol Bath
O = Open
PL = Production Line
PP = Power Pole
PT = Propane Tank
PU = Pumping Unit
PV = Production Valve
PW = Produced Water
RL = Recycle Line
RP = Recycle Pump
RV = Recycle Valve
SC = Sealed Closed
SGS = Sales Gas Scrubber
SL = Sales Line
SM = Sales Meter
SO = Sealed Open
SP = Separator
SV = Sales Valve
T = Treater
TP = Trace Pump
WD = Water Drain
WDP = Water Disposal Pump
WFP = Water Flood Pump
WH = Wellhead

---------- = Buried Line
_____ = Unburied Line

= Meter Display
= Meter Tube
= Production Valve
= Valve

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER _____

8. WELL NAME and NUMBER: East Chapita 50-16

2. NAME OF OPERATOR: EOG Resources, Inc.

9. API NUMBER: 43-047-39057

3. ADDRESS OF OPERATOR: 1060 E Hwy 40 Vernal UT 84078

PHONE NUMBER: (435) 781-9145

10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverde

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 855' FSL & 728' FWL 40.031058 LAT 109.338725 LON

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 16 9S 23E S.L.B. & M.

STATE: UTAH

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

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

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

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

NAME (PLEASE PRINT) Mickenzie Thacker TITLE Operations Clerk

SIGNATURE Mickenzie Thacker DATE 1/14/2009

(This space for State use only)

RECEIVED
JAN 20 2009
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML 47045

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
E CHAPITA 50-16

2. NAME OF OPERATOR:
EOG Resources, Inc.

9. API NUMBER:
43047390570000

3. ADDRESS OF OPERATOR:
600 17th Street, Suite 1000 N , Denver, CO, 80202

PHONE NUMBER:
435 781-9111 Ext

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
0855 FSL 0728 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SWSW Section: 16 Township: 09.0S Range: 23.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 4/9/2012	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Measurement variance propo

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

EOG Resources, Inc. respectfully requests authorization to measure and allocate produced gas, condensate and water production as per the attached proposal.

Approved by the Utah Division of Oil, Gas and Mining

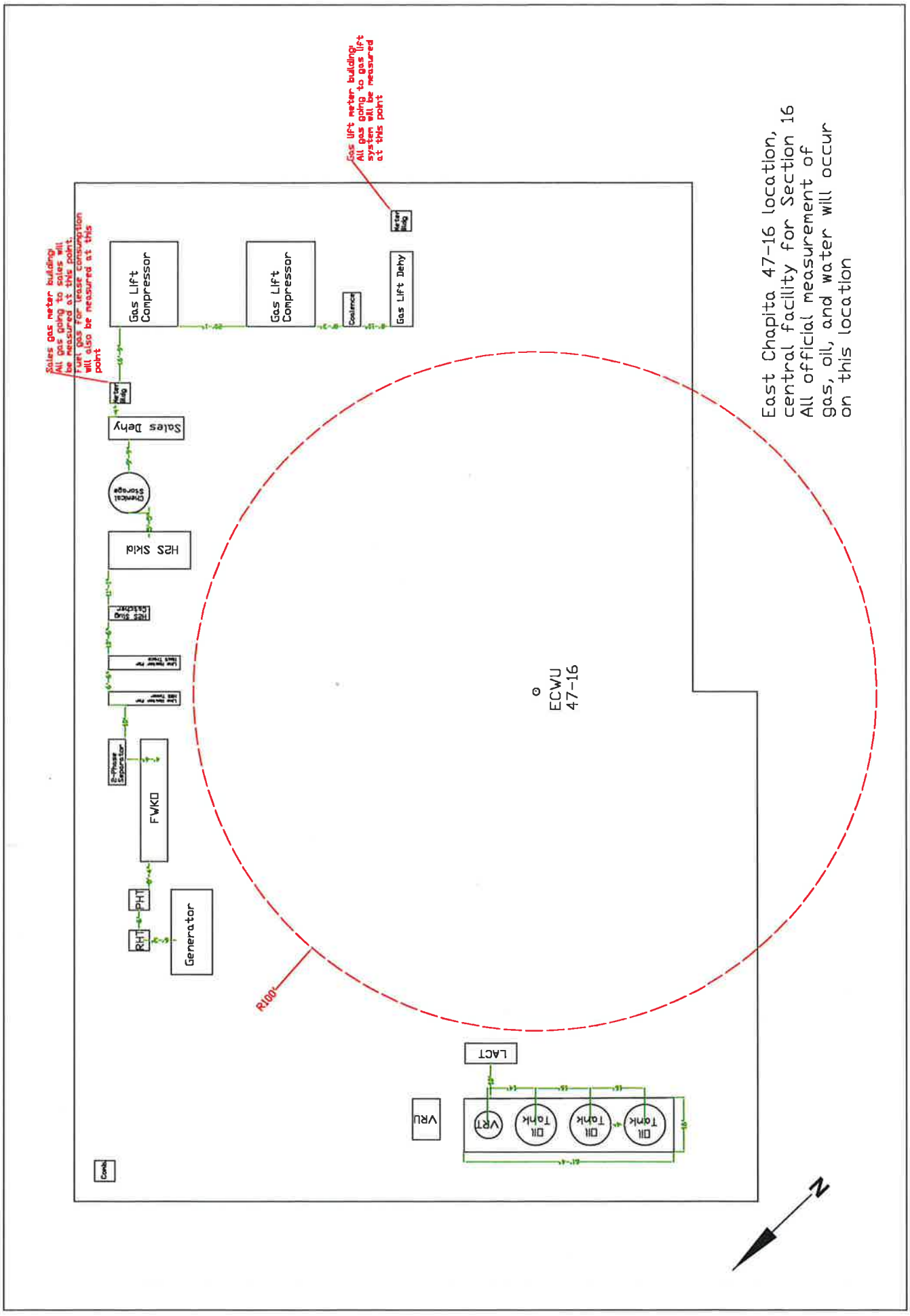
Date: May 11, 2012

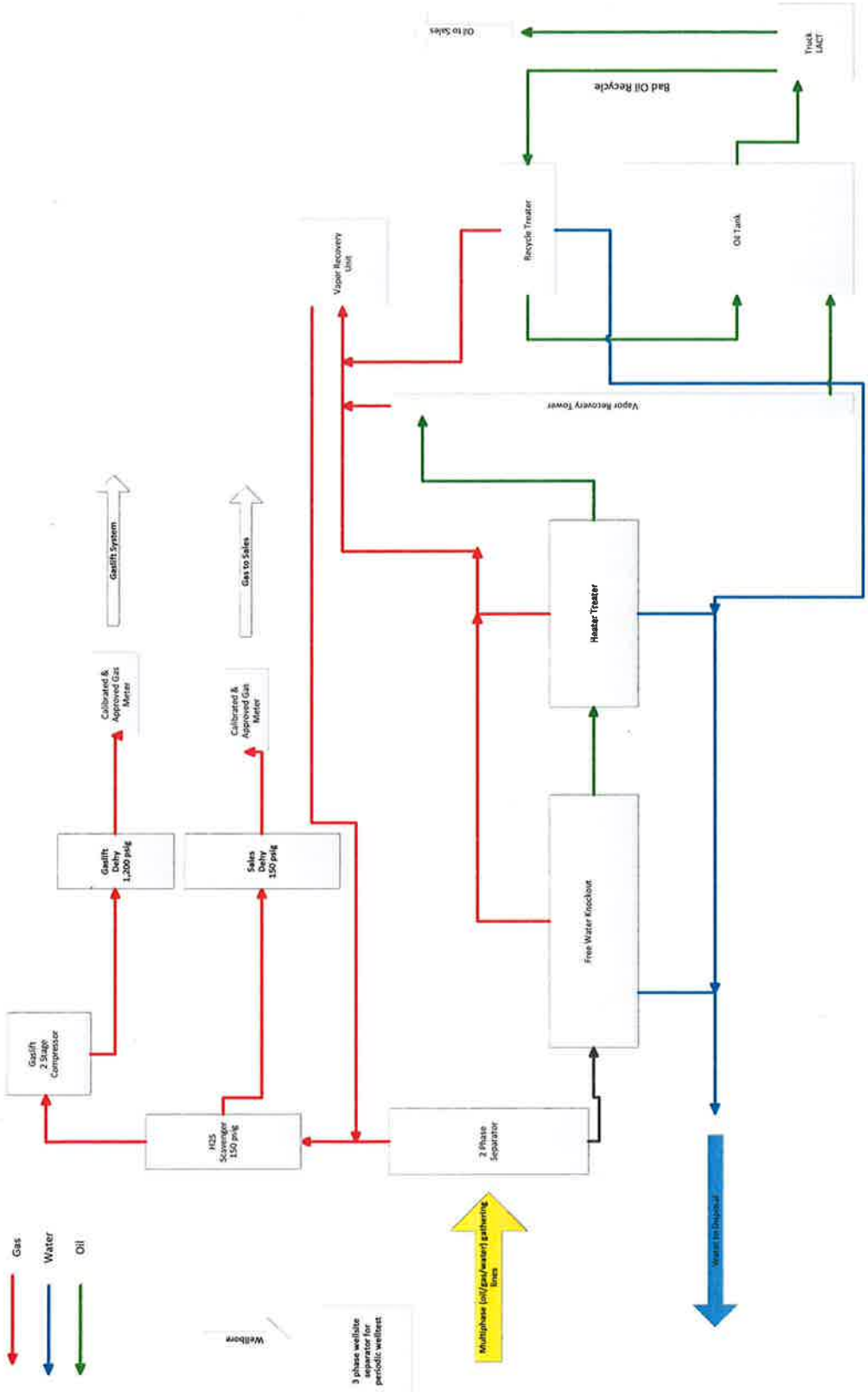
By: Dark K Quist

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Mickenzie Gates	435 781-9145	Operations Clerk
SIGNATURE		**DATE**
N/A		4/9/2012

RECEIVED: Apr. 09, 2012

Sundry Number: 24610 API Well Number: 43047390570000






Produced Water
Multiphase Gathering
Gas to Sales
59-16
60-16
58-16
57-16
98-16
97-16
66
Start of 6
30-16
48-16
47-16
56-16
101-16
102-16
99-16X
105-16
7-16
31-16
49-16
800-16
Gas Sales
103-16
104-16
50-16
100-16
8-16
106-16
6-16
818-16
Gas Sales
55

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

FedEx
7933 4391 7041

March 14, 2012

Division of Natural Resources
Utah Division of Oil, Gas, and Mining
Attn: Dustin Doucet, Randy Thackery
1594 West North Temple, Suite 1210
Salt Lake City, UT 84116

RE: Central Facility - Gathering System
Hydrocarbon Measurement Proposal
Section 16 T9S R23E
Uintah County, Utah

Gentlemen:

EOG Resources has submitted a proposal to the School and Institutional Trust Land Administration (SITLA) to install a Central Production Facility / Gathering System for Lease ML-47045. The facility will be located in the SWNE of Section 16, Township 09 South, Range 23 East, on an expanded East Chapita Wells (ECW) 47-16 well location. As you are aware, we have been producing a couple of the wells (ECW 103-16 and ECW 106-16) in section 16 utilizing gas lift operations to enhance production from the wells and have been encouraged with the results of that operation. Based on that fact, we intend to incorporate gas compression into Central Production Facility where we can process the gas, compress it and then send dry gas back to the wells for enhanced recovery via gas lift operations. All of the gas that we use for gas lift operations will be pulled out of the gathering system prior to the measurement point at the Central Facility. We believe that by moving our operations to a central facility, we can reduce air emissions, lower our operating costs (eliminating water hauling by pumping the water to the Coyote disposal facility located in Section 16), enhance our production and ultimately extend the life of the wells. At this time, we intend to measure all production from Lease ML-47045 at the central facility except for the production from ECW 59-16 well which will be measured on location utilizing the existing orifice meter for gas measurement and tank gauging for condensate and water measurement. Currently, the ECW 59-16 well is the only well in Section 16 that is located north of Coyote Wash and we would have to cross the wash to bring the well into the central facility. Eventually, as we continue to develop the lease we would bring the ECW 59-16 well into the central facility. At this time, we intend to leave the existing separator / dehydrator units on location in order to test our wells.

Therefore, EOG Resources would like to propose the following methods to measure the gas, condensate and water production from the aforementioned lease (except for the ECW 59-16) and

eog resources

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

the methods that we would like to use to measure and allocate production back to the remaining producing wells in the lease.

Gas Measurement – all gas leaving the lease from the central facility will be measured using an electronic flow meter (EFM) with orifice plate that is compliant with American Gas Association No. 3 (AGA) standards and State of Utah Regulations (R649-2-8). This meter will be calibrated on a quarterly basis.

Allocation Method – In an effort to reduce emissions, we intend to produce the wells directly into the gathering system. At least initially, we intend to leave the existing Separator / Dehydrator unit in place and utilize the existing EFM to test the wells on a quarterly basis. This will allow us to allocate production back to the individual wells based on well tests. Each well test will be run for a minimum of 24 hours. Therefore, we propose to allocate gas production to each well by totalizing the results of the well tests for every well and then utilize the results of each individual well to determine a percentage of the total that each well contributes to the total. We will take that percentage for each well and multiply it times the total production that is measured leaving the lease at the central facility on a daily basis. That gas volume will be allocated back to each well and will be reported on a monthly basis.

Gas Lift Operations – Every well in the lease will be evaluated on a case by case basis as to the viability to add gas lift operations to the well. We would like to propose, that for each well that we decide to convert to gas lift or the wells where we have already installed gas lift operations, to measure the injected gas via an EFM (orifice or v-cone) meter at the well site. Therefore, for each well that has had gas lift installed, the volume used for the percentage calculation for allocation to each well will be determined by subtracting the injected volume (per 24 hour period) from the produced volume that was determined during the well test for each well.

Oil / Condensate / Water Measurement – all condensate produced will be sold at the central facility via a Lease Automatic Custody Transfer (LACT) meter. The LACT meter will be proven on a quarterly basis. All water produced will be measured by a master (turbine) meter at the central facility prior to entering the pipeline that goes to the Coyote Saltwater Disposal Facility that is located within the lease boundary.

Allocation Method – We intend to install turbine meters on the dumps in the existing Separator / Dehydrator unit at each well so that we can accurately measure the condensate and water production from each well during the well tests. Therefore, we propose to allocate condensate and water production to each well by totalizing the results of the well tests for every well and then utilize the results of each individual well to determine a percentage of the total that each well contributes to the total. We will take that condensate percentage from each well and multiply it times the total condensate sold at the central facility per month for the allocated condensate production for each well and take the water percentage from each well and multiply it times water volume that is measured per month via the master meter that is located at the central facility for the allocated water production for each well. Those condensate and water volumes will be allocated back to each well and will be reported on a monthly basis.

eog resources

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

I look forward to hearing from you soon regarding our proposal. If you need any other information from me, I can be reached at (435) 781-9100 (office) or (435) 828-8236 (cell).

Sincerely,

Ed Forsman
Production Engineering Advisor
EOG Resources – Vernal Operations

cc: Ted Kelly – Big Piney Office
Jim Schaefer – Denver Office
Denver file

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

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES
Operator Account Number: N 9550
Address: 600 17th St., Ste. 1000N
city Denver
state CO zip 80202
Phone Number: (303) 824-5590

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36844	EAST CHAPITA 6-16		SESE	16	9S	23E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
D	15794	18940	11/8/2006			3/12/2013	
Comments:						3/12/13	

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36815	EAST CHAPITA 8-16		SESW	16	9S	23E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
D	15999	18940	3/17/2007			3/12/2013	
Comments:						3/12/13	

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39057	EAST CHAPITA 50-16		SWSW	16	9S	23E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
D	16704	18940	2/19/2008			3/12/2013	
Comments:						3/12/13	

RECEIVED
MAR 11 2013
DIV. OF OIL, GAS & MINING

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)

Vail Nazzaro
Name (Please Print)
Signature
Senior Regulatory Assistant
Title
3/8/2013
Date

(5/2000)