

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: ML 47045	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>			8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: EOG Resources, Inc.			9. WELL NAME and NUMBER: East Chapita 49-16	
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) AT SURFACE: 1990 FSL 1975 FEL (NWSE) 40.034156 LAT 109.329561 LON AT PROPOSED PRODUCING ZONE: Same			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 16 9S 23E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 54.5 Miles South of Vernal, UT			12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1975	16. NUMBER OF ACRES IN LEASE: 640	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1140	19. PROPOSED DEPTH: 9,075	20. BOND DESCRIPTION: NM 2308		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5002 GL	22. APPROXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION: 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#	9,075	See Attached Eight Point Plan

25. **ATTACHMENTS**

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

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

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

SIGNATURE *Kaylene R. Gardner* DATE 2/22/2007

(This space for State use only)

API NUMBER ASSIGNED: 43-047-39058

Approved by the
Utah Division of
Oil, Gas and Mining

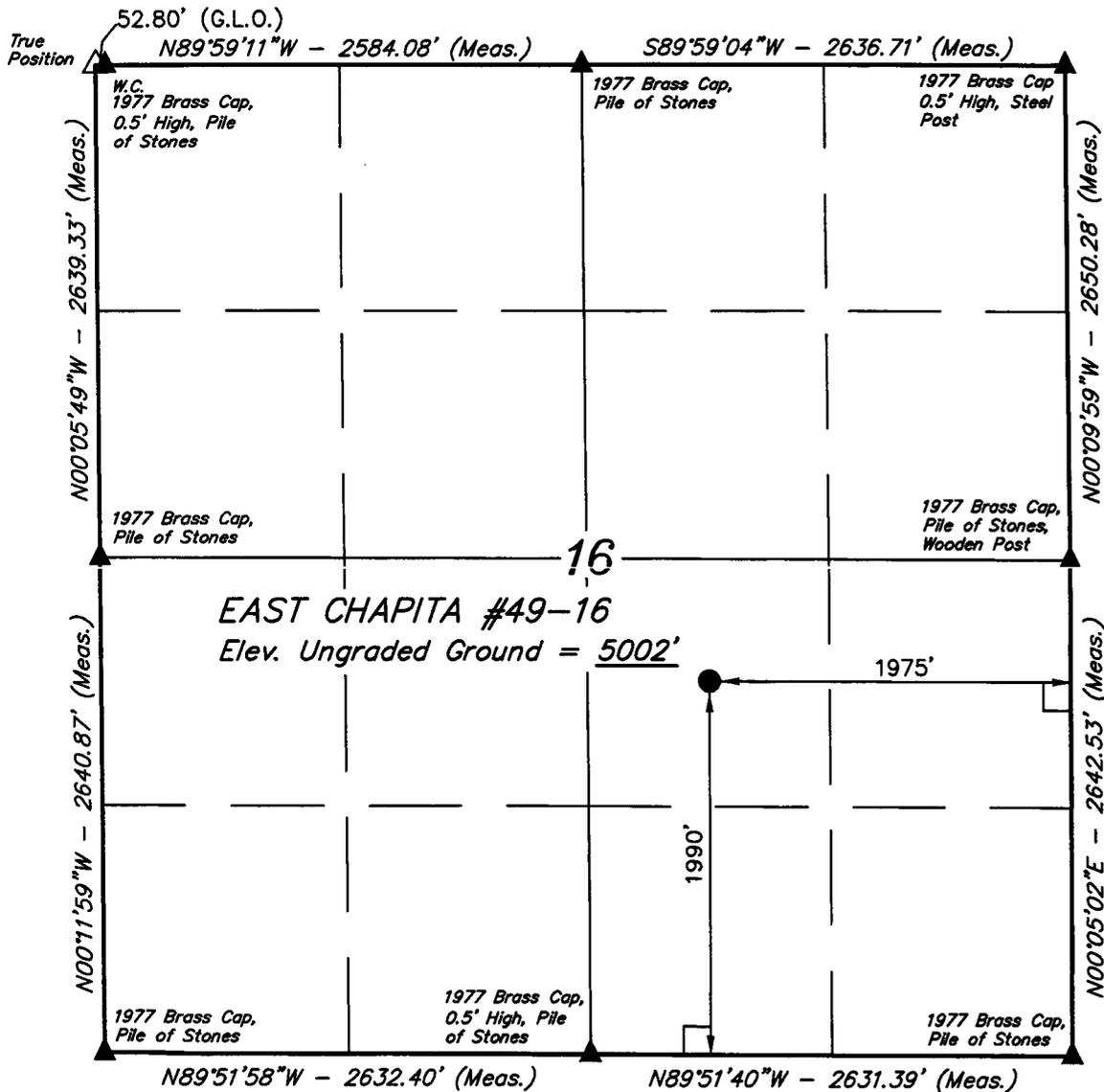
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FEB 23 2007

APPROVAL: *[Signature]*

Date: 04-10-07

By: *[Signature]* DIV. OF OIL, GAS & MINING

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



LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

(NAD 83)
 LATITUDE = 40°02'02.96" (40.034156)
 LONGITUDE = 109°19'46.42" (109.329561)
 (NAD 27)
 LATITUDE = 40°02'03.08" (40.034189)
 LONGITUDE = 109°19'43.98" (109.328883)

EOG RESOURCES, INC.

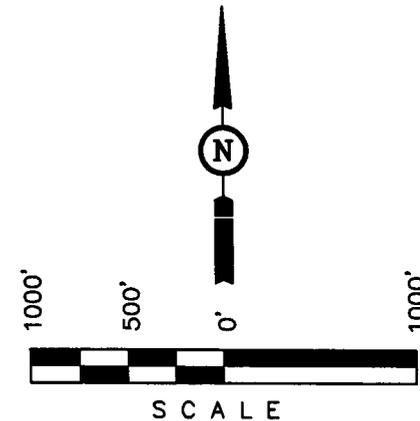
Well location, EAST CHAPITA #49-16, located as shown in the NW 1/4 SE 1/4 of Section 16, T9S, R23E, S.L.B.&M. Uintah County, Utah.

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.

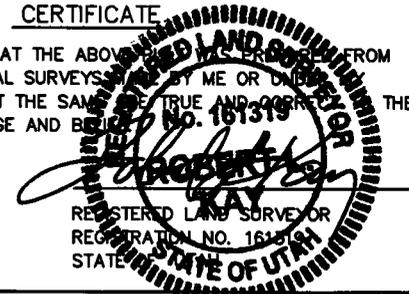
BASIS OF BEARINGS

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



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE IS A TRUE AND CORRECT COPY OF THE ORIGINAL FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



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

SCALE 1" = 1000'	DATE SURVEYED: 04-12-06	DATE DRAWN: 04-20-06
PARTY B.J. T.F. S.L.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	

STATE OF UTAH)

) ss

COUNTY OF UINTAH)

VERIFICATION

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

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

**EAST CHAPITA 49-16
1990' FSL – 1975' FEL (NWSE)
SECTION 16, T9S, R23E
UINTAH COUNTY, UTAH**

EOG Resources, Inc., is 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, and Bureau of Land Management.

Further affiant saith not.



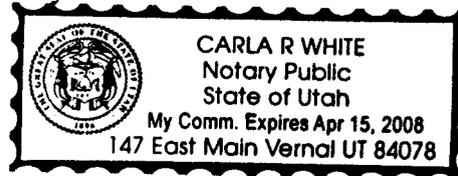
Kaylene R. Gardner
Sr. Regulatory Assistant

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



Notary Public

My Commission Expires: 4/15/2008



R 23 E

76388-000
EOG 100%
HBP (9-5-05)

CWU 1-16



16



CWU 29-16

ECW 800-16



ECW 49-16



ECW 7-16



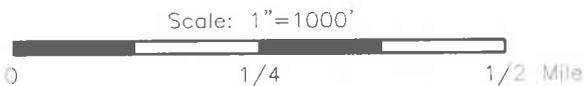
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ML 47045



CHAPITA WELLS UNIT

 EAST CHAPITA 49-16



Denver Division

EXHIBIT "A"

EAST CHAPITA 49-16
Commingling Application
Uintah County, Utah

Scale, 1"=1000'

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WELL

Author

TLM

Feb 15, 2007 - 7:48am

EIGHT POINT PLAN

EAST CHAPITA 49-16
NW/SE, 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	1,680		Shale	
Wasatch	4,635	Primary	Sandstone	Gas
Chapita Wells	5,218	Primary	Sandstone	Gas
Buck Canyon	5,903	Primary	Sandstone	Gas
North Horn	6,476	Primary	Sandstone	Gas
KMV Price River	6,812	Primary	Sandstone	Gas
KMV Price River Middle	7,576	Primary	Sandstone	Gas
KMV Price River Lower	8,448	Primary	Sandstone	Gas
Sego	8,875		Sandstone	
TD	9,075			

Estimated TD: **9,075' or 200'± below Sege top**

Anticipated BHP: 4,955 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 49-16
NW/SE, 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 1/2"	0 – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 1/4"	45' – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	2,300'± – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

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

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2300'± - TD):

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

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

EIGHT POINT PLAN

EAST CHAPITA 49-16
NW/SE, SEC. 16, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

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

7. VARIANCE REQUESTS:

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

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

8. EVALUATION PROGRAM:

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

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: 207 sks Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

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

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

EIGHT POINT PLAN
EAST CHAPITA 49-16
NW/SE, SEC. 16, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

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 ft³/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 ft³/sk., 5.9gps water.

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

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

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

11. STANDARD REQUIRED EQUIPMENT:

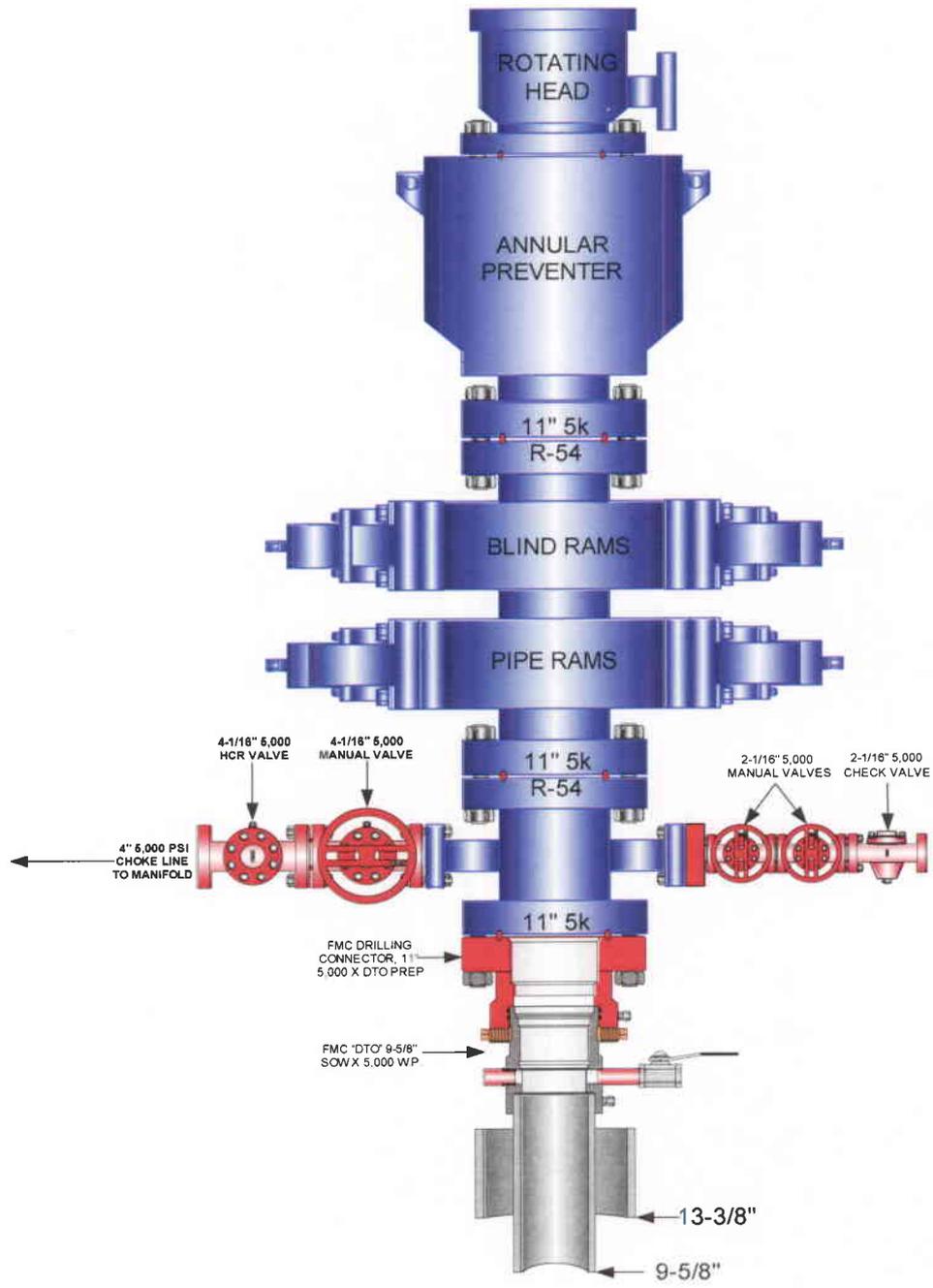
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

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

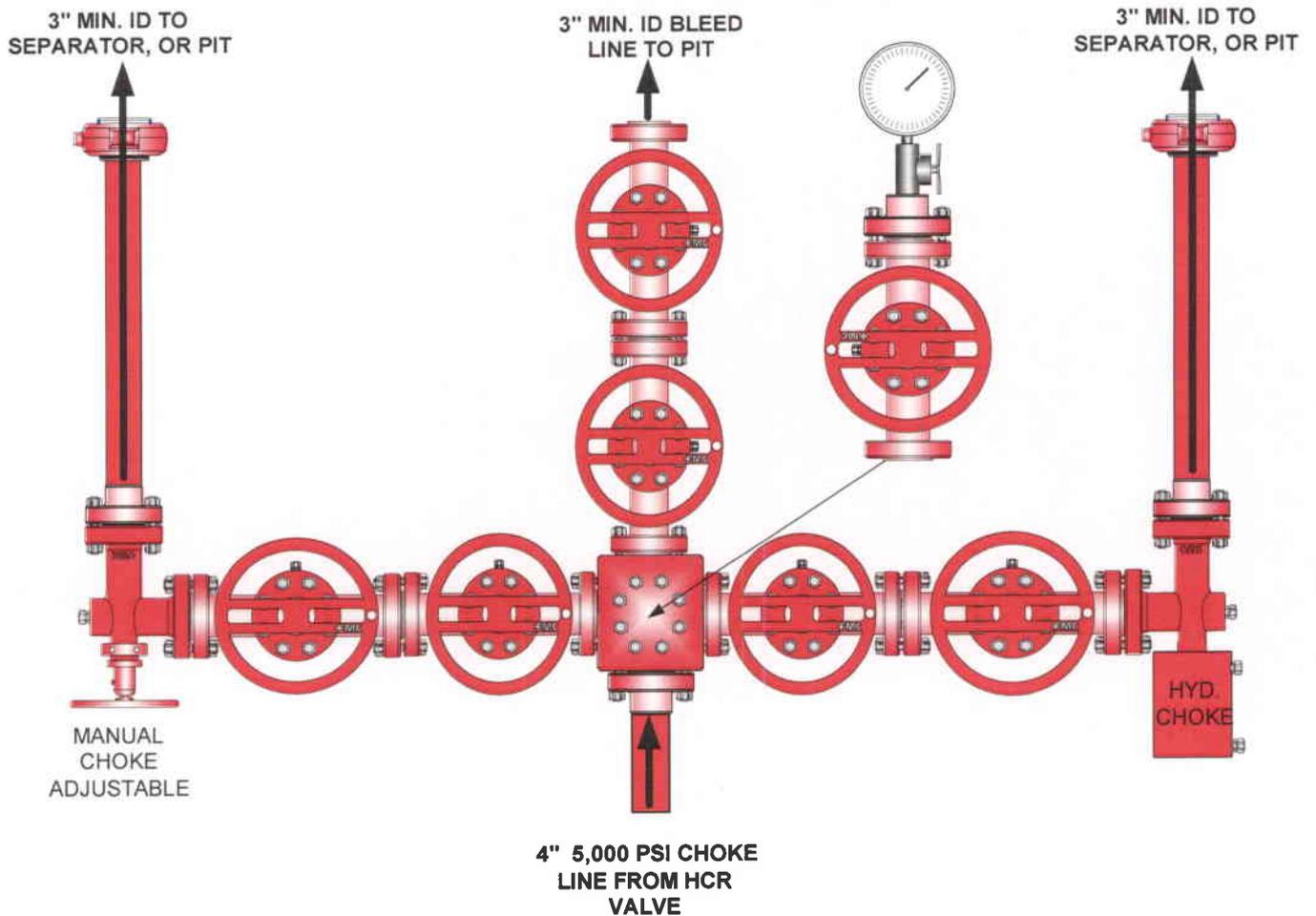
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF 2



Testing Procedure:

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



**EAST CHAPITA 49-16
NWSE, 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 528 feet long with a 30-foot right-of-way, disturbing approximately 0.36 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.20 acres. The pipeline is approximately 925 feet long with a 40-foot right-of-way, disturbing approximately 0.85 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 54.5 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

- A. The access road will be approximately 528' 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 them avoided.

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

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

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

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

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

A. On Well Pad

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400 BBL vertical tanks and attaching piping.
2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

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 925' x 40'. The proposed pipeline leaves the southern edge of the well pad proceeding in a northerly direction for an approximate distance of 925' tying into an existing pipeline for located in the NWSE 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.
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 south corner of the location. The flare pit will be located downwind of the prevailing wind direction on the west side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil east of corner #5. The stockpiled location topsoil will be stored between corners #2 and #8. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the north.

FENCING REQUIREMENTS:

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

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

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

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

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

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Producing Location

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

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

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

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

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 of herbicides or other pesticides or possible hazardous chemicals.
- C. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

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

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

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

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

A cultural resources survey was conducted and submitted 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 49-16 Well, located in the NWSE, 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 #49-16

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

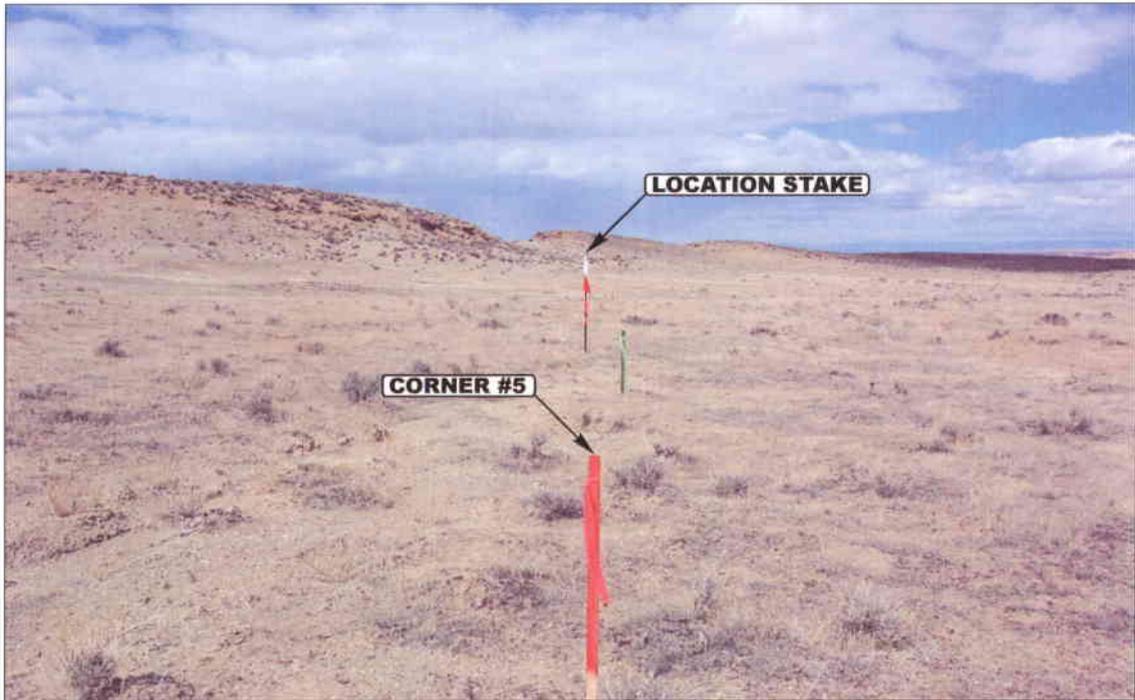


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

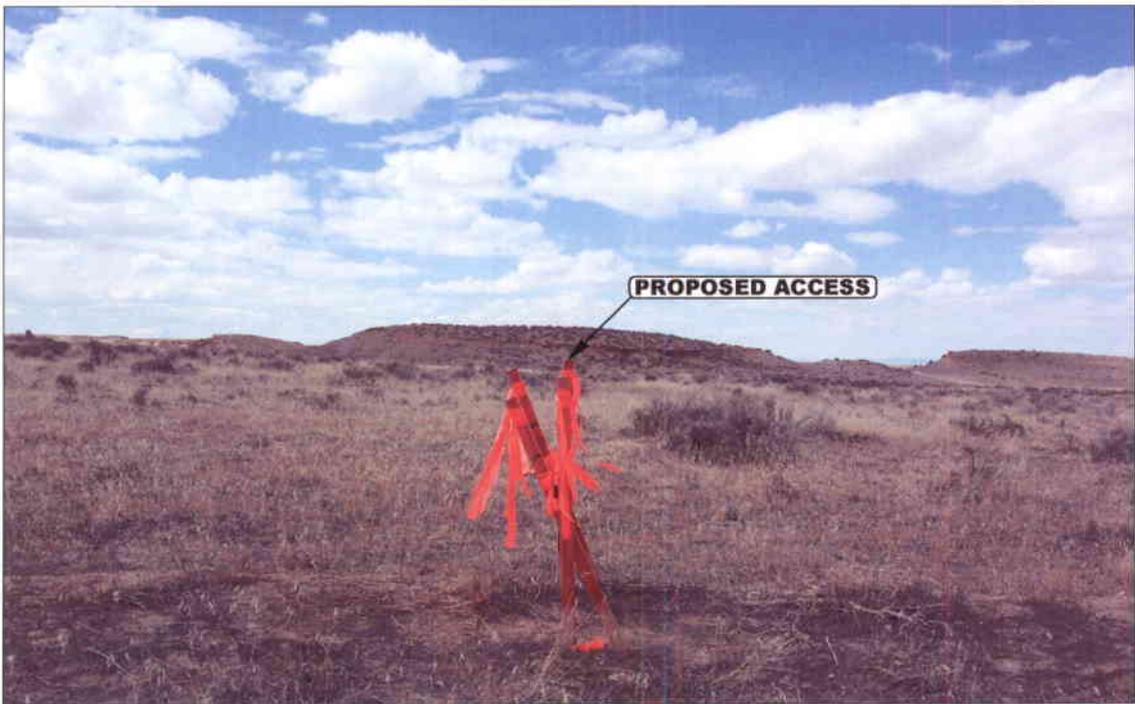


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

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

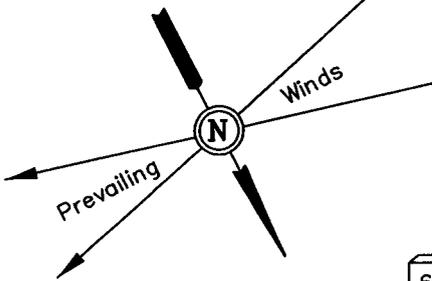
LOCATION PHOTOS	04	20	06	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: B.J.	DRAWN BY: B.C.	REVISED: 00-00-00		

EOG RESOURCES, INC.

FIGURE #1

LOCATION LAYOUT FOR
EAST CHAPITA #49-16
SECTION 16, T9S, R23E, S.L.B.&M.
1990' FSL 1975' FEL

CONSTRUCT
DIVERSION
DITCH



SCALE: 1" = 50'
DATE: 04-20-06
Drawn By: S.L.

C-1.1'
El. 5003.0'

Sta. 3+25

C-1.5'
El. 5003.4'



NOTE:

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

NOTE:
Earthwork Calculations Require a Fill of 0.1' @ the Location Stake For Balance. All Fill is to be Compacted to a Minimum of 95% of the Maximum Dry Density Obtained by AASHTO Method t-99.



Round Corners as needed

DATA

CATWALK

PIPE RACKS

Existing Drainage

F-0.1'
El. 5001.8'

Topsail Stockpile

Sta. 1+50

F-3.3'
El. 4998.6'

Approx. Toe of Fill Slope

El. 5004.1'
C-14.2'
(btm. pit)

Reserve Pit Backfill & Spoils Stockpile

15' WIDE BENCH

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

MUD TANKS

C-0.2'
El. 5002.1'

DOG HOUSE

RIG

WATER

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

TRAILER

TOILET

FUEL

Sta. 0+50

Existing Drainage

STORAGE TANK

Sta. 0+00

El. 5006.1'
C-16.2'
(btm. pit)

20' WIDE BENCH

C-1.8'
El. 5003.7'

C-0.7'
El. 5002.6'

CONSTRUCT DIVERSION DITCH

F-3.3'
El. 4998.6'

Proposed Access Road Install CMP as Needed

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5001.8'
FINISHED GRADE ELEV. AT LOC. STAKE = 5001.9'

EOG RESOURCES, INC.

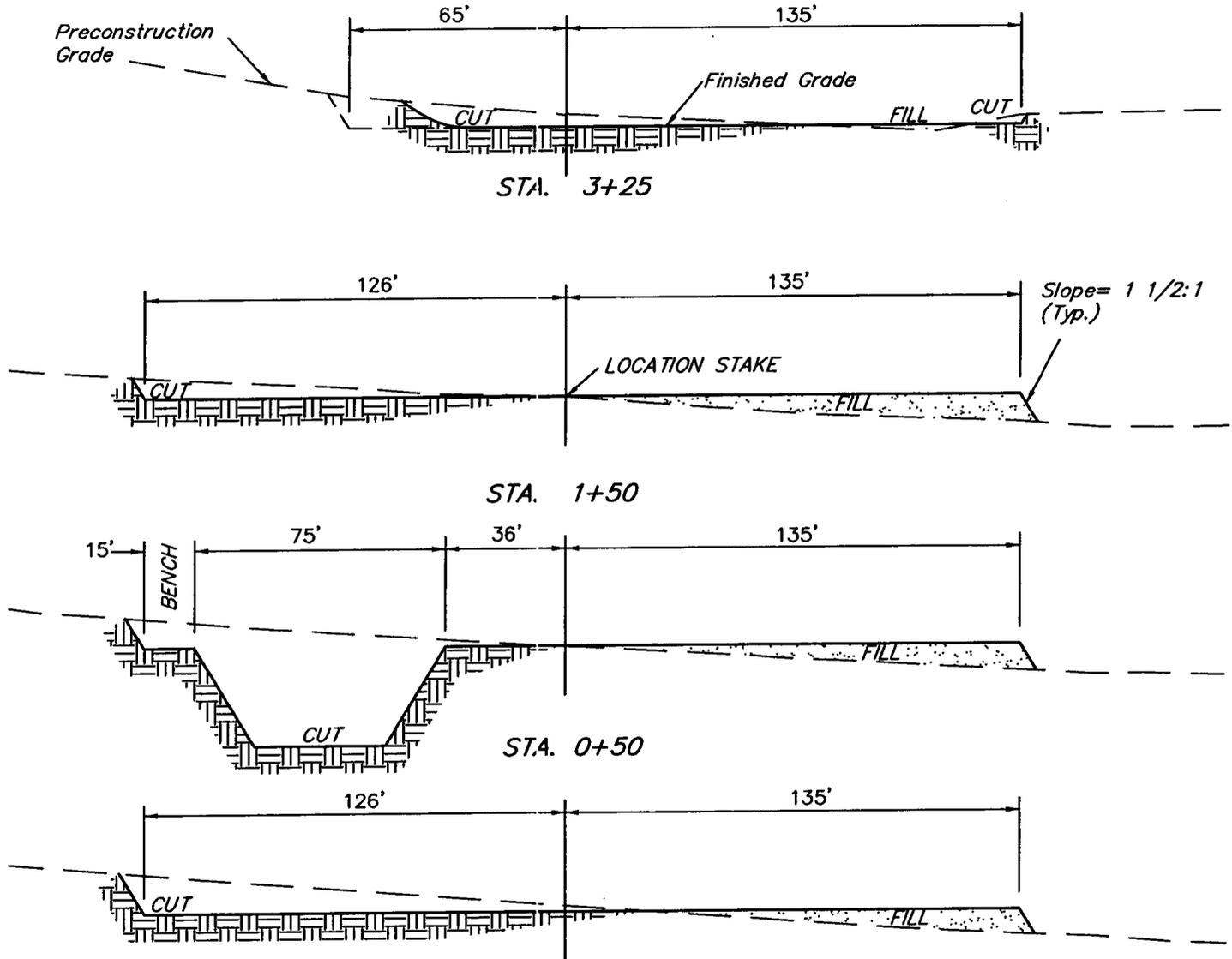
FIGURE #2

TYPICAL CROSS SECTIONS FOR
 EAST CHAPITA #49-16
 SECTION 16, T9S, R23E, S.L.B.&M.
 1990' FSL 1975' FEL



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

DATE: 04-20-06
 Drawn By: S.L.



NOTE:

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

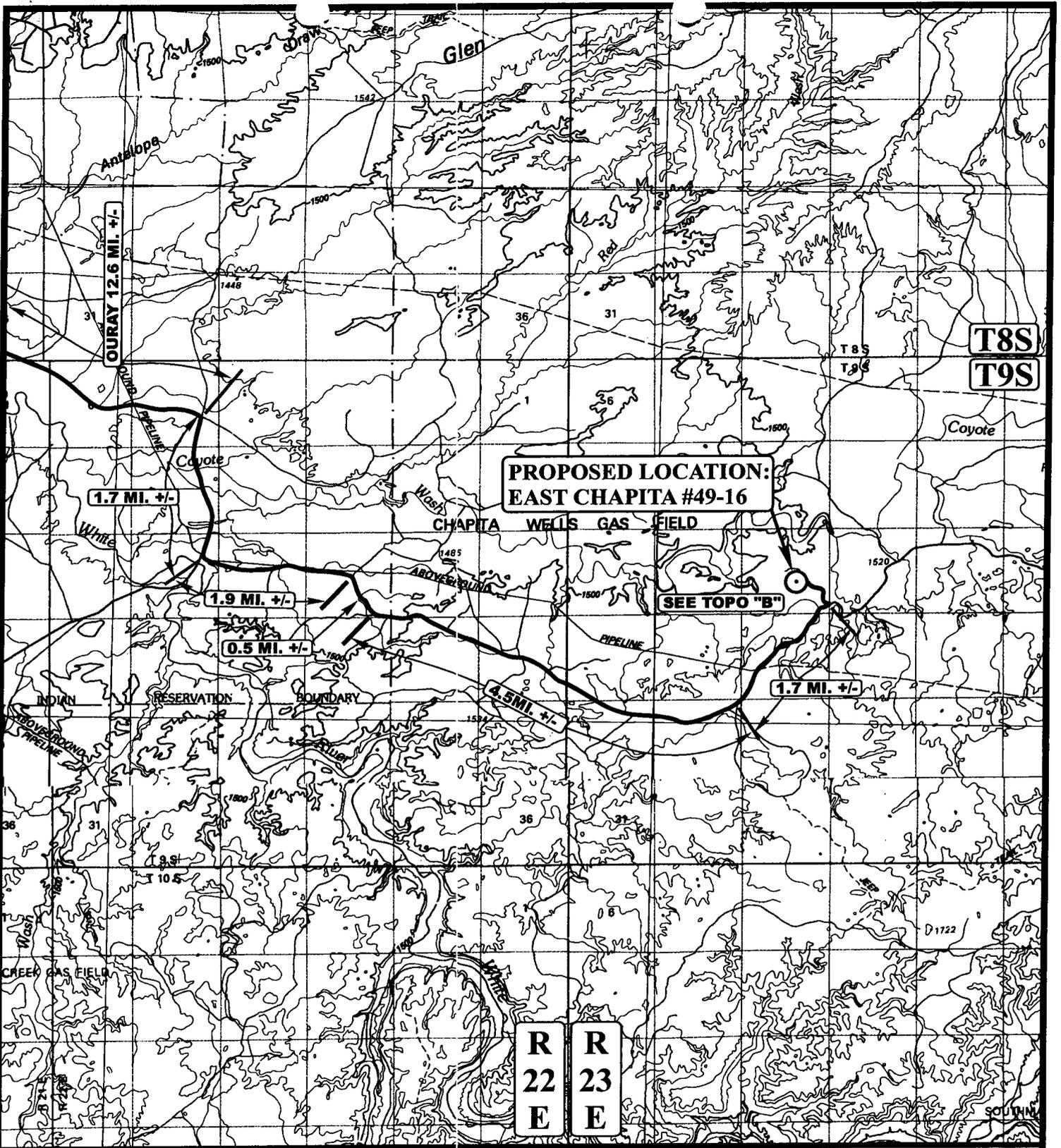
* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,540 Cu. Yds.
Remaining Location	= 4,820 Cu. Yds.
TOTAL CUT	= 6,360 CU.YDS.
FILL	= 3,160 CU.YDS.

EXCESS MATERIAL	= 3,200 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,200 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.



R
22
E

R
23
E

LEGEND:

○ PROPOSED LOCATION

EOG RESOURCES, INC.

EAST CHAPITA #49-16
SECTION 16, T9S, R23E, S.L.B.&M.
1990' FSL 1975' FEL

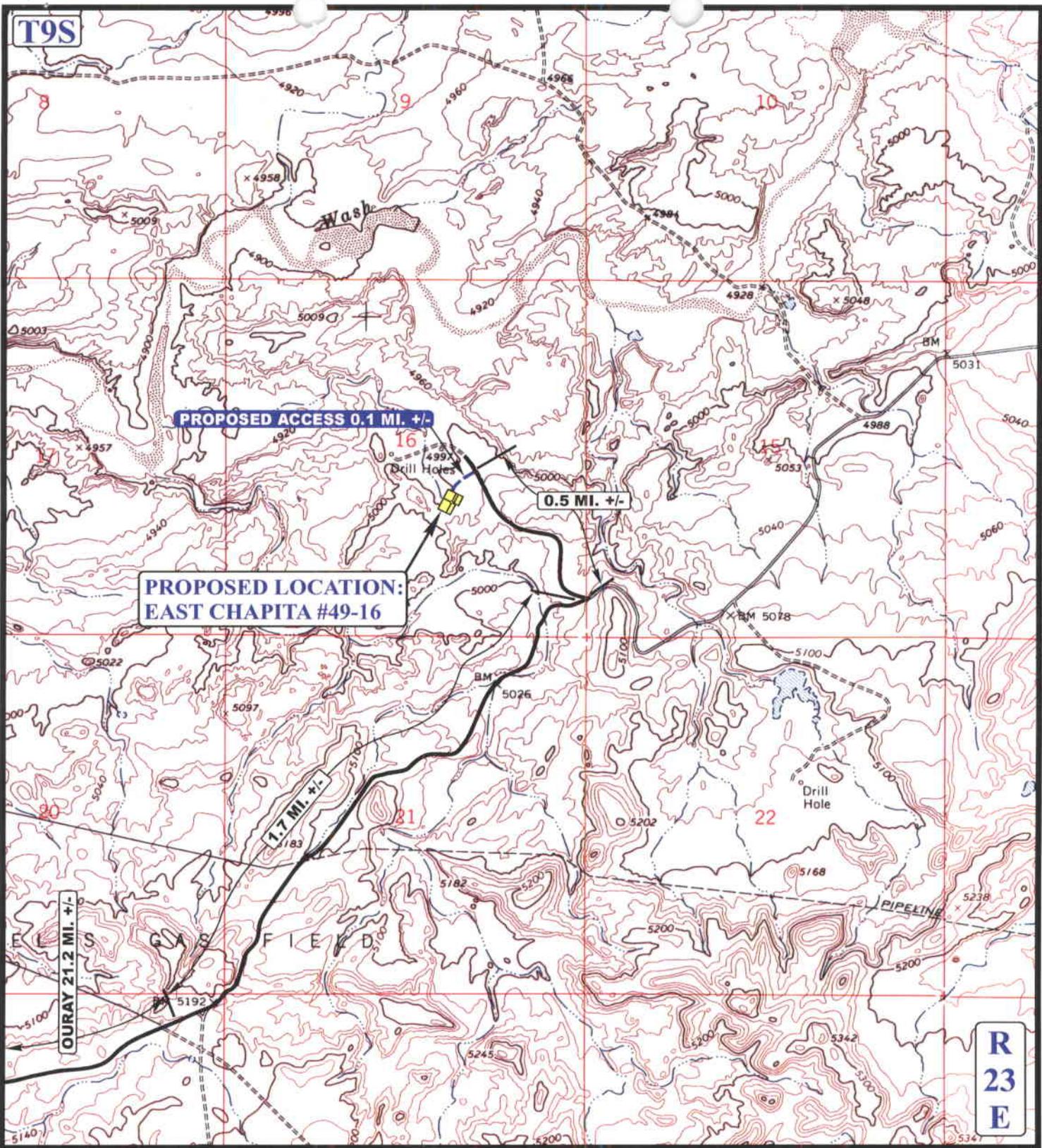
UEIS Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC 04 20 06
MAP MONTH DAY YEAR
 SCALE: 1:100,000 DRAWN BY: B.C. REVISED: 00-00-00



T9S



R
23
E

LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD



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

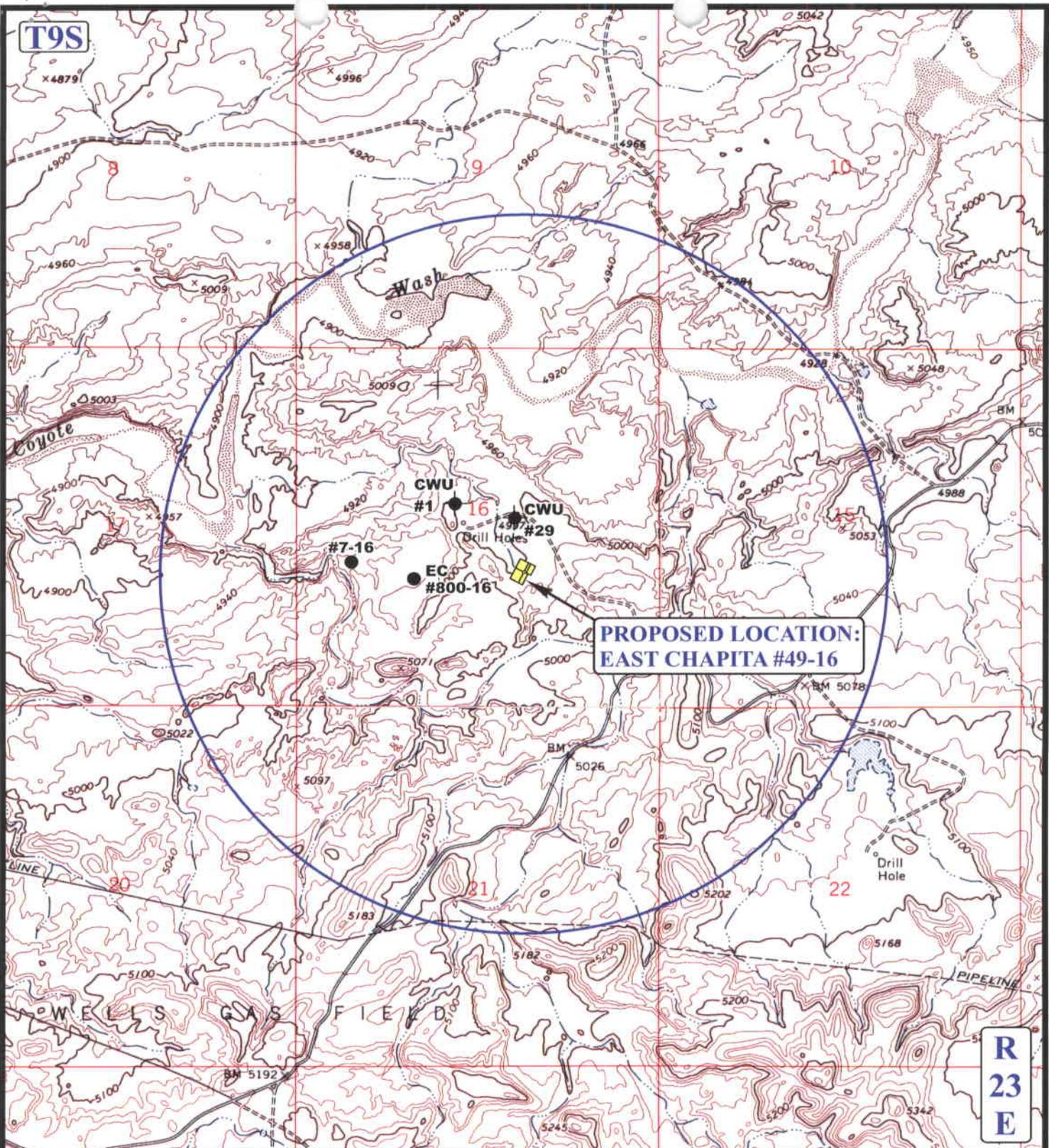


EOG RESOURCES, INC.

EAST CHAPITA #49-16
 SECTION 16, T9S, R23E, S.L.B.&M.
 1990' FSL 1975' FEL

TOPOGRAPHIC MAP 04 20 06
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: B.C. REVISED: 00-00-00





**PROPOSED LOCATION:
EAST CHAPITA #49-16**

LEGEND:

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

EOG RESOURCES, INC.

**EAST CHAPITA #49-16
SECTION 16, T9S, R23E, S.L.B.&M.
1990' FSL 1975' FEL**



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

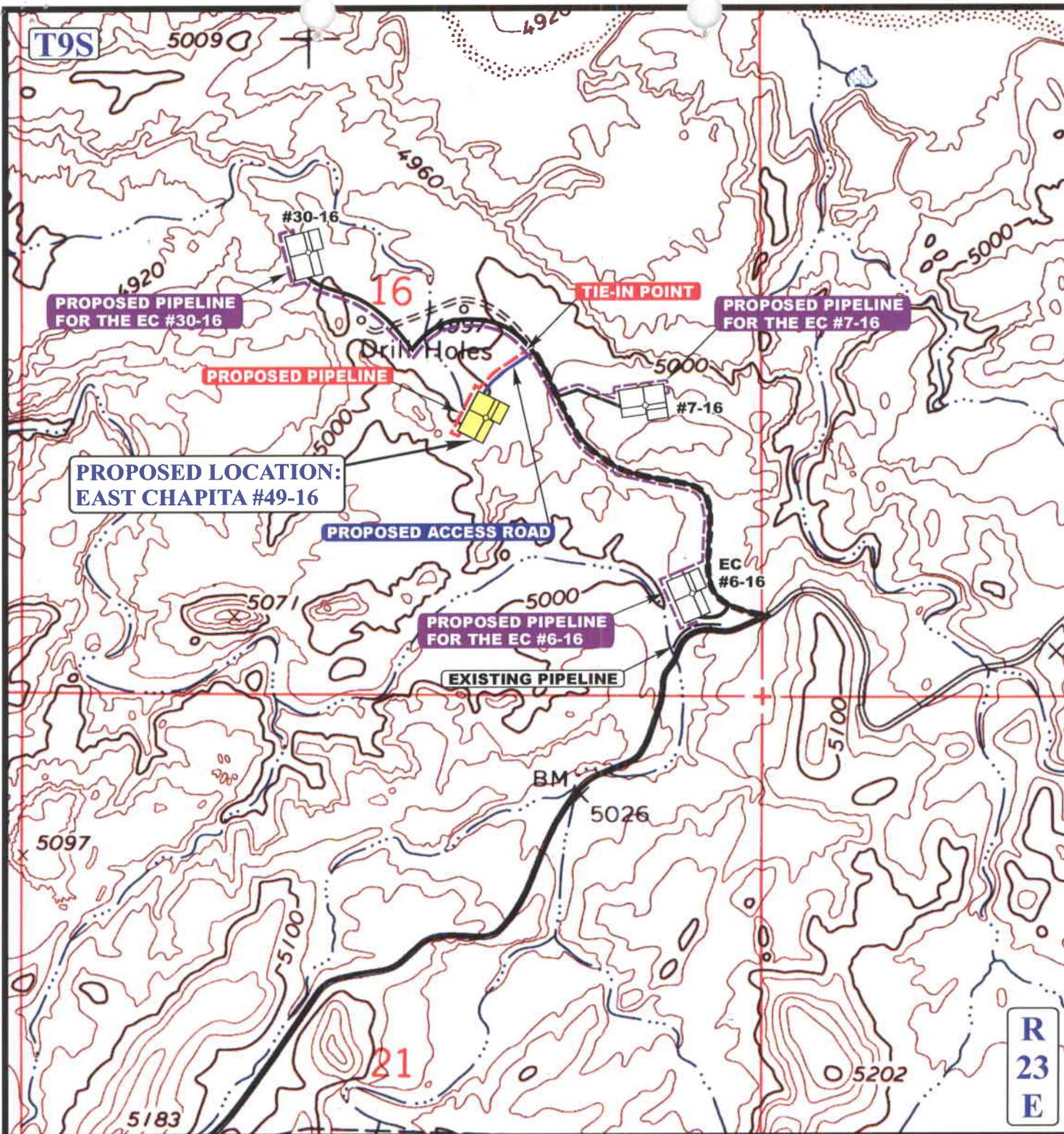


**TOPOGRAPHIC
MAP**

04 20 06
MONTH DAY YEAR

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





APPROXIMATE TOTAL PIPELINE DISTANCE = 925' +/-

LEGEND:

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

EOG RESOURCES, INC.

**EAST CHAPITA #49-16
SECTION 16, T9S, R23E, S.L.B.&M.
1990' FSL 1975' FEL**



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



**TOPOGRAPHIC
MAP**

04 20 06
MONTH DAY YEAR

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



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 02/23/2007

API NO. ASSIGNED: 43-047-39058

WELL NAME: E CHAPITA 49-16

OPERATOR: EOG RESOURCES INC (N9550)

PHONE NUMBER: 435-781-9111

CONTACT: KAYLENE GARDNER

PROPOSED LOCATION:

NWSE 16 090S 230E
 SURFACE: 1990 FSL 1975 FEL
 BOTTOM: 1990 FSL 1975 FEL
 COUNTY: UINTAH
 LATITUDE: 40.03421 LONGITUDE: -109.3288
 UTM SURF EASTINGS: 642587 NORTHINGS: 4432681
 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
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. 6196017)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-1501)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)
(Wasatch, mesaverde)

LOCATION AND SITING:

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

COMMENTS:

Needs Permit (03-06-07)

STIPULATIONS:

- 1- Spacing Strip
- 2- STATEMENT OF BASIS
- 3- Surface Csg Conf Strip
- 4- Conf Strip #3 (4 1/2" production, 2100' mb)
- 5- Commingle

Application for Permit to Drill

Statement of Basis

3/13/2007

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
274	43-047-39058-00-00		GW	S	No
Operator	EOG RESOURCES INC		Surface Owner-APD		
Well Name	E CHAPITA 49-16		Unit		
Field	UNDESIGNATED		Type of Work		
Location	NWSE 16 9S 23E S 1990 FSL 1975 FIEL GPS Coord (UTM) 642587E 4432681N				

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 within 0.1 miles of the location where a new road will be constructed.

The proposed East Chapita #49-16 gas well is in a relative flat area surrounded by low hills on the south. Several small drainages flow through the proposed location and drain toward the northwest. The drainages will be intercepted above the location and diverted around both sides.

Both the surface and minerals for this location are owned by SITLA. Jim Davis of SITLA attended the pre-site visit and had no concerns regarding the proposed 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.

The location appears to be the best site for constructing and operating a well in the immediate area.

Floyd Bartlett
Onsite Evaluator

3/6/2007
Date / Time

Application for Permit to Drill

Statement of Basis

3/13/2007

Utah Division of Oil, Gas and Mining

Page 2

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	Drainages through the proposed pad shall be diverted around the location.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator EOG RESOURCES INC
Well Name E CHAPITA 49-16
API Number 43-047-39058-0 **APD No** 274 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 NWSE **Sec** 16 **Tw** 9S **Rng** 23E 1990 FSL 1975 FEL
GPS Coord (UTM) 642583 4432683 **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 within 0.1 miles of the location where a new road will be constructed.

The proposed East Chapita #49-16 gas well is in a relative flat area surrounded by low hills on the south. Several small drainages flow through the proposed location and drain toward the northwest. The drainages will be intercepted above the location and diverted around both sides.

Surface Use Plan

Current Surface Use

Grazing
Wildlife Habitat

New Road

Miles	Well Pad	Src Const Material	Surface Formation
0.1	Width 261 Length 325	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Poorly vegetated. Halogeton shadscale, cheatgrass and prickly pear are present.

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

Soil Type and Characteristics

Deep sandy loam with very small surface rock.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required Y

Berm Required? N

Erosion Sedimentation Control Required? N

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

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 northeast 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

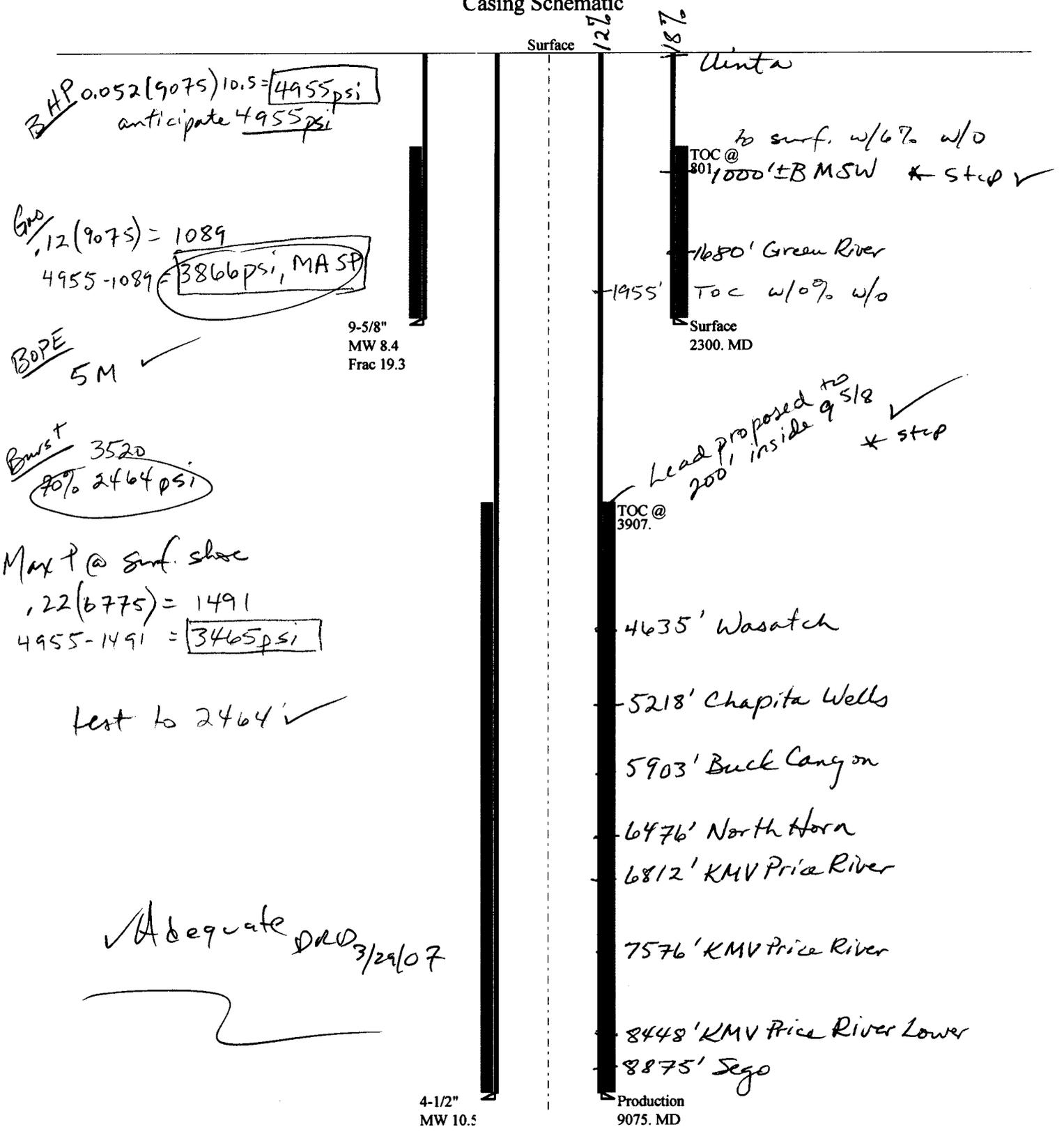
Other Observations / Comments

ATV's were used to access the site.

Floyd Bartlett
Evaluator

3/6/2007
Date / Time

Casing Schematic



BHP $0.052(9075)10.5 = 4955 \text{ psi}$
anticipate 4955 psi

GWO $.12(9075) = 1089$
 $4955 - 1089 = 3866 \text{ psi, MASP}$

BOPE 5M ✓

9-5/8"
MW 8.4
Frac 19.3

Burst 3520
70% 2464 psi

Max P @ Surf. shoe
 $.22(6775) = 1491$
 $4955 - 1491 = 3465 \text{ psi}$

Test to 2464 ✓

✓ Adequate DRO 3/29/07

Surface

12%

18%

Uinta

TOC @ 801' \pm BMSW * stop ✓
to surf. w/6% w/o

-1680' Green River

-1955' TOC w/0% w/o

Surface
2300. MD

Lead proposed to 200' inside of 9 5/8 * stop ✓

TOC @ 3907.

-4635' Wasatch

-5218' Chapita Wells

-5903' Buck Canyon

-6476' North Horn

-6812' KMV Price River

-7576' KMV Price River

-8448' KMV Price River Lower

-8875' Sejo

4-1/2"
MW 10.5

Production
9075. MD

Well name:	2007-03 EOG E Chapita 49-16	
Operator:	EOG Resources Inc.	Project ID:
String type:	Surface	43-047-39058
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: 9,075 ft
 Next mud weight: 10.500 ppg
 Next setting BHP: 4,950 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 (ft³)
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.

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

Well name:	2007-03 EOG E Chapita 49-16	
Operator:	EOG Resources Inc.	Project ID:
String type:	Production	43-047-39058
Location:	Uintah County	

Design parameters:

Collapse

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

Burst

Max anticipated surface pressure: 2,954 psi
 Internal gradient: 0.220 psi/ft
 Calculated BHP: 4,950 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: 7,651 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: 3,907 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 (ft³)
1	9075	4.5	11.60	N-80	LT&C	9075	9075	3.875	791.9
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	4950	6350	1.283	4950	7780	1.57	89	223	2.51 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 9075 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.



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

April 10, 2007

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

Re: East Chapita 49-16 Well, 1990' FSL, 1975' FEL, NW SE, 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 43-047-39058.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA

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.

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:

ML-47045

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:

East Chapita 49-16

2. NAME OF OPERATOR:
EOG RESOURCES, INC.

9. API NUMBER:

43-047-39058

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

PHONE NUMBER:
(435) 789-0790

10. FIELD AND POOL, OR WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1990 FSL - 1975 FEL 40.034156 LAT 109.329561 LON

COUNTY: UINTAH

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

STATE:

UTAH

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

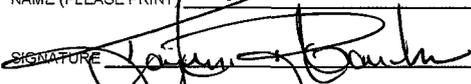
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT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

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

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

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 04-14-08
By: 

NAME (PLEASE PRINT) Kaylene R. Gardner TITLE Lead Regulatory Assistant
SIGNATURE  DATE 4/8/2008

(This space for State use only)

COPY SENT TO OPERATOR
Date: 4-15-2008
Initials: KS

(See Instructions on Reverse Side)

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APR 10 2008

DIV. OF OIL, GAS & MINING

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

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

API: 43-047-39058
Well Name: East Chapita 49-16
Location: 1990 FSL - 1975 FEL (NWSE), SECTION 16, T9S, R23E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 4/10/2007

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

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

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

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

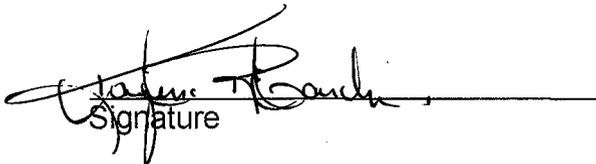
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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

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

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

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


Signature

4/8/2008

Date

Title: Lead Regulatory Assistant

Representing: EOG Resources, Inc.

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APR 10 2008
DIV. OF OIL, GAS & MINING

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG Resources, Inc.

Well Name: E Chapita 49-16

API No: 43-047-39058 Lease Type: State

Section 16 Township 09S Range 23E County Uintah

Drilling Contractor Rocky Mountain Drilling Rig # Bucket

SPUDDED:

Date 6-02-08

Time 8:30 AM

How Dry

Drilling will Commence: _____

Reported by Jerry Barns

Telephone # 435-828-1720

Date 6-02-08 Signed RM

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
43-047-37459	Chapita Wells Unit 690-34		SWSE	34	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
BA	99999	16892	5/31/2008		6/19/2008		
Comments: Wasatch well NHORN = WSTC							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39058	East Chapita 49-16		NWSE	16	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	16893	6/2/2008		6/19/08		
Comments: Wasatch/Mesaverde well							

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)

Signature

Regulatory Assistant

Title

6/2/2008

Date

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JUN 02 2008

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: East Chapita 49-16	
2. NAME OF OPERATOR: EOG RESOURCES, INC.		9. API NUMBER: 43-047-39058
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: 1990 FSL - 1975 FEL 40.034156 LAT 109.329561 LON COUNTY: Uintah		
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 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		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: <u>Well spud</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

The referenced well spud on 6/2/2008.

NAME (PLEASE PRINT) <u>Mary A. Maestas</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u><i>Mary A Maestas</i></u>	DATE <u>6/2/2008</u>

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JUN 04 2008
DIV. OF OIL, GAS & MINING

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
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1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: East Chapita 49-16
2. NAME OF OPERATOR: EOG RESOURCES, INC.		9. API NUMBER: 43-047-39058
3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202		10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverde
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1990 FSL - 1975 FEL 40.034156 LAT 109.329561 LON		COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 16 9S 23E S.L.B. & M		STATE: UTAH

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TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
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	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

EOG Resources, Inc. requests 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) <u>Mary A. Maestas</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u>Mary A. Maestas</u>	DATE <u>6/2/2008</u>

(This space for State use only)

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JUN 04 2008

DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: EOG RESOURCES, INC.		8. WELL NAME and NUMBER: East Chapita 49-16
3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202		9. API NUMBER: 43-047-39058
PHONE NUMBER: (303) 824-5526		10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverde
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1990 FSL - 1975 FEL 40.034156 LAT 109.329561 LON COUNTY: Uintah		
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 16 9S 23E S.L.B. & M STATE: UTAH		

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TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
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	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

The referenced well was turned to sales on 9/22/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

NAME (PLEASE PRINT) <u>Mary A. Maestas</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u><i>Mary A. Maestas</i></u>	DATE <u>9/25/2008</u>

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OCT 01 2008
DIV. OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 09-25-2008

Well Name	ECW 049-16	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API #	43-047-39058	Well Class	ISA
County, State	UINTAH, UT	Spud Date	07-23-2008	Class Date	09-22-2008
Tax Credit	N	TVD / MD	9,075/ 9,075	Property #	059261
Water Depth	0	Last CSG	2.375	Shoe TVD / MD	0/ 0
KB / GL Elev	5,015/ 5,002				
Location	Section 16, T9S, R23E, NWSE, 1990 FSL & 1975 FEL				

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

AFE No 304105 **AFE Total** 1,974,900 **DHC / CWC** 838,700/ 1,136,200

Rig Contr TRUE **Rig Name** TRUE #26 **Start Date** 03-05-2007 **Release Date** 07-31-2008

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
			1990' FSL & 1975' FEL (NW/SE)
			SECTION 16, T9S, R23E
			UINTAH COUNTY, UTAH
			 LAT 40.034189, LONG 109.328883 (NAD 27)
			 TRUE #26
			OBJECTIVE: 9075' TD, MESAVERDE
			DW/GAS
			EAST CHAPITA PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			 LEASE: ML 47045
			ELEVATION: 5001.8' NAT GL, 5001.9' PREP GL (DUE TO ROUNDING THE PREP IS 5002' GL), 5015' KB (13')
			 EOG WI 100%, NRI 81%

05-20-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling \$38,000 **Completion** \$0 **Daily Total** \$38,000

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

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description
 06:00 06:00 24.0 LOCATION STARTED TODAY 05/20/08.

05-21-2008 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.

05-22-2008 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.

05-23-2008 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 IN PIT.

05-27-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description
 06:00 06:00 24.0 LINE TOMORROW. WEATHER PERMITTING.

05-28-2008 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	LINE TODAY.

05-29-2008 **Reported By** TERRY CSERE

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

Activity at Report Time: WO BUCKET TRUCK

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

06-03-2008 **Reported By** JERRY BARNES

Daily Costs: 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 06/02/08 @ 8:30 AM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 06/02/08 @ 8:00 AM.

07-02-2008 **Reported By** DALL COOK

Daily Costs: Drilling \$197,057 **Completion** \$0 **Daily Total** \$197,057
Cum Costs: Drilling \$235,057 **Completion** \$0 **Well Total** \$235,057
MD 2,428 **TVD** 2,428 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG # 3 ON 6/3/2008. DRILLED 12-1/4" HOLE TO 2428' GL. ENCOUNTERED WATER @ 2010'. RAN 57 JTS (2425.40') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2438' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO CRAIGS RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1500 PSIG. PUMPED 180 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (146 BBLs) OF PREMIUM LEAD CEMENT W/0.2% VARASET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/YIELD OF 4.1 CF/SX.

TAILED IN W/200 SX (42 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED TAIL CEMENT TO 15.6 W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/184 BBLs FRESH WATER. BUMPED PLUG W/700# @ 7:52 PM, 6/6/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 50 SX (10 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 18 HRS. RDMO HALLIBURTON CEMENTERS

TOP JOB # 2: MIRU HALLIBURTON CEMENTERS. MIXED & PUMPED 150 SX (31 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.

MIRU GLENN'S WIRELINE SERVICE. RAN IN HOLE W/STRAIGHT HOLE SURVEY. TAGGED CEMENT @ 2298'. PICKED UP TO 2278' & TOOK SURVEY - 2.0°.

CONDUCTOR LEVEL RECORD: PS= 90.0 OPS= 90.0 VDS= 89.9 MS= 89.9.
 9 5/8 CASING LEVEL RECORD: PS= 89.7 OPS= 89.8 VDS= 89.9 NS= 89.7.

DALL COOK NOTIFIED DAVE HACKFORD W/UDOGM OF THE SURFACE CASING & CEMENT JOB ON 6/4/2008 @ 8:45 AM.

07-22-2008	Reported By	TOM HARKINS									
DailyCosts: Drilling	\$35,512	Completion	\$0	Daily Total	\$35,512						
Cum Costs: Drilling	\$270,570	Completion	\$0	Well Total	\$270,570						
MD	2,428	TVD	2,428	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	12:30	6.5	RDMO,HOLD SAFETY MEETING W/TRISTATE.								
12:30	16:30	4.0	RIG UP ON NEW LOCATION WITH TRUCKS ,TRUCKS RELEASED @ 1630.								
16:30	20:30	4.0	C/O BLOCKS,DERRICK UP @ 2030 ,WELDERS WORKING ON PITS,WELDER WORKING ON FLOOR PLATES.								
20:30	06:00	9.5	PREP FOR INSPECTORS,PUT DRILLPIPE ON RACKS,SET UP BHA ON RACK CREWS FULL , NO ACCIDENTS REPORTED, SAFETY MEETING,R/D W/TRUCKS,PPE FUEL ON HAND 1934 WILL HAVE WELDERS WORKING ON PIT, WILL FINISH FLOOR PLATES,DRILL PIPE INSPECTOR WILL START TO DAY								

07-23-2008	Reported By	TOM HARKINS									
DailyCosts: Drilling	\$63,293	Completion	\$0	Daily Total	\$63,293						
Cum Costs: Drilling	\$333,863	Completion	\$0	Well Total	\$333,863						
MD	2,428	TVD	2,428	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: DRILLING CEMENT & FLOAT EQUIP											
Start	End	Hrs	Activity Description								
06:00	17:30	11.5	R/U ROTARY TOOLS, HELP WELDERS , CAT 3 INSPECTION ON DRILL PIPE.								
17:30	19:30	2.0	N/U BOPS , SET FLARE ;LINES. RIG ACCEPTED @ 1930 7-22-2008								
19:30	23:00	3.5	TEST BOPS - PIPE RAMS , BLIND RAMS , KILL LINE AND VALVES , CHOKE LINES AND MANIFOLD ,FLOOR VALVES , UPPER AND LOWER KELLY COCK , TO 250 PSI F/ 5 MIN., 5000 PSI FOR 10 MIN . TEST ANNULAR TO 250 PIS F/ 5 MIN, 2500 PSI FOR 10 MIN , TEST CSG TO 1500 PSI FOR 30 MIN.FUNCTION TEST ACCUMULATOR.								
23:00	23:30	0.5	INSTALL WEAR BUSHING.								

23:30 00:00 0.5 R/U L/D TRUCK
 00:00 03:00 3.0 HOLD SAFETY MEETING P/U BHA AND DRILL PIPE TAG CEMENT @ 2353'.
 03:00 03:30 0.5 R/U L/D TRUCK
 03:30 04:00 0.5 INSTALL ROT HEAD RUBBER.
 04:00 06:00 2.0 DRILL CEMENT/FLOAT EQUIP.
 CREW DAYLIGHT ONE SHORT ALL OTHERS FULL,NO ACCIDENTS REPORTED , SAFETY MEETING , R/U
 ROTARY TOOLS, P/U BHA ,
 FUEL ON HAND 6582.
 RECEAVED 4500 GAL
 MDWT H2O
 FUNCTION TEST COM 1
 FORMATION TOP.
 UNMANNED LOGGER DAY 1

07-24-2008	Reported By	BENNY BLACKWELL/TOM HARKINS									
DailyCosts: Drilling	\$38,187	Completion	\$0	Daily Total	\$38,187						
Cum Costs: Drilling	\$372,050	Completion	\$0	Well Total	\$372,050						
MD	4,456	TVD	4,456	Progress	1,997	Days	1	MW	8.7	Visc	27.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: DRILLING @ 4456'											

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILL CEMENT FROM RAT HOLE AND 10' OF FORMATION FOR FIT F/ 2457' - 2495'.
06:30	07:00	0.5	PERFORM FIT W/8.6 PPG FLUID & 346 PSI SURFACE PRESSURE @ 2495' = 11.2 PPG EMW.
07:00	07:30	0.5	DRILL F/ 2495' - 2559', 18 - 20K WOB, 60 RPM @ TABLE, 1410 PSI @ 120 SPM = 420 GPM = 67 RPM @ MOTOR, 128 FPH.
07:30	08:00	0.5	SURVEY @ 2484' - 3 DEG.
08:00	09:30	1.5	DRILL F/2559' - 2717', 18 - 20K WOB, 65-70 RPM @ TABLE, 1410 PSI @ 120 SPM = 420 GPM = 67 RPM @ MOTOR, 105 FPH.
09:30	10:00	0.5	SERVICE RIG - DAILY RIG SERVICE.
10:00	18:00	8.0	DRILL F/ 2717' - 3604', 18 - 20K WOB, 65-70 RPM @ TABLE, 1410 PSI @ 120 SPM = 420 GPM = 67 RPM @ MOTOR, 110.87 FPH.
18:00	18:30	0.5	SURVEY @ 3525' - 2 DEG.
18:30	02:30	8.0	DRILL F/ 3604' - 4456', 18 - 20K WOB, 65-70 RPM @ TABLE, 1500 PSI @ 120 SPM = 420 GPM = 67 RPM @ MOTOR, 106.5 FPH.
02:30	03:00	0.5	SURVEY @ 4381' - 2 DEG.
03:00	04:30	1.5	CIRC W/ DUPLEX PUMP AND WAIT ON WELDER - DISCHARGE ON #2 PUMP WASHED.
04:30	06:00	1.5	CIRC W/ DUPLEX PUMP WHILE WELDING ON #2 PUMP - WASHED DISCHARGE.

DAYLIGHT 1 MAN SHORT OTHERS FULL CREW: NO INCIDENTS.
 SAFETY MEETINGS:, COMMUNICATION (1),BOP DRILL (1), LOCK OUT TAG OUT (1).
 BOP DRILL: EVENING TOUR (80 SECS), MORNING TOUR (90 SECS) .
 OPERATED COM (3), WITNESSED (1).
 FUEL REC'D: 0 GALS DIESEL.
 FUEL ON HAND: 5535 GAL, FUEL USED: 1047 GALS.
 MUD WT: 9.0 PPG, VIS: 30.
 BG GAS:90 U, PEAK GAS 4313 U @ 2810', TRIP GAS: N/A U.
 FORMATION: MAHONGANY OIL SHALE @ 2369'.

UNMANNED LOGGING UNIT - DAY 1.

06:00 06:00 24.0 SPUD 7 7/8" HOLE @ 07:00 HRS, 7/23/08.

07-25-2008 Reported By BENNY BLACKWELL

Daily Costs: Drilling	\$37,448	Completion	\$597	Daily Total	\$38,045
Cum Costs: Drilling	\$409,499	Completion	\$597	Well Total	\$410,096

MD	4,846	TVD	4,846	Progress	390	Days	2	MW	9.0	Visc	33.0
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Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
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Activity at Report Time: TIH W/NEW BIT

Start	End	Hrs	Activity Description
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06:00	12:30	6.5	DRILL F/ 4456' - 4677', 18 - 20K WOB, 65-70 RPM @ TABLE, 1000 PSI @ 60 SPM = 399 GPM = 64 RPM @ MOTOR, 34 FPH (DRILLING W/ DUPLEX PUMP).
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12:30	13:00	0.5	SERVICE RIG - DAILY RIG SERVICE.
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13:00	17:00	4.0	DRILL F/ 4677' - 4846', 10 - 20K WOB, 65-70 RPM @ TABLE, 1000 PSI @ 60 SPM = 399 GPM = 64 RPM @ MOTOR, 33.8 FPH (DRILLING W/ DUPLEX PUMP).
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17:00	18:30	1.5	CIRC FOR BIT TRIP (HIGH DIFF PRESSURE ON MOTOR), PREPARE & PUMP PILL.
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18:30	20:30	2.0	POOH TO SHOE.
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20:30	03:00	6.5	REPAIR #2 PUMP - FINISH INSTALLING NEW POD #2 CYL.
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03:00	05:30	2.5	CONTINUE TRIP OUT OF HOLE FOR BIT # 2, L/D REAMERS, MUD MOTOR, & BIT.
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05:30	06:00	0.5	P/U BIT #2 & MUD MOTOR AND RUN IN HOLE.
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FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: LOCK OUT TAG OUT (2), TRIPPING PIPE (1).

BOP DRILL: DAYLIGHT TOUR (80 SECS).

OPERATED COM (4), WITNESSED (2).

FUEL REC'D: 0 GALS DIESEL.

FUEL ON HAND: 4862 GAL, FUEL USED: 673 GALS.

MUD WT: 9.1 PPG, VIS: 30.

BG GAS: 40 U, PEAK GAS 136 U @ 4612', TRIP GAS: N/A U.

FORMATION: WASATCH @ 4632'.

UNMANNED LOGGING UNIT - DAY 2.

07-26-2008 Reported By BENNY BLACKWELL

Daily Costs: Drilling	\$36,022	Completion	\$0	Daily Total	\$36,022
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Cum Costs: Drilling	\$445,521	Completion	\$597	Well Total	\$446,118
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MD	5,708	TVD	5,708	Progress	862	Days	3	MW	9.5	Visc	33.0
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Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
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Activity at Report Time: DRILLING @ 5708'

Start	End	Hrs	Activity Description
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06:00	15:30	9.5	RUN IN HOLE W/ BIT #2 TO 4641' - BREAK, REDOPE, & MAKE UP EVERY CONNECTION ON DRILL PIPE.
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15:30	18:00	2.5	BLOCKS WOUND NOT LOCK TO PICK UP KELLY - WORK ON BLOCK LOCK ASSY.
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18:00	19:30	1.5	WASH AND REAM 150' TO BOTTOM.
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19:30	06:00	10.5	DRILL F/ 4846' - 5708', 10 - 20K WOB, 65-70 RPM @ TABLE, 1475 PSI @ 120 SPM = 420 GPM = 67 RPM @ MOTOR, 82.10 FPH.
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FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: TRIPPING PIPE (2).

BOP DRILL: DAYLIGHT TOUR (80 SECS) .
 OPERATED COM (4), WITNESSED (1).
 FUEL REC'D: 0 GALS DIESEL.
 FUEL ON HAND: 4189 GAL, FUEL USED: 673 GALS.
 MUD WT: 9.3 PPG, VIS: 31.
 BG GAS:60 U, PEAK GAS 2479 U @ 5365', TRIP GAS: 1282 U.
 FORMATION: CHAPITA WELLS @ 5215'.
 UNMANNED LOGGING UNIT - DAY 3.

07-27-2008 **Reported By** BENNY BLACKWELL

Daily Costs: Drilling	\$37,153	Completion	\$0	Daily Total	\$37,153
Cum Costs: Drilling	\$482,675	Completion	\$597	Well Total	\$483,272

MD 6,960 **TVD** 6,960 **Progress** 1,252 **Days** 4 **MW** 9.4 **Visc** 35.0

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

Activity at Report Time: DRILLING @ 6960'

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILL F/ 5708' - 6151', 10 - 20K WOB, 65-70 RPM @ TABLE, 1575 PSI @ 120 SPM = 420 GPM = 67 RPM @ MOTOR, 68.15 FPH.
12:30	13:00	0.5	SERVICE RIG - DAILY RIG SERVICE.
13:00	13:30	0.5	DRILL F/ 6151' - 6182, 10 - 20K WOB, 65-70 RPM @ TABLE, 1575 PSI @ 120 SPM = 420 GPM = 67 RPM @ MOTOR, 62 FPH.
13:30	14:30	1.0	REPLACE LOCK ON TRAVELING BLOCKS.
14:30	06:00	15.5	DRILL F/ 6182' -6960', 10 - 20K WOB, 65-70 RPM @ TABLE, 1650 PSI @ 120 SPM = 420 GPM = 67 RPM @ MOTOR, 50.19 FPH.

FULL CREWS: NO INCIDENTS.
 SAFETY MEETINGS:WORKING W/ NEW HANDS (3).
 BOP DRILL: DAYLIGHT (90 SECS) .
 OPERATED COM (3), WITNESSED (1).
 FUEL REC'D: 0 GALS DIESEL.
 FUEL ON HAND: 2492 GAL, FUEL USED: 1122 GALS.
 MUD WT: 9.3 PPG, VIS: 30.
 BG GAS:100 U, PEAK GAS 4278 U @ 6109', TRIP GAS: N/A U.
 FORMATION: PRICE RIVER @ 6809'.
 UNMANNED LOGGING UNIT - DAY 4.

07-28-2008 **Reported By** BENNY BLACKWELL

Daily Costs: Drilling	\$37,248	Completion	\$0	Daily Total	\$37,248
Cum Costs: Drilling	\$519,923	Completion	\$597	Well Total	\$520,520

MD 7,857 **TVD** 7,857 **Progress** 897 **Days** 5 **MW** 9.3 **Visc** 33.0

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

Activity at Report Time: DRILLING @ 7857'

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILL F/ 6960' - 7133', 10 - 20K WOB, 65-70 RPM @ TABLE, 1650 PSI @ 120 SPM = 420 GPM = 67 RPM @ MOTOR, 43.4 FPH.
10:00	10:30	0.5	SERVICE RIG - DAILY RIG SERVICE.
10:30	06:00	19.5	DRILL F/ 7133' - 7857', 10 - 20K WOB, 65-70 RPM @ TABLE, 1650 PSI @ 120 SPM = 420 GPM = 67 RPM @ MOTOR, 37.12 FPH.

FULL CREWS: NO INCIDENTS.
 SAFETY MEETINGS: DRLG OPERATIONS (3).
 BOP DRILL: DAYLIGHT (71 SECS) .
 OPERATED COM (3), WITNESSED (1).
 FUEL REC'D: 0 GALS DIESEL.
 FUEL ON HAND:1770 GAL, FUEL USED: 1347 GALS.
 MUD WT: 11.0 PPG, VIS: 35.
 BG GAS:220 U, PEAK GAS 4736 U @ 7347', TRIP GAS: N/A U.
 FORMATION: PRICE RIVER MIDDLE @ 7573'.
 UNMANNED LOGGING UNIT - DAY 5.

07-29-2008	Reported By	BENNY BLACKWELL									
DailyCosts: Drilling	\$111,423	Completion	\$0	Daily Total	\$111,423						
Cum Costs: Drilling	\$631,347	Completion	\$597	Well Total	\$631,944						
MD	8,425	TVD	8,425	Progress	568	Days	6	MW	11.0	Visc	40.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: DRILLING @ 8425'											

Start	End	Hrs	Activity Description
06:00	06:30	0.5	CIRC FOR BIT TRIP, PREPARE PILL.
06:30	07:00	0.5	PUMP PILL DROP SURVEY.
07:00	10:30	3.5	POOH FOR BIT #3 - NO HOLE PROBLEMS.
10:30	11:30	1.0	L/D BIT & MOTOR #2, P/U BIT & MOTOR #3.
11:30	14:30	3.0	RUN IN HOLE TO 7797' - NO HOLE PROBLEMS.
14:30	15:00	0.5	WASH & REAM 60' TO BOTTOM - NO PROBLEMS.
15:00	06:00	15.0	DRILL F/ 7857' - 8425', 10 - 20K WOB, 65-70 RPM @ TABLE, 1650 PSI @ 120 SPM = 420 GPM = 67 RPM @ MOTOR, 37.86 FPH.

FULL CREWS: NO INCIDENTS.
 SAFETY MEETINGS: TRIPPING PIPE (2), PROPER LIFTING (1).
 BOP DRILL: MORNING (80 SECS) .
 OPERATED COM (5), WITNESSED (2).
 FUEL REC'D: 4500 GALS DIESEL.
 FUEL ON HAND: 5161 GAL, FUEL USED: 1059 GALS.
 MUD WT: 11.1 PPG, VIS: 34.
 BG GAS:240 U, PEAK GAS 7229 U @ 8327', TRIP GAS: 419 U.
 FORMATION: PRICE RIVER MIDDLE @ 7573'.
 UNMANNED LOGGING UNIT - DAY 6.

07-30-2008	Reported By	BENNY BLACKWELL									
DailyCosts: Drilling	\$43,838	Completion	\$0	Daily Total	\$43,838						
Cum Costs: Drilling	\$675,185	Completion	\$597	Well Total	\$675,782						
MD	9,030	TVD	9,030	Progress	605	Days	7	MW	11.2	Visc	33.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: DRILLING @ 9030'											

Start	End	Hrs	Activity Description
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06:00 08:00 2.0 DRILL F/ 8425' - 8453', 10 - 20K WOB, 65-70 RPM @ TABLE, 1650 PSI @ 120 SPM = 420 GPM = 67 RPM @ MOTOR, 14 FPH.

08:00 09:00 1.0 CIRC FOR BIT TRIP (LOW ROP) - PREPARE & PUMP PILL.

09:00 12:00 3.0 POOH FOR BIT #4 - NO HOLE PROBLEMS.

12:00 13:00 1.0 L/D BIT & MOTOR #3, P/U BIT & MOTOR #4.

13:00 16:30 3.5 RUN IN HOLE TO 8400' W/ BIT #4 - NO HOLE PROBLEMS.

16:30 17:00 0.5 WASH & REAM 53' TO BOTTOM.

17:00 17:30 0.5 DRILL F/ 8453' - 8482', 10 - 20K WOB, 65-70 RPM @ TABLE, 2050 PSI @ 115 SPM = 419 GPM = 64 RPM @ MOTOR, 58 FPH.

17:30 18:00 0.5 SERVICE RIG - DAILY RIG SERVICE.

18:00 06:00 12.0 DRILL F/ 8482' - 9030', 10 - 20K WOB, 65-70 RPM @ TABLE, 2050 PSI @ 112 SPM = 391 GPM = 63 RPM @ MOTOR, 45.66 FPH.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: WORKING W/ ELECTRICITY (3).

BOP DRILL: NONE.

OPERATED COM (5), WITNESSED (2).

FUEL REC'D: 0 GALS DIESEL.

FUEL ON HAND: 4039 GAL, FUEL USED: 1122 GALS.

MUD WT: 11.7 PPG, VIS: 36.

BG GAS: 750 U, PEAK GAS 8270 U @ 8780', TRIP GAS: 3198 U.

FORMATION: SEGO @ 8881'.

UNMANNED LOGGING UNIT - DAY 7.

07-31-2008	Reported By	BENNY BLACKWELL									
Daily Costs: Drilling	\$40,720	Completion	\$143,678	Daily Total	\$184,398						
Cum Costs: Drilling	\$715,905	Completion	\$144,275	Well Total	\$860,180						
MD	9,075	TVD	9,075	Progress	45	Days	8	MW	11.8	Visc	140.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: TEST WELLHEAD

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRILL F/ 9030' - 9075', 10 - 20K WOB, 65-70 RPM @ TABLE, 2050 PSI @ 112 SPM = 391 GPM = 63 RPM @ MOTOR, 30 FPH. REACHED TD AT 07:30 HRS, 7/30/08.
07:30	08:30	1.0	CIRC FOR SHORT TRIP.
08:30	09:30	1.0	SHORT TRIP 10 STDS - NO HOLE PROBLEMS.
09:30	11:30	2.0	CIRC BEFORE L/D DRILL PIPE - RIG UP L/D MACHINE (WEATHERFORD TRS) - HOLD CLASS ON HAND SAFETY W/ EOG & TRUE SAFETY REPS, PUMP PILL, DROP SURVEY.
11:30	17:30	6.0	HSM W/ WEATHERFORD TRS, LAY DOWN DRILL PIPE, BREAK KELLY, L/D BHA - NO HOLE PROBLEMS, SURVEY @ 9000' - 3 DEG.
17:30	18:00	0.5	PULL WEAR RING.
18:00	01:00	7.0	RUN 208 JTS OF 4 1/2", 11.6#, N-80, LTC, R-3 CASING AS FOLLOWS: 1 EA. FLOAT SHOE (1.00') SET 9060.17, 1 JT CSG (43.14'), 1 FLOAT COLLAR (1.50') W/ TOP @ 9014.53', 60 JTS CSG (2589.85'), 1 MARKER JT (21.62') SET @ 6403.06', 53 JTS CSG (2280.68'), 1 MARKER JT (21.51') @ 4101', 94 JTS CSG (4061.45'), 2 PUP JTS (25.77), 1 CASING HANGER (0.65), 1 LANDING JT (13), RUN TAG JT - L/D SAME, LAND CASING W/ 93K ON HANGER.
01:00	02:00	1.0	CIRC BOTTOMS UP - RIG UP CEMENTING EQUIP -

02:00 04:00 2.0 CEMENT 4 1/2" PRODUCTION CASING AS FOLLOWS: HSM, PRESURE TEST LINES TO 5000 PSI ,DROP BTM PLUG, PUMP 20 BBL CHEM WASH AND 20 BBL WATER SPACER , MIX AND PUMP CEMENT. LEAD 340 SKS POZ G+ ADDS @ 12.0 PPG , 2.26 YELD , 12.9 GAL/SK FRESH WATER (136.8 BBLS). TAIL 1433 SKS OF 50/50 POZ G CEMENT MIXED @ 14.1 PPG , 1.29 YEILD , 5.96 GAL/SK (331.62 BBLS), DISPLACE TO FLOAT COLLAR WITH 141 BBL FRESH WATER, 100% RETURNS THROUGH OUT CEMENT JOB - 0 BBLS CEMENT TO SURFACE , BUMP PLUG 0400 HRS WITH 3745PSI (1000 PSI OVER FDP) , FLOATS HELD, 2.0 BBLS BACK.

04:00 06:00 2.0 WAIT 1 HR, RIG DOWN CEMENT HEAD, BACK OFF OF LANDING JT, INSTALL PACKER & TESTING TO 5000 PSI.

FULL CREWS: NO INCIDENTS.
 SAFETY MEETINGS: L/D PIPE (1), RUN CSG (1), CEMENT (1).
 BOP DRILL: NONE.
 OPERATED COM (4), WITNESSED (2).
 FUEL REC'D: 0 GALS DIESEL.
 FUEL ON HAND: 3291 GAL, FUEL USED: 748 GALS.
 MUD WT: 11.7 PPG, VIS: 36.
 BG GAS:0 U, PEAK GAS 0 U @ 0', TRIP GAS: N/A U.
 FORMATION: TD @ 9075'.
 UNMANNED LOGGING UNIT - DAY 8.

08-01-2008	Reported By	BENNY BLACKWELL									
Daily Costs: Drilling	\$81,783	Completion	\$1,456	Daily Total	\$83,239						
Cum Costs: Drilling	\$797,689	Completion	\$145,731	Well Total	\$943,420						
MD	9,075	TVD	9,075	Progress	0	Days	9	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: RDRT

Start	End	Hrs	Activity Description
06:00	08:00	2.0	CLEAN PITS, N/D BOP'S.
08:00	18:00	10.0	RIG DOWN, PREPARE RIG FOR RIG MOVE.
18:00	06:00	12.0	WAIT ON DAYLIGHT.

FULL CREWS: NO INCIDENTS.
 SAFETY MEETINGS: RIGGING DOWN (3).
 BOP DRILL: NONE.
 OPERATED COM (0), WITNESSED (0).
 FUEL REC'D: 0 GALS DIESEL.
 FUEL ON HAND: 3216 GAL, FUEL USED: 75 GALS.
 MUD WT: N/A PPG, VIS: N/A.
 BG GAS:0 U, PEAK GAS 0 U @ 0', TRIP GAS: N/A U.
 FORMATION: TD @ 9075'.
 UNMANNED LOGGING UNIT - RIGGED DOWN.WAIT ON DAYLIGHT.
 ITEMS TRANSFERED FROM WELL ECW 49-16 (AFE # 304105) TO WELL ECW 48-16 (AFE # 304104) ARE AS FOLLOWS:
 DIESEL - 3216 GALS. @ \$4.49 PER GAL.
 166.63' (4 JTS) OF 4 1/2" , 11.6#, N-80, LTC, R-3 CASING (REPAIRABLE).
 300.67' (7 JTS) OF 4 1/2" , 11^#, N-80, LTC, R-3 CASING (GOOD CONDITION).
 20.91' (1 PUP) OF 4 1/2" , 116#, N-80, LTC, R-2 CASING (PUP JT.).

RIG MOVE IS LESS THAN 1 MILE.

RIG RELEASED @ 08:00 HRS, 7/31/08.

CASING POINT COST \$766,300

08-03-2008		Reported By		SEARLE	
Daily Costs: Drilling	\$0	Completion	\$43,570	Daily Total	\$43,570
Cum Costs: Drilling	\$797,689	Completion	\$189,301	Well Total	\$986,990
MD	9,075	TVD	9,075	Progress	0
Days	10	MW	0.0	Visc	0.0
Formation :	PBTD : 9015.0		Perf :	PKR Depth : 0.0	
Activity at Report Time: PREP FOR FRACS					
Start	End	Hrs	Activity Description		
06:00		18.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 620'. EST CEMENT TOP @ 820'. RD SCHLUMBERGER.		
08-09-2008		Reported By		MCCURDY	
Daily Costs: Drilling	\$0	Completion	\$1,724	Daily Total	\$1,724
Cum Costs: Drilling	\$797,689	Completion	\$191,025	Well Total	\$988,714
MD	9,075	TVD	9,075	Progress	0
Days	10	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	
Activity at Report Time: WO COMPLETION					
Start	End	Hrs	Activity Description		
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.		
09-02-2008		Reported By		WHITEHEAD	
Daily Costs: Drilling	\$0	Completion	\$10,056	Daily Total	\$10,056
Cum Costs: Drilling	\$797,689	Completion	\$201,081	Well Total	\$998,770
MD	9,075	TVD	9,075	Progress	0
Days	11	MW	0.0	Visc	0.0
Formation :	MESAVERDE	PBTD : 9015.0	Perf : 7751-8784	PKR Depth : 0.0	
Activity at Report Time: FRAC					
Start	End	Hrs	Activity Description		
06:00	06:00	24.0	RU CUTTERS WIRELINE & PERFORATE LPR FROM 8531'-32', 8552'-53', 8604'-05', 8654'-55', 8660'-61', 8666'-67', 8699'-00', 8741'-42', 8749'-50', 8777'-78', 8783'-84' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 7360 GAL WF10 LINEAR W/1# & 1.5# 20/40 SAND, 28421 GAL YF116ST+ W/99300# 20/40 SAND @ 1-5 PPG. MTP 5987 PSIG. MTR 51.7 BPM. ATP 4470 PSIG. ATR 42.7 BPM. ISIP 2600 PSIG. RD SCHLUMBERGER.		
RUWL. SET 6K CFP AT 8510'. PERFORATE MPR FROM 8306'-07', 8310'-11', 8355'-56', 8359'-60', 8375'-76', 8376'-77', 8381'-82', 8422'-23', 8423'-24', 8474'-75', 8475'-76', 8486'-87' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6320 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 23886 GAL YF116ST+ W/85400# 20/40 SAND @ 1-5 PPG. MTP 5891 PSIG. MTR 52.8 BPM. ATP 4629 PSIG. ATR 44.1 BPM. ISIP 3100 PSIG. RD SCHLUMBERGER.					
RUWL. SET 6K CFP AT 8276'. PERFORATE MPR FROM 8035'-36', 8059'-60', 8064'-65', 8091'-92', 8126'-27', 8155'-56', 8166'-67', 8172'-73', 8207'-08', 8218'-19', 8257'-58', 8263'-64' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6922 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 24763 GAL YF116ST+ W/84000# 20/40 SAND @ 1-4 PPG. MTP 6392 PSIG. MTR 52.2 BPM. ATP 5276 PSIG. ATR 42.3 BPM. ISIP 3700 PSIG. RD SCHLUMBERGER.					

RUWL. SET 6K CFP AT 8005'. PERFORATE MPR FROM 7751'-52', 7767'-68', 7787'-88', 7795'-96', 7828'-29', 7856'-57', 7895'-96', 7905'-06', 7920'-21', 7939'-40', 7971'-72', 7983'-84' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6311 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 49410 GAL YF116ST+ W/174900# 20/40 SAND @ 1-5 PPG. MTP 6097 PSIG. MTR 52.3 BPM. ATP 4664 PSIG. ATR 46.3 BPM. ISIP 2600 PSIG. RD SCHLUMBERGER. SDFN.

09-03-2008	Reported By	WHITEHEAD									
Daily Costs: Drilling	\$0	Completion	\$376,451	Daily Total	\$376,451						
Cum Costs: Drilling	\$797,689	Completion	\$577,532	Well Total	\$1,375,221						
MD	9,075	TVD	9,075	Progress	0	Days	12	MW	0.0	Visc	0.0
Formation :	PBTD : 9015.0			Perf : 5132-8784			PKR Depth : 0.0				
MESAVERDE/WASATCH											

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RUWL. SET 6K CFP AT 7740'. PERFORATE U/MPR FROM 7462'-63', 7470'-71', 7548'-49', 7556'-57', 7586'-87', 7610'-11', 7627'-28', 7643'-44', 7685'-86', 7692'-93', 7700'-01' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6289 GAL WF120 LINEAR W/1# & 1.5 20/40 SAND, 47309 GAL YF116ST+ W/ 172600 # 20/40 SAND @ 1-5 PPG. MTP 5919 PSIG. MTR 52 BPM. ATP 4460 PSIG. ATR 47 BPM. ISIP 3100 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 7390'. PERFORATE UPR FROM 7149'-50', 7165'-66', 7188'-89', 7212'-13', 7216'-17', 7236'-37', 7259'-60', 7271'-72', 7320'-21', 7329'-30', 7338'-39', 7350'-51' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 6304 GAL WF120 LINEAR W/1# & 1.5 20/40 SAND, 35559 GAL YF116ST+ W/119800# 20/40 SAND @ 1-5 PPG. MTP 5252 PSIG. MTR 51.9 BPM. ATP 3805 PSIG. ATR 44.6 BPM. ISIP 2650 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 7125'. PERFORATE UPR FROM 6865'-66', 6866'-67', 6873'-74', 6894'-95', 6982'-83', 6993'-94', 7010'-11', 7023'-24', 7052'-53', 7077'-78', 7082'-83', 7098'-99' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6809 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 34902 GAL YF116ST+ W/125900# 20/40 SAND @ 1-5 PPG. MTP 4649 PSIG. MTR 52 BPM. ATP 3607 PSIG. ATR 49.6 BPM. ISIP 2150 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6840'. PERFORATE NORTH HORN FROM 6483'-84', 6528'-29', 6563'-64', 6617'-18', 6640'-41', 6658'-59', 6665'-66', 6719'-20', 6745'-46', 6787'-88', 6813'-14', 6817'-18' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6307 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 34688 GAL YF116ST+ W/124300# 20/40 SAND @ 1-5 PPG. MTP 5424 PSIG. MTR 52 BPM. ATP 3946 PSIG. ATR 44 BPM. ISIP 2550 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6410'. PERFORATE Ba FROM 6003'-04', 6055'-56', 6083'-84', 6111'-12', 6123'-24', 6154'-55', 6206'-07', 6219'-20', 6246'-47', 6261'-62', 6272'-73', 6386'-87' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/7363 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 25886 GAL YF116ST+ W/91900# 20/40 SAND @ 1-4 PPG. MTP 6096 PSIG. MTR 51.9 BPM. ATP 4194 PSIG. ATR 48.2 BPM. ISIP 1800 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5740'. PERFORATE Ca FROM 5537'-38', 5548'-49', 5604'-05', 5610'-11', 5619'-20', 5620'-21', 5653'-54', 5664'-65', 5670'-71', 5671'-72', 5678'-79', 5684'-85' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/7363 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 25976 GAL YF116ST+ W/103700# 20/40 SAND @ 1-4 PPG. MTP 6096 PSIG. MTR 51.9 BPM. ATP 4194 PSIG. ATR 48.2 BPM. ISIP 1750 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5425'. PERFORATE Ca FROM 5255'-56', 5256'-57', 5261'-62', 5262'-63', 5278'-79', 5279'-80', 5280'-81', 5309'-10', 5310'-11', 5333'-34', 5334'-35', 5391'-92' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/4276 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 22886 GAL YF116ST+ W/78300# 20/40 SAND @ 1-4 PPG. MTP 4641 PSIG. MTR 50.9 BPM. ATP 3201 PSIG. ATR 43.4 BPM. ISIP 2100 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5210'. PERFORATE PP FROM 5132'-35', 5143'-46', 5150'-53', 5156'-59', @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/4195 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 18562 GAL YF116ST+ W/65500# 20/40 SAND @ 1-4 PPG. MTP 4006 PSIG. MTR 51 BPM. ATP 3365 PSIG. ATR 45.1 BPM. ISIP 2200 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 5038'. RDWL. SDFN.

09-09-2008		Reported By		HISLOP	
Daily Costs: Drilling	\$0	Completion	\$30,651	Daily Total	\$30,651
Cum Costs: Drilling	\$797,689	Completion	\$608,183	Well Total	\$1,405,872
MD	9,075	TVD	9,075	Progress	0
		Days	13	MW	0.0
		Visc			0.0
Formation :		PBTD : 9015.0		Perf : 5132-8784	
MESAVERDE/WASATCH				PKR Depth : 0.0	
Activity at Report Time: CLEAN OUT AFTER FRAC					
Start	End	Hrs	Activity Description		
06:00	06:00	24.0	SICP 0 PSIG. MIRUSU. ND TREE. NU BOP RIH W/BIT & PUMP OFF SUB TO 5038'. RU TO DRILL PLUGS. SDFN.		

09-10-2008		Reported By		HISLOP	
Daily Costs: Drilling	\$0	Completion	\$59,947	Daily Total	\$59,947
Cum Costs: Drilling	\$797,689	Completion	\$668,130	Well Total	\$1,465,819
MD	9,075	TVD	9,075	Progress	0
		Days	14	MW	0.0
		Visc			0.0
Formation :		PBTD : 9015.0		Perf : 5132-8784	
MESAVERDE/WASATCH				PKR Depth : 0.0	
Activity at Report Time: FLOW TEST					
Start	End	Hrs	Activity Description		
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5038', 5210', 5425', 5740', 6410', 6840', 7125', 7390', 7740', 8005', 8276', & 8510'. RIH. CLEANED OUT TO 8897'. LANDED TUBING @ 6836' KB. ND BOP. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.		

FLOWED 13 HRS. 24/64" CHOKE. FTP 1000 PSIG. CP 1550 PSIG. 65 BFPH. RECOVERED 840 BLW. 11060 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF BIT SUB 0.91'
 1 JT 2-3/8" 4.7# N-80 TBG 32.47'
 XN NIPPLE 1.30'
 211 JTS 2-3/8" 4.7# N-80 TBG 6788.43'
 BELOW KB 13.00'
 LANDED @ 6836.11' KB

09-11-2008		Reported By		HISLOP	
Daily Costs: Drilling	\$0	Completion	\$13,219	Daily Total	\$13,219
Cum Costs: Drilling	\$797,689	Completion	\$681,349	Well Total	\$1,479,038
MD	9,075	TVD	9,075	Progress	0
		Days	15	MW	0.0
		Visc			0.0
Formation :		PBTD : 9015.0		Perf : 5132-8784	
MESAVERDE/WASATCH				PKR Depth : 0.0	
Activity at Report Time: FLOW TEST					

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 900 PSIG. CP 1525 PSIG. 56 BFPH. RECOVERED 1428 BLW. 9632 BLWTR.

09-12-2008 **Reported By** HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,795	Daily Total	\$2,795
Cum Costs: Drilling	\$797,689	Completion	\$684,144	Well Total	\$1,481,833

MD	9,075	TVD	9,075	Progress	0	Days	16	MW	0.0	Visc	0.0
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Formation : **PBTD :** 9015.0 **Perf :** 5132-8784 **PKR Depth :** 0.0
MESAVERDE/WASATCH

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 21 HRS. 24/64" CHOKE. FTP 800 PSIG. CP 1975 PSIG. 48 BFPH. RECOVERED 1072 BLW. 8560 BLWTR. SI 3 HRS FOR FACILITY WORK.

FINAL COMPLETION DATE 9/11/08.

09-13-2008 **Reported By** HISLOP

Daily Costs: Drilling	\$0	Completion	\$3,664	Daily Total	\$3,664
Cum Costs: Drilling	\$797,689	Completion	\$687,808	Well Total	\$1,485,497

MD	9,075	TVD	9,075	Progress	0	Days	17	MW	0.0	Visc	0.0
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Formation : **PBTD :** 9015.0 **Perf :** 5132-8784 **PKR Depth :** 0.0
MESAVERDE/WASATCH

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 950 PSIG. CP 2100 PSIG. 40 BFPH. RECOVERED 1000 BLW. 7560 BLWTR.

09-14-2008 **Reported By** HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,795	Daily Total	\$2,795
Cum Costs: Drilling	\$797,689	Completion	\$690,603	Well Total	\$1,488,292

MD	9,075	TVD	9,075	Progress	0	Days	18	MW	0.0	Visc	0.0
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Formation : **PBTD :** 9015.0 **Perf :** 5132-8784 **PKR Depth :** 0.0
MESAVERDE/WASATCH

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 950 PSIG. CP 2100 PSIG. 32 BFPH. RECOVERED 820 BLW. 6740 BLWTR.

09-15-2008 **Reported By** HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,795	Daily Total	\$2,795
Cum Costs: Drilling	\$797,689	Completion	\$693,398	Well Total	\$1,491,087

MD	9,075	TVD	9,075	Progress	0	Days	19	MW	0.0	Visc	0.0
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Formation : **PBTD :** 9015.0 **Perf :** 5132-8784 **PKR Depth :** 0.0
MESAVERDE/WASATCH

Activity at Report Time: WO FACILITIES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1050 PSIG. CP 1850 PSIG. 24 BFPH. RECOVERED 616 BLW. 6124 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE 09/14/08.

09-23-2008 **Reported By** DUANE COOK

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

Cum Costs: Drilling \$797,689 **Completion** \$693,398 **Well Total** \$1,491,087

MD 9,075 **TVD** 9,075 **Progress** 0 **Days** 20 **MW** 0.0 **Visc** 0.0

Formation : **PBTD :** 9015.0 **Perf :** 5132-8784 **PKR Depth :** 0.0
 MESAVERDE/WASATCH

Activity at Report Time: INITIAL PRODUCTION

Start **End** **Hrs** **Activity Description**

06:00 06:00 24.0 INITIAL PRODUCTION - OPENING PRESSURE: TP 800 PSIG & CP 2125 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 12:30 HRS, 9/22/08. FLOWED 148 MCFD RATE ON 14/64" CHOKE. STATIC 305. QGM METER #7864.

09-24-2008 **Reported By** DUANE COOK

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

Cum Costs: Drilling \$797,689 **Completion** \$693,398 **Well Total** \$1,491,087

MD 9,075 **TVD** 9,075 **Progress** 0 **Days** 21 **MW** 0.0 **Visc** 0.0

Formation : **PBTD :** 9015.0 **Perf :** 5132-8784 **PKR Depth :** 0.0
 MESAVERDE/WASATCH

Activity at Report Time: ON SALES

Start **End** **Hrs** **Activity Description**

06:00 06:00 24.0 FLOWED 319 MCF, 20 BC & 240 BW IN 24 HRS ON 14/64 CHOKE, TP 950 PSIG, CP 2150 PSIG.

09-25-2008 **Reported By** ROGER DART

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

Cum Costs: Drilling \$797,689 **Completion** \$693,398 **Well Total** \$1,491,087

MD 9,075 **TVD** 9,075 **Progress** 0 **Days** 22 **MW** 0.0 **Visc** 0.0

Formation : **PBTD :** 9015.0 **Perf :** 5132-8784 **PKR Depth :** 0.0
 MESAVERDE/WASATCH

Activity at Report Time: ON SALES

Start **End** **Hrs** **Activity Description**

06:00 06:00 24.0 FLOWED 273 MCF, 52 BC & 147 BW IN 24 HRS ON 14/64" CHOKE, FTP 850 PSIG, CP 2140 PSIG.

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: **ML-47045**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: _____

7. UNIT or CA AGREEMENT NAME: _____

8. WELL NAME and NUMBER: **East Chapita 49-16**

9. API NUMBER: **43-047-39058**

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

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

12. COUNTY: **Uintah** 13. STATE: **UTAH**

14. DATE SPUDDED: **6/2/2008** 15. DATE T.D. REACHED: **7/30/2008** 16. DATE COMPLETED: **9/22/2008** ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL): **5002' NAT GL**

18. TOTAL DEPTH: MD **9,075** TVD _____ 19. PLUG BACK T.D.: MD **9,015** TVD _____ 20. IF MULTIPLE COMPLETIONS, HOW MANY? * _____ 21. DEPTH BRIDGE MD _____ PLUG SET: TVD _____

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each): **RST/CBL/CCL/VDL/GR, Press, 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	2,438		600		0	
7-7/8	4-1/2 N-80	11.6	0	9,060		1773		820	

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	6,836							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Wasatch/Mesaverde	5,132	8,784			8,531 8,784		3	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(B)					8,306 8,487		3	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)					8,035 8,264		3	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)					7,751 7,984		3	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD **5132**

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
8531-8784	35,946 GALS GELLED WATER & 99,300# 20/40 SAND
8306-8487	30,371 GALS GELLED WATER & 85,400# 20/40 SAND
8035-8264	31,850 GALS GELLED WATER & 84,000# 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**

RECEIVED

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 9/22/2008		TEST DATE: 9/28/2008		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 23	GAS - MCF: 508	WATER - BBL: 326	PROD. METHOD: Flows
CHOKE SIZE: 14/64"	TBG. PRESS. 1,125	CSG. PRESS. 2,075	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 23	GAS - MCF: 508	WATER - BBL: 326	INTERVAL STATUS: Producing

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.)

Sold

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.

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Wasatch/Mesaverde	5,132	8,784		Green River	1,730
				Mahogany	2,377
				Uteland Butte	4,501
				Wasatch	4,633
				Chapita Wells	5,217
				Buck Canyon	5,881
				Price River	6,812
				Middle Price River	7,581
				Lower Price River	8,350
				Sego	8,894

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 10/29/2008

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

East Chapita 49-16 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

7462-7701	3/spf
7149-7351	3/spf
6865-7099	3/spf
6483-6818	3/spf
6003-6387	3/spf
5537-5685	3/spf
5255-5392	3/spf
5132-5159	3/spf

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

7751-7984	55,886 GALS GELLED WATER & 174,900# 20/40 SAND
7462-7701	53,763 GALS GELLED WATER & 172,600# 20/40 SAND
7149-7351	42,028 GALS GELLED WATER & 119,800# 20/40 SAND
6865-7099	41,876 GALS GELLED WATER & 125,900# 20/40 SAND
6483-6818	41,160 GALS GELLED WATER & 124,300# 20/40 SAND
6003-6387	33,249 GALS GELLED WATER & 91,900# 20/40 SAND
5537-5685	33,339 GALS GELLED WATER & 103,700# 20/40 SAND
5255-5392	27,162 GALS GELLED WATER & 78,300# 20/40 SAND
5132-5159	22,757 GALS GELLED WATER & 65,500# 20/40 SAND

Perforated the Lower Price River from 8531-32', 8552-53', 8604-05', 8654-55', 8660-61', 8666-67', 8699-8700', 8741-42', 8749-50', 8777-78', 8783-84' w/ 3 spf.

Perforated the Middle Price River from 8306-07', 8310-11', 8355-56', 8359-60', 8375-76', 8376-77', 8381-82', 8422-23', 8423-24', 8474-75', 8475-76', 8486-87' w/ 3 spf.

Perforated the Middle Price River from 8035-36', 8059-60', 8064-65', 8091-92', 8126-27', 8155-56', 8166-67', 8172-73', 8207-08', 8218-19', 8257-58', 8263-64' w/ 3 spf.

Perforated the Middle Price River from 7751-52', 7767-68', 7787-88', 7795-96', 7828-29', 7856-57', 7895-96', 7905-06', 7920-21', 7939-40', 7971-72', 7983-84' w/ 3 spf.

Perforated the Upper/Middle Price River from 7462-63', 7470-71', 7548-49', 7556-57', 7586-87', 7610-11', 7627-28', 7643-44', 7685-86', 7692-93', 7700-01' w/ 3 spf.

Perforated the Upper Price River from 7149-50', 7165-66', 7188-89', 7212-13', 7216-17', 7236-37', 7259-60', 7271-72', 7320-21', 7329-30', 7338-39', 7350-51' w/ 3 spf.

Perforated the Upper Price River from 6865-66', 6866-67', 6873-74', 6894-95', 6982-83', 6993-94', 7010-11', 7023-24', 7052-53', 7077-78', 7082-83', 7098-99' w/ 3 spf.

Perforated the North Horn from 6483-84', 6528-29', 6563-64', 6617-18', 6640-41', 6658-59', 6665-66', 6719-20', 6745-46', 6787-88', 6813-14', 6817-18' w/ 3 spf.

Perforated the Ba from 6003-04', 6055-56', 6083-84', 6111-12', 6123-24', 6154-55', 6206-07', 6219-20', 6246-47', 6261-62', 6272-73', 6386-87' w/ 3 spf.

Perforated the Ca from 5537-38', 5548-49', 5604-05', 5610-11', 5619-20', 5620-21', 5653-54', 5664-65', 5670-71', 5671-72', 5678-79', 5684-85' w/ 3 spf.

Perforated the Ca from 5255-56', 5256-57', 5261-62', 5262-63', 5278-79', 5279-80', 5280-81', 5309-10', 5310-11', 5333-34', 5334-35', 5391-92' w/ 3 spf.

Perforated the Pp from 5132-35', 5143-46', 5150-53', 5156-59' w/ 3 spf.

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: East Chapita 49-16

API number: 4304739058

Well Location: QQ NWSE 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: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
2,010	2,025	NO FLOW	NOT KNOWN

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

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

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

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 10/29/2008

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 49-16
2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047390580000
3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1000 N , Denver, CO, 80202	PHONE NUMBER: 435 781-9111 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1990 FSL 1975 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 16 Township: 09.0S Range: 23.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

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

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

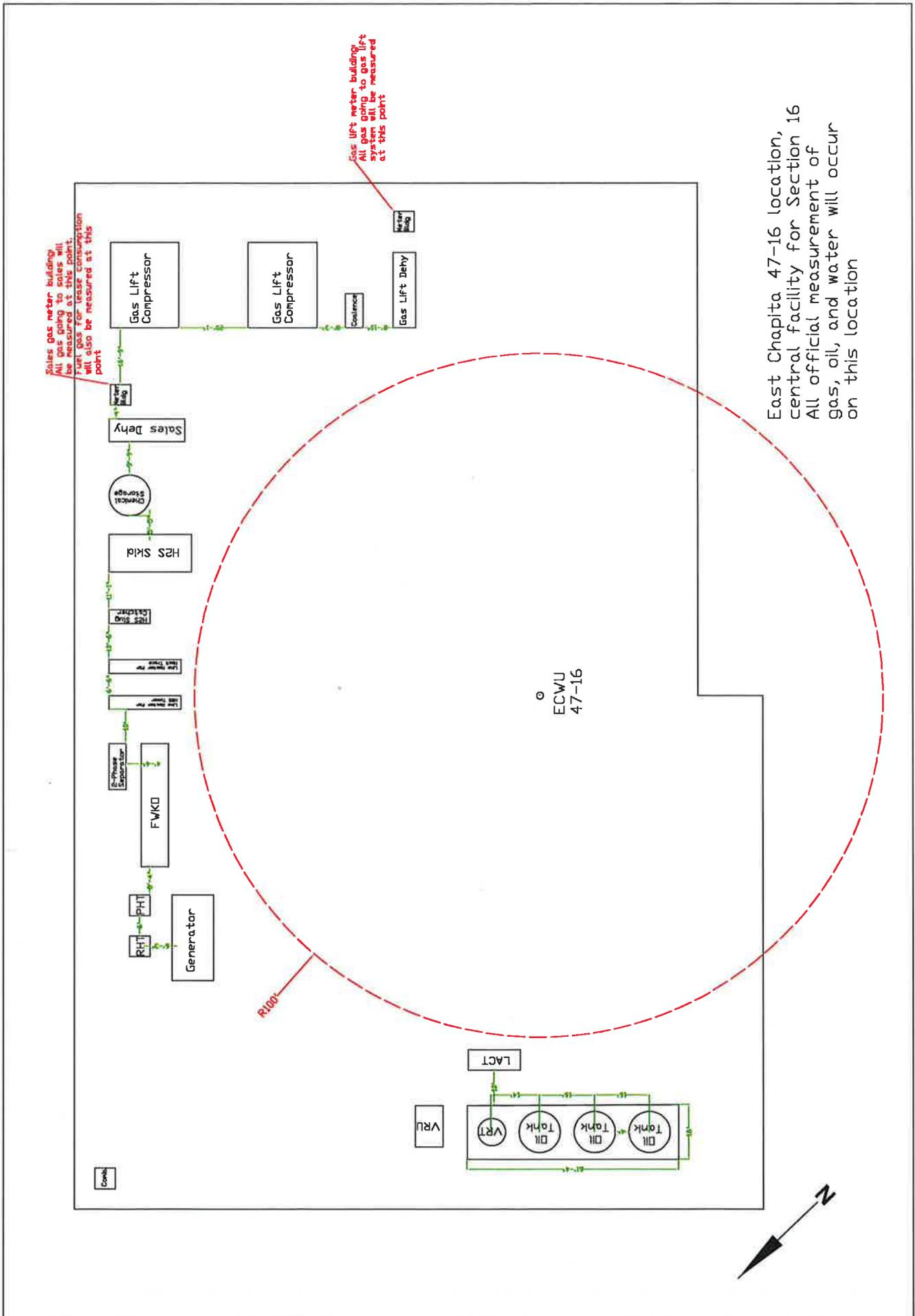
EOG Resources, Inc. respectfully requests authorization to measure and allocate produced gas, condensate and water production as per the attached proposal.

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

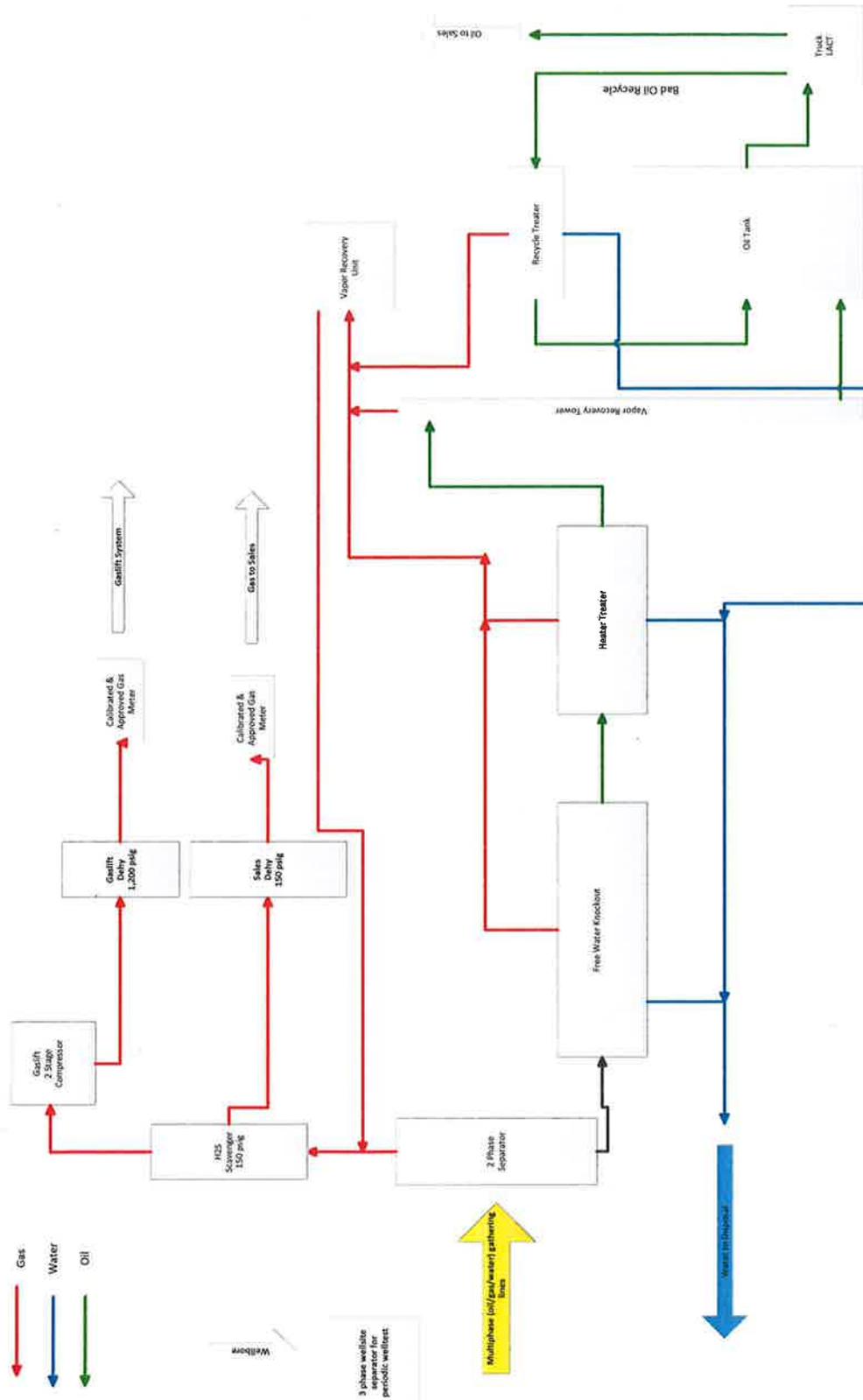
Date: May 11, 2012

By: *D. K. Quist*

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



East Chapita 47-16 location,
central facility for Section 16
All official measurement of
gas, oil, and water will occur
on this location







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, 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, 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,

A handwritten signature in black ink, appearing to read "Ed Forsman".

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
43-047-38000	EAST CHAPITA 30-16		SENW	16	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
D	16865	18940	5/16/2008			3/12/2013	
Comments: 3/12/13							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39061	EAST CHAPITA 47-16		SWNE	16	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
D	16866	18940	5/16/2008			3/12/2013	
Comments: 3/12/13							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39058	EAST CHAPITA 49-16		NWSE	16	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
D	16893	18940	6/2/2008			3/12/2013	
Comments: RECEIVED MAR 1 1 2013 3/12/13							

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)

Vail Nazzaro
Signature

Senior Regulatory Assistant

Title

3/8/2013

Date