



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

## EOG RESOURCES, INC.

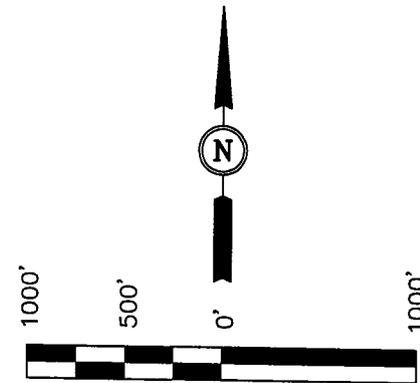
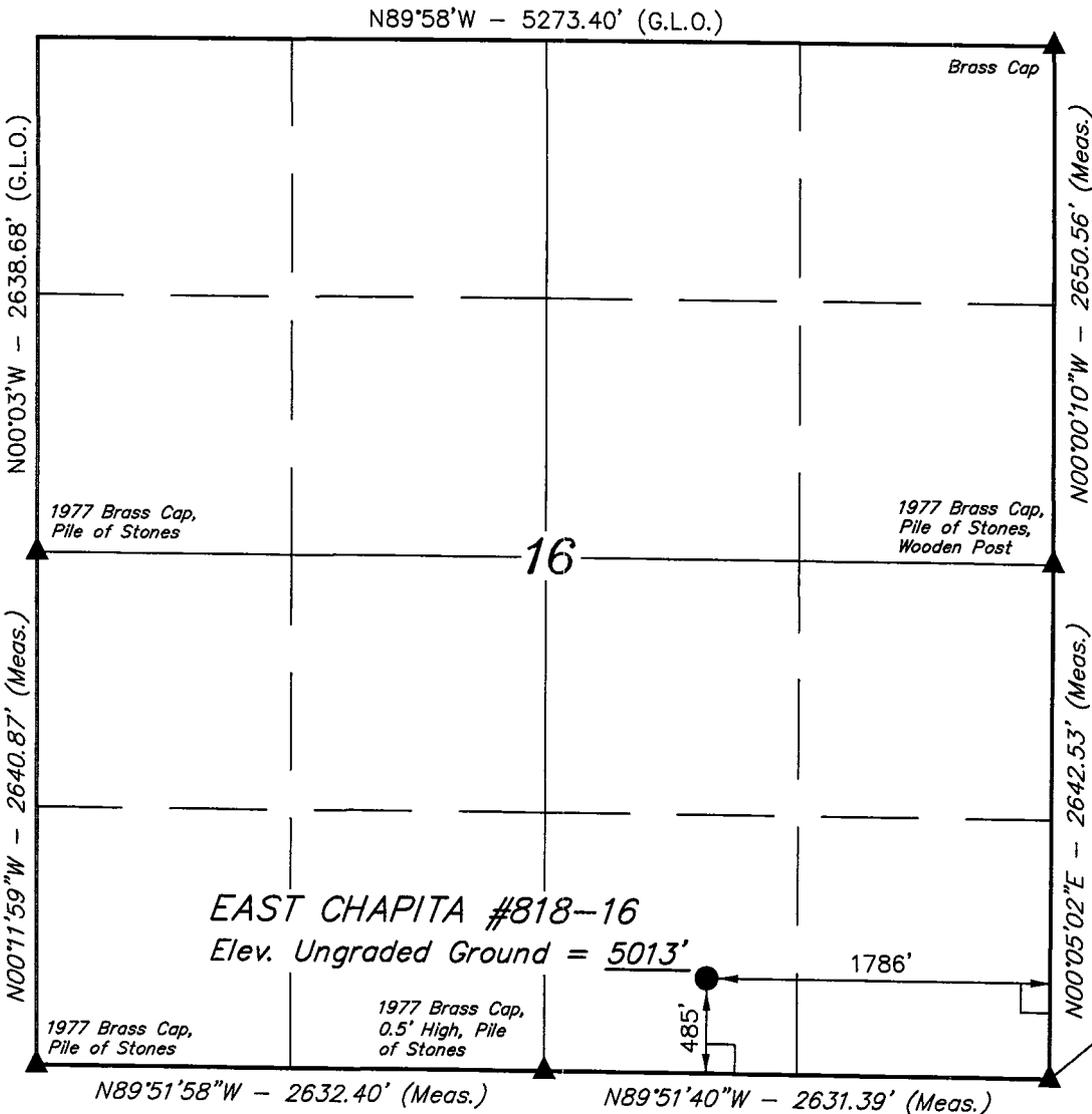
Well location, EAST CHAPITA #818-16, located as shown in the SW 1/4 SE 1/4 of Section 16, T9S, R23E, S.L.B.&M., Uintah County, Utah.

### 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, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

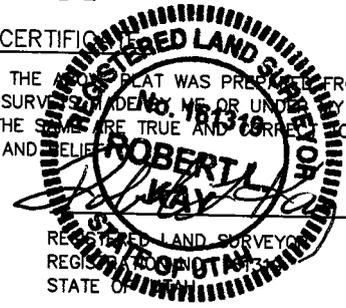
### BASIS OF BEARINGS

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



### CERTIFICATION

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



REVISED: 06-05-06 L.K.

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

### LEGEND:

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

(NAD 83)  
 LATITUDE = 40°01'48.08" (40.030022)  
 LONGITUDE = 109°19'44.03 (109.328897)  
 (NAD 27)  
 LATITUDE = 40°01'48.20" (40.030056)  
 LONGITUDE = 109°19'41.59" (109.328219)

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

STATE OF UTAH )

) ss

COUNTY OF UINTAH )

VERIFICATION

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

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

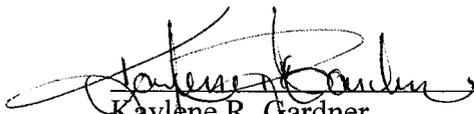
**EAST CHAPITA 818-16  
1785' FSL - 1786' FWL (SWSE)  
SECTION 16, T9S, R23E  
UINTAH COUNTY, UTAH**

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

On the 22<sup>nd</sup> day of February, 2007 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

Said envelope which contained these instruments was addressed to the Utah Division of Oil, Gas & Mining, Bureau of Land Management and Kerr-McGee Oil and Gas Onshore LP.

Further affiant saith not.

  
\_\_\_\_\_  
Kaylene R. Gardner  
Sr. Regulatory Assistant

Subscribed and sworn before me this 22<sup>nd</sup> day of February, 2007.

  
\_\_\_\_\_  
Notary Public

My Commission Expires: 4/15/2008

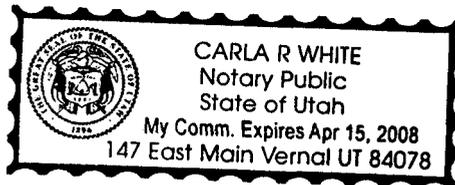


Exhibit "A" to Affidavit  
East Chapita 818-16 Application to Commingle

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

R 23 E

16

ECW 800-16



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

ECW 7-16



ECW 818-16



ML 47045

CHAPITA WELLS UNIT

KERR-McGEE 100%  
HBU

U-38418

21

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9  
S

 EAST CHAPITA 818-16

Scale: 1"=1000'



Denver Division

EXHIBIT "A"

EAST CHAPITA 818-16  
Commingling Application  
Uintah County, Utah

Scale, 1"=1000'

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Author

TLM

Feb 15, 2007 - 7:55am

**EIGHT POINT PLAN**

**EAST CHAPITA 818-16**  
**SW/SE, SEC. 16, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>TVD-RKB (ft)</b>	<b>Objective</b>	<b>Lithology</b>	
Green River	1,640		Shale	
Wasatch	4,587	Primary	Sandstone	Gas
Chapita Wells	5,159	Primary	Sandstone	Gas
Buck Canyon	5,833	Primary	Sandstone	Gas
North Horn	6,424	Primary	Sandstone	Gas
KMV Price River	6,752	Primary	Sandstone	Gas
KMV Price River Middle	7,528	Primary	Sandstone	Gas
KMV Price River Lower	8,391	Primary	Sandstone	Gas
Sego	8,808		Sandstone	
<b>TD</b>	<b>9,010</b>			

Estimated TD: **9,010' or 200'± below Sego top**

**Anticipated BHP: 4,920 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 818-16**  
**SW/SE, SEC. 16, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**4. CASING PROGRAM:**

<b>CASING</b>	<b>Hole Size</b>	<b>Length</b>	<b>Size</b>	<b>WEIGHT</b>	<b>Grade</b>	<b>Thread</b>	<b>Rating Collapse</b>	<b>Factor Burst</b>	<b>Tensile</b>
<b>Conductor</b>	17 1/2"	0 – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
<b>Surface</b>	12 1/4"	45' – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
<b>Production</b>	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 5<sup>th</sup> joint to surface. (15 total)

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

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

**6. MUD PROGRAM**

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

Air/air mist or aerated water.

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

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

EIGHT POINT PLAN

EAST CHAPITA 818-16  
SW/SE, SEC. 16, T9S, R23E, S.L.B.&M..  
UINTAH COUNTY, UTAH

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

7. VARIANCE REQUESTS:

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

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

8. EVALUATION PROGRAM:

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

9. CEMENT PROGRAM:

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

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

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

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

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

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

**Lead:** 125 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**EIGHT POINT PLAN**

**EAST CHAPITA 818-16**  
**SW/SE, SEC. 16, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**Tail:**           **870 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

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

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

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

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

**11. STANDARD REQUIRED EQUIPMENT:**

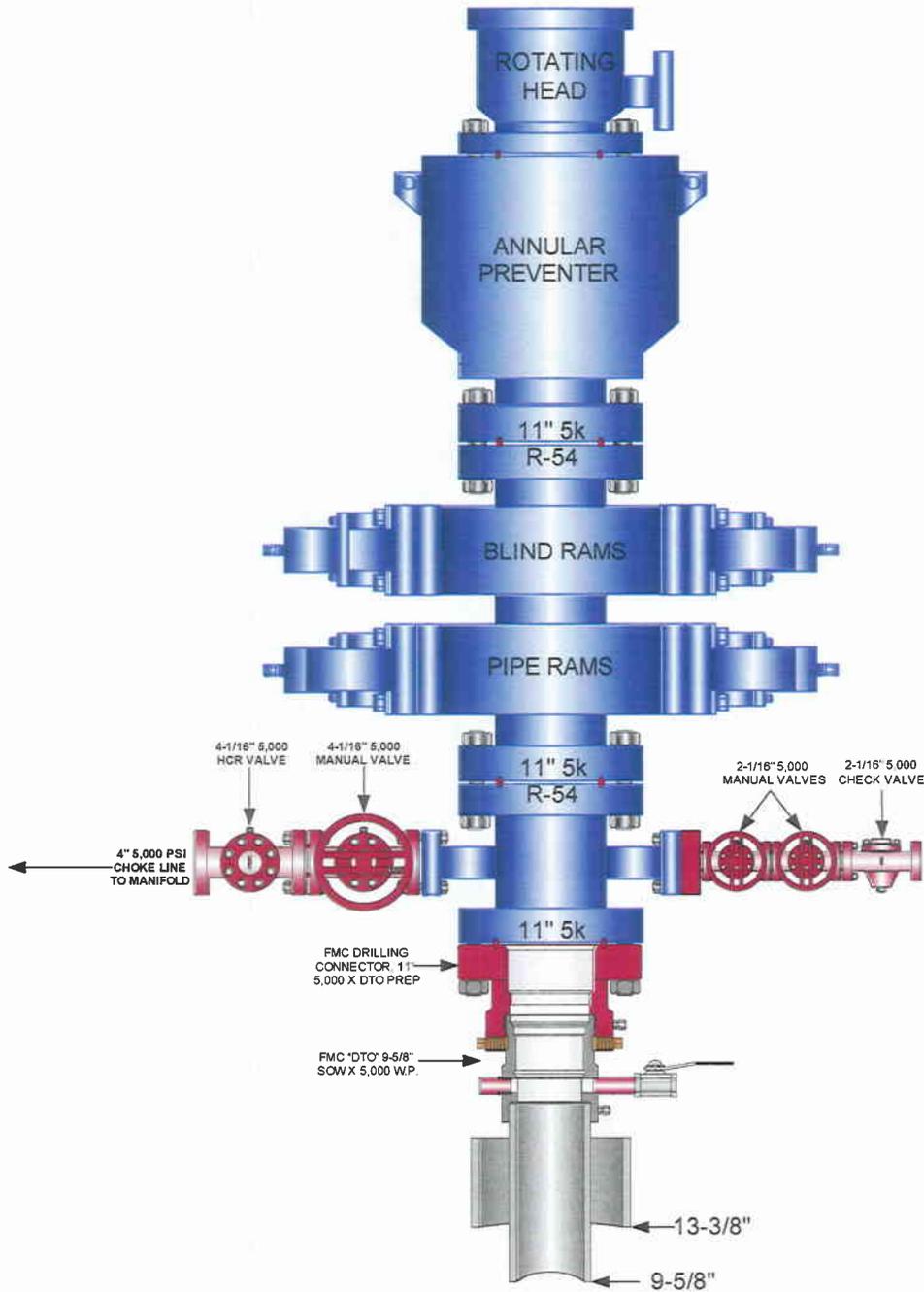
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

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

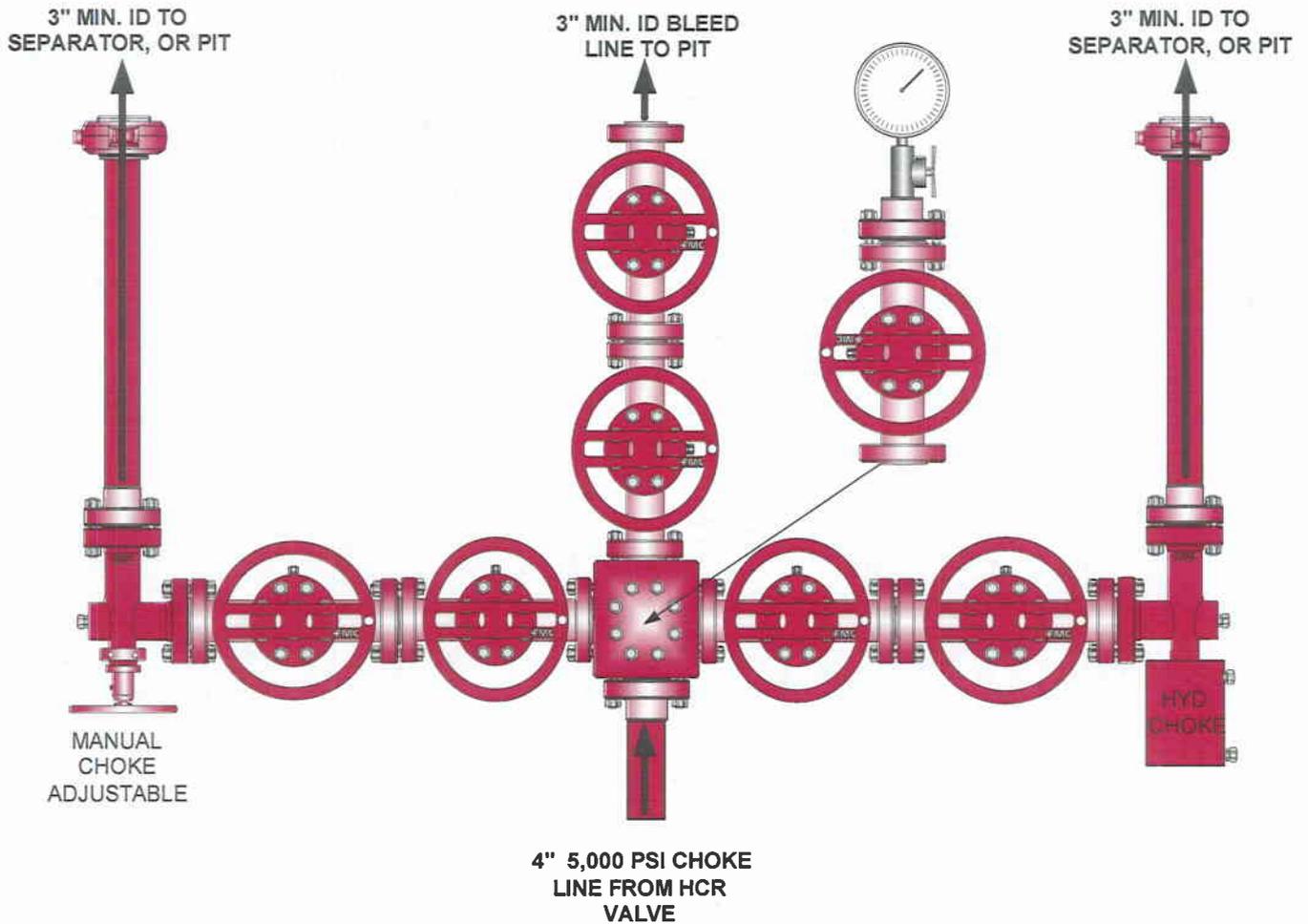
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF 2



Testing Procedure:

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



**EAST CHAPITA 818-16  
SWSE, 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 2112 feet long with a 30-foot right-of-way, disturbing approximately 1.45 acres. New surface disturbance associated with access road and the well pad is estimated to be approximately 3.29 acres. The pipeline is approximately 2643 feet long with a 40-foot right-of-way, disturbing approximately 2.43 acres.

**1. EXISTING ROADS:**

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 55.5 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 2112' 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 2643' x 40'. The proposed pipeline leaves the eastern edge of the well pad proceeding in a westerly direction for an approximate distance of 2643' tying into an existing pipeline located in SESW of Section 16, T9S, R23E. Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lok, electric weld with a 35 mil X-Tru coating, laid on the surface.
3. Protective measures and devices for livestock and wildlife will be taken and /or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All existing facilities will be painted with Carlsbad Canyon.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

**5. LOCATION AND TYPE OF WATER SUPPLY:**

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/ or Target Trucking Inc.'s water source in the SW/SW. Sec 35, T9S, R22E Uintah County, Utah (State Water Right # 49-1501, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

**6. SOURCE OF CONSTRUCTION MATERIALS:**

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

**7. METHODS OF HANDLING WASTE DISPOSAL:**

**A. METHODS AND LOCATION**

- 1. Cuttings will be confined in the reserve pit.
  - 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
  - 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
  - 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
  - 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 16 millimeter plastic liner.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

**8. ANCILLARY FACILITIES:**

None anticipated.

**9. WELL SITE LAYOUT:**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

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

The stockpiled location topsoil will be stored between corners #1 and #2. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the west.

**FENCING REQUIREMENTS:**

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

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

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

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

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

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

### **A. Producing Location**

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

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

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

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

**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 August, 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

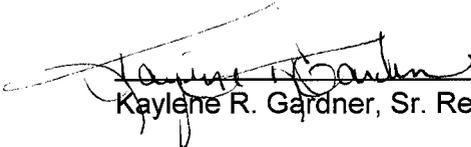
**DRILLING OPERATIONS**

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 818-16 Well, located in the SWSE, 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 #818-16**  
 LOCATED IN UINTAH COUNTY, UTAH  
 SECTION 16, T9S, R23E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY

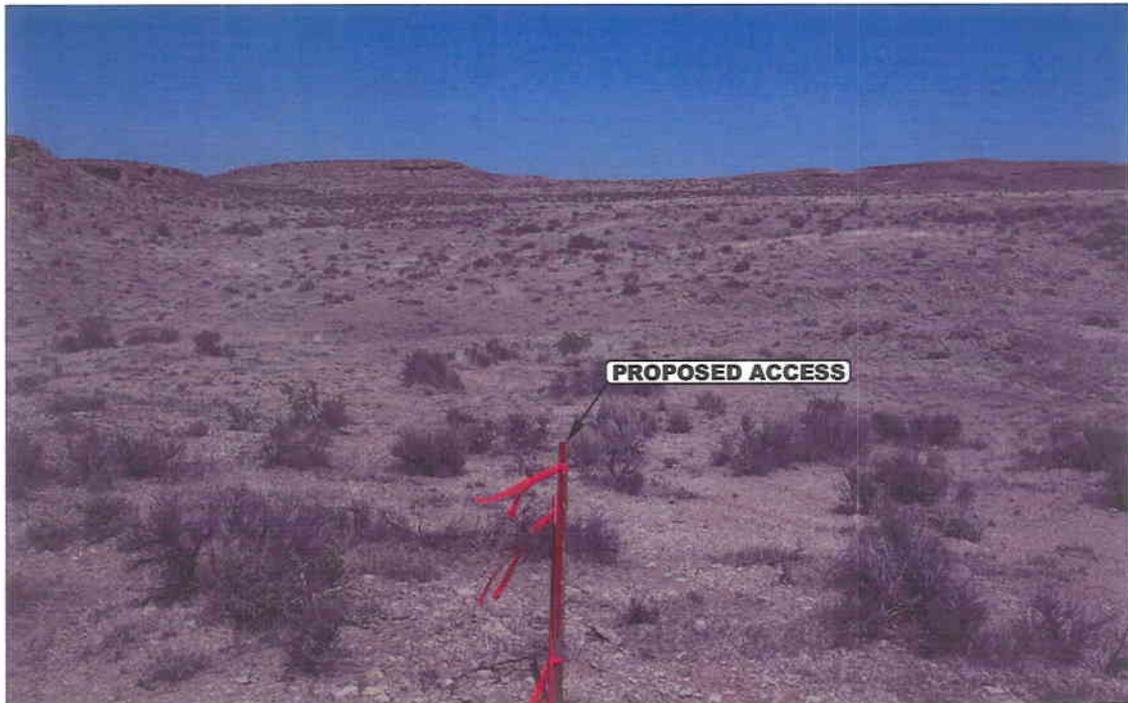


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



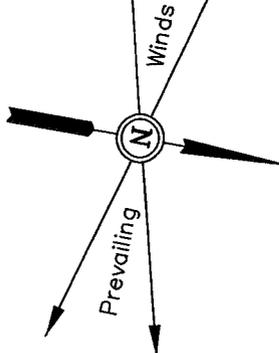
- Since 1964 -

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

<b>LOCATION PHOTOS</b>			<b>05</b>	<b>08</b>	<b>06</b>	<b>PHOTO</b>
			MONTH	DAY	YEAR	
TAKEN BY: B.J.		DRAWN BY: B.C.		REV: 06-05-06 L.K.		

EOG RESOURCES, INC.

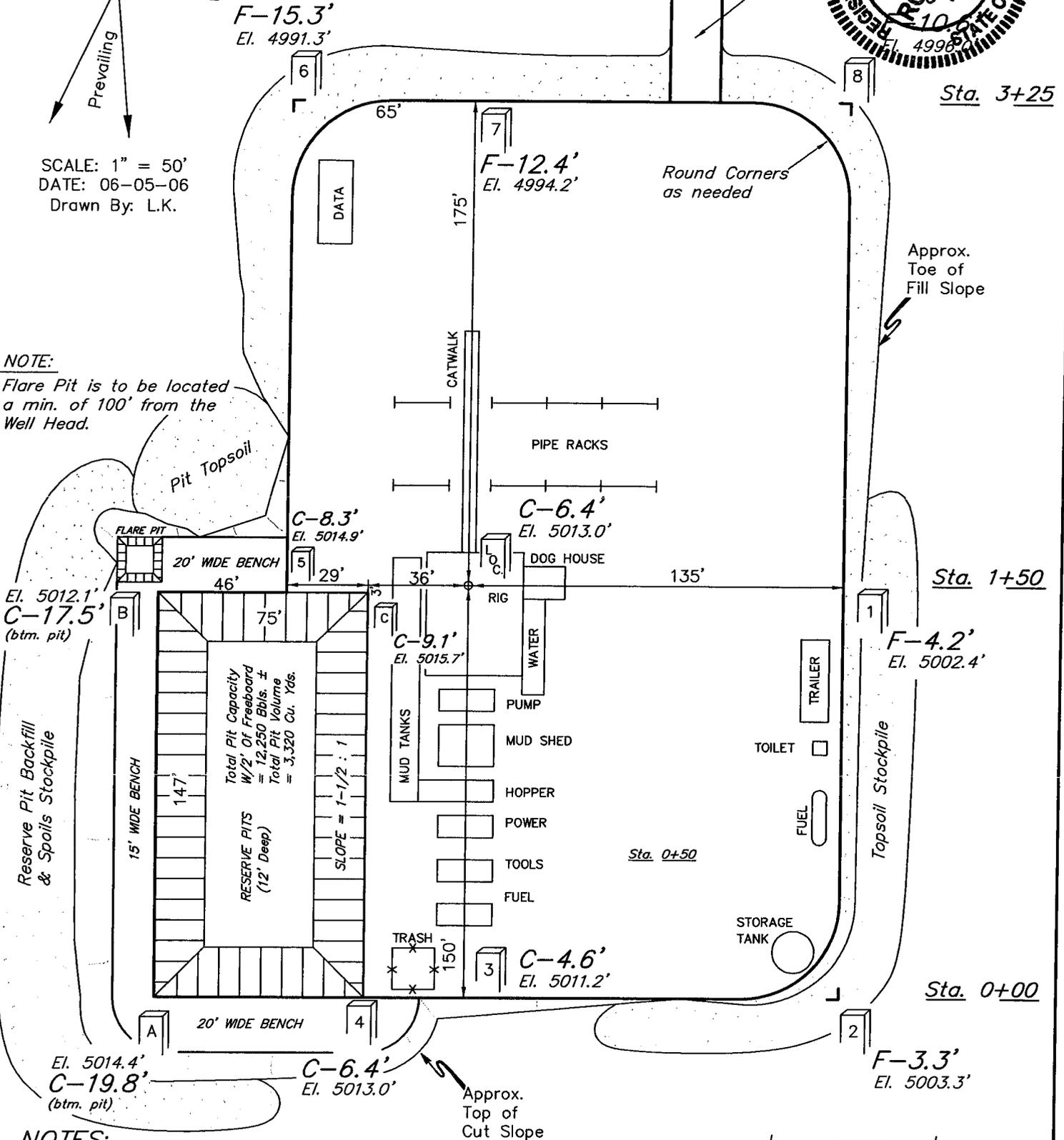
LOCATION LAYOUT FOR  
 EAST CHAPITA #818-16  
 SECTION 16, T9S, R23E, S.L.B.&M.  
 485' FSL 1786' FEL



SCALE: 1" = 50'  
 DATE: 06-05-06  
 Drawn By: L.K.

**NOTE:**

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



**NOTES:**

Elev. Ungraded Ground At Loc. Stake = 5013.0'  
 FINISHED GRADE ELEV. AT LOC. STAKE = 5006.6'

**FIGURE #1**

EOG RESOURCES, INC.

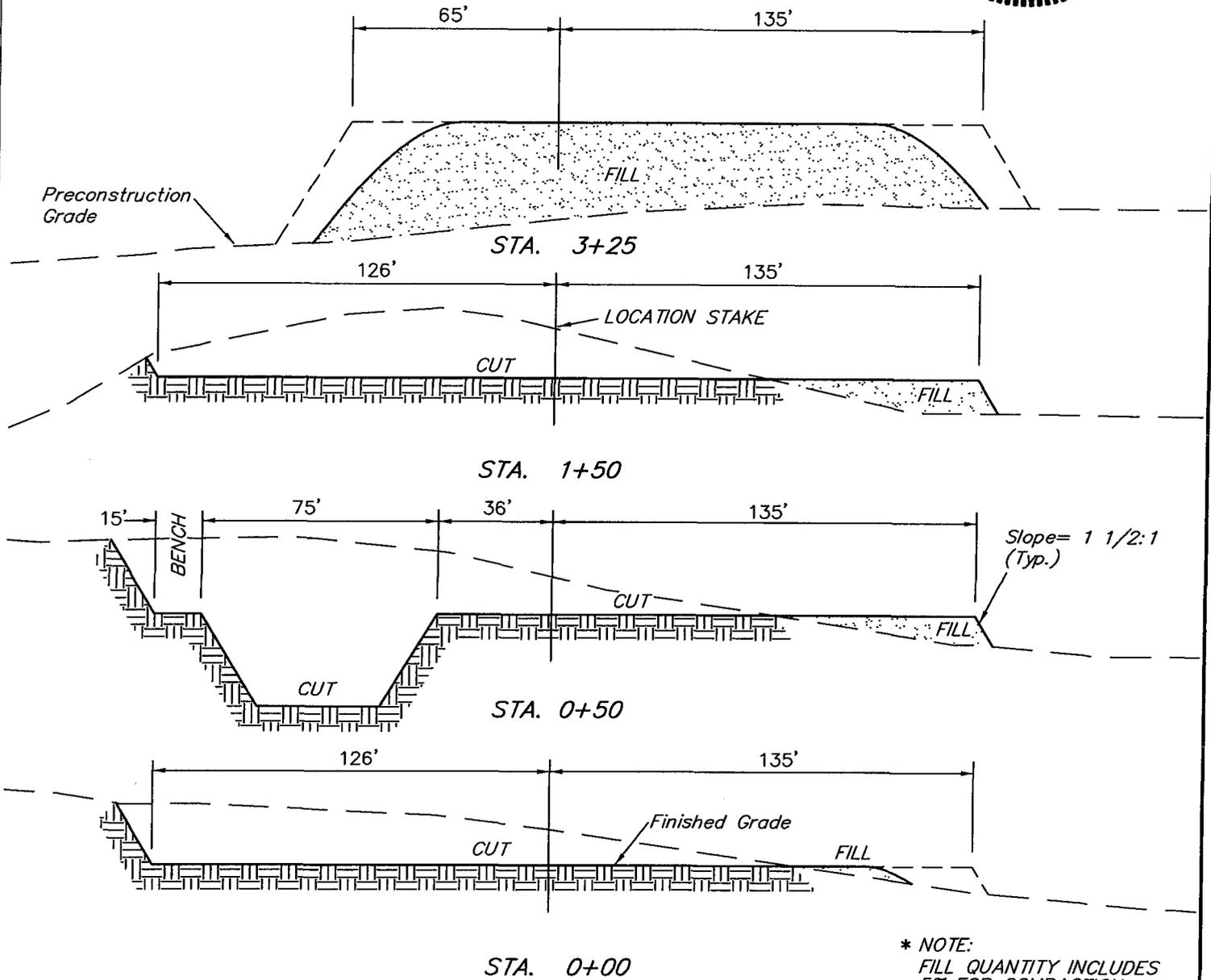
FIGURE #2

TYPICAL CROSS SECTIONS FOR  
 EAST CHAPITA #818-16  
 SECTION 16, T9S, R23E, S.L.B.&M.  
 485' FSL 1786' FEL



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

DATE: 06-05-06  
 Drawn By: L.K.



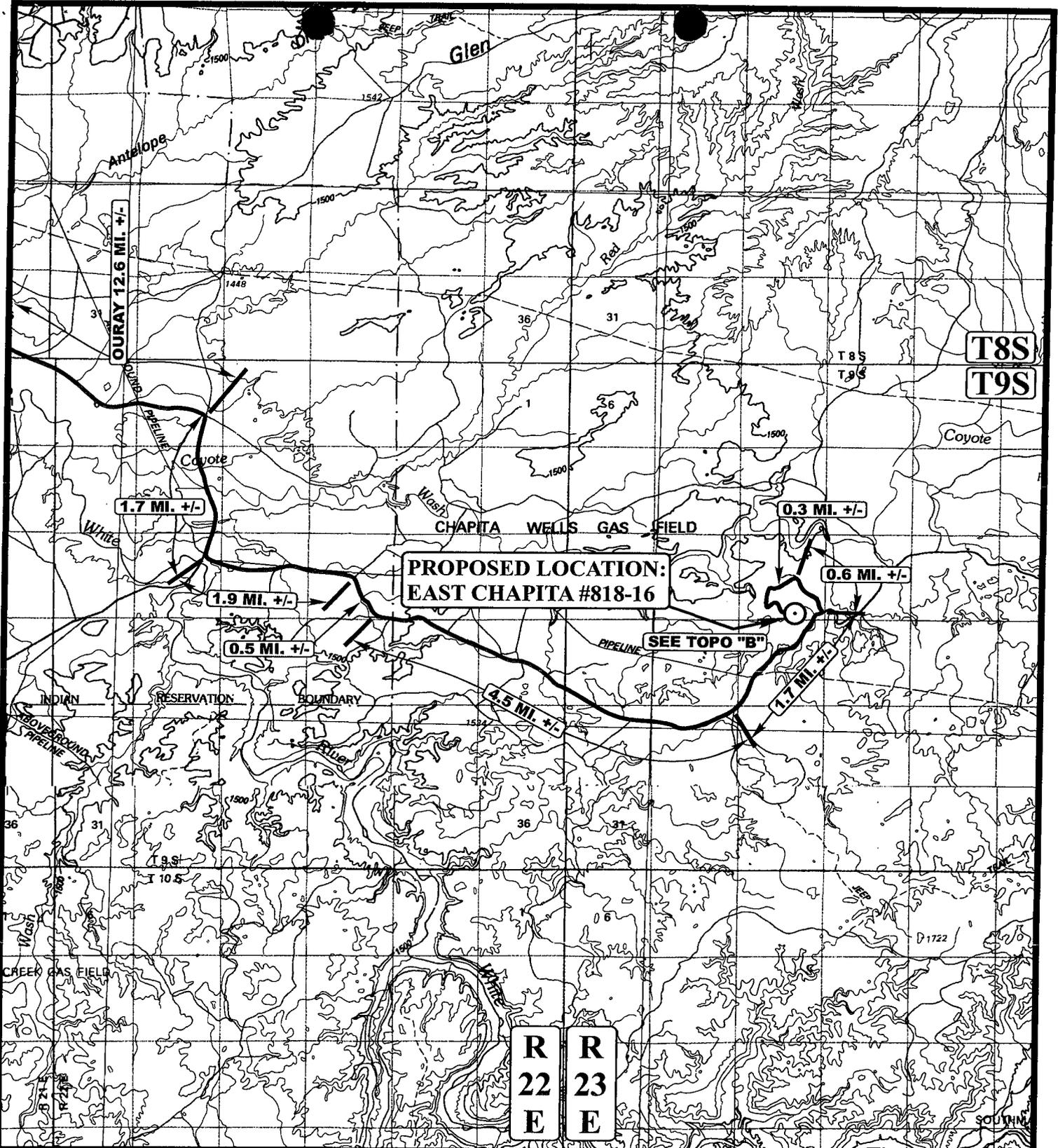
\* NOTE:  
 FILL QUANTITY INCLUDES  
 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,730 Cu. Yds.
Remaining Location	= 11,680 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 13,410 CU.YDS.</b>
<b>FILL</b>	<b>= 10,020 CU.YDS.</b>

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

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



T8S  
T9S

R  
22  
E

R  
23  
E

**LEGEND:**  
 ○ PROPOSED LOCATION

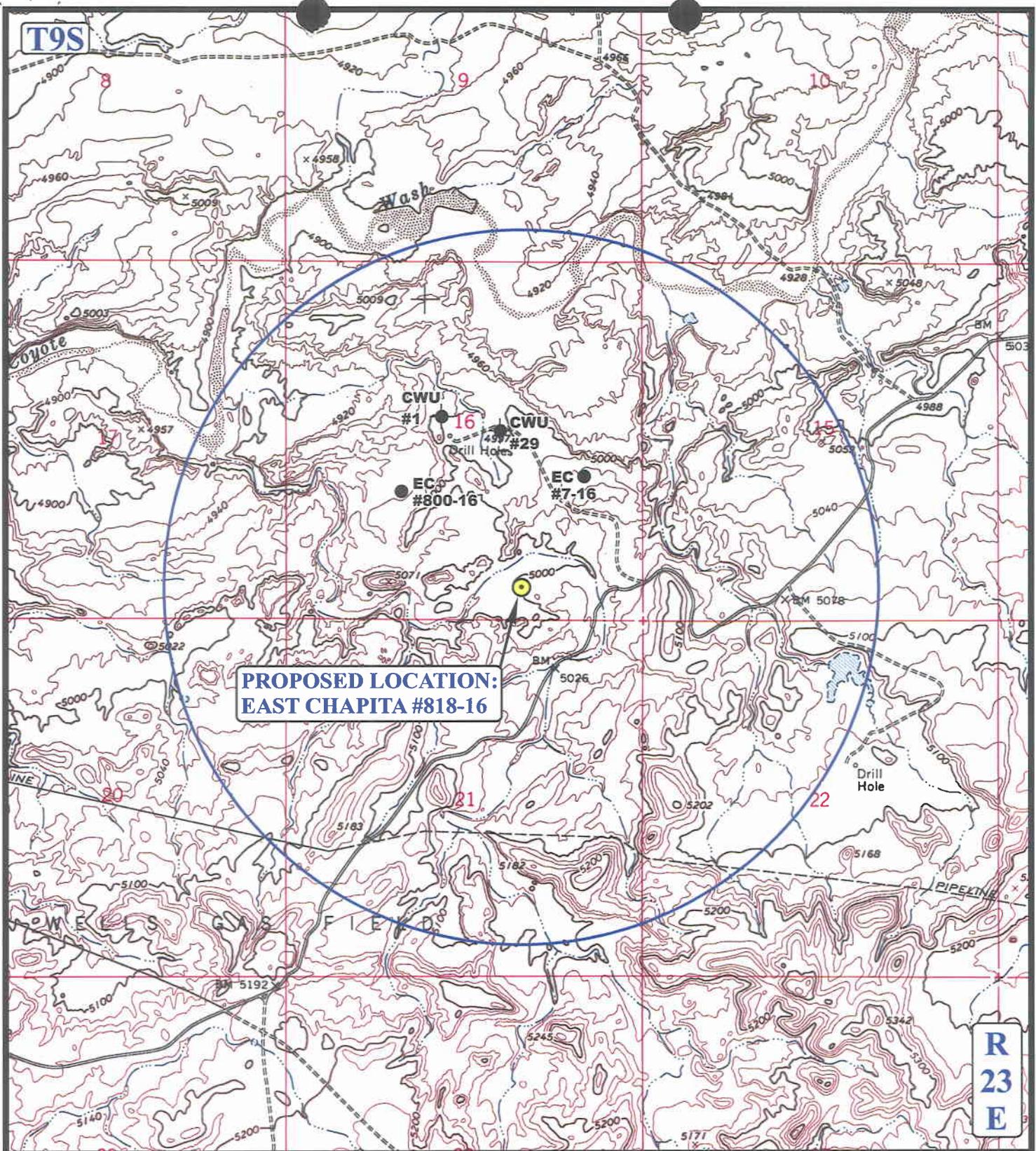
**EOG RESOURCES, INC.**  
 EAST CHAPITA #818-16  
 SECTION 16, T9S, R23E, S.L.B.&M.  
 485' FSL 1786' FEL

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

**TOPOGRAPHIC MAP** 05 08 06  
 MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: B.C. REV: 06-05-06 L.K. **A TOPO**





**PROPOSED LOCATION:  
EAST CHAPITA #818-16**

**R  
23  
E**

**LEGEND:**

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

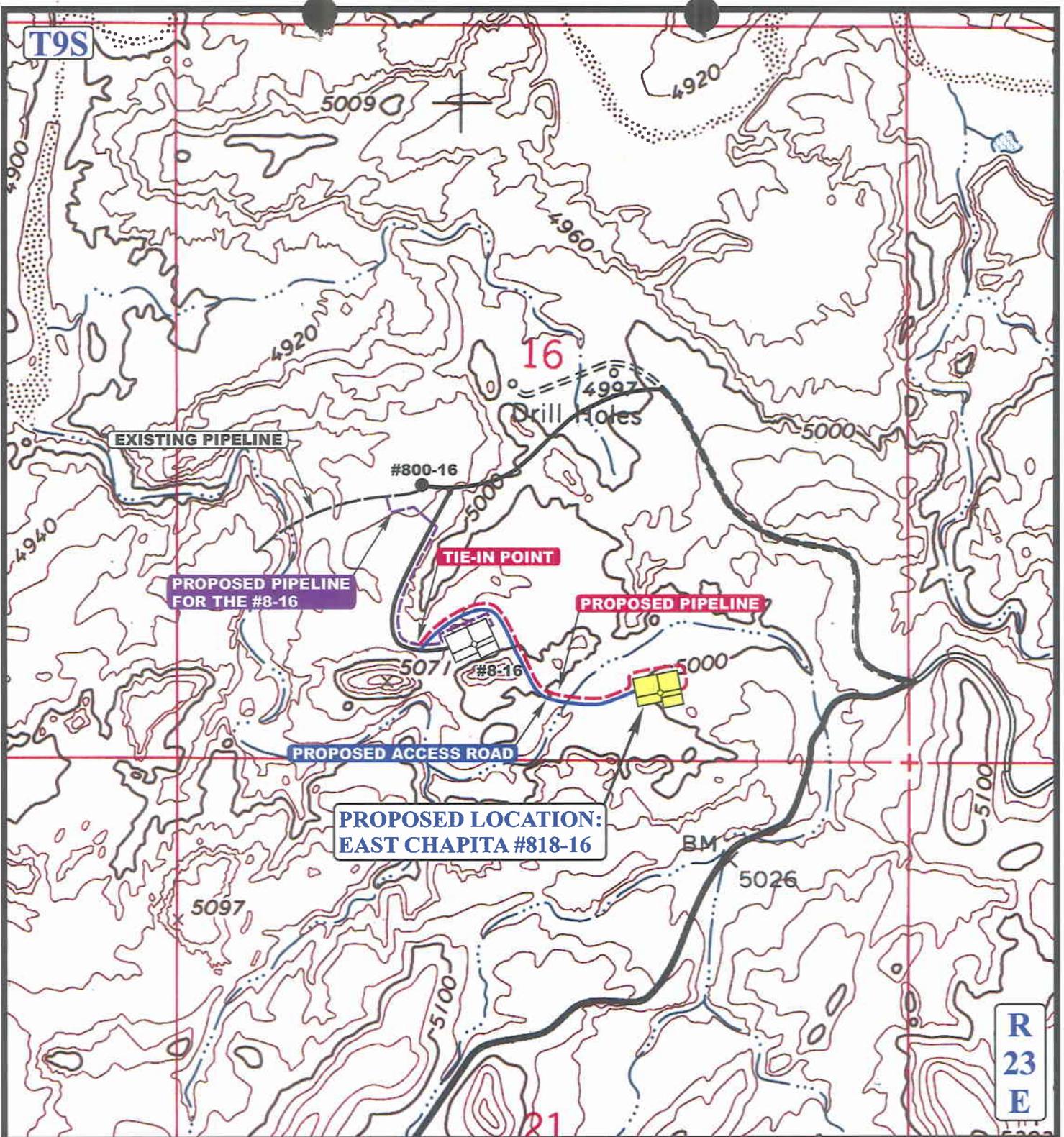


**EOG RESOURCES, INC.**

**EAST CHAPITA #818-16  
SECTION 16, T9S, R23E, S.L.B.&M.  
485' FSL 1786' FEL**

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

**TOPOGRAPHIC MAP** 05 08 06  
MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: B.C. REV: 06-05-06 L.K. **C TOPO**



**APPROXIMATE TOTAL PIPELINE DISTANCE = 2,643' +/-**

**LEGEND:**

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



**EOG RESOURCES, INC.**

**EAST CHAPITA #818-16**  
**SECTION 16, T9S, R23E, S.L.B.&M.**  
**485' FSL 1786' FEL**



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

**TOPOGRAPHIC MAP**  
 05 08 06  
 MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: B.C. REV: 06-05-06 L.K.



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 02/23/2007

API NO. ASSIGNED: 43-047-39059

WELL NAME: E CHAPITA 818-16  
 OPERATOR: EOG RESOURCES INC ( N9550 )  
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

SWSE 16 090S 230E  
 SURFACE: 0485 FSL 1786 FEL  
 BOTTOM: 0485 FSL 1786 FEL  
 COUNTY: UINTAH  
 LATITUDE: 40.03008 LONGITUDE: -109.3281  
 UTM SURF EASTINGS: 642654 NORTHINGS: 4432225  
 FIELD NAME: NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DWG	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:

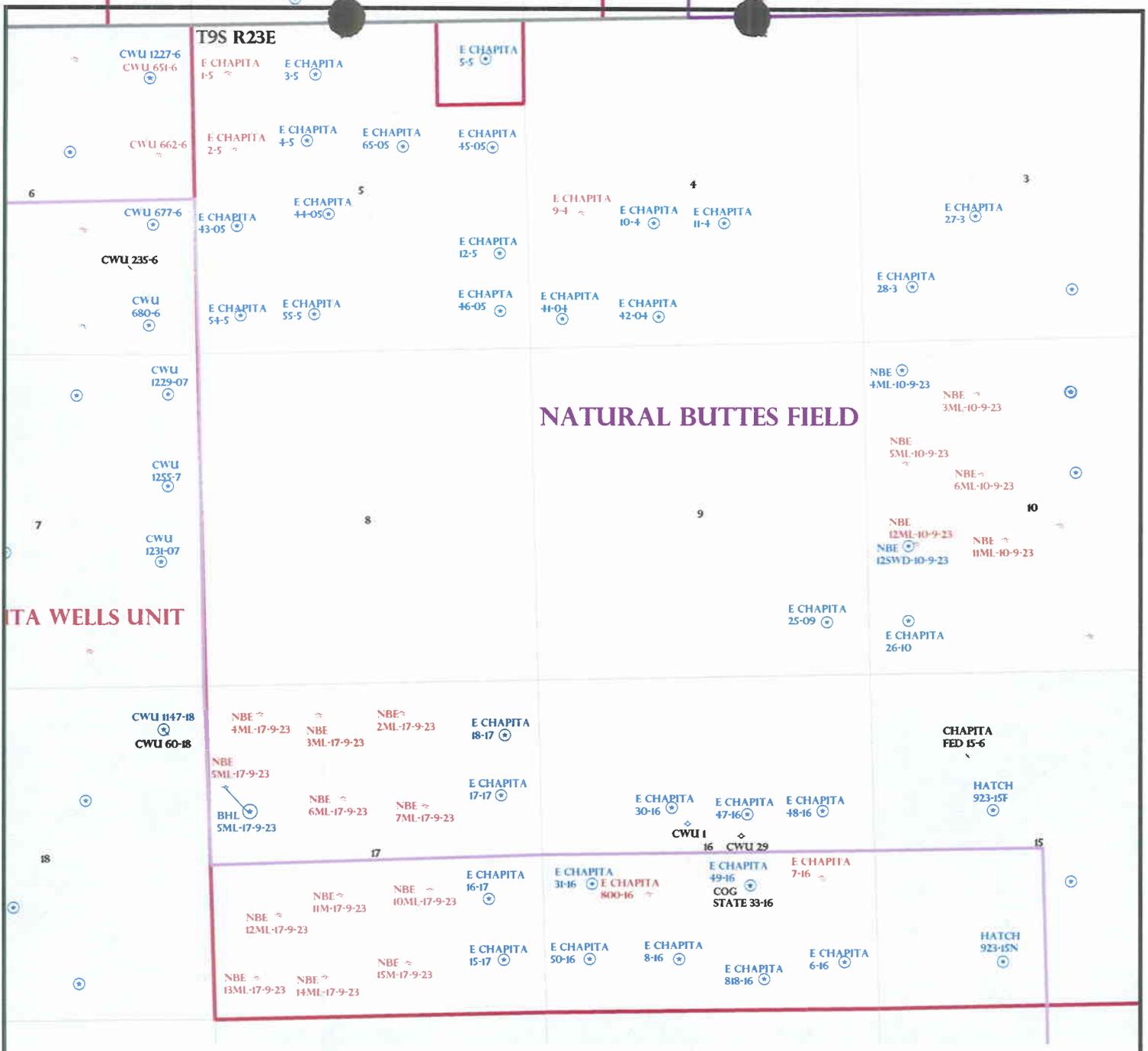
- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]  
(No. 6196017 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 49-1501 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)  
(Wesatch, Mesaverde)

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 Cont strip  
4- Cement strip #3 (4 1/2" production, 2100' MD)  
5- Commingle



OPERATOR: EOG RESOURCES INC (N9550)  
 SEC: 4,5,16 T.9S R. 23E  
 FIELD: NATURAL BUTTES (630)  
 COUNTY: UINTAH  
 SPACING: R649-3-2 / GENERAL SITING

Field Status	Unit Status
ABANDONED	EXPLORATORY
ACTIVE	GAS STORAGE
COMBINED	NF PP OIL
INACTIVE	NF SECONDARY
PROPOSED	PENDING
STORAGE	PI OIL
TERMINATED	PP GAS
	PP GEOTHERML
	PP OIL
	SECONDARY
	TERMINATED

**Wells Status**

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

Utah Oil Gas and Mining  
  
 PREPARED BY: DIANA MASON  
 DATE: 12-MARCH-2007

# Application for Permit to Drill

## Statement of Basis

3/13/2007

Utah Division of Oil, Gas and Mining

Page 1

<b>APD No</b>	<b>API WellNo</b>	<b>Status</b>	<b>Well Type</b>	<b>Surf Ownr</b>	<b>CBM</b>
275	43-047-39059-00-00		GW	S	No
<b>Operator</b>	EOG RESOURCES INC	<b>Surface Owner-APD</b>			
<b>Well Name</b>	E CHAPITA 818-16	<b>Unit</b>			
<b>Field</b>	UNDESIGNATED	<b>Type of Work</b>			
<b>Location</b>	SWSE 16 9S 23E S 485 FSL 1786 FEL	GPS Coord (UTM) 642654E 4432225N			

### 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 56 road miles to the northwest. The area is accessed by Utah State, Uintah County and oilfield development Roads to within 0.4 miles of the location where a new road will be constructed.

The proposed East Chapita 818-16 gas well is on the north slope of a gentle sloping side hill. The location begins at the top of a ridge that breaks sharply off to the south. To the north beyond the location is a wash with a steep side slope. Less excavation would be required if the location was moved a short distance to the northwest. An identified archeological site exists in this area and precludes this option.

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 an acceptable site for constructing and operating a well.

Floyd Bartlett  
Onsite Evaluator

3/6/2007  
Date / Time

---

# Application for Permit to Drill

## Statement of Basis

Utah Division of Oil, Gas and Mining

3/13/2007

Page 2

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### Conditions of Approval / Application for Permit to Drill

<b>Category</b>	<b>Condition</b>
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.

# ON-SITE PREDRILL EVALUATION

## Utah Division of Oil, Gas and Mining

**Operator** EOG RESOURCES INC  
**Well Name** E CHAPITA 818-16  
**API Number** 43-047-39059-0      **APD No** 275      **Field/Unit** UNDESIGNATED  
**Location:** 1/4,1/4 SWSE      **Sec** 16      **Tw** 9S      **Rng** 23E      485 FSL 1786 FEL  
**GPS Coord (UTM)** 642648      4432223      **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 0.4 miles of the location where a new road will be constructed.

The proposed East Chapita 818-16 gas well is on the north slope of a gentle sloping side hill. The location begins at the top of a ridge that breaks sharply off to the south. To the north beyond the location is a wash with a steep side slope.

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

### Surface Use Plan

#### **Current Surface Use**

Grazing  
Wildlife Habitat

#### **New Road**

<b>Miles</b>	<b>Well Pad</b>	<b>Src Const Material</b>	<b>Surface Formation</b>
0.4	<b>Width</b> 261 <b>Length</b> 325	Onsite	UNTA

**Ancillary Facilities** N

### Waste Management Plan Adequate? Y

### Environmental Parameters

**Affected Floodplains and/or Wetland** N

#### **Flora / Fauna**

Very poorly vegetated. Halogeton, shadscale, cheatgrass, curly mesquite and greasewood are present.

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

#### **Soil Type and Characteristics**

Sandy loam with fractured rocks on surface.

**Erosion Issues** N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required N

Berm Required? N

Erosion Sedimentation Control Required? N

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

**Reserve Pit**

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

**Characteristics / Requirements**

The reserve pit is proposed on the southeast 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? N    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  $0.052(9010)10.5 = 4919 \text{ psi}$   
 anticipate 4920 psi

Gas  $.12(9010) = 1081$   
 $4919 - 1081 = 3838 \text{ psi}$

BOPE = 5M ✓

Burst 3520  
 $70\% = 2464$

Max P @ surf. shoe

$.22(6710) = 1476$   
 $4919 - 1476 = 3443 \text{ psi}$

test to 2464 psi ✓

✓ Adequate JWD 3/29/07

9-5/8"  
 MW 8.4  
 Frac 19.3

4-1/2"  
 MW 10.5

Surface

12" / 18"

Winta  
 TOL to Surf w/6% w/o  
 stop ✓

TOC @ 801.  
 $8\frac{3}{8} = 7 \text{ BMSW}$   
 (1000' ±)

-1640' Green River

-1976' TOL w/0% w/o

Surface  
 2300. MD

Lead TOC proposed  
 to 200' inside 9 5/8"

TOC @ 3904.  
 stop ✓

-4587' Wasatch

-5159' Chapita Wells

-5833' Buck Canyon

-6424' North Horn

-6752' KMV Price River

-7528' KMV Price River Middle

-8391' KMV Price River Lower

-8808' Sego

Production  
 9010. MD

5013  
 4200  
 ---  
 813

Well name:

**2007-03 EOG E Chapita 818-16**

Operator: **EOG Resources Inc.**

String type: **Surface**

Project ID:

43-047-39059

Location: **Uintah County**

**Design parameters:**

**Collapse**

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

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**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

**Burst**

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

No backup mud specified.

**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

**Non-directional string.**

**Re subsequent strings:**

Next setting depth: 9,010 ft  
Next mud weight: 10.500 ppg  
Next setting BHP: 4,915 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 818-16**Operator: **EOG Resources Inc.**

String type: Production

Project ID:

43-047-39059

Location: Uintah County

**Design parameters:****Collapse**Mud weight: 10.500 ppg  
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**H2S considered? No  
Surface temperature: 75 °F  
Bottom hole temperature: 201 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 1,500 ft

Cement top: 3,904 ft

**Burst**Max anticipated surface  
pressure: 2,932 psi  
Internal gradient: 0.220 psi/ft  
Calculated BHP 4,915 psi

No backup mud specified.

**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)**Non-directional string.**

Tension is based on buoyed weight.

Neutral point: 7,596 ft

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	9010	4.5	11.60	N-80	LT&C	9010	9010	3.875	786.3
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	4915	6350	1.292	4915	7780	1.58	88	223	2.53 J

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

Collapse is based on a vertical depth of 9010 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 &amp; 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 818-16 Well, 485' FSL, 1786' FEL, SW 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 43-047-39059.

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.

**DIVISION OF OIL, GAS AND MINING**

**SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: E CHAPITA 818-16

Api No: 43-047-39059 Lease Type: STATE

Section 16 Township 09S Range 23E County UINTAH

Drilling Contractor ROCKY NOUNTAIN DRLG RIG # RATHOLE

**SPUDDED:**

Date 02/14/ 08

Time 4:30 PM

How DRY

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

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 02/15/08 Signed CHD

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

FORM 6

**ENTITY ACTION FORM**

Operator: EOG Resources, Inc.  
Address: 600 17th St., Suite 1000N  
city Denver  
state CO zip 80202

Operator Account Number: N 9550

Phone Number: (303) 824-5526

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39059	East Chapita 818-16		SWSE	16	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	16707	2/14/2008		2/28/08		
Comments: <u>WSTMVD</u>							

**Well 2**

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

**Well 3**

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

**ACTION CODES:**

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

Mary A. Maestas

Name (Please Print)

Signature  
Regulatory Assistant

2/15/2008

Title

Date

**RECEIVED**

**FEB 15 2008**

(5/2000)

DIV. OF OIL, GAS & MINING

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>ML-47045</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
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: <b>EOG Resources, Inc.</b>		8. WELL NAME and NUMBER: <b>East Chapita 818-16</b>
3. ADDRESS OF OPERATOR: <b>600 17th Street, Suite 1000N</b> CITY <b>Denver</b> STATE <b>CO</b> ZIP <b>80202</b>		9. API NUMBER: <b>43-047-39059</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>485' FSL &amp; 1786' FEL 40.030022 LAT 109.328897 LON</b>		10. FIELD AND POOL, OR WILDCAT: <b>Natural Buttes/Wasatch/Mesaverde</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWSE 16 9S 23E S.L.B. &amp; M</b>		COUNTY: <b>UINTAH</b>
		STATE: <b>UTAH</b>

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input checked="" 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: _____
	<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**

**RECEIVED**  
**MAR 05 2008**

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Mary A. Maestas</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u>Mary A. Maestas</u>	DATE <u>3/4/2008</u>

(This space for State use only)

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:

**ML-47045**

**SUNDRY NOTICES AND REPORTS ON WELLS**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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

1. TYPE OF WELL    OIL WELL     GAS WELL     OTHER \_\_\_\_\_

8. WELL NAME and NUMBER:  
**East Chapita 818-16**

2. NAME OF OPERATOR:  
**EOG Resources, Inc.**

9. API NUMBER:  
**43-047-39059**

3. ADDRESS OF OPERATOR:  
**600 17th Street, 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: **485' FSL & 1786' FEL 40.030022 LAT 109.328897 LON**

COUNTY: **UINTAH**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **SWSE 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 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 5/7/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

NAME (PLEASE PRINT) **Mary A. Maestas**

TITLE **Regulatory Assistant**

SIGNATURE

*Mary A. Maestas*

DATE

**5/13/2008**

**RECEIVED**

(This space for State use only)

**MAY 15 2008**

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

## WELL CHRONOLOGY REPORT

Report Generated On: 05-13-2008

<b>Well Name</b>	ECW 818-16	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-39059	<b>Well Class</b>	COMP
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	03-31-2008	<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,010/ 9,010	<b>Property #</b>	059266
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/0
<b>KB / GL Elev</b>	5,023/ 5,007				
<b>Location</b>	Section 16, T9S, R23E, SWSE, 485 FSL & 1786 FEL				

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

<b>AFE No</b>	304110	<b>AFE Total</b>	2,015,900	<b>DHC / CWC</b>	880,700/ 1,135,200
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #31	<b>Start Date</b>	03-05-2007
		<b>Release Date</b>			04-04-2008
<b>03-05-2007</b>	<b>Reported By</b>	SHARON CAUDILL			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
		<b>Days</b>	0	<b>MW</b>	0.0
		<b>Visc</b>			0.0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			485' FSL & 1786' FEL (SW/SE)
			SECTION 16, T9S, R23E
			UINTAH COUNTY, UTAH
			LAT 40.030056, LONG 109.328219 (NAD 27)
			LAT 40.030022, LONG 109.328897 (NAD 83)
			TRUE #31
			OBJECTIVE: 9010' TD, MESAVERDE
			DW/GAS
			EAST CHAPITA PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: ML 47045
			ELEVATION: 5013.0' NAT GL, 5006.6' PREP GL (DUE TO ROUNDING THE PREP IS 5007' GL), 5023' KB (16')
			EOG WI 100%, NRI 81%

01-28-2008      Reported By      TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION STARTED TODAY 1/28/08.

01-29-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	REMOVING SNOW.

01-30-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 80% COMPLETE.

01-31-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

02-01-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

02-04-2008 Reported By TERRY CSERE



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

Activity at Report Time: BUILD LOCATION

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

02-12-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TODAY.

02-13-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TODAY.

02-14-2008 Reported By TERRY CSERE

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

Activity at Report Time: WO BUCKET TRUCK

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

02-15-2008 Reported By JERRY BARNES

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: WO/AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 02/14/08 @ 4:30 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM & MICHAEL LEE W/BLM OF THE SPUD 02/14/08 @ 3:30 PM.

03-13-2008 Reported By JERRY BARNES

<b>Daily Costs: Drilling</b>	\$216,512	<b>Completion</b>	\$0	<b>Daily Total</b>	\$216,512						
<b>Cum Costs: Drilling</b>	\$254,512	<b>Completion</b>	\$0	<b>Well Total</b>	\$254,512						
<b>MD</b>	2,444	<b>TVD</b>	2,444	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU PRO PETRO AIR RIG #9 ON 2/27/2008. DRILLED 12-1/4" HOLE TO 2460' GL. ENCOUNTERED WATER @ 1920'. RAN 57 JTS (2428.95') OF 9-5/8", 36.0 #/ FT, J-55, ST&C CASING WITH TOP-CO GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2444' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO AIR RIG.

MIRU PRO PETRO CEMENTING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 180 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 250 SX (170 BBLs) OF PREMIUM LEAD CEMENT W/16% GEL, 10 #/ SX GILSONITE, 3 #/ SX GR-3, 3% SALT, & < #/ SX FLOCELE. MIXED LEAD CEMENT @ 11.0 PPG W/YIELD OF 3.82 CF/SX.

TAILED IN W/200 SX (40.9 BBLs) OF PREMIUM CEMENT W/2% CACL2 & < #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. DISPLACED CEMENT W/184.4 BBLs FRESH WATER. BUMPED PLUG W/1000# @ 10:12 P.M., 3/1/2008. CHECKED FLOAT, FLOAT HELD. SHUT IN CASING VALVE. BROKE CIRCULATION 40 BBLs INTO DISPLACEMENT. NO CEMENT TO SURFACE. HOLE FELL BACK AT SURFACE WHEN PLUG BUMPED.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (20.4 BBLs) OF PREMIUM CEMENT W/4% CACL2 & < #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS.

TOP JOB # 2: MIXED & PUMPED 150 SX (30.7 BBLs) OF PREMIUM CEMENT W/4% CACL2 & < #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HRS 30 MINUTES.

TOP JOB # 3: MIXED & PUMPED 125 SX (25.6 BBLs) OF PREMIUM CEMENT W/4% CACL2 & < #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO PRO PETRO CEMENTERS.

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

MIRU GLENNS WIRELINE SERVICE. RAN IN HOLE W/STRAIGHT HOLE SURVEY. TAGGED CEMENT 2314'. PICKED UP TO 2294' & TOOK SURVEY. 1.0 DEGREE.

CONDUCTOR LEVEL RECORD: PS= 89.9 OPS= 89.9 VDS= 90.0 MS= 89.9

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

DALL COOK NOTIFIED DAVE HACKFORD W/UDOGM OF THE SURFACE CASING & CEMENT JOB ON 2/29/2008 @ 11:30 AM.

03-30-2008 Reported By PAT CLARK

<b>Daily Costs: Drilling</b>	\$19,582	<b>Completion</b>	\$375	<b>Daily Total</b>	\$19,957						
<b>Cum Costs: Drilling</b>	\$274,094	<b>Completion</b>	\$375	<b>Well Total</b>	\$274,469						
<b>MD</b>	2,444	<b>TVD</b>	2,444	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

**Activity at Report Time: RURT**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RDMO ECW 24-9, MIRU ECU 818-16. RIG 50 % RIGGED UP, DERRICK IH THE AIR @ 20:00. MOVED RIG 4.5 MILES W/WESTROC TRUCKING. 12 TRUCKS, 2 FORKLIFTS, 1 CRANE. TRUCKS AND CRANE RELEASED @ 20:00. 10 MEN, 12 HOURS. SAFETY MEETING - MOVE RIG W/WESTROC. ETA DAYWORK - TONIGHT @ 18:00.

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03-31-2008		Reported By	PAT CLARK								
<b>Daily Costs: Drilling</b>		\$59,704	<b>Completion</b>	\$0	<b>Daily Total</b>	\$59,704					
<b>Cum Costs: Drilling</b>		\$333,798	<b>Completion</b>	\$375	<b>Well Total</b>	\$334,173					
<b>MD</b>	2,710	<b>TVD</b>	2,710	<b>Progress</b>	266	<b>Days</b>	1	<b>MW</b>	8.5	<b>Visc</b>	27.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: DRILLING @ 2710'**

Start	End	Hrs	Activity Description
06:00	18:00	12.0	RURT. 5 MEN, 12 HOURS.
18:00	19:00	1.0	NU BOPE. RIG ON DAY WORK @ 18:00 HRSM 3/30/08.
19:00	22:00	3.0	TESTED PIPE RAMS, BLIND RAMS, HCR, CHOKE VALVE, CHOKE LINE & MANIFOLD, KILL LINE VALVES TO 5000 PSI FOR 10 MINUTES. TESTED UPPER & LOWER KELLY COCKS, FLOOR & INSIDE BOP TO 5000 PSI FOR 10 MINUTES. TESTED ANNULAR PREVENTER TO 2500 PSI FOR 10 MINUTES. TESTED CASING TO 1500 PSI FOR 30 MINUTES. NO BLM REP ON LOCATION TO WITNESS TEST. NOTIFIED\JAMIE SPARGER\VERNAL BLM\BOP TEST\3-29-08\09:00.
22:00	23:00	1.0	STRAP AND CALIPER BHA, INSTALL WEAR BUSHING. R/U WEATHERFORD TRS.
23:00	02:00	3.0	PU/LD BHA & TOOLS. TAG CEMENT @ 2400'. R/D TRS.
02:00	02:30	0.5	SLIP & CUT DRILL LINE.
02:30	03:00	0.5	INSTALL DRILLING RUBBER AND FILL PIPE.
03:00	04:00	1.0	DRILL CEMENT/FLOAT EQUIP. FC @ 2400, FS @ 2444'. DRILL 11' TO 2455'.
04:00	04:30	0.5	PERFORM F.I.T TO 243 PSI FOR 10.5 EMW.
04:30	06:00	1.5	DRILL 2455' - 2710'. WOB 5-15K, RPM 60/67, SPP 950 PSI, DP 200 PSI, ROP 170 FPH.
			FULL CREWS, NO ACCIDENTS. SAFETY MEETINGS - RURT, P/U BHA. FUEL - 6480 GALS, DEL - 4500 GALS, USED - 520 GALS. UNMANNED ML UNIT - RIGGED UP 3-30-08 - 1 DAY.
06:00		18.0	SPUD 7 7/8" HOLE AT 04:30 HRS, 3/31/08.

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04-01-2008		Reported By	PAT CLARK								
<b>Daily Costs: Drilling</b>		\$31,306	<b>Completion</b>	\$0	<b>Daily Total</b>	\$31,306					
<b>Cum Costs: Drilling</b>		\$365,104	<b>Completion</b>	\$375	<b>Well Total</b>	\$365,479					
<b>MD</b>	5,480	<b>TVD</b>	5,480	<b>Progress</b>	2,770	<b>Days</b>	2	<b>MW</b>	8.9	<b>Visc</b>	28.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: DRILLING @ 5480'**

Start	End	Hrs	Activity Description
06:00	06:15	0.25	SURVEY @ 2635' - 1/2 DEG.
06:15	13:00	6.75	DRILL 2710' - 3586'. WOB 17K, RPM 60/67, SPP 1100 PSI, DP 350 PSI, ROP 130 FPH.
13:00	13:30	0.5	SURVEY @ 3511' - 1 DEG.
13:30	20:30	7.0	DRILL 3586' - 4488'. SAME PARAMETERS, ROP 129 FPH.
20:30	21:00	0.5	SURVEY @ 4413' - 2 DEG.
21:00	06:00	9.0	DRILL 4488' - 5480'. SAME PARAMETERS, ROP 110 FPH. FULL CREWS, NO ACCIDENTS, CHECK C.O.M., BOP DRILL DAYLIGHTS. SAFETY MEETINGS - SURVEYS, SLIPPERY CONDITIONS. CURRENT FORMATION - CHAPITA WELLS. CURRENT MW - 9.2 PPG, VIS - 31 SPQ. FUEL - 5200 GALS, USED - 1280 GALS. UNMANNED ML UNIT - 2 DAYS.

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04-02-2008		Reported By		PAT CLARK	
<b>Daily Costs: Drilling</b>	\$33,515	<b>Completion</b>	\$0	<b>Daily Total</b>	\$33,515
<b>Cum Costs: Drilling</b>	\$398,619	<b>Completion</b>	\$375	<b>Well Total</b>	\$398,994
<b>MD</b>	7,348	<b>TVD</b>	7,348	<b>Progress</b>	1,868
		<b>Days</b>	3	<b>MW</b>	9.3
<b>Visc</b>					28.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	
<b>Activity at Report Time:</b> DRILLING @ 7348'					

Start	End	Hrs	Activity Description
06:00	15:30	9.5	DRILL 5480' - 6311'. WOB 17K, RPM 58/67, SPP 1450 PSI, DP 350 PSI, ROP 87 FPH.
15:30	16:00	0.5	RIG SERVICE. CHECK C.O.M., FUNCTION PIPE RAMS.
16:00	06:00	14.0	DRILL 6311' - 7348'. SAME PARAMETERS, ROP 74 FPH. FULL CREWS, NO ACCIDENTS, CHECK C.O.M., BOP DRILL BOTH TOURS. SAFETY MEETINGS - HOUSEKEEPING, CLEANING BOILER. CURRENT FORMATION - KMV PRICE RIVER. CURRENT MW - 9.7 PPG, VIS - 30 SPQ. FUEL - 3800 GALS, USED - 1400 GALS. UNMANNED ML UNIT - 3 DAYS.

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04-03-2008		Reported By		PAT CLARK/JIM LOUDERMILK	
<b>Daily Costs: Drilling</b>	\$39,366	<b>Completion</b>	\$0	<b>Daily Total</b>	\$39,366
<b>Cum Costs: Drilling</b>	\$437,985	<b>Completion</b>	\$375	<b>Well Total</b>	\$438,360
<b>MD</b>	8,260	<b>TVD</b>	8,260	<b>Progress</b>	912
		<b>Days</b>	4	<b>MW</b>	9.7
<b>Visc</b>					31.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	
<b>Activity at Report Time:</b> TFNB @ 8260'					

Start	End	Hrs	Activity Description
06:00	15:30	9.5	DRILL 7348' - 7900', (14-18K WOB / 60 RPM-68MTR / 420 GPM), 58.1 FPH.
15:30	16:00	0.5	RIG SERVICE / FUNCTION PIPE RAMS & CHECK COM.
16:00	02:30	10.5	DRILL 7900' - 8260', (18-24K WOB / 60 RPM-68MTR / 420 GPM), 34.3 FPH.
02:30	06:00	3.5	PUMP WEIGHTED PILL & TRIP OUT WITH BIT #1. VIS 32 WT 10.1. CREWS: FULL / NO INCIDENTS REPORTED / HSM: ACCUMULATOR OPERATION & MAINTENENCE.. FUEL: 2305 GAL. USED 1495 GAL. UNMANNED LOGGING UNIT 4 DAYS.

04-04-2008      Reported By      JIM LOUDERMILK

Daily Costs: Drilling      \$83,341      Completion      \$0      Daily Total      \$83,341

Cum Costs: Drilling      \$521,327      Completion      \$375      Well Total      \$521,702

MD      9,010      TVD      9,010      Progress      750      Days      5      MW      9.9      Visc      40.0

Formation :      PBT D : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: LDDP.

Start	End	Hrs	Activity Description
06:00	08:30	2.5	TRIP IN WITH BIT #2.
08:30	09:30	1.0	REAM THROUGH BRIDGES @ 4435' & 4497'.
09:30	11:30	2.0	FINISH TRIP IN.
11:30	14:00	2.5	DRILL 8260'-8345', (5-15K WOB / 60 RPM-68MTR / 420 GPM), 34 FPH.
14:00	14:30	0.5	RIG SERVICE / FUNCTION PIPE RAMS & CHECK COM.
14:30	01:00	10.5	DRILL 8345'-9010' TD, (18-24K WOB / 60 RPM-68MTR / 420 GPM), 63.3 FPH. REACHED TD ON 4/4/2008 @ 01:00 HRS. NOTIFIED GEORGE ROSS & ERIK KLING ON 4/4/2008 @ 03:20.
01:00	02:00	1.0	CHECK FLOW / CBU & PUMP WEIGHTED PILL.
02:00	03:00	1.0	SHORT TRIP / 9010'-8090'.
03:00	04:00	1.0	CBU / HSM & RU WEATHERFORD TRS.
04:00	06:00	2.0	LDDP / VIS 34 WT 10.7.

NOTIFIED JAMIE SPARGER, VIA VOICE MAIL, WITH THE VERNAL BLM FIELD OFFICE ON 4/3/2008 @ 08:00 HRS OF CASING RUN & CEMENT JOB TO TAKE PLACE ON 4/4/2008 @ 12:00 HRS.

CREWS: FULL / NO INCIDENTS REPORTED / HSM: LDDP & PINCH POINTS.

FUEL: 1200 GAL. USED 1105 GAL. UNMANNED LOGGING UNIT 5 DAYS.

04-05-2008      Reported By      JIM LOUDERMILK

Daily Costs: Drilling      \$42,695      Completion      \$151,661      Daily Total      \$194,356

Cum Costs: Drilling      \$564,022      Completion      \$152,036      Well Total      \$716,058

MD      9,010      TVD      9,010      Progress      0      Days      6      MW      0.0      Visc      0.0

Formation :      PBT D : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: RDRT / PREPARE FOR TRUCKS.

Start	End	Hrs	Activity Description
06:00	10:00	4.0	FINISH LDDP / RETRIEVE WEAR BUSHING.
10:00	11:00	1.0	HSM WITH WEATHERFORD TRS & RU.
11:00	16:30	5.5	RAN WEATHERFORD MODEL 303E FLOAT SHOE, (1.50'), 1JT, (41.65'), OF 4.5", 11.6#, N80, LTC, R3 CASING AND WFORD MODEL 402E FLOAT COLLAR, (1.50'). FOLLOWED BY 211 JOINTS, (8886.61'), OF 4.5", 11.6#, N80, LTC, R3 CASING, 3 MARKER JOINTS, (54.44'), 1 MCH, (8.30') AND 1 LANDING JOINT W / HANGER, (16.00'). ALL 4.5", 11.6#, HCP-110, LTC CASING. LANDED @ 9010', FLOAT COLLAR @ 8965.35' WITH MARKERS @ ', 6375.60', 4171.51' & 24.30'.
16:30	18:30	2.0	LAND MCH, CBU / HSM WITH SCHLUMBERGER & RU.
18:30	20:30	2.0	TEST LINES TO 5K. PUMP 20 BBL'S MUD FLUSH & 20 BBL'S OF FRESH WATER SPACER. LEAD: 235 SKS OF "G" MIXED @ 11.5 PPG, 2.98YLD+10%D020+.2%D046+.2%D167+.5%D065+.125 LB/SK D130. TAIL: 1465 SKS OF 50/50 POZ"G" MIXED @ 14.1 PPG AND 1.29YLD+2%D020+.1%D046+.2%D065+.2%D167+.1%D013 FOR ADDITIVES. DSPL: 138 BBL'S OF FRESH WATER PUMPED @ 6 BPM. FULL MUD RETURNS THROUGHOUT THE JOB, BUMPED PLUG WITH 1000 PSI OVER FPIP OF 2350 PSI, FLOATS HELD BLEED BACK 1.5 BBL'S. CEMENT IN PLACE ON 4/4/2008 @ 20:32 HRS.
20:30	21:30	1.0	WAIT ON CEMENT / FMC REP ON LOCATION TO PACK OF CSG HANGER. TEST TO 5K.

21:30 00:00 2.5 ND BOP, CLEAN MUD TANKS & RELEASE RIG ON 4/4/2008 @ 00:00 HRS.  
 00:00 06:00 6.0 RDRT & PREPARE FOR TRUCKS.

CREWS: FULL / NO ACCIDENTS REPORTED / HSM: RUN CSG & CMT.

UNMANNED UNIT 6 DAYS / RELEASED ON 4/4/2008 @ 12:00+/-.

MH TO MOVE CAMPS FROM THE HOSS ECW 818-16 TO THE ECW 50-16 ON 4/5/2008 @ 07:00 HRS.

WESTROC TRUCKING TO MOVE RIG 1 MILES FROM THE ECW 818-16 TO THE ECW 50-16 ON 4/5/2008 @ 08:00 HRS. TRANSFER 7 JTS, (293.69' NET), OF 4.5", 11.6#, N80, LTC R3 CASING, 1 LANDING JT, (16.0' NET), OF 4.5", 11.6#, HCP110 LTC CASING AND 3000 GAL. DIESEL FROM THE ECW 818-16 TO THE ECW 50-16. TRANSFER APPROXIMATELY 1100 BBL'S OF 10.7 PPG MUD TO THE MUD STORAGE FACILITY.

**04-10-2008**      **Reported By**      SEARLE

**Daily Costs: Drilling**      \$0      **Completion**      \$43,977      **Daily Total**      \$43,977

**Cum Costs: Drilling**      \$564,022      **Completion**      \$196,013      **Well Total**      \$760,035

**MD**      9,010      **TVD**      9,010      **Progress**      0      **Days**      7      **MW**      0.0      **Visc**      0.0

**Formation :**      **PBTD :** 8965.0      **Perf :**      **PKR Depth :** 0.0

**Activity at Report Time:** PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 50'. EST CEMENT TOP @ 250'. RD SCHLUMBERGER.

**04-18-2008**      **Reported By**      MCCURDY

**Daily Costs: Drilling**      \$0      **Completion**      \$1,653      **Daily Total**      \$1,653

**Cum Costs: Drilling**      \$564,022      **Completion**      \$197,666      **Well Total**      \$761,688

**MD**      9,010      **TVD**      9,010      **Progress**      0      **Days**      8      **MW**      0.0      **Visc**      0.0

**Formation :**      **PBTD :** 8965.0      **Perf :**      **PKR Depth :** 0.0

**Activity at Report Time:** WO COMPLETIONS

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

**05-01-2008**      **Reported By**      HOOLEY

**Daily Costs: Drilling**      \$0      **Completion**      \$900      **Daily Total**      \$900

**Cum Costs: Drilling**      \$564,022      **Completion**      \$198,566      **Well Total**      \$762,588

**MD**      9,010      **TVD**      9,010      **Progress**      0      **Days**      9      **MW**      0.0      **Visc**      0.0

**Formation :** MESAVERDE      **PBTD :** 8965.0      **Perf :** 8175-8735      **PKR Depth :** 0.0

**Activity at Report Time:** FRAC

Start	End	Hrs	Activity Description
06:00	17:30	11.5	SICP 0 PSIG. RU CUTTERS WIRELINE. PERFORATED LPR FROM 8592-93', 8596-97', 8600-01', 8613-14', 8626-27', 8631-32', 8636-37', 8648-50', 8723-25' AND 8734-35' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3091 GAL WF120 PAD, 39693 GAL WF120 AND YF116ST+ WITH 100200# 20/40 SAND @ 1-5 PPG. MTP 6219 PSIG. MTR 50.9 BPM. ATP 4863 PSIG. ATR 45.4 BPM. ISIP 2780 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 8550'. PERFORATED LPR FROM 8336-37', 8357-58', 8398-99', 8421-22', 8426-27', 8451-52', 8460-61', 8474-75', 8480-81', 8506'-07', 8511-12' AND 8530-31' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3096 GAL WF120 PAD, 44865 GAL WF120 AND YF116ST+ WITH 119200# 20/40 SAND @ 1-5 PPG. MTP 6222 PSIG. MTR 51.0 BPM. ATP 4843 PSIG. ATR 44.4 BPM. ISIP 2550 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 8305'. PERFORATED MPR FROM 8175-76', 8181-82', 8190-91', 8200-01', 8228-29', 8234-35', 8256-57', 8263-64', 8275-77' AND 8286-88' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3118 GAL WF120 PAD, 33851 GAL WF120 AND YF116ST+ WITH 88400# 20/40 SAND @ 1-4 PPG. MTP 6503 PSIG. MTR 50.2 BPM. ATP 4379 PSIG. ATR 33.2 BPM. ISIP 3350 PSIG. RD SCHLUMBERGER. SDFN.

**05-02-2008**      **Reported By**                      HOOLEY

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$27,961	<b>Daily Total</b>	\$27,961
<b>Cum Costs: Drilling</b>	\$564,022	<b>Completion</b>	\$226,527	<b>Well Total</b>	\$790,549

**MD**            9,010    **TVD**            9,010    **Progress**        0    **Days**            10    **MW**            0.0    **Visc**            0.0

**Formation : MESAVERDE**                      **PBTD : 8965.0**                      **Perf : 6904-8735**                      **PKR Depth : 0.0**

**Activity at Report Time: FRAC WASATCH**

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	19:30	13.5	SICP 2290 PSIG. RUWL. SET 6K CFP AT 8130'. PERFORATED MPR FROM 7892-93', 7898-99', 7904-05', 7959-60', 7963-64', 7990-91', 7999-8000', 8004-05', 8025-26', 8087-88', 8097-98' AND 8102-03' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4125 GAL WF120 PAD, 63039 GAL WF120 AND YF116ST+ WITH 181900# 20/40 SAND @ 1-4 PPG. MTP 6554 PSIG. MTR 50.2 BPM. ATP 5126 PSIG. ATR 45.9 BPM. ISIP 2947 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 7835'. PERFORATED MPR FROM 7705-06', 7713-14', 7723-24', 7728-29', 7745-46', 7754-55', 7767-68', 7775-76', 7797-98', 7814-18' (BTM 3 PERF SETS MOVED DUE TO PLUG BEING SET HIGH) @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3111 GAL WF120 PAD, 68009 GAL WF120 AND YF116ST+ WITH 201200# 20/40 SAND @ 1-5 PPG. MTP 4545 PSIG. MTR 51.0 BPM. ATP 4403 PSIG. ATR 47.1 BPM. ISIP 2100 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 7650'. PERFORATED MPR FROM 7486-87', 7543-44' (MISFIRED), 7549-50', 7559-60', 7564-65', 7571-72', 7580-81', 7611-12', 7616-17', 7620-21', 7625-26' AND 7635-36' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3094 GAL WF120 PAD, 42392 GAL WF120 AND YF116ST+ WITH 62300# 20/40 SAND @ 1-3 PPG. OVER FLUSHED 2 CSG VOLUMES DUE TO DRY GEL EDUCTOR FAILURE. RE-FRAC DOWN CSG W/3114 GAL WF120 PAD, 51770 GAL WF120 AND YF116ST+ WITH 144700# 20/40 SAND @ 1-5 PG. MTP 5987 PSIG. MTR 50.4 BPM. ATP 4378 PSIG. ATR 47.4 BPM. ISIP 2950 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 7420'. PERFORATED UPFR FROM 7167-68', 7192-93', 7201-02', 7209-10', 7284-85', 7290-91', 7295-96', 7301-02', 7388-89', 7395-97' AND 7402-03' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3111 GAL WF120 PAD, 51530 GAL WF120 AND YF116ST+ WITH 144900# 20/40 SAND @ 1-5 PPG. MTP 6576 PSIG. MTR 50.3 BPM. ATP 5331 PSIG. ATR 39.0 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 7100'. PERFORATED UPFR FROM 6904-05', 6923-24', 6944-45', 6986-87', 6996-97', 7000-01', 7011-12', 7016-17', 7040-41', 7067-68', 7072-73' AND 7080-81' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3089 GAL WF120 PAD, 43363 GAL WF120 AND YF116ST+ WITH 114000# 20/40 SAND @ 1-5 PPG. MTP 6200 PSIG. MTR 50.3 BPM. ATP 4324 PSIG. ATR 45.8 BPM. ISIP 1821 PSIG. RD SCHLUMBERGER. SDFN.

**05-03-2008**      **Reported By**                      HOOLEY

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$421,878	<b>Daily Total</b>	\$421,878
<b>Cum Costs: Drilling</b>	\$564,022	<b>Completion</b>	\$648,405	<b>Well Total</b>	\$1,212,427

**MD**            9,010    **TVD**            9,010    **Progress**        0    **Days**            11    **MW**            0.0    **Visc**            0.0

**Formation : MESAVERDE / WASATCH**                      **PBTD : 8965.0**                      **Perf : 5150-8735**                      **PKR Depth : 0.0**

**Activity at Report Time: PREP TO MIRUSU**

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
--------------	------------	------------	-----------------------------

06:00 17:00 11.0 SICP 1400 PSIG. RUWL. SET 6K CFP AT 6880'. PERFORATED NORTH HORN/UPR FROM 6674-75', 6685-86', 6695-96', 6718-19', 6745-46', 6784-85', 6795-96', 6807-08', 6823-24', 6854-56' AND 6864-65' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3083 GAL WF120 PAD, 68820 GAL WF120 AND YF116ST+ WITH 201100# 20/40 SAND @ 1-5 PPG. MTP 5206 PSIG. MTR 50.2 BPM. ATP 3243 PSIG. ATR 48.1 BPM. ISIP 1950 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6635'. PERFORATED NORTH HORN FROM 6399-6400', 6415-16', 6455-56', 6489-90', 6513-14', 6542-43', 6571-72', 6590-91', 6607-08', 6611-12', 6614-15' AND 6618-19' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2061 GAL WF120 PAD, 32019 GAL WF120 AND YF116ST+ WITH 75300# 20/40 SAND @ 1-4 PPG. MTP 5996 PSIG. MTR 50.5 BPM. ATP 4530 PSIG. ATR 44.9 BPM. ISIP 1875 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6350'. PERFORATED Ba FROM 5949-50', 6000-01', 6022-23', 6049-50', 6074-75', 6118-19', 6134-35', 6156-57', 6183-84', 6221-22', 6267-68' AND 6332-33' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 2077 GAL WF120 PAD, 31561 GAL WF120 AND YF116ST+ WITH 75300# 20/40 SAND @ 1-4 PPG. MTP 6317 PSIG. MTR 50.6 BPM. ATP 4827 PSIG. ATR 41.9 BPM. ISIP 1750 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5860'. PERFORATED Ca FROM 5533-35', 5565-66', 5693-95', 5713-15', 5751-52', 5797-99', 5819-20' AND 5839-40' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 1027 GAL WF120 PAD, 25508 GAL WF120 & YF116ST+ WITH 59600# 20/40 SAND @ 1-4 PPG. MTP 6432 PSIG. MTR 49.4 BPM. ATP 5562 PSIG. ATR 35.4 BPM. ISIP 2290 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5350'. PERFORATED Ca FROM 5311-15', 5320-24' AND 5332-36' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 1021 GAL WF120 PAD, 34327 GAL WF120 & YF116ST+ WITH 93500# 20/40 SAND @ 1-4 PPG. MTP 6530 PSIG. MTR 50.3 BPM. ATP 3657 PSIG. ATR 45.1 BPM. ISIP 2350 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5270'. PERFORATED Ca FROM 5150-52', 5161-63', 5172-74', 5177-79', 5222-24' AND 5256-58' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 1022 GAL WF120 PAD, 25807 GAL WF120 & YF116ST+ WITH 64300# 20/40 SAND @ 1-4 PPG. MTP 5815 PSIG. MTR 50.3 BPM. ATP 4018 PSIG. ATR 40.0 BPM. ISIP 1725 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 5068'. BLEED OFF PRESSURE. RDWL. SDFN.

05-06-2008		Reported By		POWELL	
Daily Costs: Drilling	\$0	Completion	\$900	Daily Total	\$900
Cum Costs: Drilling	\$564,022	Completion	\$649,305	Well Total	\$1,213,327
MD	9,010	TVD	9,010	Progress	0
		Days	12	MW	0.0
		Visc			0.0
Formation : MESAVERDE / WASATCH		PBTD : 8965.0		Perf : 5150-8735	PKR Depth : 0.0
Activity at Report Time: DRILL OUT PLUGS					
Start	End	Hrs	Activity Description		
07:00	16:00	9.0	MIRUSU. ND FRAC TREE. NU BOPE. RIH W/BIT & PUMP OFF SUB TO 5600'. RU TO DRILL OUT. SDFN.		

05-07-2008		Reported By		POWELL	
Daily Costs: Drilling	\$0	Completion	\$5,450	Daily Total	\$5,450
Cum Costs: Drilling	\$564,022	Completion	\$654,755	Well Total	\$1,218,777
MD	9,010	TVD	9,010	Progress	0
		Days	13	MW	0.0
		Visc			0.0
Formation : MESAVERDE / WASATCH		PBTD : 8965.0		Perf : 5150-8735	PKR Depth : 0.0
Activity at Report Time: FLOW TEST					

**Start End Hrs Activity Description**  
 07:00 18:00 11.0 CLEANED OUT & DRILLED OUT PLUGS @ 5068', 5270', 5350', 5860', 6350', 6635', 6880', 7100', 7420', 7650', 7835', 8124', 8305' & 8550'. RIH. CLEANED OUT TO PBTD @ 8965'. LANDED TBG AT 7481' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RD MOSU.

FLOWED 11 HRS. 24/64" CHOKE. FTP 1400 PSIG. CP 1650 PSIG. 68 BFPH. RECOVERED 818 BLW. 16063 BLWTR.

**TUBING DETAIL LENGTH**

PUMP OFF SUB 1.00'  
 1 JT 2-3/8" 4.7# L-80 TBG 32.95'  
 XN NIPPLE 1.10'  
 227 JTS 2-3/8" 4.7# L-80 TBG 7444.70'  
 BELOW KB 12.00'  
 LANDED @ 7481.75' KB

**05-08-2008 Reported By POWELL**

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$11,320	<b>Daily Total</b>	\$11,320
<b>Cum Costs: Drilling</b>	\$564,022	<b>Completion</b>	\$666,075	<b>Well Total</b>	\$1,230,097
<b>MD</b>	9,010	<b>TVD</b>	9,010	<b>Progress</b>	0
				<b>Days</b>	14
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
<b>Formation : MESAVERDE / WASATCH</b>		<b>PBTD : 8965.0</b>		<b>Perf : 5150-8735</b>	<b>PKR Depth : 0.0</b>

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

**Start End Hrs Activity Description**  
 05:00 05:00 24.0 FLOWED THROUGH TEST UNIT TO SALES 16 HRS. 24/64" CHOKE. FTP 1300 PSIG. CP 1700 PSIG. 44 BFPH. RECOVERED 1220 BLW. 14833 BLWTR. 254 MCFD RATE.

INITIAL PRODUCTION: TURNED TO GAS SALES. SITP 1250 & SICP 1350 PSIG. TURNED WELL TO QUESTAR METER #7714 AT 12:30 PM, 5/7/08. FLOWING 120 MCFD RATE ON 20/64" POS CK. STATIC 449.

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

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$11,320	<b>Daily Total</b>	\$11,320
<b>Cum Costs: Drilling</b>	\$564,022	<b>Completion</b>	\$677,395	<b>Well Total</b>	\$1,241,417
<b>MD</b>	9,010	<b>TVD</b>	9,010	<b>Progress</b>	0
				<b>Days</b>	15
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
<b>Formation : MESAVERDE / WASATCH</b>		<b>PBTD : 8965.0</b>		<b>Perf : 5150-8735</b>	<b>PKR Depth : 0.0</b>

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

**Start End Hrs Activity Description**  
 05:00 05:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 1300 PSIG. CP 1600 PSIG. 44 BFPH. RECOVERED 1080 BLW. 13763 BLWTR. 246 MCFD RATE.

**05-10-2008 Reported By POWELL**

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$11,320	<b>Daily Total</b>	\$11,320
<b>Cum Costs: Drilling</b>	\$564,022	<b>Completion</b>	\$688,715	<b>Well Total</b>	\$1,252,737
<b>MD</b>	9,010	<b>TVD</b>	9,010	<b>Progress</b>	0
				<b>Days</b>	16
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
<b>Formation : MESAVERDE / WASATCH</b>		<b>PBTD : 8965.0</b>		<b>Perf : 5150-8735</b>	<b>PKR Depth : 0.0</b>

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

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 22/64" CHOKE. FTP 1200 PSIG. CP 1500 PSIG. 48 BFPH. RECOVERED 1128 BLW. 12635 BLWTR. 330 MCFD RATE.

FLOWED 305 MCF 18 BC &amp; 1320 BW IN 24 HRS ON 22/64" CHOKE, TP 1200 PSIG, CP 1580 PSIG.

05-11-2008		Reported By	POWELL								
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,800	<b>Daily Total</b>	\$2,800						
<b>Cum Costs: Drilling</b>	\$564,022	<b>Completion</b>	\$691,515	<b>Well Total</b>	\$1,255,537						
<b>MD</b>	9,010	<b>TVD</b>	9,010	<b>Progress</b>	0	<b>Days</b>	17	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE / WASATCH</b>		<b>PBTD : 8965.0</b>		<b>Perf : 5150-8735</b>		<b>PKR Depth : 0.0</b>					

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

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED THROUGH TEST UNIT TO SALES 24 HRS. 22/64" CHOKE. FTP 1200 PSIG. CP 1750 PSIG. 43 BFPH. RECOVERED 1044 BLW. 11591 BLWTR. 356 MCFD RATE.

FLOWED 349 MCF 16 BC &amp; 1040 BW IN 24 HRS ON 22/64" CHOKE, TP 1200 PSIG, CP 1660 PSIG.

05-12-2008		Reported By	POWELL								
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,800	<b>Daily Total</b>	\$2,800						
<b>Cum Costs: Drilling</b>	\$564,022	<b>Completion</b>	\$694,315	<b>Well Total</b>	\$1,258,337						
<b>MD</b>	9,010	<b>TVD</b>	9,010	<b>Progress</b>	0	<b>Days</b>	18	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE / WASATCH</b>		<b>PBTD : 8965.0</b>		<b>Perf : 5150-8735</b>		<b>PKR Depth : 0.0</b>					

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

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED TO 24 HRS. 22/64" CHOKE. FTP 1200 PSIG. CP 1950 PSIG. 40 BFPH. RECOVERED 992 BLW. 10599 BLWTR. 588 MCFD RATE.

FLOWED 401 MCF 20 BC &amp; 1036 BW IN 24 HRS ON 22/64" CHOKE, TP 1200 PSIG, CP 1775 PSIG.

05-13-2008		Reported By	POWELL								
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,800	<b>Daily Total</b>	\$2,800						
<b>Cum Costs: Drilling</b>	\$564,022	<b>Completion</b>	\$697,115	<b>Well Total</b>	\$1,261,137						
<b>MD</b>	9,010	<b>TVD</b>	9,010	<b>Progress</b>	0	<b>Days</b>	19	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE / WASATCH</b>		<b>PBTD : 8965.0</b>		<b>Perf : 5150-8735</b>		<b>PKR Depth : 0.0</b>					

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

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 20 HRS. 24/64" CHOKE. FTP 1000 PSIG. CP 2100 PSIG. 44 BFPH. RECOVERED 1092 BLW. 9507 BLWTR. 551 MCFD RATE.

FLOWED 445 MCF, 10 BC &amp; 950 BW IN 24 HRS ON 22/64" CHOKE, TP 1150 PSIG, CP 2000 PSIG.

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

FORM 9

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL      OIL WELL       GAS WELL       OTHER \_\_\_\_\_

8. WELL NAME and NUMBER:  
**East Chapita 818-16**

2. NAME OF OPERATOR:  
**EOG Resources, Inc.**

9. API NUMBER:  
**43-047-39059**

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

PHONE NUMBER:  
**(435) 781-9111**

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

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: **485' FSL & 1786' FEL 40.030022 LAT 109.328897 LON**      COUNTY: **UINTAH**  
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **SWSE 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 checked="" type="checkbox"/> OTHER: <u>Site Facility Diagram</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

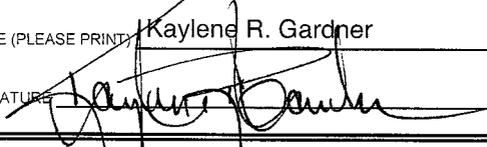
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Attached please find a site facility diagram.

Accepted by the  
Utah Division of  
Oil, Gas and Mining  
For Record Only

NAME (PLEASE PRINT) Kaylene R. Gardner

TITLE Lead Regulatory Assistant

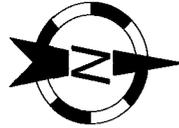
SIGNATURE 

DATE 6/5/2008

(This space for State use only)

**RECEIVED**  
**JUN 09 2008**  
**DIV. OF OIL, GAS & MINING**

# Geogresources Site Facility Diagram



Well Name: EAST CHAPITA 818-16  
 1/4 1/4:SW/SE Sec:16 T:9S R:23E  
 County:UINTAH State:UTAH  
 Lease: ML-47045

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

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

DATED 6/5/2008

## Abbreviations

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

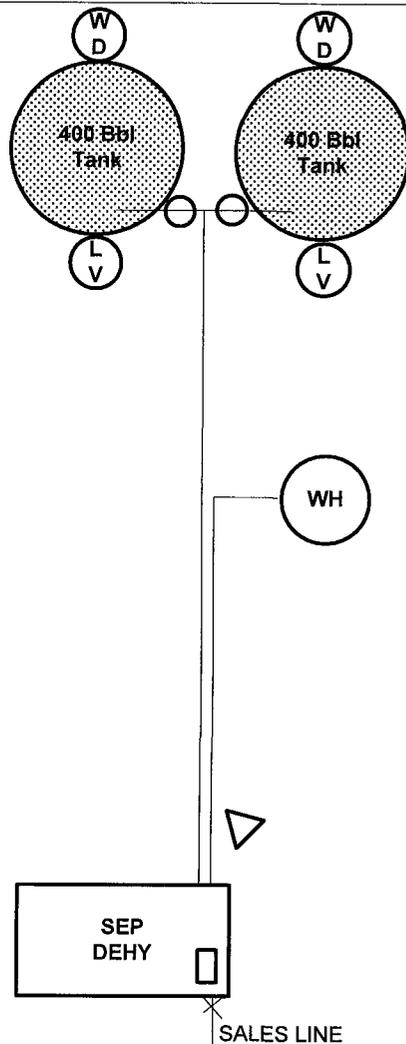
----- = Buried Line  
 \_\_\_\_\_ = Unburied Line

◁ = Meter Display

□ = Meter Tube

○ = Production Valve

× = Valve



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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>			5. LEASE DESIGNATION AND SERIAL NUMBER: <b>ML-47045</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
			7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: <b>East Chapita 818-16</b>		
2. NAME OF OPERATOR: <b>EOG Resources, Inc.</b>		9. API NUMBER: <b>43-047-39059</b>	
3. ADDRESS OF OPERATOR: <b>1060 E Highway 40</b>	<b>Vernal</b>	<b>UT 84078</b>	10. FIELD AND POOL, OR WILDCAT: <b>Natural Buttes/Wasatch/Mesaverde</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>485' FSL &amp; 1786' FEL 40.030022 LAT 109.328897 LON</b>			COUNTY: <b>UINTAH</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWSE 16 9S 23E S.L.B. &amp; M</b>			STATE: <b>UTAH</b>

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

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

NAME (PLEASE PRINT) <u>Mickenzie Thacker</u>	TITLE <u>Operations Clerk</u>
SIGNATURE <u><i>Mickenzie Thacker</i></u>	DATE <u>1/14/2009</u>

(This space for State use only)

**RECEIVED**  
**JAN 20 2009**

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>
<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> ML 47045	
<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>	
<b>7. UNIT or CA AGREEMENT NAME:</b>	
<b>8. WELL NAME and NUMBER:</b> E CHAPITA 818-16	
<b>9. API NUMBER:</b> 43047390590000	
<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES	
<b>COUNTY:</b> UINTAH	
<b>STATE:</b> UTAH	

**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.

<b>1. TYPE OF WELL</b> Gas Well	
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	
<b>3. ADDRESS OF OPERATOR:</b> 600 17th Street, Suite 1000 N , Denver, CO, 80202	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0485 FSL 1786 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSE Section: 16 Township: 09.0S Range: 23.0E Meridian: S	

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

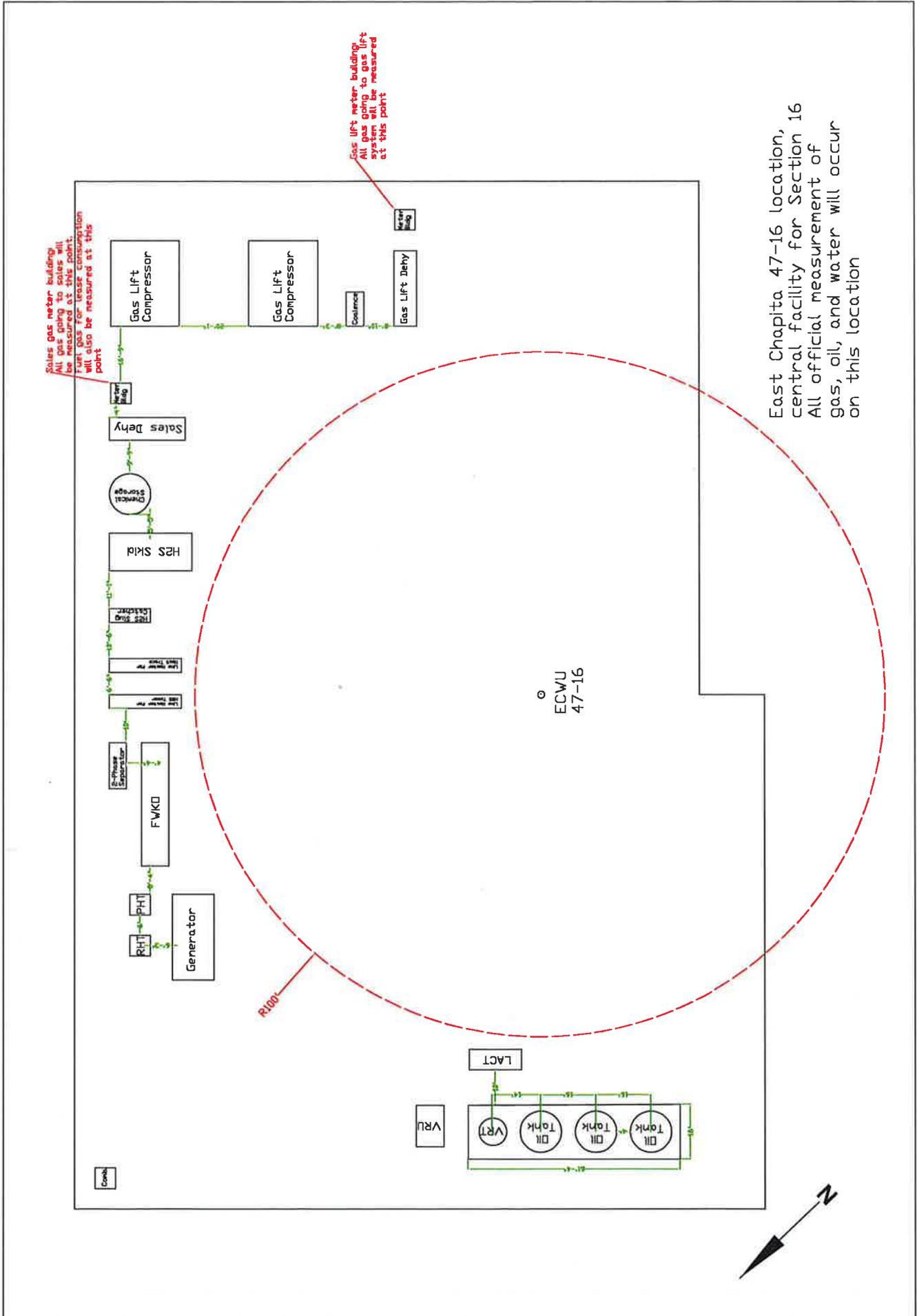
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 4/9/2012	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date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

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



Sales Gas meter building:  
All gas going to sales will  
be measured at this point.  
Run gas for lease consumption  
will also be measured at this  
point

Gas lift meter building:  
All gas going to gas lift  
compressors will be measured  
at this point

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

ECWU  
47-16

R1000









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", written over a horizontal line.

**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
43-047-39059	EAST CHAPITA 818-16		SWSE	16	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
D	16707	18940	2/14/2008			3/12/2013	
Comments: <span style="float: right;">3/12/13</span>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39151	EAST CHAPITA 57-16		NWNW	16	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
D	16730	18940	3/4/2008			3/12/2013	
Comments: <span style="float: right;">3/12/13</span>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39150	EAST CHAPITA 60-16		NENE	16	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
D	16784	18940	4/5/2008			3/12/2013	
Comments: <span style="float: right;">3/12/13</span>							

**RECEIVED**

**MAR 11 2013**

**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 3/8/2013  
 Title Date