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

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

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

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

7. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

8. UNIT or CA AGREEMENT NAME:

2. NAME OF OPERATOR:
EOG Resources, Inc.

9. WELL NAME and NUMBER:
East Chapita 48-16

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

PHONE NUMBER:
(435) 781-9111

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

4. LOCATION OF WELL (FOOTAGES) 642936X 44330424 40.037393
AT SURFACE: 2132 FNL 807 FEL (SENE) 40.037353 LAT 109.325392 LON
AT PROPOSED PRODUCING ZONE: Same 109.324160

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

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

12. COUNTY:
Uintah

13. STATE:
UTAH

15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)	16. NUMBER OF ACRES IN LEASE:	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:
807	640	40

18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)	19. PROPOSED DEPTH:	20. BOND DESCRIPTION:
1100	9,010	NM 2308

21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):	22. APPROXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION:
4939 GL		45 Days

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
17-1/2	13-3/8	H-40	48#	45	See Attached Eight Point Plan
12-1/4	9-5/8	J-55	36#	2,300	See Attached Eight Point Plan
7-7/8	4-1/2	N-80	11.6#	9,010	See Attached Eight Point Plan

25. **ATTACHMENTS**

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

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

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

SIGNATURE _____ DATE 2/22/2007

(This space for State use only)

Approved by the
Utah Division of
Oil, Gas and Mining

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

API NUMBER ASSIGNED: 43047-39860

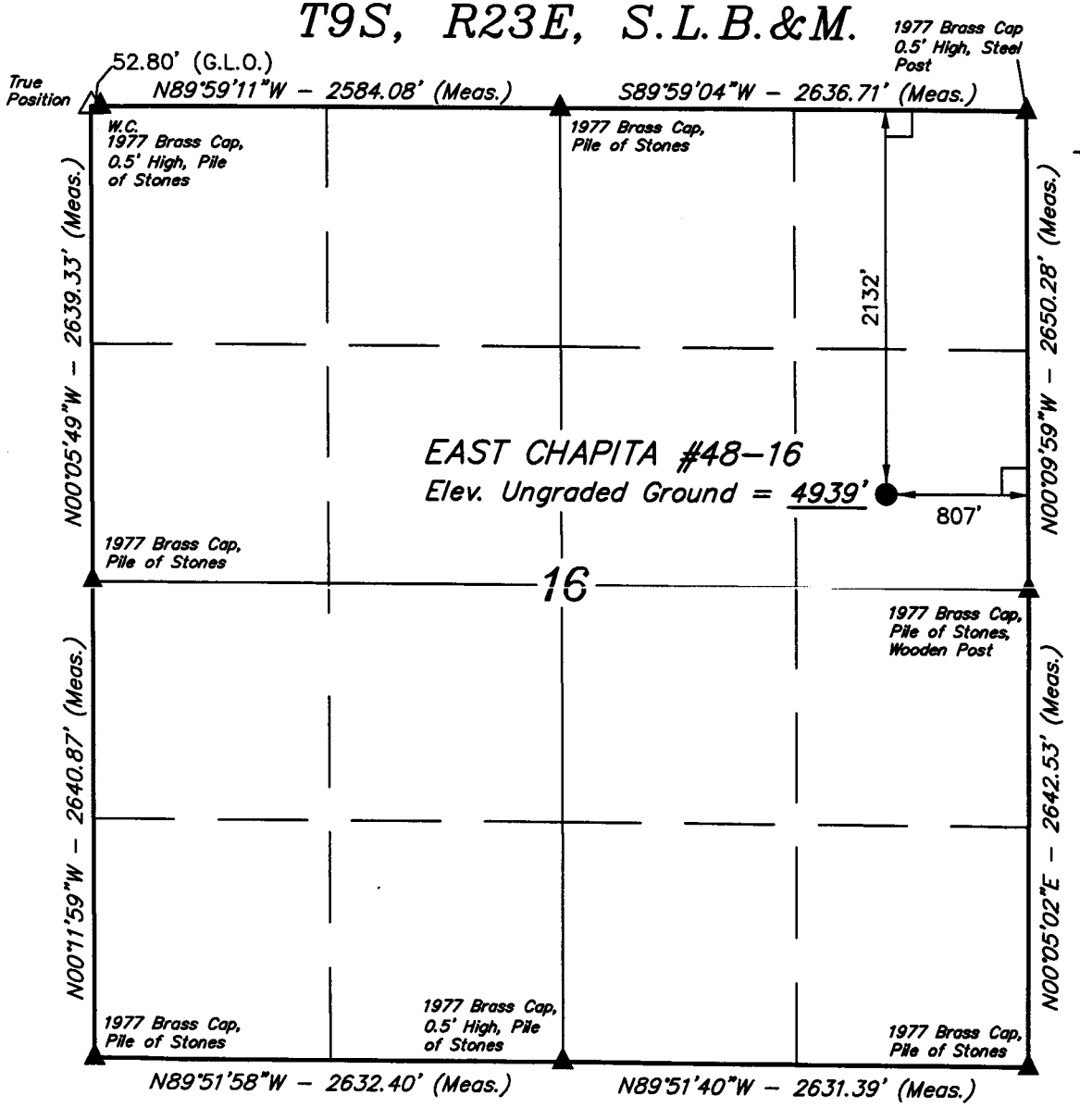
Date: APPROVAL 04-10-07

By: _____

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

EOG RESOURCES, INC.

Well location, EAST CHAPITA #48–16, located as shown in the SE 1/4 NE 1/4 of Section 16, T9S, R23E, S.L.B.&M. Uintah County, Utah.

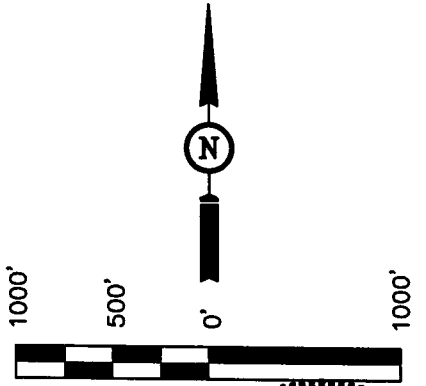


BASIS OF ELEVATION

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

BASIS OF BEARINGS

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



CERTIFICATE

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

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)
LATITUDE = 40°02'14.47" (40.037353)
LONGITUDE = 109°19'31.41" (109.325392)
(NAD 27)
LATITUDE = 40°02'14.59" (40.037386)
LONGITUDE = 109°19'28.97" (109.324714)

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

SCALE: 1" = 1000'	DATE SURVEYED: 04-21-06	DATE DRAWN: 04-24-06
PARTY: B.J. T.F. L.K.	REFERENCES: G.L.O. PLAT	
WEATHER: COOL	FILE: EOG RESOURCES, INC.	

STATE OF UTAH)

) ss

COUNTY OF UINTAH)

VERIFICATION

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

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

EAST CHAPITA 48-16
2132' FNL – 807' FEL (SENE)
SECTION 16, T9S, R23E
UINTAH COUNTY, UTAH

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

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

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

Further affiant saith not.

Kaylene R. Gardner
Sr. Regulatory Assistant

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

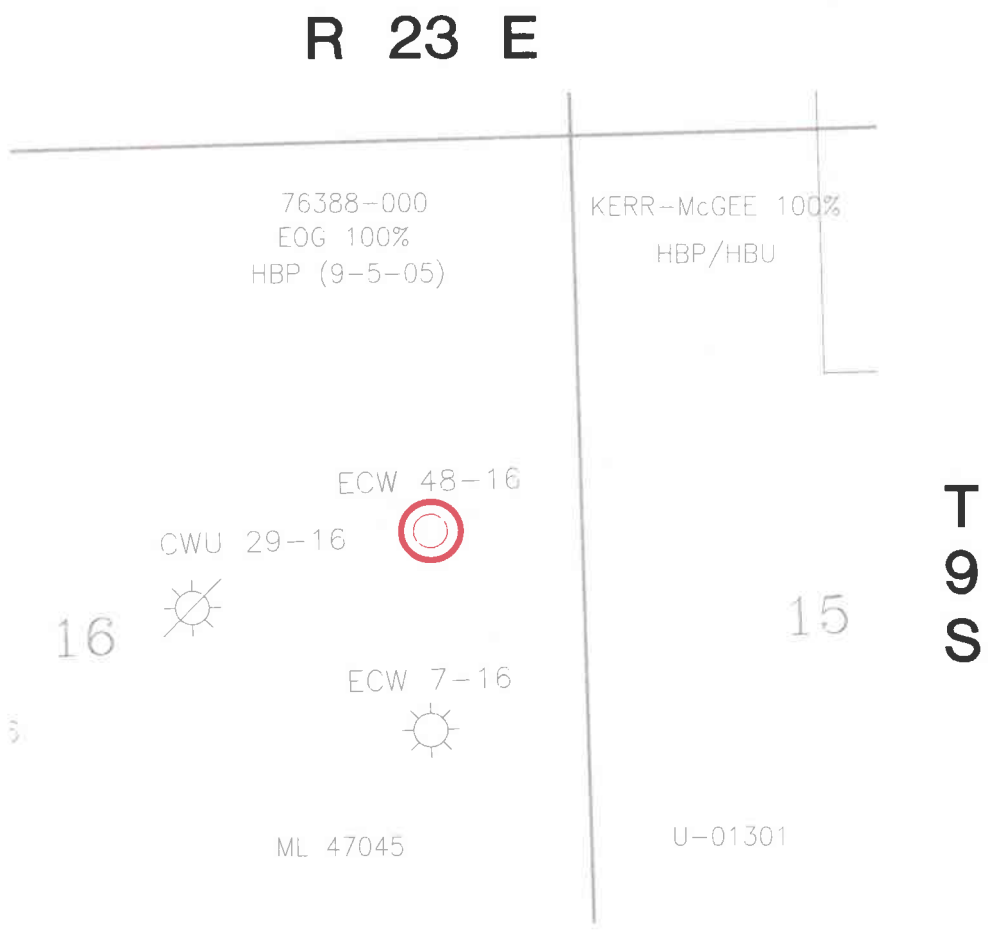
Carla R. White
Notary Public

My Commission Expires: 4/15/2008

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

Exhibit "A" to Affidavit
East Chapita 48-16 Application to Commingle

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



EAST CHAPITA 48-16

Scale: 1"=1000'

0 1/4 1/2 Mile

N

eog resources

Denver Division

EXHIBIT "A"

EAST CHAPITA 48-16

Commingling Application

Uintah County, Utah

Scale: 1"=1000'	D:\Utah\Commingled\page_EC48-16_commingled.dwg WELL	Author TLM	Feb 15, 2007 - 8:09am

EIGHT POINT PLAN

EAST CHAPITA 48-16
SE/NE, SEC. 16, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,644		Shale	
Wasatch	4,587	Primary	Sandstone	Gas
Chapita Wells	5,163	Primary	Sandstone	Gas
Buck Canyon	5,855	Primary	Sandstone	Gas
North Horn	6,417	Primary	Sandstone	Gas
KMV Price River	6,755	Primary	Sandstone	Gas
KMV Price River Middle	7,514	Primary	Sandstone	Gas
KMV Price River Lower	8,388	Primary	Sandstone	Gas
Sego	8,803		Sandstone	
TD	**9,010**			

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 48-16
SE/NE, SEC. 16, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

4. CASING PROGRAM:

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

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

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

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

Production Hole Procedure (2300'± - TD):

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

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

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

7. VARIANCE REQUESTS:

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

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

8. EVALUATION PROGRAM:

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

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

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

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

Top Out: As necessary with Class "G" cement with 2% $CaCl_2$, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft^3/sk., 5.2 gps water.

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

Production Hole Procedure (2300'± - TD)

Lead: **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^3/sk., 24.5 gps water.

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

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

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

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):
Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

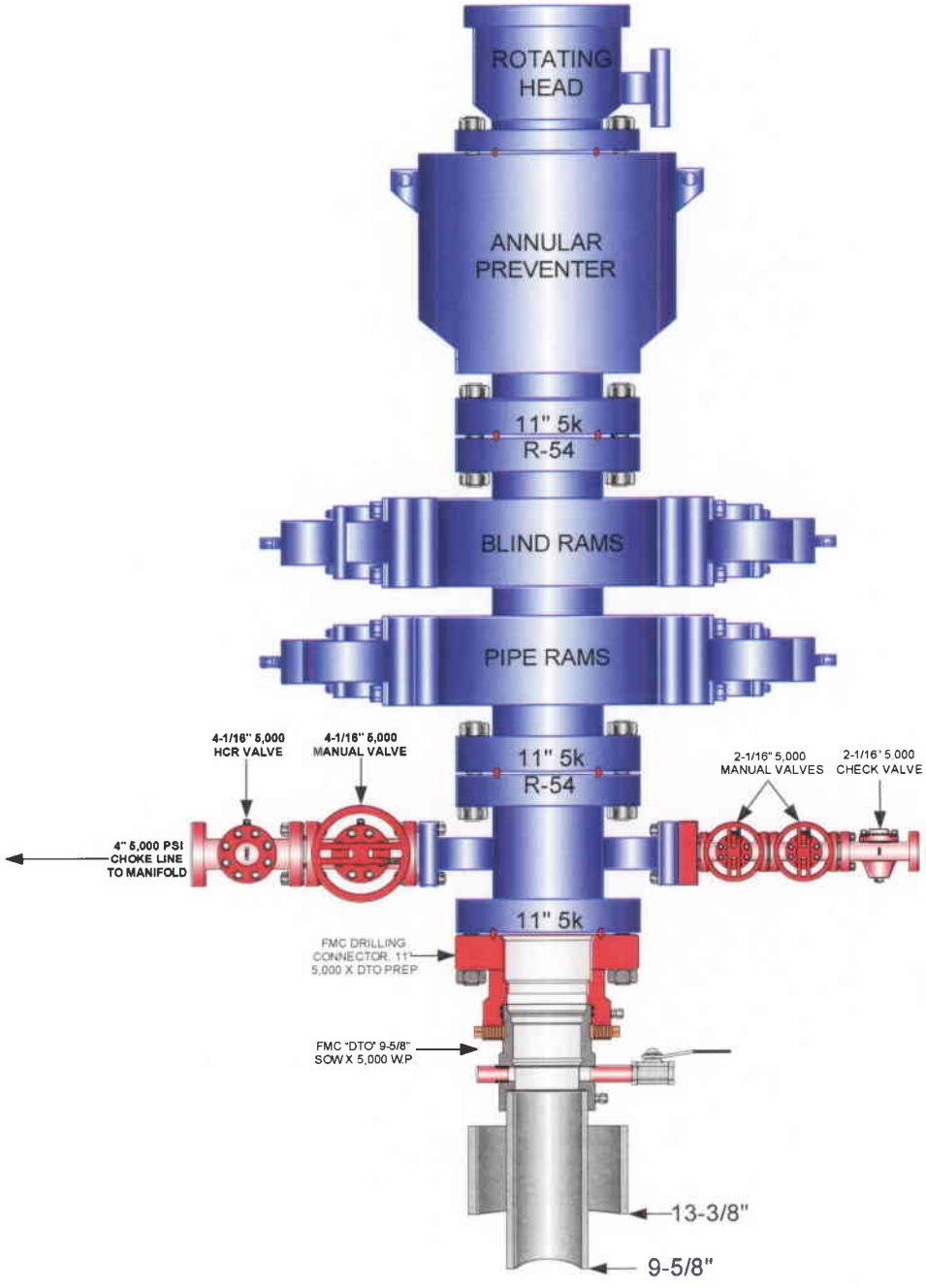
A. Choke Manifold
B. Upper and Lower Kelly Cock
C. Stabbing Valve
D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

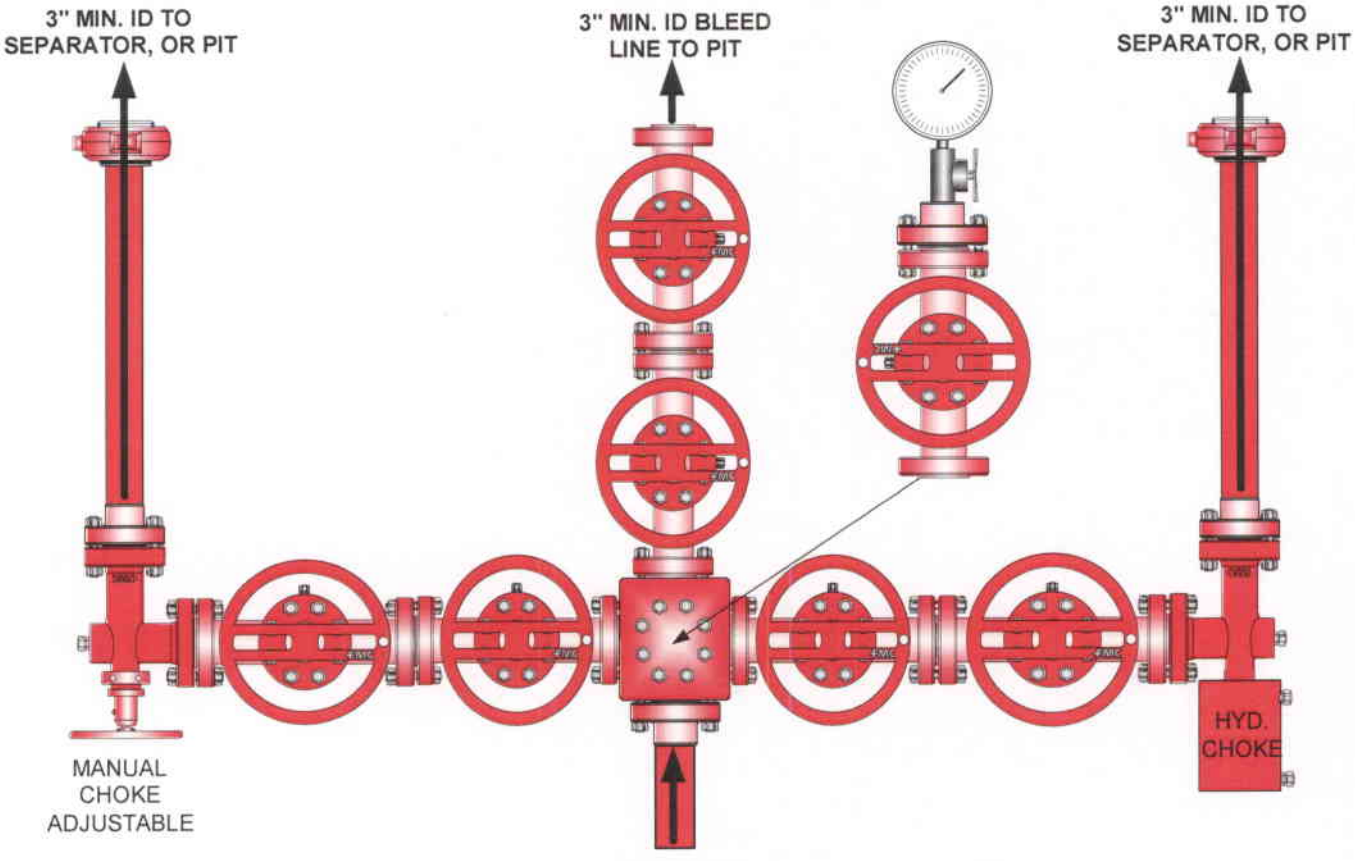
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold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

(Attachment: BOP Schematic Diagram)

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



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



Testing Procedure:

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

eog resources

EAST CHAPITA 48-16
SENE, 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 2664 feet long with a 40-foot right-of-way, disturbing approximately 2.45 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 54.9 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 then avoided.

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

5. LOCATION AND TYPE OF WATER SUPPLY:

A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/ or Target Trucking Inc.'s water source in the SW/SW. Sec 35, T9S, R22E Uintah County, Utah (State Water Right # 49-1501, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.

B. Water will be hauled by a licensed trucking company.

C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIALS:

A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.

B. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

1. Cuttings will be confined in the reserve pit.

2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.

3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.

4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

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

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

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

8. *ANCILLARY FACILITIES:*

None anticipated.

9. *WELL SITE LAYOUT:*

A. Refer to attached well site plat for related topography cuts and fills and cross sections.

B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.

C. Refer to attached well site plat for rig orientation, parking areas, and access road.

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

The stockpiled pit topsoil will be stored separate from the location topsoil south of corner #5. The stockpiled location topsoil will be stored between corners #2 and #8. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpiller 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 or herbicides or other pesticides or possible hazardous chemicals.

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

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

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

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

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

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

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT
Kaylene R. Gardner
EOG Resources, Inc.
1060 East Highway 40
Vernal, Ut 84078
(435) 781-9111

DRILLING OPERATIONS
Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
307-276-4865

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the East Chapita 48-16 Well, located in the SENE, 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 #48-16

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

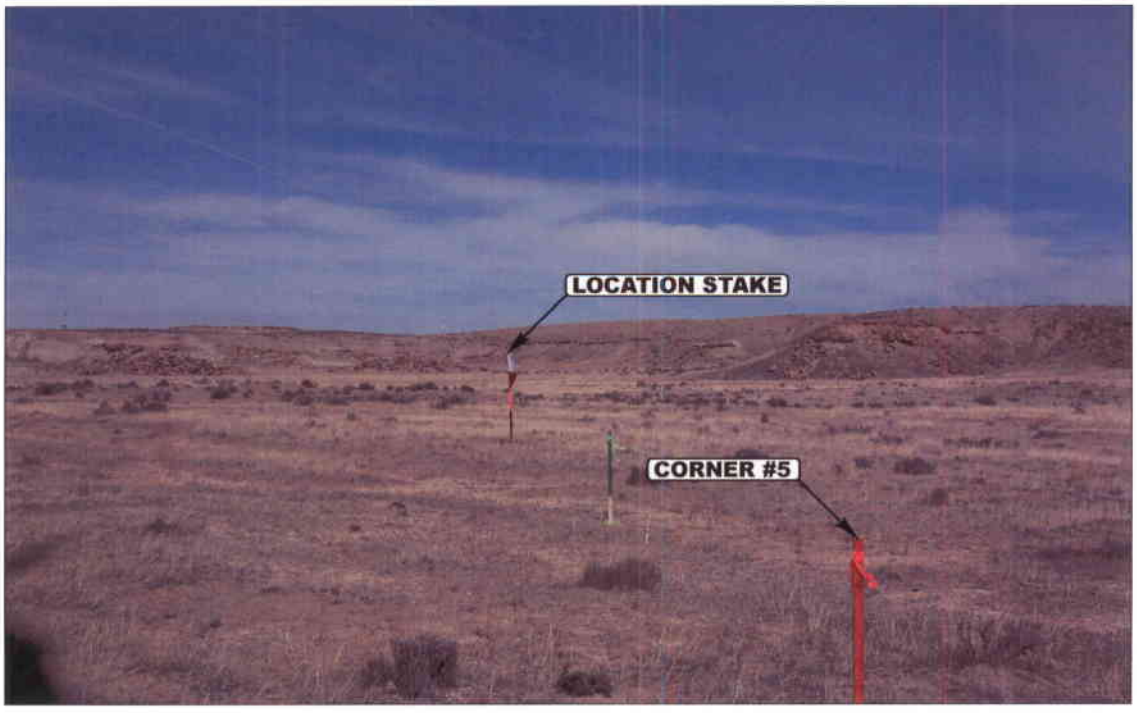


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE **CAMERA ANGLE: NORTHEASTERLY**

PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS **CAMERA ANGLE: NORTHERLY**

- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	04 MONTH	24 DAY	06 YEAR	PHOTO
TAKEN BY: B.J.	DRAWN BY: B.C.	REVISED: 00-00-00		

EOG RESOURCES, INC.

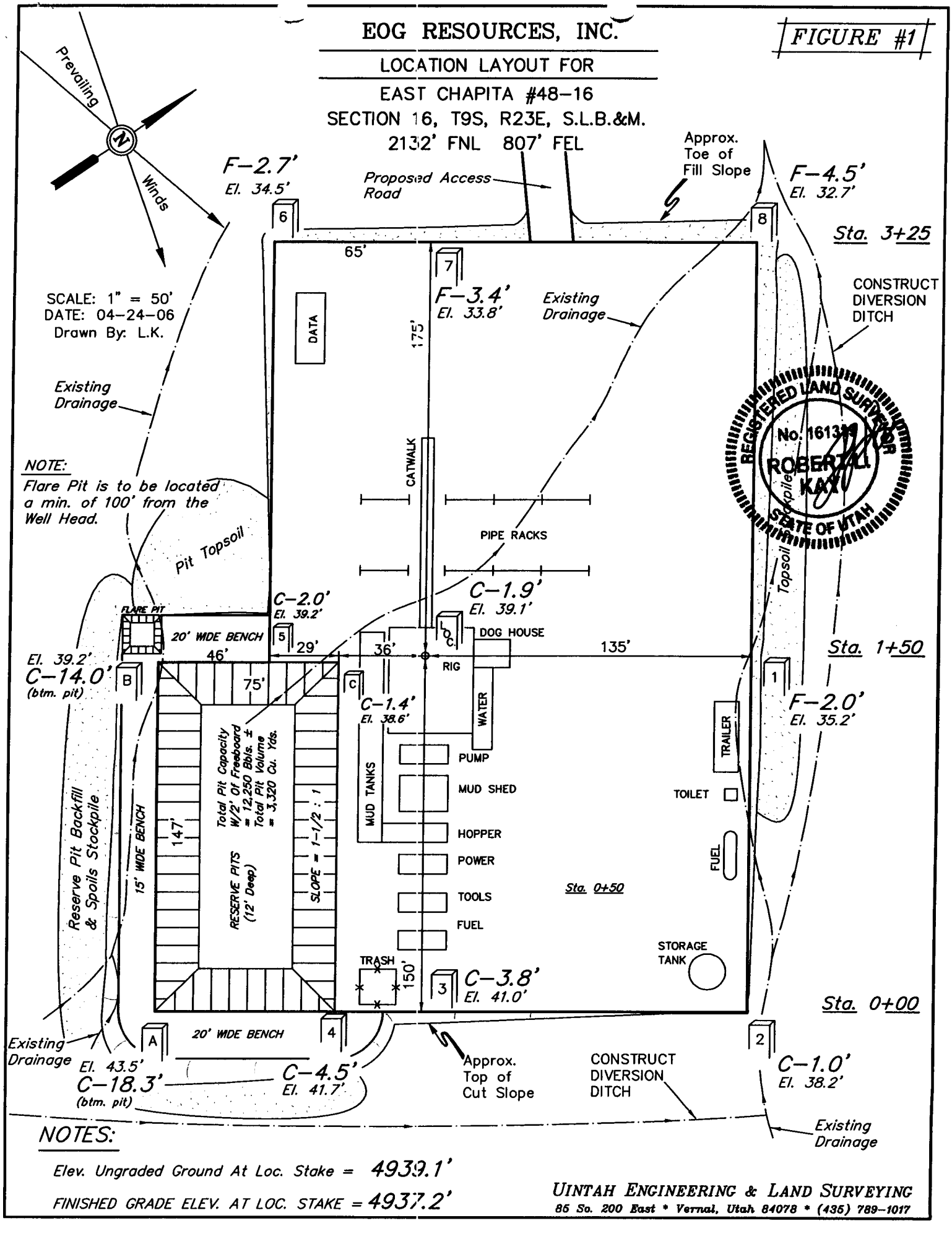
LOCATION LAYOUT FOR

EAST CHAPITA #48-16

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

2132' FNL 807' FEL

FIGURE #1



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

NOTES:

Elev. Ungraded Ground At Loc. Stake = 4939.1'

FINISHED GRADE ELEV. AT LOC. STAKE = 4937.2'

UINTAH ENGINEERING & LAND SURVEYING

85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

EAST CHAPITA #48-16

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

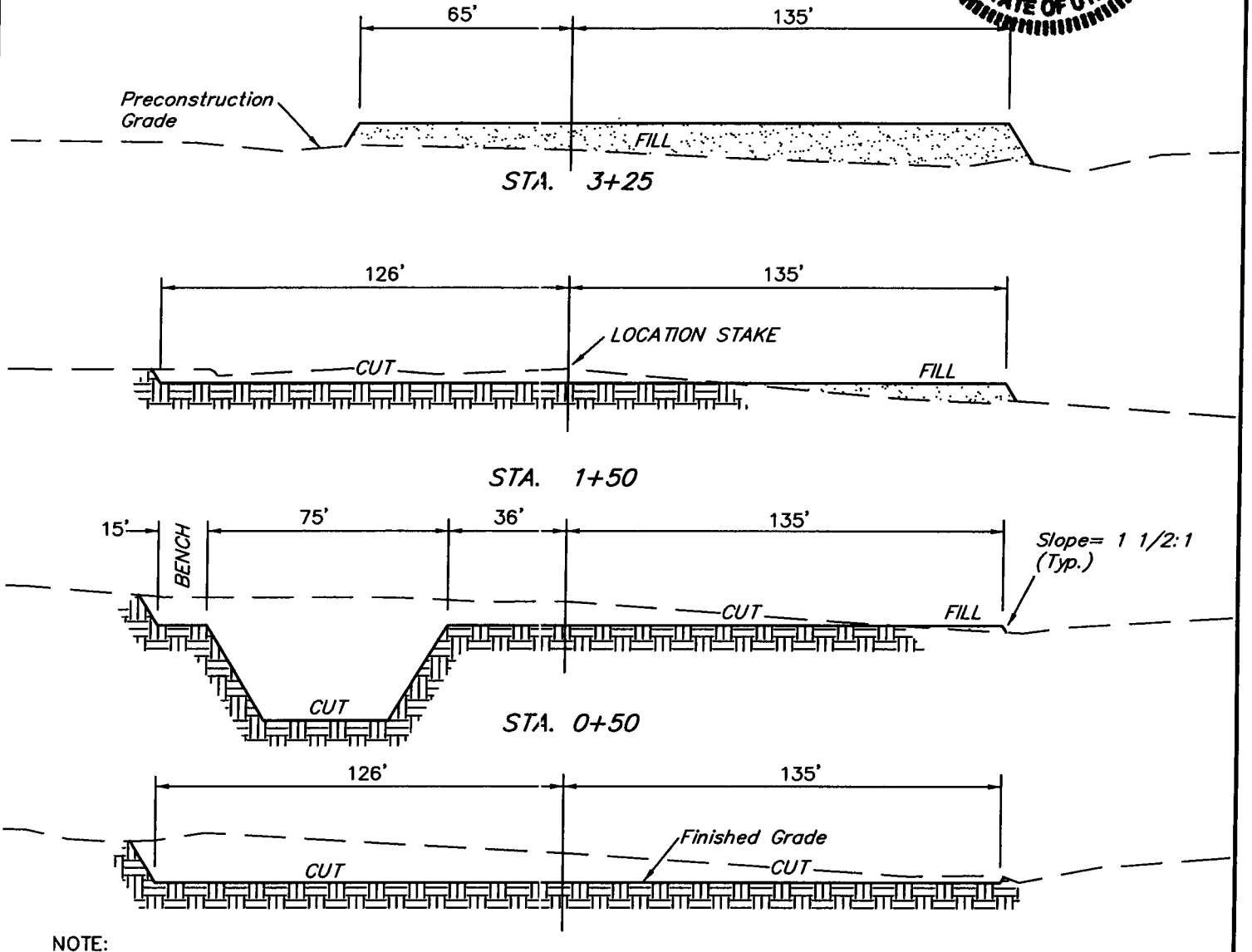
2132' FNL 807' FEL

FIGURE #2

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

DATE: 04-24-06
Drawn By: L.K.

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



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

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

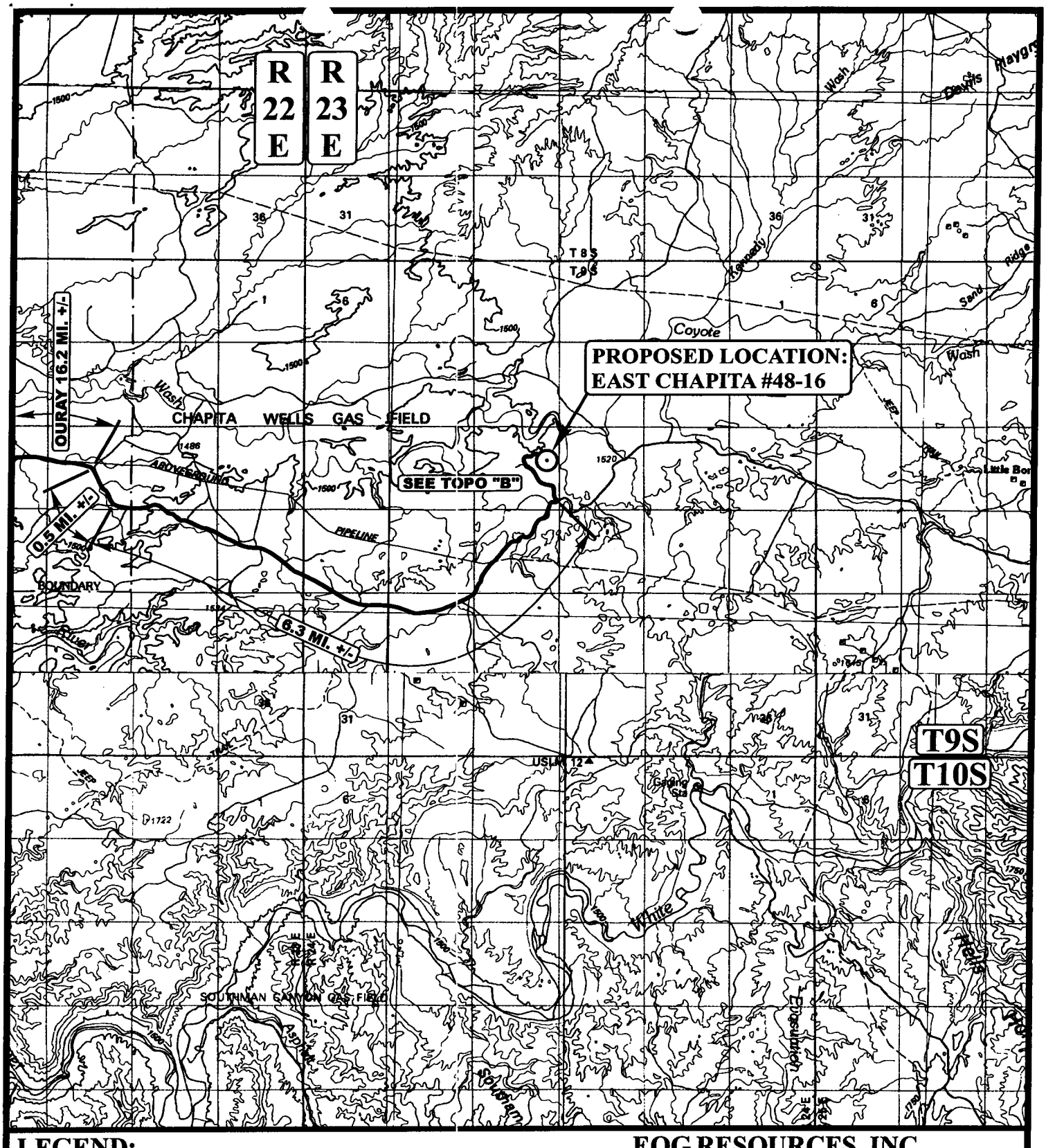
APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 1,580 Cu. Yds.
Remaining Location = 6,210 Cu. Yds.

TOTAL CUT = 7,810 CU.YDS.
FILL = 4,570 CU.YDS.

EXCESS MATERIAL = 3,240 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = 3,240 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation) = 0 Cu. Yds.

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



LEGEND:

⊙ PROPOSED LOCATION

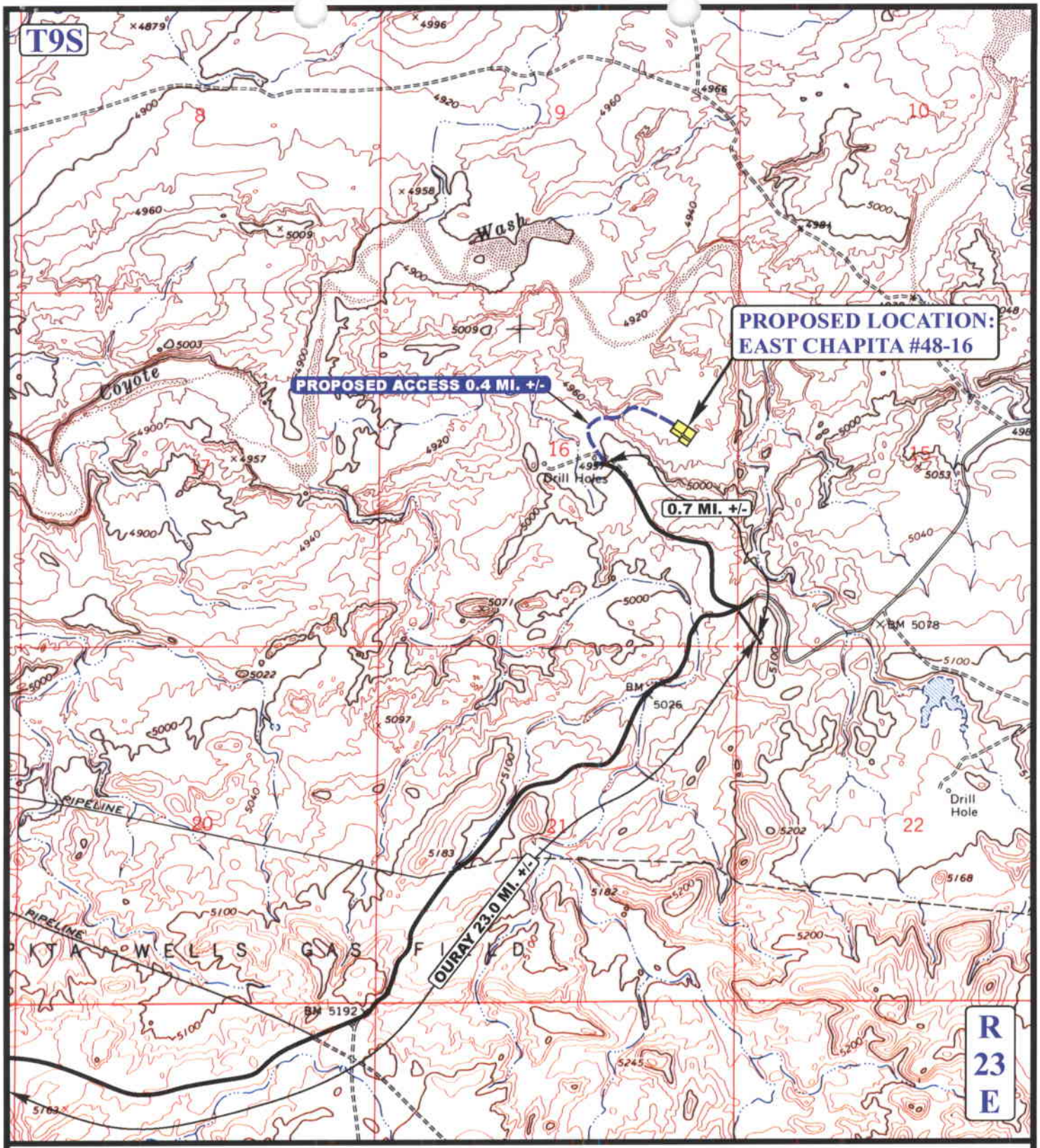
N

EOG RESOURCES, INC.

EAST CHAPITA #48-16
SECTION 16, T9S, R23E, S.L.B.&M.
2132' FNL 807' FWL

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

TOPOGRAPHIC MAP	04 MONTH	24 DAY	06 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: B.C.	REVISED: 00-00-00		



LEGEND:

EXISTING ROAD

PROPOSED ACCESS ROAD

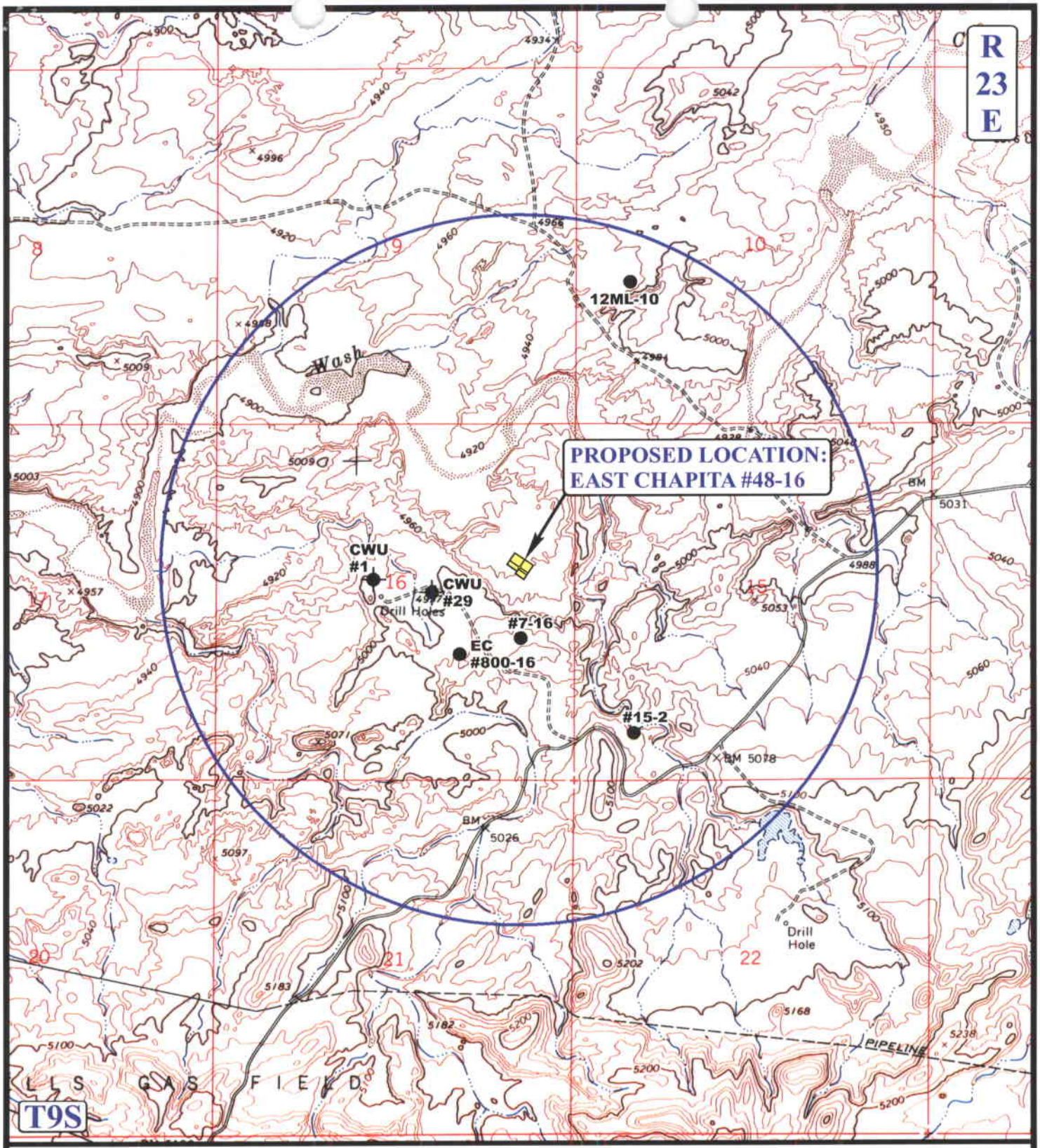
N

EOG RESOURCES, INC.

EAST CHAPITA #48-16
SECTION 16, T9S, R23E, S.L.B.&M.
2132' FNL 807' FWL

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

TOPOGRAPHIC MAP	04 MONTH	24 DAY	06 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: B.C.	REVISED: 00-00-00		



LEGEND:

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

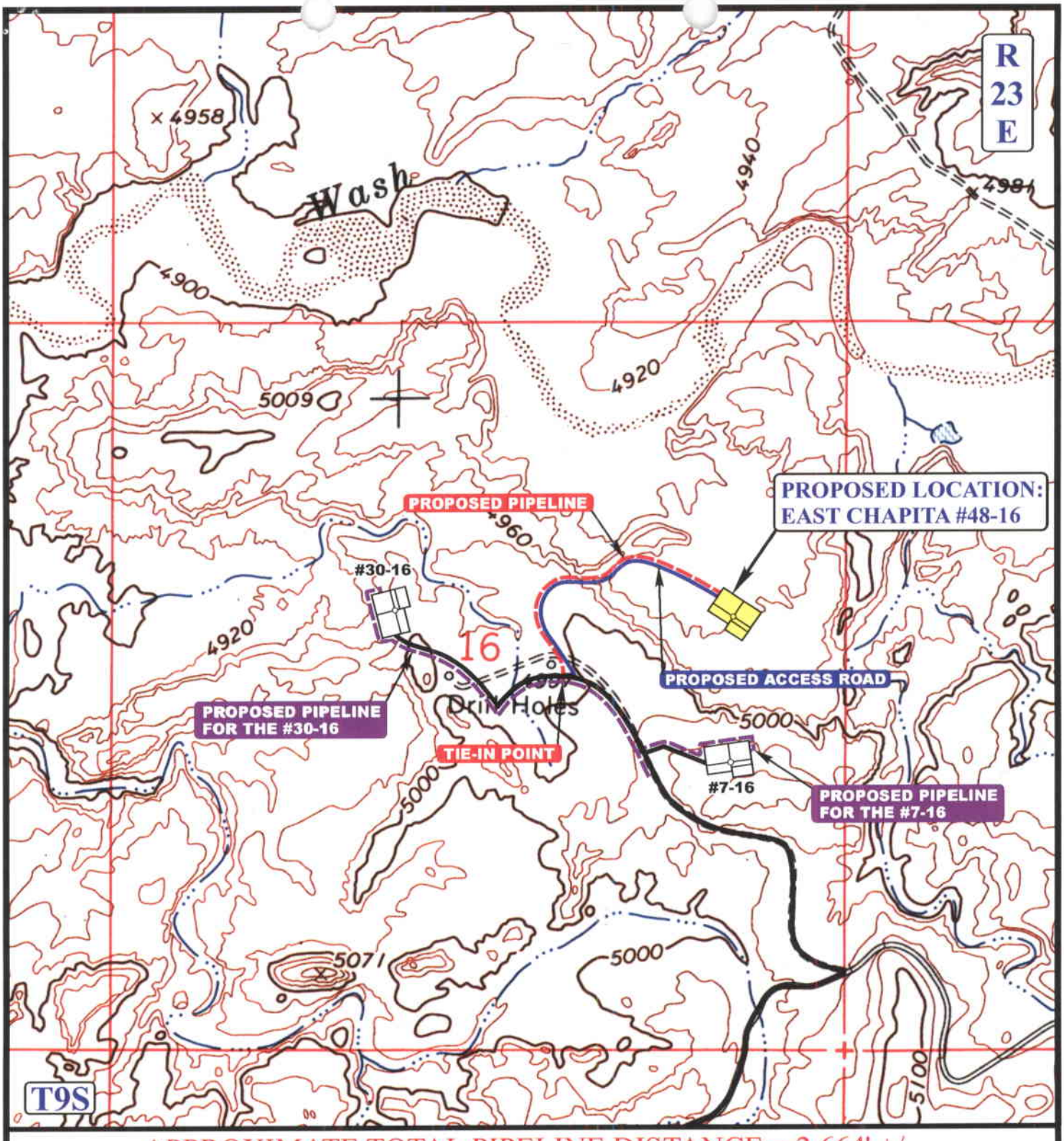
N

EOG RESOURCES, INC.

EAST CHAPITA #48-16
SECTION 16, T9S, R23E, S.L.B.&M.
2132' FNL 807' FWL

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

TOPOGRAPHIC MAP	04 MONTH	24 DAY	06 YEAR	C TOPO
SCALE: 1" = 2000'	DRAWN BY: B.C.	REVISED: 00-00-00		



APPROXIMATE TOTAL PIPELINE DISTANCE = 2,664' +/-

LEGEND:

PROPOSED ACCESS ROAD

PROPOSED PIPELINE

PROPOSED PIPELINE (SERVICING OTHER WELLS)

N

EOG RESOURCES, INC.

EAST CHAPITA #48-16
SECTION 16, T9S, R23E, S.L.B.&M.
2132' FNL 807' FWL

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

TOPOGRAPHIC MAP	04 MONTH	24 DAY	06 YEAR	D TOPO
SCALE: 1" = 1000'	DRAWN BY: B.C.	REVISED: 00-00-00		

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/23/2007

API NO. ASSIGNED: 43-047-39060

WELL NAME: E CHAPITA 48-16
OPERATOR: EOG RESOURCES INC (N9550)
CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:
SENE 16 090S 230E
SURFACE: 2132 FNL 0807 FEL
BOTTOM: 2132 FNL 0807 FEL
COUNTY: UINTAH
LATITUDE: 40.03739 LONGITUDE: -109.3247
UTM SURF EASTINGS: 642936 NORTHINGS: 4433042
FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	**Initials**	**Date**
Engineering	DKD	3/29/07
Geology		
Surface		

LEASE TYPE: 3 - State
LEASE NUMBER: ML 47045
SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD
COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

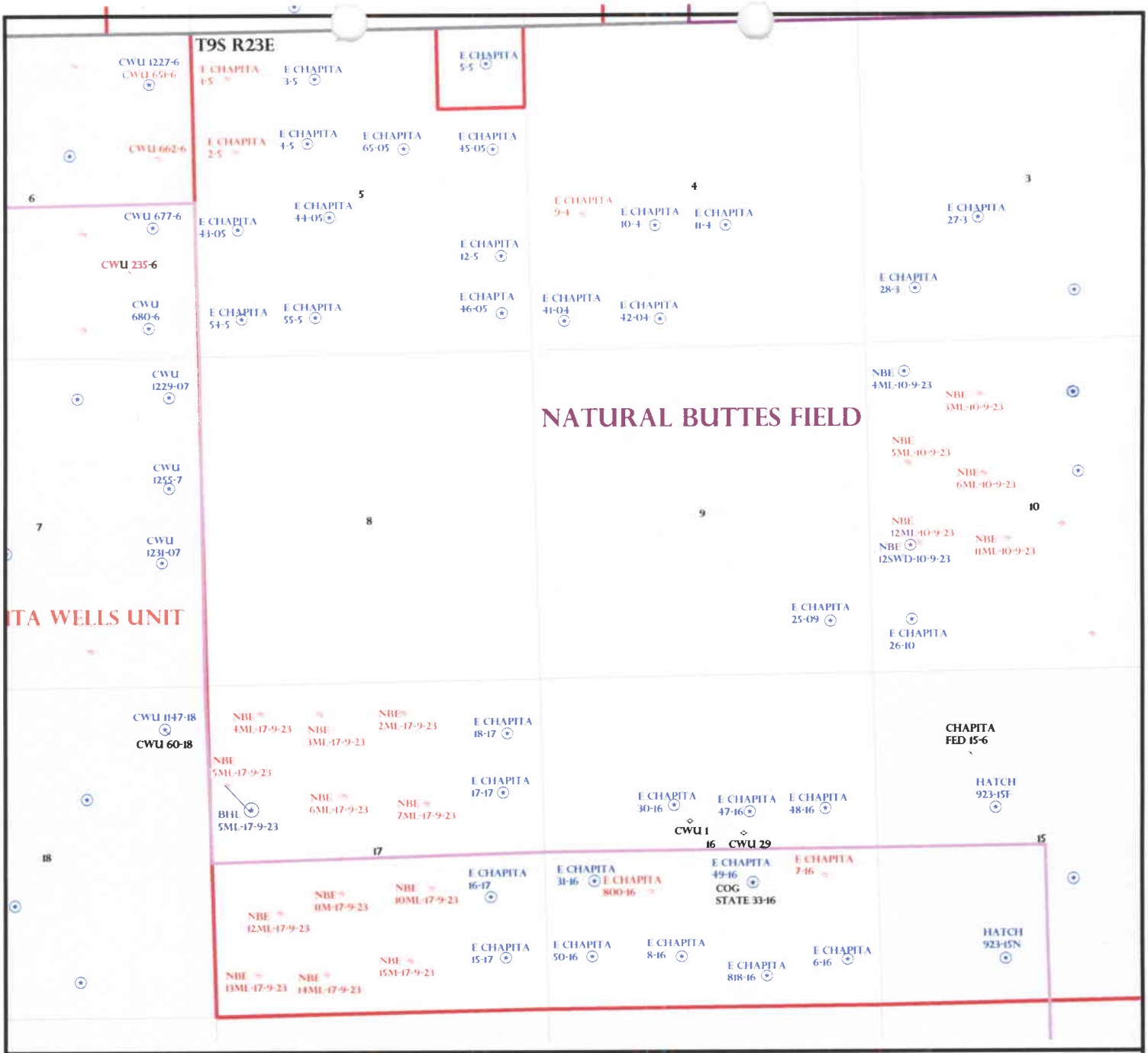
✓ Plat
✓ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 6196017)
N Potash (Y/N)
N Oil Shale 190-5 (B) or 190-3 or 190-13
✓ Water Permit
(No. 49-1501)
N RDCC Review (Y/N)
(Date:)
NA Fee Surf Agreement (Y/N)
Y Intent to Commingle (Y/N)
(Wasatch, mesaverde)

LOCATION AND SITING:

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

COMMENTS: Need Presite (03-06-07)

STIPULATIONS: 1-Spacing Stip
2- STATEMENT OF BASIS
3- Surface Csg Cmt Stip
4- Cmt Stip #3 (4½" 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
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

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

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

Utah Oil Gas and Mining

N W E S

PREPARED BY: DIANA MASON

DATE: 12-MARCH-2007

Application for Permit to Drill
Statement of Basis

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
276	43-047-39060-00-00		GW	S	No

Operator EOG RESOURCES INC **Surface Owner-APD**
Well Name E CHAPITA 48-16 **Unit**
Field UNDESIGNATED **Type of Work**
Location SENE 16 9S 23E S 2132 FNL 807 FEL GPS Coord (UTM) 642936E 4433042N

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 3/13/2007
APD Evaluator **Date / Time**

Surface Statement of Basis

The general area is within the Coyote Wash Drainage. This drainage is a major drainage beginning near the Utah-Colorado border to the east and joining the White River approximately 6 miles to the southwest. The drainage consists of several significant side drainages. The drainage is dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. The topography is characterized by rolling hills, frequently divided by gentle to deep draws, which flow into Coyote Wash. The draws are often rimmed with steep side hills with exposed sand stone bedrock cliffs. Vernal, Utah is approximately 35 air miles and 55 road miles to the northwest. The area is accessed by Utah State, Uintah County and oilfield development Roads to with 0.4 miles of the location where a new road will be constructed.

The proposed East Chapita #48-16 gas well is in a wide flat bottom of one of the major tributaries of Coyote Wash. The proposed location has a slight slope to the north toward the bottom of the drainage. Several small drainages run through or are near the proposed location. They are planned to be diverted around the location.

Both the surface and minerals for this location are owned by SITLA. Jim Davis of SITLA attended the pre-site visit and had no concerns regarding the proposed location. Ben Williams represented the Utah Division of Wildlife Resources. Mr. Williams stated the area is classified as critical yearlong habitat for antelope. He however recommended no stipulations for this species as the loss of forage from this location is not significant and water not forage is the factor limiting the herd population in the area. No other wildlife is expected to be affected. He gave Byron Tolman, representing EOG Resources, and Mr. Davis a copy of his evaluation and a DWR recommended seed mix to use when re-vegetating the area.

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

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

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	Drainages adjacent to the proposed pad shall be diverted around the location.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator	EOG RESOURCES INC						
Well Name	E CHAPITA 48-16						
API Number	43-047-39060-0		**APD No** 276			**Field/Unit** UNDESIGNATED	
Location: 1/4,1/4 SENE		**Sec** 16	**Tw** 9S	**Rng** 23E	2132 FNL 807 FEL		
GPS Coord (UTM) 642937		4433046	**Surface Owner**				

Participants

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

Regional/Local Setting & Topography

The general area is within the Coyote Wash Drainage. This drainage is a major drainage beginning near the Utah-Colorado border to the east and joining the White River approximately 6 miles to the southwest. The drainage consists of several significant side drainages. The drainage is dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. The topography is characterized by rolling hills, frequently divided by gentle to deep draws, which flow into Coyote Wash. The draws are often rimmed with steep side hills with exposed sand stone bedrock cliffs. Vernal, Utah is approximately 35 air miles and 55 road miles to the northwest. The area is accessed by Utah State, Uintah County and oilfield development Roads to with 0.4 miles of the location where a new road will be constructed.

The proposed East Chapita #48-16 gas well is in a wide flat bottom of one of the major tributaries of Coyote Wash. The proposed location has a slight slope to the north toward the bottom of the drainage. Several small drainages run through or are near the proposed location. They are planned to be diverted around the location.

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

Surface Use Plan

Current Surface Use

Grazing
Wildlfe Habitat

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

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

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

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

Soil Type and Characteristics

Deep sandy loam.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required Y

Berm Required? N

Erosion Sedimentation Control Required? N

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

Reserve Pit

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

Characteristics / Requirements

The reserve pit is proposed on the 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?** Y **Liner Thickness** 16 **Pit Underlayment Required?** Y

Other Observations / Comments

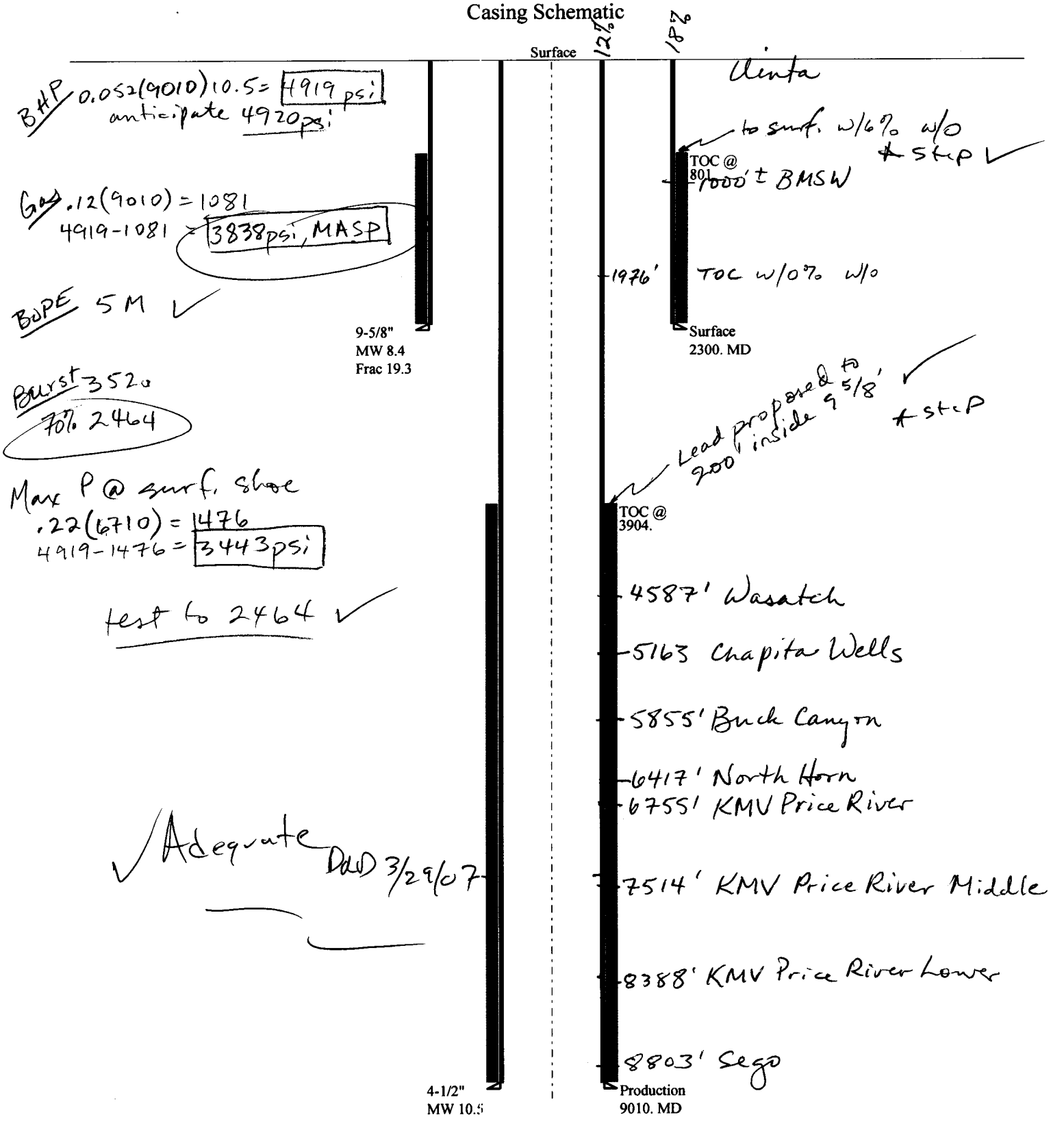
ATV's were used to access the site.

Ben Williams of the DWR and Byron Tolman of EOG agreed on the construction of a small catchment pond on the drainage above the location to catch and store water for antelope.

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

2007-03 EOG E Chapita ~~6~~-16

Casing Schematic



BHP 0.052(9010)10.5 = 4919 psi
anticipate 4920psi

Gas .12(9010) = 1081
4919-1081 = 3838psi, MASP

BOPE 5M ✓

Burst 3520
70% 2464

Max P @ surf. shoe
.22(6710) = 1476
4919-1476 = 3443psi

test to 2464 ✓

✓ Adequate DMD 3/29/07

Well name:	**2007-03 EOG E Chapita 48-16**
Operator:	**EOG Resources Inc.**
String type:	Surface
Project ID:	43-047-39060
Location:	Uintah County

Design parameters:

Collapse

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

Burst

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

No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

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

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

Environment:

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

Cement top: 801 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 9,010 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 (ft^3)
1	2300	9.625	36.00	J-55	ST&C	2300	2300	8.796	998.3

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

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

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

Burst strength is not adjusted for tension.

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

Well name:	**2007-03 EOG E Chapita 48-16**
Operator:	**EOG Resources Inc.**
String type:	Production
Project ID:	43-047-39060
Location:	Uintah County

Design parameters:

Collapse

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

Burst

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

No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

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

Tension is based on buoyed weight.
Neutral point: 7,596 ft

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

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	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 & 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 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 & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

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

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

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

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

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

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

April 10, 2007

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

Re: East Chapita 48-16 Well, 2132' FNL, 807' FEL, SE NE, 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 43-047-39060.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84 14-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

Operator: EOG Resources, Inc
Well Name & Number East Chapita 48-16
API Number: 43-047-39060
Lease: ML-47045

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

Conditions of Approval

1. **General**

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

2. **Notification Requirements**

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

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

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

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

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

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

3. **Reporting Requirements**

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

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

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

6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

7. Surface casing shall be cemented to the surface.

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

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
7. UNIT or CA AGREEMENT NAME:	
1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER	8. WELL NAME and NUMBER: East Chapita 48-16
2. NAME OF OPERATOR: EOG RESOURCES, INC.	9. API NUMBER: 43-047-39060
3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY VERNAL STATE UT ZIP 84078 PHONE NUMBER: (435) 789-0790	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2132 FNL - 807 FEL 40.037353 LAT 109.325392 LON COUNTY: UINTAH

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

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

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

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

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

Approved by the Utah Division of Oil, Gas and Mining

Date: 04-14-08

By: _____

RECEIVED
APR 10 2008
DIV. OF OIL, GAS & MINING

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

SIGNATURE _____ DATE 4/8/2008

(This space for State use only)

COPY SENT TO OPERATOR
Date: 4.15.2008
Initials: KS

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

[redacted]

Application for Permit to Drill
Request for Permit Extension
Validation
(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-39060
Well Name: East Chapita 48-16
Location: 2132 FNL - 807 FEL (SENE), SECTION 16, T9S, R23E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 4/10/2007

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

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

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

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

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

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

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

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

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

Signature

4/8/2008
Date

Title: Lead Regulatory Assistant

Representing: EOG Resources, Inc.

RECEIVED
APR 10 2008
DIV. OF OIL, GAS & MINING

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: **EOG RESOURCES INC**

Well Name: **E CHAPITA 48-16**

Api No: **43-047-39060** Lease Type: **STATE**

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

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

SPUDDED:

Date **05/13/08**

Time **3:00 PM**

How **DRY**

Drilling will Commence:

Reported by **JERRY BARNES**

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

Date 05/13//08 Signed CHD

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

FORM 6

ENTITY ACTION FORM

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

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39060	East Chapita 48-16		SENE	16	9S	23E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
A	99999	16863	5/13/2008			5/29/08	
Comments: Wasatch/Mesaverde well							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39216	Chapita Wells Unit 698-32		SWSE	32	9S	23E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
~~B~~ A	99999	16864	5/13/2008			5/29/08	
Comments: Wasatch well							

Well 3

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

ACTION CODES:

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

Mary A. Maestas
Name (Please Print)
Mary A. Maestas
Signature
Regulatory Assistant
Title
5/14/2008
Date

RECEIVED
MAY 15 2008
DIV. OF OIL, GAS & MINING

(5/2000)

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

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

8. WELL NAME and NUMBER: East Chapita 48-16

2. NAME OF OPERATOR: EOG RESOURCES, INC.

9. API NUMBER: 43-047-39060

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

PHONE NUMBER: (303) 824-5526

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

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2132 FNL - 807 FEL 40.037353 LAT 109.325392 LON

COUNTY: UINTAH

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

STATE: UTAH

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

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

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

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

Accepted by the
Utah Division of
Oil, Gas and Mining
Date: 05-20-08
By:

COPY SENT TO OPERATOR
Date: 5·20·2008
Initials: KS

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

SIGNATURE Mary A. Maestas DATE 5/14/2008

(This space for State use only)

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

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

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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7. UNIT or CA AGREEMENT NAME:

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

8. WELL NAME and NUMBER: East Chapita 48-16

2. NAME OF OPERATOR: EOG RESOURCES, INC.

9. API NUMBER: 43-047-39060

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

PHONE NUMBER: (303) 824-5526

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

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2132 FNL - 807 FEL 40.037353 LAT 109.325392 LON

COUNTY: UINTAH

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

STATE: UTAH

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

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☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
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	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☑ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
_____	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER: _____
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

The referenced well was turned to sales on 9/18/2008. 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 9/19/2008

(This space for State use only)

RECEIVED
SEP 23 2008
DIV. OF OIL, GAS & MINING

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

DailyCosts: Drilling	$38,000	**Completion**	$0	**Daily Total**	$38,000
Cum Costs: Drilling	$38,000	**Completion**	$0	**Well Total**	$38,000

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

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

Activity at Report Time: BUILD LOCATION

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

05-13-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0
Cum Costs: Drilling	$38,000	**Completion**	$0	**Well Total**	$38,000

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

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT. DRILLING OUT ROCK.

05-14-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0
Cum Costs: Drilling	$38,000	**Completion**	$0	**Well Total**	$38,000

MD	60	**TVD**	60	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0

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

Activity at Report Time: BUILD LOCATION/WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	DRILLING ROCK. ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 05/13/08 @ 3:00 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 05/13/08 @ 2:00 PM.

05-15-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0
Cum Costs: Drilling	$38,000	**Completion**	$0	**Well Total**	$38,000

MD	60	**TVD**	60	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0

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

Activity at Report Time: BUILD LOCATION

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

05-16-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0
Cum Costs: Drilling	$38,000	**Completion**	$0	**Well Total**	$38,000

MD	60	**TVD**	60	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0

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

Activity at Report Time: BUILD LOCATION

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

05-19-2008 **Reported By** TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

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

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

Activity at Report Time: BUILD LOCATION

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

05-21-2008 **Reported By** TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

05-22-2008 **Reported By** TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

05-23-2008 **Reported By** TERRY CSERE

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

Activity at Report Time: WO AIR RIG

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

06-08-2008 **Reported By** JERRY BARNES

DailyCosts: Drilling	$195,270	**Completion**	$0	**Daily Total**	$195,270
Cum Costs: Drilling	$233,270	**Completion**	$0	**Well Total**	$233,270

MD	2,414	**TVD**	2,414	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0

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

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG #2 ON 5/25/2008. DRILLED 12-1/4" HOLE TO 2414' GL. ENCOUNTERED WATER @ 1950'. RAN 56 JTS (2411.17') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2424' KB. RDMO CRAIGS RIG. MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1500 PSIG. PUMPED 190 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 400 SX (84 BBLS) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/182.9 BBLS FRESH WATER. BUMPED PLUG W/700# @ 4:00 AM, 5/28/2008. CHECKED FLOAT, FLOAT HELD. SHUT IN CASING VALVE. NO RETURNS. RDMO HALLIBURTON CEMENTERS. 5-30-2008 TOP JOB # 1: MIRU HALLIBURTON CEMENTERS. MIXED & PUMPED 200 SX (41 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS. TOP JOB # 2: MIXED & PUMPED 200 SX (41 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS. PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY. NO SURVEY @ THIS TIME. CONDUCTOR LEVEL RECORD: PS= 89.8 OPS= 89.9 VDS= 89.7 MS= 89.8. 9 5/8 CASING LEVEL RECORD: PS= 89.9 OPS= 90.0 VDS= 90.0 MS= 89.8. DALL COOK NOTIFIED DAVE HACKERFORD W/UDOGM OF THE SURFACE CASING & CEMENT JOB ON 5/23/2008 @ 4:45 PM.

08-02-2008 **Reported By** BENNY BLACKWELL

DailyCosts: Drilling	$25,436	**Completion**	$417	**Daily Total**	$25,853
Cum Costs: Drilling	$258,706	**Completion**	$417	**Well Total**	$259,123

MD	2,414	**TVD**	2,414	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0

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

Activity at Report Time: PU BHA

Start	End	Hrs	Activity Description
06:00	11:00	5.0	CONT TO RIG DOWN AND MOVE RIG.
11:00	23:00	12.0	RIG UP AND PREPARE RIG TO DRILL – DERRICK IN AIR BY 16:00 HRS, TRUCKS OFF OF LOCATION BY 17:00 HRS. NIPPLE UP BOP'S AND PREPARE FOR TESTING.

23:00	03:00	4.0	ACCEPT RIG @ 23:00 HRS, 08/01/08. TEST BOPS – PIPE RAMS , BLIND RAMS , KILL LINE AND KILL LINE VALVES, CHOKE LINES AND MANIFOLD ,FLOOR VALVES , UPPER AND LOWER KELLY COCK , TO 250 PSI F/ 5 MIN., 5000 PSI FOR 10 MIN . TEST ANNULAR TO 250 PIS F/ 5 MIN, 2500 PSI FOR 10 MIN , TEST CSG TO 1500 PSI FOR 30 MIN.FUNCTION TEST ACCUMULATOR.
03:00	03:30	0.5	INSTALL WEAR RING.
03:30	06:00	2.5	HSM – RIG UP P/U MACHINE AND P/U BHA AND DRILL PIPE.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: RIGGING UP W/ TRI–STATE TRUCKING (2), P/U BHA W/ WEATHERFORD TRS.

BOP DRILL: NONE.

OPERATED COM (), WITNESSED (0).

FUEL REC'D: 0 GALS DIESEL.

FUEL ON HAND: 2992 GAL, FUEL USED: 299 GALS.

MUD WT: N/A PPG, VIS: N/A.

BG GAS:0 U, PEAK GAS 0 U @ 0', TRIP GAS: N/A U.

FORMATION: GREEN RIVER @ 1698'.

UNMANNED LOGGING UNIT – RIGGED DOWN.

ITEMS TRANSFERED FROM WELL ECW 49–16 (AFE # 304105) TO WELL ECW 48–16 (AFE # 304104) ARE AS FOLLOWS:

DIESEL – 3216 GALS. @ $4.49 PER GAL.

166.63' (4 JTS) OF 4 1/2", 11.6#, N–80, LTC, R–3 CASING (REPAIRABLE).

300.67' (7 JTS) OF 4 1/2" , 11^#, N–80, LTC, R–3 CASING (GOOD CONDITION).

20.91' (1 PUP) OF 4 1/2", 116#, N–80, LTC, R–2 CASING (PUP JT.).

RIG MOVE IS LESS THAN 1 MILE.

08–03–2008 **Reported By** BENNY BLACKWELL

DailyCosts: Drilling	$45,308	**Completion**	$0	**Daily Total**	$45,308
Cum Costs: Drilling	$304,014	**Completion**	$417	**Well Total**	$304,431

MD	4,540	**TVD**	4,540	**Progress**	2,094	**Days**	1	**MW**	8.4	**Visc**	27.0

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

Activity at Report Time: DRILLING @ 4540'

Start	End	Hrs	Activity Description
06:00	07:30	1.5	P/U DRILL PIPE – RIG DOWN P/U MACHINE.
07:30	08:30	1.0	DRILL CEMENT, FLOAT COLLAR & FLOAT SHOE & 10' OF NEW FORMATION TO 2446'
08:30	09:00	0.5	CIRC AND PERFORM FIT – 400 PSI SURFACE PRESSURE, 8.3 PPG FLUID @ 2446' = 11.4 EMW.
09:00	09:30	0.5	SPUD 7 7/8" HOLE AT 09:00 HRS, 8/2/08. DRILL F/ 2446' – 2458', 15–20K WOB, 65 RPM @ TABLE, 1100 PSI @ 120 SPM – 420 GPM = 67 RPM F/ MOTOR, 24 FPH.
09:30	10:00	0.5	SURVEY @ 2378' – 0.50 DEG.
10:00	12:00	2.0	DRILL F/ 2458', – 2615', 15–20K WOB, 65 RPM @ TABLE, 1100 PSI @ 120 SPM – 420 GPM = 67 RPM F/ MOTOR, 78.5 FPH.
12:00	12:30	0.5	SERVICE RIG – DAILY RIG SERVICE.
12:30	19:30	7.0	DRILL F/ 2615' – 3466', 15–20K WOB, 65 RPM @ TABLE, 1350 PSI @ 120 SPM – 420 GPM = 67 RPM F/ MOTOR, 121.57 FPH.
19:30	20:00	0.5	SURVEY @ 3400' – 2 DEG.
20:00	04:30	8.5	DRILL F/ 3466' – 4477', 15–20K WOB, 65 RPM @ TABLE, 1450 PSI @ 120 SPM – 420 GPM = 67 RPM F/ MOTOR, 118.9 FPH.
04:30	05:00	0.5	SURVEY @ 4370' – 1.75 DEG.

05:00	06:00	1.0	DRILL F/ 4477' – 4540', 15–20K WOB, 65 RPM @ TABLE, 1450 PSI @ 120 SPM – 420 GPM = 67 RPM F/ MOTOR, 63 FPH.
			DAYLIGHTS 1 MAN SHORT, OTHHERS FULL CREWS: NO INCIDENTS.
			SAFETY MEETINGS: P/U BHA (1), BOP DRILL (2).
			BOP DRILL: EVENING (80 SEC), DAYLIGHT (90 SEC).
			OPERATED COM (3), WITNESSED (1).
			FUEL REC'D: 0 GALS DIESEL.
			FUEL ON HAND: 2169 GAL, FUEL USED: 823 GALS.
			MUD WT: 9.3 PPG, VIS: 26.
			BG GAS:398 U, PEAK GAS 6901 U @ 2983', TRIP GAS: N/A U.
			FORMATION: MAHOGANY OIL SHALE @ 2320'.
			UNMANNED LOGGING UNIT – DAY 1.

08–04–2008 **Reported By** BENNY BLACKWELL

DailyCosts: Drilling	$58,926	**Completion**	$0	**Daily Total**	$58,926
Cum Costs: Drilling	$362,940	**Completion**	$417	**Well Total**	$363,357

MD	6,200	**TVD**	6,200	**Progress**	1,660	**Days**	2	**MW**	9.4	**Visc**	30.0

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

Activity at Report Time: DRILLING @ 6200'

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILL F/ 4540' – 5017', 15–20K WOB, 65 RPM @ TABLE, 1450 PSI @ 120 SPM – 420 GPM = 67 RPM F/ MOTOR, 86.72 FPH.
11:30	12:00	0.5	SERVICE RIG – DAILY RIG SERVICE.
12:00	06:00	18.0	DRILL F/ 5017' – 6200, 15–20K WOB, 65 RPM @ TABLE, 1450 PSI @ 120 SPM – 420 GPM = 67 RPM F/ MOTOR, 65.72 FPH.
			DAYLIGHTS 1 MAN SHORT, OTHHERS FULL CREWS: NO INCIDENTS.
			SAFETY MEETINGS: MAKING CONNECTIONS (3).
			BOP DRILL: EVENING (80 SEC), MORNING (85 SEC).
			OPERATED COM (3), WITNESSED (1).
			FUEL REC'D: 4500 GALS DIESEL.
			FUEL ON HAND: 5460 GAL, FUEL USED: 1209 GALS.
			MUD WT: 9.3 PPG, VIS: 33.
			BG GAS:65 U, PEAK GAS 3090 U @ 6035', TRIP GAS: N/A U.
			FORMATION: BUCK CANYON @ 5853'.
			UNMANNED LOGGING UNIT – DAY 2.

08–05–2008 **Reported By** BENNY BLACKWELL

DailyCosts: Drilling	$37,659	**Completion**	$0	**Daily Total**	$37,659
Cum Costs: Drilling	$400,600	**Completion**	$417	**Well Total**	$401,017

MD	6,960	**TVD**	6,960	**Progress**	760	**Days**	3	**MW**	9.4	**Visc**	33.0

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

Activity at Report Time: DRILLING @ 6960'

Start	End	Hrs	Activity Description
06:00	07:30	1.5	CIRCF/ BIT TRIP (LOW ROP) – PREPARE & PUMP PILL , DROP SURVEY.
07:30	10:30	3.0	POH F/ BIT #2, NO HOLE PROBLEMS, LAY DOWN BIT, MOTOR, & REAMERS.
10:30	13:30	3.0	RIH W/ BIT #2, P/U BIT, MOTOR – NO HOLE PROBLEMS.

13:30	14:00	0.5	WASH AND REAM 60' TO BOTTOM.
14:00	21:00	7.0	DRILL F/ 6200' – 6585', 15–20K WOB, 55–70 RPM @ TABLE 1750 PSI @ 120 SPM = 420 GPM = 67 RPMS F/ MOTOR, 55 FPH.
21:00	21:30	0.5	SERVICE RIG – DAILY RIG SERVICE.
21:30	23:30	2.0	DRILL F/ 6585' – 6718', 15–20K WOB, 55–70 RPM @ TABLE 1750 PSI @ 120 SPM = 420 GPM = 67 RPMS F/ MOTOR, 66 FPH.
23:30	02:00	2.5	WASHED OUT HIGH PRESSURE MUD LINE, WAIT ON WELDER THEN WELD MUD LINE (RUN #1 PUMP – DUPLEX WHILE WAITING).
02:00	06:00	4.0	DRILL F/ 6718' – 6960' 15–20K WOB, 55–70 RPM @ TABLE 1750 PSI @ 120 SPM = 420 GPM = 67 RPMS F/ MOTOR, 60.5 FPH.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: MAKING CONNECTIONS (1), MIXING CHEMICALS (2).

BOP DRILL: NONE.

OPERATED COM (5), WITNESSED (2).

FUEL REC'D:0 GALS DIESEL.

FUEL ON HAND: 4563 GAL, FUEL USED: 897 GALS.

MUD WT: 10.0 PPG, VIS: 31.

BG GAS:75 U, PEAK GAS 3499 U @ 6718', TRIP GAS: 1510 U.

FORMATION: PRICE RIVER @ 6752'.

UNMANNED LOGGING UNIT – DAY 3.

08–06–2008 **Reported By** BENNY BLACKWELL

DailyCosts: Drilling	$38,701	**Completion**	$0	**Daily Total**	$38,701
Cum Costs: Drilling	$439,302	**Completion**	$417	**Well Total**	$439,719

MD	7,855	**TVD**	7,855	**Progress**	895	**Days**	4	**MW**	9.9	**Visc**	32.0

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

Activity at Report Time: DRILLING @ 7855'

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILL F/ 6960' – 7155', 15–20K WOB, 55–70 RPM @ TABLE 1800 PSI @ 120 SPM = 420 GPM = 67 RPMS F/ MOTOR, 48.75 FPH.
10:00	10:30	0.5	SERVICE RIG – DAILY RIG SERVICE.
10:30	06:00	19.5	DRILL F/ 7155' – 7855', 15–20K WOB, 55–70 RPM @ TABLE 2050 PSI @ 120 SPM = 420 GPM = 67 RPMS F/ MOTOR, 35.89 FPH.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: FORKLIFT (3).

BOP DRILL: NONE.

OPERATED COM (3), WITNESSED (1).

FUEL REC'D:0 GALS DIESEL.

FUEL ON HAND: 4563 GAL, FUEL USED: 897 GALS.

MUD WT: 10.6 PPG, VIS: 33.

BG GAS:200 U, PEAK GAS 6849 U @ 7460', TRIP GAS: N/A U.

FORMATION: PRICE RIVER MIDDLE @ 7512'.

UNMANNED LOGGING UNIT – DAY 4.

08–07–2008 **Reported By** BENNY BLACKWELL

DailyCosts: Drilling	$69,932	**Completion**	$849	**Daily Total**	$70,781
Cum Costs: Drilling	$509,234	**Completion**	$1,266	**Well Total**	$510,500

MD	8,290	**TVD**	8,290	**Progress**	435	**Days**	5	**MW**	10.6	**Visc**	37.0

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

Activity at Report Time: DRILLING @ 8290'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	. CIRC, API RING WASHED ON DISCHARGE – NO PARTS ON LOCATION – PREPARE PILL TO POH.
07:00	07:30	0.5	PUMP PILL, DROP SURVEY.
07:30	12:00	4.5	POH FOR BIT #3 – WORK TGHT SPOT @ 7760' W/30–50K OVER P/U WEIGHT, L/D BIT#2 & MOTOR.
12:00	15:30	3.5	P/U BIT #3 & MOTOR, RIH – STOP @ SHOE & TEST PUMP #2 – OK.
15:30	16:30	1.0	WASH & REAM 60' TO BOTTOM.
16:30	06:00	13.5	DRILL F/ 7855' – 8290', 15–20K WOB, 55–70 RPM @ TABLE 2050 PSI @ 116 SPM = 405 GPM = 65 RPMS F/ MOTOR, 32.22 FPH.
			FULL CREWS: NO INCIDENTS.
			SAFETY TRIPPING (2), HOUSEKEEPING (1).
			BOP DRILL: NONE.
			OPERATED COM (3), WITNESSED (1).
			FUEL REC'D:0 GALS DIESEL.
			FUEL ON HAND: 2244 GAL, FUEL USED: 1047 GALS.
			MUD WT: 11.1 PPG, VIS: 37.
			BG GAS:6700 U, PEAK GAS 7702 U @ 8269', TRIP GAS: 368 U.
			FORMATION: PRICE RIVER MIDDLE @ 7512'.
			UNMANNED LOGGING UNIT – DAY 5.

08–08–2008 **Reported By** BENNY BLACKWELL

DailyCosts: Drilling	$46,722	**Completion**	$0	**Daily Total**	$46,722
Cum Costs: Drilling	$555,957	**Completion**	$1,266	**Well Total**	$557,223

MD	8,455	**TVD**	8,455	**Progress**	165	**Days**	6	**MW**	11.8	**Visc**	42.0

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

Activity at Report Time: TOH

Start	End	Hrs	Activity Description
06:00	11:00	5.0	DRILL F/ 8290' – 8355', 15–20K WOB, 55–70 RPM @ TABLE 2050 PSI @ 110 SPM = 384 GPM = 65 RPMS F/ MOTOR, 13 FPH – DRLG W/ 20' FLARE, RAISING MUD WT.
11:00	11:30	0.5	SERVICE RIG – DAILY RIG SERVICE.
11:30	17:00	5.5	DRILL F/ 8355' – 8419', 15–20K WOB, 55–70 RPM @ TABLE 2050 PSI @ 110 SPM = 384 GPM = 65 RPMS F/ MOTOR, 11.63 FPH – CONT. DRLG W/ 20' FLARE & CONT RAISING MUD WT – 11.9 PPG.
17:00	17:30	0.5	CIRC, BUILD & PUMP PILL.
17:30	21:00	3.5	POH FOR BIT #4 – LOW ROP, WORK TIGHT HOLE @ 8365' W/ 30–50K OVER P/U WEIGHT, L/D BIT & MOTOR.
21:00	01:00	4.0	P/U BIT #4 AND MOTOR, RIH – NO HOLE PROBLEMS.
01:00	01:30	0.5	WASH AND REAM 60' TO BOTTOM.
01:30	04:30	3.0	DRILL F/ 8419' – 8455', 10–24K WOB, 45–70 RPM @ TABLE, 2100 PSI @ 110 SPM – 385 GPM=61 RPM F/ BIT, 10.2 FPH – LOST ALL DIFFERENTIAL PRESSURE, WILL NOT DRILL OFF.
04:30	05:00	0.5	MIX AND PUMP PILL.
05:00	06:00	1.0	PULL OUT OF HOLE TO CHANGE OUT MOTOR.
			FULL CREWS: NO INCIDENTS.
			SAFETY MEETINGS: TRIPPING (2), HOUSEKEEPING (1).
			BOP DRILL: DAYLIGHT (70 SEC).
			OPERATED COM (6), WITNESSED (2).
			FUEL REC'D: 2500 GALS DIESEL.

FUEL ON HAND: 3740 GAL, FUEL USED: 1004 GALS.

MUD WT: 12.0 PPG, VIS: 44.

BG GAS:400 U, PEAK GAS 8085 U @ 8425', TRIP GAS: 7925 U.

FORMATION: PRICE RIVER LOWER @ 7512'.

UNMANNED LOGGING UNIT - DAY 6.

08-09-2008 **Reported By** BENNY BLACKWELL

DailyCosts: Drilling	$44,876	**Completion**	$0	**Daily Total**	$44,876
Cum Costs: Drilling	$600,961	**Completion**	$1,266	**Well Total**	$602,227

MD	8,794	**TVD**	8,794	**Progress**	339	**Days**	7	**MW**	12.2	**Visc**	43.0

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

Activity at Report Time: DRILLING @ 8794"

Start	End	Hrs	Activity Description
06:00	07:00	1.0	CHECK FOR FLOW - WELL FLOWING - RIH TO BOTTOM
07:00	09:00	2.0	ESTABLISHED DIFFERENTIAL PRESSURE, RETURN TO DRLG F/ 8455' - 8485', 14-22K WOB, 50-70 RPM @ TABLE, 2050 PSI @ 110 SPM = 384 GPM = 61 RPM F/ MOTOR, 15 FPH - NO SIGNIFICANT GAS ON BOTTOMS UP.
09:00	09:30	0.5	SERVICE RIG - DAILY RIG SERVICE.
09:30	06:00	20.5	DRLG F/ 8485' - 8794', 14-22K WOB, 50-70 RPM @ TABLE, 2050 PSI @ 110 SPM = 384 GPM = 61 RPM F/ MOTOR, 15.07 FPH.
			FULL CREWS: NO INCIDENTS.
			SAFETY MEETINGS: TRIPPING (1), ELECTRICITY (1), TEAMWORK (1).
			BOP DRILL: NONE.
			OPERATED COM (4), WITNESSED (1).
			FUEL REC'D: 0 GALS DIESEL.
			FUEL ON HAND: 2618 GAL, FUEL USED: 1390 GALS.
			MUD WT: 12.2 PPG, VIS: 44.
			BG GAS: 1900 U, PEAK GAS 6154 U @ 8716', TRIP GAS: N/A U.
			FORMATION: PRICE RIVER LOWER @ 7512'.
			UNMANNED LOGGING UNIT - DAY 7.

08-10-2008 **Reported By** BENNY BLACKWELL

DailyCosts: Drilling	$45,530	**Completion**	$0	**Daily Total**	$45,530
Cum Costs: Drilling	$646,491	**Completion**	$1,266	**Well Total**	$647,757

MD	8,915	**TVD**	8,915	**Progress**	121	**Days**	8	**MW**	12.2	**Visc**	45.0

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

Activity at Report Time: DRILLING @ 8915'

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRLG F/ 8794' - 8834', 14-22K WOB, 50-70 RPM @ TABLE, 2050 PSI @ 95 SPM = 331 GPM = 53 RPM F/ MOTOR, 10 FPH.
10:00	10:30	0.5	RIG SERVICE - DAILY RIG SERVICE.
10:30	17:30	7.0	DRLG F/ 8834' - 8909', 14-22K WOB, 50-70 RPM @ TABLE, 2050 PSI @ 110 SPM = 331 GPM = 53 RPM F/ MOTOR, 10 FPH.
17:30	18:00	0.5	MIX & PUMP PILL
18:00	23:00	5.0	POH FOR BIT #5 - LOW ROP - NO HOLE PROBLEMS - L/D BIT & MOTOR.
23:00	01:00	2.0	P/U BIT #5 AND MOTOR & RIH W/ BIT #5.
01:00	02:00	1.0	REPAIR RIG - C/O CLUTCH #2 FLOOR MOTOR.

02:00	03:30	1.5	CONT. TO RIH W/ BIT #5 – NO HOLE PROBLEMS.
03:30	04:30	1.0	WASH & REAM 120' TO BOTTOM.
04:30	06:00	1.5	DRLG F/ 8909' – 8915', 14–22K WOB, 50–70 RPM @ TABLE, 2050 PSI @ 102 SPM = 356 GPM =57 RPM F/ MOTOR, 4 FPH.
			FULL CREWS: NO INCIDENTS.
			SAFETY MEETINGS: TRIPPING (2), TEAMWORK (1).
			BOP DRILL: NONE.
			OPERATED COM (5), WITNESSED (2).
			FUEL REC'D: 0 GALS DIESEL.
			FUEL ON HAND: 1720 GAL, FUEL USED: 898 GALS.
			MUD WT: 12.2 PPG, VIS: 48.
			BG GAS: 1620 U, PEAK GAS 2453 U @ 8875', TRIP GAS: 5533 U.
			FORMATION: SEGO @ 8813'.
			UNMANNED LOGGING UNIT – DAY 8.

08–11–2008 **Reported By** BENNY BLACKWELL

DailyCosts: Drilling	$53,776	**Completion**	$8,631	**Daily Total**	$62,407
Cum Costs: Drilling	$700,268	**Completion**	$9,897	**Well Total**	$710,165

MD	9,010	**TVD**	9,010	**Progress**	95	**Days**	9	**MW**	12.5	**Visc**	48.0

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

Activity at Report Time: RUNNING 4 1/2" PROD CSG

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRLG F/ 8915' – 8958, 14–22K WOB, 50–70 RPM @ TABLE, 2050 PSI @ 102 SPM = 356 GPM =57 RPM F/ MOTOR, 7.16 FPH.
12:00	12:30	0.5	SERVICE RIG – DAILY RIG SERVICE.
12:30	16:00	3.5	DRLG F/ 8958' – 9010', 14–22K WOB, 50–70 RPM @ TABLE, 2050 PSI @ 102 SPM = 356 GPM =57 RPM F/ MOTOR, 14.85 FPH. REACHED TD AT 16:00 HRS, 8/10/08.
16:00	17:00	1.0	CIRC FOR WIPER TRIP.
17:00	17:30	0.5	WIPER TRIP 5 STANDS.
17:30	19:00	1.5	CIRC TO LAY DOWN DRILL STRING – RIG UP L/D EQIUP – HSM.
19:00	19:30	0.5	PUMP PILL – DROP SURVEY.
19:30	02:00	6.5	LAY DOWN DRILL PIPE, BREAK KELLY, L/D BHA.
02:00	02:30	0.5	PULL WEAR RING.
02:30	03:30	1.0	RIG UP CASING RUNNING EQUIP – HSM.
03:30	06:00	2.5	RUN 4 1/2" PROD CASNING.
			FULL CREWS: NO INCIDENTS.
			SAFETY MEETINGS: TRIPPING (1), L/D PIPE (1), RUN CASING (1).
			BOP DRILL: NONE.
			OPERATED COM (5), WITNESSED (2).
			FUEL REC'D: 2000 GALS DIESEL.
			FUEL ON HAND: 2767 GAL, FUEL USED: 953 GALS.
			MUD WT: 12.3 PPG, VIS: 48.
			BG GAS: 230 U, PEAK GAS 2695 U @ 8979', TRIP GAS: 4949 U.
			FORMATION: TD @ 9010'.

UNMANNED LOGGING UNIT – DAY 9.

08-12-2008 **Reported By** BENNY BLACKWELL

DailyCosts: Drilling	$74,445	**Completion**	$146,313	**Daily Total**	$220,758
Cum Costs: Drilling	$774,713	**Completion**	$156,210	**Well Total**	$930,923

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

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

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	09:00	3.0	RUN 208 JTS OF 4 1/2", 11.6#, N-80, LTC, R-3 CASING AS FOLLOWS: 1 EA. FLOAT SHOE (1.00') SET 9002.09, 1 JT CSG (42.98'), 1 FLOAT COLLAR (1.50') W/ TOP @ 8956.61, 61 JTS CSG (2611.87'), 1 MARKER JT (20.90') SET @ 6323.84', 50 JTS CSG (2147.29'), 1 MARKER JT (21.08'), 96 JTS CSG (4115.37'), 2 PUP JTS (25.95), 1 CASING HANGER (0.65), 1 LANDING JT (13), RUN TAG JT – L/D SAME, LAND CASING W/ 85K ON HANGER.
09:00	10:00	1.0	CIRC CASING CLEAN – RU SCHLUMBERGER FLOOR EQUIP – HSM – NO FLARE.
10:00	12:30	2.5	CEMENT 4 1/2" PRODUCTION CASING AS FOLLOWS: HSM, PRESURE TEST LINES TO 5000 PSI
			DROP BTM PLUG. PUMP 20 BBL CHEM WASH AND 20 BBL WATER SPACER , MIX AND PUMP CEMENT. LEAD 430 SKS G+ ADDS @ 13.0 PPG , 1.75 YELD , 9.1 GAL/SK FRESH WATER (144..1 BBLS). TAIL 1451 SKS OF 50/50 POZ G CEMENT MIXED @ 14.1 PPG , 1.29 YEILD , 5.94 GAL/SK (333.08 BBLS). DROP TOP PLUG. DISPLACE TO FLOAT COLLAR WITH 139 BBL FRESH WATER,
			100% RETURNS THROUGH OUT CEMENT JOB – 0 BBLS CEMENT TO SURFACE , BUMP PLUG12:15 HRS WITH 3645PSI (1000 PSI OVER FDP) , FLOATS HELD, 1.75 BBLS BACK.
12:30	14:00	1.5	WAIT 1 HR, RIG DOWN CEMENT HEAD, BACK OFF LANDING JT, INSTALL PACKER & TEST TO 5000 PSI.
14:00	15:00	1.0	CLEAN PITS & N/D BOP'S.
15:00	18:00	3.0	RIG DOWN AND PREPARE RIG FOR MOVE, L/D DERRICK @ 16:00 HRS.
18:00	06:00	12.0	WAIT ON DAYLIGHT.
			FULL CREWS: NO INCIDENTS.
			SAFETY MEETINGS: RIGGING DOWN (2), RUN CASING (1).
			BOP DRILL: NONE.
			OPERATED COM (), WITNESSED ().
			FUEL REC'D: 0 GALS DIESEL.
			FUEL ON HAND: 2450 GAL, FUEL USED: 217 GALS.
			MUD WT: PPG, VIS:..
			BG GAS: U, PEAK GAS U @ 8979', TRIP GAS: U.
			FORMATION: .
			UNMANNED LOGGING UNIT – RIGGED DOWN
			ITEMS TRANSFERED FROM WELL ECW 48-16 (AFE # 304104) TO WELL ECW 41-04 (AFE # 304097) ARE AS FOLLOWS:
			DIESEL – 2450 GALS. @ $4.49 PER GAL.
			298.42' (7 JTS) OF 4 1/2" , 11^#, N-80, LTC, R-3 CASING (GOOD CONDITION).
			10.02' (1 PUP) OF 4 1/2", 116#, N-80, LTC, R-2 CASING (PUP JT.).
			RIG MOVE IS 6.8 MILES.
06:00			RELEASE RIG @ 15:00 HRS, 8/11/08.
			CASING POINT COST $745,096

08-16-2008 **Reported By** MCCURDY

DailyCosts: Drilling	$0	**Completion**	$51,160	**Daily Total**	$51,160		
Cum Costs: Drilling	$774,713	**Completion**	$207,370	**Well Total**	$982,083		
MD 9,010	**TVD** 9,010	**Progress** 0	**Days** 11	**MW** 0.0	**Visc** 0.0		
Formation :	**PBTD :** 8931.0	**Perf :**	**PKR Depth :** 0.0				

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	8/14/08 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 250'. EST CEMENT TOP @ 450'. RD SCHLUMBERGER. NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. AFTER 8 MIN PRESSURE DROPPED TO 3900 PSIG. MIRU CUTTERS WIRELINE SET CIBP @ 8931' RETEST TO 6500 PSIG 15 MIN. RDMO CUTTERS WIRELINE. WO COMPLETION.

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

DailyCosts: Drilling	$0	**Completion**	$19,590	**Daily Total**	$19,590		
Cum Costs: Drilling	$774,713	**Completion**	$226,960	**Well Total**	$1,001,673		
MD 9,010	**TVD** 9,010	**Progress** 0	**Days** 12	**MW** 0.0	**Visc** 0.0		
Formation : MESAVERDE	**PBTD :** 8931.0	**Perf :** 7677' - 8778'	**PKR Depth :** 0.0				

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU CUTTERS WIRELINE. PERFORATE LPR FROM 8577'-79', 8597'-98', 8609'-10', 8615'-16, 8623'-24', 8633'-34', 8639'-40', 8649'-50', 8665'-66', 8756'-57', 8777'-78' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 4171 GAL WF116 PRE PAD, 2096 GAL YF116ST+ PAD, 27196 GAL YF116ST+ WITH 79300# 20/40 SAND @ 1-4 PPG. MTP 6160 PSIG. MTR 50.8 BPM. ATP 4371 PSIG. ATR 39.7 BPM. ISIP 2640 PSIG. RD SCHLUMBERGER. RUWL. SET 6K CFP @ 8550'. PERFORATE LPR FROM 8360'-61', 8385'-86', 8394'-95', 8399'-01', 8428'-29', 8443'-44', 8469'-70', 8474'-75', 8486'-87', 8498'-99', 8526'-27' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 2074 GAL YF116ST+ PAD, 33938 GAL YF116ST+ WITH 107900# 20/40 SAND @ 1-5 PPG. MTP 6372 PSIG. MTR 50.9 BPM. ATP 5640 PSIG. ATR 45.4 BPM. ISIP 3180 PSIG. RD SCHLUMBERGER. RUWL. SET 6K CFP @ 8340'. PERFORATE MPR FROM 8123'-24', 8130'-32', 8173'-74', 8195'-96', 8203'-04', 8227'-28', 8247'-48', 8259'-60', 8266'-67', 8294'-95', 8310'-11' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 2079 GAL YF116ST+ PAD, 20539 GAL YF116ST+ WITH 54400# 20/40 SAND @ 1-4 PPG. MTP 6590 PSIG. MTR 50.8 BPM. ATP 5856 PSIG. ATR 43.3 BPM. ISIP 3550 PSIG. RD SCHLUMBERGER. RUWL. SET 6K CFP @ 8090'. PERFORATE MPR FROM 7829'-30', 7839'-40', 7859'-60', 7865'-66', 7874'-75', 7914'-15', 7939'-40', 7948'-49', 7990'-91', 8021'-22', 8038'-39', 8056'-57' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 7988 GAL YF116ST+ PAD, 41198 GAL YF116ST+ WITH 138500# 20/40 SAND @ 1-5 PPG. MTP 6436 PSIG. MTR 51.9 BPM. ATP 5721 PSIG. ATR 39.8 BPM. ISIP 2560 PSIG. RD SCHLUMBERGER. RUWL. SET 6K CFP @ 7804'. PERFORATE MPR FROM 7677'-78', 7686'-87', 7694'-95', 7702'-03', 7722'-23', 7728'-29', 7736'-37', 7744'-45', 7758'-59', 7764'-65', 7777'-78', 7782'-83' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 2077 GAL YF116ST+ PAD, 41413 GAL YF116ST+ WITH 137700# 20/40 SAND @ 1-4 PPG. MTP 6571 PSIG. MTR 50.8 BPM. ATP 4846 PSIG. ATR 47.9 BPM. ISIP 3050 PSIG. RD SCHLUMBERGER. SDFN.

09-10-2008 **Reported By** CARLSON

DailyCosts: Drilling	$0	**Completion**	$413,712	**Daily Total**	$413,712

Cum Costs: Drilling	$774,713	**Completion**	$640,672	**Well Total**	$1,415,386				
MD	9,010	**TVD**	9,010	**Progress**	0	**Days**	13	**MW**	0.0	**Visc**	0.0

Formation : MEASEVERDE, WASATCH **PBTD :** 8931.0 **Perf :** 5065' – 8778' **PKR Depth :** 0.0

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 1780 PSIG. RUWL. SET 6K CFP AT 7650'. PERFORATE UPR/MPR FROM 7476'–77', 7486'–87', 7500'–01', 7505'–06', 7513'–14', 7540'–41', 7552'–53', 7565'–66', 7596'–97', 7604'–05', 7613'–14', 7627'–28' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T–106, 2085 GAL YF116 ST+ PAD, 46024 GAL YF116 ST+ WITH 155800# 20/40 SAND @ .5–4 PPG. MTP 6448 PSIG. MTR 51 BPM. ATP 4831 PSIG. ATR 48 BPM. ISIP 3400 PSIG. RD SCHLUMBERGER . RUWL. SET 6K CFP AT 7450'. PERFORATE UPR FROM 7217'–18', 7224'–25', 7229'–30', 7260'–61', 7368'–69', 7376'–77', 7388'–89', 7395'–97', 7401'–02', 7431'–33' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T–106, 2072 GAL YF116 ST+ PAD, 33735 GAL YF116ST+ WITH 109300# 20/40 SAND @ .5–5 PPG. MTP 6158 PSIG. MTR 51 BPM. ATP 4945 PSIG. ATR 47.5 BPM. ISIP 2950 PSIG. RD SCHLUMBERGER. RUWL. SET 6K CFP AT 7190'. PERFORATE UPR FROM 6976'–78', 6995'–97', 7036'–37', 7070'–71', 7081'–82', 7120'–21', 7125'–26', 7129'–30', 7139'–40', 7170'–71' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T–106, 2076 GAL YF116 ST+ PAD, 30422 GAL YF116ST+ WITH 94100# 20/40 SAND @ .5–5 PPG. MTP 6523 PSIG. MTR 50.6 BPM. ATP 5109 PSIG. ATR 46.2 BPM. ISIP 3800 PSIG. RD SCHLUMBERGER. RUWL. SET 6K CFP AT 6930'. PERFORATE NH/UPR FROM 6684'–85', 6691'–92', 6704'–05', 6743'–44', 6755'–56', 6830'–31', 6841'–42', 6866'–67', 6880'–81', 6899'–6900', 6907'–08', 6913'–14' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T–106, 2073 GAL YF116 ST+ PAD, 42930 GAL YF116ST+ WITH 145900# 20/40 SAND @ .5–5 PPG. MTP 6020 PSIG. MTR 52.1 BPM. ATP 4318 PSIG. ATR 48.3 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER. RUWL. SET 6K CFP AT 6575'. PERFORATE Ba/NH FROM 6282'–83', 6287'–88', 6332'–33', 6359'–60', 6390'–91', 6403'–04', 6429'–30', 6472'–73', 6498'–99', 6507'–08', 6513'–14', 6555'–56' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T–106, 2083 GAL YF116 ST+ PAD, 34058 GAL YF116ST+ WITH 110600# 20/40 SAND @ .5–5 PPG. MTP 6415 PSIG. MTR 52.1 BPM. ATP 5173 PSIG. ATR 45 BPM. ISIP 2600 PSIG. RD SCHLUMBERGER. RUWL. SET 6K CFP AT 6235'. PERFORATE Ba FROM 6008'–09', 6034'–35', 6043'–44', 6071'–72', 6083'–84', 6091'–92', 6098'–99', 6128'–29', 6154'–55', 6169'–70', 6210'–11', 6221'–22' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 2074 GAL YF116 ST+ PAD, 30022 GAL YF116ST+ WITH 93200# 20/40 SAND @ .5–4 PPG. MTP 6004 PSIG. MTR 50.8 BPM. ATP 4325 PSIG. ATR 47.2 BPM. ISIP 2200 PSIG. RD SCHLUMBERGER. RUWL. SET 6K CFP AT 5920'. PERFORATE Ba/Ca FROM 5561'–62', 5596'–97', 5658'–59', 5676'–77', 5704'–05', 5764'–65', 5814'–15', 5841'–42', 5854'–55', 5880'–81', 5893'–95' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 2071 GAL YF116 ST+ PAD, 28485 GAL YF116ST+ WITH 86100# 20/40 SAND @ .5–4 PPG. MTP 6105 PSIG. MTR 52.5 BPM. ATP 4088 PSIG. ATR 47.1 BPM. ISIP 1800 PSIG. RD SCHLUMBERGER. RUWL. SET 6K CFP AT 5300'. PERFORATE Ca FROM 5191'–93', 5196'–98', 5206'–08', 5213'–15', 5221'–22', 5230'–31', 5262'–64' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 2067 GAL YF116 ST+ PAD, 32185 GAL YF116ST+ WITH 101100# 20/40 SAND @ .5–4 PPG. MTP 6248 PSIG. MTR 50.7 BPM. ATP 4146 PSIG. ATR 48.2 BPM. ISIP 2600 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5130'. PERFORATE Pp FROM 5065'-66', 5074'-75', 5081'-83', 5091'-93', 5097'-99', 5104'-06', 5114'-16' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 2065 GAL YF116 ST+ PAD, 36649 GAL YF116ST+ WITH 119400# 20/40 SAND @ .5-4 PPG. MTP 4911 PSIG. MTR 52 BPM. ATP 3900 PSIG. ATR 49.5 BPM. ISIP 2650 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 4960'. RDWL. SDFN.

09-17-2008 **Reported By** HISLOP

DailyCosts: Drilling	$0	**Completion**	$38,068	**Daily Total**	$38,068
Cum Costs: Drilling	$774,713	**Completion**	$678,740	**Well Total**	$1,453,454

MD	9,010	**TVD**	9,010	**Progress**	0	**Days**	13	**MW**	0.0 **Visc** 0.0

Formation : MEASEVERDE **PBTD :** 8931.0 **Perf :** 5065' - 8778' **PKR Depth :** 0.0

Activity at Report Time: DRILL PLUGS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. MIRUSU. ND TREE. NU BOP RIH W/BIT & PUMP OFF SUB TO 4900'. RU TO DRILL PLUGS. SDFN.

09-18-2008 **Reported By** HISLOP

DailyCosts: Drilling	$0	**Completion**	$42,727	**Daily Total**	$42,727
Cum Costs: Drilling	$774,713	**Completion**	$721,467	**Well Total**	$1,496,181

MD	9,010	**TVD**	9,010	**Progress**	0	**Days**	14	**MW**	0.0 **Visc** 0.0

Formation : MEASEVERDE **PBTD :** 8931.0 **Perf :** 5065' - 8778' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 4900', 5130', 5300', 5920', 6235', 6575', 6930', 7190', 7450', 7650', 7804', 8090', 8340' & 8550'. RIH. CLEANED OUT TO 8897'. LANDED TUBING @ 6664' KB. ND BOP. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 13 HRS. 24/64" CHOKE. FTP 1300 PSIG. CP 1500 PSIG. 56 BFPH. RECOVERED 887 BLW. 13113 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF BIT SUB 0.91'
1 JT 2-3/8" 4.7# N-80 TBG (YB) 31.72'
XN NIPPLE 1.30'
210 JTS 2-3/8" 4.7# N-80 TBG (YB) 6617.43'
BELOW KB 13.00'
LANDED @ 6664.36' KB

09-19-2008 **Reported By** HISLOP

DailyCosts: Drilling	$0	**Completion**	$3,306	**Daily Total**	$3,306
Cum Costs: Drilling	$774,713	**Completion**	$724,773	**Well Total**	$1,499,487

MD	9,010	**TVD**	9,010	**Progress**	0	**Days**	15	**MW**	0.0 **Visc** 0.0

Formation : MEASEVERDE **PBTD :** 8931.0 **Perf :** 5065' - 8778' **PKR Depth :** 0.0

Activity at Report Time: FLOW TESTING

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED THROUGH TEST UNIT 24 HRS. 24/64" CHOKE. FTP 1300 PSIG. CP 1500 PSIG. 47 BFPH. RECOVERED 1140 BLW. 12073 BLWTR. 572 MCFD RATE.

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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 48-16

2. NAME OF OPERATOR: EOG RESOURCES, INC.

9. API NUMBER: 43-047-39060

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

PHONE NUMBER: (435) 781-9145

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

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2132 FNL - 807 FEL 40.037353 LAT 109.325392 LON

COUNTY: UINTAH

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

STATE: UTAH

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

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

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

Attached please find a site facility diagram.

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OCT 27 2008
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NAME (PLEASE PRINT) Mickenzie Thacker TITLE Operations Clerk

SIGNATURE Mickenzie Thacker DATE 10/23/2008

(This space for State use only)

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

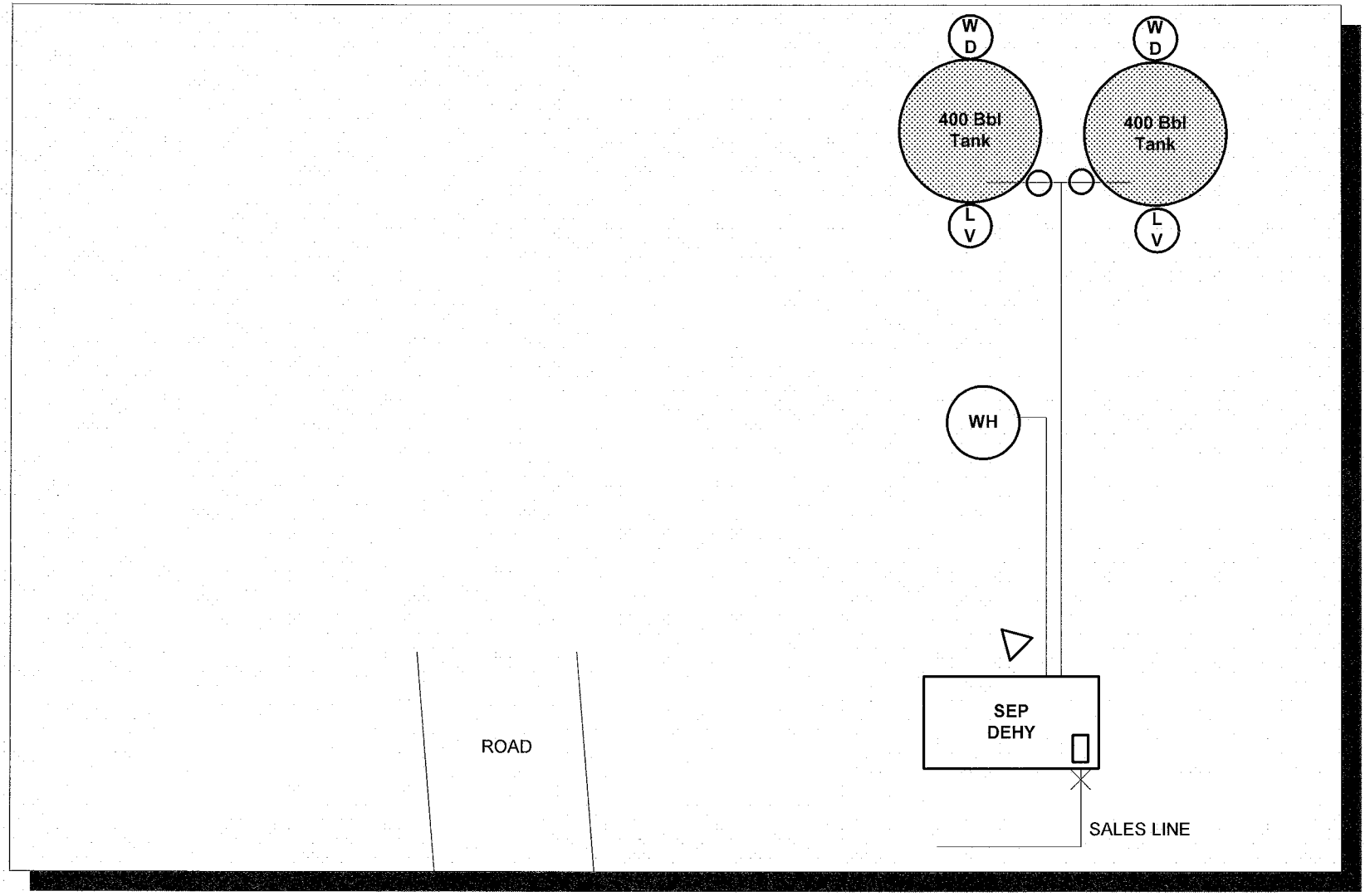
eog resources
Site Facility Diagram

Well Name: EAST CHAPITA 48-16
1/4 1/4:SE/NE 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 10/16/2008



Abbreviations

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

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

= Meter Display
= Meter Tube
= Production Valve
= Valve

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

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME:

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

8. WELL NAME and NUMBER: East Chapita 48-16

2. NAME OF OPERATOR: EOG Resources, Inc.

9. API NUMBER: 43-047-39060

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

PHONE NUMBER: (303) 824-5526

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

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 2132' FNL & 807' FEL 40.037353 LAT 109.325392 LON
AT TOP PRODUCING INTERVAL REPORTED BELOW: Same
AT TOTAL DEPTH: Same

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

12. COUNTY: Uintah

13. STATE: UTAH

14. DATE SPUDDED: 5/13/2008

15. DATE T.D. REACHED: 8/10/2008

16. DATE COMPLETED: 9/18/2008 ABANDONED ☐ READY TO PRODUCE ☑

17. ELEVATIONS (DF, RKB, RT, GL): 4939' NAT GL

18. TOTAL DEPTH: MD 9,010 TVD

19. PLUG BACK T.D.: MD 8,931 TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE PLUG SET: MD TVD

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

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12-1/4"	9-5/8 J-55	36.0	0	2,424		800		0	
7-7/8"	4-1/2 N-80	11.6	0	9,002		1881		450	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8	6,664							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) Wasatch/Mesaverde	5,065	8,778		
(B)				
(C)				
(D)				

27. PERFORATION RECORD 5065

INTERVAL (Top/Bot - MD)		SIZE	NO. HOLES	PERFORATION STATUS
8,577	8,778		3	Open ☐ Squeezed ☐
8,360	8,527		3	Open ☐ Squeezed ☐
8,123	8,311		3	Open ☐ Squeezed ☐
7,829	8,057		3	Open ☐ Squeezed ☐

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
8577-8778	33,628 GALS GELLED WATER & 79,300# 20/40 SAND
8360-8527	36,177 GALS GELLED WATER & 107,900# 20/40 SAND
8123-8311	22,783 GALS GELLED WATER & 54,400# 20/40 SAND

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

30. WELL STATUS: Producing

(5/2000)

(CONTINUED ON BACK)

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
9/18/2008	10/6/2008	24		38	606	194	Flows

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:
14/64	1,250	1,740					38	606	194	Producing

INTERVAL B (As shown in item #26)

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

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

INTERVAL C (As shown in item #26)

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

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

INTERVAL D (As shown in item #26)

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

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

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

Sold

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Wasatch/Mesaverde	5,065	8,778		Green River	1,716
				Mahogany	2,340
				Uteland Butte	4,450
				Wasatch	4,591
				Chapita Wells	5,175
				Buck Canyon	5,839
				Price River	6,756
				Middle Price River	7,532
				Lower Price River	8,299
				Sego	8,842

35. ADDITIONAL REMARKS (Include plugging procedure)

See attached page for additional information.

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

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

SIGNATURE Mary A. Maestas DATE 10/23/2008

This report must be submitted within 30 days of

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

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

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

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

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

East Chapita 48-16 - ADDITIONAL REMARKS (CONTINUED):

27. PERFORATION RECORD

7677-7783	3/spf
7476-7628	3/spf
7217-7433	3/spf
6976-7171	3/spf
6684-6914	3/spf
6282-6556	3/spf
6008-6222	3/spf
5561-5895	3/spf
5191-5264	3/spf
5065-5116	3/spf

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

7829-8057	49,351 GALS GELLED WATER & 138,500# 20/40 SAND
7677-7783	43,655 GALS GELLED WATER & 137,700# 20/40 SAND
7476-7628	48,274 GALS GELLED WATER & 155,800# 20/40 SAND
7217-7433	35,972 GALS GELLED WATER & 109,300# 20/40 SAND
6976-7171	32,663 GALS GELLED WATER & 94,100# 20/40 SAND
6684-6914	45,168 GALS GELLED WATER & 145,900# 20/40 SAND
6282-6556	36,306 GALS GELLED WATER & 110,600# 20/40 SAND
6008-6222	32,096 GALS GELLED WATER & 93,200# 20/40 SAND
5561-5895	30,556 GALS GELLED WATER & 86,100# 20/40 SAND
5191-5264	34,252 GALS GELLED WATER & 101,100# 20/40 SAND
5065-5116	38,714 GALS GELLED WATER & 119,400# 20/40 SAND

Perforated the Lower Price River from 8577-79', 8597-98', 8609-10', 8615-16', 8623-24', 8633-34', 8639-40', 8649-50', 8665-66', 8756-57', 8777-78' w/ 3 spf.

Perforated the Lower Price River from 8360-61', 8385-86', 8394-95', 8399-8401', 8428-29', 8443-44', 8469-70', 8474-75', 8486-87', 8498-99', 8526-27' w/ 3 spf.

Perforated the Middle Price River from 8123-24', 8130-32', 8173-74', 8195-96', 8203-04', 8227-28', 8247-48', 8259-60', 8266-67', 8294-95', 8310-11' w/ 3 spf.

Perforated the Middle Price River from 7829-30', 7839-40', 7859-60', 7865-66', 7874-75', 7914-15', 7939-40', 7948-49', 7990-91', 8021-22', 8038-39', 8056-57' w/ 3 spf.

Perforated the Middle Price River from 7677-78', 7686-87', 7694-95', 7702-03', 7722-23', 7728-29', 7736-37', 7744-45', 7758-59', 7764-65', 7777-78', 7782-83' w/ 3 spf.

Perforated the Upper/Middle Price River from 7476-77', 7486-87', 7500-01', 7505-06', 7513-14', 7540-41', 7552-53', 7565-66', 7596-97', 7604-05', 7613-14', 7627-28' w/ 3 spf.

Perforated the Upper Price River from 7217-18', 7224-25', 7229-30', 7260-61', 7368-69', 7376-77', 7388-89', 7395-97', 7401-02', 7431-33' w/ 3 spf.

Perforated the Upper Price River from 6976-78', 6995-97', 7036-37', 7070-71', 7081-82', 7120-21', 7125-26', 7129-30', 7139-40', 7170-71' w/ 3 spf.

Perforated the North Horn/Upper Price River from 6684-85', 6691-92', 6704-05', 6743-44', 6755-56', 6830-31', 6841-42', 6866-67', 6880-81', 6899-6900', 6907-08', 6913-14' w/ 3 spf.

Perforated the Ba/North Horn from 6282-83', 6287-88', 6332-33', 6359-60', 6390-91', 6403-04', 6429-30', 6472-73', 6498-99', 6507-08', 6513-14', 6555-56' w/ 3 spf.

Perforated the Ba from 6008-09', 6034-35', 6043-44', 6071-72', 6083-84', 6091-92', 6098-99', 6128-29', 6154-55', 6169-70', 6210-11', 6221-22' w/ 3 spf.

Perforated the Ba/Ca from 5561-62', 5596-97', 5658-59', 5676-77', 5704-05', 5764-65', 5814-15', 5841-42', 5854-55', 5880-81', 5893-95' w/ 3 spf.

Perforated the Ca from 5191-93', 5196-98', 5206-08', 5213-15', 5221-22', 5230-31', 5262-64' w/ 3 spf.

Perforated the Pp from 5065-66', 5074-75', 5081-83', 5091-93', 5097-99', 5104-06', 5114-16' w/ 3 spf.

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

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: E Chapita 48-16

API number: 4304739060

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

Well operator: EOG

Address: 1060 E HWY 40

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

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035 Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME	QUALITY
FROM	TO	(FLOW RATE OR HEAD)	(FRESH OR SALTY)
1,950	1,980	NO FLOW	NOT KNOWN

Formation tops: (Top to Bottom)

1 _____ 2 _____ 3 _____

4 _____ 5 _____ 6 _____

7 _____ 8 _____ 9 _____

10 _____ 11 _____ 12 _____

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

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

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

SIGNATURE Mary A. Maestas DATE 10/23/2008

(5/2000)

API Well No: 43047390600000

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML 47045

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
E CHAPITA 48-16

2. NAME OF OPERATOR:
EOG Resources, Inc.

9. API NUMBER:
43047390600000

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

PHONE NUMBER:
435 781-9111 Ext

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
2132 FNL 0807 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SENE Section: 16 Township: 09.0S Range: 23.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 5/22/2009	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ SPUD REPORT Date of Spud:	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Pit Closure

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

The reserve pit on the referenced location was closed on 5/22/2009 as per the APD procedure.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
June 29, 2009

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Mickenzie Thacker	435 781-9145	Operations Clerk
SIGNATURE		**DATE**
N/A		6/17/2009

RECEIVED June 17, 2009

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML 47045

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
E CHAPITA 48-16

2. NAME OF OPERATOR:
EOG Resources, Inc.

9. API NUMBER:
43047390600000

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

PHONE NUMBER:
435 781-9111 Ext

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
2132 FNL 0807 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SENE Section: 16 Township: 09.0S Range: 23.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

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

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

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

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

Approved by the Utah Division of Oil, Gas and Mining

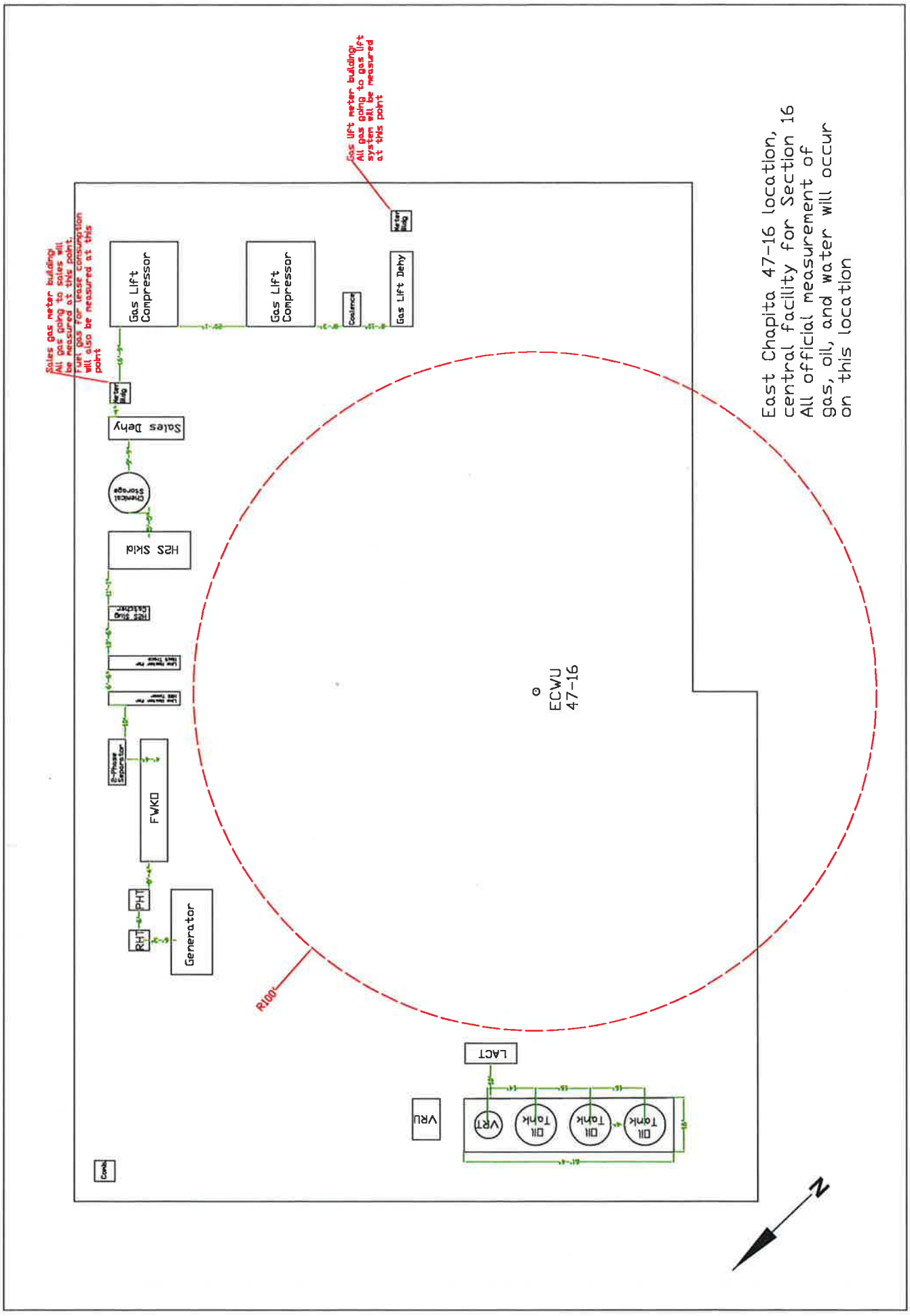
Date: May 11, 2012

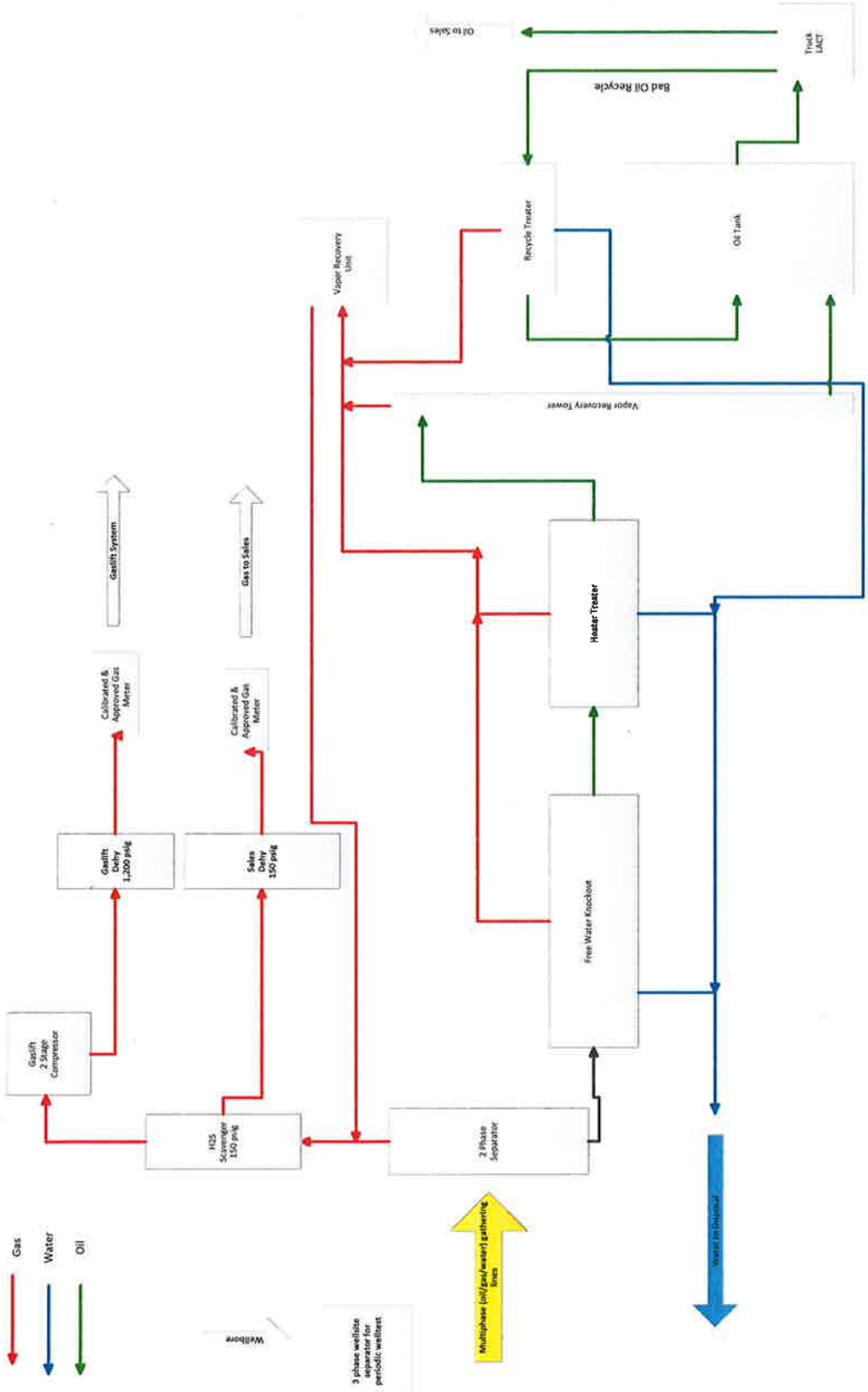
By: Dark K Quist

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

RECEIVED: Apr. 09, 2012

Sundry Number: 24608 API Well Number: 43047390600000




Oil to Sales
Truck LACT
Bad Oil Recycle
Recycle Treater
Oil Tank
Vapor Recovery Unit
Vapor Recovery Tower
Heater Treater
Free Water Knockout
2 Phase Separator
Gaslift System
Gas to Sales
Calibrated & Approved Gas Meter
Calibrated & Approved Gas Meter
Gaslift Dehy 1,200 psig
Sales Dehy 150 psig
Gaslift 2 Stage Compressor
H2S Scavenger 150 psig
Gas
Water
Oil
Wellbore
3 phase wellsite separator for periodic wellsites
Multiphase (oil/gas/water) gathering lines
Water to Disposal


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

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

FedEx
7933 4391 7041

March 14, 2012

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

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

Gentlemen:

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

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

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

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

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

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

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

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

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

eog resources

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

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

Sincerely,

Ed Forsman
Production Engineering Advisor
EOG Resources – Vernal Operations

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

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

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES
Address: 600 17th St., Ste. 1000N
city Denver
state CO zip 80202

Operator Account Number: N 9550
Phone Number: (303) 824-5590

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39152	EAST CHAPITA 58-16		NENW	16	9S	23E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
D	16785	18940	4/8/2008			3/12/2013	
Comments:						3/12/13	

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38988	EAST CHAPITA 31-16		NWSW	16	9S	23E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
D	16820	18940	4/26/2008			3/12/2013	
Comments:						3/12/13	

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39060	EAST CHAPITA 48-16		SENE	16	9S	23E	Uintah
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
D	16863	18940	5/13/2008			3/12/2013	
Comments:						3/12/13	

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

ACTION CODES:

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

Vail Nazzaro
Name (Please Print)

Vail Nazzaro
Signature

Senior Regulatory Assistant
Title

3/8/2013
Date

(5/2000)