

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

5. Lease Serial No. U-0281	
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNIT	
8. Lease Name and Well No. CHAPITA WELLS UNIT 1212-12	
9. API Well No. 43-047-39062	
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER	10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERD
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone	11. Sec., T. R. M. or Blk. and Survey or Area SECTION 12, T9S, R22E S.L.B.&M
2. Name of Operator EOG RESOURCES, INC	
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) 435-781-9111
12. County or Parish UINTAH	
13. State UT	
14. Distance in miles and direction from nearest town or post office* 49.6 MILES SOUTH OF VERNAL UTAH	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 200 LEASE LINE	16. No. of acres in lease 2558
17. Spacing Unit dedicated to this well SUSPENDED	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1180
19. Proposed Depth 9450	20. BLM/BIA Bond No. on file NM 2308
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4816 GL	22. Approximate date work will start*
23. Estimated duration 45 DAYS	

24. Attachments

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

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

25. Signature 	Name (Printed Typed) KAYLENE R. GARDNER	Date 02/21/2007
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Title **SR. REGULATORY ASSISTANT**

Approved by (Signature) 	Name (Printed Typed) BRADLEY G. HILL	Date 03-05-07
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Title **ENVIRONMENTAL MANAGER**

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

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

*(Instructions on page 2)

**Federal Approval of this
Action is Necessary**

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

T9S, R22E, S.L.B.&M.

EOG RESOURCES, INC.

1977 Brass Cap
0.7' High, Steel
Post

S89°09'36"W - 2638.57' (Meas.)

S89°55'13"W - 2636.16' (Meas.)

Well location, CWU #1212-12, located as shown
in the SE 1/4 SE 1/4 of Section 12, T9S,
R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION
35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE,
QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD.
(TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES
DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID
ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

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

N00°27'27"W - 2650.50' (Meas.)

1977 Brass Cap
0.5' High, Pile
of Stones

1977 Brass Cap
1.5' High

N00°00'19"W - 2631.47' (Meas.)

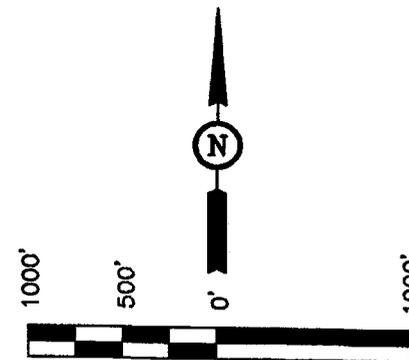
Brass Cap

12

1977 Brass Cap
0.5' High, Post

N00°13'05"E - 2641.32' (Meas.)

N00°07'28"E - 2637.97' (Meas.)



SCALE

CWU #1212-12

Elev. Ungraded Ground = 4816'

1977 Brass
Cap 0.5' High,
Loose Stones

200'

1977 Brass
Cap 1.0' High,
Steel Post,
Pile of Stones

Section Corner
Re-Established By
Double Proportion
Method (Not Set)

S89°56'08"E
2650.82' (Meas.)

S89°27'46"W - 2654.51' (Meas.)

S89°07'32"W - 2603.74' (Meas.)

S 1/4 Cor.
Sec. 11
Brass Cap

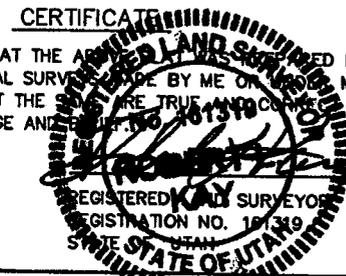
N00°33'24"E
2640.76' (Meas.)

E 1/4 Cor. Sec. 14
Brass Cap

LEGEND:

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

(NAD 83)
LATITUDE = 40°02'38.24" (40.043956)
LONGITUDE = 109°22'46.72" (109.379644)
(NAD 27)
LATITUDE = 40°02'38.37" (40.043992)
LONGITUDE = 109°22'44.27" (109.378964)



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

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

SCALE 1" = 1000'	DATE SURVEYED: 02-21-06	DATE DRAWN: 03-03-06
PARTY G.S. J.H. S.L.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

REVISED: 12-20-06

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1212-12
SE/SE, SEC. 12, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

FORMATION	DEPTH (KB)
Green River FM	1,802'
Wasatch	4,791'
Chapita Wells	5,359'
Buck Canyon	6,048'
North Horn	6,644'
Island	7,077'
KMV Price River	7,172'
KMV Price River Middle	7,963'
KMV Price River Lower	8,730'
Sego	9,257'

Estimated TD: **9,450' or 200'± below Sego top**

Anticipated BHP: 5,160 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 Respectfully requests authorization for off lease measurement. Facilities for the proposed location will be installed off site due to the proximity to Coyote Wash 100-year floodplain. Measurement will occur on the existing Chapita Wells Unit 1056-13, located within NENE of Section 13, T9S, R22E.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

	<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
Conductor:	17 1/2"	0' – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12-1/4"	45' – 2,300'KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production:	7-7/8"	2,300'± – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1212-12
SE/SE, SEC. 12, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Float Equipment: (Cont'd)

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. (30± total). 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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1212-12
SE/SE, SEC. 12, T9S, R22E, S.L.B.&M.,
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

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

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

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

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

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

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

Production Hole Procedure (2300'± - TD)

Lead: **152 sks:** 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: **894 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1212-12
SE/SE, SEC. 12, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

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

(Attachment: BOP Schematic Diagram)



**CHAPITA WELLS UNIT 1212-12
SESE, Section 12, T9S, R22E
Uintah County, Utah**

SURFACE USE PLAN

NOTIFICATION REQUIREMENTS

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

The well pad is approximately 375 feet long with a 261-foot width, containing 2.25 acres more or less. The proposed access road is approximately 280 feet long with a 30-foot right-of-way disturbing approximately 0.19 acres more or less. New surface disturbance associated with the well pad and access road is estimated to be approximately 2.44 acres more or less. The proposed pipeline is approximately 812 feet long with a 40-foot right-of-way disturbing approximately 0.75 acres more or less.

No off lease right-of-way will be required

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 49.6 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 280' 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. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

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

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

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

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

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

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

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

A. On Well Pad

1. Production facilities will be set offlease on existing Chapita Wells Unit 1056-13 if the well is successfully completed for production.
2. Gas gathering lines – A 3" gathering line will be buried from the wellhead to Chapita Wells Unit 1056-13 located within NENE, of Section 13, T9S, R22E.

B. Off Well Pad

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
3. Additional facilities located on Chapita Wells Unit 1056-13 will consist of valves, combo separator-dehy unit with meter, two (2) 400 BBL vertical tanks and attaching piping.

EOG Resources, Inc. respectfully requests authorization for off lease measurement. Facilities for the proposed location will be installed off site due to the proximity to Coyote Wash 100-year floodplain. Measurement will occur on the existing Chapita Wells Unit 1056-13, located with the NENE, of Section 13, T9S, R22E.

2. The length of the new proposed pipeline is 812' x 40'. The proposed pipeline leaves the eastern edge of the well pad (Lease U-0281) proceeding in a westerly, then southerly direction for an approximate distance of 812' tying into an existing pipeline located in the NENE of Section 13, T9S, R22E. Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lok, electric weld with a 35 mil X-Tru coating.
3. Proposed pipeline will be a 3" OD steel, welded buried pipeline.

4. Protective measures and devices for livestock and wildlife will be taken and /or installed where required.

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

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

5. LOCATION AND TYPE OF WATER SUPPLY:

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

6. SOURCE OF CONSTRUCTION MATERIALS:

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

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

1. Cuttings will be confined in the reserve pit.
2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at

one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30 SWD, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

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

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

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

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

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

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

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

Access to the well pad will be from the 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.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Crested Wheatgrass	9.0
Forage Kochia	3.0

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

B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

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

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

11. SURFACE OWNERSHIP:

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

Bureau of Land Management

12. OTHER INFORMATION:

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:
- Whether the materials appear eligible for the National Register of Historic Places;
 - The mitigation measures the operator will likely have to undertake before the site can be used.
 - A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

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

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

on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

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

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

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

A cultural resources survey was conducted and will be submitted by Montgomery Archaeological Consultants. A 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.
P.O. Box 1815
Vernal, Ut 84078
(435) 781-9111

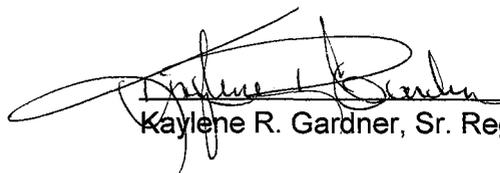
DRILLING OPERATIONS

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

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

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 1212-12 well, located in SESE, of Section 12, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

February 21, 2007
Date



Kaylene R. Gardner, Sr. Regulatory Assistant

EOG RESOURCES, INC.

CWU #1212-12

LOCATED IN UINTAH COUNTY, UTAH
SECTION 12, T9S, R22E, S.1.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



Since 1964

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

LOCATION PHOTOS

03 07 06
MONTH DAY YEAR

PHOTO

TAKEN BY: G.S.

DRAWN BY: L.K.

REVISED: 12-27-06

EOG RESOURCES, INC.
CWU #1212-12
SECTION 12, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; PROCEED IN A SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 3.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN EASTERLY, THEN NORTHEASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 2.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #1056-13 TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 280' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 49.6 MILES.

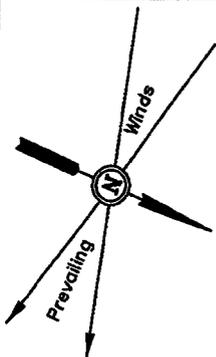
EOG RESOURCES, INC.

LOCATION LAYOUT FOR

CWU #1212-12
SECTION 12, T9S, R22E, S.L.B.&M.
200' FSL 200 FEL

FIGURE #1

Proposed Access Road

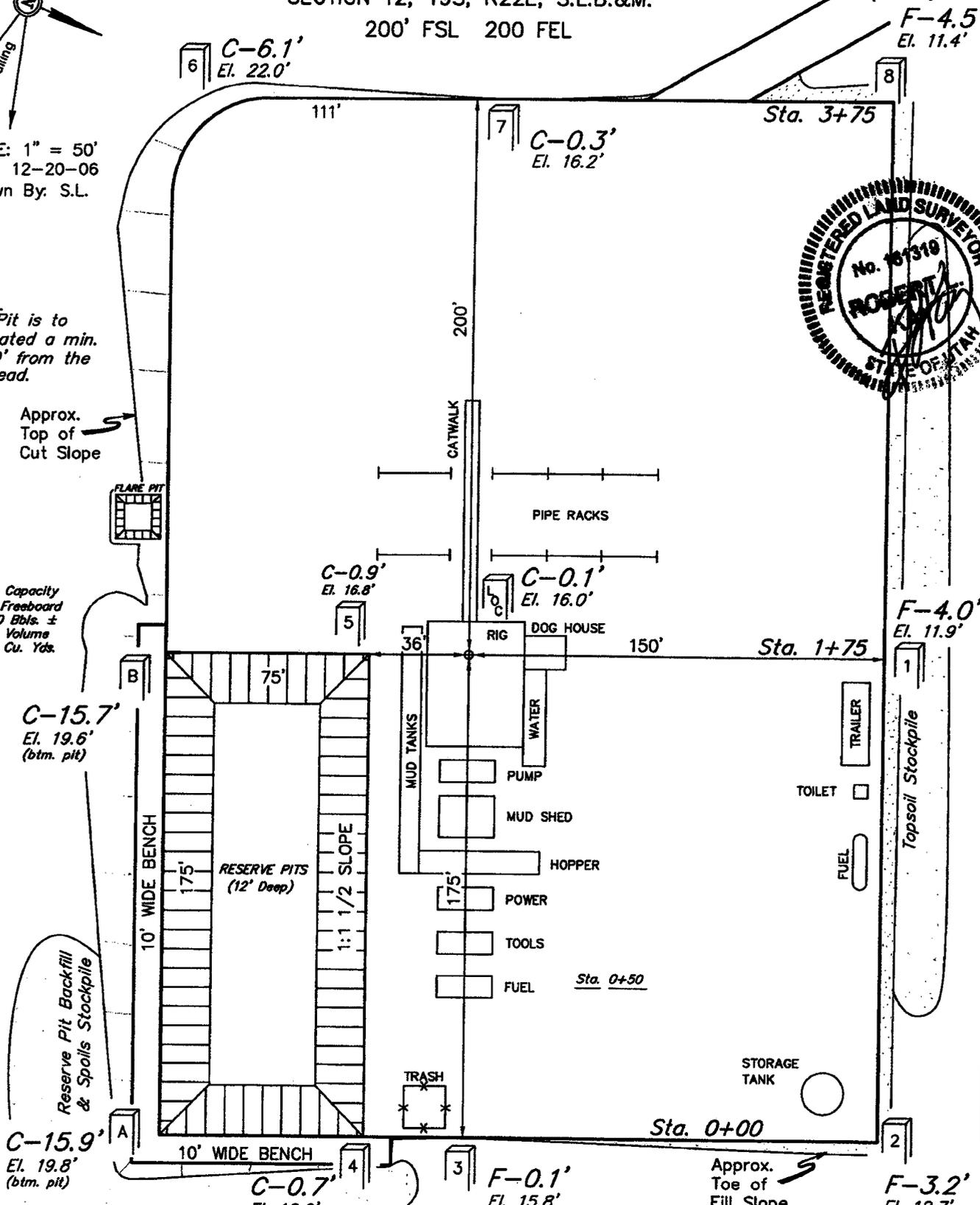
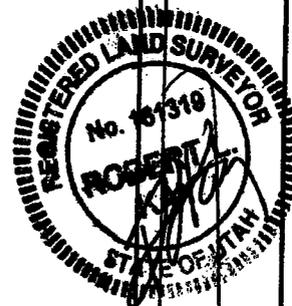


SCALE: 1" = 50'
DATE: 12-20-06
Drawn By: S.L.

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

Approx. Top of Cut Slope

Total Pit Capacity
W/2' Of Freeboard
= 14,950 Bbls. ±
Total Pit Volume
= 4,030 Cu. Yds.



Elev. Ungraded Ground at Location Stake = 4816.0'
Elev. Graded Ground at Location Stake = 4815.9'

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

EOG RESOURCES, INC.

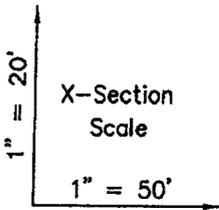
TYPICAL CROSS SECTIONS FOR

CWU #1212-12

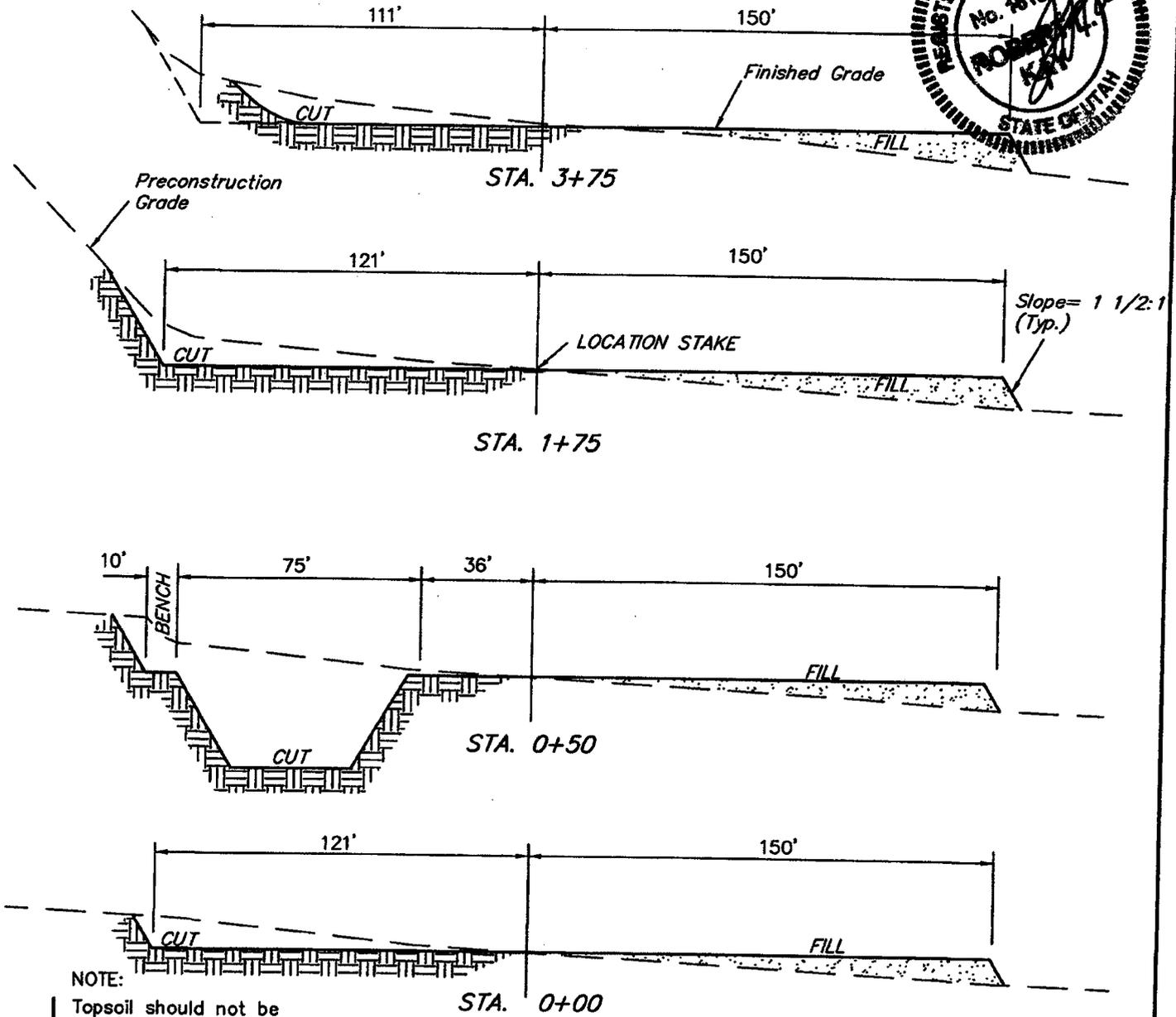
SECTION 12, T9S, R22E, S.L.B.&M.

200' FSL 200' FEL

FIGURE #2



DATE: 12-20-06
Drawn By: S.L.



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

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 2,090 Cu. Yds.
Remaining Location	= 7,610 Cu. Yds.
TOTAL CUT	= 9,700 CU.YDS.
FILL	= 4,580 CU.YDS.

EXCESS MATERIAL	= 5,120 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 4,110 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 1,010 Cu. Yds.

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

EOG RESOURCES, INC.

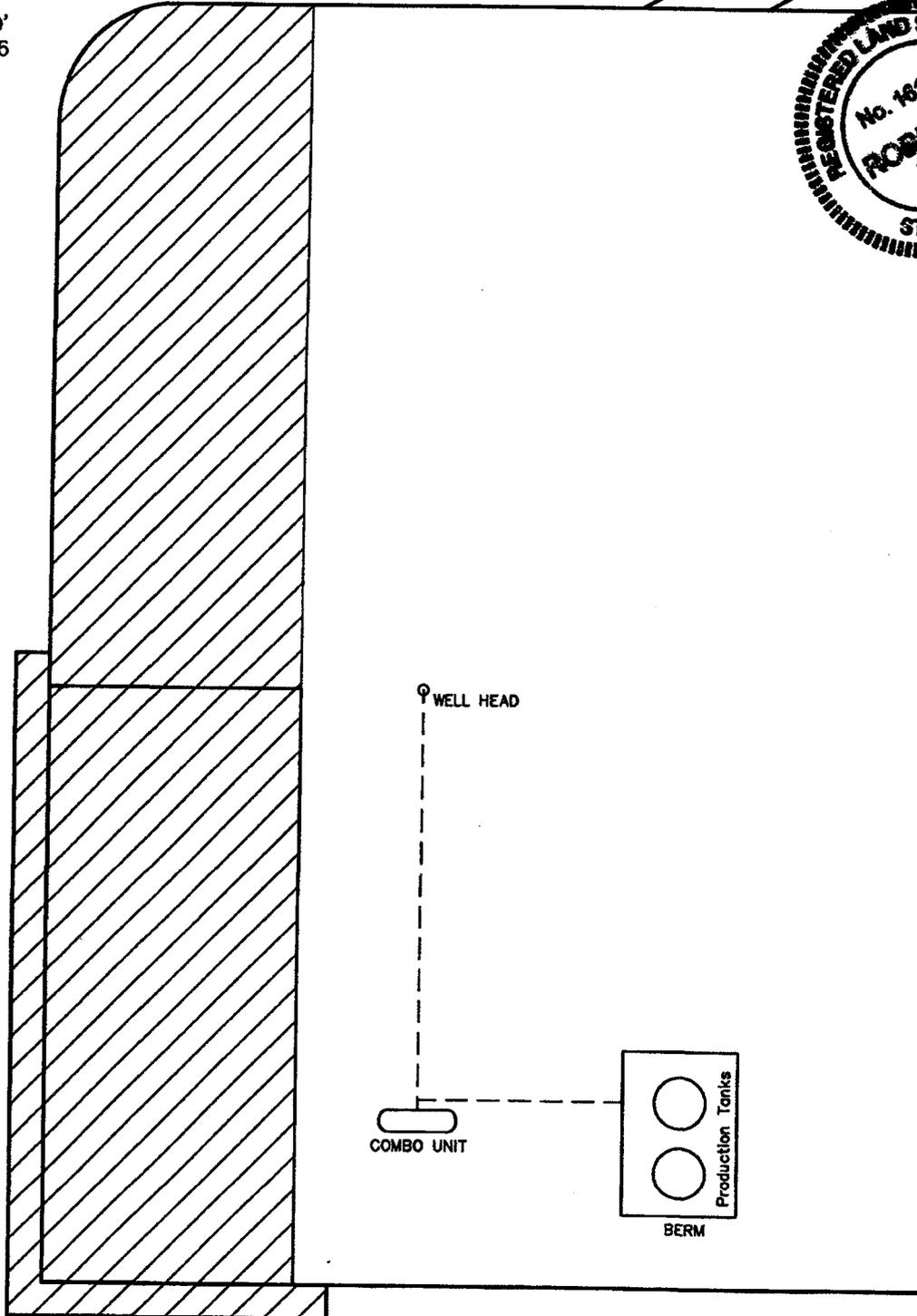
LOCATION LAYOUT FOR

CWU #1212-12
SECTION 12, T9S, R22E, S.L.B.&M.
200' FSL 200' FEL

FIGURE #3

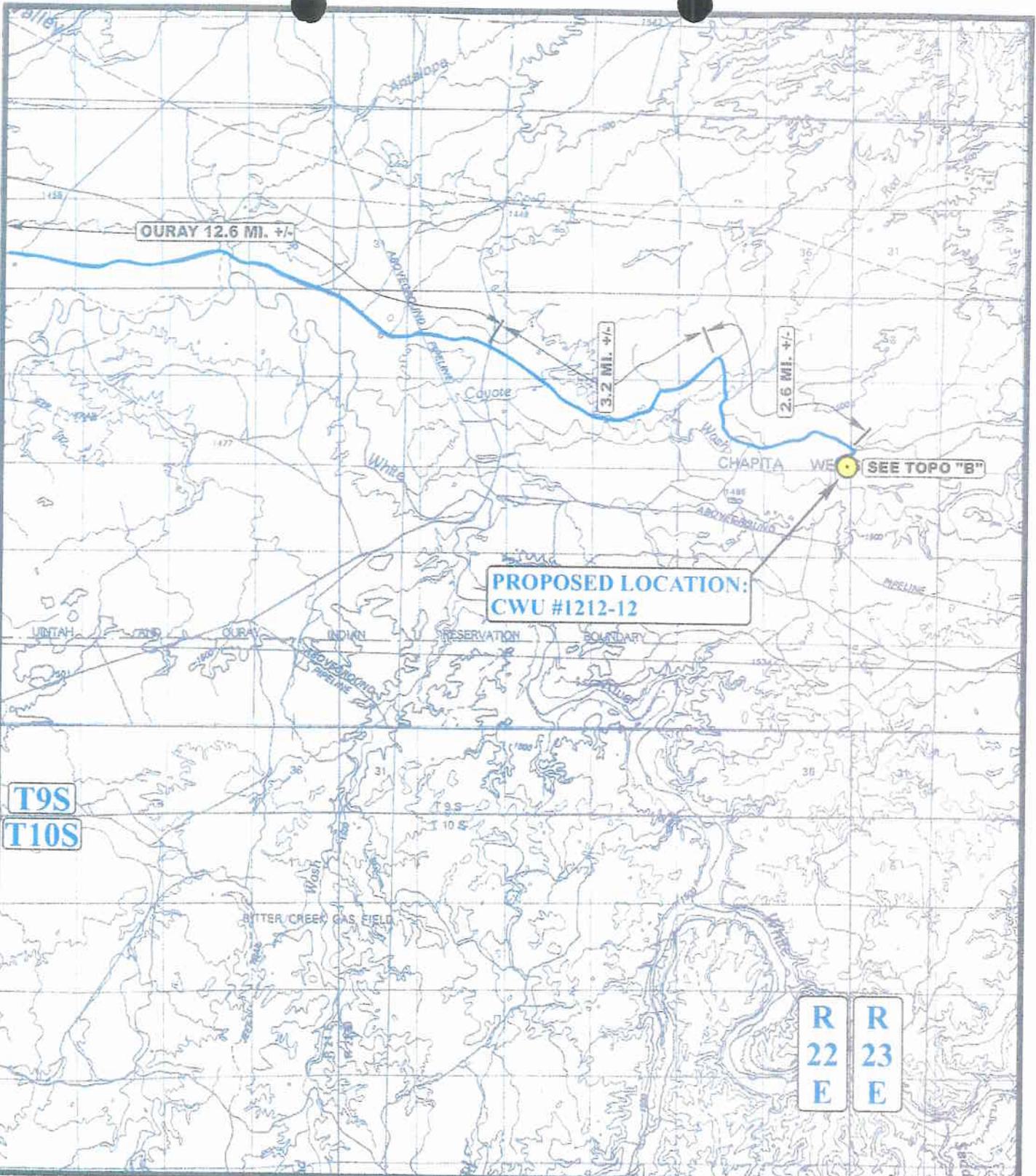
Access
Road

SCALE: 1" = 50'
DATE: 12-20-06
Drawn By: S.L.



 RE-HABED AREA

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



LEGEND:

 PROPOSED LOCATION



EOG RESOURCES, INC.

CWU #1212-12
SECTION 12, T9S, R22E, S.1.B.&M.
200' FSL 200' FEL



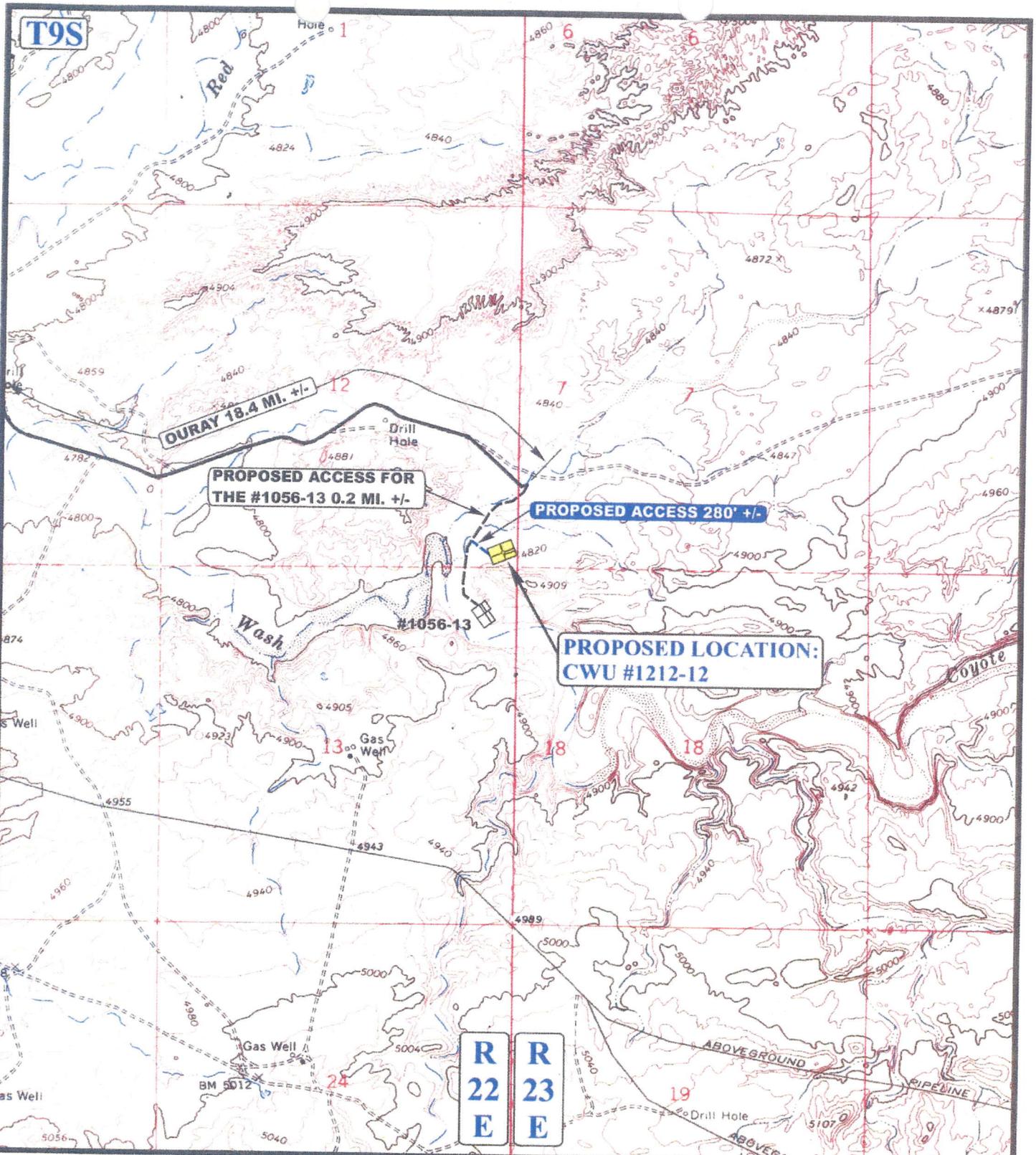
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

03 07 06
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: L.K. REVISED: 12-27-06





LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD

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

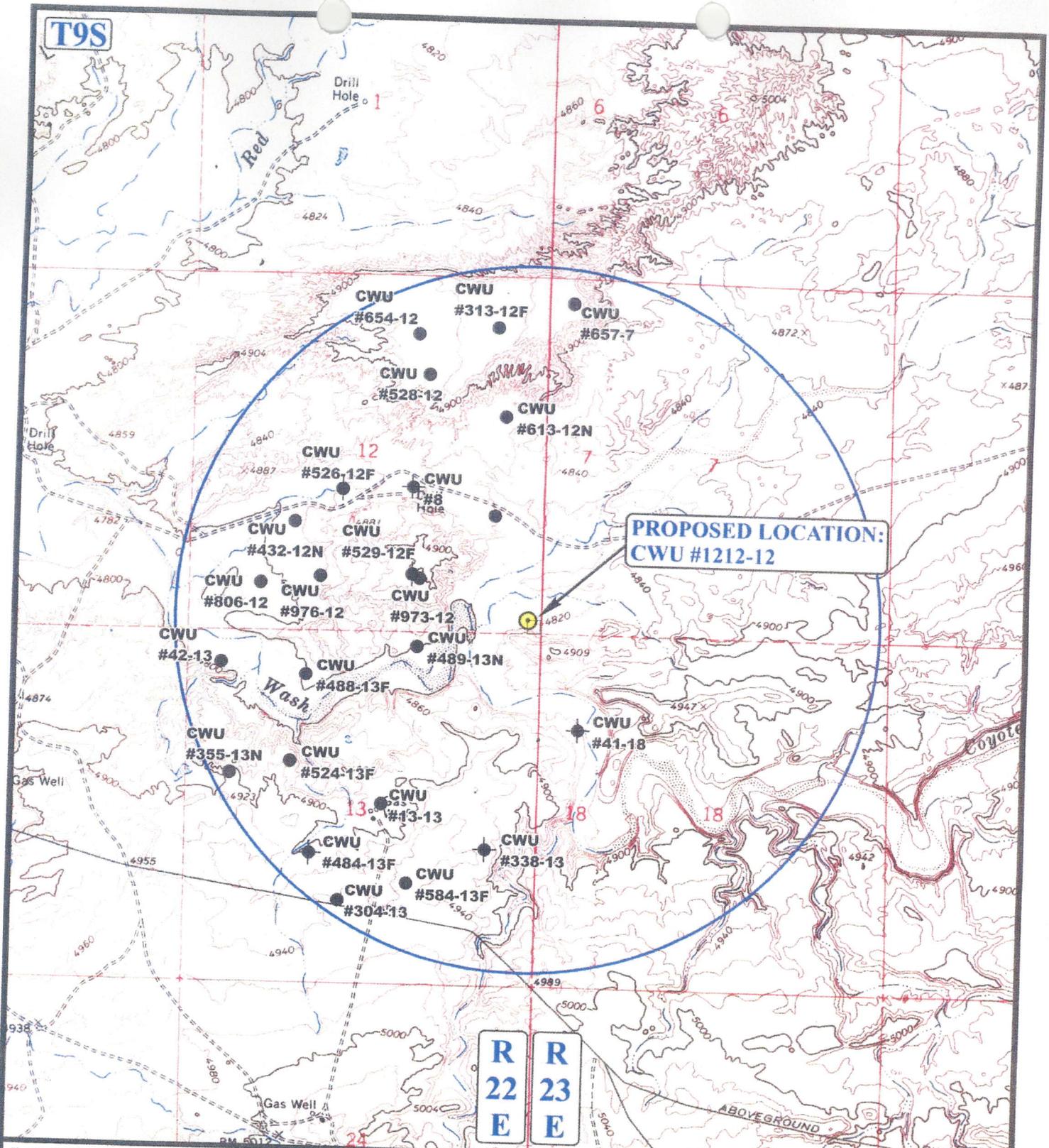


EOG RESOURCES, INC.

CWU #1212-12
SECTION 12, T9S, R22E, S.L.B.&M.
200' FSL 200' FEL

TOPOGRAPHIC MAP **03 07 06**
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 12-27-06 **B TOPO**

T9S



**PROPOSED LOCATION:
CWU #1212-12**

R
22
E

R
23
E

- LEGEND:**
- DISPOSAL WELLS
 - PRODUCING WELLS
 - SHUT IN WELLS
 - WATER WELLS
 - ABANDONED WELLS
 - TEMPORARILY ABANDONED

EOG RESOURCES, INC.
CWU #1212-12
SECTION 12, T9S, R22E, S.L.B.&M.
200' FSL 200' FEL

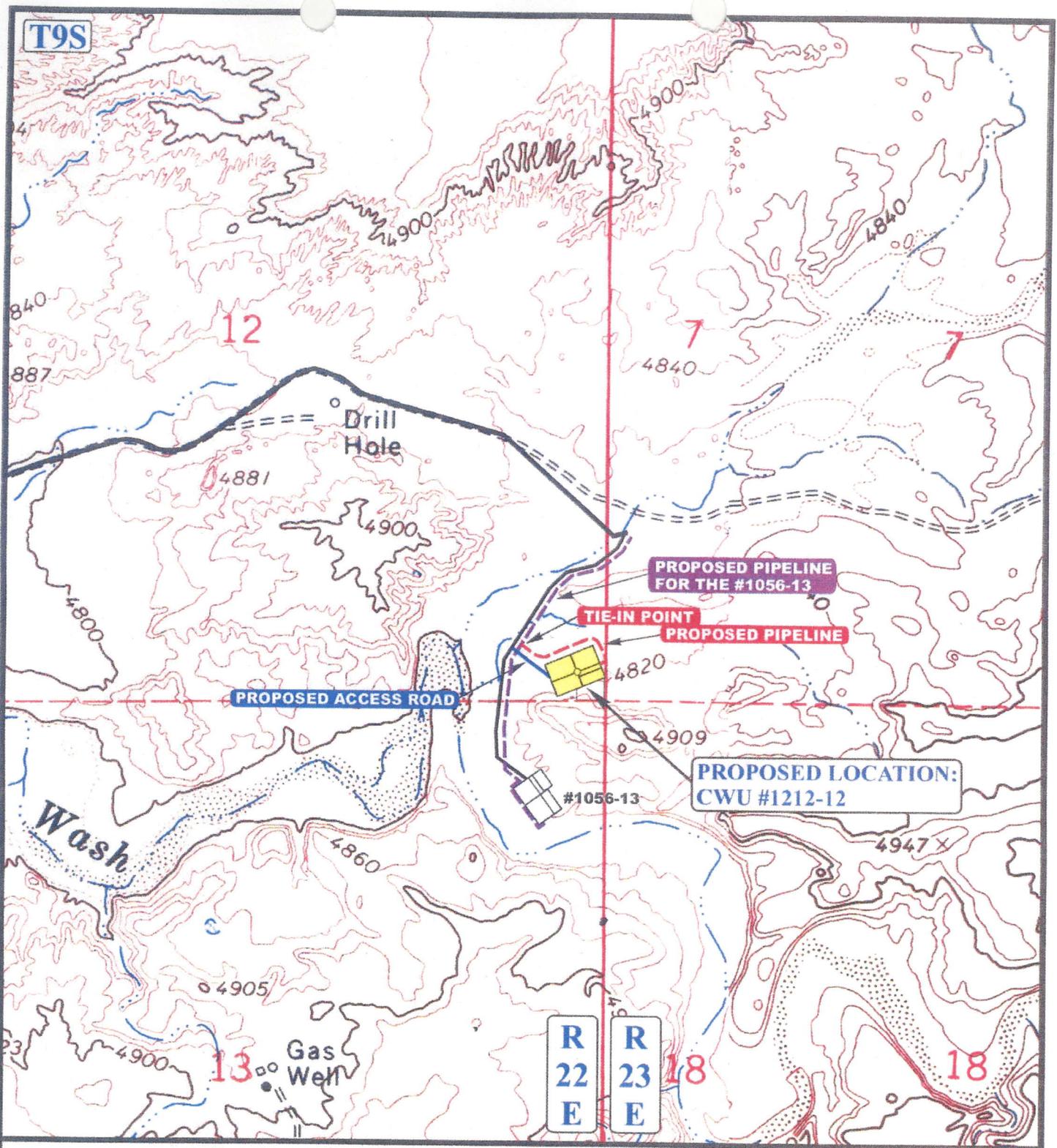
UEIS
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

03 07 06
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 12-27-06

**C
TOPO**



APPROXIMATE TOTAL PIPELINE DISTANCE = 812' +/-

LEGEND:

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

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



EOG RESOURCES, INC.
 CWU #1212-12
 SECTION 12, T9S, R22E, S.L.B.&M.
 200' FSL 200' FEL

TOPOGRAPHIC MAP 03 07 06
 MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 12-27-06

D
 TOPO

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 02/23/2007

API NO. ASSIGNED: 43-047-39062

WELL NAME: CWU 1212-12
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

SESE 12 090S 220E
 SURFACE: 0200 FSL 0200 FEL
 BOTTOM: 0200 FSL 0200 FEL
 COUNTY: UINTAH
 LATITUDE: 40.04400 LONGITUDE: -109.3790
 UTM SURF EASTINGS: 638285 NORTHINGS: 4433689
 FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal
 LEASE NUMBER: U-0281
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

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

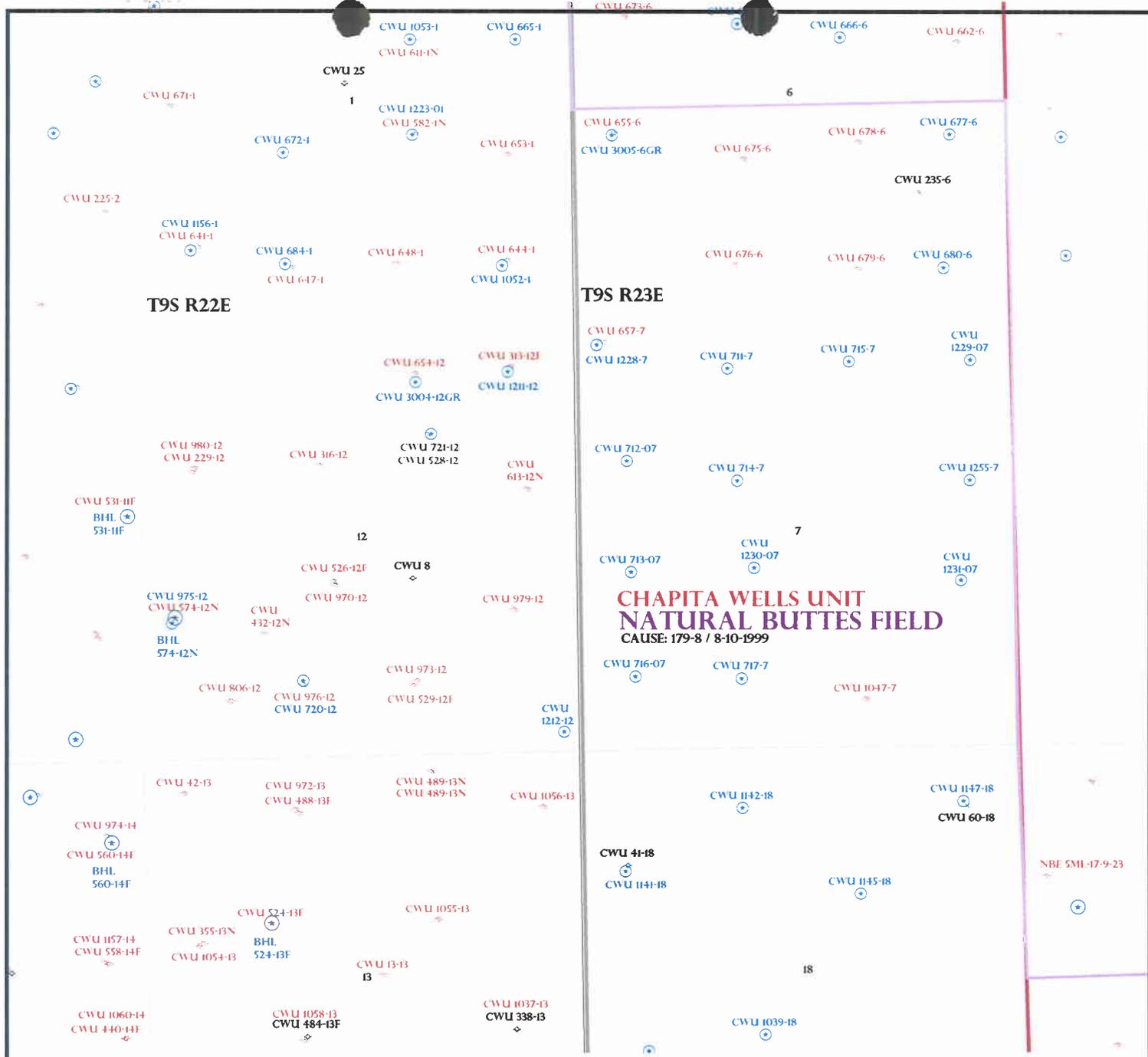
LOCATION AND SITING:

- ___ R649-2-3.
- Unit: CHAPITA WELLS
- ___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- ___ R649-3-3. Exception
- Drilling Unit
Board Cause No: 179-8
Eff Date: 8-10-1989
Siting: Suspends General Siting
- ___ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: _____

1- Fed app approved
2- OIL SHALE



**CHAPITA WELLS UNIT
NATURAL BUTTES FIELD**
CAUSE: 179-8 / 8-10-1999

OPERATOR: EOG RESOURCES INC (N9550)
SEC: 12 T.9S R. 22E
FIELD: NATURAL BUTTES (630)
COUNTY: UINTAH
CAUSE: 179-8 / 8-10-1999

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

Wells Status

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



PREPARED BY: DIANA MASON
DATE: 28-FEBRUARY-2007

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

March 1, 2007

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2007 Plan of Development Chapita Wells Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2007 within the Chapita Wells Unit, Uintah County, Utah.

API#	WELL NAME	LOCATION
(Proposed PZ Wasatch)		
43-047-39054	CWU 715-7	Sec 07 T09S R23E 0650 FNL 1950 FEL
43-047-39055	CWU 717-7	Sec 07 T09S R23E 0822 FSL 1939 FWL
43-047-39056	CWU 719-33	Sec 33 T09S R23E 1196 FSL 0252 FWL

(Proposed PZ MesaVerde)		
43-047-39062	CWU 1212-12	Sec 12 T09S R22E 0200 FSL 0200 FEL

This office has no objection to permitting the well at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

March 5, 2007

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

Re: Chapita Wells Unit 1212-12 Well, 200' FSL, 200' FEL, SE SE, Sec. 12,
T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

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

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 43-047-39062.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor (via e-mail)
Bureau of Land Management, Vernal District Office

Operator: EOG Resources, Inc.
Well Name & Number Chapita Wells Unit 1212-12
API Number: 43-047-39062
Lease: U-0281

Location: SE SE Sec. 12 T. 9 South R. 22 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division with 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact 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. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

RECEIVED

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FEB 21 2007

APPLICATION FOR PERMIT TO DRILL OR REENTER
BLM VERNAL, UTAH

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-0281
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNIT
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		8. Lease Name and Well No. CHAPITA WELLS UNIT 1212-12
3b. Phone No. (include area code) 435-781-9111		9. API Well No. 43-047-39062
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 200 FSL 200 FEL SE/SE 40.043956 LAT 109.379644 LON At proposed prod. zone SAME		10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERD
14. Distance in miles and direction from nearest town or post office* 49.6 MILES SOUTH OF VERNAL UTAH		11. Sec., T. R. M. or Blk. and Survey or Area SECTION 12, T9S, R22E S.L.B.&M
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 200 LEASE LINE	16. No. of acres in lease 2558	12. County or Parish UINTAH
17. Spacing Unit dedicated to this well SUSPENDED	13. State UT	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1180	19. Proposed Depth 9450	20. BLM/BIA Bond No. on file NM 2308
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4816 GL	22. Approximate date work will start*	23. Estimated duration 45 DAYS

24. Attachments

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

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

25. Signature 	Name (Printed Typed) KAYLENE R. GARDNER	Date 02/21/2007
Title SR. REGULATORY ASSISTANT		

Approved by (Signature) 	Name (Printed Typed) JERRY KENZKA	Date 12-7-2007
Title Assistant Field Manager Lands & Mineral Resources		
Office VERNAL FIELD OFFICE		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

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

*(Instructions on page 2)

NOTICE OF APPROVAL

RECEIVED

DEC 14 2007

DIV. OF OIL, GAS & MINING

UDOGM

07BM2654A
NOS 3/20/06

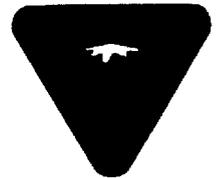


**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE**

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: EOG Resources, Inc.
Well No: Chapita Wells Unit 1212-12
API No: 43-047-39062

Location: SESE, Sec. 12, T9S, R22E
Lease No: UTU-0281
Agreement: Chapita Wells Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
NRS/Enviro Scientist:	Paul Buhler	(435) 781-4475	(435) 828-4029
NRS/Enviro Scientist:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	
NRS/Enviro Scientist:		(435) 781-4476	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Jannice Cutler	(435) 781-3400	(435) 828-3544
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

Fax: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

Site Specific COAs:

The following conditions were agreed upon during the onsite dated, 1/27/07, and not included in the APD:

- Because this location is located in a flood plain, the pit will be a closed loop system. All the cuttings will be stored off site.
- Once the location has been reclaimed, the location will be reclaimed back to the anchor points and the access road will be brought back to a two track road.
- The location will be drilled from Nov. 1-March 15 to avoid possible flooding from flash floods.

***DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

SITE SPECIFIC DOWNHOLE COAs:

- A formation integrity test shall be performed after drilling twenty feet or less below the surface casing shoe.
- The top of the production casing cement shall extend a minimum of 200 feet above the surface casing shoe.
- Variances Granted: 75 foot long blooie line approved.
- Offsite and off lease measurement and tank battery/separator facilities are approved due to flood plain.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**

- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from

KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, work-over, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: U-0281
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit
2. NAME OF OPERATOR: EOG Resources, Inc.		8. WELL NAME and NUMBER: Chapita Wells Unit 1212-12
3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202		9. API NUMBER: 43-047-39062
4. LOCATION OF WELL FOOTAGES AT SURFACE: 200' FSL & 200' FEL 40.043956 LAT 109.379644 LON		10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Mesaverde
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 12 9S 22E S		COUNTY: Uintah
		STATE: UTAH

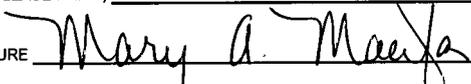
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
EOG Resources, Inc. requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 02-25-08
By: 

COPY SENT TO OPERATOR
Date: 2-26-2008
Initials: KS

NAME (PLEASE PRINT) <u>Mary A. Maestas</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u></u>	DATE <u>2/19/2008</u>

(This space for State use only)

RECEIVED
FEB 20 2008
DIV. OF OIL, GAS & MINING

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

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

API: 43-047-39062
Well Name: CHAPITA WELLS UNIT 1212-12
Location: 200 FSL 200 FEL (SESE), SECTION 12, T9S, R22E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 3/5/2007

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

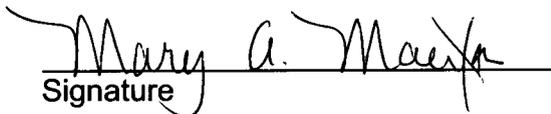
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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

2/19/2008
Date

Title: REGULATORY ASSISTANT

Representing: EOG RESOURCES, INC.

RECEIVED
FEB 20 2008

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU0281

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS UNI

8. Well Name and No.
CHAPITA WELLS UNIT 1212-12

9. API Well No.
43-047-39062

10. Field and Pool, or Exploratory
NATURAL BUTTES/WASATCH

11. County or Parish, and State
UINTAH COUNTY, UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG RESOURCES INC
Contact: MARY A. MAESTAS
E-Mail: mary_maestas@egresources.com

3a. Address
600 17TH STREET SUITE 1000N
DENVER, CO 80202

3b. Phone No. (include area code)
Ph: 303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 12 T9S R22E SESE 200FSL 200FEL
40.04396 N Lat, 109.37964 W Lon

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Change to Original A PD
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests permission to change the TD of the referenced well from
9450'
to
7320'

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

*Federal Approval of this
Action is Necessary*

COPY SENT TO OPERATOR

A revised drilling plan is attached.

Date: 03-05-08
By: [Signature]

Date: 3.10.2008
Initials: KS

14. I hereby certify that the foregoing is true and correct.
**Electronic Submission #58910 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature [Signature] (Electronic Submission) Date 03/03/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office _____

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

RECEIVED

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED** **MAR 05 2008**

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1212-12
SE/SE, SEC. 12, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,795		Shale	
Mahogany Oil Shale Bed	2,439		Shale	
Wasatch	4,764	Primary	Sandstone	Gas
Chapita Wells	5,356	Primary	Sandstone	Gas
Buck Canyon	6,045	Primary	Sandstone	Gas
North Horn	6,641	Primary	Sandstone	Gas
KMV Price River	7,109		Sandstone	
TD	7,320			

Estimated TD: 7,320' or 200'± below TD

Anticipated BHP: 3,997 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
 BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 1/2"	0 – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 1/4"	0' – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	233,000#

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

All casing will be new or inspected.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1212-12 SE/SE, SEC. 12, T9S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 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.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1212-12 **SE/SE, SEC. 12, T9S, R22E, S.L.B.&M..** **UINTAH COUNTY, UTAH**

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 a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, requiring during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by waster mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

8. EVALUATION PROGRAM:

Logs: 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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1212-12 SE/SE, SEC. 12, T9S, R22E, S.L.B.&M., UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

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

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

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

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

Production Hole Procedure (2300'± - TD)

Lead: 137 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 532 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

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

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

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1212-12 **SE/SE, SEC. 12, T9S, R22E, S.L.B.&M..** **UINTAH COUNTY, UTAH**

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

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

13. Air Drilling Operations:

1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

(Attachment: BOP Schematic Diagram)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU0281

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS UNI

8. Well Name and No.
CHAPITA WELLS UNIT 1212-12

9. API Well No.
43-047-39062

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. County or Parish, and State
UINTAH COUNTY, UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG RESOURCES, INC. Contact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

3a. Address
600 17TH STREET SUITE 1000N
DENVER, CO 80202

3b. Phone No. (include area code)
Ph: 303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 12 T9S R22E SESE 200FSL 200FEL
40.04396 N Lat, 109.37964 W Lon

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Well Spud
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well spud on 10/15/2008.

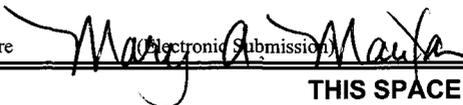
14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #63924 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature



Date 10/15/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____

Title _____

Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office _____

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

RECEIVED

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED OCT 21 2008**

DIV. OF OIL, GAS & MINING

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
43-047-39593	CWU 1180-14		NWNE	14	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	13650	10/14/2008		10/28/08		
Comments: <u>Mesaverde well</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39941	CWU 747-07		SWSE	7	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
PA	99999	17167	10/14/2008		10/28/08		
Comments: <u>Wasatch well</u> <i>not in PA</i>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39062	CWU 1212-12		SESE	12	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	4905	10/15/2008		10/28/08		
Comments: <u>Wasatch well</u>							

ACTION CODES:

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

Mary A. Maestas

Name (Please Print)

Signature

Regulatory Assistant

Title

10/15/2008

Date

RECEIVED

OCT 28 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU0281

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS

8. Well Name and No.
CHAPITA WELLS UNIT 1212-12

9. API Well No.
43-047-39062

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. County or Parish, and State
UINTAH COUNTY, UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG RESOURCES, INC. Contact: MICKENZIE THACKER
E-Mail: MICKENZIE_THACKER@EOGRESOURCES.COM

3a. Address
1060 E. HWY 40
VERNAL, UT 84078

3b. Phone No. (include area code)
Ph: 435-781-9145

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 12 T9S R22E SESE 200FSL 200FEL
40.04396 N Lat, 109.37964 W Lon

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Production Start-up
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 12/18/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

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DEC 22 2008

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #65750 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal

Name (Printed/Typed) MICKENZIE THACKER

Title OPERATIONS CLERK

Signature

Mickenzie Thacker (Electronic Submission)

Date 12/19/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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

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

WELL CHRONOLOGY REPORT

Report Generated On: 12-19-2008

Well Name	CWU 1212-12	Well Type	DEVG	Division	DENVER
Field	CHAPITA WELLS	API #	43-047-39062	Well Class	ISA
County, State	UINTAH, UT	Spud Date	11-17-2008	Class Date	12-18-2008
Tax Credit	N	TVD / MD	7,320/ 7,320	Property #	058668
Water Depth	0	Last CSG	2.375	Shoe TVD / MD	5,342/ 5,342
KB / GL Elev	4,829/ 4,816				
Location	Section 12, T9S, R22E, SESE, 200 FSL & 200 FEL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	55.124	NRI %	46.807

AFE No 303972 **AFE Total** 1,304,300 **DHC / CWC** 694,700/ 609,600

Rig Contr ELENBURG **Rig Name** ELENBURG #28 **Start Date** 03-05-2007 **Release Date** 11-20-2008

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

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

Cum Costs: Drilling \$0 **Completion** \$0 **Well Total** \$0

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

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

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA 200' FSL & 200' FEL (SE/SE) SECTION 12, T9S, R22E UINTAH COUNTY, UTAH

LAT 40.043956, LONG 109.379644 (NAD 83)
LAT 40.043992, LONG 109.378964 (NAD 27)

ELENBURG #28
OBJECTIVE: 7320' WASATCH
DW/GAS
CHAPITA WELLS PROSPECT
DD&A: NATURAL BUTTES
NATURAL BUTTES FIELD

LEASE: U- 0281
ELEVATION: 4816.0' NAT GL, 4815.9' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4816') 4829' KB (13')

EOG BPO WI 55.1242%, NRI 46.806575%

09-30-2008 **Reported By** TERRY CSERE

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DIV. OF OIL, GAS & MINING

Daily Costs: Drilling \$75,000 **Completion** \$0 **Daily Total** \$75,000
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
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	CONSTRUCTION OF LOCATION STARTED.

10-01-2008 Reported By TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 5% COMPLETE.

10-02-2008 Reported By TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

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

10-03-2008 Reported By TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 30% COMPLETE.

10-06-2008 Reported By TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
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 ROCK.

10-07-2008 Reported By TERRY CSERE

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$75,000	Completion	\$0	Well Total	\$75,000
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 65% COMPLETE.

10-15-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$75,000	Completion	\$0	Well Total	\$75,000
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: LOCATION COMPLETE

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

10-16-2008 **Reported By** JERRY BARNES

DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$75,000	Completion	\$0	Well Total	\$75,000
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: SPUD NOTIFICATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE. CRAIGS ROUSTABOUT SERVICE SPUD A 20" HOLE ON 10/15/08 @ 3:30 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 10/15/08 @ 2:30 PM.

10-27-2008 **Reported By** DANNY FARNSWORTH

DailyCosts: Drilling	\$268,422	Completion	\$0	Daily Total	\$268,422
Cum Costs: Drilling	\$343,422	Completion	\$0	Well Total	\$343,422
MD	2,463	TVD	2,463	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 CRAIGS DRILLING RIG #4 ON 10/21/2008. DRILLED 12-1/4" HOLE TO 2450' GL (2463') KB WITH CLOSED LOOP SYSTEM. ENCOUNTERED WATER AT 1800'. FLUID DRILLED HOLE FROM 1810' WITH NO LOSSES. RAN 57 JTS (2440.26') 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 @ 2453' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO AIR RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1500 PSIG. PUMPED 155 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (146 BBLs) OF PREMIUM LEAD CEMENT W/0.2% VARASET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/YIELD OF 4.01 CF/SX.

TAILED IN W/300 SX (63 BBLs) OF PREMIUM CEMENT W/2 % CACL2. MIXED TAIL CEMENT TO 15.6 W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/185 BBLs FRESH WATER. BUMP PLUG W/900 PSI @ 2:29 PM, 10/25/2008. CHECKED FLOAT, FLOAT HELD. BROKE CIRCULATION 135 BBLs INTO FRESH WATER FLUSH. NO CEMENT TO SURFACE. HOLE FELL BACK WHEN PLUG BUMPED.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 170SX (35 BBLs) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED AND CIRCULATED 18 BBLs INTO CEMENT. LOST CIRCULATION 27 BBLs INTO CEMENT. NO CEMENT TO SURFACE. RDMO HALLIBURTON CEMENTERS. WOC 8 HRS 30 MINUTES.

TOP JOB # 2: MIRU HALLIBURTON CEMENTERS. MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED WITH CEMENT BUT FELL BACK WHEN PUMPING STOPPED. WOC 1 HR 45 MINUTES.

TOP JOB # 3: MIXED & PUMPED 30 SX (6 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED AND STOOD FULL. RDMO HALLIBURTON CEMENTERS.

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

CRAIG RIG 4 RAN SURVEYS WHILE DRILLING HOLE @ 1510' - 0.5 DEGREE & 2380' - 2.0 DEGREE.

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

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

LESTER FARNSWORTH EMAILED NOTIFICATION TO BLM OF THE SURFACE CASING & CEMENT JOB ON 10/23/2008 @ 08:55 AM.

11-17-2008	Reported By	MATT WILLIAMS									
Daily Costs: Drilling	\$76,140	Completion	\$0	Daily Total	\$76,140						
Cum Costs: Drilling	\$419,562	Completion	\$0	Well Total	\$419,562						
MD	2,647	TVD	2,647	Progress	184	Days	1	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0					Perf :	PKR Depth : 0.0				

Activity at Report Time: DRILLING @ 2647'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	RIG DOWN.
07:00	07:30	0.5	SAFETY MEETING W/ HOWCROFT TRUCKING & RIG CREWS.
07:30	11:00	3.5	RIG DOWN & MOVE TO CWU 1212-12 CLEAR LOCATION @ 1000.
11:00	14:00	3.0	SET BOP TEST DTO HEAD TO 5000 PSI. W/ FMC, RAISE DERRICK @ 09:00 SPOT TANKS,PUMPS,GROUND SUPPORT, CONT TO RIG UP TRUCKS OFF LOCATION @ 13:00
14:00	18:00	4.0	NIPPLE UP BOP, ROT.HEAD, CHOKE LINE, KILL LINE VALVES, HYD. HOSES, FUNCTION TEST BOP. RIG ON DAY WORK @ 14:00 HRS, 11/16/08.
18:00	21:30	3.5	TEST BOPE AS PER PROGRAM. NOTIFIED BLM REP, JAIME SPARGER VERNAL OFFICE ON 11/16/08 @ 06:00 HRS FOR BOP TEST. INSIDE BOP, SAFETY VALVE, UPPER KELLY COCK 250/5000 PSI 5/10 MIN. HCR, CHOKE LINE, KILL LINE, 250/5000 PSI 5/10 MIN. CHOKE MANIFOLD, 250/5000 PSI 5/10 MIN. PIPE RAMS, BLIND RAMS, 250/5000 PSI 5/10 MIN. ANNULAR, 250/2500 PSI 5/10 MIN. TEST 9 5/8" CASING TO 1500 PSI 30 MIN.

WITNESS: .

21:30 22:30 1.0 SET WEAR BUSHING AND TALLY PIPE.
 22:30 01:30 3.0 P/U BHA, TRIP IN HOLE, TAG CEMENT @ 2375'.
 01:30 02:30 1.0 DRILL CEMENT/FLOAT EQUIP TO 2463' + 10' OF NEW HOLE.
 02:30 03:00 0.5 PERFORM FIT TEST. MWT 8.9, 205 PSI @ 2463' = 10.5 EMW.
 03:00 03:30 0.5 TAKE WIRELINE SURVEY @ 2442' = 1.5 DEG.
 03:30 06:00 2.5 DRLG F/ 2473' TO 2647', ROP 73.6, WOB 12/14, RPM 50, TQ 7500/9500. SPUD @ 03:30, 11/17/08.
 MUD LOSS LAST 24 HRS. 0 BBLS.
 MUD WT: 8.9, VIS 29.

ACCIDENTS NONE REPORTED.
 FUNCTION TEST CROWN-O-MATIC.
 SAFETY MEETING: R/U, TEST BOPE.
 CREWS FULL.

FUEL ON HAND: 7316 GALS. USED 416 GALS, 7000 GAL RECIEVED.
 GAS BG.80 U, CONN. 150 U.
 LITHOLOGY, SAND/ SHALE.
 MUD LOGGER UNMANED ON LOCATION F/ 11/16/08 = 1 DAY.

06:00 SPUD A 7 7/8" HOLE WITH ROTARY TOOL @ 03:30, 11/17/08.

11-18-2008	Reported By	MATT WILLIAMS									
Daily Costs: Drilling	\$31,082	Completion	\$0	Daily Total	\$31,082						
Cum Costs: Drilling	\$450,644	Completion	\$0	Well Total	\$450,644						
MD	5,386	TVD	5,386	Progress	2,739	Days	2	MW	8.9	Visc	28.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: DRILLING @ 5386'											

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRLG F/ 2647' TO 3075', ROP 143, WOB 12/15, RPM 40/50, TQ 7500/10,000.
09:00	09:30	0.5	SERVICE RIG
09:30	20:30	11.0	DRLG F/ 3075' TO 4525', ROP 132, WOB 15/18, RPM 40/50, TQ 7500/10,500.
20:30	21:30	1.0	CIRCULATE AND TAKE WIRELINE SURVEY@ 4466' = 3 DEG.
21:30	06:00	8.5	DRLG F/4525' TO 5386', ROP 101, WOB 15/20, RPM 40/50, TQ 7500/10,500, MWT 10.4, VIS 37. MUD LOSS LAST 24 HRS. 0 BBLS. MUD WT: 10.4, VIS 37.

ACCIDENTS NONE REPORTED.
 FUNCTION TEST CROWN-O-MATIC.
 SAFETY MEETING: RIGGING UP BOILER, INSPECT DRAWWORKS.
 CREWS FULL.

FUEL ON HAND: 5211 GALS. USED 2105 GALS, 7000 GAL RECEIVED.
 GAS BG.80 U, CONN. 150 U.
 LITHOLOGY, SAND/ SHALE.
 MUD LOGGER UNMANNED ON LOCATION F/ 11/16/08 = 2 DAYS.

11-19-2008 Reported By MATT WILLIAMS

Daily Costs: Drilling	\$35,756	Completion	\$0	Daily Total	\$35,756						
Cum Costs: Drilling	\$483,676	Completion	\$0	Well Total	\$483,676						
MD	6,811	TVD	6,811	Progress	1,425	Days	3	MW	10.3	Visc	38.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: DRILLING @ 6811'

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRLG F/ 5386' TO 5930', ROP 68, WOB 16/20, RPM 40/50, TQ 6500/10,500.
14:00	14:30	0.5	SERVICE RIG
14:30	06:00	15.5	DRLG F/ 5930' TO 6811', ROP 56, WOB 18/21, RPM 40/50, TQ 7000/10,800, MWT 10.9, VIS 39. MUD LOSS LAST 24 HRS. 0 BBLs. MUD WT: 10.9, VIS 39.
ACCIDENTS NONE REPORTED.			
FUNCTION TEST CROWN-O-MATIC.			
SAFETY MEETING: SWAPPING LIGHT PLANTS, RECOGNIZING HAZARDS.			
CREWS FULL.			
FUEL ON HAND: 3477 GALS. USED 1734 GALS, 0 GAL RECEIVED.			
GAS BG. 70 U, CONN. 250 U.			
LITHOLOGY, SAND/ SHALE.			
MUD LOGGER UNMANNED ON LOCATION F/ 11/16/08 = 3 DAY.			

11-20-2008 Reported By MATT WILLIAMS

Daily Costs: Drilling	\$49,428	Completion	\$0	Daily Total	\$49,428						
Cum Costs: Drilling	\$533,105	Completion	\$0	Well Total	\$533,105						
MD	7,320	TVD	7,320	Progress	509	Days	4	MW	10.9	Visc	37.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: PREP TO TIH W/PRODUCTION CSG

Start	End	Hrs	Activity Description
06:00	15:30	9.5	DRLG F/ 6811' TO 7320', ROP 53, WOB 18/22, RPM 40/50, TQ 6500/11,000 MWT 11, VIS 35. REACHED TD @ 15:30 HRS, 11/19/08.
15:30	16:30	1.0	CIRCULATE AND COND MUD FOR SHORT TRIP.
16:30	19:00	2.5	SHORT TRIP TO 6320'.
19:00	21:30	2.5	CIRCULATE, PUMP 220 BBL, 13.5 PPG PILL, = 12 PPG EMW.
21:30	05:00	7.5	TRIP OUT OF HOLE LAYING DOWN D.P. AND BHA. PULL WEAR BUSHING.
05:00	06:00	1.0	R/U TO RUN 4 1/2 PROD STRING. MUD LOSS LAST 24 HRS. 0 BBLs. MUD WT: 11, VIS 39.
ACCIDENTS NONE REPORTED.			
FUNCTION TEST CROWN-O-MATIC.			
SAFETY MEETING: MIXING CAUSTIC, TRIPPING PIPE.			
CREWS FULL.			
FUEL ON HAND: 2342 GALS. USED 1135 GALS, 0 GAL RECIEVED.			

GAS BG.70 U, CONN. 250 U.
LITHOLOGY, SAND/ SHALE.
MUD LOGGER UNMANED ON LOCATION F/ 11/16/08 = 4 DAYS.

11-21-2008	Reported By	MATT WILLIAMS									
Daily Costs: Drilling	\$59,451	Completion	\$155,146	Daily Total	\$214,597						
Cum Costs: Drilling	\$592,556	Completion	\$155,146	Well Total	\$747,702						
MD	7,320	TVD	7,320	Progress	0	Days	5	MW	0.0	Visc	0.0

Formation : PBTB : 0.0 **Perf :** PKR Depth : 0.0

Activity at Report Time: RDRI/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	13:00	7.0	R/U AND RUN 4.5 11.6# N-80 CASING 169 JTS. + 2 MARKER JTS. AS FOLLOWS FLOAT SHOE, 1 JT.CSG, FLOAT COLLAR, 14 JTS. CSG, 1 MARJER JT, 53 JTS.CSG, 1 MARKER JT, 101 JTS CSG & HANGER ASSEMBLY. FLOAT SHOE @ 7317', FLOAT COLLAR @ 7272', MARKER JT @ 6707, AND 4363', CENTRALIZERS 5 FT. ABOVE SHOE JT, TOP OF JT.#2 & EVERY 3 RD. JT. TOTAL 15. TAG @ 7320' CIRC. TO LAY DOWN TAG JT.
13:00	14:00	1.0	CIRCULATE & LD TAG JT. PU DOT HANGER, LAND CSG WITH 65,000#. R/D CALIBER CSG EQUIP.
14:00	16:00	2.0	HOLD PISM W/ SCHLUMBERGER AND RIG CREW. RIG UP TEST LINES TO 5000 PSI. DROP BOTTOM PLUG PUMP 20 BBLs CHEM WASH & 20 BBLs WATER SPACER AHEAD OF LEAD AND CEMENT 7320' 4 1/2 N-80 11.6 # CSG. LEAD 142 BBLs 355 SKS. G + ADDS. D020 10%EXTENDER D167 .2% FLUID LOSS D046.2% ANTIFOAM D013 .5% RATARDER D065 .5% DISPERSANT D130 .125LB/SK BLEND LOST CIRC. YIELD 2.26 FT3/SK H2O 12.9 GAL/SK @ 11.10.PPG TAIL. 204 BBLs 890 SKS 50/50 POZ G + ADDS. D020 2% EXTENDER D046 .1% ANTIFOAM D167 .2% FLUID LOSS D065 .2% DISPERSANT S001 1% ACCELERATOR. YIELD 1.29 FT3/SK H2O 5.94 GAL/SK @ 14.1 PPG. SHUTDOWN WASH OUT PUMPS & LINES DROP TOP PLUG & DISP. TO FLOAT COLLAR W/FRESH WATER.113 BBLs. AVG. DISP. RATE 8 BPM, PARTIAL RETURNS THROUGH OUT JOB. DROP PLUG @ 15:42 BUMPED PLUG @ 16:06 TO 2800 PSI 1000 PSI OVER LIFT PSI HOLD PRESSURE FOR 1 MIN. 1. BBL. BACK, FLOAT HELD @ 16:06CEMENT IN PLACE.
16:00	17:00	1.0	W/O CEMENT & RIG DOWN SCHLUMBERGER.
17:00	18:30	1.5	REMOVE CEMENT HEAD. LAY DOWN LANDING JT. LAND PACKOFF TEST 5000 PSI. LOOSEN DTO LOCK DOWN BOLTS W/ FMC.
18:30	21:30	3.0	NIPPLE DOWN BOPE AND CLEAN TANKS.
21:30	06:00	8.5	R/D PREPARE FOR RIG MOVE. RIG MOVE 1.4 MILES TO CWU 750-12.

ACCIDENTS NONE REPORTED.
FUNCTION TEST CROWN-O-MATIC.
SAFETY MEETING: CEMENTING, RIG MOVE.
CREWS FULL.
FUEL ON HAND: 1985 GALS. USED 357 GALS, 0 GAL RECIEVED.
MUD LOGGER UNMANED ON LOCATION F/ 11/16/08 TO 11/20/08 = 5 DAYS. .
END OF WELL COST; \$714,536.

06:00 RELEASE RIG @ 21:30, 11/20/08.
CASING POINT COST \$ 565,613

11-26-2008	Reported By	MCCURDY									
Daily Costs: Drilling	\$0	Completion	\$152,944	Daily Total	\$152,944						
Cum Costs: Drilling	\$592,556	Completion	\$308,090	Well Total	\$900,646						
MD	7,320	TVD	7,320	Progress	0	Days	6	MW	0.0	Visc	0.0

Formation : **PBTD : 7272.0** Perf : **PKR Depth : 0.0**

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	11/25/08 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 950'. EST CEMENT TOP @ 1120'. RD SCHLUMBERGER.
NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.			
06:00	06:00	24.0	FACILITY COST \$111,150

12-09-2008		Reported By		MCCURDY							
DailyCosts: Drilling		\$0	Completion		\$163,871	Daily Total		\$163,871			
Cum Costs: Drilling		\$592,556	Completion		\$471,961	Well Total		\$1,064,518			
MD	7,320	TVD	7,320	Progress	0	Days	7	MW	0.0	Visc	0.0
Formation : WASATCH		PBTD : 0.0		Perf : 5384'-7097'		PKR Depth : 0.0					

Activity at Report Time: MIRUSU CLEAN OUT SAND AND DRILL OUT FRAC PLUGS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CUTTERS WIRELINE & PERFORATE NORTH HORN FROM 6871'-72', 6877'-78', 6884'-85', 6891'-92', 6922'-23', 6988'-89', 6994'-95', 7035'-36', 7070'-71', 7077'-78', 7082'-83', 7096'-97' @ 3 SPF @ 120° PHASING. RDWL. MIRU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 0 GAL WF120 LINEAR PAD, 8476 GAL WF120 LINEAR 1# & 1.5#, 41147 GAL YF116ST+ WITH 148300 # 20/40 SAND @ 1-4 PPG. MTP 4203 PSIG. MTR 51.9 BPM. ATP 3692 PSIG. ATR 46 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER.
			RUWL SET 6K CFP AT 6834'. PERFORATE Ba/ NORTH HORN FROM 6438'-39', 6445'-46', 6455'-56', 6487'-88', 6537'-38', 6582'-83', 6687'-88', 6735'-36', 6748'-49', 6757'-58', 6780'-81', 6818'-19' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 0 GAL WF120 LINEAR PAD, 8409 GAL WF120 LINEAR 1# & 1.5# SAND, 26459 GAL YF116ST+ WITH 95600 # 20/40 SAND @ 1-4 PPG. MTP 6074 PSIG. MTR 51.6 BPM. ATP 3944 PSIG. ATR 48.5 BPM. ISIP 1880 PSIG. RD SCHLUMBERGER.
			RUWL SET 6K CFP AT 6380'. PERFORATE Ca/Ba FROM 5967'-68', 5977'-78', 6013'-14', 6108'-09', 6138'-39', 6170'-71', 6218'-19', 6248'-49', 6288'-89', 6338'-39', 6353'-54', 6362'-63' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 0 GAL WF120 LINEAR PAD, 8416 GAL WF120 LINEAR 1# & 1.5# SAND, 19745 GAL YF116ST+ WITH 74700 # 20/40 SAND @ 1-4 PPG. MTP 5192 PSIG. MTR 51.6 BPM. ATP 3364 PSIG. ATR 47.5 BPM. ISIP 1500 PSIG. RD SCHLUMBERGER.
			RUWL SET 6K CFP AT 5690'. PERFORATE Ca FROM 5634'-38', 5644'-48', 5653'-57' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 0 GAL WF120 LINEAR PAD, 4215 GAL WF120 LINEAR 1# & 1.5# SAND, 11438 GAL YF116ST+ WITH 40500 # 20/40 SAND @ 1-4 PPG. MTP 4262 PSIG. MTR 51.1 BPM. ATP 3044 PSIG. ATR 46 BPM. ISIP 1800 PSIG. RD SCHLUMBERGER.
			RUWL SET 6K CFP AT 5430'. PERFORATE Ca FROM 5384'-85', 5389'-92', 5397'-400', 5402'-07' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 0 GAL WF120 LINEAR PAD, 5015 GAL WF120 LINEAR 1# & 1.5# SAND, 23566 GAL YF116ST+ WITH 47700 # 20/40 SAND @ 1-4 PPG. MTP 3698 PSIG. MTR 51.3 BPM. ATP 3384 PSIG. ATR 45.5 BPM. ISIP 1950 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CBP AT 5295'. RDMO CUTTERS WIRELINE.

12-10-2008		Reported By		HOOLEY							
DailyCosts: Drilling		\$0	Completion		\$14,256	Daily Total		\$14,256			
Cum Costs: Drilling		\$592,556	Completion		\$486,217	Well Total		\$1,078,774			
MD	7,320	TVD	7,320	Progress	0	Days	8	MW	0.0	Visc	0.0

Formation : WASATCH PBTB : 7272.0 Perf : 5384'-7097' PKR Depth : 0.0

Activity at Report Time: CLEAN OUT AFTER FRACS

Start	End	Hrs	Activity Description
06:00	15:00	9.0	MIRU ROYAL SERVICE UNIT. ND FRAC TREE. NU BOPE. RIH W/ BIT AND SUB TO CBP @ 5295'. SDFN.

12-11-2008 Reported By

DailyCosts: Drilling	\$0	Completion	\$10,533	Daily Total	\$10,533						
Cum Costs: Drilling	\$592,556	Completion	\$496,750	Well Total	\$1,089,307						
MD	7,320	TVD	7,320	Progress	0	Days	9	MW	0.0	Visc	0.0

Formation : WASATCH PBTB : 7272.0 Perf : 5384'-7097' PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	CLEANED OUT & DRILLED OUT PLUGS @ 5295', 5430', 5690', 6380' AND 6834'. RIH. CLEANED OUT TO PBTB @ 7197'. LANDED TBG AT 5343' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 17 HRS. 24/64" CHOKE. FTP 700 PSIG. CP 400 PSIG. 66 BFPH. RECOVERED 1055 BLW. 3916 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 0.91'
 1 JT 2-3/8 4.7# L-80 TBG 32.45'
 XN NIPPLE 1.10'
 163 JTS 2-3/8 4.7# L-80 TBG 5295.43'
 BELOW KB 13.00'
 LANDED @ 5342.89' KB

12-12-2008 Reported By

DailyCosts: Drilling	\$0	Completion	\$13,907	Daily Total	\$13,907						
Cum Costs: Drilling	\$592,556	Completion	\$510,657	Well Total	\$1,103,214						
MD	7,320	TVD	7,320	Progress	0	Days	10	MW	0.0	Visc	0.0

Formation : WASATCH PBTB : 7272.0 Perf : 5384'-7097' PKR Depth : 0.0

Activity at Report Time: FLOW TEST.

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64 CHOKE. FTP 850 PSIG. CP 900 PSIG. 54 BFPH. RECOVERED 1305 BLW. 2611 BLWTR.

12-13-2008 Reported By

DailyCosts: Drilling	\$0	Completion	\$13,907	Daily Total	\$13,907						
Cum Costs: Drilling	\$592,556	Completion	\$524,564	Well Total	\$1,117,121						
MD	7,320	TVD	7,320	Progress	0	Days	11	MW	0.0	Visc	0.0

Formation : WASATCH PBTB : 7272.0 Perf : 5384'-7097' PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64"CHOKE FTP 800 PSIG CP 1200 PSIG 31 BPH RECOVERED 3115 BLW AND 1826 BLWTR.

12-14-2008 Reported By

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU0281

1a. Type of Well Oil Well Gas Well Dry Other
 b. Type of Completion New Well Work Over Deepen Plug Back Diff. Resvr.
 Other _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.
CHAPITA WELLS

2. Name of Operator **EOG RESOURCES, INC.** Contact: **MICKENZIE THACKER**
 E-Mail: **MICKENZIE_THACKER@EOGRESOURCES.COM**

8. Lease Name and Well No.
CHAPITA WELLS UNIT 1212-12

3. Address **1060 E. HWY 40** 3a. Phone No. (include area code)
VERNAL, UT 84078 Ph: **453-781-9145**

9. API Well No.
43-047-39062

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface **SESE 200FSL 200FEL 40.04396 N Lat, 109.37964 W Lon**
 At top prod interval reported below **SESE 200FSL 200FEL 40.04396 N Lat, 109.37964 W Lon**
 At total depth **SESE 200FSL 200FEL 40.04396 N Lat, 109.37964 W Lon**

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey
or Area **Sec 12 T9S R22E Mer SLB**

12. County or Parish
JUNTAH 13. State
UT

14. Date Spudded **10/15/2008** 15. Date T.D. Reached **11/19/2008** 16. Date Completed
 D & A Ready to Prod. **12/14/2008**

17. Elevations (DF, KB, RT, GL)*
4816 GL

18. Total Depth: MD **7320** TVD **MD 7272** 19. Plug Back T.D.: MD **7272** TVD **MD 7272** 20. Depth Bridge Plug Set: MD **7272** TVD **MD 7272**

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
RST/CBL/CCL/VDLGR, Temp, Press

22. Was well cored? No Yes (Submit analysis)
 Was DST run? No Yes (Submit analysis)
 Directional Survey? No Yes (Submit analysis)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0		2453		800		0	
7.875	4.500 N-80	11.6		7317		1245		1120	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375		5343						

25. Producing Intervals 26. Perforation Record **5384**

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	5384	7097	6871 TO 7097		3	
B)			6438 TO 6819		3	
C)			5967 TO 6363		3	
D)			5634 TO 5657		3	

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
6871 TO 7097	49,788 GALS OF GELLED WATER & 148,300 # 20/40 SAND
6438 TO 6819	35,033 GALS OF GELLED WATER & 95,600 # 20/40 SAND
5967 TO 6363	28,161 GALS OF GELLED WATER & 74,700 # 20/40 SAND
5634 TO 5657	15,653 GALS OF GELLED WATER & 40,500 # 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
12/18/2008	12/22/2008	24	→	0.0	945.0	60.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
12/64	1450	1575.0	→	0	945	60		PGW	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

(See Instructions and spaces for additional data on reverse side)
 ELECTRONIC SUBMISSION #66440 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

RECEIVED
JAN 21 2009

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Thg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Thg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)
SOLD

30. 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.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH	5384	7097		GREEN RIVER BIRDS NEST ZONE MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER	1780 1900 2434 4639 4766 5357 6036 7104

32. Additional remarks (include plugging procedure):

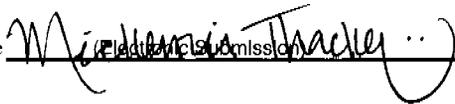
33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7. Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #66440 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal

Name (please print) MICKENZIE THACKER Title OPERATIONS CLERK

Signature  Date 01/19/2009

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

Chapita Wells Unit 1212-12 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

5384-5407	3/spf
-----------	-------

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

5384-5407	28,581 GALS GELLED WATER & 47,700# 20/40 SAND
-----------	---

Perforated the North Horn from 6871'-72', 6877'-78', 6884'-85', 6891'-92', 6922'-23', 6988'-89', 6994'-95', 7035'-36', 7070'-71', 7077'-78', 7082'-83', 7096'-97' w/ 3 spf.

Perforated the Ba/North Horn from 6438'-39', 6445'-46', 6455'-56', 6487'-88', 6537'-38', 6582'-83', 6687'-88', 6735'-36', 6748'-49', 6757'-58', 6780'-81', 6818'-19' w/ 3 spf.

Perforated the Ca/Ba from 5967'-68', 5977'-78', 6013'-14', 6108'-19', 6138'-39', 6170'-71', 6218'-19', 6248'-49', 6288'-89', 6338'-39', 6353'-54', 6362'-63' w/ 3 spf.

Perforated the Ca from 5634'-38', 5644'-48', 5653'-57' w/ 3 spf.

Perforated the Ca from 5384'-85', 5389'-92', 5397'-5400', 5402'-07' 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: CWU 1212-12

API number: 4304739062

Well Location: QQ SESE Section 12 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,800	1,820	NO FLOW	NOT KNOWN

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

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

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

NAME (PLEASE PRINT) Mickenzie Thacker

TITLE Operations Clerk

SIGNATURE *Mickenzie Thacker*

DATE 1/19/2009

Form 3160-4
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU0281

1a. Type of Well Oil Well Gas Well Dry Other
b. Type of Completion New Well Work Over Deepen Plug Back Diff. Resvr.
Other _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.
CHAPITA WELLS

2. Name of Operator
EOG RESOURCES, INC. Contact: MICKENZIE GATES
E-Mail: MICKENZIE_GATES@EOGRESOURCES.COM

8. Lease Name and Well No.
CHAPITA WELLS UNIT 1212-12

3. Address 1060 E. HWY 40
VERNAL, UT 84078 3a. Phone No. (include area code)
Ph: 453-781-9145

9. API Well No.
43-047-39062

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
At surface SESE 200FSL 200FEL 40.04396 N Lat, 109.37964 W Lon
At top prod interval reported below SESE 200FSL 200FEL 40.04396 N Lat, 109.37964 W Lon
At total depth SESE 200FSL 200FEL 40.04396 N Lat, 109.37964 W Lon

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey
or Area Sec 12 T9S R22E Mer SLB

12. County or Parish
UINTAH 13. State
UT

14. Date Spudded
10/15/2008 15. Date T.D. Reached
11/19/2008 16. Date Completed
 D & A Ready to Prod.
12/18/2008

17. Elevations (DF, KB, RT, GL)*
4816 GL

18. Total Depth: MD 7320 TVD 19. Plug Back T.D.: MD 7272 TVD 20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
RST/CBL/CCL/VDL/GR 22. Was well cored? No Yes (Submit analysis)
Was DST run? No Yes (Submit analysis)
Directional Survey? No Yes (Submit analysis)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0		2453		800		0	
7.875	4.500 N-80	11.6		7317		1245		1120	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375		5343						

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	5384	7097	6871 TO 7097		3	
B)			6438 TO 6819		3	
C)			5967 TO 6363		3	
D)			5634 TO 5657		3	

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
6871 TO 7097	49,788 GALS OF GELLED WATER & 148,300 # 20/40 SAND
6438 TO 6819	35,033 GALS OF GELLED WTAER & 95,600 # 20/40 SAND
5967 TO 6363	28,161 GALS OF GELLED WATER & 74,700 # 20/40 SAND
5634 TO 5657	15,653 GALS OF GELLED WATER & 40,500 # 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
12/18/2008	12/22/2008	24	→	0.0	945.0	60.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
12/64	1450	1575.0	→	0	945	60		PGW	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #81071 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

RECEIVED

FEB 08 2010

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

29. Disposition of Gas(Sold, used for fuel, vented, etc.)
SOLD

30. 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.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH	5384	7097		GREEN RIVER BIRDS NEST ZONE MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER	1780 1900 2434 4639 4766 5357 6036 7104

32. Additional remarks (include plugging procedure):

Item number 16 (Date Completed) has been revised from previous submission dated 1/19/2009.

33. Circle enclosed attachments:

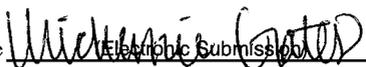
- 1. Electrical/Mechanical Logs (1 full set req'd.)
- 2. Geologic Report
- 3. DST Report
- 4. Directional Survey
- 5. Sundry Notice for plugging and cement verification
- 6. Core Analysis
- 7 Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

**Electronic Submission #81071 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal**

Name (please print) MICKENZIE GATES

Title OPERATIONS CLERK

Signature 

Date 02/04/2010

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

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

Chapita Wells Unit 1212-12 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

5384-5407	3/spf
-----------	-------

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

5384-5407	28,581 GALS GELLED WATER & 47,700# 20/40 SAND
-----------	---

Perforated the North Horn from 6871'-72', 6877'-78', 6884'-85', 6891'-92', 6922'-23', 6988'-89', 6994'-95', 7035'-36', 7070'-71', 7077'-78', 7082'-83', 7096'-97' w/ 3 spf.

Perforated the Ba/North Horn from 6438'-39', 6445'-46', 6455'-56', 6487'-88', 6537'-38', 6582'-83', 6687'-88', 6735'-36', 6748'-49', 6757'-58', 6780'-81', 6818'-19' w/ 3 spf.

Perforated the Ca/Ba from 5967'-68', 5977'-78', 6013'-14', 6108'-19', 6138'-39', 6170'-71', 6218'-19', 6248'-49', 6288'-89', 6338'-39', 6353'-54', 6362'-63' w/ 3 spf.

Perforated the Ca from 5634'-38', 5644'-48', 5653'-57' w/ 3 spf.

Perforated the Ca from 5384'-85', 5389'-92', 5397'-5400', 5402'-07' 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: CWU 1212-12

API number: 4304739062

Well Location: QQ SESE Section 12 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,800	1,820	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) Mickenzie Thacker

TITLE Operations Clerk

SIGNATURE *Mickenzie Thacker*

DATE 1/19/2009