

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-0284-A
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 1161-22
3b. Phone No. (include area code) 435-781-9111		9. API Well No. 4304739163
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 633951' 1159' FSL & 1241' FWL (SWSW) 40.017422 LAT 109.431094 LON At proposed prod. zone Same 4430667Y 40.017480 -109.430418		10. Field and Pool, or Exploratory Natural Buttes/Mesaverde
14. Distance in miles and direction from nearest town or post office* 49.2 miles south of Vernal, Utah		11. Sec., T. R. M. or Blk. and Survey or Area Sec. 22-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) 1159' Lease line	16. No. of acres in lease 1240	12. County or Parish Uintah County
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.	19. Proposed Depth 9500'	20. BLM/BIA Bond No. on file NM2308
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4922' 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:

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM. |

25. Signature 	Name (Printed/Typed) Mary A. Maestas	Date 03/22/2007
Title Regulatory Assistant		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 03-28-07
Title ENVIRONMENTAL MANAGER	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.

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

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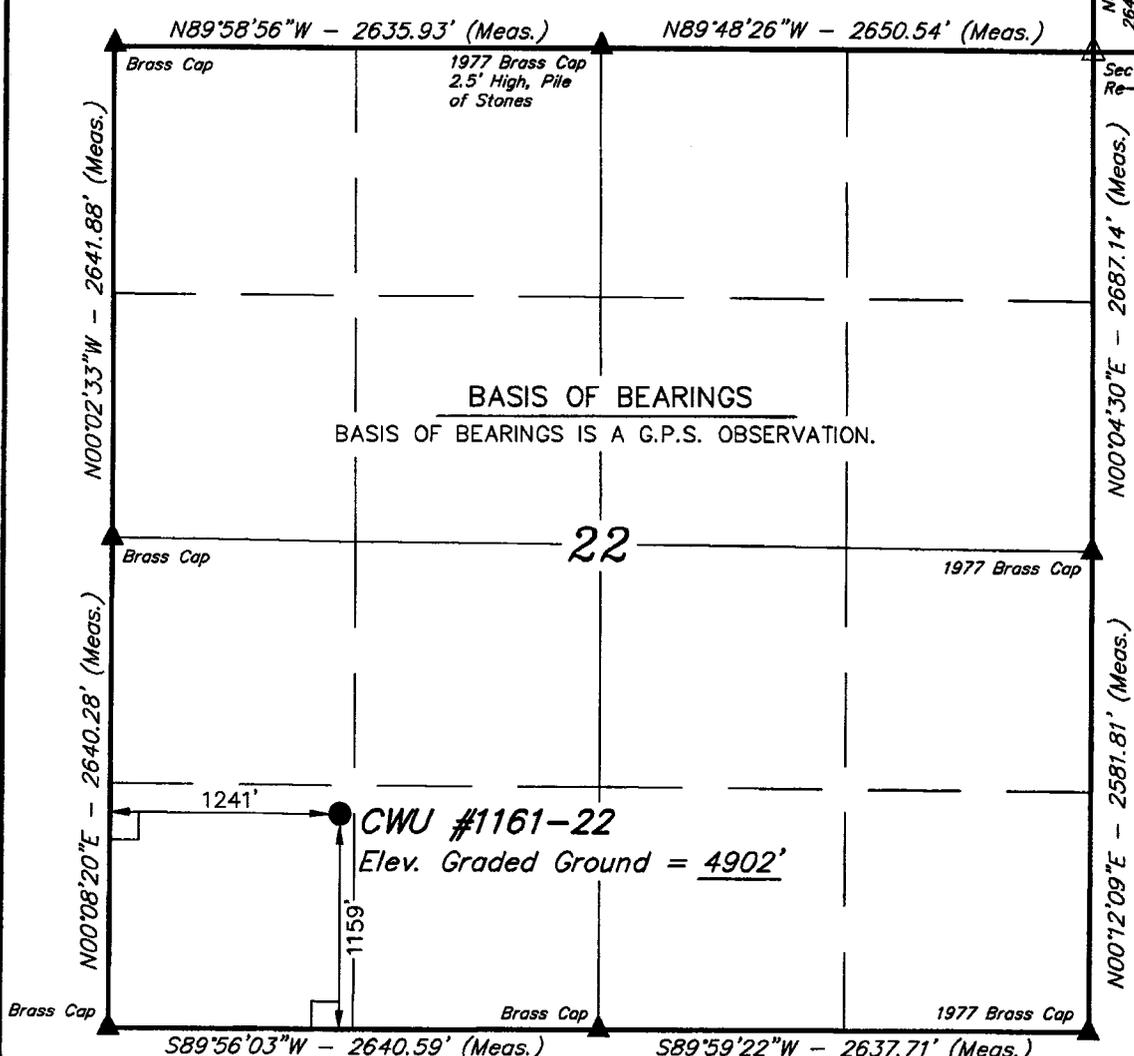
DIV. OF OIL, GAS & MINING

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

E 1/4 Cor. Sec. 15, Brass Cap

EOG RESOURCES, INC.

Well location, CWU #1161-22, located as shown in the SW 1/4 SW 1/4 of Section 22, T9S, R22E, S.L.B.&M. Uintah County, Utah.

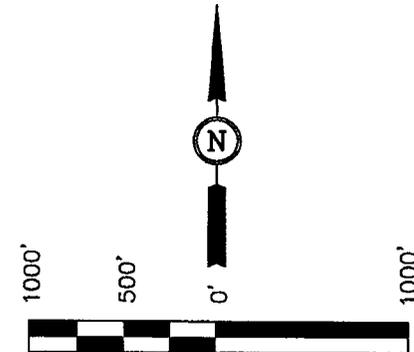


BASIS OF BEARINGS
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

589°52'41"E
2639.25' (Meas.)
Section Corner Re-Established
N 1/4 Cor. Sec. 23, 1977 Brass Cap

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, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.



CERTIFICATE

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

Robert J. ...
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161316
STATE OF UTAH

LEGEND:

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

(NAD 83)
LATITUDE = 40°01'02.72" (40.017422)
LONGITUDE = 109°25'51.94" (109.431094)
(NAD 27)
LATITUDE = 40°01'02.85" (40.017458)
LONGITUDE = 109°25'49.48" (109.430411)

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

SCALE 1" = 1000'	DATE SURVEYED: 12-28-05	DATE DRAWN: 12-31-05
PARTY J.R. N.G. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1161-22
SW/SW, SEC. 22, 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	1,594		Shale	
Wasatch	4,690		Sandstone	
Chapita Wells	5,329		Sandstone	
Buck Canyon	6,007		Sandstone	
North Horn	6,675		Sandstone	
KMV Price River	7,157	Primary	Sandstone	Gas
KMV Price River Middle	8,017	Primary	Sandstone	Gas
KMV Price River Lower	8,822	Primary	Sandstone	Gas
Sego	9,299		Sandstone	
TD	9,500			

Estimated TD: **9,500' or 200'± below Segó top**

Anticipated BHP: 5,187 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"	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	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 1161-22 SW/SW, SEC. 22, 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. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

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 1161-22
SW/SW, SEC. 22, 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: 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: 135 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: 935 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 1161-22
SW/SW, SEC. 22, 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:

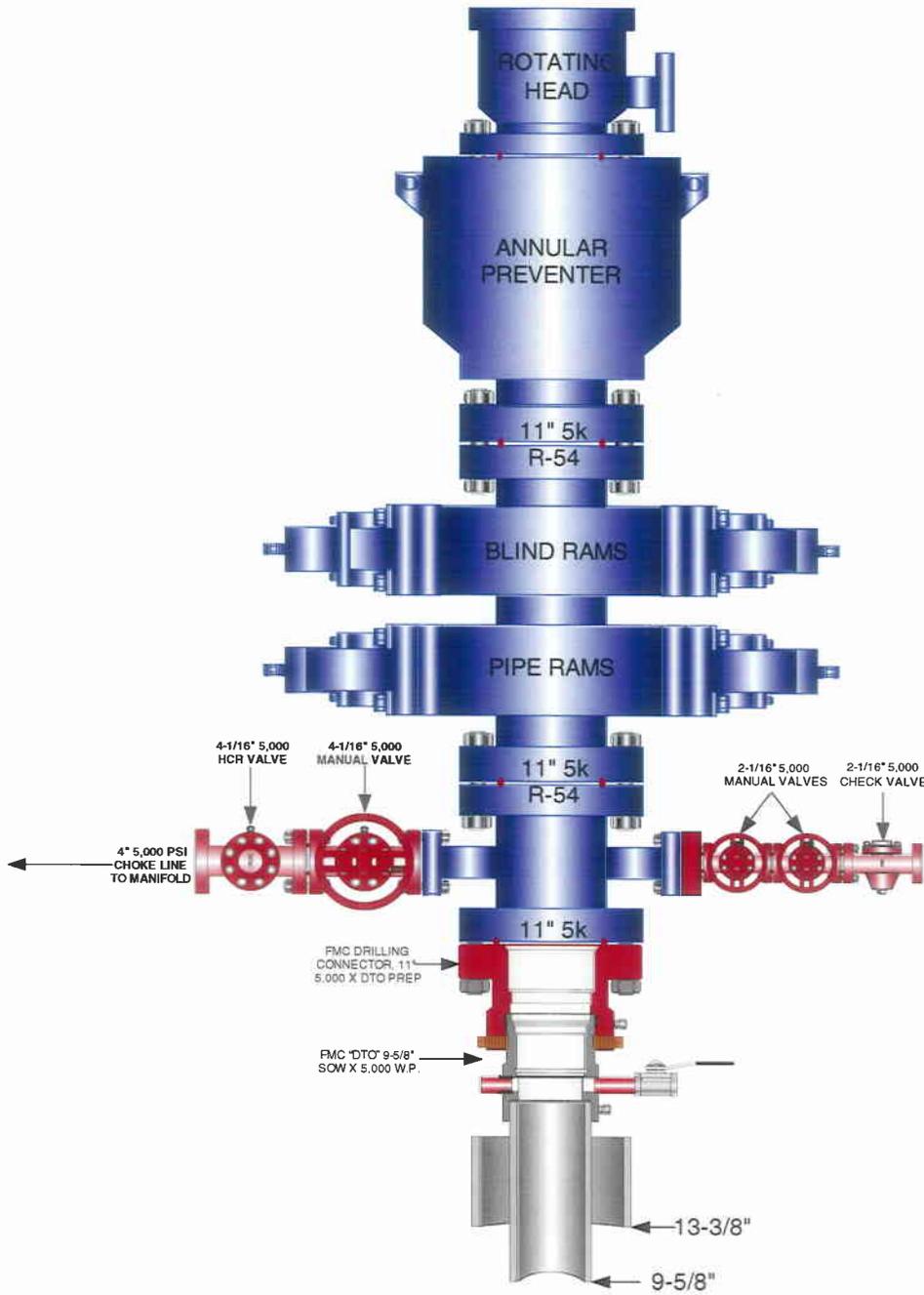
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

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.

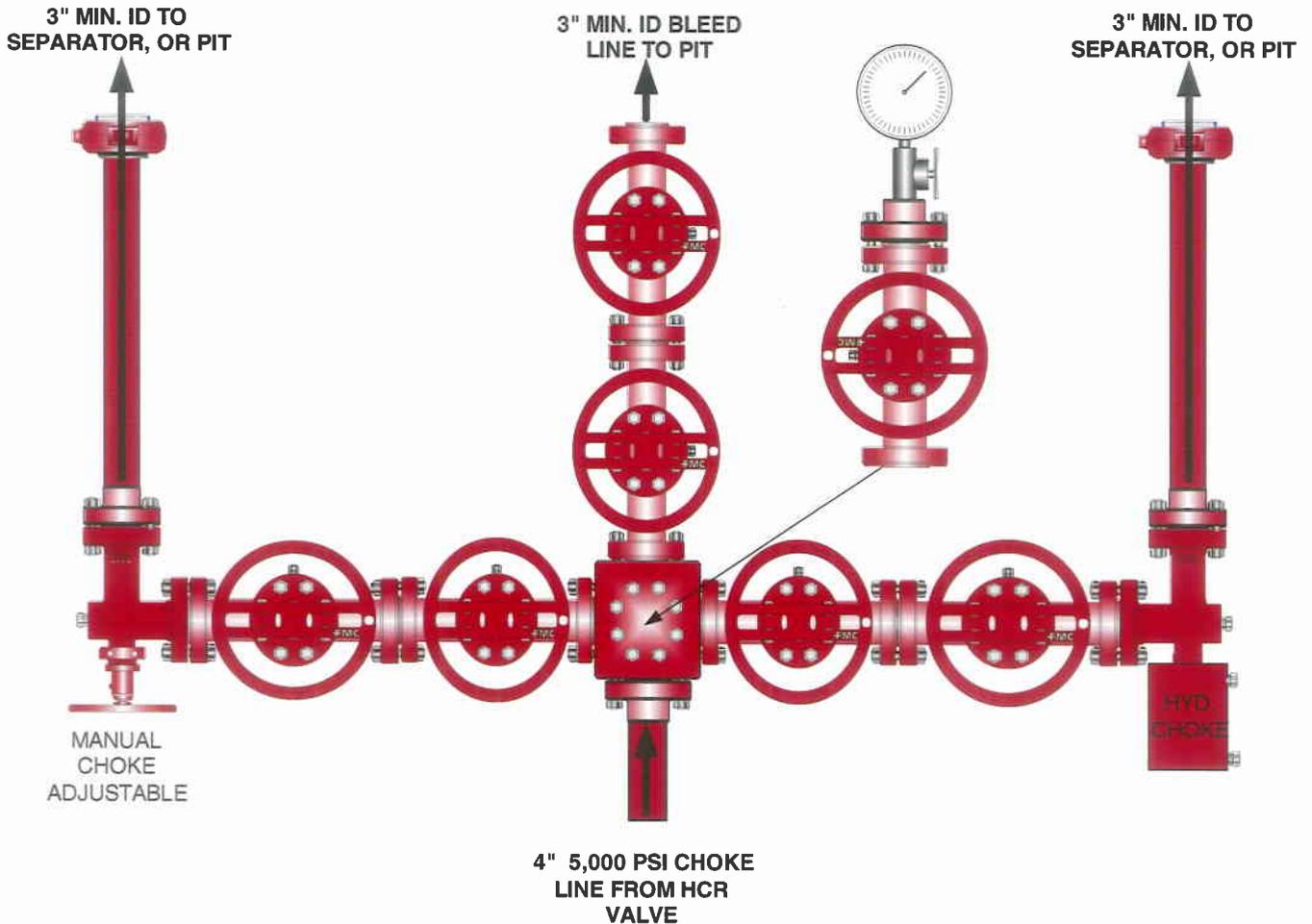
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF 2



Testing Procedure:

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



**CHAPITA WELLS UNIT 1161-22
SW/SW, Section 22, 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 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 528 feet long with a 30-foot right-of-way, disturbing approximately 0.36 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.20 acres.

No offlease 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 49.2 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

- A. The access road will be approximately 528' in length.
- B. The access road has a 30-foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. 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 then avoided.

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

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

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

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

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

A. On Well Pad

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

B. Off Well Pad

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. The pipeline will tie-in, on location, to an existing pipeline for Chapita Wells Unit 303-22.

No off lease pipeline right-of-way is required

3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
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 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 locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, Chapita Wells Unit 2-29 SWD, Chapita Wells Unit 550-30N 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 nylon reinforced 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 Southwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the west side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored west of corner #5. The stockpiled location topsoil will be stored between Corners #1 and #8 and Corners #6 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 South.

The east side of the location shall be bermed to prevent runoff water from entering the pad.

Rip rap shall be installed in ditch on the north end of the location.

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. Interim Reclamation

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
Wyoming Big Sage	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. Final Reclamation and Seeding

At such time as the well is plugged and abandoned, the well pad access road and pipeline route will be recontoured to the approximate natural contours. The stockpiled topsoil will be spread over the 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*)
Wyoming Big Sage	3.0
Indian Ricegrass	3.0
Needle and Threadgrass	3.0
Crested Wheatgrass	1.0
Winterfat	1.0

*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" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

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

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

A cultural resources survey was conducted and submitted March 6, 2006 by Montgomery Archaeological Consultants, Inc. and a paleontology survey was conducted and submitted April 26, 2006 by Intermountain Paleo-Consulting.

Additional Surface Requirements:

The existing erosion dams will be cleaned out when environmental conditions allow.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

Mary A. Maestas
EOG Resources, Inc.
P.O. Box 1815
Vernal, UT 84078
(435) 781-9111

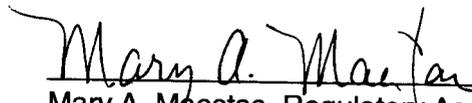
DRILLING OPERATIONS

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 1161-22 Well, located in the SWSW, of Section 22, 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.

March 22, 2006 _____
Date



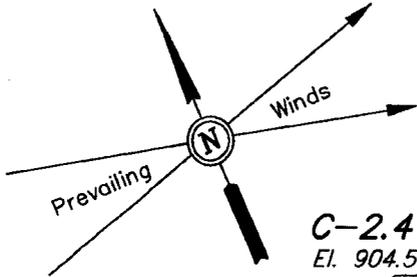
Mary A. Maestas, Regulatory Assistant

EOG RESOURCES, INC.

FIGURE #1

LOCATION LAYOUT FOR

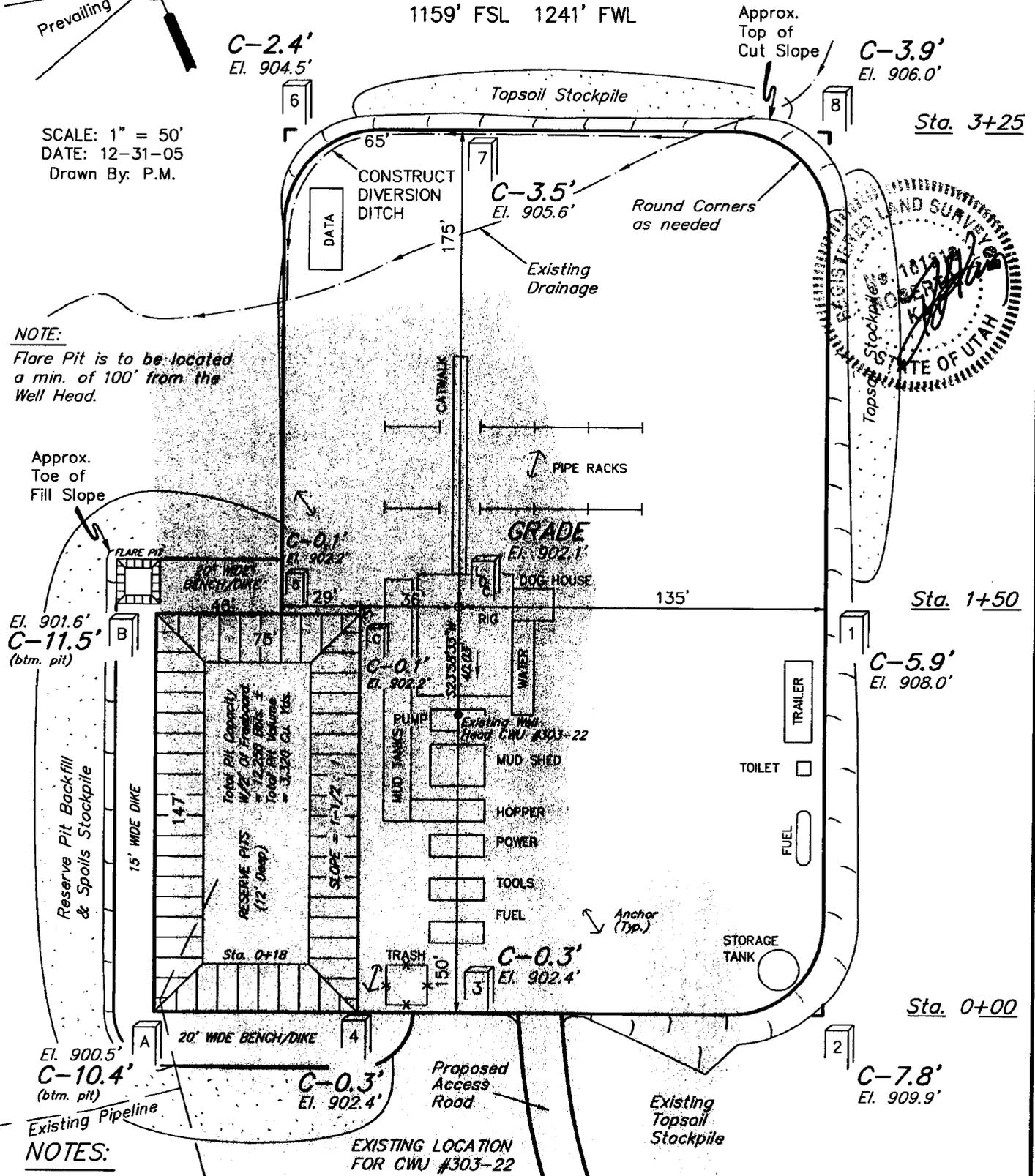
CWU #1161-22
SECTION 22, T9S, R22E, S.L.B.&M.
1159' FSL 1241' FWL



SCALE: 1" = 50'
DATE: 12-31-05
Drawn By: P.M.

NOTE:

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



NOTES:

Elev. Ungraded Ground At Loc. Stake = 4902.1'
FINISHED GRADE ELEV. AT LOC. STAKE = 4902.1'

EOG RESOURCES, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR

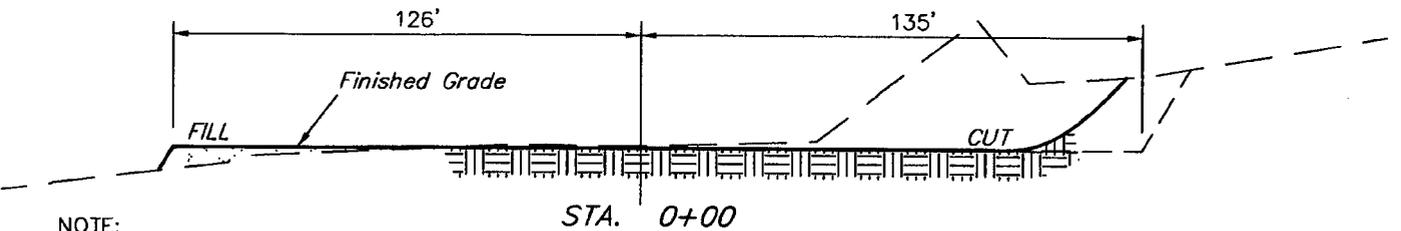
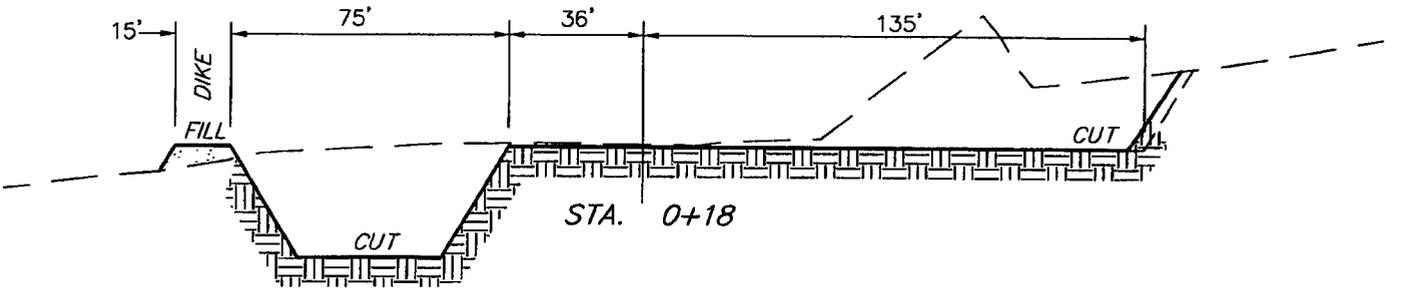
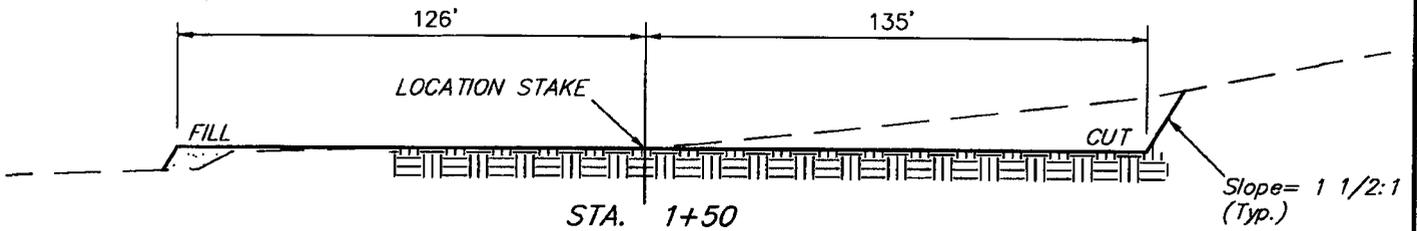
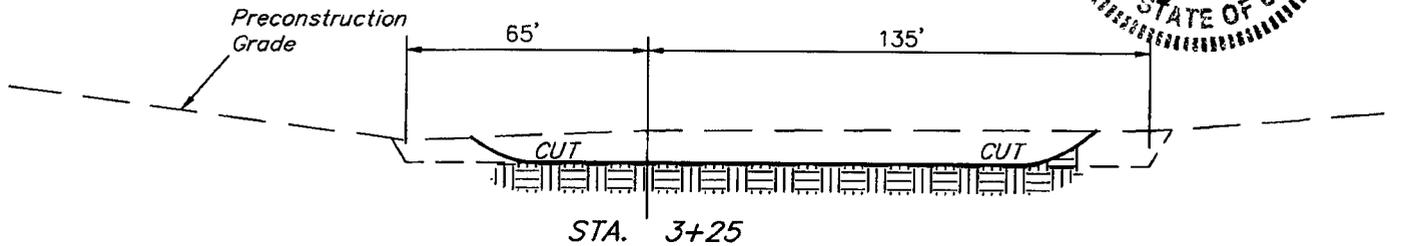
CWU #1161-22

SECTION 22, T9S, R22E, S.L.B.&M.

1159' FSL 1241' FWL

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

DATE: 12-31-05
Drawn By: P.M.



NOTE:

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

* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,580 Cu. Yds.
Remaining Location	= 7,900 Cu. Yds.
TOTAL CUT	= 9,480 CU.YDS.
FILL	= 680 CU.YDS.

EXCESS MATERIAL	= 8,800 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,240 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 5,560 Cu. Yds.

EOG RESOURCES, INC.

CWU #1161-22

LOCATED IN UINTAH COUNTY, UTAH
SECTION 22, T9S, R22E, S.L.B.&M.

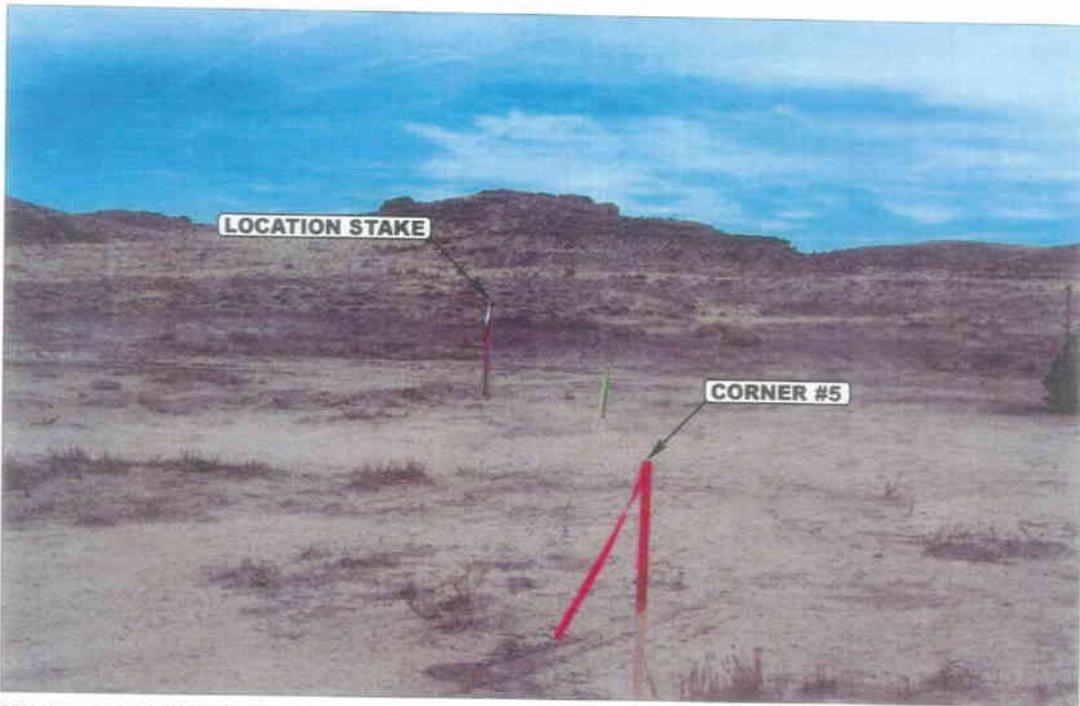


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM EXISTING ACCESS

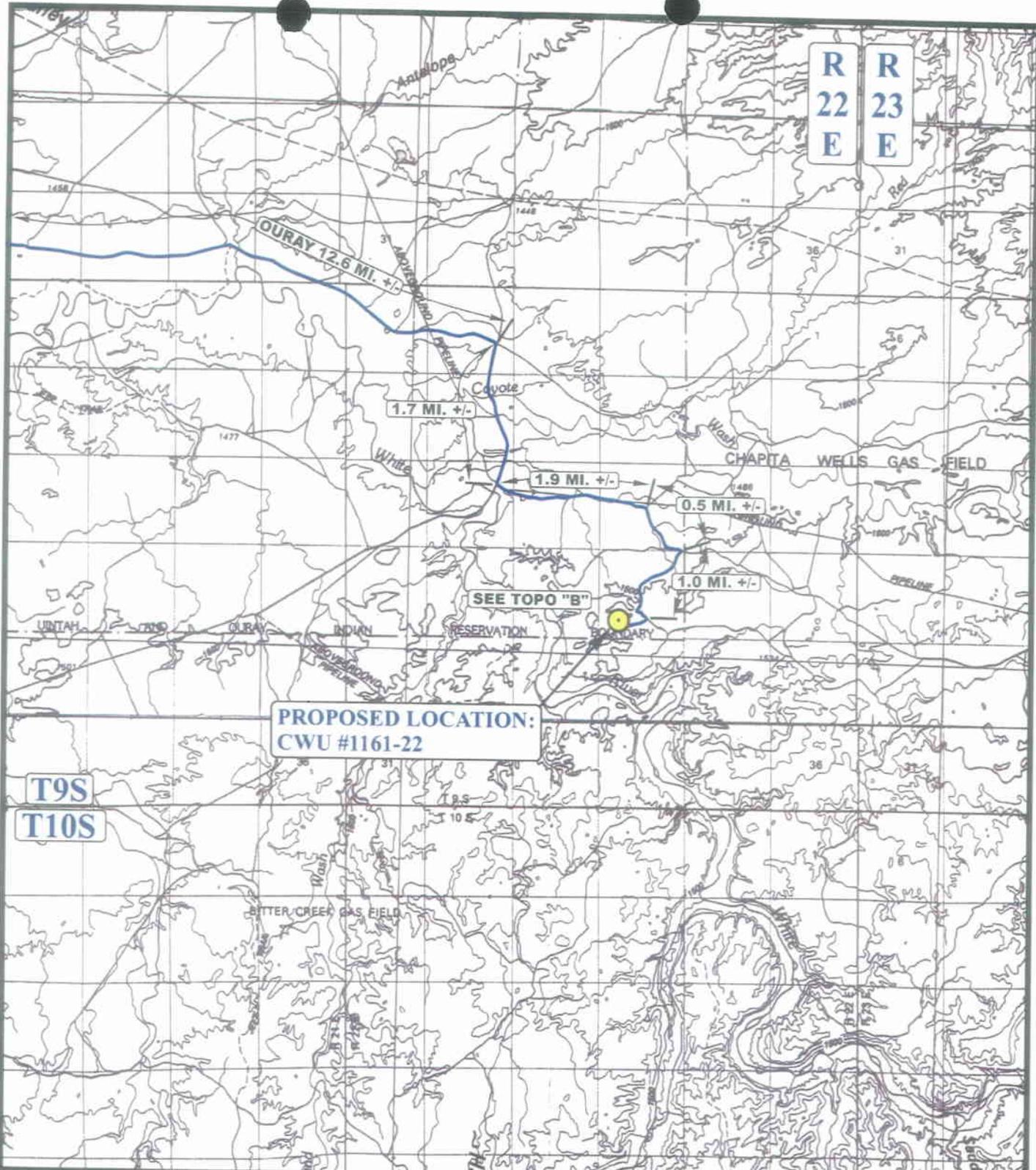
CAMERA ANGLE: NORTHERLY



- Since 1964 -

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

LOCATION PHOTOS	01	06	06	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: J.R.	DRAWN BY: B.C.	REVISED: 00-00-00		



**PROPOSED LOCATION:
CWU #1161-22**

LEGEND:

 PROPOSED LOCATION



EOG RESOURCES, INC.

**CWU #1161-22
SECTION 22, T9S, R22E, S.L.B.&M.
1159' FSL 1241' FWL**



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

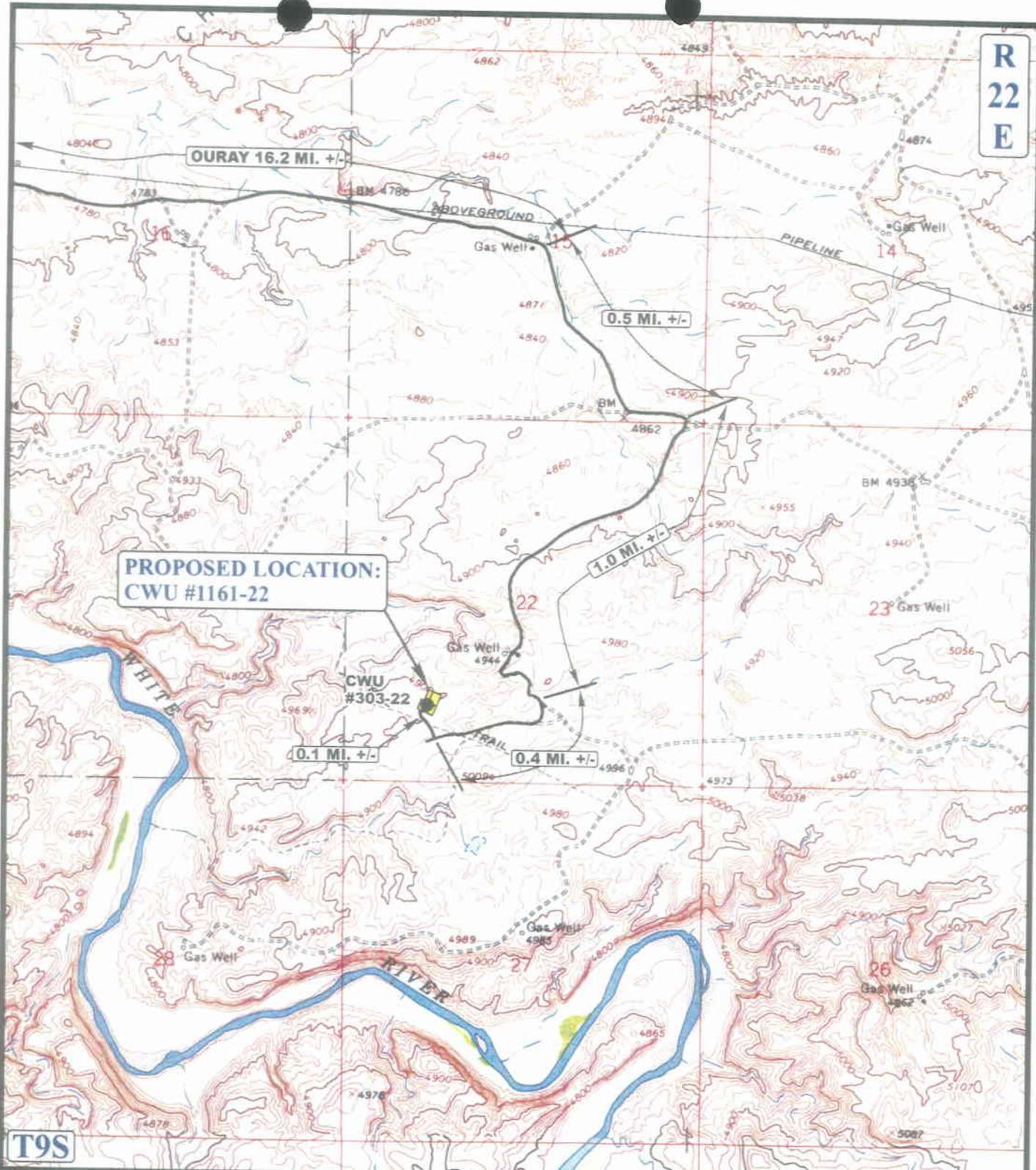
TOPOGRAPHIC MAP

01 06 06
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: B.C. REVISED: 00-00-00



R
22
E



**PROPOSED LOCATION:
CWU #1161-22**

CWU #303-22

OURAY 16.2 MI. +/-

0.5 MI. +/-

1.0 MI. +/-

0.1 MI. +/-

0.4 MI. +/-

T9S

LEGEND:

— EXISTING ROAD

EOG RESOURCES, INC.

**CWU #1161-22
SECTION 22, T9S, R22E, S.L.B.&M.
1159' FSL 1241' FWL**



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



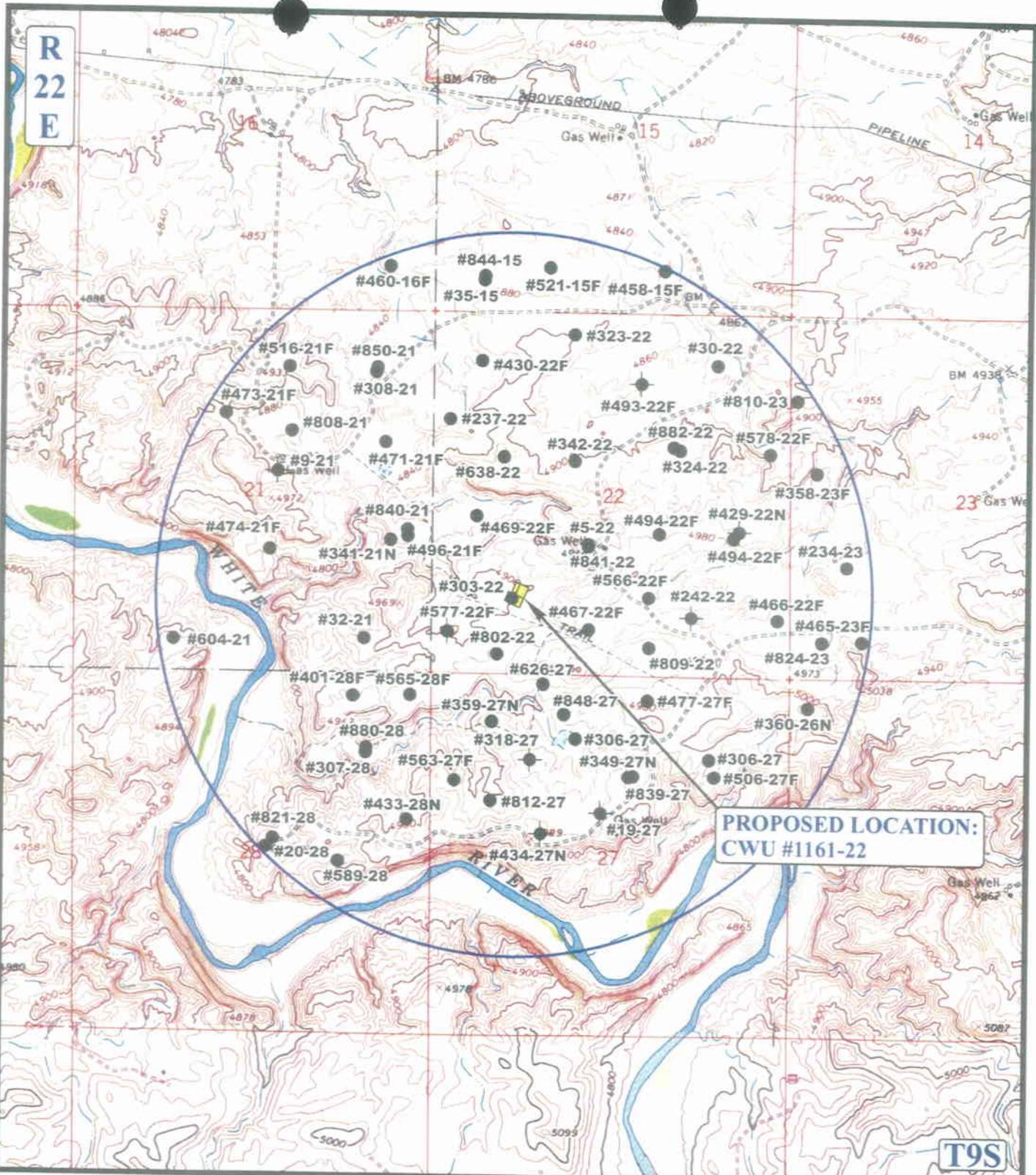
**TOPOGRAPHIC
MAP**

01 06 06
MONTH DAY YEAR

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

**B
TOPO**

R
22
E



PROPOSED LOCATION:
CWU #1161-22

T9S

LEGEND:

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

N



EOG RESOURCES, INC.

CWU #1161-22
 SECTION 22, T9S, R22E, S.L.B.&M.
 1159' FSL 1241' FWL



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

**TOPOGRAPHIC
MAP**

01 06 06
 MONTH DAY YEAR

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



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 03/23/2007

API NO. ASSIGNED: 43-047-39163

WELL NAME: CWU 1161-22
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: MARY MAESTAS

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

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

SWSW 22 090S 220E
 SURFACE: 1159 FSL 1241 FWL
 BOTTOM: 1159 FSL 1241 FWL
 COUNTY: UINTAH
 LATITUDE: 40.01748 LONGITUDE: -109.4304
 UTM SURF EASTINGS: 633951 NORTHINGS: 4430667
 FIELD NAME: NATURAL BUTTES (630)

LEASE TYPE: 1 - Federal
 LEASE NUMBER: U-0284-A
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM2308)
- 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 *mu*
- ___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- ___ R649-3-3. Exception
- Drilling Unit
Board Cause No: 1798
Eff Date: 8-10-1999
Siting: Suspends General Siting
- ___ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1- Federal Approval
2- OIL SHALE



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

OPERATOR: EOG RESOURCES INC (N9550)

SEC: 22 T.9S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999

Field Status	
	ABANDONED
	ACTIVE
	COMBINED
	INACTIVE
	PROPOSED
	STORAGE
	TERMINATED

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

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



PREPARED BY: DIANA MASON
DATE: 27-MARCH-2007

From: <Michael_Coulthard@blm.gov>
To: "Diana Mason" <dianawhitney@utah.gov>
Date: 3/27/2007 2:00 PM
Subject: Re: New APDs for EOG Resources Inc. - Chapita Wells Unit

CC: <Matt_Baker@blm.gov>, <Jim_Ashley@blm.gov>, <gilhunt@utah.gov>, <Toni_Mi...
Diana,

Both these wells are on EOG's
2007/2008 Plan of Development
for the Chapita Wells Unit.

I mailed that out today.

Mickey

Michael L. Coulthard
Petroleum Engineer
Bureau of Land Management
Phone (801) 539-4042
Fax (801) 539-4261

"Diana Mason"
<dianawhitney@uta
h.gov>
03/27/2007 09:30
AM
To
<mcoultha@ut.blm.gov>
cc
Subject
New APDs for EOG Resources Inc. -
Chapita Wells Unit

Hi Mick,

(Proposed PZ MesaVerde)

43-047-39163 CWU 1161-22 Sec. 22 T. 9S R. 22E 1159 FSL 1241 FWL
43-047-39162 CWU 1045-25 Sec. 25 T. 9S R. 22E 1505 FNL 1233 FEL

Thank you,



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 28, 2007

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

Re: Chapita Wells Unit 1161-22 Well, 1159' FSL, 1241' FWL, SW SW, Sec. 22,
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 43-047-39163.

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 1161-22
API Number: 43-047-39163
Lease: U-0284-A

Location: SW SW Sec. 22 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
VERNAL FIELD OFFICE

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAR 23 PM 2:36

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No. Chapita Wells Unit
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		8. Lease Name and Well No. Chapita Wells Unit 1161-22
2. Name of Operator EOG RESOURCES, INC		9. API Well No. 43 047 391163
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) 435-781-9111	10. Field and Pool, or Exploratory Natural Buttes/Mesaverde
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 1159' FSL & 1241' FWL (SWSW) 40.017422 LAT 109.431094 LON At proposed prod. zone Same		11. Sec., T. R. M. or Blk. and Survey or Area Sec. 22-T9S-R22E, S.L.B.&M.
14. Distance in miles and direction from nearest town or post office* 49.2 miles south of Vernal, Utah		12. County or Parish Uintah County
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1159' Lease line		13. State UT
16. No. of acres in lease 1240		17. Spacing Unit dedicated to this well Suspended
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 9500'		20. BLM/BLA Bond No. on file NM2308
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4922' GL		23. Estimated duration 45 days
22. Approximate date work will start*		

24. Attachments

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

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM. |

25. Signature <i>Mary A. Maestas</i>	Name (Printed/Typed) Mary A. Maestas	Date 03/22/2007
Title Regulatory Assistant		

Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed) JERRY KENCKA	Date 2-7-2008
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.

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

CONDITIONS OF APPROVAL ATTACHED

RECEIVED

FEB 11 2008

DIV. OF OIL, GAS & MINING

NOS 2/23/07
07PP 1436A



**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	Location:	SWSW, Sec 22, T9S, R22E
Well No:	CWU 1161-22	Lease No:	UTU-0284-A
API No:	43-047-39163	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:	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:	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) 781-3425

**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)**

General Surface 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.

Specific Surface COAs:

Conditions for Approval are in the APD

The following conditions are not in the APD:

- One culvert will be placed on the existing access road in the drainage that crosses the access road to the location.
- Ditch or Berm the east side of location.
- All the facilities on this location will be Carlsbad color.
- North side of location will be rip rap with large rock 18" or larger. (no cobble rock)

DOWNHOLE CONDITIONS OF APPROVAL

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

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- Production casing cement shall be brought up and into the surface casing. The minimum cement top is 200 ft above the surface casing shoe.
- COA specification is consistent with operators performance standard stated in APD.
- A variance is granted for Onshore Order #2 Drilling Operations III. E. "Blooie line Discharge 100 feet from well bore and securely anchored" Blooie line can be 75 feet.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

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.
- 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 (¼, 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, workover, 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

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: U-0284-A
2. NAME OF OPERATOR: EOG RESOURCES, INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY: VERNAL STATE: UT ZIP: 84078		7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1159 FSL - 1241 FWL 40.017422 LAT 109.431094 LON		8. WELL NAME and NUMBER: Chapita Wells Unit 1161-22
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 22 9S 22E S.L.B. & M		9. API NUMBER: 43-047-39163
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		

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

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

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

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

Date: 03-20-08
By: [Signature]

COPY SENT TO OPERATOR
Date: 3-24-2008
Initials: KS

NAME (PLEASE PRINT) <u>Kaylene R. Gardner</u>	TITLE <u>Lead Regulatory Assistant</u>
SIGNATURE <u>[Signature]</u>	DATE <u>3/17/2008</u>

(This space for State use only)

RECEIVED
MAR 19 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: 43-047-39163
Well Name: Chapita Wells Unit 1161-22
Location: 1159 FSL - 1241 FWL (SWSW), Section 22, T9S, R22E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 3/28/2007

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

3/17/2008

Date

Title: Lead Regulatory Assistant

Representing: EOG RESOURCES, INC.

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

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 1161-22

Api No: 43-047-39163 Lease Type: FEDERAL

Section 22 Township 09S Range 22E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # RATHOLE

SPUDDED:

Date 08/02/08

Time 9:00 AM

How DRY

Drilling will Commence: _____

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 08/04/08 Signed CHD

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

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES Operator Account Number: N 9550
 Address: 1060 East Highway 40
city VERNAL
state UT zip 84078 Phone Number: (435) 781-9145

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39925	CHAPITA WELLS UNIT 751-11		SWSW	11	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>KB</i>	<i>99999</i>	<i>4905</i>	<i>8/5/2008</i>			<i>8/14/08</i>	
Comments: <i>WSTC</i>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39924	CHAPITA WELLS UNIT 752-10		SWSW	10	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>KB</i>	<i>99999</i>	<i>4905</i>	<i>8/7/2008</i>			<i>8/14/08</i>	
Comments: <i>WSTC</i>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39163	CHAPITA WELLS UNIT 1161-22		SWSW	22	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>KB</i>	<i>99999</i>	<i>13650</i>	<i>8/2/2008</i>			<i>8/14/08</i>	
Comments: <i>MVRD</i>							

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)

Mickenzie Thacker

Name (Please Print)

Signature

Operations Clerk

Title

8/8/2008

Date

RECEIVED

AUG 11 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.
UTU0284A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

8. Well Name and No.
CHAPITA WELLS UNIT 1161-22

9. API Well No.
43-047-39163

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

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 22 T9S R22E SWSW 1159FSL 1241FWL
40.01742 N Lat, 109.43109 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 recomple 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 recomple 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 spud on 8/2/2008.

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AUG 12 2008

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #62103 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal

Name (Printed/Typed) **KAYLENE R GARDNER** Title **LEAD REGULATORY ASSISTANT**

Signature *Mickenzie Thacker* Date **08/08/2008**

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 ****

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. Multiple (See Attached)
2. Name of Operator EOG Resources, Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 1060 E. HWY 40 Vernal, UT 84078	3b. Phone No. (include area code) 435-789-0790	7. If Unit or CA/Agreement, Name and/or No. Chapita Wells Unit
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple (See Attached)		8. Well Name and No. Multiple (See Attached)
43 047 39163 CWU 1161-22 9S 22E 22		9. API Well No. Multiple (See Attached)
		10. Field and Pool, or Exploratory Area Natural Buttes
		11. County or Parish, State Uintah County, Utah

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 Air Drilling Variance Request
	<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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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. respectfully requests authorization for air drilling operations, see attached.

COPY SENT TO OPERATOR

Date: 10.14.2008

Initials: KS

RECEIVED

SEP 22 2008

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed) Mickenzie Thacker	Title Operations Clerk
Signature <i>Mickenzie Thacker</i>	Date 09/17/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>[Signature]</i>	Title Pet. Eng.	Date 10/7/08
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 DOGm	Federal Approval of This Action Is Necessary

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)

43-047-39163	UTU-0284-A	CWU 1161-22	1159' FSL 1241' FWL	SWSW Sec. 22 T9S R22E
43-047-39593	UTU-0282	CWU 1180-14	373' FNL 1370' FEL	NWNE Sec. 14 T9S R22E
43-047-39592	UTU-0281	CWU 1181-10	624' FSL 455' FEL	SESE Sec. 10 T9S R22E
43-047-39610	UTU-0282	CWU 1206-14	1909' FNL 2073' FWL	SENE Sec. 14 T9S R22E
43-047-39899	UTU-0282	CWU 1207-24	663' FNL 624' FWL	NWNW Sec. 24 T9S R22E
43-047-39907	UTU-0282	CWU 1208-24	757' FNL 2238' FEL	NWNE Sec. 24 T9S R22E
43-047-39898	UTU-0282	CWU 1210-24	2021' FSL 576' FEL	NESE Sec. 24 T9S R22E
43-047-38541	UTU-0281	CWU 1211-12	726' FNL 825' FEL	NENE Sec. 12 T9S R22E
43-047-38672	UTU-01304	CWU 1227-06	817' FNL 702' FEL	NENE Sec. 6 T9S R23E
43-047-38429	UTU-0343	CWU 1228-07	415' FNL 261' FWL	NWNW Sec. 7 T9S R23E
43-047-39638	UTU-0285-A	CWU 1279-28	278' FNL 188' FEL	NENE Sec. 28 T9S R22E
43-047-50006	UTU-29535	CWU 1296-30	1192' FSL 1312' FEL	SESE Sec. 30 T9S R23E
43-047-39616	UTU-0283-A	CWU 1334-15	142' FNL 1397' FWL	NENW Sec. 15 T9S R22E
43-047-39512	UTU-0283-A	CWU 1335-15	10' FNL 1330' FEL	NWNE Sec. 15 T9S R22E
43-047-39513	UTU-0283-A	CWU 1338-15	1850' FSL 1750' FWL	NESW Sec. 15 T9S R22E
43-047-39620	UTU-0284-A	CWU 1339-22	162' FNL 1330' FWL	NENW Sec. 22 T9S R22E
43-047-39653	UTU-0284-A	CWU 1342-22	1330' FNL 1100' FWL	SWNW Sec. 22 T9S R22E
43-047-39623	UTU-0284-A	CWU 1344-22	1163' FNL 120' FEL	NENE Sec. 22 T9S R22E
43-047-39652	UTU-0284-A	CWU 1346-22	2545' FSL 7' FEL	NESE Sec. 22 T9S R22E
43-047-39686	UTU-0284-A	CWU 1348-22	25' FSL 25' FEL	SESE Sec. 22 T9S R22E
43-047-50005	UTU-0285-A	CWU 1350-27	1229' FNL 1509' FWL	NENW Sec. 27 T9S R22E
43-047-39677	UTU-0282	CWU 1353-23	2570' FSL 1330' FWL	NESW Sec. 23 T9S R22E
43-047-39688	UTU-0282	CWU 1354-23	1181' FSL 2551' FEL	SWSE Sec. 23 T9S R22E

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.

VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1

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

1. 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).
2. 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.
3. EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
4. 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).
5. 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).

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.
UTU0284A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

8. Well Name and No.
CHAPITA WELLS UNIT 1161-22

9. API Well No.
43-047-39163

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

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 22 T9S R22E SWSW 1159FSL 1241FWL
40.01742 N Lat, 109.43109 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 recompleat 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 recompleat 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 10/31/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #64377 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 *Mary A. Maestas* (Electronic Submission) Date 11/03/2008

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 NOV 05 2008

DIV. OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 11-03-2008

Well Name	CWU 1161-22	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API #	43-047-39163	Well Class	COMP
County, State	UINTAH, UT	Spud Date	09-06-2008	Class Date	
Tax Credit	N	TVD / MD	9,500/ 9,500	Property #	058022
Water Depth	0	Last CSG	0.0	Shoe TVD / MD	0/ 0
KB / GL Elev	4,915/ 4,902				
Location	Section 22, T9S, R22E, SWSW, 1159 FSL & 1241 FWL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	55.469	NRI %	47.479

AFE No	303782	AFE Total	1,883,900	DHC / CWC	956,100/ 927,800
Rig Contr	TRUE	Rig Name	TRUE #27	Start Date	04-01-2007
04-01-2007	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
			1159' FSL & 1241' FWL (SW/SW)
			SECTION 22, T9S, R22E
			UINTAH COUNTY, UTAH
			 LAT 40.017458, LONG 109.430411 (NAD 27)
			LAT 40.017422, LONG 109.431094 (NAD 83)
			 TRUE #27
			OBJECTIVE: 9500' TD, MESAVERDE
			DW/GAS
			CHAPITA WELLS DEEP PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			 LEASE: U-0284-A
			ELEVATION: 4902.1' NAT GL, 4902.1' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4902'), 4915' KB (13')
			 EOG WI 55.4687%, NRI 47.47883%

07-28-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	START LOCATION TODAY 07/28/08.

07-29-2008 **Reported By** TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

07-30-2008 **Reported By** TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

07-31-2008 **Reported By** TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

08-01-2008 **Reported By** TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

08-04-2008 **Reported By** TERRY CSERE

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/181.5 BBLs FRESH WATER. BUMP PLUG W/750# @ 4:51 PM, 8/10/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB #1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (20 BBLs) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HR 8 MIN.

TOP JOB #2: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (20 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'S RIG #3 TOOK SURVEYS @ 1560' = 1 & 2385' = ½.

CONDUCTOR LEVEL RECORD: PS= 89.9 OPS= 89.8 VDS= 89.9 MS= 89.9.

9 5/8 CASING LEVEL RECORD: PS= 89.6 OPS= 89.8 VDS= 89.9 MS= 89.8.

KYLAN COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 8/07/2008 @ 3:15 PM.

09-06-2008	Reported By	PAUL WHITE									
Daily Costs: Drilling	\$19,688	Completion	\$0	Daily Total	\$19,688						
Cum Costs: Drilling	\$295,030	Completion	\$0	Well Total	\$295,030						
MD	2,385	TVD	2,385	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: PICKING UP DRILL PIPE

Start	End	Hrs	Activity Description
06:00	10:00	4.0	RDRT W/ TRUCKS, 2 CREWS.
10:00	10:30	0.5	LOAD OUT AND MOVE TO CWU 1161-22.
10:30	15:30	5.0	RURT W/ TRUCKS, RAISE DERRICK AT 15:00 HRS. RELEASED TRUCKS AT 15:00.
15:30	22:00	6.5	RURT.
22:00	23:30	1.5	NIPPLE UP BOP'S, PREPARE FOR TESTERS. RIG ACCEPTED AT 22:00 HRS, 9/5/08.
23:30	04:30	5.0	TEST BOP'S W/ B&C QUICK TEST. UPPER AND LOWER KELLY VALVE, INSIDE BOP, SAFETY VALVE, PIPE RAMS AND INSIDE VALVES, PIPE RAMS AND OUTSIDE VALVES (HCR), OUTSIDE CHECK VALVE, CHOKELINE, ALL CHOKE MANIFOLD VALVES AND SURFACE CASING. ALL TESTS 250 LOW AND 5000 HIGH. ANNULAR 250/2500. CASING 1500. ALL TESTS GOOD, NO LEAKS. CALLED JAMIE SPARGER W/ VERNAL BLM AND INFORMED HIM OF INTENTION TO SPUD AND TEST BOP'S. CALL MADE AT 21:00 9/5/08.
04:30	05:30	1.0	RIG UP PICKUP CREW AND INSTALL WEAR BUSHING. HOLD SAFETY MEETING W/ PICKUP CREW.
05:30	06:00	0.5	PICK UP DRILL PIPE.

NO ACCIDENTS OR INCIDENTS.

FULL CREW. CHECK AND SET COM FOR TRIPING.

SAFETY MEETING TOPICS: PICKUP DP, RW JONES, RIG MOVE.

09-07-2008	Reported By	PAUL WHITE									
Daily Costs: Drilling	\$46,073	Completion	\$0	Daily Total	\$46,073						
Cum Costs: Drilling	\$341,104	Completion	\$0	Well Total	\$341,104						

MD 4,151 **TVD** 4,151 **Progress** 1,766 **Days** 1 **MW** 8.5 **Visc** 26.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING AT 4,151'

Start	End	Hrs	Activity Description
06:00	08:30	2.5	PICKUP BHA AND DRILL PIPE, RIG DOWN LAY DOWN CREW.
08:30	09:00	0.5	SERVICE RIG.
09:00	10:00	1.0	WORK ON ROTATING HEAD CLAMP.
10:00	10:30	0.5	DRILL CEMENT/FLOAT EQUIP.
10:30	11:00	0.5	PUMP HI VIS PILL AND RUN FIT TO 12.2 PPG EMW.
11:00	18:00	7.0	DRILL F/ 2392 TO 3020 628' 90 FPH. WOB 16 RPM 65.
18:00	18:30	0.5	SURVEY AT 2963' 2.5 DEG.
18:30	06:00	11.5	DRILL F/ 3020 TO 4151 1131' 98 FPH. WOB 18 RPM 63. MUD WT 9 PPG, VIS 33. DRILLING MAHOGANY OIL SHALE, TOP OF WASATCH AT 4678.

FULL CREW. NO ACCIDEHNTS OR INCIDENTS.
 SAFETY MEETING TOPICS: SURVEYS, PUMP WORK, MIXING MUD.
 CHECK AND SET COM FOR DRLG.
 UNMANNED MUD LOGGER 1 DAY,
 FUEL ON HAND 3067 USED 748.

06:00 SPUD 7 7/8" HOLE @ 11:00 HRS, 9/6/08.

09-08-2008 **Reported By** PAUL WHITE

DailyCosts: Drilling \$31,010 **Completion** \$0 **Daily Total** \$31,010
Cum Costs: Drilling \$372,024 **Completion** \$0 **Well Total** \$372,024

MD 5,610 **TVD** 5,610 **Progress** 1,459 **Days** 2 **MW** 9.5 **Visc** 32.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING @ 5,610'

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILL F/ 4151 TO 4496 345' 63 FPH. WOB 16 RPM 50.
11:30	12:00	0.5	SURVEY AT 4418' 2.25 DEG.
12:00	14:00	2.0	DRILL F/ 4496 TO 4777 281 140 FPH, WOB 16 RPM 65.
14:00	14:30	0.5	SERVICE RIG.
14:30	06:00	15.5	DRILL F/ 4777 TO 5610 833' 54 FPH. WOB 19 RPM 56, MUD WT. 9.8 VIS 36.

DRILLING CHAPITA WELLS, TOP OF BUCK CANYON AT 5995.
 FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: LOCK OUT/ TAG OUT, PPE.
 FUNCTION CHECK COM FOR DRLG.
 BOP DRILL 1 1/2 MIN.
 UNMANNED MUD LOGGER 2 DAYS.
 FUEL ON HAND 1870 USED 1197.

09-09-2008 **Reported By** PAUL WHITE

DailyCosts: Drilling \$58,128 **Completion** \$0 **Daily Total** \$58,128
Cum Costs: Drilling \$430,152 **Completion** \$0 **Well Total** \$430,152

MD 6,740 TVD 6,740 Progress 1,130 Days 3 MW 10.0 Visc 38.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 6,740'

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILL F/ 5610 TO 5867 257' 73 FPH, WOB 18, RPM 50/70.
09:30	10:30	1.0	SERVICE RIG, REBUILD KOOMEY PUMP, REPAIR MANIFOLD PRESSURE REGULATOR.
10:30	06:00	19.5	DRILL F/ 5867 TO 6740 873' 45 FPH. WOB 19 RPM 53. MUD WT. 10.2 VIS 39. DRILLING NORTH HORN TOP OF PRICE RIVER AT 7,165. FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: 100% TIE OFF, TEAM WORK. FUNCTION CHECK COM FOR DRLG. BOP DRILL 1 1/2 MIN. UNMANNED LOGGING UNIT 3 DAYS. FUEL ON HAND 6161 REC. 4500 USED 1209.

09-10-2008 Reported By PAUL WHITE

DailyCosts: Drilling \$40,518 Completion \$0 Daily Total \$40,518
 Cum Costs: Drilling \$466,202 Completion \$0 Well Total \$466,202

MD 7,580 TVD 7,580 Progress 840 Days 4 MW 10.2 Visc 38.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 7,580'

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRILL F/ 6740 TO 7035. 295' 37 FPH WOB 18 RPM 50.
14:00	14:30	0.5	SERVICE RIG.
14:30	06:00	15.5	DRILL F/ 7035 TO 7580 545' 35 FPH. WOB 25 RPM 55, MUD WT. 10.2 VIS 36. DRILLING PRICE RIVER, TOP OF PRICE RIVER MIDDLE 8,005. FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: LOCK OUT/ TAG OUT, FORKLIFT SAFETY. FUNCTION CHECK COM FOR DRLG. (EACH TOUR) UNMANNED LOGGING UNIT 4 DAYS, FUEL ON HAND 3815 USED 1346.

09-11-2008 Reported By PAUL WHITE

DailyCosts: Drilling \$89,834 Completion \$2,978 Daily Total \$92,812
 Cum Costs: Drilling \$556,036 Completion \$2,978 Well Total \$559,014

MD 8,035 TVD 8,035 Progress 410 Days 5 MW 10.6 Visc 37.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 8,035'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILL F/ 7580 TO 7625 45' FPH. WOB 25 RPM 50. PREPARE FOR TRIP. MUD WT. 10.5.
07:00	08:00	1.0	CIRCULATE, MIX PILL, DROP SURVEY. FUNCTION CHECK AND SET COM FOR TRIPPING.
08:00	15:00	7.0	TRIP, CHANGE MUD MOTOR, LAY DOWN REAMERS.
15:00	15:30	0.5	WASH AND REAM 7545 TO 7625.
15:30	16:00	0.5	DRILL F/ 7625 TO 7637 12'. CHECK AND SET COM FOR DRLG.
16:00	16:30	0.5	SERVICE RIG.
16:30	06:00	13.5	DRILL F/ 7637 TO 8035 398' 30 FPH. WOB 19 RPM 55. MUD WT. 10.7 VIS 39. DRILLING PRICE RIVER MIDDLE, TOP OF PRICE RIVER LOWER AT 8810

FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: LAYING DOWN REAMERS, SPINNING CHAIN. UNMANNED MUD LOGGING UNIT 5 DAYS. FUEL ON HAND 2692 USED 1123.

09-12-2008 Reported By PAUL WHITE

Daily Costs: Drilling	\$51,432	Completion	\$7,985	Daily Total	\$59,417						
Cum Costs: Drilling	\$607,468	Completion	\$10,963	Well Total	\$618,431						
MD	8,640	TVD	8,640	Progress	605	Days	6	MW	10.8	Visc	38.0
Formation :	PBTD : 0.0		Perf :		PKR Depth : 0.0						

Activity at Report Time: TOH FOR BIT

Start	End	Hrs	Activity Description
06:00	17:30	11.5	DRILL F/ 8035 TO 8421 386' 34 FPH.
17:30	18:00	0.5	SERVICE RIG.
18:00	03:30	9.5	DRILL F/ 8421 TO 8640 219' 23 FPH.
03:30	04:00	0.5	CIRCULATE MIX PILL AND DROP SURVEY.
04:00	06:00	2.0	TRIP OUT FOR BIT #3. CHECK AND SET COM FOR TRIPPING. MUD WT. 10.9 VIS 37. DRILLED TO MIDDLE PRICE RIVER. TOP OF LOWER PRICE RIVER AT 8810.

FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: CHECKING TOOL JTS FOR WASHING, PINCH POINTS.

UNMANNED LOGGING UNIT 6 DAYS.

FUEL ON HAND 5685 RECIEVED 4400 USED 1407.

09-13-2008 Reported By PAUL WHITE

Daily Costs: Drilling	\$43,701	Completion	\$0	Daily Total	\$43,701						
Cum Costs: Drilling	\$651,169	Completion	\$10,963	Well Total	\$662,132						
MD	9,120	TVD	9,120	Progress	480	Days	7	MW	11.2	Visc	37.0
Formation :	PBTD : 0.0		Perf :		PKR Depth : 0.0						

Activity at Report Time: DRILLING AT 9,120'

Start	End	Hrs	Activity Description
06:00	11:00	5.0	TRIP FOR BIT. RECOVER SURVEY, CHANGE BIT AND MOTOR.
11:00	11:30	0.5	WASH/REAM 60'.
11:30	17:30	6.0	DRILL F/ 8640 TO 8800 160' 27 FPH. WOB 18 RPM 50/70. RESET COM FOR DRLG.
17:30	18:00	0.5	SERVICE RIG.
18:00	06:00	12.0	DRILL F/ 8800 TO 9120 320' WOB 19 RPM 45, MUD WT. 11.2 VIS 39.

DRILLING LOWER PRICE RIVER, TOP OF SEGO AT 9287. FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: LAYING DOWN MUD MOTORS, DRILL PIPE SLIPS. FUNCTION CHECK COM. UNMANNED LOGGING UNIT 7 DAYS. FUEL ON HAND 4488 USED 1197.

09-14-2008 Reported By PAUL WHITE

Daily Costs: Drilling	\$29,299	Completion	\$0	Daily Total	\$29,299						
Cum Costs: Drilling	\$680,469	Completion	\$10,963	Well Total	\$691,432						
MD	9,418	TVD	9,418	Progress	298	Days	8	MW	11.3	Visc	37.0
Formation :	PBTD : 0.0		Perf :		PKR Depth : 0.0						

Activity at Report Time: TIH W/NEW BIT

Start	End	Hrs	Activity Description
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06:00 14:30 8.5 DRILL F/ 9120 TO 9305 185' 22 FPH. WOB 20 RPM 50.
 14:30 15:00 0.5 SERVICE RIG.
 15:00 21:00 6.0 DRILL F/ 9305 TO 9418 113' 19 FPH. WOB 22 RPM 50.
 21:00 23:00 2.0 CIRCULATE AND RAISE MUD WT. TO 11.6. ENCOUNTERED INCREASED PRESSURE IN SEGO.
 23:00 06:00 7.0 TRIP FOR BIT, CHANGE MUD MOTOR, SURVEY. MUD WT. 11.6 VIS 38.

DRILLING SEGO. EVENING TOUR SHORT ONE MAN. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: TRIPPING, PROPER HOLE FILL. UNMANNED MUDLOGGING UNIT 8 DAYS. FUEL ON HAND 4488 USED 1197.

09-15-2008	Reported By	PAUL WHITE									
DailyCosts: Drilling	\$41,124	Completion	\$0	Daily Total	\$41,124						
Cum Costs: Drilling	\$721,593	Completion	\$10,963	Well Total	\$732,556						
MD	9,500	TVD	9,500	Progress	82	Days	9	MW	11.6	Visc	37.0
Formation :	PBTD : 0.0		Perf :		PKR Depth : 0.0						

Activity at Report Time: CIRCULATE FOR CEMENT

Start	End	Hrs	Activity Description
06:00	08:30	2.5	TRIP IN HOLE W/ BIT #4.
08:30	09:00	0.5	WASH/REAM TO BOTTOM.
09:00	12:30	3.5	DRILL F/ 9402 TO 9500' 82' 23FPH. REACHED TD AT 12:30 HRS, 9/14/08.
12:30	13:30	1.0	CIRCULATE BOTTOMS UP, RIG UP AND HOLD SAFETY MEETING W/ LAY DOWN CREW.
13:30	20:30	7.0	LAY DOWN DRILL PIPE AND BHA. PULL WEAR BUSHING. CASING POINT 13:30 9/14/08.
20:30	02:00	5.5	RUN 218 JTS. 4.5" 11.6 # HCP-110 CASING EQUIPED W/ WEATHERFORD DIFFERENTIAL FILL FLOAT SHOE AND FLOAT COLLAR. CENTRILIZERS PLACED 5' ABOVE SHOE, ON TOP OF SECOND JOINT AND EVERY THIRD JOINT AFTER FOR A TOTAL OF 30. SHOE AT 9479' FLOAT COLLAR AT 9432'. MARKER JT AT 6759' AND 4259'. TAGGED BOTTOM AND LANDED CASING W/ 75K ON HANGER.
03:30	06:00	2.5	CIRCULATE FOR CEMENT. WAIT ON SCHLUMBERGER. MUD WT. 11.6 VIS 38.

NIGHT CREW SHORT 1 MAN. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: LD/DP, RUNNING CASING. FUEL ON HAND 3216 USED 1272. UNMANNED LOGGING UNIT 9 DAYS.

09-16-2008	Reported By	PAUL WHITE									
DailyCosts: Drilling	\$52,697	Completion	\$221,066	Daily Total	\$273,763						
Cum Costs: Drilling	\$774,290	Completion	\$232,029	Well Total	\$1,006,319						
MD	9,500	TVD	9,500	Progress	0	Days	10	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :		PKR Depth : 0.0						

Activity at Report Time: RDRT

Start	End	Hrs	Activity Description
06:00	06:30	0.5	CIRCULATE AND WAIT ON SCHLUMBERGER.
06:30	07:30	1.0	RIG UP AND HOLD SAFTY MEETING W/ SCHLUMBERGER.
07:30	10:00	2.5	CEMENTING. LOADED BOTTOM PLUG AND TOP PLUG. SCHLUMBER MIXED AND PUMPED CEMENT AS FOLLOWS: 20 BBLs CHEM WASH, 20 BBLs WATER, 142.8 BBLs LEAD SLURRY: 35/65 POZ G, SLURRY WT. 12.5 PPG. (405 SX). FOLLOWED W/ 362 BBLs. TAIL SLURRY, 50/50 POZ "G" SLURRY WT. 14.1 PPG. 1575 SX), DROPPED TOP PLUG AND DISPLACED W/ 146 BBLs. WATER. CIRCULATED 10 BBLs CHEM WASH TO SURFACE. BUMPED PLUG W/ 3,500 PSI, CHECKED FLOATS OK.

10:00 11:00 1.0 RIG DOWN SCHLUMBERGER, ATTEMPT TO SET DTO PACKOFF. UNSUCCESSFUL. DECISION WAS MADE TO INSTALL PACKOFF AFTER BOP REMOVAL.

11:00 12:00 1.0 NIPPLE DOWN BOP, CLEAN PITS.

MATERIAL TRANSFERED TO CWU 1279-28, 2543 GAL DIESEL, 6 JTS. 4.5 N-80 CASING, 4 JTS. 4.5" HCP-110 CASING, 1 MARKER JT. 4.5" HCP-110 CASING. FULL CREWS. NO ACCIDENTS OR INCIDENTS. SAFTY MEETING TOPICS: RURT, MEETING HELD W/ RW JONES TRUCKING. RIG MOVE .04 MILES. INSTALL AND TEST DTO PACKOFF TO 5,000 PSI 15 MIN.

12:00 RELEASE RIG AT 12:00 HRS, 9/15/08.
CASING POINT COST \$751,737

09-27-2008 Reported By SEARLE

Daily Costs: Drilling	\$0	Completion	\$45,234	Daily Total	\$45,234
Cum Costs: Drilling	\$774,290	Completion	\$277,263	Well Total	\$1,051,553

MD 9,500 TVD 9,500 Progress 0 Days 11 MW 0.0 Visc 0.0

Formation : PBTD : 9432.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 200'. EST CEMENT TOP @ 600' RD SCHLUMBERGER.

10-19-2008 Reported By MCCURDY

Daily Costs: Drilling	\$0	Completion	\$2,248	Daily Total	\$2,248
Cum Costs: Drilling	\$774,290	Completion	\$279,511	Well Total	\$1,053,801

MD 9,500 TVD 9,500 Progress 0 Days 12 MW 0.0 Visc 0.0

Formation : PBTD : 9432.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 8500 PSIG. WO COMPLETION.

10-28-2008 Reported By CARLSON

Daily Costs: Drilling	\$0	Completion	\$968	Daily Total	\$968
Cum Costs: Drilling	\$774,290	Completion	\$280,479	Well Total	\$1,054,769

MD 9,500 TVD 9,500 Progress 0 Days 13 MW 0.0 Visc 0.0

Formation : MESA VERDE PBTD : 9432.0 Perf : 7812-9219 PKR Depth : 0.0

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PERFORATE LPR FROM 9006'-07', 9023'-24', 9027'-28', 9038'-39', 9042'-43', 9099'-9100', 9102'-03', 9105'-06', 9134'-35', 9216'-19' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4224 GAL WFG LINEAR PAD, 6580 GAL WFG LINEAR W1# & 1.5# 20/40 SAND, 20125 GAL DELTA 200 WITH 76400# 20/40 SAND @ 1-5 PPG. MTP 7533 PSIG. MTR 52.7 BPM. ATP 4794 PSIG. ATR 50.3 BPM. ISIP 3000 PSIG. RD HALLIBURTON.

RUWL. SET 10K CFP @ 8975' & PERFORATE LPR FROM 8769'-70', 8783'-84', 8822'-23', 8837'-38', 8858'-59', 8883'-84', 8887'-88', 8898'-99', 8907;008', 8922'-23', 8953'-54', 8956'-57' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 418 GAL WFG LINEAR PAD, 6480 GAL WFG LINEAR W/1# & 1.5# 20/40 SAND, 39507 GAL DELTA 200 WITH 142300 # 20/40 SAND @ 1-5 PPG. MTP 4947 PSIG. MTR 50.3 BPM. ATP 4127 PSIG. ATR 48.6 BPM. ISIP 3160 PSIG. RD HALLIBURTON.

RUWL. SET 10K CFP @ 8725' & PERFORATE MPR FROM 8544'-45', 8549'-50', 8553'-54', 8560'-61', 8581'-82', 8609'-10', 8661'-62', 8671'-72', 8675'-76', 8683'-85', 8711'-12' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 254 GAL WFG LINEAR PAD, 6402 GAL WFG LINEAR W/1# & 1.5# 20/40 SAND, 28783 GAL DELTA 200 WITH 104600# 20/40 SAND @ 1-5 PPG. MTP 7306 PSIG. MTR 50.8 BPM. ATP 5023 PSIG. ATR 49.3 BPM. ISIP 3180 PSIG. RD HALLIBURTON.

RUWL. SET 10K CFP AT 8515' & PERFORATE MPR FROM 8293'-94', 8320'-21', 8350'-51', 8364'-65', 8375'-76', 8383'-84', 8425'-26', 8432'-33', 8449'-50', 8455'-56', 8479'-80', 8499'-8500' @ 3 SPF 120° PHASING. RDWL. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 194 GAL WFG LINEAR PAD, 6969 GAL WFG LINEAR W/1# & 1.5# 20/40 SAND, 47902 GAL DELTA 200 WITH 171100# 20/40 SAND @ 1-5 PPG. MTP 6316 PSIG. MTR 52.4 BPM. ATP 4444 PSIG. ATR 52 BPM. ISIP 2860 PSIG. RD HALLIBURTON.

RUWL. SET 10K CFP AT 8268'. PERFORATE MPR FROM 8140'-41', 8149'-50', 8164'-65', 8182'-83', 8204'-05', 8209'-11', 8218'-19', 8227'-28', 8241'-42', 8252'-54' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 602 GAL WFG LINEAR PAD, 6432 GAL WFG LINEAR W/1# & 1.5# 20/40 SAND, 34326 GAL DELTA 200 WITH 122800# 20/40 SAND @ 1-5 PPG. MTP 5173 PSIG. MTR 52 BPM. ATP 4247 PSIG. ATR 50.5 BPM. ISIP 2940 PSIG. RD HALLIBURTON.

RUWL. SET 10K CFP AT 8075'. PERFORATE UPR/MPR FROM 7812'-13', 7846'-47', 7858'-59', 7866'-67', 7926'-27', 7949'-50', 7993'-94', 8009'-10', 8021'-22', 8044'-45', 8053'-54', 8060'-61' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 245 GAL WFG LINEAR PAD, 6737 GAL WFG LINEAR W/1# & 1.5# 20/40 SAND, 46741 GAL DELTA 200 WITH 167700# 20/40 SAND @ 1-5 PPG. MTP 5146 PSIG. MTR 49.9 BPM. ATP 3879 PSIG. ATR 48.2 BPM. ISIP 2680 PSIG. RD HALLIBURTON.

10-29-2008 Reported By CARLSON

DailyCosts: Drilling \$0 Completion \$399,390 Daily Total \$399,390

Cum Costs: Drilling \$774,290 Completion \$679,869 Well Total \$1,454,160

MD 9,500 TVD 9,500 Progress 0 Days 14 MW 0.0 Visc 0.0

Formation : MESA VERDE PBTB : 9432.0 Perf : 7158-9219 PKR Depth : 0.0

Activity at Report Time: PREP TO MIRUSU

Start End Hrs Activity Description

06:00 06:00 24.0 SICP 1815 PSIG. RUWL SET 10K CFP AT 7775'. PERFORATE UPR FROM 7553'-54', 7561'-62', 7584'-85', 7606'-07', 7634'-35', 7644'-45', 7651'-52', 7665'-66', 7690'-91', 7699'-7700', 7717'-18', 7753'-54' @ 3 SPF @ 120° PHASING. RDWL. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 492 GAL WFG LINEAR PAD, 6501 GAL WFG LINEAR W/1# & 1.5# 20/40 SAND, 37734 GAL DELTA 200 WITH 136900# 20/40 SAND @ 1-5 PPG. MTP 5375 PSIG. MTR 50.3 BPM. ATP 3859 PSIG. ATR 47.4 BPM. ISIP 2500 PSIG. RD HALLIBURTON.

RUWL. SET 10K CFP AT 7525'. PERFORATE UPR FROM 7331'-32', 7337'-38', 7346'-47', 7355'-56', 7366'-67', 7397'-98', 7425'-26', 7446'-47', 7481'-82', 7485'-86', 7500'-01', 7505'-06' @ 3 SPF @ 120° PHASING. RDWL. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 488 GAL WFG LINEAR PAD, 6377 GAL WFG LINEAR W/1# & 1.5# SAND, 35934 GAL DELTA 200 WITH 131100# 20/40 SAND @ 1-5 PPG. MTP 4929 PSIG. MTR 47.6 BPM. ATP 3748 PSIG. ATR 46.9 BPM. ISIP 2036 PSIG. RD HALLIBURTON.

RUWL. SET 10K CFP AT 7310'. PERFORATE UPR FROM 7158'-59', 7175'-76', 7180'-91', 7206'-07', 7210'-11', 7214'-15', 7240'-41', 7249'-50', 7264'-65', 7278'-79', 7290'-92' @ 3 SPF @ 120° PHASING. RDWL. RDWL. RU HALLIBURTON, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 331 GAL WFG LINEAR PAD, 6472 GAL WFG LINEAR W/1# & 1.5# 20/40 SAND, 40493 GAL DELTA 200 WITH 153800# 20/40 SAND @ 1-5 PPG. MTP 3948 PSIG. MTR 51.2 BPM. ATP 3164 PSIG. ATR 50.3 BPM. ISIP 2170 PSIG. RD HALLIBURTON.

RUWL. SET 6K CBP AT 7074'. RDWL. SDFN.

10-30-2008 **Reported By** BAUSCH

Daily Costs: Drilling \$0 **Completion** \$47,132 **Daily Total** \$47,132

Cum Costs: Drilling \$774,290 **Completion** \$727,001 **Well Total** \$1,501,292

MD 9,500 **TVD** 9,500 **Progress** 0 **Days** 15 **MW** 0.0 **Visc** 0.0

Formation : MESA VERDE **PBTD : 9432.0** **Perf : 7158-9219** **PKR Depth : 0.0**

Activity at Report Time: MIRUSU. C/O AFTER FRAC.

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

07:00 15:00 8.0 MIRUSU. HOLD SAFETY MTG. ND FRAC TREE. NU BOP. RIH W/ 3 7/8" HURRICANE MILL & PUMP OFF SUB TO 7074'. RU TO DRILL OUT PLUGS. SDFN.

10-31-2008 **Reported By** BAUSCH

Daily Costs: Drilling \$0 **Completion** \$9,232 **Daily Total** \$9,232

Cum Costs: Drilling \$774,290 **Completion** \$736,233 **Well Total** \$1,510,524

MD 9,500 **TVD** 9,500 **Progress** 0 **Days** 16 **MW** 0.0 **Visc** 0.0

Formation : MESA VERDE **PBTD : 9280.0** **Perf : 7158-9219** **PKR Depth : 0.0**

Activity at Report Time: FLOW TEST

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

07:00 06:00 23.0 SICP 0 PSIG. SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7074', 7310', 7525', 7075', 8268', 8515', 8725', 8775' & 8975'. RIH. CLEANED OUT TO 9280'. LANDED TBG AT 7946' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 14 HRS. 24/64" CHOKE. FTP 1750 PSIG. CP 1350 PSIG. 85 BFPH. RECOVERED 1381 BLW. 9305 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'

1 JT 2-3/8 4.7# L-80 TBG 30.50'

XN NIPPLE 1.30'

254 JTS 2-3/8 4.7# L-80 TBG 7900.01'

N-80 NIPPLE & COUPLING .60'

BELOW KB 13.00'

LANDED @ 7946.41' KB

11-01-2008 **Reported By** BAUSCH

Daily Costs: Drilling \$0 **Completion** \$5,950 **Daily Total** \$5,950

Cum Costs: Drilling \$774,290 **Completion** \$742,183 **Well Total** \$1,516,474

MD 9,500 **TVD** 9,500 **Progress** 0 **Days** 17 **MW** 0.0 **Visc** 0.0

Formation : MESA VERDE **PBTD : 9280.0** **Perf : 7158-9219** **PKR Depth : 0.0**

Activity at Report Time: FLOW TEST TO SALES

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

06:00 06:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 2000 PSIG. CP 1450 PSIG. 54 BFPH. RECOVERED 1356 BLW. 7949 BLWTR. 1372 MCFD RATE.

11-02-2008 **Reported By** BAUSCH

Daily Costs: Drilling	\$0	Completion	\$2,780	Daily Total	\$2,780
Cum Costs: Drilling	\$774,290	Completion	\$744,963	Well Total	\$1,519,254
MD	9,500	TVD	9,500	Progress	0
		Days	18	MW	0.0
		Visc			0.0
Formation : MESA VERDE		PBTD : 9280.0		Perf : 7158-9219	
				PKR Depth : 0.0	

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1950 PSIG. CP 1800 PSIG. 45 BFPH. RECOVERED 45 BLW. 6799 BLWTR. 1587 MCFD RATE.

11-03-2008 Reported By BAUSCH

Daily Costs: Drilling	\$0	Completion	\$2,780	Daily Total	\$2,780
Cum Costs: Drilling	\$774,290	Completion	\$747,743	Well Total	\$1,522,034
MD	9,500	TVD	9,500	Progress	0
		Days	19	MW	0.0
		Visc			0.0
Formation : MESA VERDE		PBTD : 9280.0		Perf : 7158-9219	
				PKR Depth : 0.0	

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION: TURNED TO GAS SALES. SITP 1910 & SICP 1350 PSIG. TURNED WELL TO QUESTAR SALES AT 11:15 AM, 10/31/08. FLOWING 911 MCFD RATE ON 12/64" POS CK. STATIC 260. QGM METER #7896.
			FLOWED 24 HRS. 24/64" CHOKE. FTP 1850 PSIG. CP 2700 PSIG. 36 BFPH. RECOVERED 897 BLW. 5902 BLWTR. 1452 MCFD RATE.

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.
UTU0284A

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

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

3. Address: 600 17TH STREET SUITE 1000N DENVER, CO 80202
 3a. Phone No. (include area code) Ph: 303-824-5526

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface SWSW 1159FSL 1241FWL 40.01742 N Lat, 109.43109 W Lon
 At top prod interval reported below SWSW 1159FSL 1241FWL 40.01742 N Lat, 109.43109 W Lon
 At total depth SWSW 1159FSL 1241FWL 40.01742 N Lat, 109.43109 W Lon

6. If Indian, Allottee or Tribe Name
 7. Unit or CA Agreement Name and No. CHAPITA WELLS UNI
 8. Lease Name and Well No. CHAPITA WELLS UNIT 1161-22
 9. API Well No. 43-047-39163
 10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE
 11. Sec., T., R., M., or Block and Survey or Area Sec 22 T9S R22E Mer SLB
 12. County or Parish UINTAH 13. State UT
 14. Date Spudded 08/02/2008 15. Date T.D. Reached 09/14/2008 16. Date Completed D & A Ready to Prod. 10/31/2008
 17. Elevations (DF, KB, RT, GL)* 4902 GL
 18. Total Depth: MD 9500 TVD 19. Plug Back T.D.: MD 9280 TVD 20. Depth Bridge Plug Set: MD TVD
 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) RST/CBL/CCL/MDL/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	0	2392		700		0	
7.875	4.500 P-110	11.6	0	9479		1980		600	

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	7946							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	7158	9219	9006 TO 9219		3	
B)			8769 TO 8957		3	
C)			8544 TO 8712		3	
D)			8293 TO 8500		3	

26. Perforation Record 7158

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

Depth Interval	Amount and Type of Material
9006 TO 9219	31,094 GALS GELLED WATER & 76,400# 20/40 SAND
8769 TO 8957	46,570 GALS GELLED WATER & 142,300# 20/40 SAND
8544 TO 8712	35,604 GALS GELLED WATER & 104,600# 20/40 SAND
8293 TO 8500	55,230 GALS GELLED WATER & 171,100# 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
10/31/2008	11/10/2008	24	→	100.0	1114.0	220.0			FLOW FROM WELL
Choke Size	Tbg. Press. Flwg. 2000 SI	Csg. Press. 2600.0	24 Hr. Rate →	Oil BBL 100	Gas MCF 1114	Water BBL 220	Gas:Oil Ratio	Well Status 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 #65005 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
 ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED

RECEIVED

DEC 01 2008

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
MESAVERDE	7158	9219		GREEN RIVER MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER MIDDLE PRICE RIVER	1627 2258 4565 4679 5266 5967 7150 7975

32. Additional remarks (include plugging procedure):
Please see the attached sheet for detailed perforation and additional formation marker information.

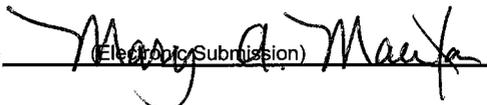
33. Circle enclosed attachments:

- 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 #65005 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal**

Name (please print) MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature  Date 11/22/2008

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 1161-22 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

8140-8254	3/spf
7812-8061	3/spf
7553-7754	3/spf
7331-7506	3/spf
7158-7292	3/spf

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

8140-8254	41,525 GALS GELLED WATER & 122,800# 20/40 SAND
7812-8061	53,888 GALS GELLED WATER & 167,700# 20/40 SAND
7553-7754	44,892 GALS GELLED WATER & 136,900# 20/40 SAND
7331-7506	42,964 GALS GELLED WATER & 131,100# 20/40 SAND
7158-7292	47,461 GALS GELLED WATER & 153,800# 20/40 SAND

Perforated the Lower Price River from 9006-07', 9023-24', 9027-28', 9038-39', 9042-43', 9099-9100', 9102-03', 9105-06', 9134-35', 9216-19' w/ 3 spf.

Perforated the Lower Price River from 8769-70', 8783-84', 8822-23', 8837-38', 8858-59', 8883-84', 8887-88', 8898-99', 8907-08', 8922-23', 8953-54', 8956-57' w/ 3 spf.

Perforated the Middle Price River from 8544-45', 8549-50', 8553-54', 8560-61', 8581-82', 8609-10', 8661-62', 8671-72', 8675-76', 8683-85', 8711-12' w/ 3 spf.

Perforated the Middle Price River from 8293-94', 8320-21', 8350-51', 8364-65', 8375-76', 8383-84', 8425-26', 8432-33', 8449-50', 8455-56', 8479-80', 8499-8500' w/ 3 spf.

Perforated the Middle Price River from 8140-41', 8149-50', 8164-65', 8182-83', 8204-05', 8209-11', 8218-19', 8227-28', 8241-42', 8252-54' w/ 3 spf.

Perforated the Upper/Middle Price River from 7812-13', 7846-47', 7858-59', 7866-67', 7926-27', 7949-50', 7993-94', 8009-10', 8021-22', 8044-45', 8053-54', 8060-61' w/ 3 spf.

Perforated the Upper Price River from 7553-54', 7561-62', 7584-85', 7606-07', 7634-35', 7644-45', 7651-52', 7665-66', 7690-91', 7699-7700', 7717-18', 7753-54' w/ 3 spf.

Perforated the Upper Price River from 7331-32', 7337-38', 7346-47', 7355-56', 7366-67', 7397-98', 7425-26', 7446-47', 7481-82', 7485-86', 7500-01', 7505-06' w/ 3 spf.

Perforated the Upper Price River from 7158-59', 7175-76', 7180-81', 7206-07', 7210-11', 7214-15', 7240-41', 7249-50', 7264-65', 7278-79', 7290-92' w/ 3 spf.

32. FORMATION (LOG) MARKERS

Lower Price River	8776
Sego	9285

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 1161-22

API number: 4304739163

Well Location: QQ SWSW Section 22 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		
		NO WATER	FLUID DRILLED HOLE

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

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

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

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE *Mary A. Maestas*

DATE 11/22/2008

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.
UTU0284A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

8. Well Name and No.
CHAPITA WELLS UNIT 1161-22

9. API Well No.
43-047-39163

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

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 22 T9S R22E SWSW 1159FSL 1241FWL
40.01742 N Lat, 109.43109 W Lon

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

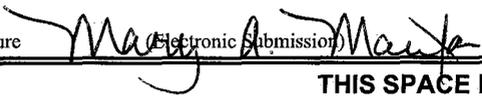
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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	
	<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.)

Per verbal approval with Nate Packer, BLM Vernal Field Office, EOG Resources, Inc. installed a small evaporation unit on the reserve pit for the referenced well. The unit will be in place until the pit is fully evaporated. Upon completion of evaporation, the pit will be reclaimed.

14. I hereby certify that the foregoing is true and correct.
**Electronic Submission #68145 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 03/17/2009

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**
RECEIVED
MAR 23 2009

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.
UTU0284A

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 1161-22

9. API Well No.
43-047-39163

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@egoresources.com

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

3b. Phone No. (include area code)
Ph: 303-824-5526
Fx: 303-824-5527

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 22 T9S R22E SWSW 1159FSL 1241FWL
40.01742 N Lat, 109.43109 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	
	<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 recompleat 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 recompleat 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.)

As per verbal approval with Nate Packer, Vernal BLM, a small evaporation unit was placed in the reserve pit on the referenced location. The unit will be in place until the pit is fully evaporated. Upon completion of evaporation, the pit will be reclaimed.

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

RECEIVED
JUN 08 2009
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #70508 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 *Mary A Maestas* (Electronic Submission) Date 06/04/2009

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 _____

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