

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

|  |                                       |
|--|---------------------------------------|
| 5. Lease Serial No.<br>U-0344  |                                       |
| 6. If Indian, Allottee or Tribe Name   |                                       |
| 7. If Unit or CA Agreement, Name and No.   |                                       |
| 8. Lease Name and Well No.<br>East Chapita 63-35   |                                       |
| 9. API Well No.<br>43-047-39205  |                                       |
| 10. Field and Pool, or Exploratory<br>Natural Buttes/Wasatch/Mesaverde   |                                       |
| 11. Sec., T. R. M. or Blk. and Survey or Area<br>Sec. 35-T9S-R23E, S.L.B.&M.   |                                       |
| 12. County or Parish<br>Uintah County  | 13. State<br>UT                       |
| 14. Distance in miles and direction from nearest town or post office*<br>57.0 miles south of Vernal, Utah  |                                       |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)<br>644' Lease line<br>582' Drilling Line | 16. No. of acres in lease<br>640      |
| 17. Spacing Unit dedicated to this well<br>40 acres  |                                       |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.   | 19. Proposed Depth<br>8330'           |
| 20. BLM/BIA Bond No. on file<br>NM2308   |                                       |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.)<br>5335' GL  | 22. Approximate date work will start* |
|  | 23. Estimated duration<br>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<br>                 | Name (Printed/Typed)<br>Kaylene R. Gardner | Date<br>04/09/2007 |
| Title<br>Sr. Regulatory Assistant |  |                    |
| Approved by (Signature)<br>       | Name (Printed/Typed)<br>BRADLEY G. HILL    | Date<br>04-30-07   |
| Title<br>Office                   | ENVIRONMENTAL MANAGER                      |                    |

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

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

\*(Instructions on page 2)

Federal Approval of this  
Action is Necessary

RECEIVED  
APR 13 2007  
DIV. OF OIL, GAS & MINING

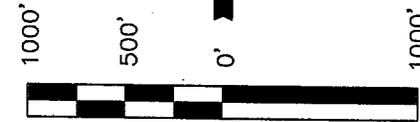
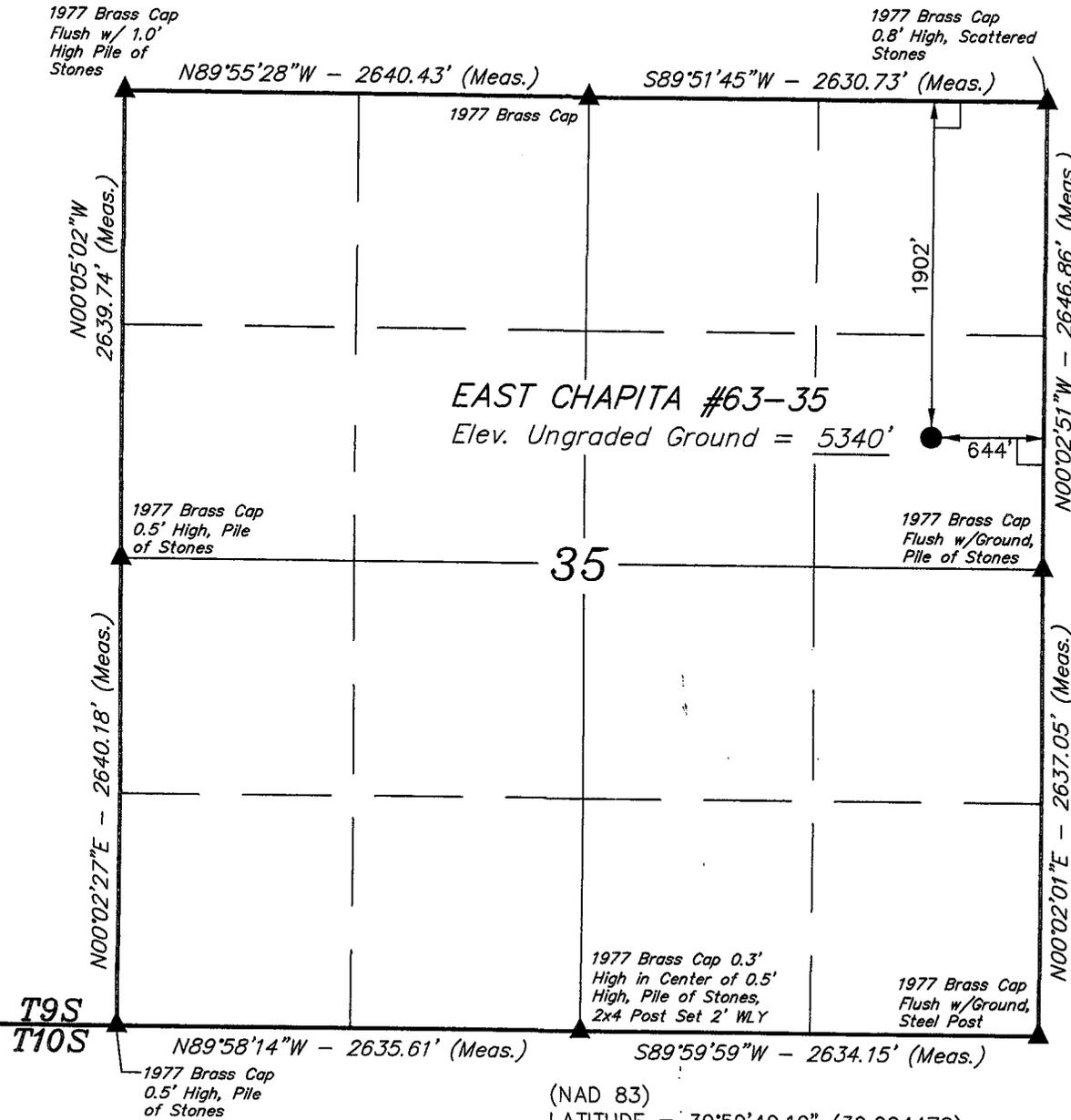
# T9S, R23E, S.L.B.&M.

# EOG RESOURCES, INC.

Well location, EAST CHAPITA #63-35, located as shown in the SE 1/4 NE 1/4 of Section 35, T9S, R23E, S.L.B.&M., Uintah County, Utah.

## BASIS OF ELEVATION

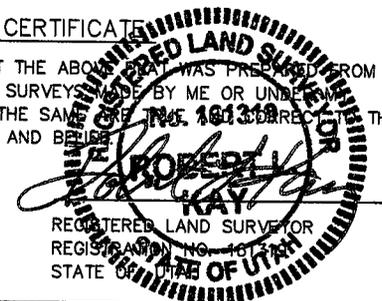
BENCH MARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.



SCALE

## 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.



## LEGEND:

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

(NAD 83)  
 LATITUDE = 39°59'40.12" (39.994478)  
 LONGITUDE = 109°17'13.51" (109.287086)  
 (NAD 27)  
 LATITUDE = 39°59'40.24" (39.994511)  
 LONGITUDE = 109°17'11.08" (109.286411)

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

|                         |                             |                         |
|-------------------------|-----------------------------|-------------------------|
| SCALE<br>1" = 1000'     | DATE SURVEYED:<br>10-06-06  | DATE DRAWN:<br>10-19-06 |
| PARTY<br>G.S. K.C. C.H. | REFERENCES<br>G.L.O. PLAT   |                         |
| WEATHER<br>COOL         | FILE<br>EOG RESOURCES, INC. |                         |

STATE OF UTAH )

) ss

COUNTY OF UINTAH )

VERIFICATION

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

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

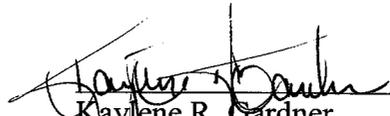
**EAST CHAPITA 63-35  
1902' FNL – 644' FEL (SENE)  
SECTION 35, T9S, R23E  
UINTAH COUNTY, UTAH**

EOG Resources, Inc., Kerr-McGee Oil & Gas Onshore LP, Questar Exploration and Production Company, and III Exploration Company, Exhibit A are the only owners in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

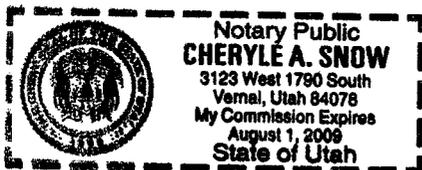
On the 9<sup>th</sup> day of April, 2007 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

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

Further affiant saith not.

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

Subscribed and sworn before me this 9<sup>th</sup> day of April, 2007.



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

My Commission Expires: August 1, 2009

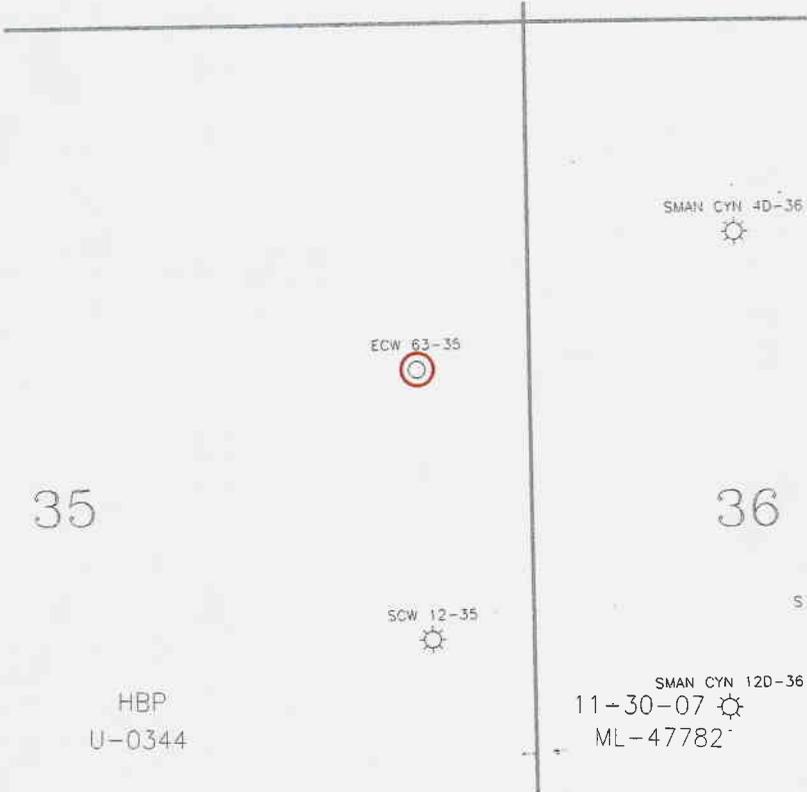
Exhibit "A" to Affidavit  
East Chapita 63-35 Application to Commingle

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

Questar Exploration and Production Company  
Independence Plaza  
1050 17<sup>th</sup> Street, Suite 500  
Denver, Colorado 80265  
Attention: Mr. Nate Koeniger

III Exploration Company  
555 South Cole Road  
P.O. Box 7608  
Boise, Idaho 83707  
Attention: Mr. Ken Smith

R 23 E



35

36

T  
9  
S

ECW 63-35

SMAN CYN 4D-36

SCW 12-35

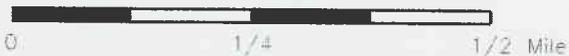
SMAN CYN 12D-36

HBP  
U-0344

11-30-07  
ML-47782

○ EAST CHAPITA 63-35

Scale: 1" = 1000'



Denver Division

**EXHIBIT "A"**

EAST CHAPITA 63-35  
Commingling Application  
Uintah County, Utah

Scale:  
1" = 1000'

Drutsh/Commingled:  
page\_EC63-35\_commingled.wg  
WELL

Author

TLM

Apr 05, 2007 -  
1:40pm

**EIGHT POINT PLAN**

**EAST CHAPITA 63-35**  
**SE/NE, SEC. 35, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

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

| <b>FORMATION</b>       | <b>TVD-RKB (ft)</b> | <b>Objective</b> | <b>Lithology</b> |     |
|------------------------|---------------------|------------------|------------------|-----|
| Green River            | 1,366               |                  | Shale            |     |
| Wasatch                | 4,177               | Primary          | Sandstone        | Gas |
| Chapita Wells          | 4,725               | Primary          | Sandstone        | Gas |
| Buck Canyon            | 5,375               | Primary          | Sandstone        | Gas |
| North Horn             | 5,879               | Primary          | Sandstone        | Gas |
| KMV Price River        | 6,053               | Primary          | Sandstone        | Gas |
| KMV Price River Middle | 7,007               | Primary          | Sandstone        | Gas |
| KMV Price River Lower  | 7,674               | Primary          | Sandstone        | Gas |
| Sego                   | 8,122               |                  | Sandstone        |     |
|                        |                     |                  |                  |     |
| <b>TD</b>              | <b>8,330</b>        |                  |                  |     |

Estimated TD: **8,330' or 200'± below Sege top**

**Anticipated BHP: 4,548 Psig**

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

EOG Resources, Inc. requests authorization for commingling of production from the Wasatch, and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from cased hole logs. Production from the Wasatch, and Mesaverde formations will be commingled in the wellbore and produced through open ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

**EIGHT POINT PLAN**

**EAST CHAPITA 63-35**  
**SE/NE, SEC. 35, T9S, R23E, S.L.B.&M.,**  
**UINTAH COUNTY, UTAH**

**4. CASING PROGRAM:**

| <b>CASING</b> | <b>Hole Size</b> | <b>Length</b>       | <b>Size</b> | <b>WEIGHT</b> | <b>Grade</b> | <b>Thread</b> | <b>Rating Collapse</b> | <b>Factor Burst</b> | <b>Tensile</b> |
|---------------|------------------|---------------------|-------------|---------------|--------------|---------------|------------------------|---------------------|----------------|
| 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'<br>KB± | 9-5/8"      | 36.0#         | J-55         | STC           | 2020 PSI               | 3520 Psi            | 394,000#       |
| Production    | 7-7/8"           | 2,300'± – TD        | 4-1/2"      | 11.6#         | N-80         | LTC           | 6350 PSI               | 7780 Psi            | 223,000#       |
|               |                  |                     |             |               |              |               |                        |                     |                |

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

**All casing will be new or inspected.**

**5. Float Equipment:**

**Surface Hole Procedure (0'- 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

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

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

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

**6. MUD PROGRAM**

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

Air/air mist or aerated water.

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

**EIGHT POINT PLAN**

**EAST CHAPITA 63-35**  
**SE/NE, SEC. 35, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

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

**7. VARIANCE REQUESTS:**

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

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

**8. EVALUATION PROGRAM:**

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

**9. CEMENT PROGRAM:**

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

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

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

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

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

**EIGHT POINT PLAN**

**EAST CHAPITA 63-35**  
**SE/NE, SEC. 35, T9S, R23E, S.L.B.&M.,**  
**UINTAH COUNTY, UTAH**

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

**Lead:** 100 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 820 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

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

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

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

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

**11. STANDARD REQUIRED EQUIPMENT:**

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

**12. HAZARDOUS CHEMICALS:**

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

(Attachment: BOP Schematic Diagram)



**EAST CHAPITA 63-35  
SE/NE, Section 35, T9S, R23E  
Uintah County, Utah**

***SURFACE USE PLAN***

**NOTIFICATION REQUIREMENTS**

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

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 1584 feet long with a 30-foot right-of-way, disturbing approximately 1.09 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.93 acres. The pipeline is approximately 1838 feet long with a 40-foot right-of-way, within Federal Lease U-0344 disturbing approximately 1.69 acres.

**1. EXISTING ROADS:**

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 57.0 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 1584' in length. Culverts will be installed as needed.
- B. The access road has a 30-foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

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

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

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

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

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

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

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

**A. On Well Pad**

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

**B. Off Well Pad**

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. The length of the new proposed pipeline is 1838' x 40'. The proposed pipeline leaves the southeastern edge of the well pad (Lease U-0344) proceeding in a northerly direction for an approximate distance of 1838', tying into a proposed pipeline for the East Chapita 34-35 in the NENW of Section 35, T9S, R35E (Lease U-0344). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lok, electric weld with a 35 mil X-Tru coating.
3. Proposed pipeline will be a 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 existing facilities will be painted with Carlsbad Canyon.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

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

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

**6. SOURCE OF CONSTRUCTION MATERIALS:**

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

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

**A. METHODS AND LOCATION**

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

authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

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

The reserve pit shall be lined with felt and a **16-millimeter 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 Southeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the west side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil West of Corner #5. The stockpiled location topsoil will be stored between Corners #2 and #3. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the North.

**FENCING REQUIREMENTS:**

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

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

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

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

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

**A. Producing Location**

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

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

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

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

| <b>Seed Mixture</b> | <b>Drilled Rate<br/>(lbs./acre PLS*)</b> |
|---------------------|--|
| 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. Dry Hole/Abandoned Location**

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

| <b>Seed Mixture</b> | <b>Drilled Rate<br/>(lbs./acre PLS*)</b> |
|---------------------|--|
| Gardner saltbush    | 3.0                                      |
| Shadscale           | 3.0                                      |
| Crested Wheatgrass  | 3.0                                      |

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

**11. SURFACE OWNERSHIP:**

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

Bureau of Land Management

**12. OTHER INFORMATION:**

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might

further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.
- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

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

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

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" 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 December 28, 2006 by Montgomery Archaeological Consultants and a paleontology survey was conducted and submitted December 15, 2006 by Intermountain Paleo-Consulting.

***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

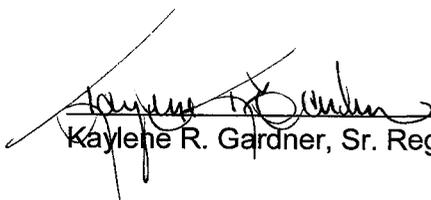
**DRILLING OPERATIONS**

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 East Chapita 63-35 Well, located in the SENE, of Section 35, T9S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

April 9, 2007  
Date

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

EOG RESOURCES, INC.  
EAST CHAPITA #63-35  
SECTION 35, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 4.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 1.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #34-35 TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 57.0 MILES.

**EOG RESOURCES, INC.**  
**EAST CHAPITA #63-35**  
 LOCATED IN UINTAH COUNTY, UTAH  
 SECTION 35, T9S, R23E, S.L.B.&M.

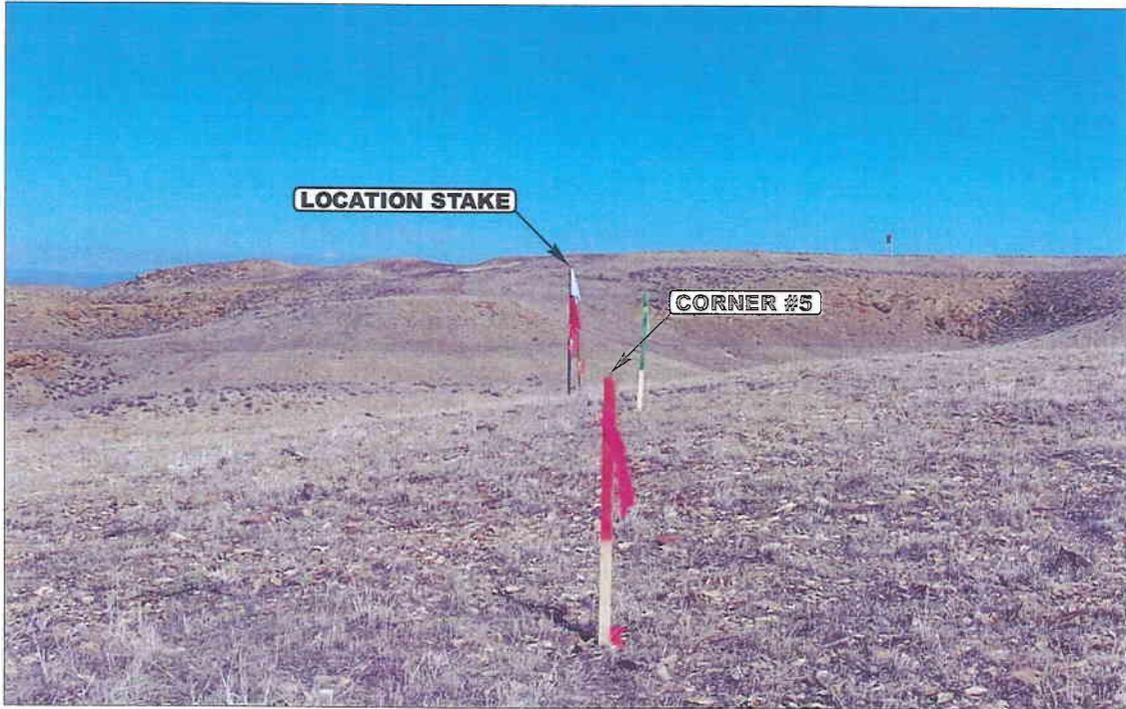


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

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

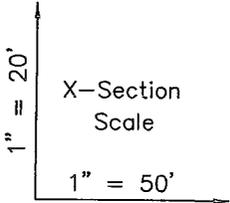
|                        |                |           |                   |              |
|------------------------|----------------|-----------|-------------------|--------------|
| <b>LOCATION PHOTOS</b> | <b>10</b>      | <b>13</b> | <b>06</b>         | <b>PHOTO</b> |
|                        | MONTH          | DAY       | YEAR              |              |
| TAKEN BY: G.S.         | DRAWN BY: L.K. |           | REVISED: 00-00-00 |              |



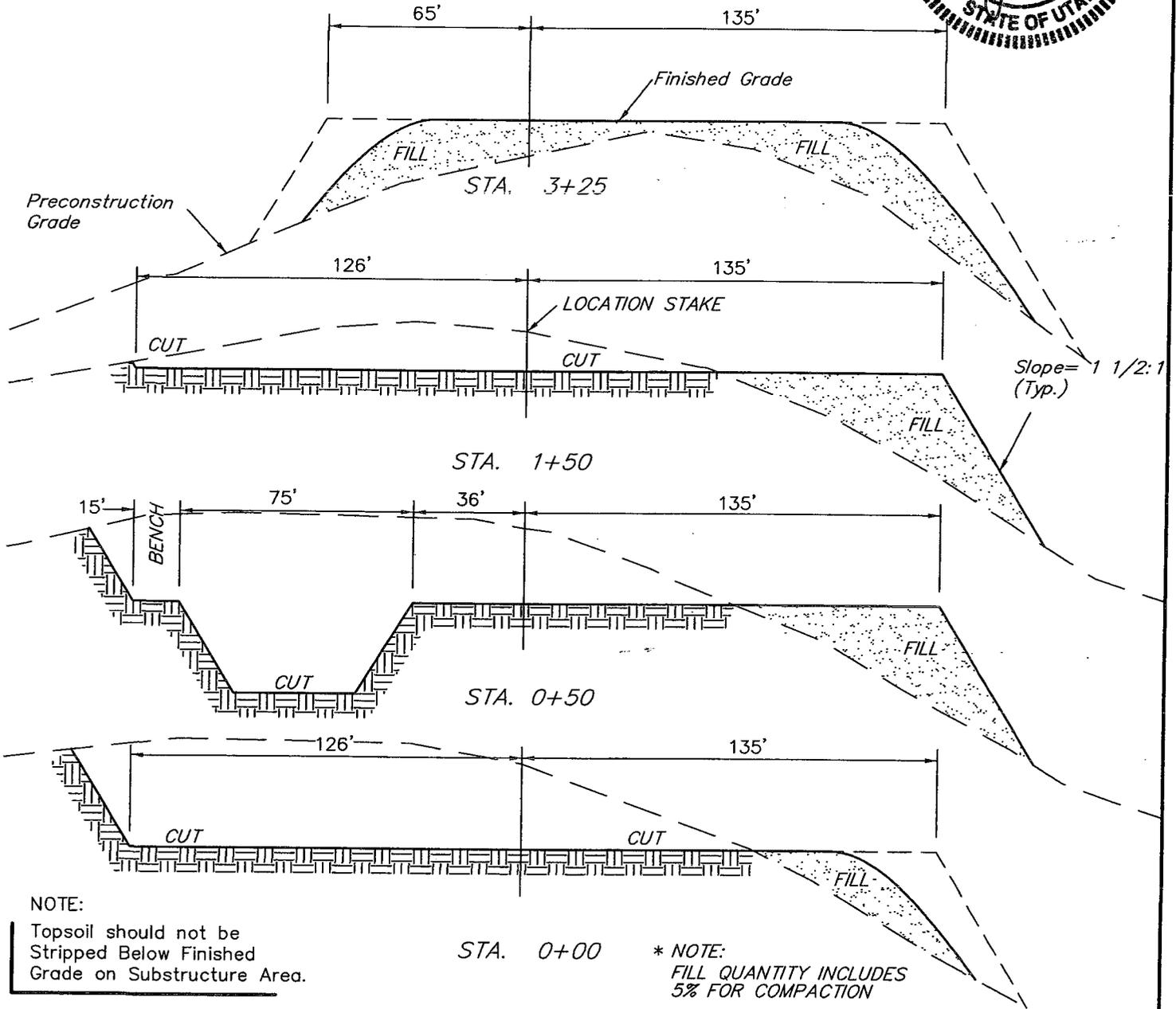
EOG RESOURCES, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR  
 EAST CHAPITA #63-35  
 SECTION 35, T9S, R23E, S.L.B.&M.  
 1902' FNL 644' FEL



DATE: 10-19-06  
 Drawn By: C.H.



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 | = 1,980 Cu. Yds.        |
| Remaining Location     | = 14,990 Cu. Yds.       |
| <b>TOTAL CUT</b>       | <b>= 16,970 CU.YDS.</b> |
| <b>FILL</b>            | <b>= 13,330 CU.YDS.</b> |

|  |                  |
|--|------------------|
| EXCESS MATERIAL                                    | = 3,640 Cu. Yds. |
| Topsoil & Pit Backfill<br>(1/2 Pit Vol.)           | = 3,640 Cu. Yds. |
| EXCESS UNBALANCE<br>(After Interim Rehabilitation) | = 0 Cu. Yds.     |

EOG RESOURCES, INC.

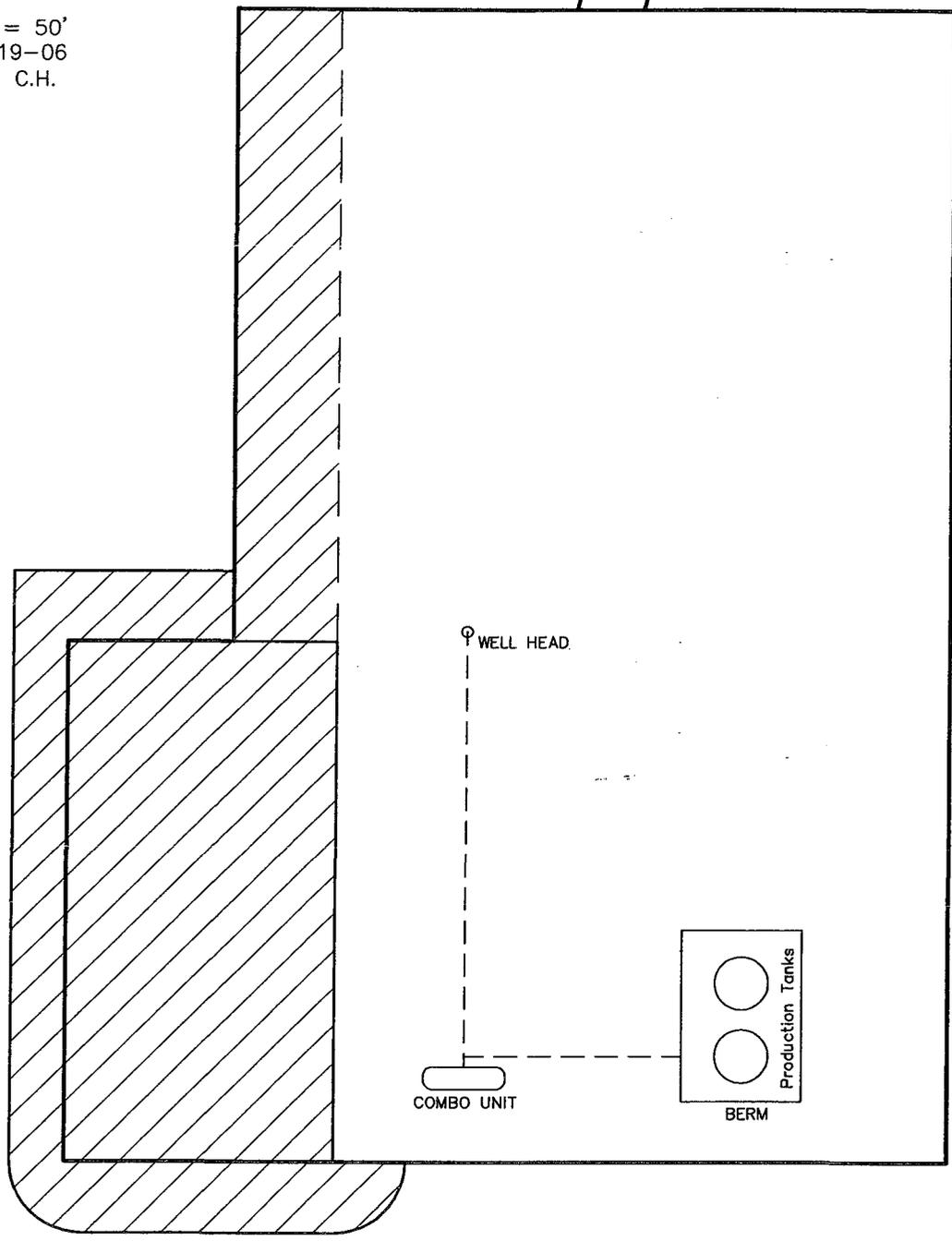
PRODUCTION FACILITY LAYOUT FOR

EAST CHAPITA #63-35  
SECTION 35, T9S, R23E, S.L.B.&M.  
1902' FNL 644' FEL



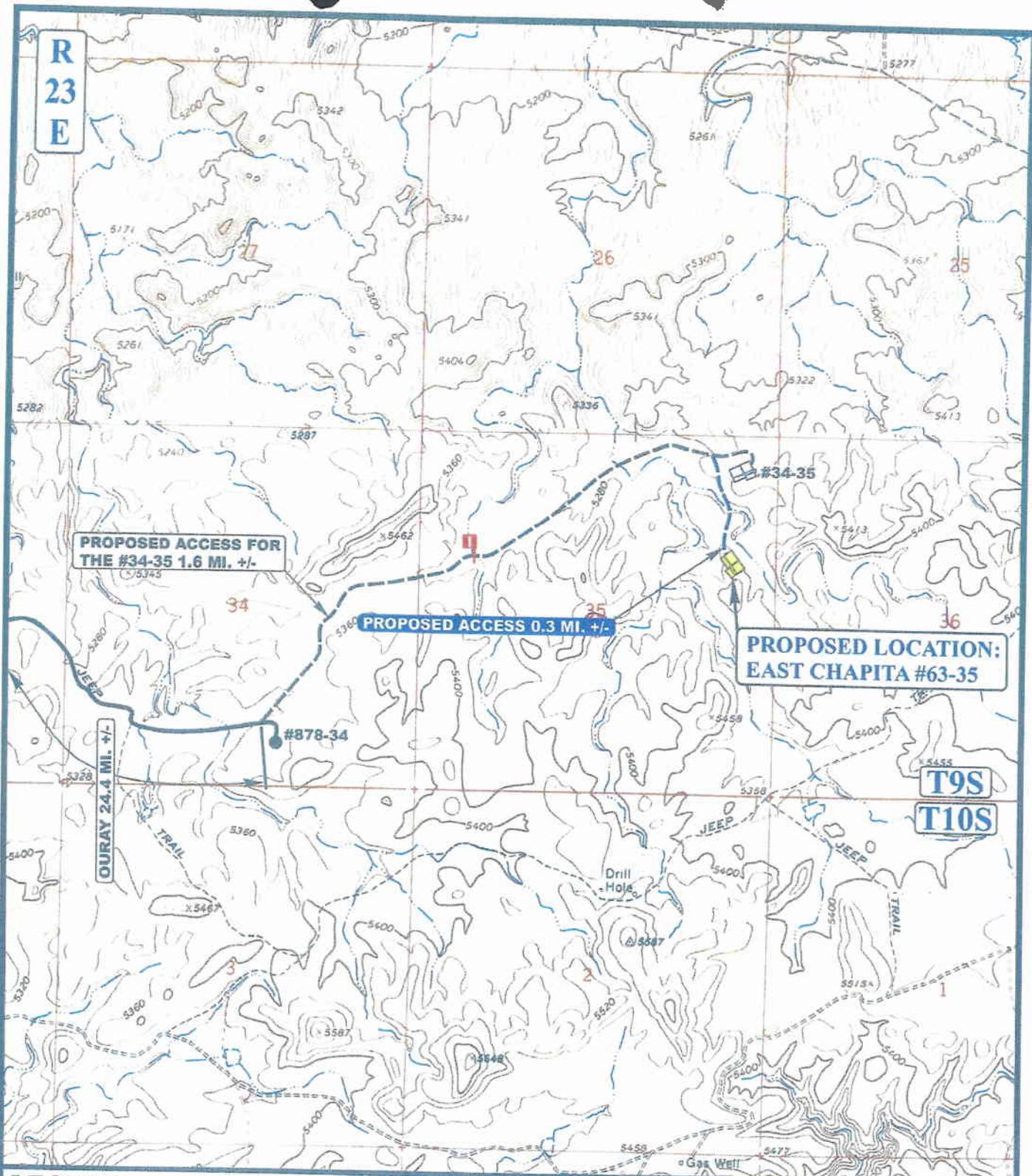
*Proposed Access Road*

SCALE: 1" = 50'  
DATE: 10-19-06  
Drawn By: C.H.



 RE-HABED AREA





**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD
- 18" CMP REQUIRED



**EOG RESOURCES, INC.**

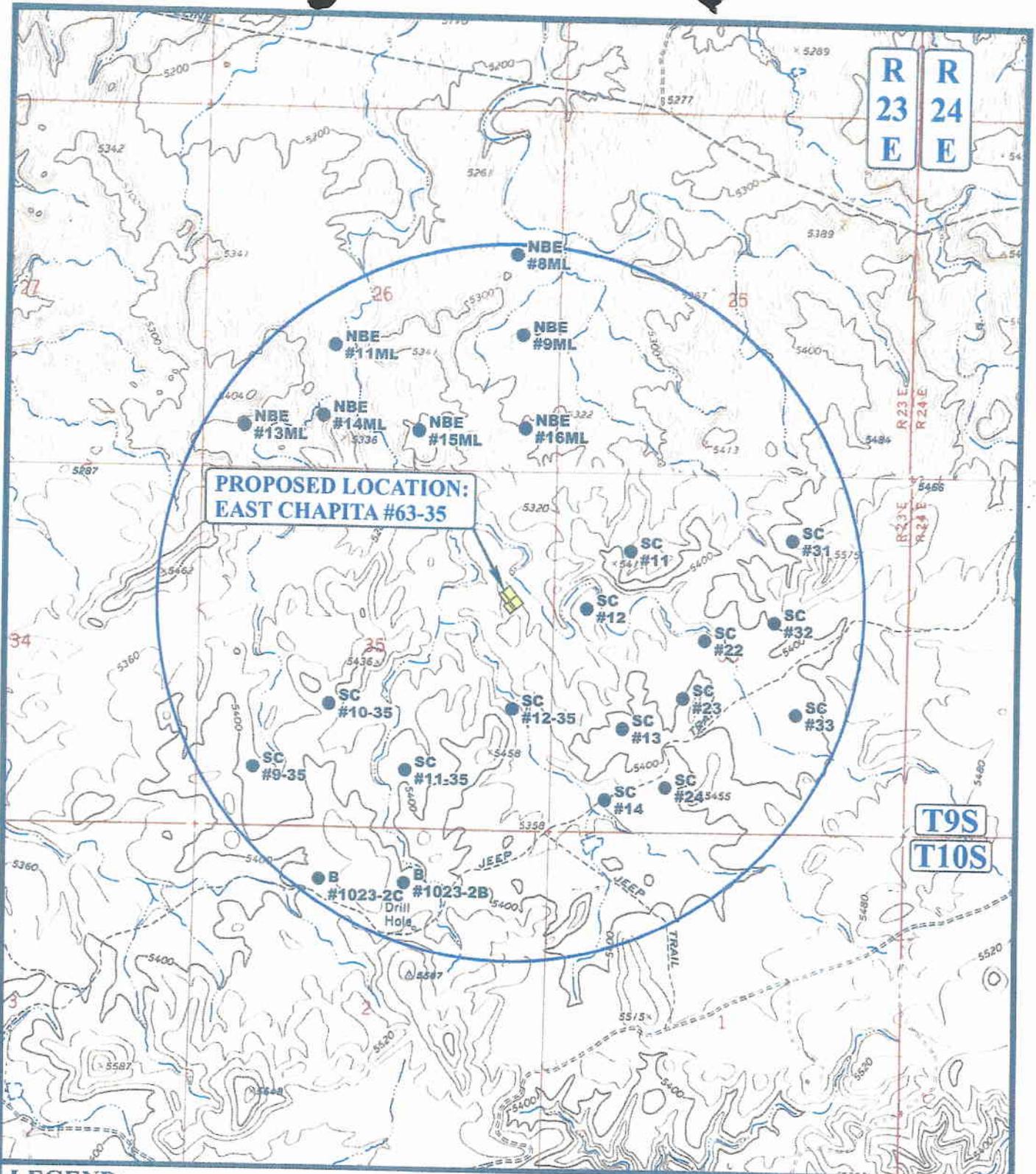
**EAST CHAPITA #63-35**  
**SECTION 35, T9S, R23E, S.L.B.&M.**  
**1902' FNL 644' FEL**



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

**TOPOGRAPHIC MAP** **10 13 06**  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 03-30-07C.P.





**PROPOSED LOCATION:  
EAST CHAPITA #63-35**

**LEGEND:**

- |                   |                         |
|-------------------|-------------------------|
| ○ DISPOSAL WELLS  | ● WATER WELLS           |
| ● PRODUCING WELLS | ● ABANDONED WELLS       |
| ● SHUT IN WELLS   | ● TEMPORARILY ABANDONED |



**EOG RESOURCES, INC.**

**EAST CHAPITA #63-35  
SECTION 35, T9S, R23E, S.L.B.&M.  
1902' FNL 644' FEL**

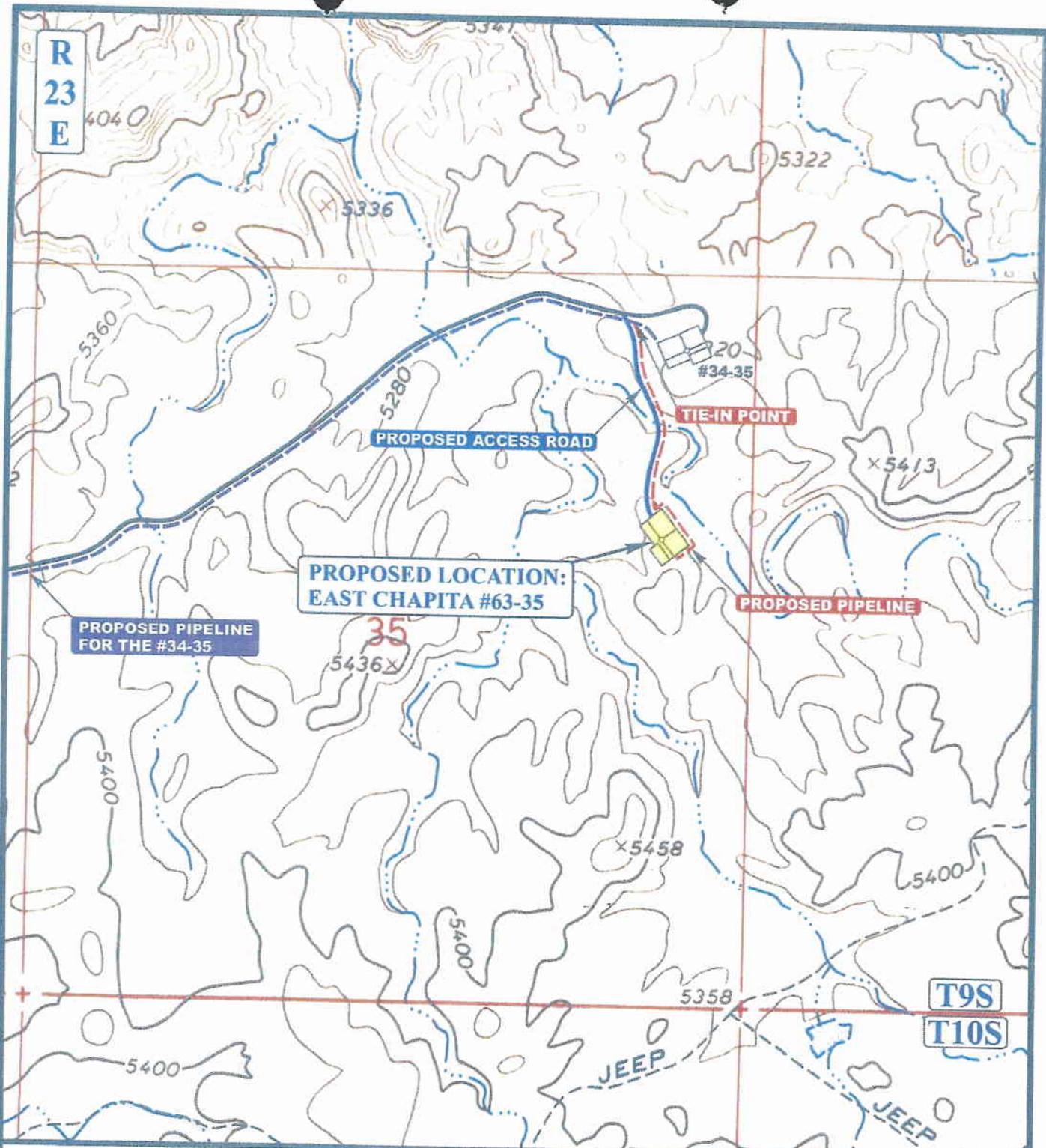


**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC MAP**  
SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 03-30-07C.P

10 13 06  
MONTH DAY YEAR





APPROXIMATE TOTAL PIPELINE DISTANCE = 1,838' +/-

**LEGEND:**

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



**EOG RESOURCES, INC.**

**EAST CHAPITA #63-35**  
**SECTION 35, T9S, R23E, S.L.B.&M.**  
**1902' FNL 644' FEL**



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

**TOPOGRAPHIC MAP** 10 13 06  
MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 03-30-07C.P.



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APP RECEIVED: 04/13/2007

API NO. ASSIGNED: 43-047 29205

WELL NAME: E CHAPIEN 63-3E  
 OPERATOR: WVJ RESOURCES INC ( N9550 )  
 CONTACT: MAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

SENE 35 090S 230E  
 SURFACE: 1902 FNL 644 FEL  
 BOTTOM: 1902 FNL 644 FEL  
 COUNTY: UTAH  
 LATITUDE: 39.9945 LONGITUDE: -109.2864  
 UTM SURF EASTINGS: 46290 NORTHINGS: 4428343  
 FIELD NAME: NATURAL BUTTES ( 630 )

| INSPECT LOCATN BY: / / |          |         |
|------------------------|----------|---------|
| Tech Review            | Initials | Date    |
| Engineering            | DUD      | 4/30/07 |
| Geology                |          |         |
| Surface                |          |         |

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: U-0344  
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

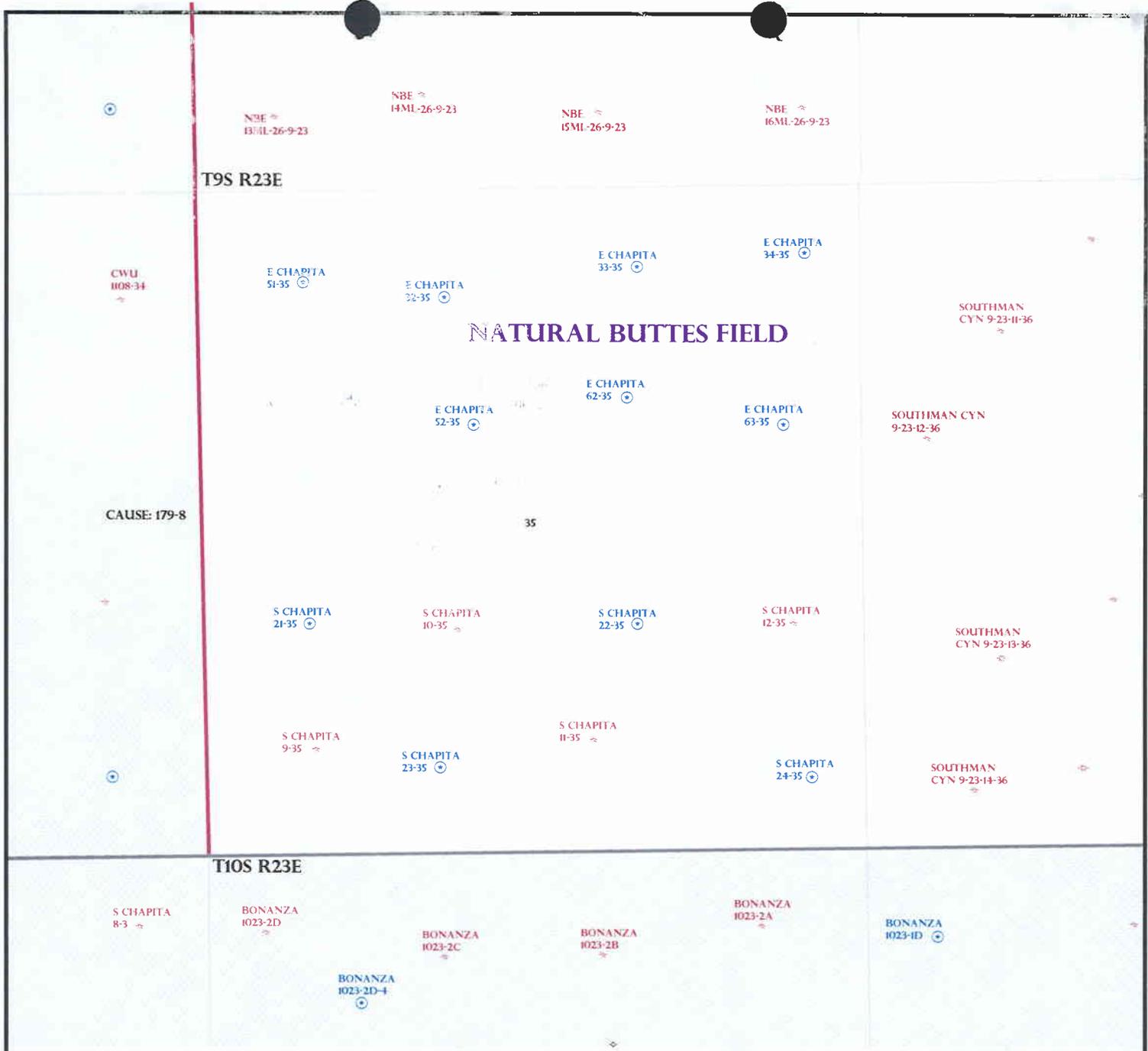
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. NM2308 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 49-1501 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)  
*(Wasatch, mesa Verde)*

LOCATION AND SITING:

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

COMMENTS: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

STIPULATIONS: 1- Federal Approval  
2- Spacing Str  
3- Commingle



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 35 T.9S R. 23E

FIELD: NATURAL BUTTES (630)

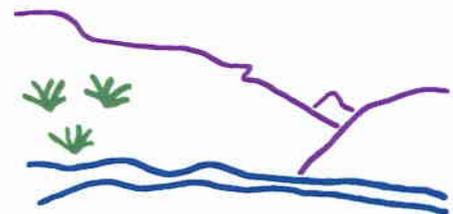
COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

- Field Status**
- ABANDONED
  - ACTIVE
  - COMBINED
  - INACTIVE
  - PROPOSED
  - STORAGE
  - TERMINATED

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

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



Utah Oil Gas and Mining



PREPARED BY: DIANA MASON  
DATE: 16-APRIL-2007



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

April 30, 2007

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

Re: East Chapita 63-35 Well, 1902' FNL, 644' FEL, SE NE, Sec. 35, T. 9 South,  
R. 23 East, Uintah County, Utah

Gentlemen:

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

Administrative approval for commingling the production from the Wasatch formation and the Mesaverde formation in this well is hereby granted. Appropriate information has been submitted to DOGM in accordance with R649-3-22. No written objections from owners were received by DOGM.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39205.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal Office

Operator: EOG Resources, Inc.  
Well Name & Number East Chapita 63-35  
API Number: 43-047-39205  
Lease: U-0344

Location: SE NE                      Sec. 35                      T. 9 South                      R. 23 East

### Conditions of Approval

1. General

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

2. Notification Requirements

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

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

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

RECEIVED

Form 3160-3  
(February 2005)

UNITED STATES **BLM VERNAL, UTAH**  
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.<br>U-0344  |
| 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<br>EOG RESOURCES, INC  |  | 7. If Unit or CA Agreement, Name and No.   |
| 3a. Address 1060 East Highway 40<br>Vernal, UT 84078   |  | 8. Lease Name and Well No.<br>East Chapita 63-35   |
| 3b. Phone No. (include area code)<br>435-781-9111  |  | 9. API Well No.<br><b>433047-39205</b>   |
| 4. Location of Well (Report location clearly and in accordance with any State requirements*)<br>At surface 1902' FNL & 644' FEL (SENE) 39.994478 LAT 109.287086 LON<br>At proposed prod. zone Same                     |  | 10. Field and Pool, or Exploratory<br>Natural Buttes/Wasatch/Mesaverde                                     |
| 14. Distance in miles and direction from nearest town or post office*<br>57.0 miles south of Vernal, Utah  |  | 11. Sec., T. R. M. or Blk. and Survey or Area<br>Sec. 35-T9S-R23E, S.L.B.&M.                               |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 644' Lease line 582' Drilling Line   | 16. No. of acres in lease<br>640       | 12. County or Parish<br>Uintah County  |
| 17. Spacing Unit dedicated to this well<br>40 acres  | 13. State<br>UT                        | 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. |
| 19. Proposed Depth<br>8330'  | 20. BLM/BIA Bond No. on file<br>NM2308 | 21. Elevations (Show whether DF, KDB, RT, GL, etc.)<br>5335' GL  |
| 22. Approximate date work will start*  | 23. Estimated duration<br>45 days      |  |

24. Attachments

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

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

|   |  |                    |
|---|--|--------------------|
| 25. Signature<br>   | Name (Printed/Typed)<br>Kaylene R. Gardner | Date<br>04/09/2007 |
| Title<br>Sr. Regulatory Assistant                             |  |                    |
| Approved by (Signature)<br>                                   | Name (Printed/Typed)<br>Jerry Kewick       | Date<br>12-27-2007 |
| Title<br>Assistant Field Manager<br>Lands & Mineral Resources | Office<br>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).

RECEIVED

JAN 14 2008

DIV. OF OIL, GAS & MINING

**NOTICE OF APPROVAL** **CONDITIONS OF APPROVAL ATTACHED**

07PP1295A

NOB 1/26/07

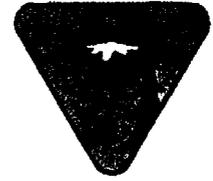


**UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE**

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

**Company:** EOG Resources Inc.  
**Well No:** East Chapita 63-35  
**API No:** 43-047- 39205

**Location:** SENE, Sec. 35, T9S, R23E  
**Lease No:** UTU- 0344  
**Agreement:** N/A

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

**Fax: (435) 781-3420**

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

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

**NOTIFICATION REQUIREMENTS**

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

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

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

***SITE SPECIFIC CONDITIONS OF APPROVAL:***

- Install culverts as needed

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

**SITE SPECIFIC DOWNHOLE COAs:**

- 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.
- Request to commingle the Wasatch and Mesaverde is approved. This approval can be rescinded at any time the Authorized Officer determines the commingling to be detrimental to the interest of the United States.

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

**DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

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

- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to [UT\\_VN\\_Welllogs@BLM.gov](mailto:UT_VN_Welllogs@BLM.gov). This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

## OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or

data obtained and compiled during the drilling, 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.

**DIVISION OF OIL, GAS AND MINING**

**SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: E CHAPITA 63-35

Api No: 43-047-39205 Lease Type: FEDERAL

Section 35 Township 09S Range 23E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SER RIG # RATHOLE

**SPUDDED:**

Date 04/10/08

Time 6:00 PM

How DRY

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

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 04/11/08 Signed CHD

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.  
UTU0344

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.

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
EAST CHAPITA 63-35

2. Name of Operator  
EOG RESOURCES, INC

Contact: MARY A. MAESTAS  
E-Mail: mary\_maestas@eogresources.com

9. API Well No.  
43-047-39205

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
  
Sec 35 T9S R23E SENE 1902FNL 644FEL  
39.99448 N Lat, 109.28709 W Lon

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

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

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

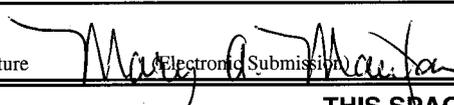
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths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

The referenced well spud on 4/10/2008.

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

**Electronic Submission #59619 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 04/11/2008

**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 \*\***

**APR 17 2008**

East Chapita 03-35

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.  
UTU0344

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.

8. Well Name and No.  
MULTIPLE MULTIPLE

9. API Well No.  
43 047 39225

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 1000 N.  
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)

9S 23E 35

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 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 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 checked="" type="checkbox"/> Water Disposal |   |

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

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

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

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

**RECEIVED**  
**MAY 08 2008**

This well covers multiple wells. Please see the attached sheet detailing the wells.

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.  
Electronic Submission #60128 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 05/06/2008

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

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Office \_\_\_\_\_

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

| <b><u>Well Name</u></b> | <b><u>SEC</u></b> | <b><u>T</u></b> | <b><u>R</u></b> | <b><u>Qtr/Qtr</u></b> | <b><u>Lease</u></b> | <b><u>API</u></b> |
|-------------------------|-------------------|-----------------|-----------------|-----------------------|---------------------|-------------------|
| East Chapita 32-35      | 35                | 9S              | 23E             | NENW                  | UTU0344             | 43-047-38127      |
| East Chapita 52-35      | 35                | 9S              | 23E             | SENW                  | UTU0344             | 43-047-39206      |
| East Chapita 63-35      | 35                | 9S              | 23E             | SENE                  | UTU0344             | 43-047-39205      |
| CWU 1248-01             | 1                 | 9S              | 22E             | NWNW                  | UTU01201            | 43-047-38427      |
| North Chapita 341-26    | 26                | 8S              | 22E             | SWSW                  | UTU059              | 43-047-39413      |
| CWU 668-06X             | 6                 | 9S              | 23E             | NENW                  | UTU01304            | 43-047-50043      |
| East Chapita 18-17      | 17                | 9S              | 23E             | NENE                  | UTU67868            | 43-047-37855      |
| East Chapita 62-35      | 35                | 9S              | 23E             | SWNE                  | UTU0344             | 43-047-39207      |
| NBU 571-17E             | 17                | 10S             | 21E             | NWSE                  | UTU02278            | 43-047-38377      |
| East Chapita 26-10      | 10                | 9S              | 23E             | SWSW                  | UTU67868            | 43-047-38139      |
| East Chapita 28-03      | 3                 | 9S              | 23E             | SWSW                  | UTU01304            | 43-047-38895      |
| NBU 572-17E             | 17                | 10S             | 21E             | NESE                  | UTU02278            | 43-047-38374      |

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.  
UTU0344

6. If Indian, Allottee or Tribe Name

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

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

|  |   |   |
|--|---|---|
| 1. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other                 |   | 8. Well Name and No.<br>EAST CHAPITA 63-35                      |
| 2. Name of Operator<br>EOG RESOURCES, INC<br>Contact: MARY A. MAESTAS<br>E-Mail: mary_maestas@eogresources.com                                   |   | 9. API Well No.<br>43-047-39205                                 |
| 3a. Address<br>600 17TH STREET SUITE 1000 N.<br>DENVER, CO 80202   | 3b. Phone No. (include area code)<br>Ph: 303-824-5526 | 10. Field and Pool, or Exploratory<br>NATURAL BUTTES/WASATCH/MV |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>Sec 35 T9S R23E SENE 1902FNL 644FEL<br>39.99448 N Lat, 109.28709 W Lon |   | 11. County or Parish, and State<br>UINTAH COUNTY, UT            |

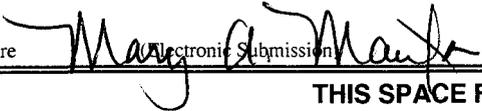
**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| 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 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<br>Production Start-up |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |  |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |  |

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

The referenced well was turned to sales on 6/26/2008. 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 #61132 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 06/27/2008            |

**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 RECEIVED**

**JUL 02 2008**

## WELL CHRONOLOGY REPORT

Report Generated On: 06-27-2008

|                      |   |                  |              |                      |        |
|----------------------|---|------------------|--------------|----------------------|--------|
| <b>Well Name</b>     | ECW 063-35                                      | <b>Well Type</b> | DEVG         | <b>Division</b>      | DENVER |
| <b>Field</b>         | CHAPITA DEEP                                    | <b>API #</b>     | 43-047-39205 | <b>Well Class</b>    | COMP   |
| <b>County, State</b> | UINTAH, UT                                      | <b>Spud Date</b> | 05-15-2008   | <b>Class Date</b>    |        |
| <b>Tax Credit</b>    | N   | <b>TVD / MD</b>  | 8,330/ 8,330 | <b>Property #</b>    | 059623 |
| <b>Water Depth</b>   | 0   | <b>Last CSG</b>  | 0.0          | <b>Shoe TVD / MD</b> | 0/ 0   |
| <b>KB / GL Elev</b>  | 5,348/ 5,335                                    |                  |              |                      |        |
| <b>Location</b>      | Section 35, T9S, R23E, SENE, 1902 FNL & 644 FEL |                  |              |                      |        |

|                 |                    |                    |                  |              |       |
|-----------------|--------------------|--------------------|------------------|--------------|-------|
| <b>Event No</b> | 1.0                | <b>Description</b> | DRILL & COMPLETE |              |       |
| <b>Operator</b> | EOG RESOURCES, INC | <b>WI %</b>        | 100.0            | <b>NRI %</b> | 82.25 |

|                              |                    |                   |               |                        |                    |
|------------------------------|--------------------|-------------------|---------------|------------------------|--------------------|
| <b>AFE No</b>                | 304181             | <b>AFE Total</b>  | 2,029,400     | <b>DHC / CWC</b>       | 880,700/ 1,148,700 |
| <b>Rig Contr</b>             | ELENBURG           | <b>Rig Name</b>   | ELENBURG #29  | <b>Start Date</b>      | 06-07-2007         |
| <b>06-07-2007</b>            | <b>Reported By</b> | SHARON CAUDILL    |               |                        |                    |
| <b>Daily Costs: Drilling</b> | \$0                | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$0                |
| <b>Cum Costs: Drilling</b>   | \$0                | <b>Completion</b> | \$0           | <b>Well Total</b>      | \$0                |
| <b>MD</b>                    | 0                  | <b>TVD</b>        | 0             | <b>Progress</b>        | 0                  |
|                              |                    |                   |               | <b>Days</b>            | 0                  |
|                              |                    |                   |               | <b>MW</b>              | 0.0                |
|                              |                    |                   |               | <b>Visc</b>            | 0.0                |
| <b>Formation :</b>           | <b>PBTD : 0.0</b>  |                   | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |                    |

**Activity at Report Time: LOCATION DATA**

| Start | End | Hrs | Activity Description |
|-------|-----|-----|----------------------|
|-------|-----|-----|----------------------|

|                              |       |      |               |
|------------------------------|-------|------|---------------|
| 06:00                        | 06:00 | 24.0 | LOCATION DATA |
| 1902' FNL & 644' FEL (SE/NE) |       |      |               |
| SECTION 35, T9S, R23E        |       |      |               |
| UINTAH COUNTY, UTAH          |       |      |               |

LAT 39.994478, LONG 109.287086 (NAD 83)  
LAT 39.994511, LONG 109.286411 (NAD 27)

ELENBURG #29  
OBJECTIVE: 8330' TD, MESAVERDE  
DW/GAS  
EAST CHAPITA PROSPECT  
DD&A: CHAPITA DEEP  
NATURAL BUTTES FIELD

LEASE: U-0344  
ELEVATION: 5340.4' NAT GL, 5335.1' PREP GL (DUE TO ROUNDING THE PREP GL IS 5335'), 5348' KB (13')

EOG WI 100%, NRI 82.25%

03-25-2008      **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. |

03-26-2008      **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 10% COMPLETE. |

03-27-2008      **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 15% COMPLETE. |

03-28-2008      **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 25% COMPLETE. |

03-31-2008      **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 | LOCATION 35% COMPLETE. |

04-01-2008      **Reported By**      TERRY CSERE



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

Activity at Report Time: BUILD LOCATION

| Start | End   | Hrs  | Activity Description |
|-------|-------|------|----------------------|
| 06:00 | 06:00 | 24.0 | DRILLING ROCK.       |

04-09-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

| Start | End   | Hrs  | Activity Description |
|-------|-------|------|----------------------|
| 06:00 | 06:00 | 24.0 | SHOOTING THURSDAY.   |

04-10-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

| Start | End   | Hrs  | Activity Description             |
|-------|-------|------|----------------------------------|
| 06:00 | 06:00 | 24.0 | PUSHING OUT PIT. SHOT YESTERDAY. |

04-11-2008 Reported By TERRY CSERE/JERRY BARNES

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

Activity at Report Time: BUILD LOCATION-WO/AIR RIG

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | PUSHING OUT PIT. CRAIGS ROUSTABOUT SERVICE SPUD A 20" HOLE ON 04/10/08 @ 6:00 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 04/10/08 @ 5:30 PM. |

04-14-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

04-15-2008 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 60 TVD 60 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO/AIR RIG

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

04-29-2008 Reported By JERRY BARNES

Daily Costs: Drilling \$228,692 Completion \$0 Daily Total \$228,692  
 Cum Costs: Drilling \$266,692 Completion \$0 Well Total \$266,692

MD 2,247 TVD 2,247 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

| Start | End | Hrs | Activity Description |
|-------|-----|-----|----------------------|
|-------|-----|-----|----------------------|

|       |       |      |   |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | MIRU ASPEN DRILLING RIG #14 ON 4/20/2008. DRILLED 12-1/4" HOLE TO 2275' GL. ATTEMPTED BENTONITE PELLETS WHILE DRILLING BIRD NEST, DUMPED 700 SX PELLETS WHILE DRILLING THROUGH BIRD NEST. NO RETURNS. RAN 52 JTS (2234.30') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2247' KB. RDMO AIR RIG. |
|-------|-------|------|---|

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 2500 PSIG. PUMPED 173 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 320 SX (65.4 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX.

DISPLACED CEMENT W/169.4 BBLs FRESH WATER. BUMPED PLUG W/828# @ 3:41 PM, 4/24/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB # 1: MIXED & PUMPED 100 SX (20.5 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 20 HRS 30 MINUTES. RDMO HALLIBURTON CEMENTERS.

TOP JOB # 2: MIRU HALLIBURTON CEMENTERS. MIXED & PUMPED 300 SX (61.5 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS 35 MINUTES.

TOP JOB # 3: MIXED & PUMPED 100 SX (20.5 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT TO 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

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

ASPEN RIG 14 TOOK SURVEYS WHEN DRILLING HOLE @: 518' - 1.0°, 1027' - 2.0°, 1487' - 3.5°, 1885' - 5.0°, 1950' - 6.0°, 2077' - 7.0°, 2270' - 7.0°.

CONDUCTOR LEVEL RECORD: PS= 89.8 OPS= 89.8 VDS= 90.0 MS= 89.9.

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

LESTER FARNSWORTH NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 4/21/2008 @ 11:30 AM.

|  |                    |                        |       |                    |                        |             |   |           |     |             |      |
|--|--------------------|------------------------|-------|--------------------|------------------------|-------------|---|-----------|-----|-------------|------|
| <b>05-15-2008</b>                                | <b>Reported By</b> | R. DYSART / D. WINKLER |       |                    |                        |             |   |           |     |             |      |
| <b>Daily Costs: Drilling</b>                     | \$81,487           | <b>Completion</b>      | \$0   | <b>Daily Total</b> | \$81,487               |             |   |           |     |             |      |
| <b>Cum Costs: Drilling</b>                       | \$348,219          | <b>Completion</b>      | \$0   | <b>Well Total</b>  | \$348,219              |             |   |           |     |             |      |
| <b>MD</b>  | 2,375              | <b>TVD</b>             | 2,375 | <b>Progress</b>    | 100                    | <b>Days</b> | 1 | <b>MW</b> | 8.4 | <b>Visc</b> | 26.0 |
| <b>Formation :</b>                               | <b>PBTD : 0.0</b>  |                        |       | <b>Perf :</b>      | <b>PKR Depth : 0.0</b> |             |   |           |     |             |      |
| <b>Activity at Report Time: DRILLING @ 2375'</b> |                    |                        |       |                    |                        |             |   |           |     |             |      |

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 12:00 | 6.0  | HOLD PRE-JOB SAFETY MTG. RIG MOVE 1.5 MILES FROM ECW 52-35 TO ECW 63-35<br>TRANSFER FROM ECW 52-35 TO ECW 63-35, 9 JTS 4.5 X 11.6# N80 LTC CASING (381.61') & 6249 GAL. DIESEL FUEL, NOTIFIED VERNAL BLM OFFICE, JAMIE SPARGER, NOTIFICATION ON 5/13/2008 @ 1300 HRS RIG MOVE TO ECW 63-35 & BOP TEST.  |
| 12:00 | 16:30 | 4.5  | START DAYWORK @ 12:00 HRS ON 05/14/08. NIPPLE UP BOPE.  |
| 16:30 | 22:30 | 6.0  | TEST BOPE AS PER PROGRAM. NOTIFIED BLM REP. JAIME SPARGER VERNAL OFFICE ON 05/13/08 @ 13:00 HRS FOR BOP TEST.<br>B&C QUICK TEST, BOP TESTER.<br>INSIDE BOP, SAFETY VALVE, UPPER KELLY COCK 250/5000 PSI 5/10 MIN.<br>HCR, CHOKE LINE, KILL LINE, 250/5000 PSI 5/10 MIN.<br>CHOKE MANIFOLD, 250/5000 PSI 5/10 MIN.<br>PIPE RAMS, BLIND RAMS, 250/5000 PSI 5/10 MIN.<br>ANNULAR, 250/2500 PSI 5/10 MIN.<br>PRESSURE TEST 9 5/8" CASING TO 1500 PSI 30 MIN.<br>RIG DOWN TESTER, INSTALL WEAR BUSHING |
| 22:30 | 02:30 | 4.0  | MAKE UP BHA #1 TRIP IN HOLE TO TOP OF CEMENT, 2166'   |
| 02:30 | 04:30 | 2.0  | DRILL CEMENT/FLOAT EQUIP, 2166' TO 2275' T.D.<br>DRILL 10' NEW HOLE 2285' FOR FIT   |
| 04:30 | 05:00 | 0.5  | CIRCULATE HOLE CLEAN, SPOT HI-VIS LCM PILL ON BOTTOM, PULL BIT INTO SHOE.<br>CONDUCT FIT, 325 PSI @ 2247' 11.2 PPG EMW<br>SURVEY @ 2247' 4 DEG.   |
| 05:00 | 06:00 | 1.0  | DRILL ROTATE 2285' TO 2375'<br>WOB 14/16K, RPM 40/50, GPM 450, PSI 1300<br>M/W 8.4, VISC. 28<br><br>NO ACCIDENTS OR INCIDENTS, FULL CREWS<br>SAFETY MTGS: RIG MOVE, RIG UP & WELL SPUD<br>CHECK COM, FUNCTION ALL BOPE COMPONENTS<br>FUEL: 5771, USED 478   |
| 06:00 | 06:00 | 24.0 | SPUD 7 7/8" HOLE @ 05:00 HRS, 05/15/08.   |

|                              |                    |                   |         |                    |           |             |   |           |     |             |      |
|------------------------------|--------------------|-------------------|---------|--------------------|-----------|-------------|---|-----------|-----|-------------|------|
| <b>05-16-2008</b>            | <b>Reported By</b> | ROBERT DYSART     |         |                    |           |             |   |           |     |             |      |
| <b>Daily Costs: Drilling</b> | \$53,361           | <b>Completion</b> | \$1,654 | <b>Daily Total</b> | \$55,015  |             |   |           |     |             |      |
| <b>Cum Costs: Drilling</b>   | \$401,654          | <b>Completion</b> | \$1,654 | <b>Well Total</b>  | \$403,308 |             |   |           |     |             |      |
| <b>MD</b>                    | 4,933              | <b>TVD</b>        | 4,933   | <b>Progress</b>    | 2,558     | <b>Days</b> | 2 | <b>MW</b> | 8.7 | <b>Visc</b> | 29.0 |

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 4933'

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 07:30 | 1.5  | DRILL ROTATE 2375' TO 2575' (200') ROP 133<br>WOB 18/20K, RPM 40/50 + 70, GPM 450, PSI 1350   |
| 07:30 | 08:00 | 0.5  | SERVICE RIG   |
| 08:00 | 06:00 | 22.0 | DRILL ROTATE 2575' TO 4933' (2358') ROP 107<br>WOB 18/20K, RPM 40/50 + 70, GPM 450, PSI 1350/1800<br>M/W 9.8, VISC 32<br>NO ACCIDENTS OR INCIDENTS, FULL CREWS, SAFETY MTGS: FORKLIFT, HOUSEKEEPING<br>CHECK COM, FUEL: 8472, RECEIVED 4500 |

05-17-2008 Reported By ROBERT DYSART

|                       |            |            |                 |             |           |      |   |    |     |      |      |
|-----------------------|------------|------------|-----------------|-------------|-----------|------|---|----|-----|------|------|
| Daily Costs: Drilling | \$30,156   | Completion | \$1,491         | Daily Total | \$31,647  |      |   |    |     |      |      |
| Cum Costs: Drilling   | \$431,810  | Completion | \$3,145         | Well Total  | \$434,955 |      |   |    |     |      |      |
| MD                    | 6,250      | TVD        | 6,250           | Progress    | 1,317     | Days | 3 | MW | 9.5 | Visc | 37.0 |
| Formation :           | PBTD : 0.0 | Perf :     | PKR Depth : 0.0 |             |           |      |   |    |     |      |      |

Activity at Report Time: DRILLING @ 6250'

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | DRILL ROTATE 4933' TO 6250' (1317') ROP 55<br>WOB 18/20K, RPM 40/50 + 70, GPM 450, PSI 1750/2000<br>M/W 10.5, VISC 32<br>NO ACCIDENTS OR INCIDENTS, FULL CREWS, SAFETY MTGS: MIXING CHEM. ELECTRICITY<br>CHECK COM, FUEL: 7469, USED 1003 |

05-18-2008 Reported By ROBERT DYSART

|                       |            |            |                 |             |           |      |   |    |      |      |      |
|-----------------------|------------|------------|-----------------|-------------|-----------|------|---|----|------|------|------|
| Daily Costs: Drilling | \$33,779   | Completion | \$6,416         | Daily Total | \$40,195  |      |   |    |      |      |      |
| Cum Costs: Drilling   | \$463,168  | Completion | \$9,561         | Well Total  | \$472,729 |      |   |    |      |      |      |
| MD                    | 7,175      | TVD        | 7,175           | Progress    | 925       | Days | 4 | MW | 10.6 | Visc | 35.0 |
| Formation :           | PBTD : 0.0 | Perf :     | PKR Depth : 0.0 |             |           |      |   |    |      |      |      |

Activity at Report Time: DRILLING @ 7175'

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 07:00 | 1.0  | DRILL ROTATE 6250' TO 6293' (43')<br>WOB 18/20K, RPM 40/50 + 70, GPM 450, PSI 1750/2000   |
| 07:00 | 07:30 | 0.5  | SERVICE RIG   |
| 07:30 | 22:00 | 14.5 | DRILL ROTATE 6293' TO 7019' (726') ROP 50<br>WOB 18/20K, RPM 40/50 + 70, GPM 450, PSI 1750/2000   |
| 22:00 | 01:00 | 3.0  | RIG REPAIR, REPLACE SWIVEL MOTOR PUMP   |
| 01:00 | 06:00 | 5.0  | DRILL ROTATE 7019' TO 7175' (156') ROP 31<br>WOB 18/20K, RPM 40/50 + 65, GPM 400, PSI 1750/2000<br>M/W 11, VISC 37<br>NO ACCIDENTS OR INCIDENTS, FULL CREWS, SAFETY MTGS: HOT WORK, CAUSTIC BURNS<br>CHECK COM, FUEL: 5087, USED 2382<br>DOWN TIME: 3 HRS<br>UNMANNED LOGGING UNIT DAY #4 |

05-19-2008 Reported By ROBERT DYSART

Daily Costs: Drilling \$32,964 Completion \$0 Daily Total \$32,964

Cum Costs: Drilling \$492,206 Completion \$9,561 Well Total \$501,767

MD 7,175 TVD 7,175 Progress 0 Days 5 MW 11.0 Visc 37.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RIG REPAIR

Start End Hrs Activity Description

06:00 06:00 24.0 RIG REPAIR, POWER SWIVEL PUMP DOWN, CIRCULATE HOLE, WORK STRING.  
M/W 11.1, VISC 37  
NO ACCIDENTS OR INCIDENTS, FULL CREWS, SAFETY MTGS: HYDRAULICS X 2  
FUEL: 5103  
DOWN TIME: 24 HRS  
UNMANNED LOGGING UNIT: DAY 5

05-20-2008 Reported By ROBERT DYSART

Daily Costs: Drilling \$62,340 Completion \$0 Daily Total \$62,340

Cum Costs: Drilling \$554,546 Completion \$9,561 Well Total \$564,107

MD 7,177 TVD 7,177 Progress 2 Days 6 MW 10.9 Visc 40.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: TIH W/NEW BIT

Start End Hrs Activity Description

06:00 19:00 13.0 RIG REPAIR, REBUILD SWIVEL HYDRAULIC PUMP, INSTALL NEW HIGH TORQUE MOTORS ON SWIVEL.  
HYDRAULICS SPECIALIST ON LOCATION.  
19:00 19:30 0.5 WORK STRING, TEST HYDRAULICS  
DRILL ROTATE 7175' TO 7177' STRING STALLING OUT.  
19:30 02:30 7.0 TRIP OUT OF HOLE FOR BIT #2, LAY OUT MOTOR, TELEDRIFT & REAMERS.  
02:30 05:30 3.0 MAKE UP BIT #2, TRIP IN HOLE TO CSG. SHOE 2247'.  
05:30 06:00 0.5 SLIP & CUT DRILL LINE  
M/W 11.1, VISC 37  
NO ACCIDENTS OR INCIDENTS, FULL CREWS, SAFETY MTGS: HOUSEKEEPING, TRIPS  
FUEL: 9236, RECEIVED 4500  
FUNCTION BLIND RAMS, CHECK COM  
DOWN TIME: 13 HRS  
UNMANNED LOGGING UNIT: DAY 6

05-21-2008 Reported By ROBERT DYSART

Daily Costs: Drilling \$31,870 Completion \$0 Daily Total \$31,870

Cum Costs: Drilling \$583,312 Completion \$9,561 Well Total \$592,873

MD 7,179 TVD 7,179 Progress 2 Days 7 MW 10.9 Visc 40.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: TIH

Start End Hrs Activity Description

06:00 10:00 4.0 TRIP IN HOLE FROM CSG SHOE TO 5800'  
TIGHT HOLE  
10:00 15:00 5.0 WASH/REAM 5800' TO T.D. 7177'

15:00 15:30 0.5 DRILL ROTATE 7177' TO 7179'  
 ROTATING HEAD DETACHED FROM ANNULAR. ATTEMPT TO RE-CONNECT, BOLTS NOT MAKING UP  
 15:30 23:30 8.0 TRIP OUT OF HOLE FROM 7179' TO SHOE 2200' BACK REAM 4500' TO 4000' / 3400' TO 3000' TIGHT HOLE  
 23:30 04:00 4.5 REPAIR ROTATING HEAD ASSY. PICK UP HEAD, REPLACE WORN STUDS.  
 04:00 06:00 2.0 TRIP IN HOLE FROM SHOE.  
 M/W 11.1, VISC 37  
 NO ACCIDENTS OR INCIDENTS, FULL CREWS, SAFETY MTGS: TRIPS, SLIP & CUT  
 FUEL: 8137, USED 1099, CHECK COM, FUNCTION ANNULAR, HCR  
 UNMANNED LOGGING UNIT: DAY 7

**05-22-2008**      **Reported By**      ROBERT DYSART

|                              |           |                   |         |                    |           |
|------------------------------|-----------|-------------------|---------|--------------------|-----------|
| <b>Daily Costs: Drilling</b> | \$32,019  | <b>Completion</b> | \$0     | <b>Daily Total</b> | \$32,019  |
| <b>Cum Costs: Drilling</b>   | \$615,332 | <b>Completion</b> | \$9,561 | <b>Well Total</b>  | \$624,893 |

**MD**      7,475      **TVD**      7,475      **Progress**      296      **Days**      8      **MW**      11.5      **Visc**      39.0

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

**Activity at Report Time:** DRILLING @ 7475'

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 06:00 | 09:00 | 3.0  | TRIP IN HOLE TO 4100'  |
| 09:00 | 12:30 | 3.5  | WASH & REAM 4100' TO 7000'   |
| 12:30 | 13:00 | 0.5  | SERVICE RIG  |
| 13:00 | 13:30 | 0.5  | WASH/REAM 7000' TO 7179'   |
| 13:30 | 06:00 | 16.5 | DRILL ROTATE 7179' TO 7475' (296') ROP 18<br>M/W 11.1, VISC 38<br>NO ACCIDENTS OR INCIDENTS, FULL CREWS, SAFETY MTGS: TIGHT HOLE, HYDRAULICS<br>FUEL: 6926, USED 1211, CHECK COM<br>UNMANNED LOGGING UNIT: DAY 8 |

**05-23-2008**      **Reported By**      ROBERT DYSART

|                              |           |                   |         |                    |           |
|------------------------------|-----------|-------------------|---------|--------------------|-----------|
| <b>Daily Costs: Drilling</b> | \$34,757  | <b>Completion</b> | \$0     | <b>Daily Total</b> | \$34,757  |
| <b>Cum Costs: Drilling</b>   | \$646,928 | <b>Completion</b> | \$9,561 | <b>Well Total</b>  | \$656,489 |

**MD**      7,870      **TVD**      7,870      **Progress**      395      **Days**      9      **MW**      11.1      **Visc**      38.0

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

**Activity at Report Time:** DRILLING @ 7870'

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | DRILL ROTATE 7475' TO 7870' (395') ROP 16<br>WOB 10/22K, RPM 40/50, GPM 410, PSI 1800<br>M/W 11.1, VISC 40<br>NO ACCIDENTS OR INCIDENTS, FULL CREWS, SAFETY MTGS: HOUSEKEEPING X 2<br>FUEL: 5647, USED 1279, CHECK COM<br>UNMANNED LOGGING UNIT: DAY 9 |

**05-24-2008**      **Reported By**      ROBERT DYSART

|                              |           |                   |         |                    |           |
|------------------------------|-----------|-------------------|---------|--------------------|-----------|
| <b>Daily Costs: Drilling</b> | \$44,102  | <b>Completion</b> | \$0     | <b>Daily Total</b> | \$44,102  |
| <b>Cum Costs: Drilling</b>   | \$691,031 | <b>Completion</b> | \$9,561 | <b>Well Total</b>  | \$700,592 |

**MD**      7,983      **TVD**      7,983      **Progress**      113      **Days**      10      **MW**      11.2      **Visc**      39.0

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

**Activity at Report Time: DRILLING @ 7983'**

| Start | End   | Hrs | Activity Description  |
|-------|-------|-----|---|
| 06:00 | 08:00 | 2.0 | DRILL ROTATE 7870' TO 7905' (35') ROP 17.5. WOB 10/20K, RPM 40/50 + 65, GPM 410, PSI 1900.                        |
| 08:00 | 08:30 | 0.5 | SERVICE RIG.  |
| 08:30 | 12:30 | 4.0 | DRILL ROTATE 7905' TO 7967' (62') ROP 12. WOB 10/20K, RPM 40/50 + 65, GPM 410, PSI 1900.                          |
| 12:30 | 21:00 | 8.5 | DROP SURVEY, FLOW CHECK HOLE, TRIP OUT OF HOLE FROM 7967' FOR BIT #3.   |
| 21:00 | 04:00 | 7.0 | TRIP IN HOLE WITH BIT #3 TO 7900'.  |
| 04:00 | 04:30 | 0.5 | WASH/REAM 7900' TO 7967', 20' FILL.   |
| 04:30 | 06:00 | 1.5 | DRILL ROTATE 7967' TO 7983' (16') ROP 10. WOB 15/22K, RPM 40/50 + 65, GPM 410, PSI 1800/1950<br>M/W 11.3, VIS 40. |

NO ACCIDENTS OR INCIDENTS  
 FULL CREWS  
 SAFETY MTGS: RIG APPEARANCE, TRIPS  
 FUEL: 4692, USED 955  
 CHECK COM, FUNCTION BLIND RAMS  
 UNMANNED LOGGING UNIT: DAY 10

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|                              |                    |                   |               |                        |           |             |    |           |      |             |      |
|------------------------------|--------------------|-------------------|---------------|------------------------|-----------|-------------|----|-----------|------|-------------|------|
| <b>05-25-2008</b>            | <b>Reported By</b> | ROBERT DYSART     |               |                        |           |             |    |           |      |             |      |
| <b>Daily Costs: Drilling</b> | \$48,815           | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$48,815  |             |    |           |      |             |      |
| <b>Cum Costs: Drilling</b>   | \$739,905          | <b>Completion</b> | \$9,561       | <b>Well Total</b>      | \$749,466 |             |    |           |      |             |      |
| <b>MD</b>                    | 8,330              | <b>TVD</b>        | 8,330         | <b>Progress</b>        | 347       | <b>Days</b> | 11 | <b>MW</b> | 11.3 | <b>Visc</b> | 38.0 |
| <b>Formation :</b>           | <b>PBTD : 0.0</b>  |                   | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |           |             |    |           |      |             |      |

**Activity at Report Time: TD @ 8330 / LDDP**

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 06:00 | 12:00 | 6.0  | DRILL ROTATE 7983' TO 8119' (136') ROP 22.5. WOB 15/22K, RPM 40/50 + 65, GPM 410, PSI 1800/1950<br>M/W 11.3, VIS 40.                             |
| 12:00 | 12:30 | 0.5  | SERVICE RIG.   |
| 12:30 | 01:30 | 13.0 | DRILL ROTATE 8119' TO 8330' TD (211') ROP. WOB 15/22K, RPM 40/50 + 65, GPM 410, PSI 1800/1950<br>M/W 11.3, VIS 40. REACHED TD AT 01:30, 5/25/08. |
| 01:30 | 02:30 | 1.0  | WIPER TRIP, 8330' TO 7900'.  |
| 02:30 | 04:30 | 2.0  | CIRCULATE HOLE CLEAN, FLOW CHECK HOLE, SPOT 300 BBL OF 13 PPG PILL ON BOTTOM.  |
| 04:30 | 06:00 | 1.5  | TRIP OUT OF HOLE FROM 8330' FOR 4 1/2" PROD. CASING.   |

NO ACCIDENTS OR INCIDENTS  
 FULL CREWS  
 SAFETY MTGS: TORQUE, ADJUSTING BRAKES  
 FUEL: 7699, RECEIVED 4500  
 CHECK COM.  
 UNMANNED LOGGING UNIT: DAY 11

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|                              |                    |                   |           |                    |           |             |    |           |     |             |     |
|------------------------------|--------------------|-------------------|-----------|--------------------|-----------|-------------|----|-----------|-----|-------------|-----|
| <b>05-26-2008</b>            | <b>Reported By</b> | ROBERT DYSART     |           |                    |           |             |    |           |     |             |     |
| <b>Daily Costs: Drilling</b> | \$29,605           | <b>Completion</b> | \$136,267 | <b>Daily Total</b> | \$165,872 |             |    |           |     |             |     |
| <b>Cum Costs: Drilling</b>   | \$769,511          | <b>Completion</b> | \$145,828 | <b>Well Total</b>  | \$915,339 |             |    |           |     |             |     |
| <b>MD</b>                    | 8,330              | <b>TVD</b>        | 8,330     | <b>Progress</b>    | 0         | <b>Days</b> | 12 | <b>MW</b> | 0.0 | <b>Visc</b> | 0.0 |

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: ND BOPE

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 06:00 | 12:00 | 6.0  | TRIP OUT OF HOLE TO RUN 4 1/2" PROD. CASING, PULL WEAR BUSHING.  |
| 12:00 | 14:00 | 2.0  | HOLD PRE-JOB SAFETY MTG. RIG UP TO RUN 4 1/2" CASING.  |
| 14:00 | 01:00 | 11.0 | MAKE UP SHOE TRACK CHECK FLOAT EQUIP. RUN A TOTAL OF 207 JTS (204 FULL JT'S + 3 MARKER JTS) OF 4 1/2" 11.6 PPF N-80 LTC CASING AS FOLLOWS: FLOAT SHOE LANDED @ 8316', 1 JT CASING, FLOAT COLLAR @ 8272', 65 JTS CASING, MARKER JT 5650' - 5629', 46 JTS CASING, MARKER JT 3763' - 3742', 92 JTS CSG. INSTALL CENTRALIZER ON MIDDLE OF SHOE JT. TOP OF SHOE JT. THAN EVERY 3RD JT TO 6174' FOR A TOTAL OF 20 CENTRALIZERS. THREAD LOCK SHOE, 1ST JT, FLOAT COLLAR & 2ND JT. STRING WT. 92K. TAGGED BOTTOM @ 8330'. MAKE UP FLUTED MANDRAL HANGER & LANDING JT. LAND SAME. FMC ON SITE TO SUPERVISE. RIG DOWN CASING CREW. |
| 01:00 | 05:00 | 4.0  | R/U SCHLUMBERGER. HOLD PRE-JOB SAFETY MTG. TEST LINES TO 5000 PSI. PUMP 20 BBLS CHEMICAL WASH AND 20 BBLS WATER SPACER. MIXED AND PUMPED 665 SKS 35:65 POZ G + ADDITIVES (YIELD 1.98) AT 12.5 PPG WITH 12.50 GPS H2O. MIXED AND PUMPED TAIL 1375 SKS 50:50 POZ G + ADDITIVES (YIELD 1.29) AT 14.1 PPG WITH 5.98 GPS H2O. DISPLACED TO FLOAT COLLAR WITH 128 BBL H2O WITH 2 GAL/1000 L064 FRESH WATER. AVG MIX AND DISPLACEMENT RATE 6.6 BPM. FINAL PUMP PRESSURE 2200 PSI AT 2.3 BPM. BUMPED PLUG TO 3200 PSI. BLED OFF PRESSURE, FLOATS HELD. LEAVE CEMENT HEAD ON FOR 1 HR. RIG DOWN CEMENTERS.                        |
| 05:00 | 06:00 | 1.0  | LAY DOWN LANDING JT. INSTALL PACK, OFF TEST DTO TO 5000 PSI. NIPPLE DOWN BOPE.   |
|       |       |      | 1 INCIDENT REPORTED<br>FULL CREWS<br>SAFETY MTGS: TRIPS, RUNNING CASING<br>FUEL 7089, USED 610   |

05-27-2008 Reported By ROBERT DYSART

|                       |            |            |                 |             |           |      |    |    |     |      |     |
|-----------------------|------------|------------|-----------------|-------------|-----------|------|----|----|-----|------|-----|
| Daily Costs: Drilling | \$1,472    | Completion | \$0             | Daily Total | \$1,472   |      |    |    |     |      |     |
| Cum Costs: Drilling   | \$770,983  | Completion | \$145,828       | Well Total  | \$916,811 |      |    |    |     |      |     |
| MD                    | 8,330      | TVD        | 8,330           | Progress    | 0         | Days | 13 | MW | 0.0 | Visc | 0.0 |
| Formation :           | PBTB : 0.0 | Perf :     | PKR Depth : 0.0 |             |           |      |    |    |     |      |     |

Activity at Report Time: RDRT/WO COMPLETION

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 08:00 | 2.0  | NIPPLE DOWN BOPE, FMC ON SITE. PREP FOR MOVE TO ECW 62-63 (.75 MILE MOVE).  |
|       |       |      | TRANSFER FROM ECW 63-35 TO ECW 62-35<br>321.07' N-80 PROD. CASING 4 1/2"<br>42.97' P-110 PROD. CASING 4 1/2"<br>7089 GAL. DIESEL FUEL |
| 08:00 | 06:00 | 22.0 | RIG RELEASE ON 05/26/08 @ 08:00 HRS<br>CASING POINT COST \$770,984  |

05-31-2008 Reported By MCCURDY

|                       |           |            |           |             |           |      |    |    |     |      |     |
|-----------------------|-----------|------------|-----------|-------------|-----------|------|----|----|-----|------|-----|
| Daily Costs: Drilling | \$0       | Completion | \$44,555  | Daily Total | \$44,555  |      |    |    |     |      |     |
| Cum Costs: Drilling   | \$770,983 | Completion | \$190,383 | Well Total  | \$961,366 |      |    |    |     |      |     |
| MD                    | 8,330     | TVD        | 8,330     | Progress    | 0         | Days | 14 | MW | 0.0 | Visc | 0.0 |

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

**Activity at Report Time:** WO COMPLETION

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | 5/29/08 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO SURFACE. EST CEMENT TOP @ SURFACE. RD SCHLUMBERGER. |

NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

| 06-17-2008                                |                   | Reported By             | CARLSON                |  |
|---|-------------------|-------------------------|------------------------|--|
| <b>Daily Costs: Drilling</b>              | \$0               | <b>Completion</b>       | \$3,935                | <b>Daily Total</b> \$3,935                                     |
| <b>Cum Costs: Drilling</b>                | \$770,983         | <b>Completion</b>       | \$194,318              | <b>Well Total</b> \$965,301                                    |
| <b>MD</b>                                 | 8,330             | <b>TVD</b>              | 8,330                  | <b>Progress</b> 0 <b>Days</b> 15 <b>MW</b> 0.0 <b>Visc</b> 0.0 |
| <b>Formation :</b> MESA VERDE,<br>WASATCH | <b>PBTD :</b> 0.0 | <b>Perf :</b> 6979-8102 | <b>PKR Depth :</b> 0.0 |  |

**Activity at Report Time:** FRAC

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | PERFORATE LPR FROM 7904'-06', 7937'-38', 7973'-74', 7978'-79', 8002'-03', 8046'-47', 8079'-80', 8092'-94', 8100'-02' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5223 GAL YF116 ST+ PAD, 38120 GAL YF116 ST+ WITH 109100# 20/40 SAND @ 1-5 PPG. MTP 6098 PSIG. MTR 51.8 BPM. ATP 4459 PSIG. ATR 47.7 BPM. ISIP 2450 PSIG. RD SCHLUMBERGER. |

RUWL. SET 6K CFP @ 7875' & PERFORATE LPR FROM 7660'-62', 7684'-85', 7700'-01', 7738'-39', 7752'-53', 7781'-82', 7802'-03', 7809'-10', 7818'-19', 7830'-31', 7858'-59' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4578 GAL YF116 ST+ PAD 38784 GAL YF116 ST+ WITH 111900# 20/40 SAND @ 1-5 PPG. MTP 6211 PSIG. MTR 51.5 BPM. ATP 4642 PSIG. ATR 47.3 BPM. ISIP 2900 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP @ 7640' & PERFORATE MPR FROM 7490'-91', 7497'-98', 7523'-24', 7532'-33', 7562'-63', 7566'-67', 7576'-77', 7588'-89', 7593'-94', 7598'-99', 7613'-14', 7621'-22' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4158 GAL YF116 ST+ PAD, 35930 GAL YF116 ST+ WITH 99100# 20/40 SAND @ 1-4 PPG. MTP 6208 PSIG. MTR 51.5 BPM. ATP 4978 PSIG. ATR 46.8 BPM. ISIP 3700 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 7450' & PERFORATE MPR FROM 7226'-27', 7236'-37', 7265'-66', 7272'-73', 7278'-79', 7290'-91', 7343'-44', 7359'-60', 7374'-75', 7384'-85', 7411'-12', 7422'-23' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4576 GAL YF116 ST+ PAD, 55322 GAL YF116 ST+ WITH 164000# 20/40 SAND @ 1-5 PPG. MTP 6242 PSIG. MTR 51.7 BPM. ATP 4294 PSIG. ATR 48.4 BPM. ISIP 2300 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 7200'. PERFORATE MPR FROM 6979'-80', 6990'-91', 7019'-20', 7042'-43', 7057'-58', 7064'-65', 7085'-86', 7105'-06', 7119'-20', 7132'-33', 7150'-51', 7163'-64' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3142 GAL YF116ST+ PAD, 60366 GAL YF116ST+ WITH 177800# 20/40 SAND @ 1-5 PPG. MTP 6134 PSIG. MTR 51.6 BPM. ATP 3833 PSIG. ATR 48.9 BPM. ISIP 2450 PSIG. RD SCHLUMBERGER. SDFN.

| 06-18-2008                                |                   | Reported By             | CARLSON                |  |
|---|-------------------|-------------------------|------------------------|--|
| <b>Daily Costs: Drilling</b>              | \$0               | <b>Completion</b>       | \$428,786              | <b>Daily Total</b> \$428,786                                   |
| <b>Cum Costs: Drilling</b>                | \$770,983         | <b>Completion</b>       | \$623,104              | <b>Well Total</b> \$1,394,088                                  |
| <b>MD</b>                                 | 8,330             | <b>TVD</b>              | 8,330                  | <b>Progress</b> 0 <b>Days</b> 16 <b>MW</b> 0.0 <b>Visc</b> 0.0 |
| <b>Formation :</b> MESA VERDE,<br>WASATCH | <b>PBTD :</b> 0.0 | <b>Perf :</b> 5044-8102 | <b>PKR Depth :</b> 0.0 |  |

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

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | SICP 1450 PSIG. RUWL. SET 6K CFP @ 6955' & PERFORATE U/MPR FROM 6797'-99', 6805'-07', 6859'-60', 6891'-92', 6907'-08', 6917'-19', 6931'-33', 6942'-43' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3133 GAL YF116 ST+ PAD 51339 GAL YF116 ST+ WITH 151200# 20/40 SAND @ 1-5 PPG. MTP 5487 PSIG. MTR 53.3 BPM. ATP 3607 PSIG. ATR 48.7 BPM. ISIP 2200 PSIG. RD SCHLUMBERGER.                            |
|       |       |      | RUWL. SET 6K CFP @ 6750' & PERFORATE UPR FROM 6553'-54', 6562'-63', 6601'-02', 6613'-14', 6619'-20', 6628'-29', 6639'-40', 6659'-60', 6667'-68', 6691'-92', 6711'-12', 6720'-21' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3133 GAL YF116 ST+ PAD, 44859 GAL YF116 ST+ WITH 129600# 20/40 SAND @ 1-5 PPG. MTP 5796 PSIG. MTR 50.7 BPM. ATP 3654 PSIG. ATR 45.9 BPM. ISIP 2250 PSIG. RD SCHLUMBERGER. |
|       |       |      | RUWL. SET 6K CFP AT 6500' & PERFORATE UPR FROM 6275'-76', 6310'-11', 6337'-38', 6370'-71', 6377'-78', 6396'-97', 6403'-04', 6424'-25', 6432'-34', 6443'-44', 6466'-67' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3107 GAL YF116 ST+ PAD, 42994 GAL YF116 ST+ WITH 128300# 20/40 SAND @ 1-5 PPG. MTP 5595 PSIG. MTR 51.3 BPM. ATP 3597 PSIG. ATR 48.8 BPM. ISIP 2200 PSIG. RD SCHLUMBERGER.           |
|       |       |      | RUWL. SET 6K CFP AT 6185' & PERFORATE UPR/NH FROM 6044'-45', 6050'-51', 6060'-61', 6081'-82', 6103'-05', 6116'-17', 6122'-23', 6130'-32', 6167'-68' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3140 GAL YF116 ST+ PAD, 42755 GAL YF116 ST+ WITH 129300# 20/40 SAND @ 1-5 PPG. MTP 5383 PSIG. MTR 51.3 BPM. ATP 3536 PSIG. ATR 49 BPM. ISIP 2200 PSIG. RD SCHLUMBERGER.                                |
|       |       |      | RUWL. SET 6K CFP AT 5920' & PERFORATE Ba FROM 5675'-76', 5696'-97', 5706'-07', 5729'-30', 5737'-38', 5753'-54', 5793'-94', 5807'-08', 5816'-17', 5848'-49', 5877'-78', 5898'-99' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 3125 GAL YF116 ST+ PAD, 34015 GAL YF116 ST+ WITH 96200# 20/40 SAND @ 1-4 PPG. MTP 6259 PSIG. MTR 53 BPM. ATP 4736 PSIG. ATR 46.4 BPM. ISIP 2100 PSIG. RD SCHLUMBERGER.                           |
|       |       |      | RUWL. SET 6K CFP AT 5640' & PERFORATE Ba FROM 5327'-28', 5343'-44', 5387'-88', 5417'-18', 5496'-97', 5512'-13', 5548'-49', 5574'-75', 5588'-89', 5606'-07', 5619'-20', 5626'-27' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 3138 GAL YF116 ST+ PAD, 32023 GAL YF116 ST+ WITH 85300# 20/40 SAND @ 1-4 PPG. MTP 4921 PSIG. MTR 50.7 BPM. ATP 3311 PSIG. ATR 46.4 BPM. ISIP 1350 PSIG. RD SCHLUMBERGER.                         |
|       |       |      | RUWL. SET 6K CFP AT 5275' & PERFORATE Ca FROM 5044'-45', 5076'-77', 5088'-89', 5129'-30', 5134'-35', 5144'-45', 5162'-63', 5168'-69', 5177'-78', 5214'-15', 5224'-25', 5252'-53' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 3136 GAL YF116 ST+ PAD, 36289 GAL YF116 ST+ WITH 97700# 20/40 SAND @ 1-4 PPG. MTP 4511 PSIG. MTR 50.7 BPM. ATP 2812 PSIG. ATR 48.2 BPM. ISIP 1600 PSIG. RD SCHLUMBERGER                          |
|       |       |      | RUWL. SET 6K CBP AT 4952'. RDWL.   |

| <b>06-21-2008</b>                                    |           | <b>Reported By</b>     |  | POWELL                  |             |
|--|-----------|------------------------|--|-------------------------|-------------|
| <b>Daily Costs: Drilling</b>                         | \$0       | <b>Completion</b>      | \$8,383  | <b>Daily Total</b>      | \$8,383     |
| <b>Cum Costs: Drilling</b>                           | \$770,983 | <b>Completion</b>      | \$631,487  | <b>Well Total</b>       | \$1,402,471 |
| <b>MD</b>  | 8,330     | <b>TVD</b>             | 8,330  | <b>Progress</b>         | 0           |
|  |           |                        |  | <b>Days</b>             | 17          |
|  |           |                        |  | <b>MW</b>               | 0.0         |
|  |           |                        |  | <b>Visc</b>             | 0.0         |
| <b>Formation : MESA VERDE,</b>                       |           | <b>PBTD : 0.0</b>      |  | <b>Perf : 5044-8102</b> |             |
| <b>WASATCH</b>                                       |           | <b>PKR Depth : 0.0</b> |  |                         |             |
| <b>Activity at Report Time: CLEAN OUT AFTER FRAC</b> |           |                        |  |                         |             |
| Start  | End       | Hrs                    | Activity Description   |                         |             |
| 07:00  | 17:00     | 10.0                   | MIRUSU. ND FRAC TREE. NU BOPE. RIH W/ BIT & PUMP OFF SUB TO 4950'. RU TO DRILL OUT. SDFWE. |                         |             |

06-24-2008 Reported By POWELL

Daily Costs: Drilling \$0 Completion \$9,283 Daily Total \$9,283  
 Cum Costs: Drilling \$770,983 Completion \$640,770 Well Total \$1,411,754

MD 8,330 TVD 8,330 Progress 0 Days 18 MW 0.0 Visc 0.0  
 Formation : MESA VERDE, PBTB : 0.0 Perf : 5044-8102 PKR Depth : 0.0  
 WASATCH

Activity at Report Time: FLOW TEST

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 07:00 | 18:00 | 11.0 | CLEANED OUT & DRILLED OUT PLUGS @ 4952', 5275', 5640', 5920', 6185', 6500', 6750', 6955', 7200', 7450', 7640' & 7875'. RIH . CLEANED OUT TO PBTB AT 8272'. LANDED TBG AT 6194' KB. ND BOPE. NU TREE. PUMP OFF BIT & SUB. RDMOSU. |

FLOWED 11 HRS. 24/64" CHOKE. FTP 1600 PSIG. CP 2200 PSIG. 77 BFPH. RECOVERED 864 BLW. 13724 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'  
 1 JT 2-3/8" 4.7# L-80 TBG 32.30'  
 XN NIPPLE 1.10'  
 189 JTS 2-3/8" 4.7# L-80 TBG 6148.33'  
 BELOW KB 12.00'  
 LANDED @ 6194.73' KB

06-25-2008 Reported By POWELL

Daily Costs: Drilling \$0 Completion \$9,283 Daily Total \$9,283  
 Cum Costs: Drilling \$770,983 Completion \$650,053 Well Total \$1,421,037

MD 8,330 TVD 8,330 Progress 0 Days 19 MW 0.0 Visc 0.0  
 Formation : MESA VERDE, PBTB : 0.0 Perf : 5044-8102 PKR Depth : 0.0  
 WASATCH

Activity at Report Time: FLOW TEST

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 05:00 | 05:00 | 24.0 | FLOWED 24 HRS. 24/64" CHOKE. FTP 1500 PSIG. CP 2500 PSIG. 68 BFPH. RECOVERED 1390 BLW. 11393 BLWTR. |

06-26-2008 Reported By POWELL

Daily Costs: Drilling \$0 Completion \$9,283 Daily Total \$9,283  
 Cum Costs: Drilling \$770,983 Completion \$659,336 Well Total \$1,430,320

MD 8,330 TVD 8,330 Progress 0 Days 20 MW 0.0 Visc 0.0  
 Formation : MESA VERDE, PBTB : 0.0 Perf : 5044-8102 PKR Depth : 0.0  
 WASATCH

Activity at Report Time: FLOW TEST

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 05:00 | 05:00 | 24.0 | FLOWED 24 HRS. 24/64" CHOKE. FTP 1500 PSIG. CP 2350 PSIG. 50 BFPH. RECOVERED 1080 BLW. 11177 BLWTR. |

06-27-2008 Reported By POWELL

Daily Costs: Drilling \$0 Completion \$3,600 Daily Total \$3,600

|                                |                   |                         |           |                        |             |
|--------------------------------|-------------------|-------------------------|-----------|------------------------|-------------|
| <b>Cum Costs: Drilling</b>     | \$770,983         | <b>Completion</b>       | \$662,936 | <b>Well Total</b>      | \$1,433,920 |
| <b>MD</b>                      | 8,330             | <b>TVD</b>              | 8,330     | <b>Progress</b>        | 0           |
|                                |                   | <b>Days</b>             | 21        | <b>MW</b>              | 0.0         |
|                                |                   | <b>Visc</b>             |           |                        | 0.0         |
| <b>Formation : MESA VERDE,</b> | <b>PBTD : 0.0</b> | <b>Perf : 5044-8102</b> |           | <b>PKR Depth : 0.0</b> |             |
| WASATCH                        |                   |                         |           |                        |             |

**Activity at Report Time:** FLOW TEST TO SALES-INITIAL PRODUCTION-FIRST GAS SALES

| <b>Start</b> | <b>End</b> | <b>Hrs</b> | <b>Activity Description</b>   |
|--------------|------------|------------|---|
| 05:00        | 05:00      | 24.0       | FLOWED THROUGH TEST UNIT TO SALES 16 HRS. 20/64" CHOKE. FTP 1500 PSIG. CP 2200 PSIG. 38 BFPH. RECOVERED 1010 BLW. 10167 BLWTR. 776.4 MCFD RATE. |

INITIAL PRODUCTION: TURNED TO GAS SALES. SITP 1450 & SICP 2200 PSIG. TURNED WELL TO QUESTAR SALES AT 8:00 AM. 6/26/08. FLOWING 961 MCFD RATE ON 20/64" POS CK. STATIC 450.

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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.  
UTU0344

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

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

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

8. Lease Name and Well No.  
EAST CHAPITA 63-35

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

9. API Well No.  
43-047-39205

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
 At surface **SENE 1902FNL 644FEL 39.99448 N Lat, 109.28709 W Lon**  
 At top prod interval reported below **SENE 1902FNL 644FEL 39.99448 N Lat, 109.28709 W Lon**  
 At total depth **SENE 1902FNL 644FEL 39.99448 N Lat, 109.28709 W Lon**

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

11. Sec., T., R., M., or Block and Survey  
or Area **Sec 35 T9S R23E Mer SLB**

12. County or Parish  
UINTAH 13. State  
UT

14. Date Spudded **04/10/2008** 15. Date T.D. Reached **05/25/2008** 16. Date Completed  
 D & A  Ready to Prod.  
**06/26/2008**

17. Elevations (DF, KB, RT, GL)\*  
5340 GL

18. Total Depth: MD **8330** TVD \_\_\_\_\_ 19. Plug Back T.D.: MD **8272** TVD \_\_\_\_\_  
 20. Depth Bridge Plug Set: MD **TVD** TVD \_\_\_\_\_

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
**RST/CBL/CCL/VOL/GR Temp.** 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        | 2247        |                      | 820                         |                   |             |               |
| 7.875     | 4.500 N-80 | 11.6       | 0        | 8317        |                      | 2040                        |                   |             |               |
|           |            |            |          |             |                      |                             |                   |             |               |
|           |            |            |          |             |                      |                             |                   |             |               |
|           |            |            |          |             |                      |                             |                   |             |               |

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 | 6195           |                   |      |                |                   |      |                |                   |

25. Producing Intervals 26. Perforation Record **5044 - 8102**

| Formation            | Top  | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|----------------------|------|--------|---------------------|------|-----------|--------------|
| A) WASATCH/MESAVERDE | 5044 | 8102   | 7904 TO 8102        |      | 3         |              |
| B)                   |      |        | 7660 TO 7859        |      | 3         |              |
| C)                   |      |        | 7490 TO 7622        |      | 3         |              |
| D)                   |      |        | 7226 TO 7423        |      | 3         |              |

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

| Depth Interval | Amount and Type of Material                    |
|----------------|--|
| 7904 TO 8102   | 43,508 GALS GELLED WATER & 109,100# 20/40 SAND |
| 7660 TO 7859   | 43,527 GALS GELLED WATER & 111,900# 20/40 SAND |
| 7490 TO 7622   | 40,253 GALS GELLED WATER & 99,100# 20/40 SAND  |
| 7226 TO 7423   | 60,063 GALS GELLED WATER & 164,000# 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 |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| 06/26/2008          | 06/30/2008           | 24           | →               | 10.0    | 925.0   | 846.0     |                       |             | FLOWS FROM WELL   |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio         | Well Status |                   |
| 20/64"              | S1                   | 2100.0       | →               | 10      | 925     | 846       |                       | 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 |                   |
|                     | S1                   |              | →               |         |         |           |                       |             |                   |

(See Instructions and spaces for additional data on reverse side)  
 ELECTRONIC SUBMISSION #61956 VERIFIED BY THE BLM WELL INFORMATION SYSTEM  
**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

RECEIVED

AUG 05 2008

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

| Formation         | Top  | Bottom | Descriptions, Contents, etc. | Name   | Top  |
|-------------------|------|--------|------------------------------|--|--|
|                   |      |        |                              |  | Meas. Depth  |
| WASATCH/MESAVERDE | 5044 | 8102   |                              | GREEN RIVER<br>MAHOGANY<br>UTELAND BUTTE<br>WASATCH<br>CHAPITA WELLS<br>BUCK CANYON<br>PRICE RIVER<br>MIDDLE PRICE RIVER | 1414<br>2017<br>4114<br>4218<br>4785<br>5434<br>6064<br>6862 |

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

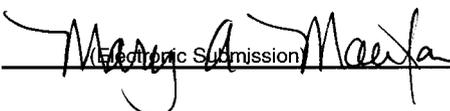
33. Circle enclosed attachments:

- 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 #61956 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 08/04/2008

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.

**East Chapita 63-35 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

|           |       |
|-----------|-------|
| 6979-7164 | 3/spf |
| 6797-6943 | 3/spf |
| 6553-6721 | 3/spf |
| 6275-6467 | 3/spf |
| 6044-6168 | 3/spf |
| 5675-5899 | 3/spf |
| 5327-5627 | 3/spf |
| 5044-5253 | 3/spf |

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

|           |  |
|-----------|--|
| 6979-7164 | 63,673 GALS GELLED WATER & 177,800# 20/40 SAND |
| 6797-6943 | 54,637 GALS GELLED WATER & 151,200# 20/40 SAND |
| 6553-6721 | 48,157 GALS GELLED WATER & 129,600# 20/40 SAND |
| 6275-6467 | 46,266 GALS GELLED WATER & 128,300# 20/40 SAND |
| 6044-6168 | 46,060 GALS GELLED WATER & 129,300# 20/40 SAND |
| 5675-5899 | 37,140 GALS GELLED WATER & 96,200# 20/40 SAND  |
| 5327-5627 | 35,161 GALS GELLED WATER & 85,300# 20/40 SAND  |
| 5044-5253 | 39,425 GALS GELLED WATER & 97,700# 20/40 SAND  |

Perforated the Lower Price River from 7904-06', 7937-38', 7973-74', 7978-79', 8002-03', 8046-47', 8079-80', 8092-94', 8100-02' w/ 3 spf.

Perforated the Lower Price River from 7660-62', 7684-85', 7700-01', 7738-39', 7752-53', 7781-82', 7802-03', 7809-10', 7818-19', 7830-31', 7858-59' w/ 3 spf.

Perforated the Middle Price River from 7490-91', 7497-98', 7523-24', 7532-33', 7562-63', 7566-67', 7576-77', 7588-89', 7593-94', 7598-99', 7613-14', 7621-22' w/ 3 spf.

Perforated the Middle Price River from 7226-27', 7236-37', 7265-66', 7272-73', 7278-79', 7290-91', 7343-44', 7359-60', 7374-75', 7384-85', 7411-12', 7422-23' w/ 3 spf.

Perforated the Middle Price River from 6979-80', 6990-91', 7019-20', 7042-43', 7057-58', 7064-65', 7085-86', 7105-06', 7119-20', 7132-33', 7150-51', 7163-64' w/ 3 spf.

Perforated the Upper/Middle Price River from 6797-99', 6805-07', 6859-60', 6891-92', 6907-08', 6917-19', 6931-33', 6942-43' w/ 3 spf.

Perforated the Upper Price River from 6553-54', 6562-63', 6601-02', 6613-14', 6619-20', 6628-29', 6639-40', 6659-60', 6667-68', 6691-92', 6711-12', 6720-21' w/ 3 spf.

Perforated the Upper Price River from 6275-76', 6310-11', 6337-38', 6370-71', 6377-78', 6396-97', 6403-04', 6424-25', 6432-34', 6443-44', 6466-67' w/ 3 spf.

Perforated the Upper Price River/North Horn from 6044-45', 6050-51', 6060-61', 6081-82', 6103-05', 6116-17', 6122-23', 6130-32', 6167-68' w/ 3 spf.

Perforated the Ba from 5675-76', 5696-97', 5706-07', 5729-30', 5737-38', 5753-54', 5793-94', 5807-08', 5816-17', 5848-49', 5877-78', 5898-99' w/ 3 spf.

Perforated the Ba from 5327-28', 5343-44', 5387-88', 5417-18', 5496-97', 5512-13', 5548-49', 5574-75', 5588-89', 5606-07', 5619-20', 5626-27' w/ 3 spf.

Perforated the Ca from 5044-45', 5076-77', 5088-89', 5129-30', 5134-35', 5144-45', 5162-63', 5168-69', 5177-78', 5214-15', 5224-25', 5252-53' w/ 3 spf.

### **32. FORMATION (LOG) MARKERS**

|                   |      |
|-------------------|------|
| Lower Price River | 7626 |
| Sego              | 8145 |

**REPORT OF WATER ENCOUNTERED DURING DRILLING**

Well name and number: ECW 63-35

API number: 4304739205

Well Location: QQ SENE Section 35 Township 9S Range 23E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: ASPEN DRILLING

Address: 560 S. COMMERCIAL DR. UNIT #1

city GRAND JUNCTION state CO zip 81505

Phone: (970) 242-9592

Water encountered (attach additional pages as needed):

| DEPTH |    | VOLUME<br>(FLOW RATE OR HEAD) | QUALITY<br>(FRESH OR SALTY) |
|-------|----|-------------------------------|-----------------------------|
| FROM  | TO |                               |                             |
|       |    | NO WATER                      | DRILLED WITH FLUID          |
|       |    |                               |                             |
|       |    |                               |                             |
|       |    |                               |                             |
|       |    |                               |                             |
|       |    |                               |                             |
|       |    |                               |                             |
|       |    |                               |                             |

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 8/4/2008

|  |   |
|--|---|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING  | <b>FORM 9</b><br><br><b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>U-0344                                       |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b><br><br><b>7. UNIT or CA AGREEMENT NAME:</b>                            |
| <b>1. TYPE OF WELL</b><br>Gas Well   | <b>8. WELL NAME and NUMBER:</b><br>E CHAPITA 63-35  |
| <b>2. NAME OF OPERATOR:</b><br>EOG Resources, Inc.   | <b>9. API NUMBER:</b><br>43047392050000   |
| <b>3. ADDRESS OF OPERATOR:</b><br>600 17th Street, Suite 1000 N , Denver, CO, 80202  | <b>PHONE NUMBER:</b><br>435 781-9111 Ext  |
| <b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b><br>1902 FNL 0644 FEL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: SENE Section: 35 Township: 09.0S Range: 23.0E Meridian: S  | <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES<br><br><b>COUNTY:</b><br>UINTAH<br><br><b>STATE:</b><br>UTAH |

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

| TYPE OF SUBMISSION  | TYPE OF ACTION   |   |   |
|---|--|---|---|
| <input type="checkbox"/> NOTICE OF INTENT<br>Approximate date work will start:                | <input type="checkbox"/> ACIDIZE                       | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> CASING REPAIR                  |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT<br>Date of Work Completion:<br>6/4/2009 | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS      | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> CHANGE WELL NAME               |
| <input type="checkbox"/> SPUD REPORT<br>Date of Spud:   | <input type="checkbox"/> CHANGE WELL STATUS            | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE              |
| <input type="checkbox"/> DRILLING REPORT<br>Report Date:                                      | <input type="checkbox"/> DEEPEN                        | <input type="checkbox"/> FRACTURE TREAT                 | <input type="checkbox"/> NEW CONSTRUCTION               |
|   | <input type="checkbox"/> OPERATOR CHANGE               | <input type="checkbox"/> PLUG AND ABANDON               | <input type="checkbox"/> PLUG BACK                      |
|   | <input type="checkbox"/> PRODUCTION START OR RESUME    | <input type="checkbox"/> RECLAMATION OF WELL SITE       | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
|   | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL       | <input type="checkbox"/> TEMPORARY ABANDON              |
|   | <input type="checkbox"/> TUBING REPAIR                 | <input type="checkbox"/> VENT OR FLARE                  | <input type="checkbox"/> WATER DISPOSAL                 |
|   | <input type="checkbox"/> WATER SHUTOFF                 | <input type="checkbox"/> SI TA STATUS EXTENSION         | <input type="checkbox"/> APD EXTENSION                  |
|   | <input type="checkbox"/> WILDCAT WELL DETERMINATION    | <input checked="" type="checkbox"/> OTHER               | OTHER: Pit closure                                      |

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

The reserve pit on the referenced location was closed on 6/4/2009 as per the APD procedure.

Accepted by the  
 Utah Division of  
 Oil, Gas and Mining  
**FOR RECORD ONLY**  
 July 06, 2009

|  |                                     |                                      |
|--|-------------------------------------|--------------------------------------|
| <b>NAME (PLEASE PRINT)</b><br>Mary Maestas | <b>PHONE NUMBER</b><br>303 824-5526 | <b>TITLE</b><br>Regulatory Assistant |
| <b>SIGNATURE</b><br>N/A                    |                                     | <b>DATE</b><br>7/1/2009              |

|  |   |
|--|---|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING  | <b>FORM 9</b><br><br><b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>U-0344                                       |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b><br><br><b>7. UNIT or CA AGREEMENT NAME:</b>                            |
| <b>1. TYPE OF WELL</b><br>Gas Well   | <b>8. WELL NAME and NUMBER:</b><br>E CHAPITA 63-35  |
| <b>2. NAME OF OPERATOR:</b><br>EOG Resources, Inc.   | <b>9. API NUMBER:</b><br>43047392050000   |
| <b>3. ADDRESS OF OPERATOR:</b><br>1060 East Highway 40 , Vernal, UT, 84078   | <b>PHONE NUMBER:</b><br>435 781-9111 Ext  |
| <b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b><br>1902 FNL 0644 FEL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: SENE Section: 35 Township: 09.0S Range: 23.0E Meridian: S  | <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES<br><br><b>COUNTY:</b><br>UINTAH<br><br><b>STATE:</b><br>UTAH |

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

| TYPE OF SUBMISSION  | TYPE OF ACTION   |   |   |
|---|--|---|---|
| <input type="checkbox"/> NOTICE OF INTENT<br>Approximate date work will start:                | <input type="checkbox"/> ACIDIZE                       | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> CASING REPAIR                  |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT<br>Date of Work Completion:<br>6/4/2009 | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS      | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> CHANGE WELL NAME               |
| <input type="checkbox"/> SPUD REPORT<br>Date of Spud:   | <input type="checkbox"/> CHANGE WELL STATUS            | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE              |
| <input type="checkbox"/> DRILLING REPORT<br>Report Date:                                      | <input type="checkbox"/> DEEPEN                        | <input type="checkbox"/> FRACTURE TREAT                 | <input type="checkbox"/> NEW CONSTRUCTION               |
|   | <input type="checkbox"/> OPERATOR CHANGE               | <input type="checkbox"/> PLUG AND ABANDON               | <input type="checkbox"/> PLUG BACK                      |
|   | <input type="checkbox"/> PRODUCTION START OR RESUME    | <input type="checkbox"/> RECLAMATION OF WELL SITE       | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
|   | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL       | <input type="checkbox"/> TEMPORARY ABANDON              |
|   | <input type="checkbox"/> TUBING REPAIR                 | <input type="checkbox"/> VENT OR FLARE                  | <input type="checkbox"/> WATER DISPOSAL                 |
|   | <input type="checkbox"/> WATER SHUTOFF                 | <input type="checkbox"/> SI TA STATUS EXTENSION         | <input type="checkbox"/> APD EXTENSION                  |
|   | <input type="checkbox"/> WILDCAT WELL DETERMINATION    | <input checked="" type="checkbox"/> OTHER               | OTHER: Pit Closure                                      |

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

The reserve pit on the referenced location was closed on 6/4/2009 as per the APD procedure.

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 July 07, 2009

|   |                                     |                                  |
|---|-------------------------------------|----------------------------------|
| <b>NAME (PLEASE PRINT)</b><br>Mickenzie Thacker | <b>PHONE NUMBER</b><br>435 781-9145 | <b>TITLE</b><br>Operations Clerk |
| <b>SIGNATURE</b><br>N/A                         | <b>DATE</b><br>7/7/2009             |                                  |