

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-0344
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC		7. If Unit or CA Agreement, Name and No.
3a. Address 1060 East Highway 40 Vernal, UT 84078		8. Lease Name and Well No. East Chapita 52-35
3b. Phone No. (include area code) 435-781-9111		9. API Well No. 43-047-39206
4. Location of Well (Report location clearly and in accordance with any State requirements.)* -109.295187 At surface 045 541 1876 FNL & 2172 FWL (SENW) 39.994544 LAT 109.295844 LON At proposed prod. zone SAME 44283384 39.994583		10. Field and Pool, or Exploratory Natural Buttes/Mesaverde/Wasatch
14. Distance in miles and direction from nearest town or post office* 56.4 Miles South of Vernal, UT		11. Sec., T. R. M. or Blk. and Survey or Area Section 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) 1876 468	16. No. of acres in lease 640	12. County or Parish Uintah
17. Spacing Unit dedicated to this well 40	13. State UT	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1620	19. Proposed Depth 8460	20. BLM/BIA Bond No. on file NM # 2308
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5370 GL	22. Approximate date work will start*	23. Estimated duration 45 Days

24. Attachments

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

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

25. Signature 	Name (Printed/Typed) Kaylene R. Gardner	Date 04/09/2007
Title Sr. Regulatory Assistant		

Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 04-30-07
Title ENVIRONMENTAL MANAGER		

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

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

\*(Instructions on page 2)

Federal Approval of this  
Action is Necessary

RECEIVED

APR 13 2007

DIV. OF OIL, GAS & MINING

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

EOG RESOURCES, INC.

Well location, EAST CHAPITA #52-35, located as shown in the SE 1/4 NW 1/4 of Section 35, T9S, R23E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

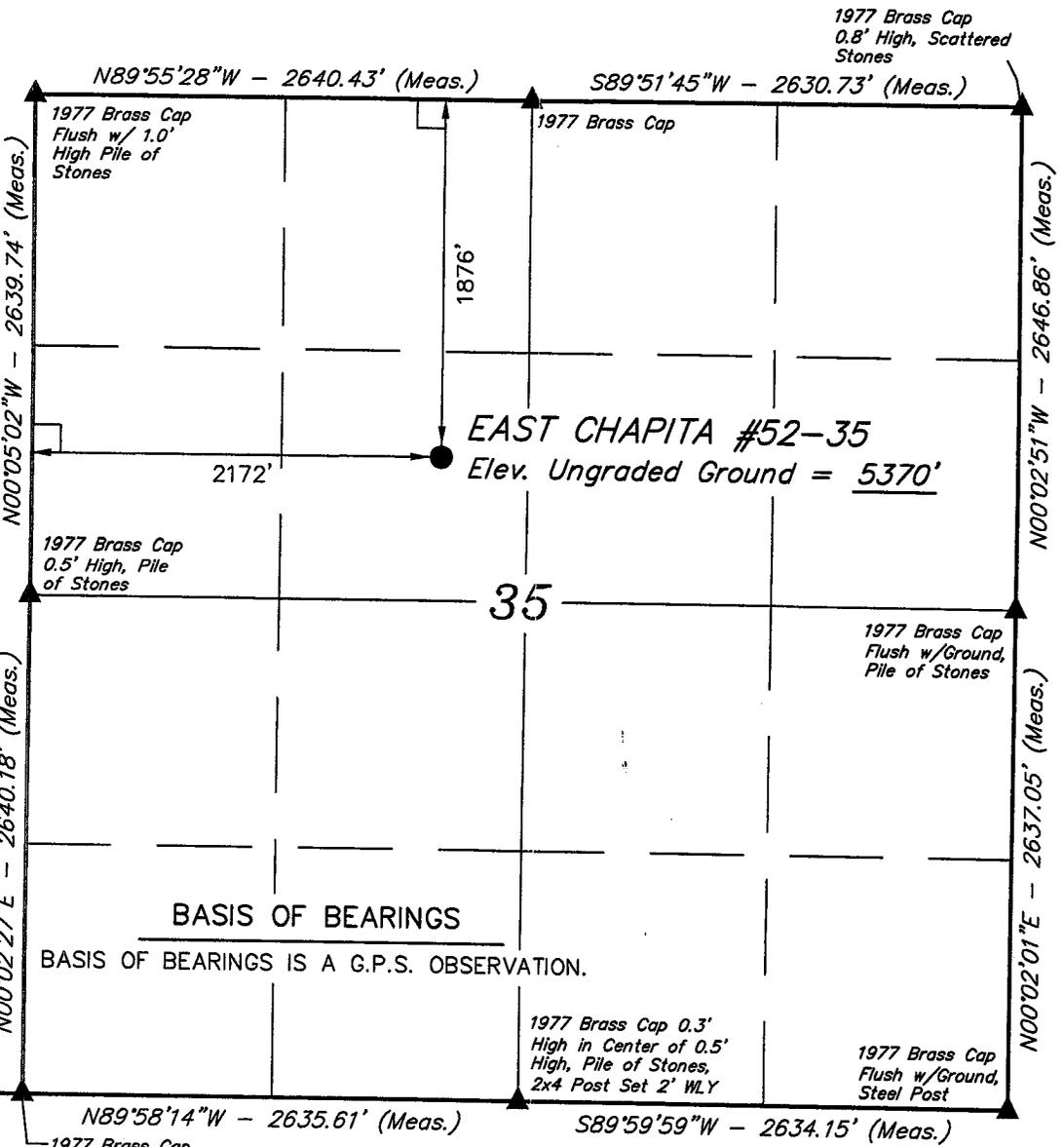
BENCH MARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.



SCALE

CERTIFICATION

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



BASIS OF BEARINGS

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

T9S  
T10S

LEGEND:

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

(NAD 83)  
LATITUDE = 39°59'40.36" (39.994544)  
LONGITUDE = 109°17'45.04" (109.295844)  
(NAD 27)  
LATITUDE = 39°59'40.48" (39.994578)  
LONGITUDE = 109°17'42.60" (109.295167)

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

SCALE 1" = 1000'	DATE SURVEYED: 05-17-06	DATE DRAWN: 05-18-06
PARTY G.S. K.C. L.K.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	

STATE OF UTAH )

) ss

COUNTY OF UINTAH )

VERIFICATION

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

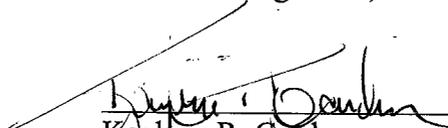
She is the Sr. Regulatory Assistant of EOG Resources, Inc., of Vernal, Utah. EOG Resources, Inc. is the operator of the following described well:

**EAST CHAPITA 52-35  
1876' FNL – 2172' FWL (SENW)  
SECTION 35, T9S, R23E  
UINTAH COUNTY, UTAH**

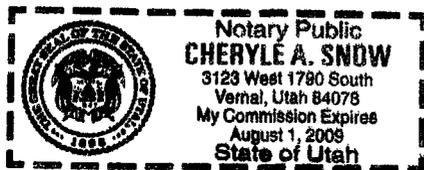
EOG Resources, Inc. , Exhibit A are the only owners in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

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, and Bureau of Land Management,  
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 51-35 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

CHAPITA WELLS UNIT

ECW 52-35



35

SCW 10-35



HBP

U-0344

T  
9  
S

 EAST CHAPITA 52-35

Scale: 1" = 1000'



Denver Division

**EXHIBIT "A"**

EAST CHAPITA 52-35  
Commingling Application  
Uintah County, Utah

Scale:  
1" = 1000'

Druteh/Commingled  
page\_EC52-35\_commingling  
WELL

Author

TLM

Apr 05 2007 -  
2:02pm

**EIGHT POINT PLAN**

**EAST CHAPITA 52-35**  
**SE/NW, 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	1,419		Shale	
Wasatch	4,260	Primary	Sandstone	Gas
Chapita Wells	4,809	Primary	Sandstone	Gas
Buck Canyon	5,457	Primary	Sandstone	Gas
North Horn	5,941	Primary	Sandstone	Gas
KMV Price River	6,154	Primary	Sandstone	Gas
KMV Price River Middle	7,035	Primary	Sandstone	Gas
KMV Price River Lower	7,804	Primary	Sandstone	Gas
Sego	8,247		Sandstone	
<b>TD</b>	<b>8,460</b>			

Estimated TD: **8,460' or 200'± below Sego top**

**Anticipated BHP: 4,620 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 52-35**  
**SE/NW, 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' 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 52-35**  
**SE/NW, 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 52-35**  
**SE/NW, SEC. 35, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

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

**Lead:** 105 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:** 830 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

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

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

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

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

**11. STANDARD REQUIRED EQUIPMENT:**

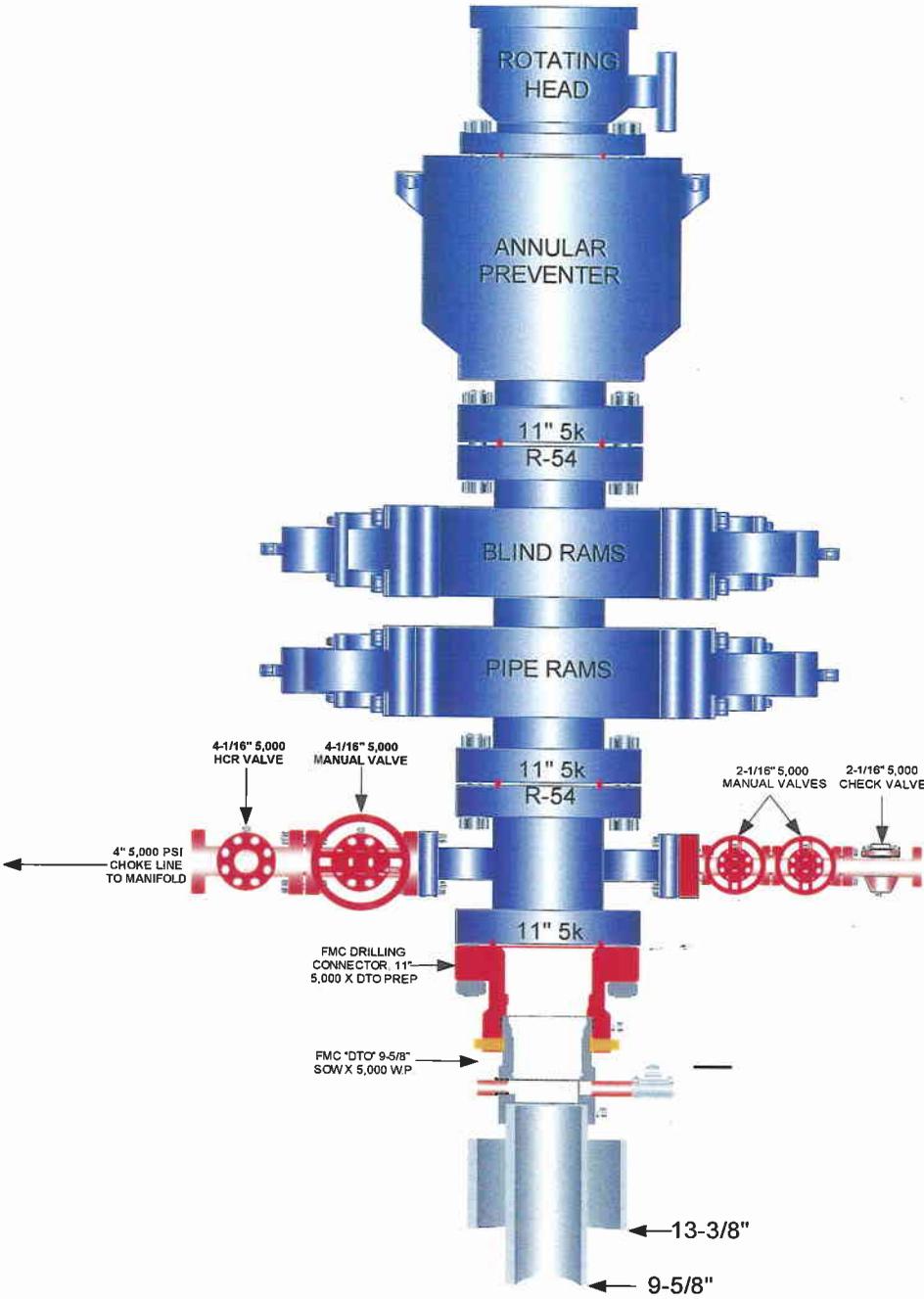
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

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

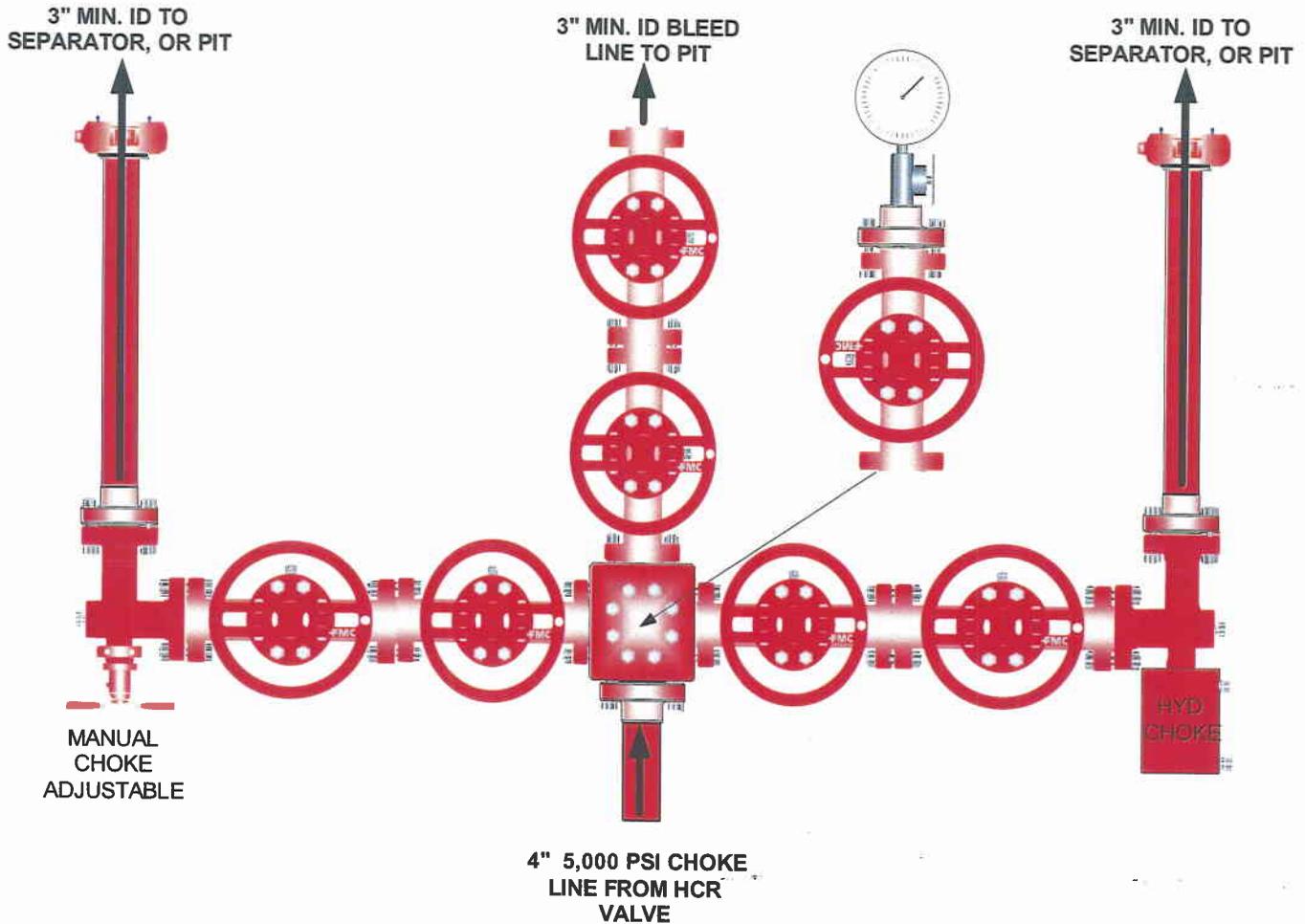
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF 2



Testing Procedure:

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



***East Chapita 52-35  
SENW, Section 35, T9S, R23E  
Uintah County, Utah***

***SURFACE USE PLAN***

***1. EXISTING ROADS:***

- A. See attached 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 56.2 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

***2. PLANNED ACCESS ROAD:***

- A. The access road will be approximately 1584' in length
- B. The access road has a 30 foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.
- I. A 30-foot permanent right-of-way is requested. No surfacing material will used.
- J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards

for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. 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 of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff 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.

**An off lease right-of-way will not be required to access the proposed well pad.**

**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 or one (1) 300 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 pipeline will transport natural gas.
2. The pipeline will be a permanent feeder line.

3. The length of the proposed pipeline is 1675' x 40'. The proposed pipeline leaves the northern edge of the well pad (Lease U-0344) proceeding in a northerly direction for an approximate distance of 1675' tying into a proposed pipeline for East Chapita 34-35 located in the SENW of Section 35, T9S, R23E. Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface
5. Proposed pipeline will be laid on surface.
6. A 20-foot permanent pipeline right-of-way is requested. A 40-foot temporary pipeline right-of-way for construction purposes is requested, the temporary right-of-way will be utilized for a 10-day period.
7. The proposed pipeline route begins in the SENW of Section 35, T9S, R23E, proceeding southerly for an approximate distance of 1675' to the SENW of Section 35, T9S, R23E. The entire length of the proposed pipeline is located within lease thus an off-lease right-of-way is not required.
8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

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

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

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, , and/or 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 pipeline will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

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

**A. METHODS AND LOCATION**

1. Cuttings will be confined in the reserve pit.
  2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
  3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
  4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
  5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

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

The reserve pit shall be lined with felt and a 16 millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

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.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

**8. ANCILLARY FACILITIES:**

None anticipated.

**9. WELL SITE LAYOUT:**

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

The reserve pit will be located on the east corner of the location. The flare pit will be located downwind of the prevailing wind direction on the south 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 (first six inches) will be stored separate from the location topsoil south of corner #5. The stockpiled location topsoil will be stored between corners #6 and #8. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the east.

The reserve pit and/or pad location shall be constructed long and narrow for topographical reasons.

**FENCING REQUIREMENTS:**

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

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.

- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

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

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

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

### **A. Interim Reclamation (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 – See attached Figure #3. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

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 (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 (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. 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.)
- D. 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.

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

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

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

A cultural resources survey was conducted and submitted June, 2006 by Montgomery Archaeological Consultants, Inc. A paleontology survey was conducted and submitted August, 2006 by Intermountain Paleo-Consulting.

***LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:***

**PERMITTING AGENT**

Kaylene R. Gardner  
EOG Resources, Inc.  
P.O. Box 1815  
Vernal, Ut 84078  
(435) 781-9111

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 to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

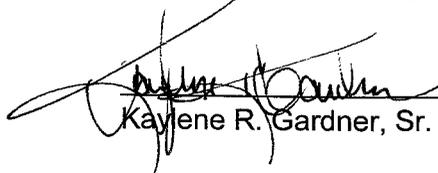
The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

**CERTIFICATION:**

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 52-35 Well, located in the SENW, 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

Onsite Date: March 15, 2007

**EOG RESOURCES, INC.**  
**EAST CHAPITA #52-35**  
 LOCATED IN UINTAH COUNTY, UTAH  
 SECTION 35, T9S, R23E, S.L.B.&M.

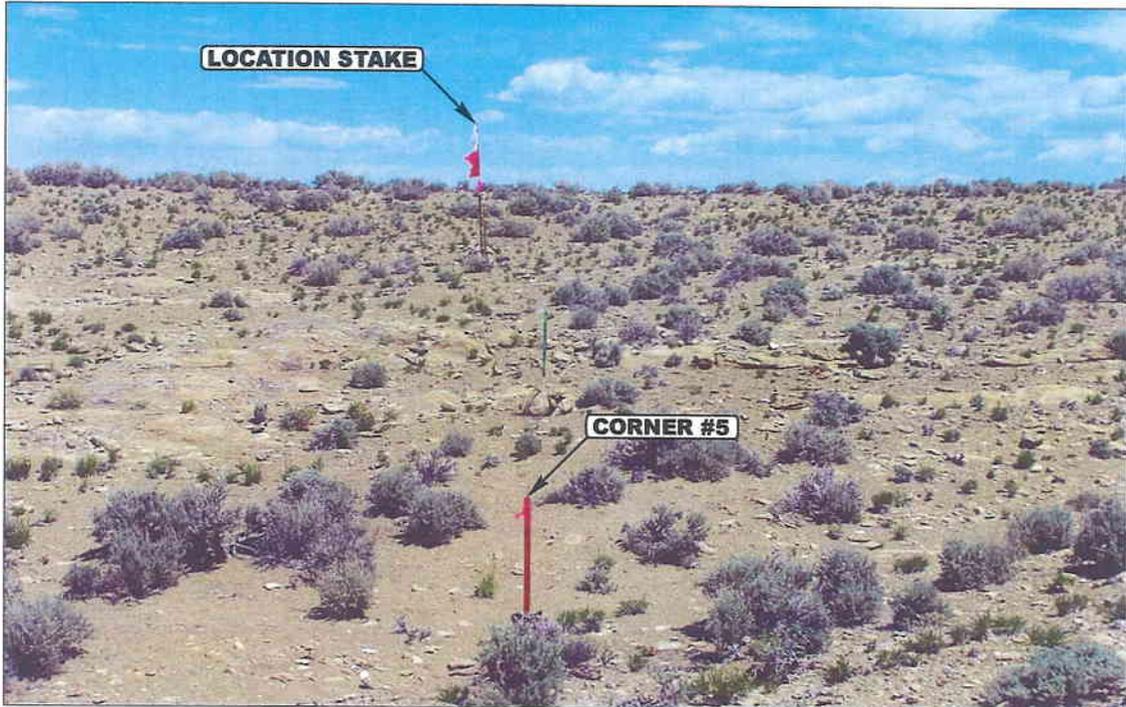


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



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

**LOCATION PHOTOS**

**05 18 06**  
 MONTH DAY YEAR

**PHOTO**

TAKEN BY: G.S. | DRAWN BY: B.C. | REVISED: 00-00-00

- Since 1964 -



EOG RESOURCES, INC.

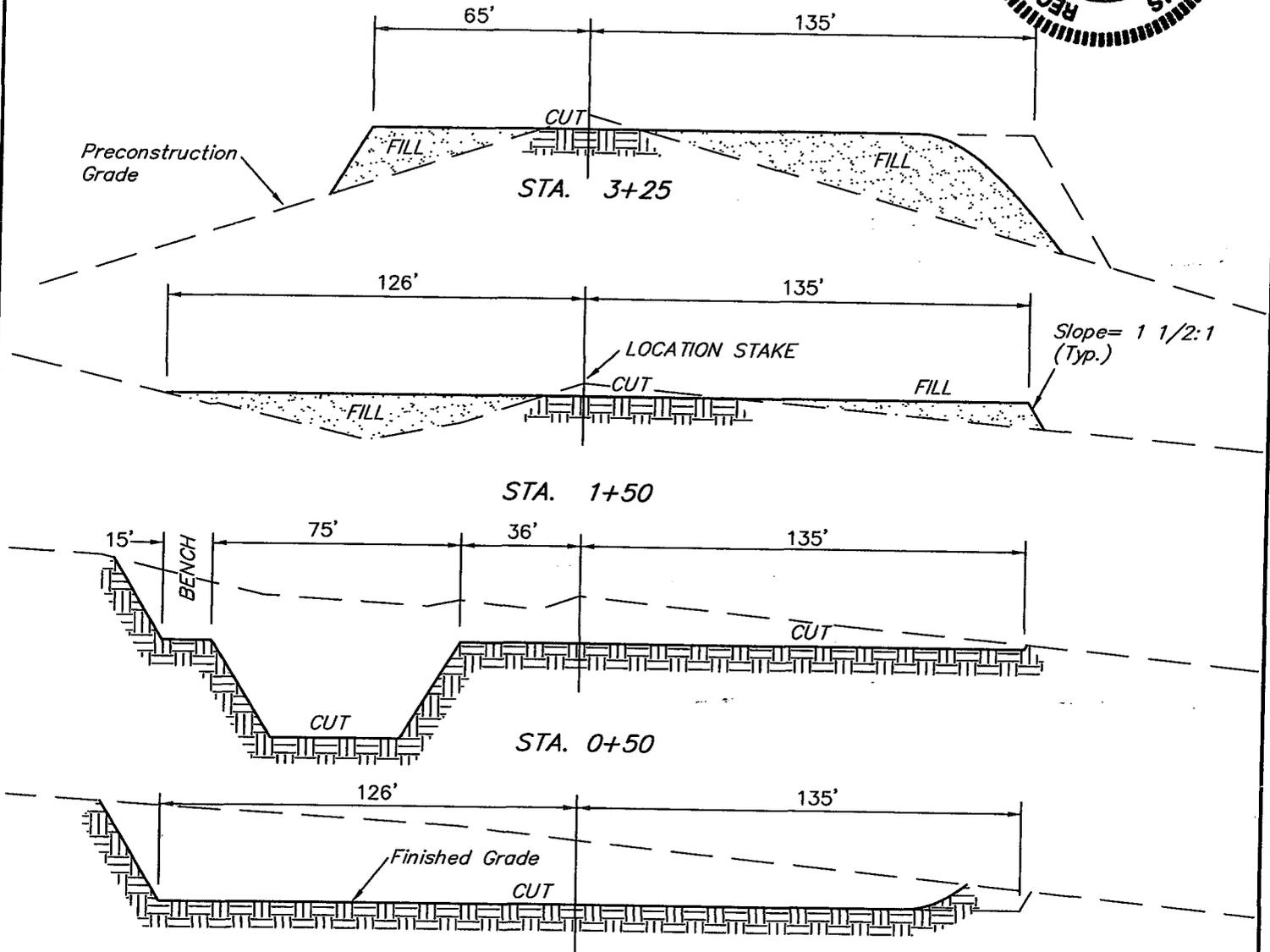
FIGURE #2

TYPICAL CROSS SECTIONS FOR  
 EAST CHAPITA #52-35  
 SECTION 35, T9S, R23E, S.L.B.&M.  
 1876' FNL 2172' FWL



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

DATE: 05-18-06  
 Drawn By: L.K.



NOTE:

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

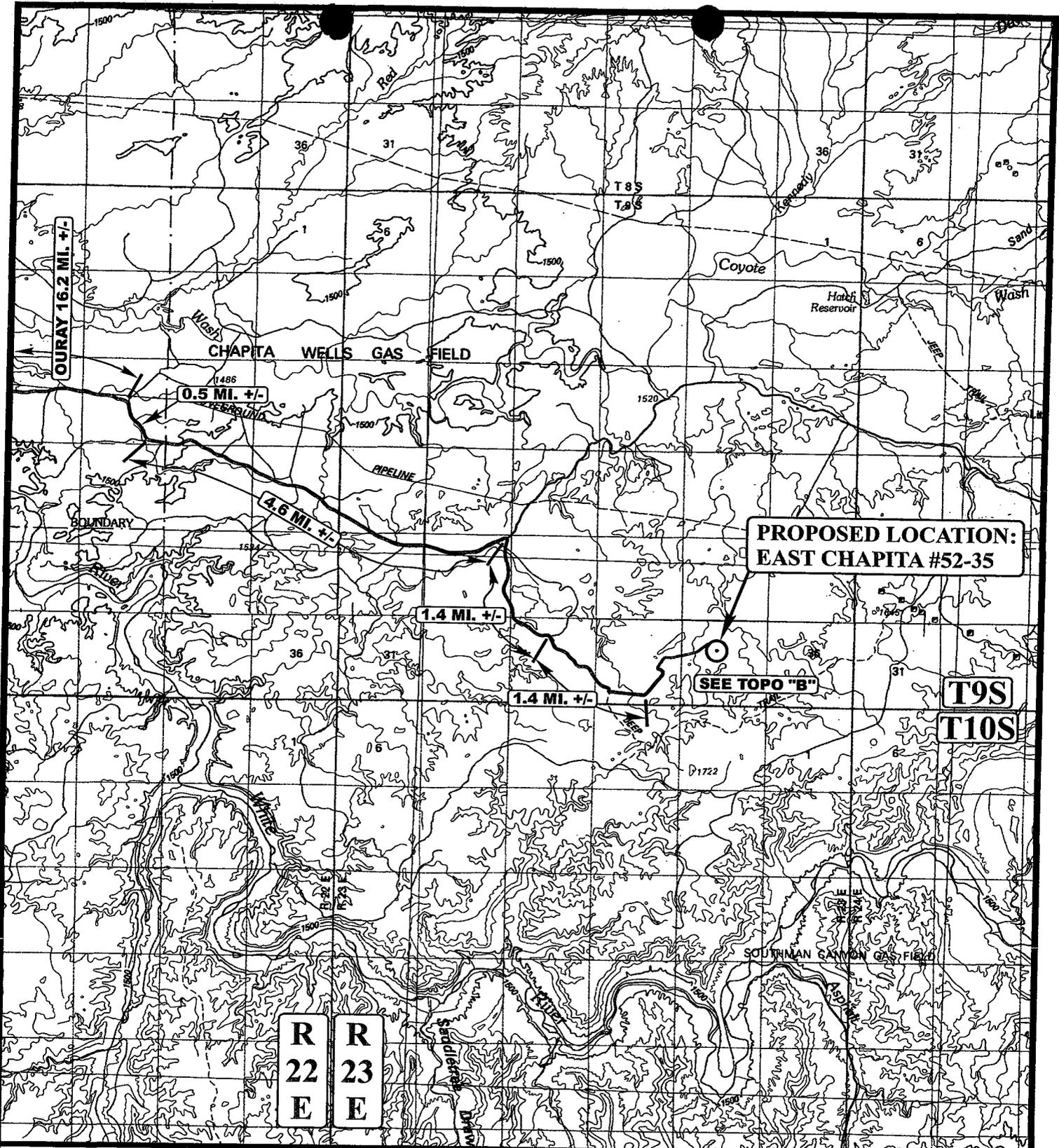
\* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,720 Cu. Yds.
Remaining Location	= 8,740 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 10,460 CU.YDS.</b>
<b>FILL</b>	<b>= 7,080 CU.YDS.</b>

EXCESS MATERIAL	= 3,380 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,380 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.



**PROPOSED LOCATION:  
EAST CHAPITA #52-35**

**SEE TOPO "B"**

**T9S  
T10S**

**R 22 E  
R 23 E**

**LEGEND:**

○ PROPOSED LOCATION

**EOG RESOURCES, INC.**

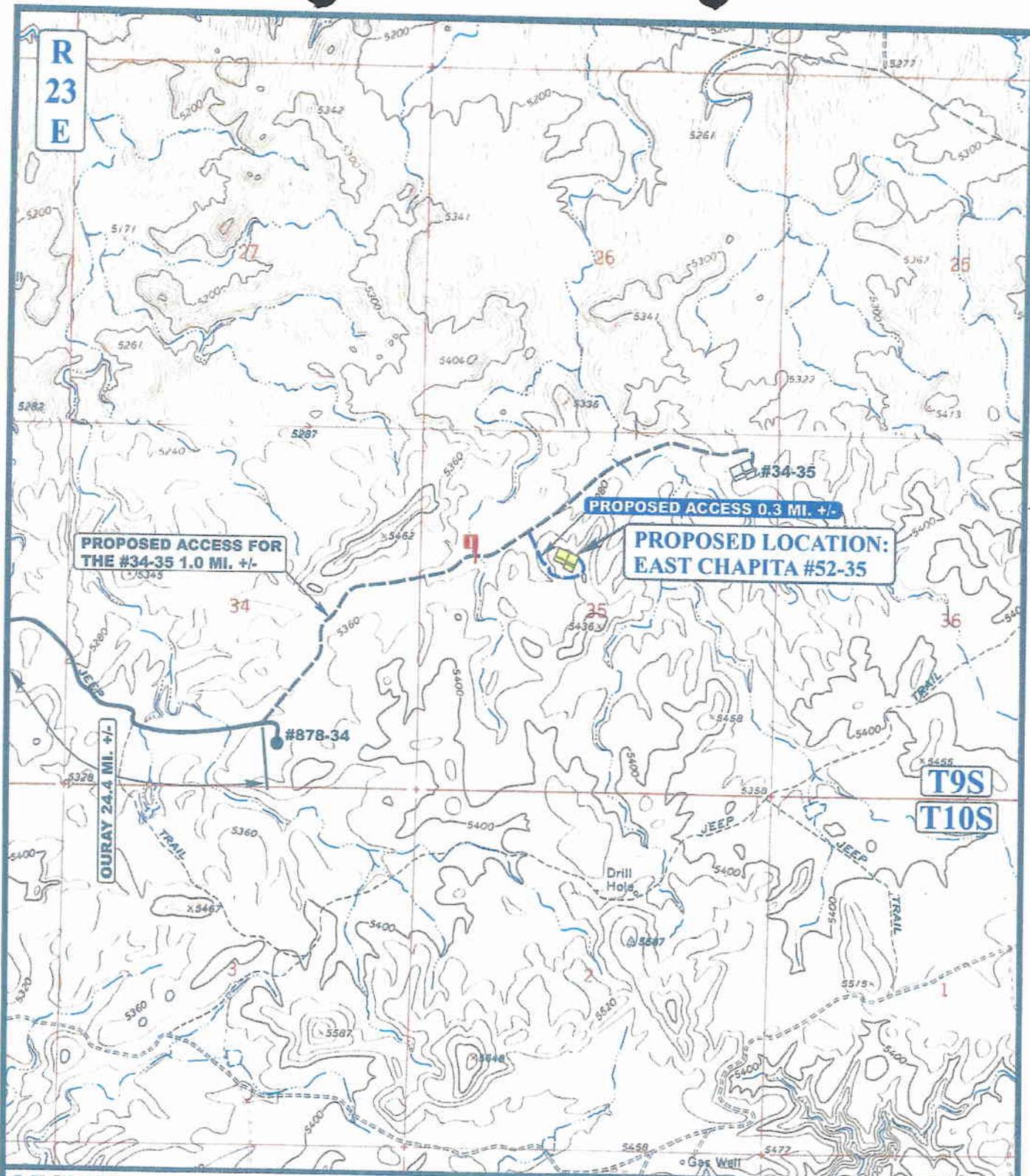
**EAST CHAPITA #52-35  
SECTION 35, T9S, R23E, S.L.B.&M.  
1876' FNL 2172' FWL**



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

**TOPOGRAPHIC MAP**  
 05 18 06  
 MONTH DAY YEAR  
 SCALE: 1:100,000 DRAWN BY: B.C. REVISED: 00-00-00





**LEGEND:**

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

**EOG RESOURCES, INC.**

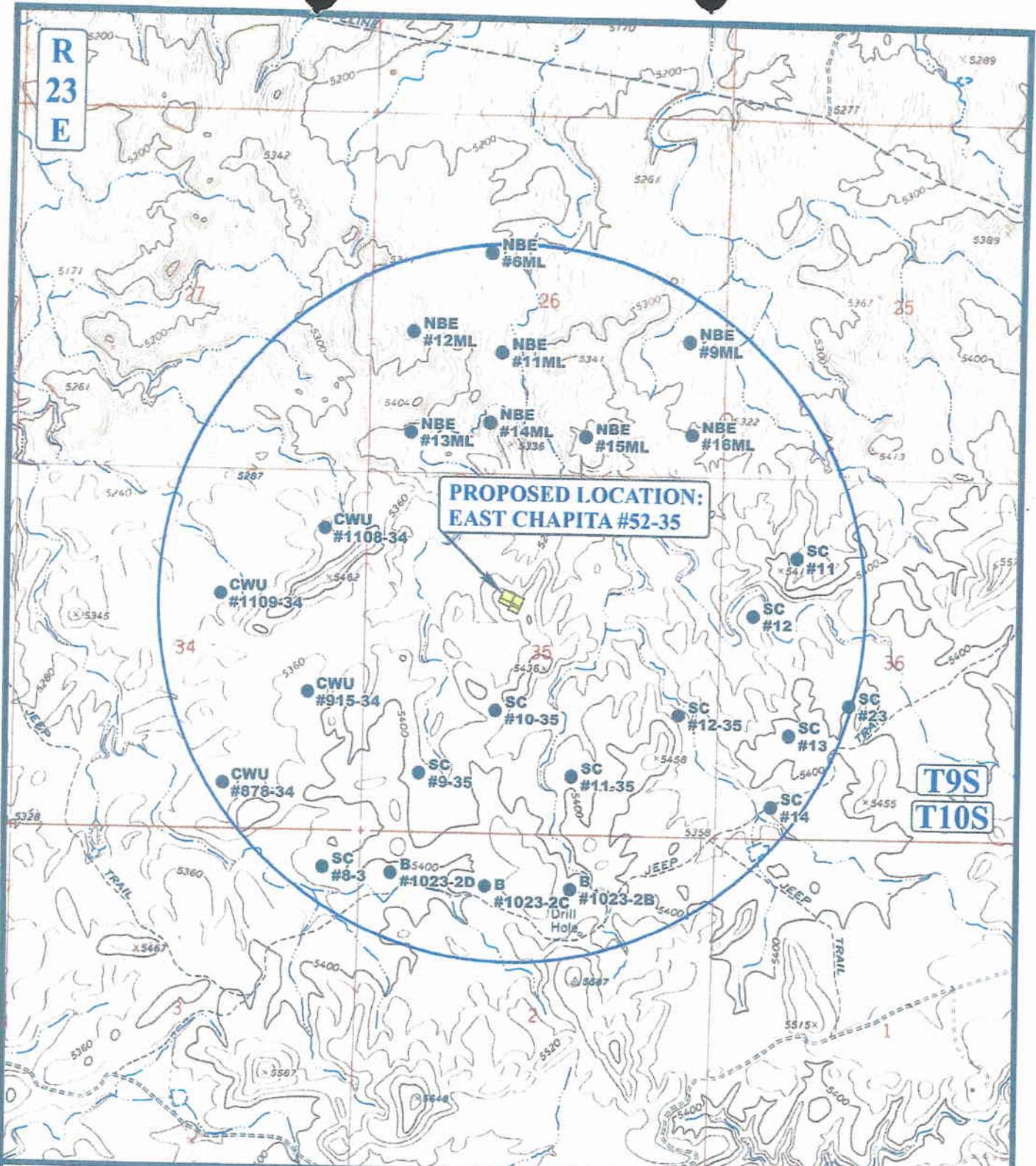
**EAST CHAPITA #52-35**  
**SECTION 35, T9S, R23E, S.L.B.&M.**  
**1876' FNL 2172' FWL**



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

**TOPOGRAPHIC MAP** **05 18 06**  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: B.C. REVISED: 03-30-07C.P.





**LEGEND:**

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



**EOG RESOURCES, INC.**

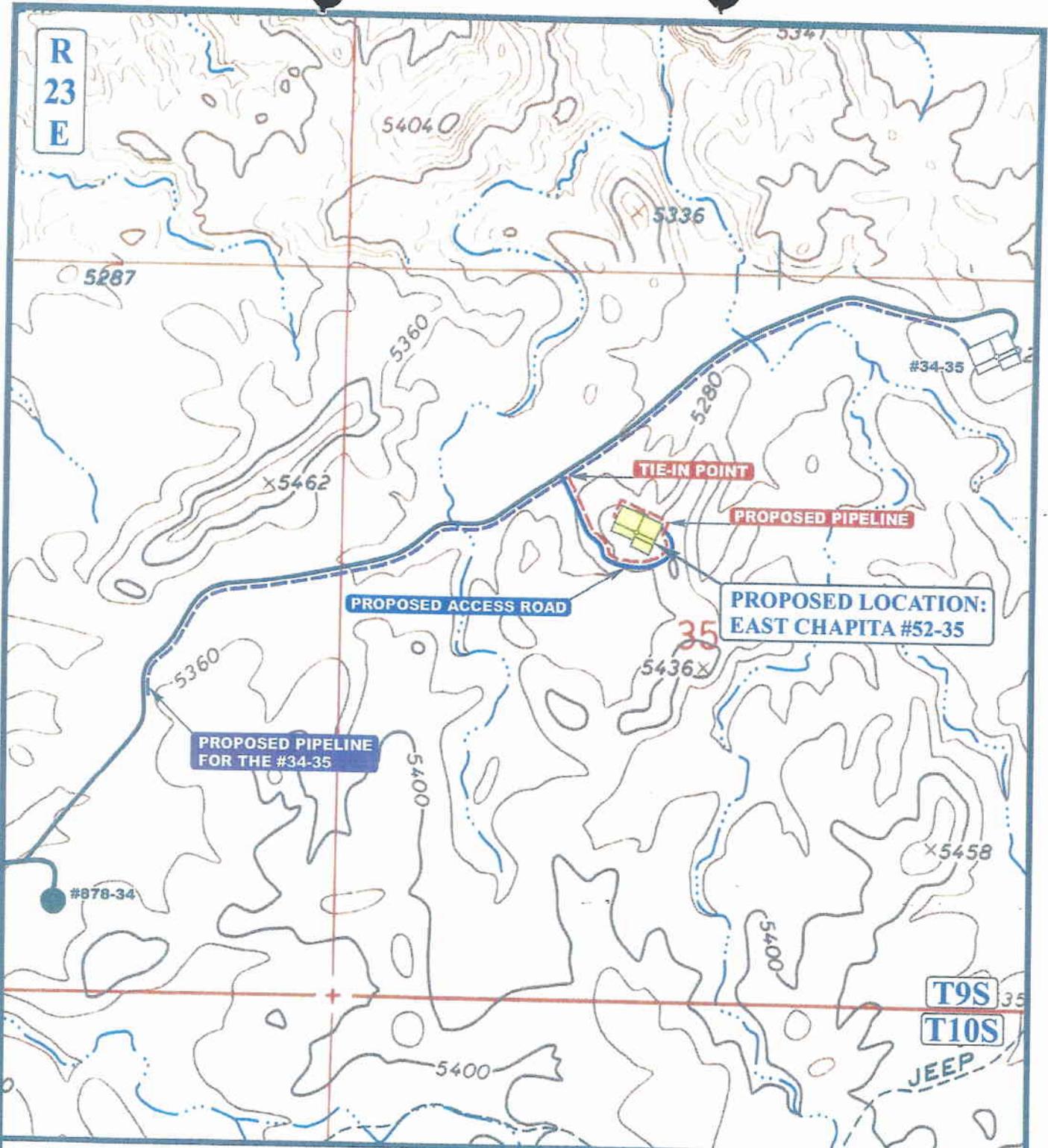
**EAST CHAPITA #52-35  
SECTION 35, T9S, R23E, S.L.B.&M.  
1876' FNL 2172' FWL**



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

**TOPOGRAPHIC MAP** 05 18 06  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: B.C. REVISED: 03-30-07C.P.





APPROXIMATE TOTAL PIPELINE DISTANCE = 1,675' +/-

**LEGEND:**

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



**EOG RESOURCES, INC.**

**EAST CHAPITA #52-35**  
**SECTION 35, T9S, R23E, S.L.B.&M.**  
**1876' FNL 2172' FWL**



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

**TOPOGRAPHIC MAP** **05 18 06**  
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: B.C. REVISED: 03-30-07C.P.

**D**  
**TOPO**

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 04/13/2007

API NO. ASSIGNED: 43-047-39206
--------------------------------

WELL NAME: E CHAPITA 52-35  
 OPERATOR: EOG RESOURCES INC ( N9550 )  
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

SENW 35 090S 230E  
 SURFACE: 1876 FNL 2172 FWL  
 BOTTOM: 1876 FNL 2172 FWL  
 COUNTY: UINTAH  
 LATITUDE: 39.99458 LONGITUDE: -109.2952  
 UTM SURF EASTINGS: 645541 NORTHINGS: 4428338  
 FIELD NAME: NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DGD	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. NM 2308 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 49-225 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)  
(Wasatch, Mesaverde)

LOCATION AND SITING:

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

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

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



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 35 T.9S R. 23E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

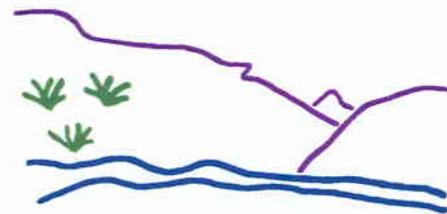
SPACING: R649-3-2 / GENERAL SITING

- 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 52-35 Well, 1876' FNL, 2172' FWL, SE NW, 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 43-047-39206.

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 52-35

API Number: 43-047-39206

Lease: U-0344

Location: SE NW                      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 DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
BLM VERNAL, UTAH

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-0344
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC		7. If Unit or CA Agreement, Name and No.
3a. Address 1060 East Highway 40 Vernal, UT 84078		8. Lease Name and Well No. East Chapita 52-35
3b. Phone No. (include area code) 435-781-9111		9. API Well No. 43-047-39206
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1876 FNL & 2172 FWL (SENW) 39.994544 LAT 109.295844 LON At proposed prod. zone SAME		10. Field and Pool, or Exploratory Natural Buttes/Mesaverde/Wasatch
14. Distance in miles and direction from nearest town or post office* 56.4 Miles South of Vernal, UT		11. Sec., T. R. M. or Blk. and Survey or Area Section 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) 1876 468	16. No. of acres in lease 640	12. County or Parish Uintah
17. Spacing Unit dedicated to this well 40	13. State UT	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1620	19. Proposed Depth 8460	20. BLM/BIA Bond No. on file NM # 2308
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5370 GL	22. Approximate date work will start*	23. Estimated duration 45 Days

24. Attachments

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

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

25. Signature 	Name (Printed/Typed) Kaylene R. Gardner	Date 04/09/2007
Title Sr. Regulatory Assistant		

Approved by (Signature) 	Name (Printed/Typed) Terry Henicka	Date 12-27-2007
Title Assistant Field Manager Lands & Mineral Resources		
Office VERNAL FIELD OFFICE		

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

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

11006M  
NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

07PP1297A

NDS 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 52-35  
API No: 43-047- 39206

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

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

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

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

- Install culverts as needed
- Double the felt for the backing and add poly swell to the pit prior to lining the pit
- Round corner 8 to reduce the amount of fill near corner 8.

**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 52-35

Api No: 43-047-39206 Lease Type: FEDERAL

Section 35 Township 09S Range 23E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # RATHOLE

### SPUDED:

Date 04/05/08

Time 11:30 AM

How DRY

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

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 04/07/08 Signed CHD

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

FORM 6

**ENTITY ACTION FORM**

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

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38127	East Chapita 32-35		NENW	35	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	16781	4/3/2008		4/24/08		
Comments: Wasatch/Mesaverde well PRRU = MVRD = WS MVD							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39192	Natural Buttes Unit 632-12E		NENW	12	10S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	2900	4/3/2008		4/24/08		
Comments: Wasatch/Mesaverde well							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39206	East Chapita 52-35		SENW	35	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	16782	4/5/2008		4/24/08		
Comments: Wasatch/Mesaverde well							

**ACTION CODES:**

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

Mary A. Maestas

Name (Please Print)

Signature

Regulatory Assistant

Title

4/7/2008

Date

**RECEIVED**

APR 07 2008

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
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 52-35

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

9. API Well No.  
43-047-39206

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 SENW 1876FNL 2172FWL  
39.99454 N Lat, 109.29584 W Lon

11. County or Parish, and State  
  
JUNTAH 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 4/5/2008.

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #59486 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* Date 04/07/2008

**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**

**APR 10 2008**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

East Chapita 52-35

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.**

8. Well Name and No.  
MULTIPLE MULTIPLE

9. API Well No.  
43 OAT 39206

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.

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

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

**RECEIVED**  
**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 \_\_\_\_\_

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 \*\***

<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.*

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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0344
2. Name of Operator EOG RESOURCES, INC.		6. If Indian, Allottee or Tribe Name
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 303-824-5526		8. Well Name and No. EAST CHAPITA 52-35
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 35 T9S R23E SENW 1876FNL 2172FWL 39.99454 N Lat, 109.29584 W Lon		9. API Well No. 43-047-39206
		10. Field and Pool, or Exploratory NATURAL BUTTES/WASATCH/MV
		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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Production Start-up
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

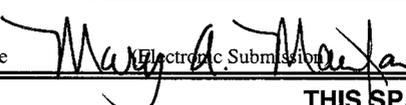
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths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

The referenced well was turned to sales on 7/16/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

RECEIVED

JUL 25 2008

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #61596 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal</b>	
Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT
Signature 	Date 07/21/2008

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

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

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

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

## WELL CHRONOLOGY REPORT

Report Generated On: 07-21-2008

<b>Well Name</b>	ECW 052-35	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-39206	<b>Well Class</b>	1SA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	05-08-2006	<b>Class Date</b>	07-16-2008
<b>Tax Credit</b>	N	<b>TVD / MD</b>	8,460/ 8,460	<b>Property #</b>	059264
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	5,381/ 5,368				
<b>Location</b>	Section 35, T9S, R23E, SENW, 1876 FNL & 2172 FWL				

<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>	304108	<b>AFE Total</b>	2,011,300	<b>DHC / CWC</b>	880,700/ 1,130,600
<b>Rig Contr</b>	ELENBURG	<b>Rig Name</b>	ELENBURG #29	<b>Start Date</b>	05-22-2007
<b>Release Date</b>	05-13-2008	<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
			1876' FNL & 2172' FWL (SE/NW)
			SECTION 35, T9S, R23E
			UINTAH COUNTY, UTAH
			LAT 39.994578, LONG 109.295167 (NAD 27)
			LAT 39.994544, LONG 109.295844 (NAD 83)
			ELENBURG #29
			OBJECTIVE: 8460' TD, MESAVERDE
			DW/GAS
			EAST CHAPITA PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: U-0344
			ELEVATION: 5369.7' NAT GL, 5368.1' PREP GL (DUE TO ROUNDING THE PREP GL IS 5368'), 5381' KB (13')
			EOG WI 100%, NRI 82.25%

03-17-2008      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.

**03-18-2008**      **Reported By**      TERRY CSERE

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

**MD**      0      **TVD**      0      **Progress**      0      **Days**      0      **MW**      0.0      **Visc**      0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

**Start**      **End**      **Hrs**      **Activity Description**  
 06:00      06:00      24.0      PUSHING IN ROAD.

**03-19-2008**      **Reported By**      TERRY CSERE

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

**MD**      0      **TVD**      0      **Progress**      0      **Days**      0      **MW**      0.0      **Visc**      0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

**Start**      **End**      **Hrs**      **Activity Description**  
 06:00      06:00      24.0      PUSHING IN ROAD. WILL START ON LOCATION TODAY.

**03-20-2008**      **Reported By**      TERRY CSERE

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

**MD**      0      **TVD**      0      **Progress**      0      **Days**      0      **MW**      0.0      **Visc**      0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

**Start**      **End**      **Hrs**      **Activity Description**  
 06:00      06:00      24.0      PUSHING OFF SNOW AND TOP SOIL.

**03-24-2008**      **Reported By**      TERRY CSERE

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

**MD**      0      **TVD**      0      **Progress**      0      **Days**      0      **MW**      0.0      **Visc**      0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

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

**03-25-2008**      **Reported By**      TERRY CSERE





04-22-2008 Reported By JERRY BARNES

Daily Costs: Drilling \$194,243 Completion \$0 Daily Total \$194,243

Cum Costs: Drilling \$232,243 Completion \$0 Well Total \$232,243

MD 2,384 TVD 2,384 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 CRAIGS AIR RIG #2 ON 4/12/2008. DRILLED 12-1/4" HOLE TO 2430' GL. ENCOUNTERED WATER @ 1590'. RAN 56 JTS (2371.40') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH DAVIS/LYNCH GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2384' KB. RDMO AIR RIG.

MIRU HALLIBURTON CEMENTERS. PRESSURE TESTED LINES AND CEMENT VALVE TO 3000 PSIG. PUMPED 183 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 300 SX (63 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX.

DISPLACED CEMENT W/180 BBLs FRESH WATER. BUMPED PLUG W/680# @ 10:04 PM, 4/14/2008. 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 2 DAYS. RDMO HALLIBURTON CEMENTERS.

4/16/2008

TOP JOB # 2: MIRU HALLIBURTON CEMENTERS. MIXED & PUMPED 200 SX (41 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS 50 MINUTES.

TOP JOB # 3: MIXED & PUMPED 200 SX (41 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT TO 15.8 PPG WITH YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HRS.

TOP JOB # 4: MIXED & PUMPED 120 SX (24.5 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT TO 15.8 PPG WITH 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.

MIRU GLENN'S WIRELINE SERVICE. RAN IN HOLE W/STRAIGHT HOLE SURVEY. TAGGED CEMENT @ 2264'. PICKED UP TO 2244' & TOOK SURVEY. 2.0 DEGREE.

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

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

DALL COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 4/11/2008 @ 1:45 PM.

05-08-2008 Reported By D. WINKLER / J. RICHEY

Daily Costs: Drilling \$33,002 Completion \$0 Daily Total \$33,002

Cum Costs: Drilling \$265,245 Completion \$0 Well Total \$265,245

MD 2,384 TVD 2,384 Progress 0 Days 0 MW 0.0 Visc 0.0

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

**Activity at Report Time: PICKING UP BHA**

Start	End	Hrs	Activity Description
09:00	14:30	5.5	RDRT. MOVE TO ECW 52-35.
14:30	19:00	4.5	RURT.
19:00	21:00	2.0	NIPPLE UP BOPE. STARTED DAY WORK 5/7/2008 @ 2100 HRS.
21:00	01:00	4.0	RURT / WAIT ON BOPE TESTERS.
01:00	05:00	4.0	TEST BOPS/DIVERTER. TEST ALL VALVES ON CHOKE MANIFOLD, CHOKE LINE AND KILL LINE TESTED RAMS AND HYDRIL AND CASING, ALL 5K EQUIPMENT TO 5,000 HIGH AND 250 LOW, HYDRIL 2,500 HIGH AND 250 LOW, CASING TO 1,500, ALL TESTED.
05:00	05:30	0.5	INSTALL WEAR BUSHING.
05:30	06:00	0.5	TRIPPING IN HOLE WITH BHA.

NO ACCIDENTS / INCIDENTS, NO RIG REPAIRS  
 FULL CREWS,  
 SAFETY MEETING WITH THIRD PARTY CONTRACTORS

TRANSFER FROM ECW 32-35 TO ECW 52-35, 14 JTS 4.5 X 11.6# N80 LTC CASING (563.49'), AND 2002 GALS OF DIESEL,  
 RIG MOVE WAS APPROXIMATELY .5 MILES

5/6/2008 @ 1400 HRS NOTIFIED BLM VERNAL OFFICE JAMIE SPARGER, (435-781-4502), RIG MOVE TO ECW 52-35, STARTS 5/7/2008 @ 0800 AND BOP TEST 5/7/2008 @ 2100 HRS,  
 FUEL ON HAND 6739 GALS

05-09-2008      Reported By      D. WINKLER / J. RICHEY

<b>Daily Costs: Drilling</b>	\$33,728	<b>Completion</b>	\$0	<b>Daily Total</b>	\$33,728						
<b>Cum Costs: Drilling</b>	\$298,973	<b>Completion</b>	\$0	<b>Well Total</b>	\$298,973						
<b>MD</b>	4,421	<b>TVD</b>	4,421	<b>Progress</b>	2,038	<b>Days</b>	1	<b>MW</b>	8.5	<b>Visc</b>	27.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

**Activity at Report Time: DRILLING AT 4421'**

Start	End	Hrs	Activity Description
06:00	06:30	0.5	TRIPPING IN HOLE WITH BHA.
06:30	08:00	1.5	CUT AND SLIP DRILL LINE.
08:00	10:00	2.0	TRIP IN HOLE, INSTALL ROTATING RUBBER, COMPLETE TRIPPING HOLE.
10:00	10:30	0.5	DRILLED FLOAT COLLAR AND FLOAT SHOE, DRILLED OH TO 2415'.
10:30	11:00	0.5	FIT TEST, PRESSURE WITH FRSH WATER TO 450 PSIG, EMW 11.8.
11:00	17:30	6.5	DRILLED 2415' TO 3160', (745'), ROP 114, MW 8.6, VIS 29, GPM 410, NO LOSS/GAIN.
17:30	18:00	0.5	SERVICE RIG, CHECK CRWON-O-MATIC, BOP DRILL, INSPECT BREAKS.
18:00	06:00	12.0	DRILLED 3160' TO 4421', (1261'), ROP 105. MW 8.7, VIS 29, GPM 410,

NO LOSS/GAIN, NO ACCIDENTS / INCIDENTS,  
 NO RIG REPAIRS,  
 FULL CREWS  
 SAFETY MEETING # 1 MAKING CONNECTIONS, SAFETY MEETING # 2 NUMBERING PIPE,  
 FUEL ON HAND 5717 GLS, USED 1322 GALS,

5/8/2008 RIG UP UNMAMMED LOGGER EQUIPMENT,  
CHECK CROWN-O-MATIC,  
BOP DRILL 22 SECONDS, CHECK BRAKES

06:00 06:00 24.0 SPUD 7-7/8" HOLE AT 10:30 AM, 5/8/08

05-10-2008 Reported By D. WINKLER / J. RICHEY

Daily Costs: Drilling \$31,325 Completion \$0 Daily Total \$31,325

Cum Costs: Drilling \$330,299 Completion \$0 Well Total \$330,299

MD 6,300 TVD 6,300 Progress 1,879 Days 2 MW 8.6 Visc 27.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING AT 6300'

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRILLED 4421' TO 4604', (183'), ROP 122, MW 8.7, VIS 29, GPM 410, NO LOSS/GAIN.
07:30	08:00	0.5	DEVIATION SURVEY 4456' @ 2 DEGREE.
08:00	09:00	1.0	DRILLED 4604' TO 4735', (131'), ROP 131, MW 8.8, VIS 29, GPM 410, NO LOSS/GAIN.
09:00	09:30	0.5	SERVICE RIG, CHECK CRWON-O-MATIC, BOP DRILL, CHECK BRAKES.
09:30	06:00	20.5	DRILLED 4735' TO 6300', (1565'), ROP 76, MW 9.7, VIS 29, GPM 410. NO LOSS/GAIN

NO ACCIDENTS / INCIDENTS, NO RIG REPAIRS,  
FULL CREWS, SAFETY MEETING # 1 TRIPS AND FALLS, SAFETY MEETING # 2 HAZARDS,  
FUEL ON HAND 4644 GLS, USED 1072 GALS,  
CHECK CROWN-O-MATIC, BOP DRILL 27 SECONDS, CHECK CROWN-O-MATIC, INSPECTED BRAKES.

05-11-2008 Reported By DUANE C WINKLER / JESSIE RICHEY

Daily Costs: Drilling \$50,876 Completion \$0 Daily Total \$50,876

Cum Costs: Drilling \$381,176 Completion \$0 Well Total \$381,176

MD 7,451 TVD 7,451 Progress 1,151 Days 3 MW 9.8 Visc 29.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: TOH FOR NEW BIT @ 7451'

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILLED 6300' TO 6824', (524'), ROP 80, MW 9.7, VIS 30, GPM 410, NO LOSS/GAIN.
12:30	13:00	0.5	SERVICE RIG.
13:00	15:00	2.0	DRILLED 6824' TO 6931', (107'), ROP 53, MW 10.0, VIS 32, GPM 410, NO LOSS/GAIN.
15:00	15:30	0.5	RIG REPAIR/ REPAIR LEAK ON FLOW LINE.
15:30	02:00	10.5	DRILLED FROM 6931' TO 7451, (520'), ROP 49, MW 10.7, VIS 36, GPM 410, NO LOSS/GAIN.
02:00	02:30	0.5	DEVIATION SURVEY 7406' @ 2 DEGREE, MIX PILL, PUMP PILL.
02:30	06:00	3.5	TRIP OUT OF THE HOLE WITH BIT # 1.

NO ACCIDENTS / INCIDENTS, RIG REPAIR,  
FULL CREWS, SAFETY MEETING # 1 CLEANING, SAFETY MEETING # 2 TRIPPING,  
FUEL ON HAND 8125 GLS, USED 1025 GALS,  
BOP DRILL 30 SECONDS,  
CHECK CROWN-O-MATIC, INSPECTED BRAKES.

05-12-2008 Reported By DUANE C WINKLER

**Daily Costs: Drilling**      \$54,293                      **Completion**      \$4,200                      **Daily Total**      \$58,493  
**Cum Costs: Drilling**      \$435,777                      **Completion**      \$4,200                      **Well Total**      \$439,977  
**MD**      8,127      **TVD**      8,127      **Progress**      676      **Days**      4      **MW**      10.9      **Visc**      36.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING @ 8127'

Start	End	Hrs	Activity Description
06:00	08:30	2.5	TRIP OUT OF HOLE WITH BIT #1.
08:30	16:00	7.5	TRIP IN HOLE WITH BIT #2.
16:00	17:00	1.0	RIG REPAIR: CHANGE OUT HYDRAULIC PUMP.
17:00	06:00	13.0	DRILLED 7451' TO 8127', (676'), ROP 52, MW 10.9, VIS 35, GPM 410, NO LOSS/GAIN.

NO ACCIDENTS / INCIDENTS, RIG REPAIR,  
 FULL CREWS, SAFETY MEETING # 1 BOOM OPERATIONS, SAFETY MEETING # 2 CHANGE OUT BOOM CONTROLS,  
 FUEL ON HAND 7325 GLS, USED 799 GALS,  
 BOP DRILL 35 SECONDS,  
 CHECK CROWN-O-MATIC, INSPECTED BRAKES.

**05-13-2008**      **Reported By**      DUANE C WINKLER  
**Daily Costs: Drilling**      \$53,525                      **Completion**      \$77,790                      **Daily Total**      \$131,315  
**Cum Costs: Drilling**      \$489,302                      **Completion**      \$81,990                      **Well Total**      \$571,292  
**MD**      8,460      **TVD**      8,460      **Progress**      333      **Days**      5      **MW**      11.3      **Visc**      37.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** RUNNING 4 1/2" CSG @ 8460' TD

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRILLED 8127' TO 8460' TD, (333') ROP 41, MW 11.2, VIS 36, GPM 410, NO LOSS/GAIN. REACHED TD OF 8460' 5/12/2008 @ 1400 HRS.
14:00	14:30	0.5	DEVATION SUREY 8415' @ 1 DEGREE.
14:30	15:00	0.5	SHORT TRIP, NO FLOW, TRIP BACK TO BTM.
15:00	15:30	0.5	CONDITION MUD, PUMP PILL.
15:30	20:30	5.0	TRIP OUT OF HOLE WITH BIT # 2, [ NOTIFIED VERNAL BLM OFFICE, JAMIE SPARGER, 435-781-4502, ON 5/12/2008 @ 1600 HRS, NOTIFICATION OF 5/12/2008 @ 2300 HRS START RUN CASING AND 5/13/2008 @ 0700 HRS CEMENTING WELL, SECOND NOTIFICATION THAT ON 5/13/2008 @ 1300 HRS RIG MOVE TO ECW 63-35 AND BOP TEST STARTS 5/14/2008 @ 0200 HRS.
20:30	21:00	0.5	PULL WEAR BUSHING.
21:00	04:00	7.0	SAFETY MEETING WITH THIRD PARTY CONTRACTOR, RUN CASING.
04:00	04:30	0.5	TAG FILL SEVENTY FEET FROM BTM.
04:30	06:00	1.5	INSTALL ROTATING RUBBER, RIG UP EQUIPMENT TO ESTABLISH CIRCULATION AND WASH DOWN CASING.

NO ACCIDENTS / INCIDENTS, NO RIG REPAIR  
 FULL CREWS, SAFETY MEETING # 1 BOOM OPERATIONS  
 SAFETY MEETING # 2 RUNNING CASING, FUEL ON HAND NOT AVAILABLE AT REPORT TIME  
 BOP DRILL 35 SECONDS  
 CHECK CROWN-O-MATIC, INSPECTED BRAKES.

05-14-2008 Reported By DUANE C WINKLER

DailyCosts: Drilling \$75,525 Completion \$56,744 Daily Total \$132,269  
 Cum Costs: Drilling \$564,828 Completion \$138,734 Well Total \$703,562

MD 8,460 TVD 8,460 Progress 0 Days 6 MW 0.0 Visc 0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RDRT/WO COMPLETON

Start	End	Hrs	Activity Description
06:00	08:30	2.5	CIRCULATE, RUN SWEEP, WASHED CASING TO 8401', WORK AND WASH ON CASING, CASING STUCK, RUN A TOTAL OF 199 JTS 4 1/2" X 11.6 # N80 CASING, FLOAT SHOE @ 8401, FLOAT COLLAR @ 8353', MARKER JOINTS @ 5698' & 3809' AND TWENTY FIVE CENTRALIZERS.
08:30	09:30	1.0	THIRD PARTY SAFETY MEETING, RIG UP SCHLUMBERGER.
09:30	11:00	1.5	CEMENT AS FOLLOWS. TEST LINES TO 5000 PSI. PUMP 20 BBLs CHEMICAL WASH AND 20 BBLs WATER SPACER. MIXED AND PUMPED 285 SKS 35:65 POZ G + ADDITIVES (YIELD 2.26) AT 12.0 PPG WITH 12.85 GPS H2O (114 BBLs), MIXED AND PUMPED TAIL 1390 SKS 50:50 POZ G + ADDITIVES (YIELD 1.29) AT 14.1 PPG WITH 5.96 GPS H2O (319 BBLs). DISPLACED TO FLOAT COLLAR WITH 129 BBL H2O WITH 2 GAL/1000 LO64 FRESH WATER. AVG MIX AND DISPLACEMENT RATE 6.6 BPM. NO CEMENT TO SURFACE, FULL RETURNS DURING DISPLACEMENT.FINAL PUMP PRESSURE 2300 PSI AT 1.6 BPM. BUMPED PLUG TO 3300 PSI. BLEED OFF PRESSURE, FLOATS HELD.
11:00	12:00	1.0	RIG DOWN SCHLUMBERGER.
12:00	16:30	4.5	PULL ROTATING RUBBER, LAND SLIPS, NIPPLE DOWN BOP, ROTATING HEAD, CUT OFF CASING, NIPPLE DOWN BOP, CUT OFF CASING, LAND WELL HEAD CAP.
16:30	06:00	13.5	RIG DOWN ROTARY TOOLS TO MOVE TO ECW 63-35
NO ACCIDENTS / INCIDENTS, NO RIG REPAIRS, FULL CREWS, SAFETY MEETING WITH THIRD PARTY CONTRACTORS, TRANSFER FROM ECW 52-35 TO ECW 63-35, 9 JTS 4.5 X 11.6# N80 LTC CASING (381.61'), AND 6249 GLS OF DIESEL, RIG MOVE IS APPROXIMATELY 1.5 MILES, NOTIFIED VERAL BLM OFFICE, JAMIE SPARGER, 435-781-4502, ON 5/12/2008 @ 1600 HRS, NOTIFICATION OF 5/12/2008 @ 2300 HRS START RUN CASING AND 5/13/2008 @ 0700 HRS CEMENTING WELL, SECOND NOTIFICATION THAT ON 5/13/2008 @ 1300 HRS RIG MOVE TO ECW 63-35 AND BOP TEST STARTS 5/14/2008 @ 0200 HRS.			
06:00	06:00	24.0	RELEASE RIG 5/13/2008 @ 1630 HRS. CASING POINT COST \$564,828

05-16-2008 Reported By MCCURDY

DailyCosts: Drilling \$0 Completion \$43,440 Daily Total \$43,440  
 Cum Costs: Drilling \$564,828 Completion \$182,174 Well Total \$747,002

MD 8,460 TVD 8,460 Progress 0 Days 8 MW 0.0 Visc 0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time:

Start	End	Hrs	Activity Description
06:00	06:00	24.0	5-15-08 RU SCHLUMBERGER. LOG WITH RST/CBL/VDL/CCL/GR FROM PBTB TO 940'. CEMENT TOP @ 1700'. RD SCHLUMBERGER.

05-17-2008 Reported By TRACY KERN

DailyCosts: Drilling \$0 Completion \$1,653 Daily Total \$1,653  
 Cum Costs: Drilling \$564,828 Completion \$183,827 Well Total \$748,655

MD 8,460 TVD 8,460 Progress 0 Days 7 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	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

06-13-2008 Reported By JOE VIGIL

Daily Costs: Drilling	Completion	Daily Total
\$0	\$46,086	\$46,086
Cum Costs: Drilling	Completion	Well Total
\$564,828	\$229,913	\$794,741

MD	8,460	TVD	8,460	Progress	0	Days	8	MW	0.0	Visc	0.0
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Formation : MESAVERDE / WASATCH PBTD : 0.0 Perf : 6507'-8261' PKR Depth : 0.0

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU CUTTERS WIRELINE & PERFORATE LPR FROM 8125'-26', 8129'-30', 8152'-53', 8167'-68', 8174'-76', 8186'-87', 8215'-17', 8238'-39', 8259'-61' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3105 GAL WF120 LINEAR PAD, 6325 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 25182 GAL 16# YF116ST+ W/93700# 20/40 SAND @ 1-5 PPG. MTP 6320 PSIG. MTR 51 BPM. ATP 4764 PSIG. ATR 48 BPM. ISIP 2400 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 8065'. PERFORATE LPR FROM 7902'-04', 7933'-34', 7940'-41', 7960'-61', 7974'-75', 7979'-80', 8008'-09', 8015'-16', 8047'-50', @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 0000 GAL WF120 LINEAR PAD, 3832 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 25925 GAL YF116ST+ W/93750# 20/40 SAND @ 1-5 PPG. MTP 6376 PSIG. MTR 51 BPM. ATP 4607 PSIG. ATR 47.5 BPM. ISIP 2400 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 7870'. PERFORATE MPR FROM 7662'-63', 7673'-74', 7692'-93', 7705'-06', 7711'-12', 7732'-33', 7740'-41', 7767'-68', 7775'-76', 7808'-09', 7833'-34', 7841'-42', @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 0000 GAL WF120 LINEAR PAD, 6323 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 32624 GAL YF116ST+ W/119500# 20/40 SAND @ 1-5 PPG. MTP 6539 PSIG. MTR 51 BPM. ATP 4974 PSIG. ATR 48 BPM. ISIP 2750 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 7600'. PERFORATE MPR FROM 7349'-50', 7354'-55', 7380'-81', 7387'-88', 7395'-96', 7415'-16', 7440'-41', 7464'-65', 7509'-10', 7516'-17', 7566'-67', 7578'-79', @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2066 GAL WF120 LINEAR PAD, 6326 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 49152 GAL YF116ST+ W/177600# 20/40 SAND @ 1-5 PPG. MTP 6161 PSIG. MTR 51 BPM. ATP 4467 PSIG. ATR 49 BPM. ISIP 3000 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 7325'. PERFORATE MPR FROM 7123'-24', 7128'-29', 7153'-54', 7160'-61', 7175'-76', 7180'-81', 7200'-01', 7216'-17', 7228'-29', 7256'-57', 7270'-71', 7302'-03', @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2060 GAL WF120 LINEAR PAD, 6328 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 49383 GAL YF116ST+ W/178800# 20/40 SAND @ 1-5 PPG. MTP 6211 PSIG. MTR 51 BPM. ATP 3653 PSIG. ATR 49 BPM. ISIP 1750 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 7090'. PERFORATE UPR/MPR FROM 6783'-84', 6800'-01', 6877'-78', 6882'-83', 6938'-39', 6987'-88', 6993'-94', 7026'-27', 7051'-52', 7062'-63', 7070'-71', 7074'-75' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 0000 GAL WF120 LINEAR PAD, 6304 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 29648 GAL YF116ST+ W/ 107800# 20/40 SAND @ 1-5 PPG. MTP 5539 PSIG. MTR 51.5 BPM. ATP 3993 PSIG. ATR 48 BPM. ISIP 2205 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 6730'. PERFORATE UPR FROM 6507'-09', 6517'-19', 6579'-80', 6584'-86', 6590'-91', 6644'-45', 6686'-87', 6691'-92', 6700'-01', @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 0000 GAL WF120 LINEAR PAD, 6312 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 29644 GAL YF116ST+ W/108100# 20/40 SAND @ 1-5 PPG. MTP 5287 PSIG. MTR 51 BPM. ATP 3310 PSIG. ATR 49 BPM. ISIP 1800 PSIG. RD SCHLUMBERGER. SDFN.

<b>06-14-2008</b>	<b>Reported By</b>	JOE VIGIL									
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$372,160	<b>Daily Total</b>	\$372,160						
<b>Cum Costs: Drilling</b>	\$564,828	<b>Completion</b>	\$602,074	<b>Well Total</b>	\$1,166,902						
<b>MD</b>	8,460	<b>TVD</b>	8,460	<b>Progress</b>	0	<b>Days</b>	9	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE / WASATCH</b>		<b>PBTD : 0.0</b>		<b>Perf : 5158'-8261'</b>			<b>PKR Depth : 0.0</b>				

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RUWL. SET 10K CFP AT 6475'. PERFORATE UPR FROM 6283'-84', 6290'-91', 6302'-03', 6315'-16', 6323'-24', 6332'-33', 6362'-63', 6369'-70', 6377'-78', 6391'-92', 6411'-12', 6449'-50' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 0000 GAL WF120 LINEAR PAD, 6303 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 41896 GAL YF116ST+ W/ 149700# 20/40 SAND @ 1-5 PPG. MTP 5133 PSIG. MTR 51 BPM. ATP 3054 PSIG. ATR 49 BPM. ISIP 1350 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 6245'. PERFORATE NH/UPR FROM 6041'-42', 6062'-63', 6068'-69', 6094'-95', 6109'-10', 6116'-17', 6141'-42', 6162'-63', 6173'-74', 6192'-93', 6205'-06', 6227'-28' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4134 GAL WF120 LINEAR PAD, 6326 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 74509 GAL YF116ST+ W/ 266800# 20/40 SAND @ 1-5 PPG. MTP 4603 PSIG. MTR 51 BPM. ATP 2879 PSIG. ATR 49.5 BPM. ISIP 1600 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 5940'. PERFORATE BA FROM 5525'-26', 5538'-39', 5570'-71', 5589'-90', 5596'-97', 5669'-70', 5728'-29', 5773'-74', 5797'-98', 5832'-33', 5873'-74', 5901'-02' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 0000 GAL WF120 LINEAR PAD, 6310 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 30247 GAL YF116ST+ W/ 105100# 20/40 SAND @ 1-4 PPG. MTP 5930 PSIG. MTR 51 BPM. ATP 3978 PSIG. ATR 48 BPM. ISIP 1550 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 5495'. PERFORATE CA FROM 5158'-60', 5198'-99', 5211'-13', 5246'-47', 5268'-69', 5344'-45', 5369'-70', 5429'-30', 5455'-56', 5471'-72' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 0000 GAL WF120 LINEAR PAD, 6311 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 31657 GAL YF116ST+ W/110900# 20/40 SAND @ 1-4 PPG. MTP 5342 PSIG. MTR 51 BPM. ATP 3101 PSIG. ATR 48.5 BPM. ISIP 1300 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 5008'. RDWL. SDFN.

<b>06-18-2008</b>	<b>Reported By</b>	POWELL									
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$6,606	<b>Daily Total</b>	\$6,606						
<b>Cum Costs: Drilling</b>	\$564,828	<b>Completion</b>	\$608,680	<b>Well Total</b>	\$1,173,508						
<b>MD</b>	8,460	<b>TVD</b>	8,460	<b>Progress</b>	0	<b>Days</b>	10	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE / WASATCH</b>		<b>PBTD : 0.0</b>		<b>Perf : 5158'-8261'</b>			<b>PKR Depth : 0.0</b>				

Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
07:00	16:00	9.0	MIRUSU. ND FRAC TREE. NU BOPE. RIH W/BIT & PUMP OFF SUB TO 5003'. RU TO DRILL OUT PLUGS. SDFN.

<b>06-19-2008</b>	<b>Reported By</b>	POWELL							
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,850	<b>Daily Total</b>	\$2,850				

**Cum Costs: Drilling** \$564,828      **Completion** \$611,530      **Well Total** \$1,176,358  
**MD** 8,460    **TVD** 8,460    **Progress** 0    **Days** 11    **MW** 0.0    **Visc** 0.0  
**Formation** : MESAVERDE /      **PBTD** : 0.0      **Perf** : 5158'-8261'      **PKR Depth** : 0.0  
 WASATCH

**Activity at Report Time:** CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
07:00	17:00	10.0	RIG REPAIRS

06-20-2008      **Reported By**      POWELL

**Daily Costs: Drilling** \$0      **Completion** \$9,614      **Daily Total** \$9,614  
**Cum Costs: Drilling** \$564,828      **Completion** \$621,144      **Well Total** \$1,185,972  
**MD** 8,460    **TVD** 8,460    **Progress** 0    **Days** 12    **MW** 0.0    **Visc** 0.0  
**Formation** : MESAVERDE /      **PBTD** : 0.0      **Perf** : 5158'-8261'      **PKR Depth** : 0.0  
 WASATCH

**Activity at Report Time:** FLOW TEST

Start	End	Hrs	Activity Description
07:00	19:00	12.0	CLEANED OUT & DRILLED OUT PLUGS @ 5008', 5495', 5940', 6245', 6475', 6730', 7090', 7325', 7600', 7870' & 8065'. RIH. CLEANED OUT TO PBTD @ 8365'. LANDED TBG AT 6898' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 11 HRS. 24/64" CHOKE. FTP 1200 PSIG. CP 1650 PSIG. 60 BFPH. RECOVERED 752 BLW. 12243 BLWTR.

TUBING DETAIL    LENGTH

PUMP OFF SUB    1.00'  
 1 JT 2-3/8" 4.7# L-80 TBG    32.80'  
 XN NIPPLE    1.10'  
 212 JTS 2-3/8" 4.7# L-80 TBG    6851.50'  
 BELOW KB    12.00'  
 LANDED @    6898.40' KB

06-21-2008      **Reported By**      POWELL

**Daily Costs: Drilling** \$0      **Completion** \$2,850      **Daily Total** \$2,850  
**Cum Costs: Drilling** \$564,828      **Completion** \$623,994      **Well Total** \$1,188,822  
**MD** 8,460    **TVD** 8,460    **Progress** 0    **Days** 13    **MW** 0.0    **Visc** 0.0  
**Formation** : MESAVERDE /      **PBTD** : 0.0      **Perf** : 5158'-8261'      **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 1150 PSIG. CP 1750 PSIG. 53 BFPH. RECOVERED 1303 BLW. 10940 BLWTR.

06-22-2008      **Reported By**      POWELL

**Daily Costs: Drilling** \$0      **Completion** \$2,850      **Daily Total** \$2,850  
**Cum Costs: Drilling** \$564,828      **Completion** \$626,844      **Well Total** \$1,191,672  
**MD** 8,460    **TVD** 8,460    **Progress** 0    **Days** 14    **MW** 0.0    **Visc** 0.0

Formation : MESAVERDE / PBTB : 0.0 Perf : 5158'-8261' 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 1150 PSIG. CP 1850 PSIG. 44 BFPH. RECOVERED 1123 BLW. 9817 BLWTR.

06-23-2008 Reported By POWELL

Daily Costs: Drilling	\$0	Completion	\$2,850	Daily Total	\$2,850						
Cum Costs: Drilling	\$564,828	Completion	\$629,694	Well Total	\$1,194,522						
MD	8,460	TVD	8,460	Progress	0	Days	15	MW	0.0	Visc	0.0

Formation : MESAVERDE / PBTB : 0.0 Perf : 5158'-8261' 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 1100 PSIG. CP 2000 PSIG. 40 BFPH. RECOVERED 948 BLW. 8860 BLWTR.

06-24-2008 Reported By POWELL

Daily Costs: Drilling	\$0	Completion	\$2,850	Daily Total	\$2,850						
Cum Costs: Drilling	\$564,828	Completion	\$632,544	Well Total	\$1,197,372						
MD	8,460	TVD	8,460	Progress	0	Days	16	MW	0.0	Visc	0.0

Formation : MESAVERDE / PBTB : 0.0 Perf : 5158'-8261' 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 1050 PSIG. CP 1950 PSIG. 38 BFPH. RECOVERED 946 BLW. 7923 BLWTR.

06-25-2008 Reported By POWELL

Daily Costs: Drilling	\$0	Completion	\$2,850	Daily Total	\$2,850						
Cum Costs: Drilling	\$564,828	Completion	\$635,394	Well Total	\$1,200,222						
MD	8,460	TVD	8,460	Progress	0	Days	17	MW	0.0	Visc	0.0

Formation : MESAVERDE / PBTB : 0.0 Perf : 5158'-8261' 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 1050 PSIG. CP 2000 PSIG. 31 BFPH. RECOVERED 734 BLW. 7215 BLWTR.

06-26-2008 Reported By POWELL

Daily Costs: Drilling	\$0	Completion	\$2,850	Daily Total	\$2,850						
Cum Costs: Drilling	\$564,828	Completion	\$638,244	Well Total	\$1,203,072						
MD	8,460	TVD	8,460	Progress	0	Days	18	MW	0.0	Visc	0.0

Formation : MESAVERDE / PBTB : 0.0 Perf : 5158'-8261' PKR Depth : 0.0  
WASATCH

Activity at Report Time: WO FACILITIES

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1050 PSIG. CP 2000 PSIG. 26 BFPH. RECOVERED 668 BLW. 6501 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 06/25/08.

**07-17-2008**      **Reported By**      DUANE COOK

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$564,828	<b>Completion</b>	\$638,244	<b>Well Total</b>	\$1,203,072
<b>MD</b>	8,460	<b>TVD</b>	8,460	<b>Progress</b>	0
				<b>Days</b>	19
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
<b>Formation : MESAVERDE / WASATCH</b>		<b>PBTD : 0.0</b>		<b>Perf : 5158'-8261'</b>	<b>PKR Depth : 0.0</b>

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

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	INITIAL PRODUCTION: FIRST GAS SALES- OPENING PRESSURE: TP 1800 PSIG & CP 2450 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 09:45 HRS, 7/16/08. FLOWED 125 MCFD RATE ON 12/64" CHOKE. STATIC 526. QGM METER #7806.

**07-18-2008**      **Reported By**      ALAN WATKINS

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$564,828	<b>Completion</b>	\$638,244	<b>Well Total</b>	\$1,203,072
<b>MD</b>	8,460	<b>TVD</b>	8,460	<b>Progress</b>	0
				<b>Days</b>	20
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
<b>Formation : MESAVERDE / WASATCH</b>		<b>PBTD : 0.0</b>		<b>Perf : 5158'-8261'</b>	<b>PKR Depth : 0.0</b>

**Activity at Report Time:** ON SALES

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	FLOWED 13 MCF, 0 BC & 0 BW IN 24 HRS ON 14/64" CHOKE, TP 825 PSIG, CP 2450 PSIG.

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 52-35

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

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

9. API Well No.  
43-047-39206

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
At surface SENW 1876FNL 2172FWL 39.99454 N Lat, 109.29584 W Lon  
At top prod interval reported below SENW 1876FNL 2172FWL 39.99454 N Lat, 109.29584 W Lon  
At total depth SENW 1876FNL 2172FWL 39.99454 N Lat, 109.29584 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  
04/05/2008

15. Date T.D. Reached  
05/12/2008

16. Date Completed  
 D & A  Ready to Prod.  
07/16/2008

17. Elevations (DF, KB, RT, GL)\*  
5370 GL

18. Total Depth: MD 8460  
TVD

19. Plug Back T.D.: MD 8365  
TVD

20. Depth Bridge Plug Set: MD  
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
RST/CBL/CCL/VDL/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	2384		920			
7.875	4.500 N-80	11.6	0	8413		1675			

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	6898							

25. Producing Intervals

26. Perforation Record 5158-8261

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH/MESAVERDE	5158	8261	8125 TO 8261		3	
B)			7902 TO 8050		3	
C)			7662 TO 7842		3	
D)			7349 TO 7579		3	

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

Depth Interval	Amount and Type of Material
8125 TO 8261	34,777 GALS GELLED WATER & 93,700# 20/40 SAND
7902 TO 8050	29,922 GALS GELLED WATER & 93,750# 20/40 SAND
7662 TO 7842	39,112 GALS GELLED WATER & 119,500# 20/40 SAND
7349 TO 7579	57,709 GALS GELLED WATER & 177,600# 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
07/16/2008	07/23/2008	24	→	13.0	584.0	312.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
14/64"	1450 SI	2375.0	→	13	584	312		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.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

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

ELECTRONIC SUBMISSION #62497 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

DIV. OF OIL, GAS & MINING

RECEIVED  
AUG 25 2008

28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH/MESAVERDE	5158	8261		GREEN RIVER MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER MIDDLE PRICE RIVER	1478 2078 4152 4257 4830 5468 6160 6985

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

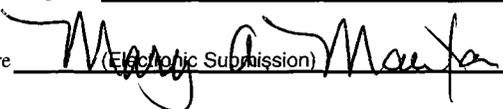
33. Circle enclosed attachments:

- 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 #62497 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  (Electronic Submission) Date 08/22/2008

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

**East Chapita 52-35 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

7123-7303	3/spf
6783-7075	3/spf
6507-6701	3/spf
6283-6450	3/spf
6041-6228	3/spf
5525-5902	3/spf
5158-5472	3/spf

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

7123-7303	57,936 GALS GELLED WATER & 178,800# 20/40 SAND
6783-7075	36,117 GALS GELLED WATER & 107,800# 20/40 SAND
6507-6701	36,121 GALS GELLED WATER & 108,100# 20/40 SAND
6283-6450	48,364 GALS GELLED WATER & 149,700# 20/40 SAND
6041-6228	85,134 GALS GELLED WATER & 266,800# 20/40 SAND
5525-5902	36,722 GALS GELLED WATER & 105,100# 20/40 SAND
5158-5472	38,133 GALS GELLED WATER & 110,900# 20/40 SAND

Perforated the Lower Price River from 8125-26', 8129-30', 8152-53', 8167-68', 8174-76', 8186-87', 8215-17', 8238-39', 8259-61' w/ 3 spf.

Perforated the Lower Price River from 7902-04', 7933-34', 7940-41', 7960-61', 7974-75', 7979-80', 8008-09', 8015-16', 8047-50' w/ 3 spf.

Perforated the Middle Price River from 7662-63', 7673-74', 7692-93', 7705-06', 7711-12', 7732-33', 7740-41', 7767-68', 7775-76', 7808-09', 7833-34', 7841-42' w/ 3 spf.

Perforated the Middle Price River from 7349-50', 7354-55', 7380-81', 7387-88', 7395-96', 7415-16', 7440-41', 7464-65', 7509-10', 7516-17', 7566-67', 7578-79' w/ 3 spf.

Perforated the Middle Price River from 7123-24', 7128-29', 7153-54', 7160-61', 7175-76', 7180-81', 7200-01', 7216-17', 7228-29', 7256-57', 7270-71', 7302-03' w/ 3 spf.

Perforated the Upper/Middle Price River from 6783-84', 6800-01', 6877-78', 6882-83', 6938-39', 6987-88', 6993-94', 7026-27', 7051-52', 7062-63', 7070-71', 7074-75' w/ 3 spf.

Perforated the Upper Price River from 6507-09', 6517-19', 6579-80', 6584-86', 6590-91', 6644-45', 6686-87', 6691-92', 6700-01' w/ 3 spf.

Perforated the Upper Price River from 6283-84', 6290-91', 6302-03', 6315-16', 6323-24', 6332-33', 6362-63', 6369-70', 6377-78', 6391-92', 6411-12', 6449-50' w/ 3 spf.

Perforated the North Horn/Upper Price River from 6041-42', 6062-63', 6068-69', 6094-95', 6109-10', 6116-17', 6141-42', 6162-63', 6173-74', 6192-93', 6205-06', 6227-28' w/ 3 spf.

Perforated the Ba from 5525-26', 5538-39', 5570-71', 5589-90', 5596-97', 5669-70', 5728-29', 5773-74', 5797-98', 5832-33', 5873-74', 5901-02' w/ 3 spf.

Perforated the Ca from 5158-60', 5198-99', 5211-13', 5246-47', 5268-69', 5344-45', 5369-70', 5429-30', 5455-56', 5471-72' w/ 3 spf.

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

Lower Price River	7770
Sego	8280

**REPORT OF WATER ENCOUNTERED DURING DRILLING**

Well name and number: East Chapita 52-35

API number: 4304739206

Well Location: QQ SENW 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: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,590	1,605	NO FLOW	NOT KNOWN

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

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

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

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE *Mary A. Maestas*

DATE 8/22/2008

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
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 52-35

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

9. API Well No.  
43-047-39206

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

3b. Phone No. (include area code)  
Ph: 453-781-9145

10. Field and Pool, or Exploratory  
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 35 T9S R23E SENW 1876FNL 2172FWL  
39.99454 N Lat, 109.29584 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 checked="" 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 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 recompleate 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 recompleation 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.)

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat. Interim reclamation was completed on 7/2/2008.

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #66985 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MICKENZIE THACKER Title OPERATIONS CLERK

Signature *Mickenzie Thacker* (Electronic Submission) Date 02/04/2009

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

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

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

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

**RECEIVED**  
**FEB 09 2009**