

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No. <b>Chapita Wells Unit</b>
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		8. Lease Name and Well No. <b>Chapita Wells Unit 1114-27</b>
2. Name of Operator <b>EOG RESOURCES, INC</b>		9. API Well No. <b>4304739433</b>
3a. Address <b>1060 EAST HIGHWAY 40 VERNAL, UT 84078</b>	3b. Phone No. (include area code) <b>435-781-9111</b>	10. Field and Pool, or Exploratory <b>Natural Buttes/Mesaverde</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <b>64460572296' FSL &amp; 820' FEL (NESE) 40.006008 LAT 109.306519 LON</b> At proposed prod. zone <b>Same 44295934 40.006046 -109.305870</b>		11. Sec., T. R. M. or Blk. and Survey or Area <b>Sec. 27-T9S-R23E, S.L.B.&amp;M.</b>
14. Distance in miles and direction from nearest town or post office* <b>59.1 miles south of Vernal, Utah</b>		12. County or Parish <b>Uintah County</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>820' Lease line</b>	16. No. of acres in lease <b>646</b>	17. Spacing Unit dedicated to this well
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>2300'</b>	19. Proposed Depth <b>8700'</b>	20. BLM/BIA Bond No. on file <b>NM2308</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5319' NAT GL</b>	22. Approximate date work will start*	23. Estimated duration <b>45 days</b>

24. Attachments

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

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

25. Signature <i>Mary A. Maestas</i>	Name (Printed/Typed) <b>Mary A. Maestas</b>	Date <b>07/10/2007</b>
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Approved by Signature <i>Bradley G. Hill</i>	Name (Printed/Typed) <b>BRADLEY G. HILL</b>	Date <b>07-16-07</b>
Title	Office <b>ENVIRONMENTAL MANAGER</b>	

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  
JUL 12 2007  
DIV. OF OIL, GAS & MINING**

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

## EOG RESOURCES, INC.

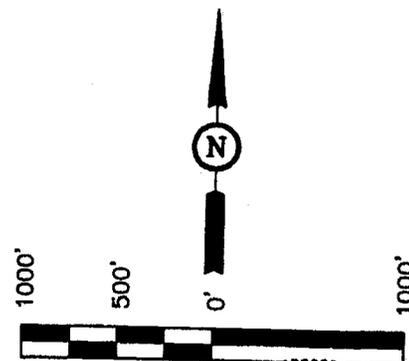
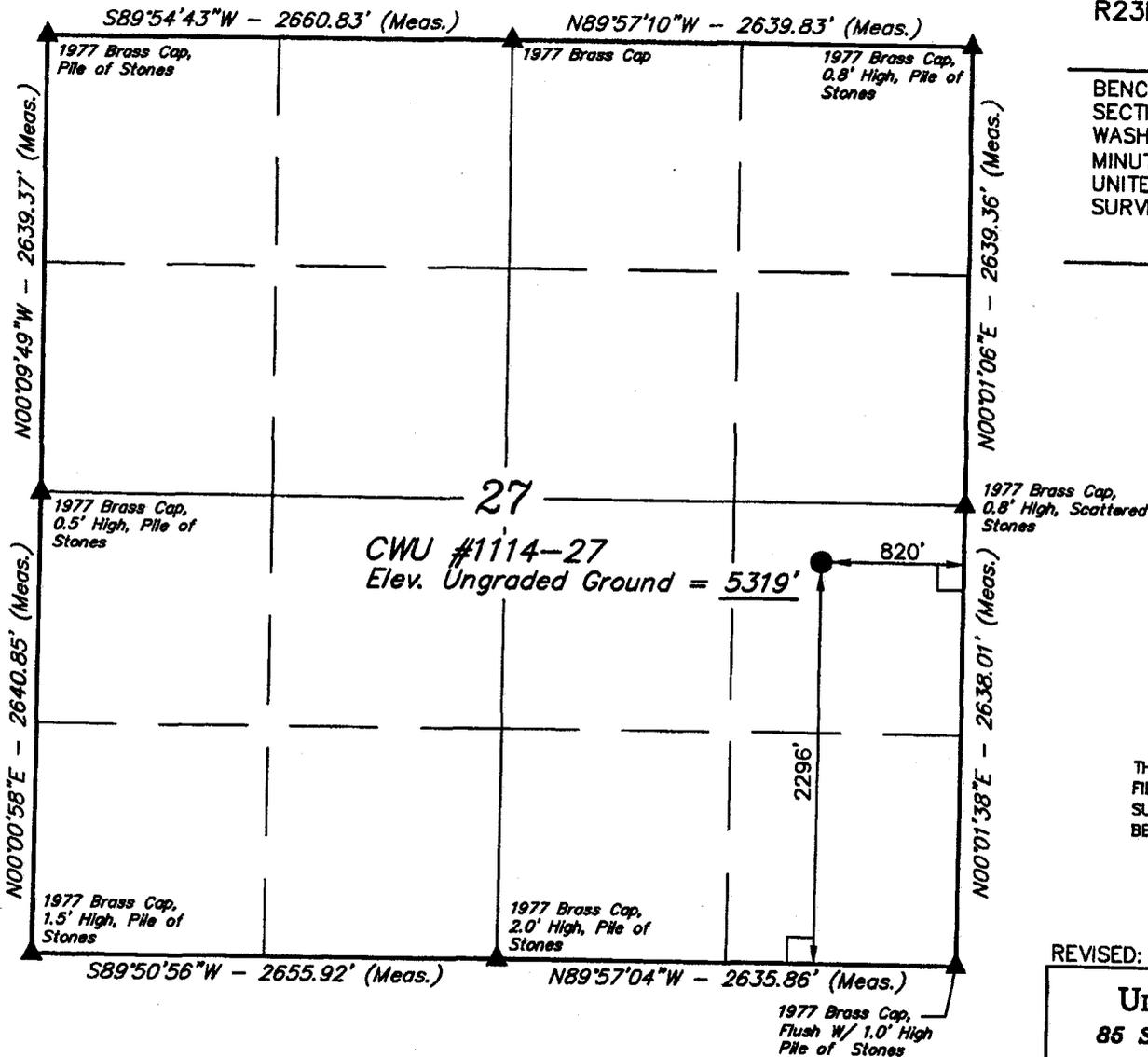
Well location, CWU #1114-27, located as shown in the NE 1/4 SE 1/4 of Section 27, T9S, R23E, S.L.B.&M., Uintah County, Utah.

### BASIS OF ELEVATION

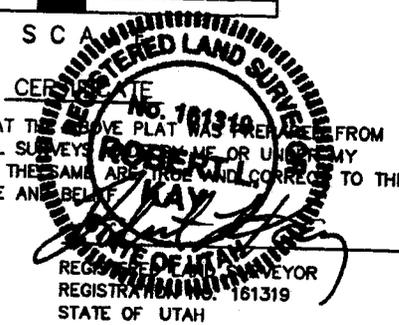
BENCH MARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

### BASIS OF BEARINGS

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



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



REVISED: 05-17-07 S.L.

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

### LEGEND:

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

(NAD 83)  
 LATITUDE = 40°00'21.63" (40.006008)  
 LONGITUDE = 109°18'23.47" (109.306519)  
 (NAD 27)  
 LATITUDE = 40°00'21.78" (40.006050)  
 LONGITUDE = 109°18'21.01" (109.305836)

SCALE 1" = 1000'	DATE SURVEYED: 09-20-05	DATE DRAWN: 09-29-05
PARTY T.B. B.C. P.M.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1114-27**  
**NE/SE, SEC. 27, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,549		Shale	
Wasatch	4,426	Secondary	Sandstone	
Chapita Wells	4,987	Secondary	Sandstone	
Buck Canyon	5,658	Secondary	Sandstone	
North Horn	6,229	Secondary	Sandstone	
KMV Price River	6,424	Primary	Sandstone	Gas
KMV Price River Middle	7,327	Primary	Sandstone	Gas
KMV Price River Lower	8,082	Primary	Sandstone	Gas
Sego	8,524		Sandstone	
<b>TD</b>	<b>8,700</b>			

Estimated TD: 8,700' or 200'± below Segó top

**Anticipated BHP: 4,750 Psig**

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

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
 BOP schematic diagrams attached.

**4. CASING PROGRAM:**

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

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

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

## EIGHT POINT PLAN

### CHAPITA WELLS UNIT 1114-27 NE/SE, SEC. 27, T9S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

#### 5. Float Equipment:

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

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

#### 7. VARIANCE REQUESTS:

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

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

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1114-27**  
**NE/SE, SEC. 27, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**8. EVALUATION PROGRAM:**

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

**9. CEMENT PROGRAM:**

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

**Lead:** 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% 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.

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

**Lead:** 121 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:** 840 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.**

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1114-27**  
**NE/SE, SEC. 27, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

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

**11. STANDARD REQUIRED EQUIPMENT:**

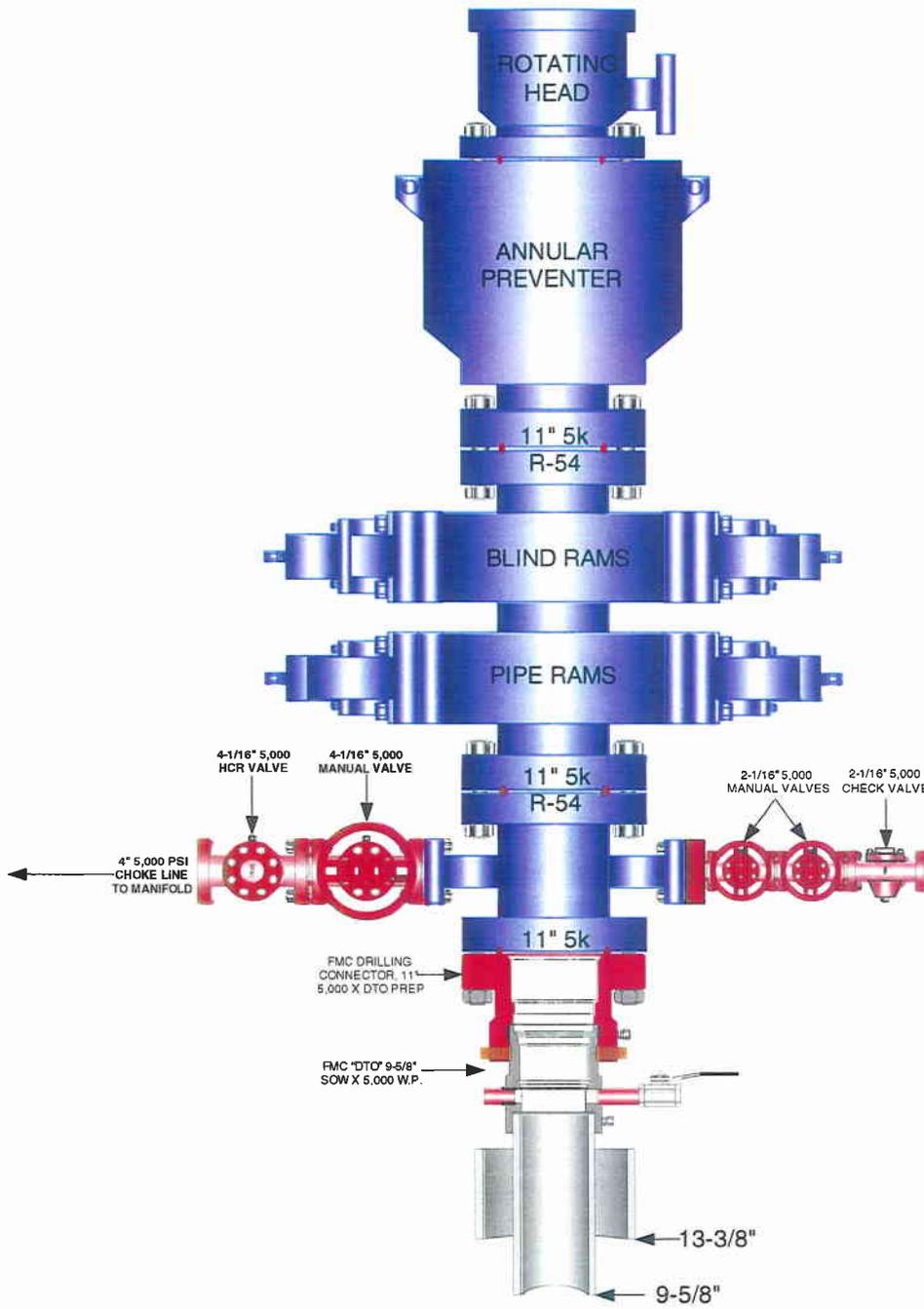
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

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

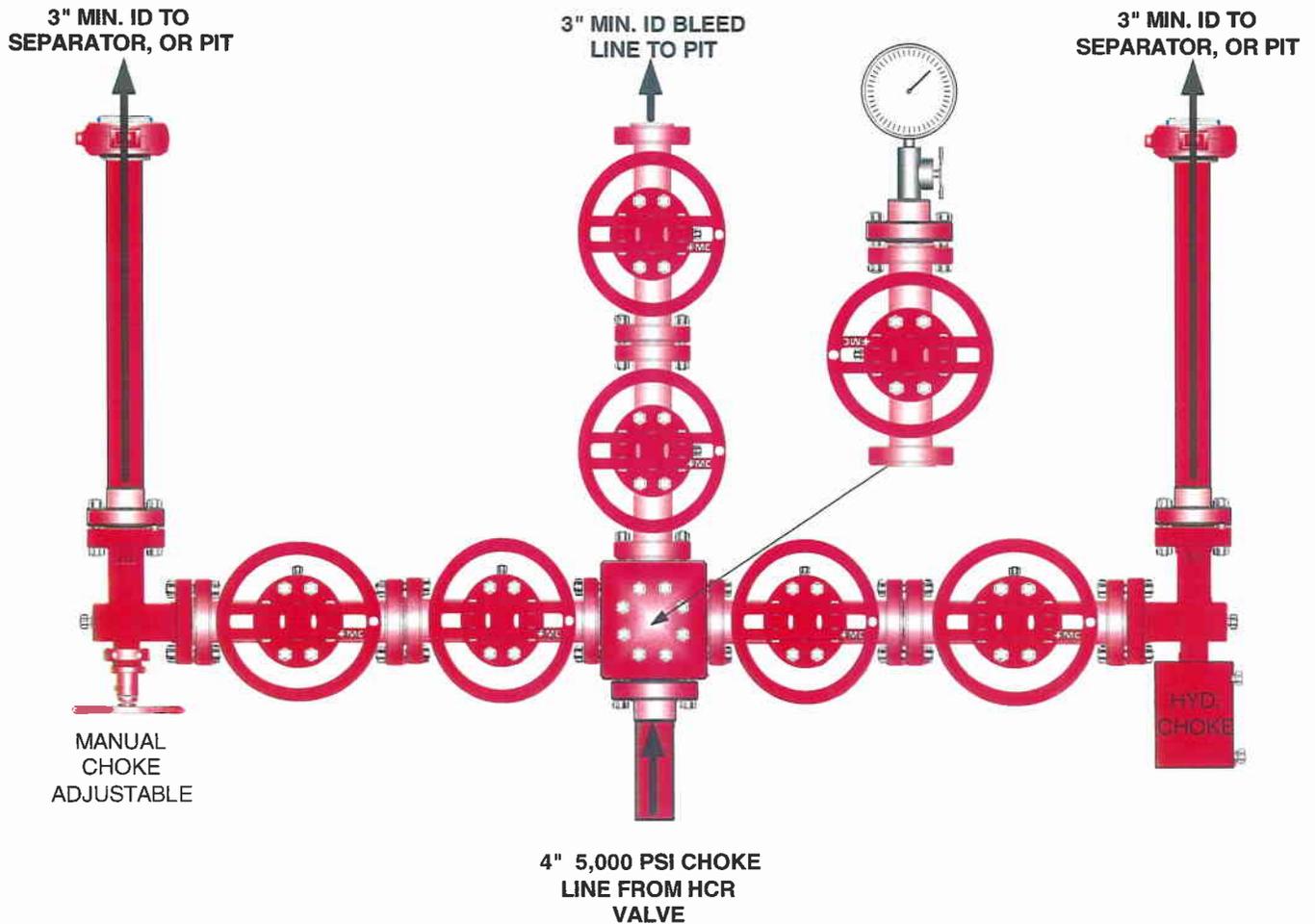
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF 2



**Testing Procedure:**

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



***Chapita Wells Unit 1114-27  
NESE, Section 27, T9S, R23E  
Uintah County, Utah***

***SURFACE USE PLAN***

The well pad is approximately 375 feet long with a 261-foot width, containing 2.25 acres more or less. The well access road is approximately 2640 feet long with a 40-foot right-of-way, disturbing approximately 2.42 acres. New surface disturbance associated with access road and the well pad is estimated to be approximately 4.67 acres. The pipeline is approximately 1308 feet long with a 40-foot right-of-way, disturbing approximately 1.20 acres.

***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 59.1 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 2640' in length, with culverts installed as construction dictates.
- B. The access road has a 40-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 40-foot permanent right-of-way is requested. No surfacing material will be 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 40-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 roadbed block the drainages. 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 40-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, Fourth 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. The entire length of the proposed access road is located within Federal Lease # U-0344-A.**

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

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

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

**A. On Well Pad**

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

**B. Off Well Pad**

1. Proposed pipeline will transport natural gas.
2. The pipeline will be a permanent feeder line.
3. The length of the proposed pipeline is 1308' x 40'. The proposed pipeline leaves the western edge of the well pad (Lease U-0344-A) proceeding in an easterly, then northwesterly direction for an approximate distance of 1308' tying into a proposed pipeline for the East Chapita 14-23 in the SENE of Section 27, T9S, R23E (Lease U-0344-A), authorized under existing pipeline right-of-way UTU-85370. 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 NESE of section 27, township 9S, range 23E, proceeding northerly for an approximate distance of 1308' to the SENE of section 27, township 9S, range 23E.
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/Covert Green.** 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, through natural or artificial methods, or 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 **double felt, Polyswell**, and a 16-millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) will be used 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 southeast 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 wellhead and 30 feet from the reserve pit fence.

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil west of pit corner B. The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protection of the topsoil. 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 northeast.

**A diversion ditch shall be constructed on the east side of the location.**

**Corners of the location will be rounded off as needed.**

***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>
HyCrest Wheatgrass	9.0
Prostrate Kochia	3.0

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

**B. Dry Hole/Abandoned Location**

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

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
Wyoming Big Sage	3.0
Indian Ricegrass	3.0
Needle and Threadgrass	3.0
HyCrest Wheatgrass	1.0
Scarlet Globe Mallow	1.0

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

**11. SURFACE OWNERSHIP:**

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

**Bureau of Land Management**

**12. OTHER INFORMATION:**

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

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

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

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application or 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 by Montgomery Archaeological Consultants on 10/28/2005. A paleontological survey was conducted and submitted by Intermountain Paleo on 2/9/2006.

**Additional Surface Stipulations:**

No construction or drilling activities will be conducted between April 1 and July 15 due to Redtail Hawk stipulations.

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

**PERMITTING AGENT**

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

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.

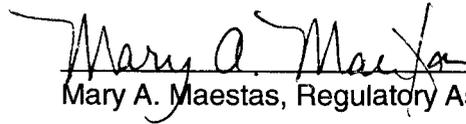
The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

**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 Chapita Wells Unit 1114-27 Well, located in the NESE, of Section 27, 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.

July 10, 2007  
Date

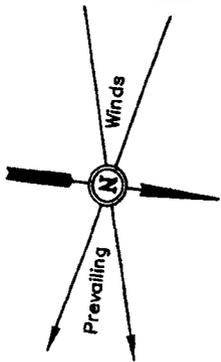
  
Mary A. Maestas, Regulatory Assistant

**EOG RESOURCES, INC.**

**LOCATION LAYOUT FOR**

CWU #1114-27  
SECTION 27, T9S, R23E, S.L.B.&M.  
2296' FSL 820' FEL

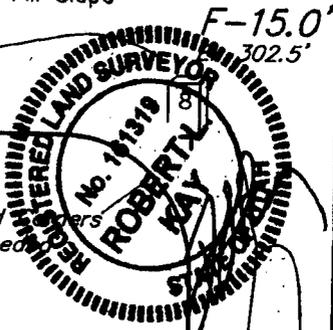
**FIGURE #1**



SCALE: 1" = 50'  
DATE: 05-17-07  
Drawn By: S.L.

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

Approx. Toe of Fill Slope



Approx. Top of Cut Slope

Pit Topsoil



C-13.9'  
El. 319.4'  
(btm. pit)

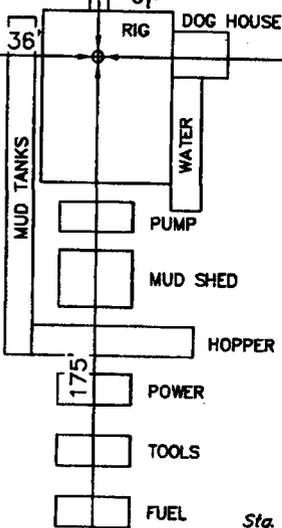
Reserve Pit Backfill & Spoils Stockpile

15' WIDE BENCH

RESERVE PITS  
(12' Deep)  
Total Pit Capacity  
W/2' of Freeboard  
= 14,950 Bbls.±  
Total Pit Volume  
= 4,030 Cu. Yds

C-2.1'  
El. 319.6'

C-2.0'  
El. 319.5'



Sta. 1+75

F-10.0'  
El. 307.5'

Topsoil Stockpile

C-30.7'  
El. 336.2'  
(btm. pit)

20' WIDE BENCH

C-13.0'  
El. 330.5'

CONSTRUCT DIVERSION DITCH

STORAGE TANK

Sta. 0+00

C-2.4'  
El. 319.9'

Proposed Access Road

Elev. Ungraded Ground at Location Stake = 5319.5'

Elev. Graded Ground at Location Stake = 5317.5'

**UINTAH ENGINEERING & LAND SURVEYING**  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 788-1017

EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

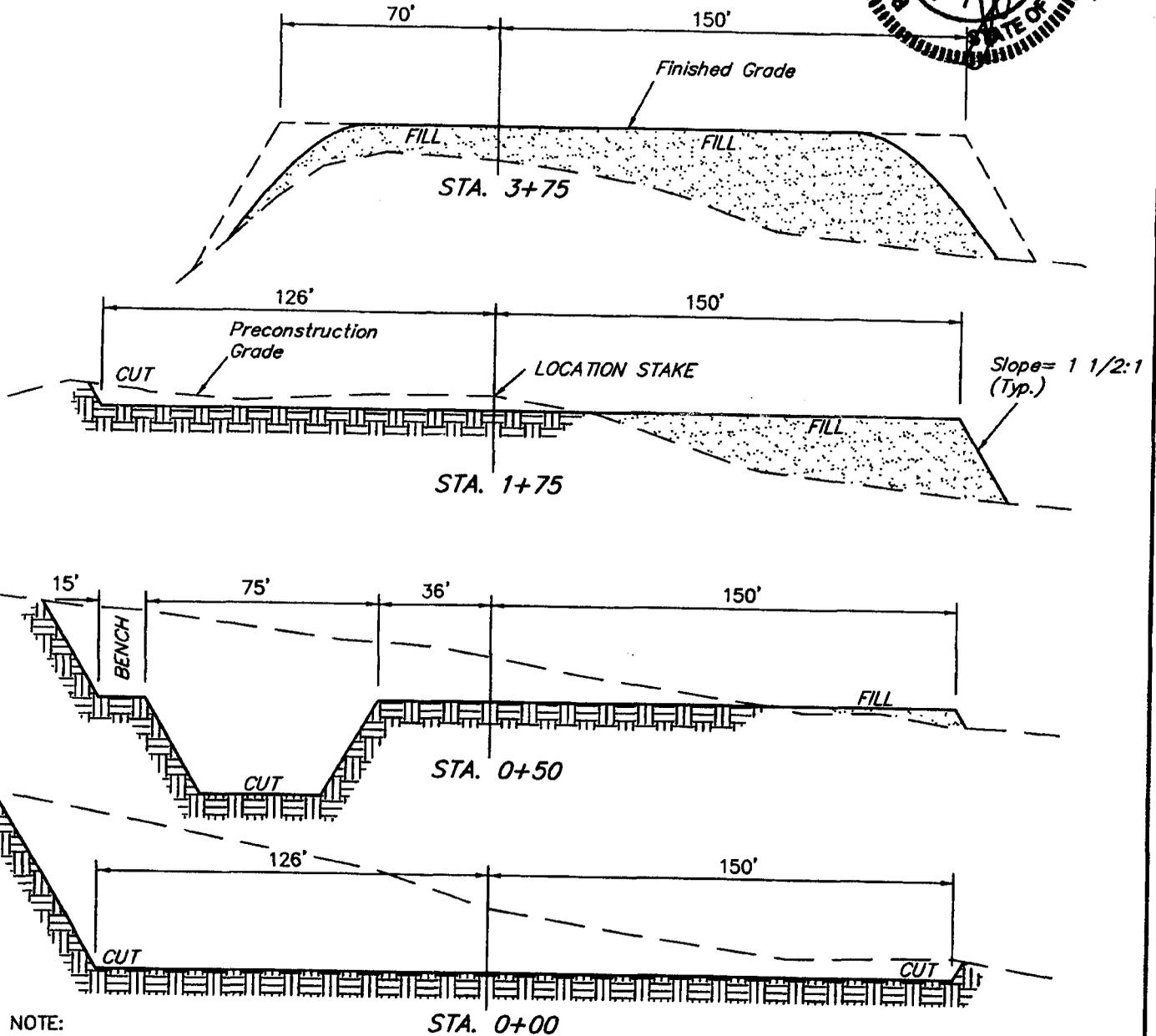
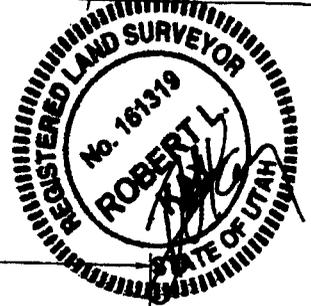
CWJ #1114-27

SECTION 27, T9S, R23E, S.L.B.&M.

2296' FSL 820' FEL

FIGURE #2

X-Section Scale  
 1" = 20'  
 1" = 50'  
 DATE: 05-17-07  
 Drawn By: S.L.



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

\* NOTE:  
 FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 2,470 Cu. Yds.
Remaining Location	= 16,630 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 19,100 CU.YDS.</b>
<b>FILL</b>	<b>= 14,610 CU.YDS.</b>

EXCESS MATERIAL	= 4,490 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 4,490 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

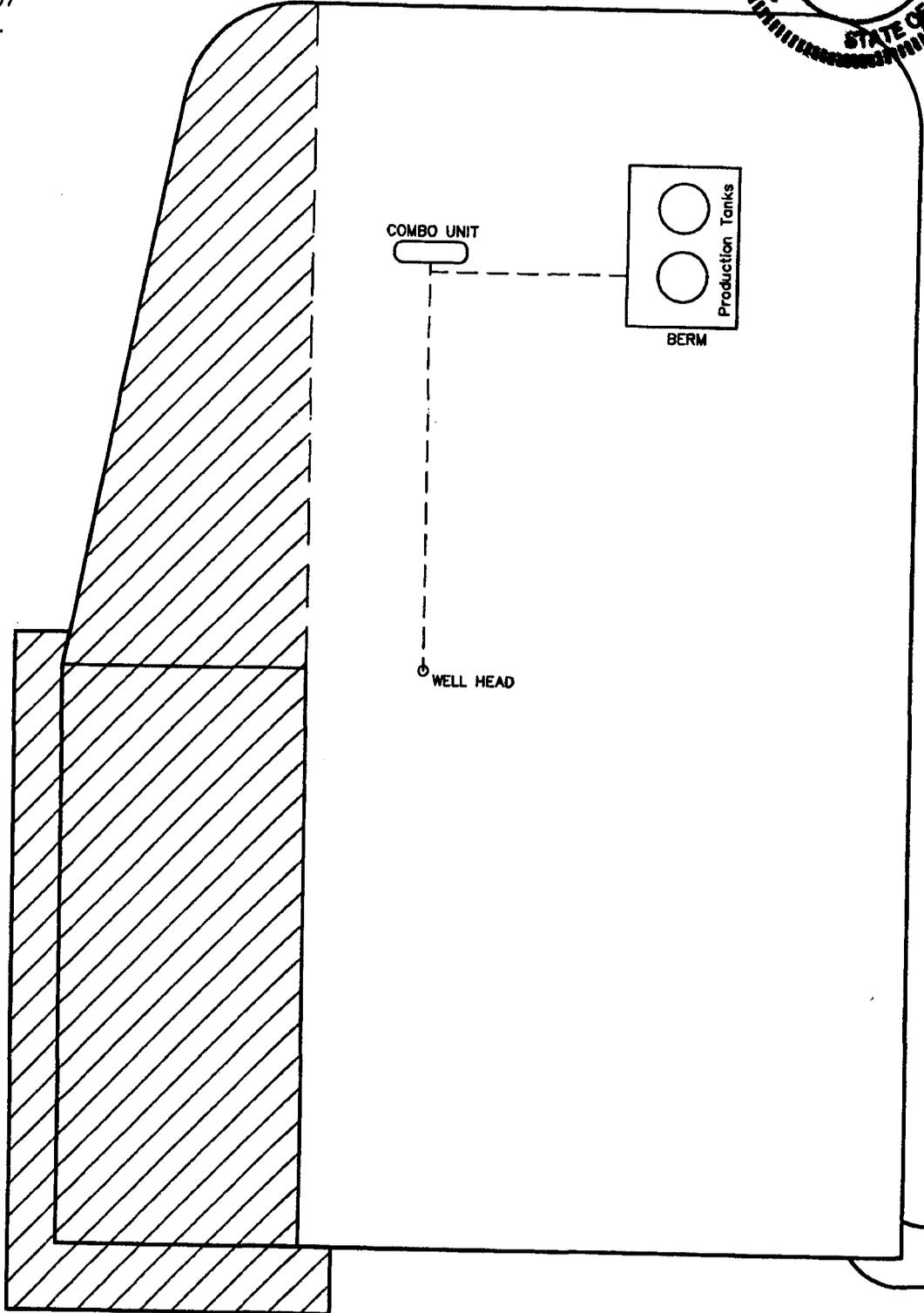


**EOG RESOURCES, INC.**  
**PRODUCTION FACILITY LAYOUT FOR**  
CWU #1114-27  
SECTION 27, T9S, R23E, S.L.B.&M.  
2296' FSL 820' FEL

FIGURE #3



SCALE: 1" = 50'  
DATE: 05-17-07  
Drawn By: S.L.



 RE-HABED AREA

Access Road

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

# EOG RESOURCES, INC.

CWU #1114-27

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 27, T9S, R23E, S.L.B.&M.

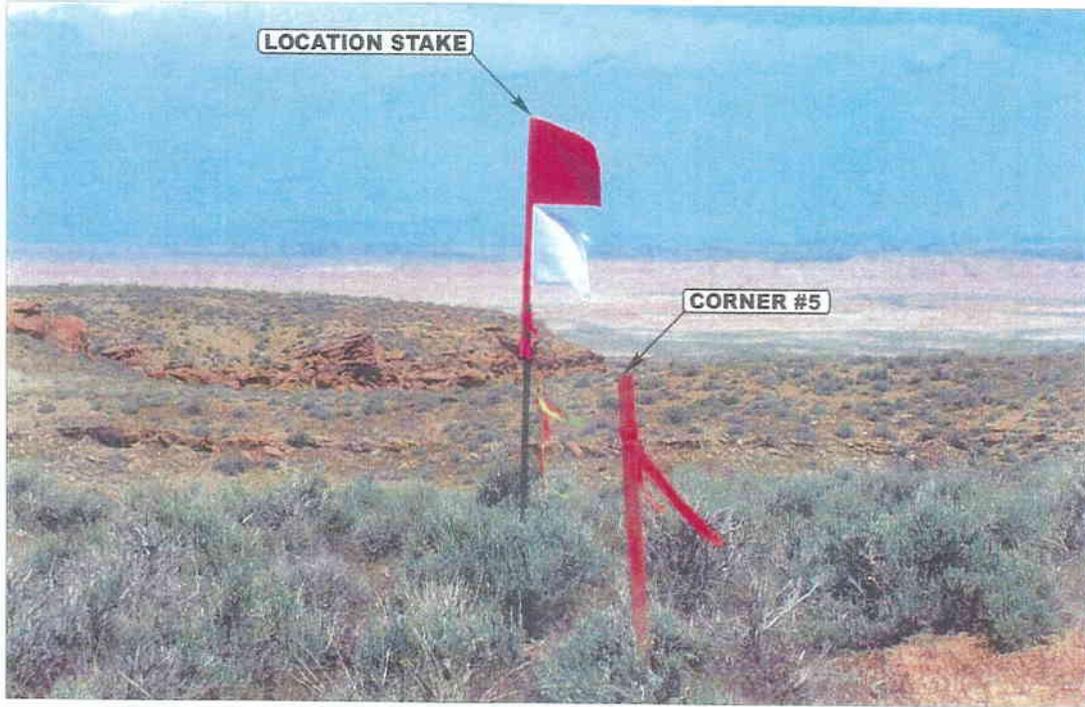


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY

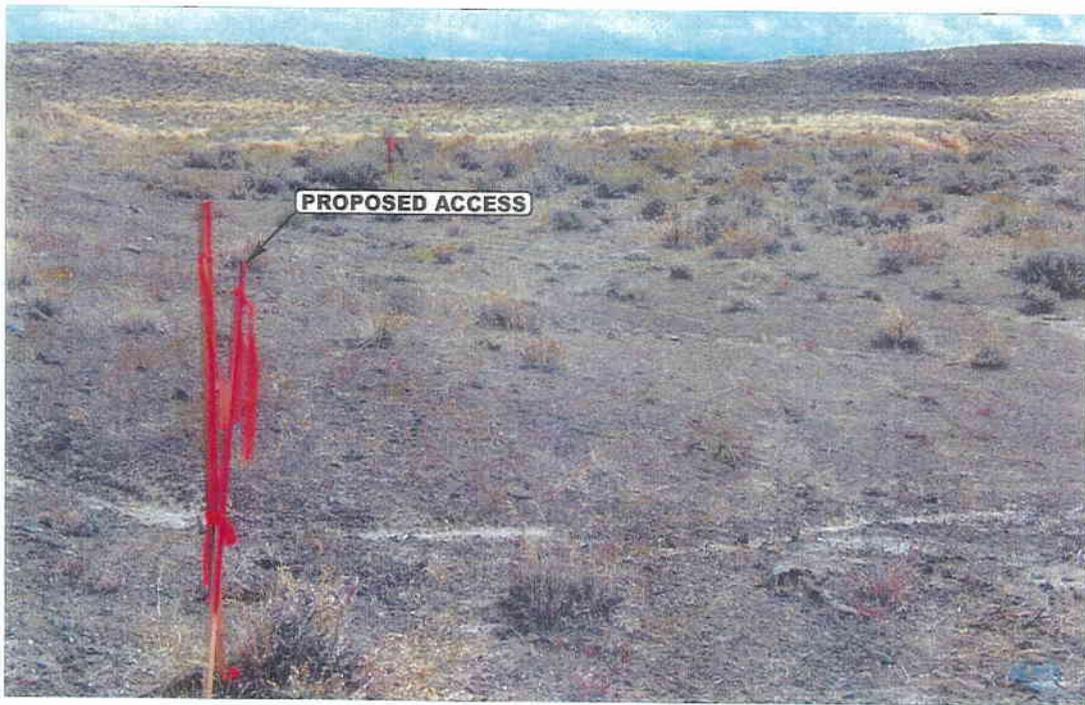


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



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

Since 1964

LOCATION PHOTOS

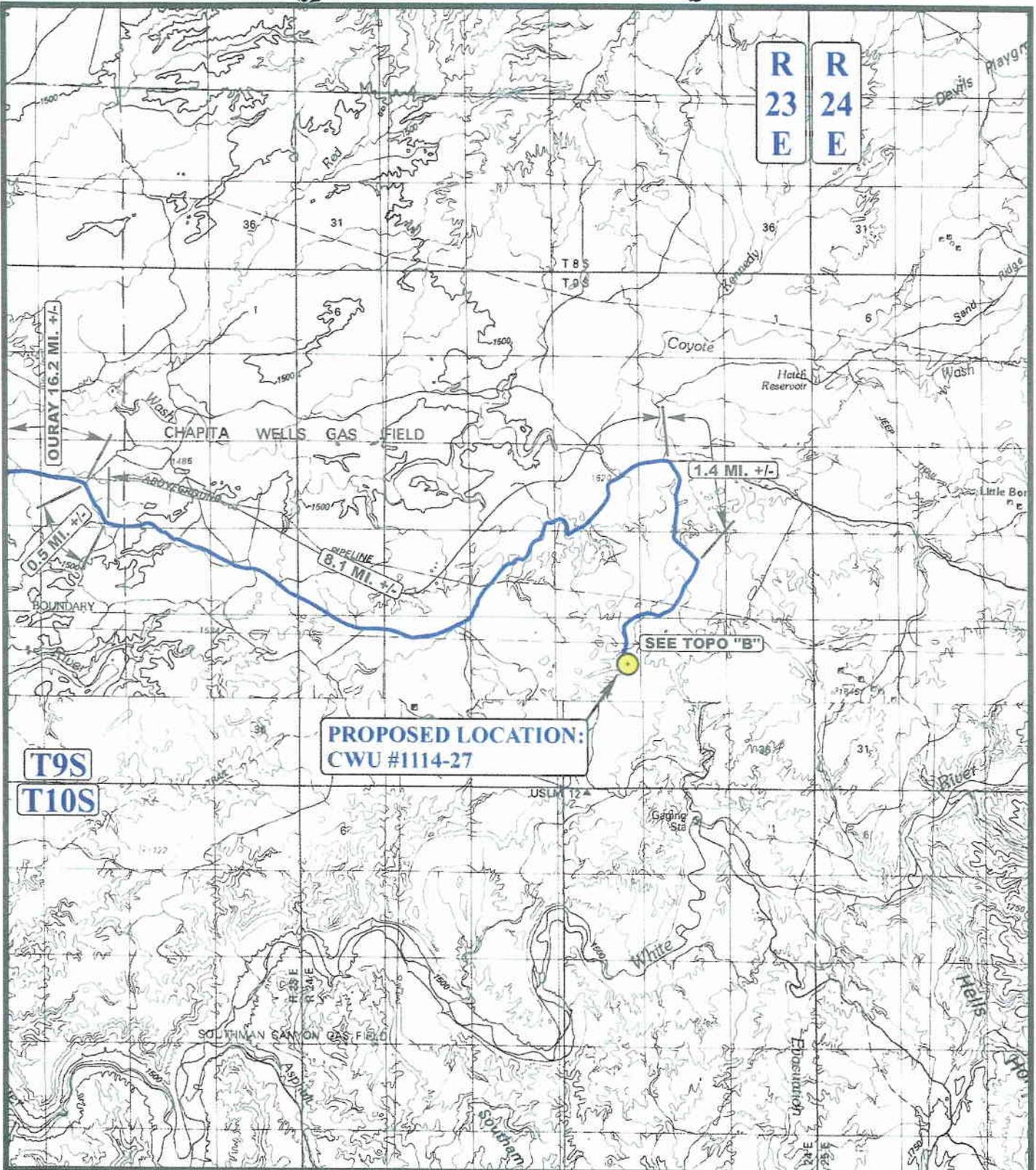
01 24 07  
MONTH DAY YEAR

PHOTO

TAKEN BY: GS.

DRAWN BY: C.P.

REV: 05-15-07 B.C.



**LEGEND:**

 PROPOSED LOCATION



**EOG RESOURCES, INC.**

CWU #1114-27  
 SECTION 27, T9S, R23E, S.L.B.&M.  
 2296' FSL 820' FEL



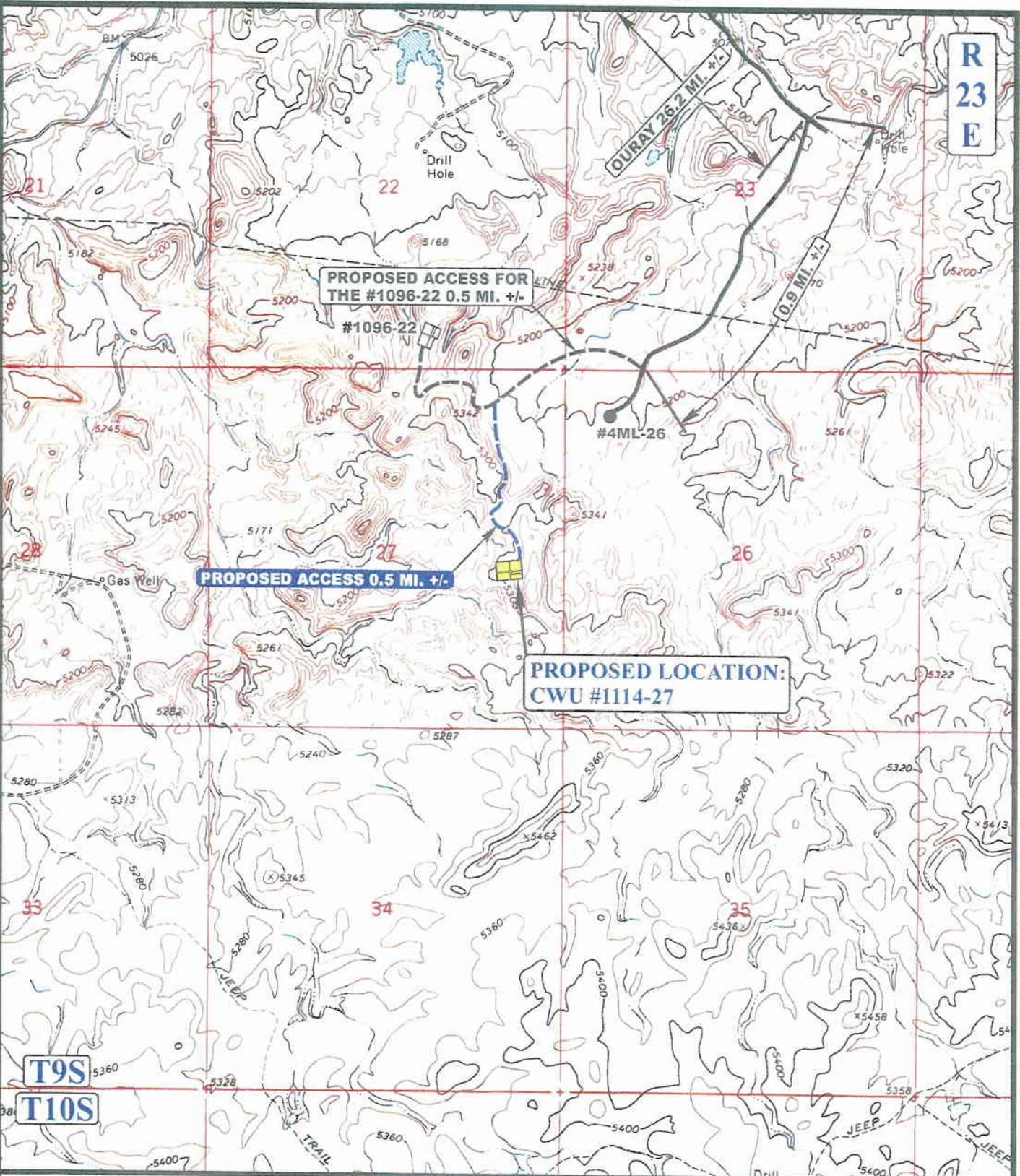
**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC MAP** 01 24 07  
 MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: C.P. REV: 05-15-07 B.C.



R  
23  
E



**LEGEND:**

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD



**EOG RESOURCES, INC.**

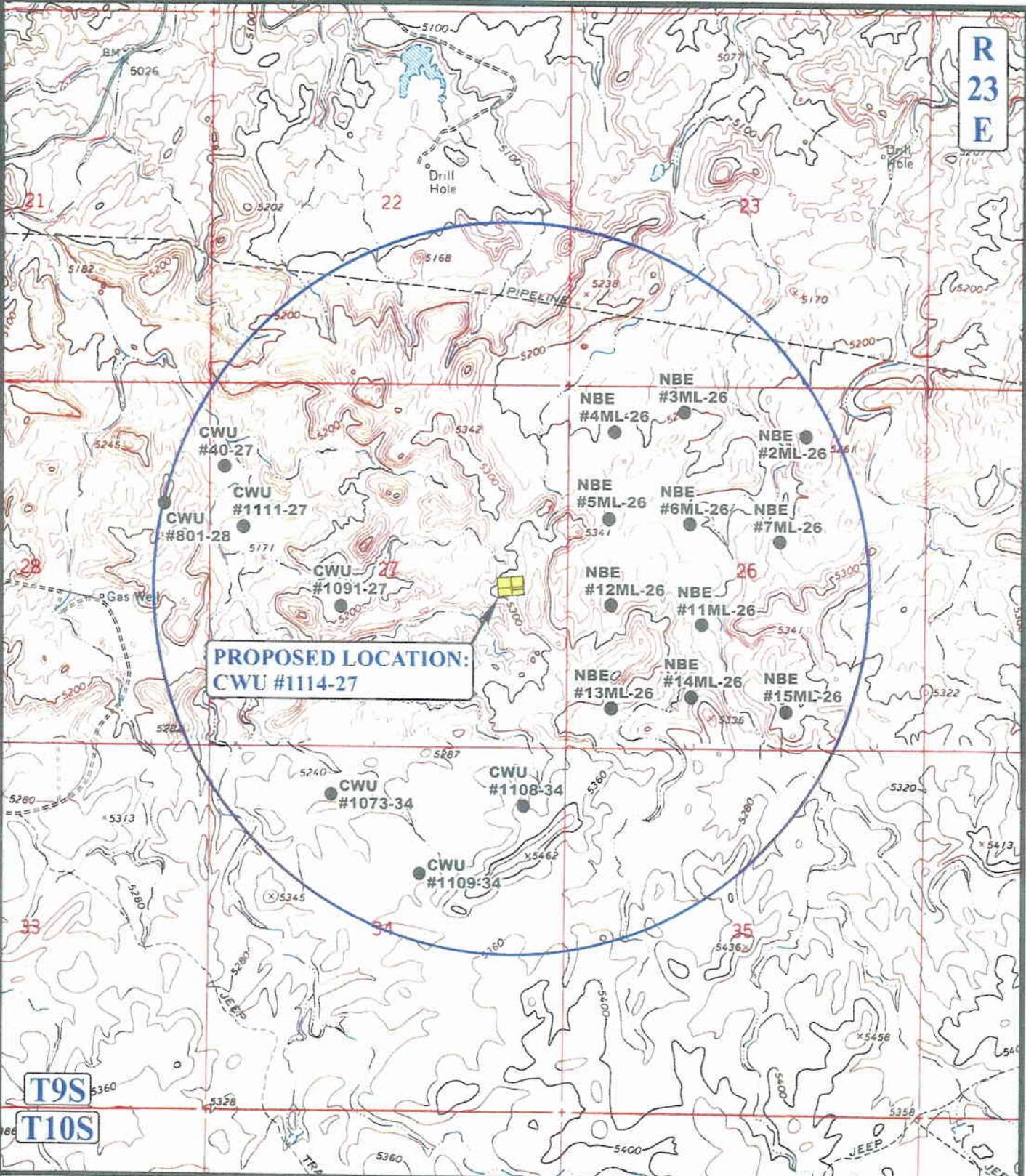
CWU #1114-27  
 SECTION 27, T9S, R23E, S.L.B.&M.  
 2296' FSL 820' FEL

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

**TOPOGRAPHIC MAP** 01 24 07  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.P. REV: 05-15-07 B.C.

**B**  
 TOPO

R  
23  
E



**PROPOSED LOCATION:  
CWU #1114-27**

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



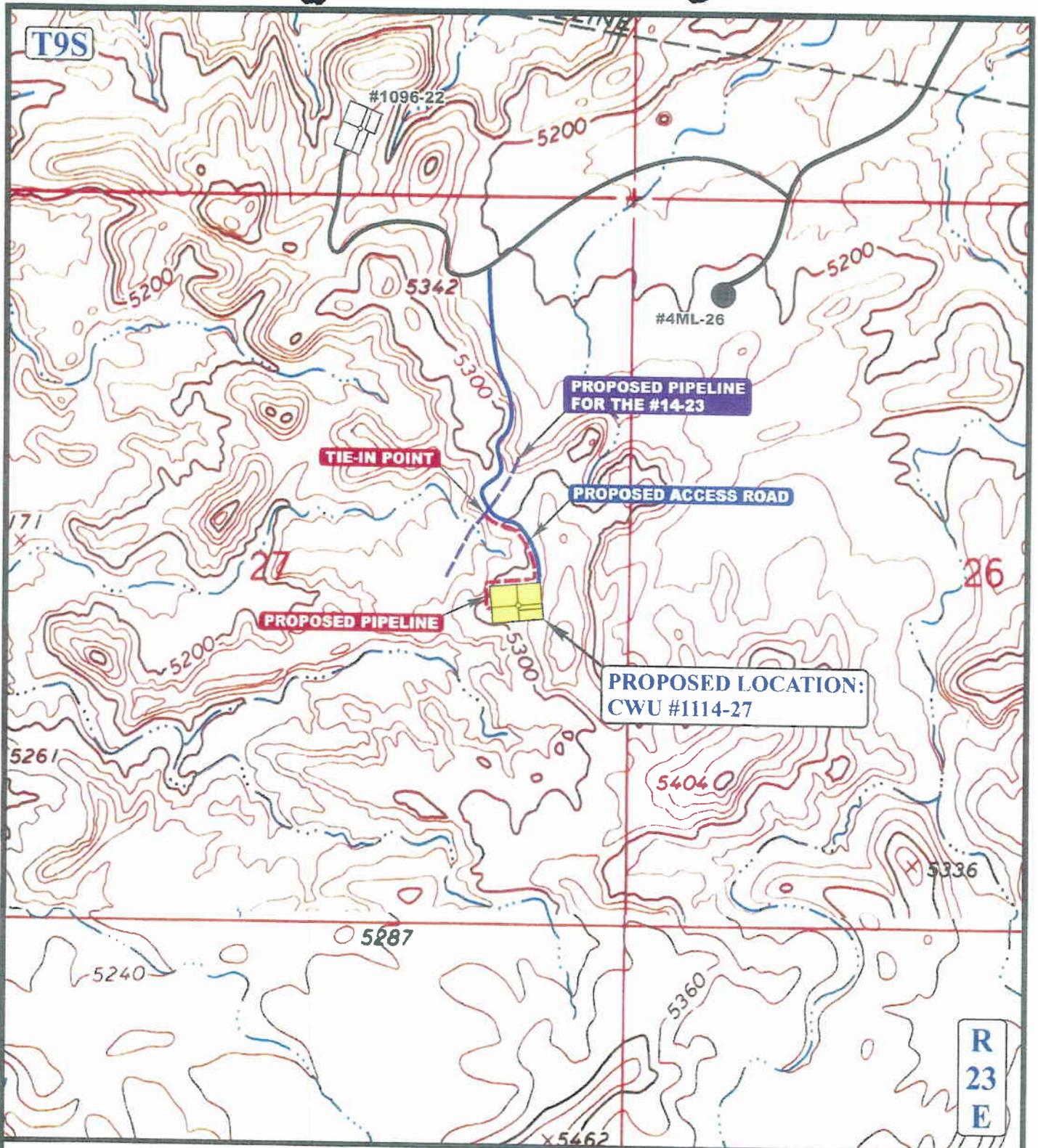
**EOG RESOURCES, INC.**

**CWU #1114-27  
SECTION 27, T9S, R23E, S.L.B.&M.  
2296' FSL 820' FEL**

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

**TOPOGRAPHIC MAP** 01 24 07  
MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: C.P. REV: 05-15-07 B.C.

**C**  
TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 1,308' +/-

**LEGEND:**

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



**EOG RESOURCES, INC.**

**CWU #1114-27**  
**SECTION 27, T9S, R23E, S.L.B.&M.**  
**2296' FSL 820' FEL**



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

**TOPOGRAPHIC** 01 24 07  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: C.P. REV: 05-15-07 B.C.



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 07/12/2007

API NO. ASSIGNED: 43-047-39433

WELL NAME: CWU 1114-27  
 OPERATOR: EOG RESOURCES INC ( N9550 )  
 CONTACT: MARYI MAESTAS

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

NESE 27 090S 230E  
 SURFACE: 2296 FSL 0820 FEL  
 BOTTOM: 2296 FSL 0820 FEL  
 COUNTY: UINTAH  
 LATITUDE: 40.00605 LONGITUDE: -109.3059  
 UTM SURF EASTINGS: 644605 NORTHINGS: 4429593  
 FIELD NAME: NATURAL BUTTES ( 630 )

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

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

PROPOSED FORMATION: MVRD  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

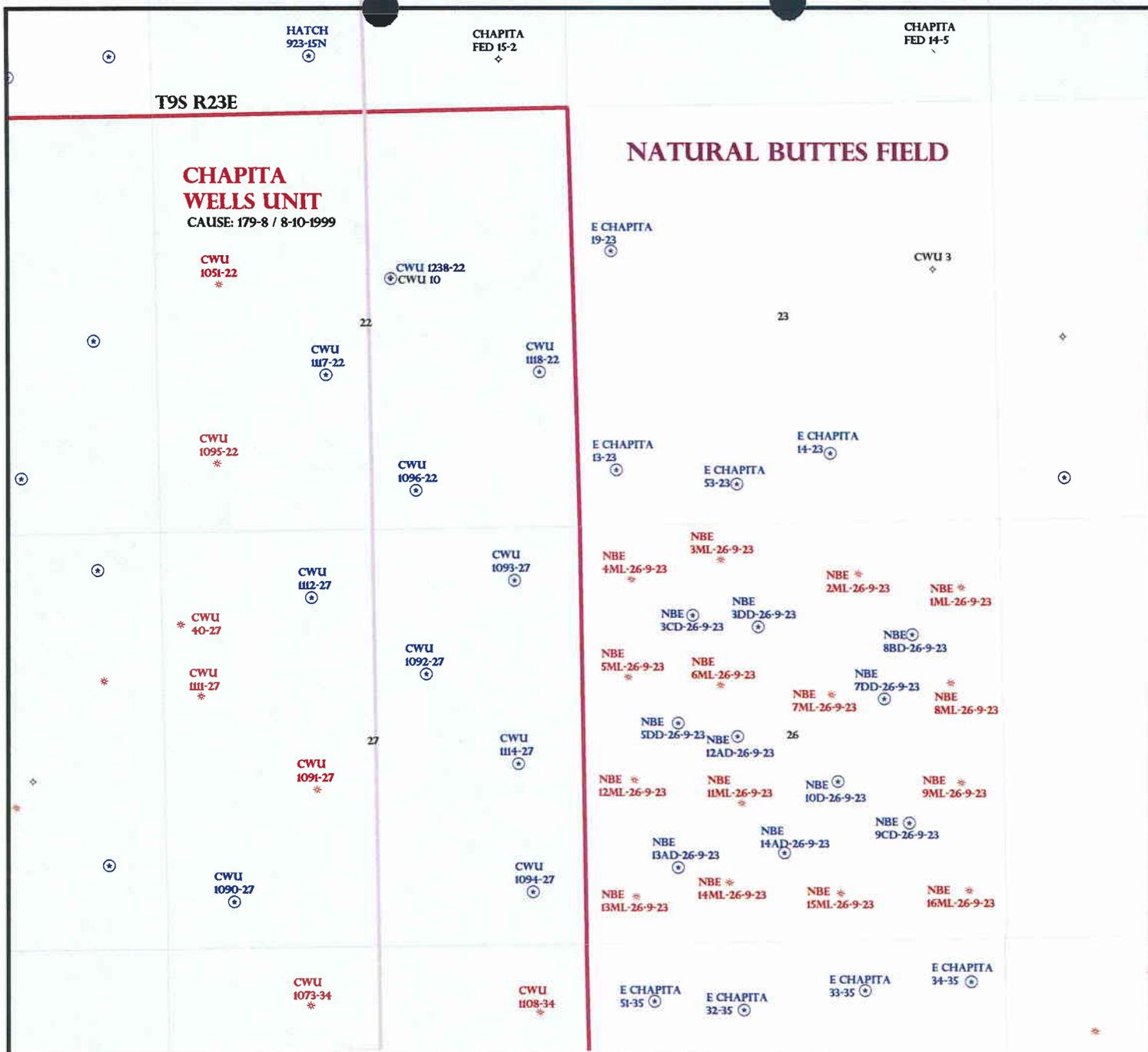
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. NM2308 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 49-225 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit: CHAPITA WELLS
- R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit  
Board Cause No: 174-8  
Eff Date: 8-10-1999  
Siting: Suspend General Siting
- R649-3-11. Directional Drill

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

STIPULATIONS: 1-federal approval  
 \_\_\_\_\_  
 \_\_\_\_\_



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 27 T.9S R. 23E

FIELD: NATURAL BUTTES (630)

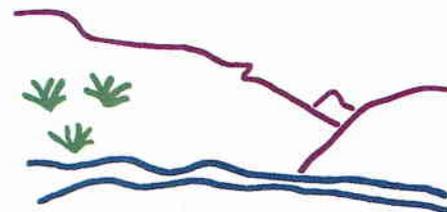
COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999

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

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

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



Utah Oil Gas and Mining



PREPARED BY: DIANA MASON  
DATE: 13-JULY-2007

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

July 13, 2007

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2007 Plan of Development Chapita Wells Unit  
Uintah County, Utah.

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

API#	WELL NAME	LOCATION
------	-----------	----------

(Proposed PZ MesaVerde)

43-047-39433	CWU 1114-27 Sec 27 T09S R23E 2296 FSL 0820 FEL	
--------------	--	--

43-047-39431	CWU 0981-11 Sec 11 T09S R22E 1652 FSL 1815 FEL	
--------------	--	--

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

/s/ Michael L. Coulthard

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

MCoulthard:mc:7-13-07



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

**State of Utah**  
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

**Division of Oil Gas and Mining**

JOHN R. BAZA  
Division Director

July 16, 2007

EOG Resources, Inc.  
1060 East Highway 40  
Vernal, UT 84104

Re: Chapita Wells Unit 1114-27 Well, 2296' FSL, 820' FEL, NE SE, Sec. 27, 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.

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 43-047-39433.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

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



**Operator:** EOG Resources, Inc.  
**Well Name & Number** Chapita Wells Unit 1114-27  
**API Number:** 43-047-39433  
**Lease:** U-0344A

**Location:** NE SE                      Sec. 27                      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 office      (801) 733-0983 home

3. Reporting Requirements

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

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

RECEIVED  
VERNAL FIELD OFFICE

Form 3160-3  
(February 2005)

2007 JUL 11 PM 12:45

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

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. <b>U-0344A</b>
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>EOG RESOURCES, INC</b>		7. If Unit or CA Agreement, Name and No. <b>Chapita Wells Unit</b>
3a. Address <b>1060 EAST HIGHWAY 40 VERNAL, UT 84078</b>		8. Lease Name and Well No. <b>Chapita Wells Unit 1114-27</b>
3b. Phone No. (include area code) <b>435-781-9111</b>		9. API Well No. <b>43-047-39433</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <b>2296' FSL &amp; 820' FEL (NESE) 40.006008 LAT 109.306519 LON</b> At proposed prod. zone <b>Same</b>		10. Field and Pool, or Exploratory <b>Natural Buttes/Mesaverde</b>
14. Distance in miles and direction from nearest town or post office* <b>59.1 miles south of Vernal, Utah</b>		11. Sec., T. R. M. or Blk. and Survey or Area <b>Sec. 27-T9S-R23E, S.L.B.&amp;M.</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>820' Lease line</b>	16. No. of acres in lease <b>640</b>	17. Spacing Unit dedicated to this well
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>2300'</b>	19. Proposed Depth <b>8700'</b>	20. BLM/BIA Bond No. on file <b>NM2308</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5319' NAT GL</b>	22. Approximate date work will start*	23. Estimated duration <b>45 days</b>

24. Attachments

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

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

25. Signature <i>Mary A. Maestas</i>	Name (Printed/Typed) <b>Mary A. Maestas</b>	Date <b>07/10/2007</b>
--------------------------------------	--	---------------------------

Approved by (Signature) <i>Jerry Kenczka</i>	Name (Printed/Typed) <b>JERRY KENCZKA</b>	Date <b>4-23-2008</b>
Title <b>Assistant Field Manager Lands &amp; Mineral Resources</b>	Office <b>VERNAL FIELD OFFICE</b>	

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

MAY 08 2008

DIV. OF OIL, GAS & MINING

4006M  
NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

07BM2600A

MS 10/14/05



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

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



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

**Company:** EOG Resources, Inc.  
**Well No:** Chapita Wells Unit 1114-27  
**API No:** 43-047-39433

**Location:** NESE, Sec. 27, T9S, R23E  
**Lease No:** UTU-0344A  
**Agreement:** Chapita Wells Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
NRS/Enviro Scientist:		(435) 781-4475	(435) 828-4029
Supervisory NRS/Enviro Scientist:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:		(435) 781-4476	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7482
NRS/Enviro Scientist:		(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	(435) 828-4029
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**

- If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.
- Bury pipeline at all low water crossings.
- Permission from an authorized BLM representative would be required if construction or other operations occur during wet conditions that would lead to excessive rutting.
- Permission to clear all wildlife stipulations would only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.
- Culverts and gravel may be installed as needed.

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

**SITE SPECIFIC DOWNHOLE COAs:**

- A surface casing shoe integrity test shall be performed.
- 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.
- Production casing cement shall be at a minimum 200 feet inside the surface casing. A CBL shall be run from TD to top of cement and a field copy shall be sent to this field office

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

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

#### OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).

- Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
  - All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
  - Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, 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: CWU 1114-27

API No: 43-047-39433 Lease Type: Federal

Section 27 Township 09S Range 23E County Uintah

Drilling Contractor Craig's Roustabout Services Rig # Rathole

### **SPUDED:**

Date 7-02-08

Time 8:00 PM

How Dry

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

Reported by Jerry Barnes

Telephone # 435-828-1720

Date 7-03-08 Signed RM

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.  
UTU0344A

6. If Indian, Allottee or Tribe Name

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

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

8. Well Name and No.  
CHAPITA WELLS UNIT 1114-27

9. API Well No.  
43-047-39433

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

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)  
Sec 27 T9S R23E NESE 2296FSL 820FEL  
40.00601 N Lat, 109.30652 W Lon

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

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

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

The referenced well spud on 7/2/2008.

**RECEIVED**  
**JUL 10 2008**  
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #61251 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 07/07/2008

**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 \_\_\_\_\_

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ENTITY ACTION FORM

Operator: EOG RESOURCES Operator Account Number: N 9550  
 Address: 1060 East Highway 40  
 city VERNAL  
 state UT zip 84078 Phone Number: (435) 781-9111

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39277	EAST CHAPITA 75-04		SWSE	4	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	16946	7/1/2008		7/14/08		
Comments: WSMVD							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39433	CHAPITA WELLS UNIT 1114-27		NESE	27	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	16947	7/3/2007		7/14/08		
Comments: MVRB							

Well 3

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

ACTION CODES:

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

Kaylene R. Gardner

Name (Please Print)

Signature

Lead Regulatory Assistant

Title

7/3/2008

Date

RECEIVED  
JUL 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.  
UTU0344A

6. If Indian, Allottee or Tribe Name

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

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

8. Well Name and No.  
CHAPITA WELLS UNIT 1114-27

9. API Well No.  
43-047-39433

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@egoresources.com

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 27 T9S R23E NESE 2296FSL 820FEL  
40.00601 N Lat, 109.30652 W Lon

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

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

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

The referenced well was turned to sales on 9/12/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

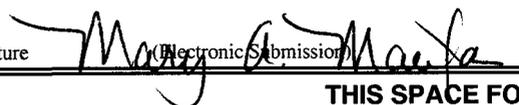
**RECEIVED**

**SEP 29 2008**

**DIV. OF OIL, GAS & MINING**

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #63079 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  (Electronic Submission) Date 09/15/2008

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

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

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

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

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

## WELL CHRONOLOGY REPORT

Report Generated On: 09-15-2008

<b>Well Name</b>	CWU 1114-27	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-39433	<b>Well Class</b>	COMP
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	07-11-2008	<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	8,700/ 8,700	<b>Property #</b>	057815
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	5,334/ 5,318				
<b>Location</b>	Section 27, T9S, R23E, NESE, 2296 FSL & 820 FEL				

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

<b>AFE No</b>	303666	<b>AFE Total</b>	1,747,800	<b>DHC / CWC</b>	880,700/ 867,100
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #31	<b>Start Date</b>	07-11-2007
		<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>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
2296' FSL & 820' FEL (NE/SE)			
SECTION 27, T9S, R23E			
UINTAH COUNTY, UTAH			

LAT 40.006008, LONG 109.306519 (NAD 83)  
LAT 40.006050, LONG 109.305836 (NAD 27)

TRUE #31  
OBJECTIVE: 8700' TD, MESAVERDE  
DW/GAS  
CHAPITA WELLS DEEP PROSPECT  
DD&A: CHAPITA DEEP  
NATURAL BUTTES FIELD

LEASE: U-0344A

ELEVATION: 5319.5' NAT GL, 5317.5' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 5318'), 5334' KB (16')

EOG BPO WI 100%, NRI 82.25%

EOG APO WI 50%, NRI 43.50%

06-24-2008      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 CONSTRUCTION.

06-25-2008      Reported By      TERRY CSERE

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

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

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

Formation :      PBTD : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

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

06-26-2008      Reported By      TERRY CSERE

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

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

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

Formation :      PBTD : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

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

06-27-2008      Reported By      TERRY CSERE

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

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

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

Formation :      PBTD : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 40% COMPLETE.

06-30-2008      Reported By      TERRY CSERE

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

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

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

Formation :      PBTD : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 40% COMPLETE.

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 DIV. OF OIL, GAS & MINING

07-01-2008 Reported By TERRY CSERE

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

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 75% COMPLETE. PUSHING IN PIT.

07-02-2008 Reported By TERRY CSERE

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

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT AGAIN. DRILLING ROCK & SHOOTING TODAY.

07-03-2008 Reported By TERRY CSERE/JERRY BARNES

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

MD 60 TVD 60 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WOAIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE. CRAIGS ROUSTABOUT SERVICE SPUD A 20" HOLE ON 07/02/08 @ 8:00 PM. SET 60' OF 16" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 07/02/08 @ 7:30 PM.

07-07-2008 Reported By JERRY BARNES

Daily Costs: Drilling \$47,103 Completion \$0 Daily Total \$47,103  
 Cum Costs: Drilling \$85,103 Completion \$0 Well Total \$85,103

MD 820 TVD 820 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG #2 ON 7/4/2008. DRILLED 12-1/4" HOLE TO 820' GL. ENCOUNTERED NO WATER. RDMO CRAIGS RIG.

TRUE 31 WILL FINISH DRILLING 12 1/4" HOLE AND RUN CASING.

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

NO SURVEY @ THIS TIME.

07-11-2008 Reported By PAT CLARK

<b>Daily Costs: Drilling</b>	\$27,507	<b>Completion</b>	\$0	<b>Daily Total</b>	\$27,507						
<b>Cum Costs: Drilling</b>	\$112,610	<b>Completion</b>	\$0	<b>Well Total</b>	\$112,610						
<b>MD</b>	820	<b>TVD</b>	820	<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: RURT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRURT. MOVED 2 MILES WITH WESTROC TRUCKING. 5 MEN, 37 HRS. 7 BED TRUCKS, 2 HAUL TRUCKS, 2 FORKLIFTS, 1 CRANE. TRUCKS AND CRANE RELEASED @ 17:00, DERRICK IN THE AIR @ 17:30. RIG IS 95% RIGGED UP. ETA DAYWORK - 09:00. TRANSFER 6 JTS 4.5", 11.6#, N-80, LTC CSG (240.26' TOL). TRANSFER 2 MJ 4.5", 11.6#, HCP-110, LTC (42.88' TOL). TRANSFER 1300 GALS DIESEL @ \$4.36/GAL.

07-12-2008 Reported By PAT CLARK

<b>Daily Costs: Drilling</b>	\$74,569	<b>Completion</b>	\$0	<b>Daily Total</b>	\$74,569						
<b>Cum Costs: Drilling</b>	\$187,179	<b>Completion</b>	\$0	<b>Well Total</b>	\$187,179						
<b>MD</b>	2,415	<b>TVD</b>	2,415	<b>Progress</b>	1,610	<b>Days</b>	1	<b>MW</b>	8.5	<b>Visc</b>	26.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>		<b>PKR Depth : 0.0</b>						

Activity at Report Time: DRILLING @ 2415'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	RURT. TRUE HAD 5 MEN, 2 HOURS.
08:00	09:00	1.0	NU FLOWLINE. RIG ON DAYWORK @ 08:00.
09:00	10:00	1.0	P/U BHA. TAG @ 805'.
10:00	12:00	2.0	DRILL 805' - 1057'. WOB 5-10K, RPM 60/128, SPP 1400 PSI, DP 250 PSI, ROP 126 FPH. SPUD WELL @ 10:00.
12:00	12:30	0.5	SURVEY @ 984' - 1 DEG. RIG SERVICE, CHECK COM.
12:30	18:00	5.5	DRILL 1057' - 1567'. SAME PARAMETERS, ROP 93 FPH.
18:00	18:30	0.5	SURVEY @ 1494' - 1 DEG.
18:30	00:30	6.0	DRILL 1567' - 2068'. SAME PARAMETERS, ROP 84 FPH. LOST CIRCULATION @ 1870'.
00:30	01:00	0.5	SURVEY @ 1995 - 1.25 DEG.
01:00	06:00	5.0	DRILL 2068' - 2415'. SAME PARAMETERS, ROP 69 FPH. NO RETURNS.

FULL CREWS, NO ACCIDENTS, BOP DRILL DAYLIGHTS.

SAFETY MEETINGS - P/U BHA, PPE.

FUEL - 8571 GALS, USED - 729 GALS, DEL - 8000 GALS,

UNMANNED ML UNIT - 1 DAY.

06:00 06:00 24.0 SPUD 12-1/4" HOLE @ 10:00 AM, 7/11/08

07-13-2008 Reported By PAT CLARK

<b>Daily Costs: Drilling</b>	\$89,548	<b>Completion</b>	\$0	<b>Daily Total</b>	\$89,548						
<b>Cum Costs: Drilling</b>	\$276,802	<b>Completion</b>	\$0	<b>Well Total</b>	\$276,802						
<b>MD</b>	2,506	<b>TVD</b>	2,506	<b>Progress</b>	91	<b>Days</b>	2	<b>MW</b>	9.0	<b>Visc</b>	31.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>		<b>PKR Depth : 0.0</b>						

Activity at Report Time: RUNNING SURFACE CSG

Start	End	Hrs	Activity Description
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06:00 06:30 0.5 DRILL 2415' - 2506'. WOB 13K, RPM 54/95, SPP 900 PSI, NO DP, ROP 182 FPH. NO RETURNS. TD HOLE @ 2506'.  
 06:30 07:30 1.0 CIRCULATE AND CONDITION FOR TOH.  
 07:30 09:00 1.5 DROP SURVEY, TOH. SURVEY - 2.5 DEG.  
 09:00 09:30 0.5 CHECK FLUID LEVEL W/DEPTH CHECKER RIG - 578'.  
 09:30 11:00 1.5 TIH.  
 11:00 11:30 0.5 RUN SWEEP, CIRC BOTTOMS UP.  
 11:30 13:00 1.5 TOH, L/D 8" DC'S, MM, BIT.  
 13:00 16:00 3.0 HSM. R/U WEATHERFORD TRS. RAN 40 JTS (1690' NET), OF 9.625", 36#, J55 STC, R3 CASING.  
 RIG PERSONNEL PUT WRONG SWAGE (8 5/8") ON CASING TO CIRCULATE AND DROPPED IT DOWN CASING.  
 16:00 21:30 5.5 RETRIEVE CASING AND SWAGE. L/D SHOE JT, R/D TRS.  
 21:00 03:00 6.0 P/U 12 1/4" MILLTOOTH BIT, MAKE CLEANOUT TRIP.  
 03:00 06:00 3.0 R/U WEATHERFORD TRS. RUN 9.625", 36#, J-55, LTC CSG AS FOLLOWS: GUIDE SHOE, 1 JT CSG, FC COLLAR, 59 JTS (60 TOTAL), LJ.

FULL CREWS, NO ACCIDENTS.  
 SAFETY MEETINGS - L/D BHA, RUN CSG.  
 FUEL - 7500 GALS, USED - 1071 GALS.  
 UNMANNED ML UNIT - 2 DAYS.

<b>07-14-2008</b>	<b>Reported By</b>	PAT CLARK										
<b>Daily Costs: Drilling</b>	\$46,449	<b>Completion</b>	\$0	<b>Daily Total</b>								\$46,449
<b>Cum Costs: Drilling</b>	\$323,327	<b>Completion</b>	\$0	<b>Well Total</b>								\$323,327
<b>MD</b>	2,506	<b>TVD</b>	2,506	<b>Progress</b>	0	<b>Days</b>	3	<b>MW</b>	8.6	<b>Visc</b>	26.0	
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

**Activity at Report Time:** CEMENTING SURFACE CSG

Start	End	Hrs	Activity Description
06:00	07:00	1.0	FINISH RUNNING SURFACE CSG. GS @ 2496', FC @ 2458'. R/D TRS.
07:00	08:00	1.0	CIRC FULL CSG CAPACITY AND CONDITION F/CEMENT.
08:00	12:00	4.0	TEST LINES TO 5000 PSI. PUMP 20 BBL'S CHEM WASH, 20 BBL'S FRESH WATER SPACER. LEAD: 275 SKS OF G MIXED @ 11.3 PPG, 3.91 YLD+D020 12.000 %+D079 1.000 %+D112+0.250%+D046 0.200 % +D130 0.125 ILB/SK+D044 5.000 %. TAIL: 235 SKS OF G MIXED @ 15.8 PPG & 1.16 YLD+S001 1.000 %+D130 0.125 LB/SK. DSPL: 190 BBL'S OF FRESH WATER PUMPED @ 4 BPM. NO RETURNS, BUMPED PLUG WITH 1000 PSI OVER FPIP OF 280 PSI. FLOATS HELD, BLED BACK 1.5 BBL'S. NOTIFIED JAMIE SPARGER WITH THE VERNAL AREA BLM OFFICE , VIA VOICEMAIL, ON 7/11/2008 OF CASING RUN, CEMENT JOB & BOP TEST TO TAKE PLACE ON 7/12/2008. NO BLM REP ON LOCATION TO WITNESS JOB.
12:00	03:00	15.0	TOP OUT # 1: 100 SX G @ 15.8 PPG, 1.16 YLD, + 3% CACL. WOC 3 HRS. TOP OUT # 2: 110 SX G @ 15.8 PPG, 1.16 YLD, + 3% CACL. WOC 2 HRS. TOP OUT # 3: 100 SX G @ 15.8 PPG, 1.16 YLD, + 3% CACL. WOC 2 HRS. TOP OUT # 4: 100 SX G @ 15.8 PPG, 1.16 YLD, + 3% CACL. WOC 2 HRS. TOP OUT # 5: 100 SX G @ 15.8 PPG, 1.16 YLD, + 3% CACL. WOC 2 HRS.
03:00	06:00	3.0	WAIT ON SCHLUMBERGER TO GET CEMENT FROM TOWN.

FULL CREWS, NO ACCIDENTS.  
 SAFETY MEETINGS - CEMENTING, TEAMWORK.

FUEL – 5900 GALS, USED 1600 GALS.  
 UNMANNED ML UNIT – 3 DAYS.

**07-15-2008**      **Reported By**      PAT CLARK

<b>Daily Costs: Drilling</b>	\$77,928	<b>Completion</b>	\$0	<b>Daily Total</b>	\$77,928
<b>Cum Costs: Drilling</b>	\$401,255	<b>Completion</b>	\$0	<b>Well Total</b>	\$401,255

**MD**      2,585      **TVD**      2,585      **Progress**      79      **Days**      4      **MW**      8.6      **Visc**      26.0

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

**Activity at Report Time: DRILLING @ 2585'**

Start	End	Hrs	Activity Description
06:00	08:30	2.5	WAIT ON SCHLUMBERGER TO GET CEMENT FROM TOWN.
08:30	09:00	0.5	TOP OUT # 6:50 SX G @ 15.8 PPG, 1.16 YLD, + 3\$ CACL. HOLE STOOD FULL. R/D SCHLUMBERGER.
09:00	12:30	3.5	WAIT ON CEMENT.
12:30	18:00	5.5	WELD ON CASING HEAD. SEALS TESTED TO 5000 PSI BY FMC REP.
18:00	19:00	1.0	NU BOPE.
19:00	23:00	4.0	TESTED PIPE RAMS, BLIND RAMS, HCR, CHOKE VALVE, CHOKE LINE & MANIFOLD, KILL LINE VALVES TO 5000 PSI FOR 10 MINUTES. TESTED UPPER & LOWER KELLY COCKS, FLOOR & INSIDE BOP TO 5000 PSI FOR 10 MINUTES. TESTED ANNULAR PREVENTER TO 2500 PSI FOR 10 MINUTES. TESTED CASING TO 1500 PSI FOR 30 MINUTES. R/D TESTER. NO BLM REP ON LOCATION TO WITNESS TEST.
23:00	01:00	2.0	TIH – TAG CEMENT @ 2450'.
01:00	02:00	1.0	SLIP & CUT DRILL LINE.
02:00	02:30	0.5	DRILL CEMENT/FLOAT EQUIP. FC @ 2465', GS @ 2506'. DRILL 10' TO 2516'.
02:30	03:00	0.5	PERFORM FIT TO 261 PSI FOR 10.5 EMW.
03:00	06:00	3.0	DRILL 2516–2585'. WOB 12K, SPP 775 PSI, DP 200 PSI, ROP 23 FPH.

FULL CREWS  
 NO ACCIDENTS.  
 SAFETY MEETINGS – FORKLIFT, BOP TEST.  
 FUEL – 6300 GALS, USED – 600 GALS.  
 UNMANNED ML UNIT – 4 DAYS.

**07-16-2008**      **Reported By**      PAT CLARK

<b>Daily Costs: Drilling</b>	\$52,694	<b>Completion</b>	\$0	<b>Daily Total</b>	\$52,694
<b>Cum Costs: Drilling</b>	\$453,949	<b>Completion</b>	\$0	<b>Well Total</b>	\$453,949

**MD**      3,730      **TVD**      3,730      **Progress**      1,145      **Days**      5      **MW**      8.7      **Visc**      27.0

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

**Activity at Report Time: DRILLING @ 3730'**

Start	End	Hrs	Activity Description
06:00	08:30	2.5	DRILL 2585' – 2701'. WOB 12–20K, RPM 50–65/85, SPP 850 PSI, DP 250 PSI, ROP 46 FPH.
08:30	09:00	0.5	CIRC AND CONDITION F/TRIP. DROP SURVEY.
09:00	11:00	2.0	TOH. BIT JUNK DAMAGED. RECOVERED SURVEY – 1.5 DEG.
11:00	12:30	1.5	P/U 7.875" HTC MILL–TOOTH BIT, TIH.
12:30	14:00	1.5	REPAIR RIG. DRUM CLUTCH AIR LINE & BROKEN AIR VALVE.
14:00	14:30	0.5	FINISH TIH.
14:30	17:00	2.5	DRILL 2701' – 2732'.

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17:00 18:30 1.5 TOH. P/U NEW BIT.  
 18:30 20:30 2.0 TIH.  
 20:30 06:00 9.5 DRILL 2732' - 3730'. WOB 10-15K, RPM 60/84, SPP 1300PSI, DP 450 PSI, ROP 105 FPH.

FULL CREWS, NO ACCIDENTS, BOP DRILL DAYLIGHTS.  
 SAFETY MEETINGS - TEAMWORK, BOP DRILLS.  
 FUEL - 5200 GALS, USED - 1100 GALS.  
 UNMANNED ML UNIT - 5 DAYS.

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**07-17-2008**      **Reported By**      PAT CLARK

<b>Daily Costs: Drilling</b>	\$116,294	<b>Completion</b>	\$0	<b>Daily Total</b>	\$116,294
<b>Cum Costs: Drilling</b>	\$570,244	<b>Completion</b>	\$0	<b>Well Total</b>	\$570,244

**MD**      5,930    **TVD**      5,930    **Progress**      2,200    **Days**      6    **MW**      9.3    **Visc**      27.0

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

**Activity at Report Time:** DRILLING @ 5930'

Start	End	Hrs	Activity Description
06:00	10:30	4.5	DRILL 3730' - 4369'. WOB 18K, RPM 60/84, SPP 1400 PSI, DP 450 PSI, ROP 142 FPH.
10:30	11:00	0.5	SURVEY @ 4296' - 3 DEG.
11:00	13:30	2.5	DRILL 4369' - 4714'. SAME PARAMETERS, ROP 138 FPH.
13:30	14:00	0.5	RIG SERVICE. CHECK COM, FUNCTION PIPE RAMS. BOP DRILL.
14:00	06:00	16.0	DRILL 4714' - 5930'. SAME PARAMETERS, ROP 76 FPH.

FULL CREWS, NO ACCIDENTS, BOP DRILL DAYLIGHTS.  
 SAFETY MEETINGS - PAINTING, LADDERS.  
 FUEL - 4100 GALS, USED - 1100 GALS.  
 CURRENT MW - 9.6 PPG, VIS - 29 SPQ.  
 UNMANNED ML UNIT - 6 DAYS.

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**07-18-2008**      **Reported By**      PAT CLARK

<b>Daily Costs: Drilling</b>	\$38,648	<b>Completion</b>	\$0	<b>Daily Total</b>	\$38,648
<b>Cum Costs: Drilling</b>	\$609,036	<b>Completion</b>	\$0	<b>Well Total</b>	\$609,036

**MD**      7,260    **TVD**      7,260    **Progress**      1,330    **Days**      7    **MW**      9.3    **Visc**      28.0

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

**Activity at Report Time:** DRILLING @ 7260'

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRILL 5930' - 6349'. WOB 15-20K, RPM 60/84, SPP 1400 PSI, DP 400 PSI, ROP 52 FPH.
14:00	14:30	0.5	RIG SERVICE. CHECK COM, FUNCTION PIPE RAMS.
14:30	06:00	15.5	DRILL 6349' - 7260'. WOB 18-20K, RPM 60/84, SPP 1650 PSI, DP 350 PSI, ROP 59 FPH.

FULL CREWS, NO ACCIDENTS.  
 SAFETY MEETINGS - HYDRAULICS, KOOMY.  
 FUEL - 2700 GALS, USED - 1400 GALS.  
 CURRENT MW - 9.8 PPG, VIS - 31 SPQ.  
 UNMANNED ML UNIT - 7 DAYS.

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**07-19-2008**      **Reported By**      PAT CLARK

<b>Daily Costs: Drilling</b>	\$45,317	<b>Completion</b>	\$2,344	<b>Daily Total</b>	\$47,661						
<b>Cum Costs: Drilling</b>	\$654,354	<b>Completion</b>	\$2,344	<b>Well Total</b>	\$656,698						
<b>MD</b>	8,070	<b>TVD</b>	8,070	<b>Progress</b>	810	<b>Days</b>	8	<b>MW</b>	10.1	<b>Visc</b>	31.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>		<b>PKR Depth : 0.0</b>						

Activity at Report Time: DRILLING @ 8070'

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRILL 7260' - 7635'. WOB 18-22K, RPM 60/84, SPP 1700 PSI, DP 400 PSI, ROP 49 FPH.
14:00	17:00	3.0	PUMP PILL, DROP SURVEY, TOH. L/D REAMERS, MM, BIT. SURVEY - 2.5 DEG.
17:00	20:00	3.0	P/U NEW MM (.16 RPG), BIT. TIH.
20:00	20:30	0.5	WASH AND REAM 30' TO BOTTOM.
20:30	06:00	9.5	DRILL 7635' - 8070'. SAME PARAMETERS, ROP 46 FPH. FULL CREWS, NO ACCIDENTS. SAFETY MEETINGS - LADDERS, 100% TIE-OFF. FUEL - 1500 GALS, USED - 1200 GALS. CURRENT MW - 10.5 PPG, VIS - 32 SPQ. UNMANNED ML UNIT - 8 DAYS.

07-20-2008 Reported By PAT CLARK

<b>Daily Costs: Drilling</b>	\$48,657	<b>Completion</b>	\$2,344	<b>Daily Total</b>	\$51,001						
<b>Cum Costs: Drilling</b>	\$703,012	<b>Completion</b>	\$4,688	<b>Well Total</b>	\$707,700						
<b>MD</b>	8,700	<b>TVD</b>	8,700	<b>Progress</b>	630	<b>Days</b>	9	<b>MW</b>	10.6	<b>Visc</b>	33.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>		<b>PKR Depth : 0.0</b>						

Activity at Report Time: LD DP

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRILL 8070' - 8538'. WOB 18K, RPM 60/67, SPP 1800 PSI, DP 450 PSI, ROP 52 FPH.
15:00	15:30	0.5	RIG SERVICE. CHECK COM, FUNCTION PIPE RAMS.
15:30	23:00	7.5	DRILL 8538' - 8700' TD SAME PARAMETERS, ROP 20 FPH. REACHED TD @ 23:00 HRS, 7/19/08.
23:00	00:30	1.5	SHORT TRIP.
00:30	02:30	2.0	CIRCULATE AND CONDITION TO LDDP. PUMP PILL. HSM. R/U KIMZEY CASERS.
02:30	06:00	3.5	LDDP. FULL CREWS, NO ACCIDENTS. SAFETY MEETINGS - TRIPS, LDDP. FUEL - 2800 GALS, USED - 1200 GALS, DEL - 2500 GALS. CURRENT MW - 11.4 PPG, VIS - 37 SPQ. UNMANNED ML UNIT - 9 DAYS.

07-21-2008 Reported By PAT CLARK

<b>Daily Costs: Drilling</b>	\$32,191	<b>Completion</b>	\$147,984	<b>Daily Total</b>	\$180,175						
<b>Cum Costs: Drilling</b>	\$735,203	<b>Completion</b>	\$152,672	<b>Well Total</b>	\$887,875						
<b>MD</b>	8,700	<b>TVD</b>	8,700	<b>Progress</b>	0	<b>Days</b>	10	<b>MW</b>	11.4	<b>Visc</b>	37.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>		<b>PKR Depth : 0.0</b>						

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
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06:00 08:00 2.0 FINISH LDDP. BREAK KELLY, L/D BHA.  
 08:00 14:00 6.0 HSM. RUN 4 1/2", 11.6#, N-80, LTC CASING AS FOLLOWS: FLOAT SHOE @ 8686', 1 JT CSG, FLOAT COLLAR @ 8644', 64 JTS CSG, MARKER JOINT @ 6065', 49 JTS CSG, MJ @ 4075', 101 JTS CSG ( 215 TOTAL). P/U JT # 216, TAG BOTTOM @ 8700'. L/D JT # 216, P/U LANDING JT, CASING HANGER AND PUP, LAND IN CASING HEAD W/ 64,000#. R/D KIMZEY.  
 14:00 16:00 2.0 CIRCULATE AND CONDITION FOR CEMENT.  
 16:00 18:00 2.0 HSM, R/U SCHLUMBERGER. PRESSURE TEST LINES TO 5000 PSI, CEMENT WELL AS FOLLOWS: DROP BOTTOM PLUG, PUMP 20 BBLs MUD FLUSH, 20 BBLs FRESH WATER, MIX AND PUMP 290 SX (117 BBLs, 655 CU/FT) LEAD G CEMENT @ 12 PPG, 2.26 YLD, H2O 12.885 GAL/SK + 10% D020 + .2% D046 + .2% D167 + .5% D065 + .125 LB/SK D130. MIX AND PUMP 1410 SX (324 BBLs, 1819 CU/FT) TAIL 50/50 POZ G CEMENT @ 14.1 PPG, 1.29 YLD, H2O 5.963 GAL/SK + 2% D020 + .1% D046 + .2% D065 + .2% D167 + .1% D013. WASH UP TO PIT, DROP TOP PLUG AND DISPLACE W/134 BBLs H2O W/2 GALS/1000 L064. FULL RETURNS. MAX PRESSURE 2187 PSI, BUMPED PLUG TO 3224 PSI. BLEED BACK 2 BBLs, FLOAT HELD. R/D SCHLUMBERGER. NOTIFIED\JAMIE SPARGER\VERNAL BLM\CSG & CEM\7-18-08\09:00.  
 18:00 20:00 2.0 PACK OFF AND TEST CASING HEAD. NDBOP, CLEAN MUD TANKS.  
 20:00 06:00 10.0 RDRT. PREPARE FOR MOVE OF 10.0 MILES TO CWU 1050-18.

FULL CREWS, NO ACCIDENTS.  
 SAFETY MEETINGS - L/D DP, RUN CSG, CEMENTING.  
 FUEL - 2000 GALS, USED - 800 GALS.  
 WESTROC TRUCKING TO MOVE RIG AND CAMPS 10 MILES TO CWU 1050-18 @ 07:00.  
 TRANSFER 9 JTS 4 1/2", 11.6#, N-80, LTC CSG AND 4 MJ (446.66' TOL) TO CWU 1050-18.  
 TRANSFER 2000 GALS DIESEL @ \$4.42/GAL TO CWU 1050-18.

06:00 06:00 24.0 RIG RELEASED @ 20:00 HRS, 7/20/08.  
 CASING POINT COST \$724,494  
 06:00 18.0

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**07-25-2008**      **Reported By**      SEARLE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$43,761	<b>Daily Total</b>	\$43,761
<b>Cum Costs: Drilling</b>	\$735,203	<b>Completion</b>	\$196,433	<b>Well Total</b>	\$931,636
<b>MD</b>	8,700	<b>TVD</b>	8,700	<b>Progress</b>	0
				<b>Days</b>	11
				<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:** PREP FOR FRACS

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RSTY/CBL/CCL/VDL/GR FROM PBTD TO 500'. EST CEMENT TOP @ 880'. RD SCHLUMBERGER.

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**08-09-2008**      **Reported By**      MCCURDY

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$1,724	<b>Daily Total</b>	\$1,724
<b>Cum Costs: Drilling</b>	\$735,203	<b>Completion</b>	\$198,157	<b>Well Total</b>	\$933,360
<b>MD</b>	8,700	<b>TVD</b>	8,700	<b>Progress</b>	0
				<b>Days</b>	12
				<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:** WO COMPLETION

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

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09-02-2008 Reported By MCCURDY

Daily Costs: Drilling \$0 Completion \$1,073 Daily Total \$1,073  
 Cum Costs: Drilling \$735,203 Completion \$199,230 Well Total \$934,433  
 MD 8,700 TVD 8,700 Progress 0 Days 13 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTD : 0.0 Perf : 7640'-8401' 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 8208'-09', 8216'-17', 8237'-38', 8253'-54', 8260'-61', 8277'-78', 8289'-90', 8298'-99', 8311'-12', 8329'-30', 8336'-37', 8358'-59', 8392'-93', 8400'-01' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4200 GAL WF116 LINEAR PAD, 2100 GAL YF116 PAD, 33424 GAL YF116ST+ WITH 101800# 20/40 SAND @ 1-4 PPG. MTP 6343 PSIG. MTR 50.3 BPM. ATP 4736 PSIG. ATR 47.2 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 8186'. PERFORATE LPR FROM 7985'-86', 8013'-14', 8020'-21', 8037'-38', 8051'-52', 8090'-91', 8100'-01', 8109'-10', 8123'-24', 8131'-32', 8156'-57', 8171'-72' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING 165 GAL GYPTRON T-106, 2099 GAL YF116 PAD, 34071 GAL YF116ST+ WITH 107400# 20/40 SAND @ 1-5 PPG. MTP 6378 PSIG. MTR 51.9 BPM. ATP 4755 PSIG. ATR 48.9 BPM. ISIP 3000 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 7962'. PERFORATE MPR FROM 7842'-43', 7849'-51', 7881'-82', 7888'-90', 7906'-07', 7916'-18', 7923'-24', 7939'-41' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING 165 GAL GYPTRON T-106, 2100 GAL YF116 PAD, 35399 GAL YF116ST+ WITH 106600# 20/40 SAND @ 1-5 PPG. MTP 6374 PSIG. MTR 51.6 BPM. ATP 5080 PSIG. ATR 49.2 BPM. ISIP 3300 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 7802'. PERFORATE MPR FROM 7640'-41', 7650'-51', 7659'-60', 7664'-65', 7684'-85', 7692'-93', 7702'-03', 7716'-17', 7755'-56', 7773'-74', 7780'-81', 7784'-85' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING 165 GAL GYPTRON T-106, 2095 GAL YF116 PAD, 21492 GAL YF116ST+ WITH 65400# 20/40 SAND @ 1-4 PPG. SCREENED OUT W/49 BBLS FLUSH REMAINING. MTP 6623 PSIG. MTR 51.5 BPM. ATP 5213 PSIG. ATR 44.3 BPM. ISIP 5500 PSIG.

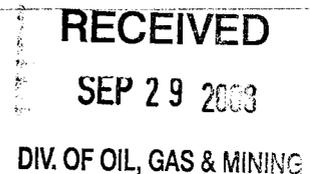
FLOWED 4.5 HRS. 24/64" CHOKE. 70 BPH RECOVERED 280 BLW. 3601 BLWTR. SDFN.

09-03-2008 Reported By MCCURDY

Daily Costs: Drilling \$0 Completion \$333,191 Daily Total \$333,191  
 Cum Costs: Drilling \$735,203 Completion \$532,421 Well Total \$1,267,624  
 MD 8,700 TVD 8,700 Progress 0 Days 14 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTD : 8644.0 Perf : 6484'-8401' PKR Depth : 0.0

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 1549 PSIG. RUWL SET 6K CFP AT 7612'. PERFORATE MPR FROM 7353'-54', 7374'-75', 7409'-10', 7413'-14', 7433'-34', 7444'-45', 7457'-58', 7538'-39', 7547'-48', 7556'-57', 7565'-66', 7596'-97' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING 165 GAL GYPTRON T-106, 2089 GAL YF116 PAD, 52301 GAL YF116ST+ WITH 178000# 20/40 SAND @ 1-4 PPG. MTP 5787 PSIG. MTR 51.6 BPM. ATP 4369 PSIG. ATR 49.8 BPM. ISIP 2800 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 7305'. PERFORATE MPR FROM 7177'-78', 7211'-12', 7225'-27', 7232'-33', 7237'-38', 7255'-57', 7265'-66', 7272'-73', 7284'-86' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING 165 GAL GYPTRON T-106, 2100 GAL YF116 PAD, 34852 GAL YF116ST+ WITH 108450# 20/40 SAND @ 1-5 PPG. MTP 5093 PSIG. MTR 51.5 BPM. ATP 3954 PSIG. ATR 49.2 BPM. ISIP 2350 PSIG. RD SCHLUMBERGER.



RUWL. SET 6K CFP AT 7140'. PERFORATE UPR FROM 6871'-72', 6878'-79', 6916'-17', 6963'-64', 6077'-78', 7013'-14', 7023'-24', 7045'-46', 7060'-61', 7070'-71', 7101'-02', 7125'-26' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING 165 GAL GYPTRON T-106, 2566 GAL YF116 PAD, 47561 GAL YF116ST+ WITH 158800# 20/40 SAND @ 1-5 PPG. MTP 5551 PSIG. MTR 51.6 BPM. ATP 3784 PSIG. ATR 46.8 BPM. ISIP 2250 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6840'. PERFORATE UPR FROM 6660'-61', 6668'-69', 6681'-82', 6693'-94', 6701'-02', 6713'-14', 6740'-41', 6759'-60', 6799'-800', 6810'-11', 6820'-21', 6825'-26' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING 165 GAL GYPTRON T-106, 2092 GAL YF116 PAD, 34356 GAL YF116ST+ WITH 108400# 20/40 SAND @ 1-5 PPG. MTP 4909 PSIG. MTR 51.6 BPM. ATP 3909 PSIG. ATR 49.2 BPM. ISIP 1990 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6638'. PERFORATE UPR FROM 6484'-85', 6495'-96', 6502'-03', 6509'-10', 6534'-35', 6558'-59', 6564'-65', 6591'-92', 6599'-600', 6609'-10', 6617'-19' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING 165 GAL GYPTRON T-106, 2091 GAL YF116 PAD, 32496 GAL YF116ST+ WITH 99970# 20/40 SAND @ 1-4 PPG. MTP 5358 PSIG. MTR 51.5 BPM. ATP 4207 PSIG. ATR 49.4BPM. ISIP 2700 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 6400'. BLED OFF PRESSURE. RDWL. SDFN.

<b>09-11-2008</b>		<b>Reported By</b>		HAL IVIE	
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$32,728	<b>Daily Total</b>	\$32,728
<b>Cum Costs: Drilling</b>	\$735,203	<b>Completion</b>	\$565,149	<b>Well Total</b>	\$1,300,352
<b>MD</b>	8,700	<b>TVD</b>	8,700	<b>Progress</b>	0
<b>Formation : MESAVERDE</b>		<b>PBTD : 8644.0</b>		<b>Perf : 6484'-8401'</b>	
<b>Activity at Report Time:</b> CLEAN OUT AFTER FRAC					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	18:00	12.0	MIRU ROYAL RIG # 1. ND FRAC TREE. NU BOP. RIH W/ BIT & PUMP OFF SUB TO 6400'. RU TO DRILL OUT PLUGS. SDFN.		

<b>09-12-2008</b>		<b>Reported By</b>		HAL IVIE	
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$55,424	<b>Daily Total</b>	\$55,424
<b>Cum Costs: Drilling</b>	\$735,203	<b>Completion</b>	\$620,573	<b>Well Total</b>	\$1,355,776
<b>MD</b>	8,700	<b>TVD</b>	8,700	<b>Progress</b>	0
<b>Formation : MESAVERDE</b>		<b>PBTD : 8644.0</b>		<b>Perf : 6484'-8401'</b>	
<b>Activity at Report Time:</b> RDMOSU, FLOW TEST					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6400', 6638', 6840', 7140', 7305', 7612', 7802', 7962', 8186' RIH. CLEANED OUT TO PBTD @ 8644'. LANDED TBG AT 7140' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.		

FLOWED 16 HRS. 24/64" CHOKE. FTP 1550 PSIG, CP 2100 PSIG. 78 BFPH. RECOVERED 1252 BLW. 7944 BLWTR.

**TUBING DETAIL LENGTH**

PUMP OFF SUB 1.00'  
 1 JT 2-3/8" 4.7# N-80 TBG 32.35'  
 XN NIPPLE 1.10'  
 221 JTS 2-3/8" 4.7# N-80 TBG 7089.36'

BELOW KB 16.00'  
 LANDED @ 7139.81' KB

**09-13-2008**      **Reported By**                      HAL IVIE

**Daily Costs: Drilling**              \$0    **Completion**              \$3,565    **Daily Total**              \$3,565

**Cum Costs: Drilling**              \$735,203    **Completion**              \$624,138    **Well Total**              \$1,359,341

**MD**              8,700      **TVD**              8,700      **Progress**              0      **Days**              17      **MW**              0.0      **Visc**              0.0

**Formation : MESAVERDE**                      **PBTD : 8644.0**    **Perf : 6484'-8401'**    **PKR Depth : 0.0**

**Activity at Report Time:** FLOW TEST TO SALES

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

06:00      06:00      24.0 FLOWED 22 HRS. 24/64" CHOKE. FTP 1400 PSIG. CP 2400 PSIG. 54 BFPH. RECOVERED 1182 BLW. 6762 BLWTR. 1300 MCFD RATE.

**09-14-2008**      **Reported By**                      HAL IVIE

**Daily Costs: Drilling**              \$0    **Completion**              \$2,765    **Daily Total**              \$2,765

**Cum Costs: Drilling**              \$735,203    **Completion**              \$626,903    **Well Total**              \$1,362,106

**MD**              8,700      **TVD**              8,700      **Progress**              0      **Days**              18      **MW**              0.0      **Visc**              0.0

**Formation : MESAVERDE**                      **PBTD : 8644.0**    **Perf : 6484'-8401'**    **PKR Depth : 0.0**

**Activity at Report Time:** FLOW TEST TO SALES

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

06:00      06:00      24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 1350 PSIG. CP 2500 PSIG. 50 BFPH. RECOVERED 1209 BLW. 5553 BLWTR. 1296 MCFD RATE.

**09-15-2008**      **Reported By**                      HAL IVIE/ DUANE COOK

**Daily Costs: Drilling**              \$0    **Completion**              \$2,765    **Daily Total**              \$2,765

**Cum Costs: Drilling**              \$735,203    **Completion**              \$629,668    **Well Total**              \$1,364,871

**MD**              8,700      **TVD**              8,700      **Progress**              0      **Days**              19      **MW**              0.0      **Visc**              0.0

**Formation : MESAVERDE**                      **PBTD : 8644.0**    **Perf : 6484'-8401'**    **PKR Depth : 0.0**

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

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

06:00      06:00      24.0 INITIAL PRODUCTION- OPENING PRESSURE: TP 1400 PSIG & CP 2350 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 14:15 HRS, 09/12/08. FLOWED 1400 MCFD RATE ON 24/64" CHOKE. STATIC 306. QGM METER #7896. THROUGH TEST UNIT

FLOWED 24 HRS. 24/64" CHOKE. FTP 1200 PSIG. CP 2200 PSIG. 47 BFPH. RECOVERED 1135 BLW. 4418 BLWTR. 1503 MCFD RATE.

**RECEIVED**  
**SEP 29 2008**

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.  
UTU0344A

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

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

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

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
 At surface **NESE 2296FSL 820FEL 40.00601 N Lat, 109.30652 W Lon**  
 At top prod interval reported below **NESE 2296FSL 820FEL 40.00601 N Lat, 109.30652 W Lon**  
 At total depth **NESE 2296FSL 820FEL 40.00601 N Lat, 109.30652 W Lon**

6. If Indian, Allottee or Tribe Name  
 7. Unit or CA Agreement Name and No. **CHAPITA WELLS UNI**  
 8. Lease Name and Well No. **CHAPITA WELLS UNIT 1114-27**  
 9. API Well No. **43-047-39433**  
 10. Field and Pool, or Exploratory **NATURAL BUTTES/MESAVERDE**  
 11. Sec., T., R., M., or Block and Survey or Area **Sec 27 T9S R23E Mer SLB**  
 12. County or Parish **UINTAH** 13. State **UT**  
 14. Date Spudded **07/02/2008** 15. Date T.D. Reached **07/19/2008** 16. Date Completed  D & A  Ready to Prod. **09/12/2008**  
 17. Elevations (DF, KB, RT, GL)\* **5320 GL**  
 18. Total Depth: **MD 8700 TVD** 19. Plug Back T.D.: **MD 8644 TVD** 20. Depth Bridge Plug Set: **MD TVD**  
 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) **RST/CBL/CCL/VDL/GR** 22. Was well cored?  No  Yes (Submit analysis)  
 Was DST run?  No  Yes (Submit analysis)  
 Directional Survey?  No  Yes (Submit analysis)

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2496		1070		0	
7.875	4.500 N-80	11.6	0	8686		1700		880	

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	7140							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	6484	8401	8208 TO 8401		3	
B)			7985 TO 8172		3	
C)			7842 TO 7941		3	
D)			7640 TO 7785		3	

26. Perforation Record **6484**

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

Depth Interval	Amount and Type of Material
8208 TO 8401	39,889 GALS GELLED WATER & 101,800# 20/40 SAND
7985 TO 8172	36,335 GALS GELLED WATER & 107,400# 20/40 SAND
7842 TO 7941	37,664 GALS GELLED WATER & 106,600# 20/40 SAND
7640 TO 7785	23,752 GALS GELLED WATER & 65,400# 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
09/12/2008	09/28/2008	24	→	15.0	659.0	200.0			FLOWES FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
16/64"	1000 SI	1550.0	→	15	659	200		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	
	SI		→						

(See Instructions and spaces for additional data on reverse side)  
 ELECTRONIC SUBMISSION #63939 VERIFIED BY THE BLM WELL INFORMATION SYSTEM  
 \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED  
**RECEIVED**  
**OCT 21 2008**  
 DIV. OF OIL, GAS & MINING

28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
MESAVERDE	6484	8401		GREEN RIVER MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER MIDDLE PRICE RIVER	1581 2213 4315 4420 4985 5655 6428 7219

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 #63939 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal**

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

Signature  Date 10/16/2008

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.

**Chapita Wells Unit 1114-27 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

7353-7597	3/spf
7177-7286	3/spf
6871-7126	3/spf
6660-6826	3/spf
6484-6619	3/spf

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

7353-7597	54,555 GALS GELLED WATER & 178,000# 20/40 SAND
7177-7286	37,117 GALS GELLED WATER & 108,450# 20/40 SAND
6871-7126	50,292 GALS GELLED WATER & 158,800# 20/40 SAND
6660-6826	36,613 GALS GELLED WATER & 108,400# 20/40 SAND
6484-6619	34,752 GALS GELLED WATER & 99,970# 20/40 SAND

Perforated the Lower Price River from 8208-09', 8216-17', 8237-38', 8253-54', 8260-61', 8277-78', 8289-90', 8298-99', 8311-12', 8329-30', 8336-37', 8358-59', 8392-93', 8400-01' w/ 3 spf.

Perforated the Lower Price River from 7985-86', 8013-14', 8020-21', 8037-38', 8051-52', 8090-91', 8100-01', 8109-10', 8123-24', 8131-32', 8156-57', 8171-72' w/ 3 spf.

Perforated the Middle Price River from 7842-43', 7849-51', 7881-82', 7888-90', 7906-07', 7916-18', 7923-24', 7939-41' w/ 3 spf.

Perforated the Middle Price River from 7640-41', 7650-51', 7659-60', 7664-65', 7684-85', 7692-93', 7702-03', 7716-17', 7755-56', 7773-74', 7780-81', 7784-85' w/ 3 spf.

Perforated the Middle Price River from 7353-54', 7374-75', 7409-10', 7413-14', 7433-34', 7444-45', 7457-58', 7538-39', 7547-48', 7556-57', 7565-66', 7596-97' w/ 3 spf.

Perforated the Middle Price River from 7177-78', 7211-12', 7225-27', 7232-33', 7237-38', 7255-57', 7265-66', 7272-73', 7284-86' w/ 3 spf.

Perforated the Upper Price River from 6871-72', 6878-79', 6916-17', 6963-64', 6977-78', 7013-14', 7023-24', 7045-46', 7060-61', 7070-71', 7101-02', 7125-26' w/ 3 spf.

Perforated the Upper Price River from 6660-61', 6668-69', 6681-82', 6693-94', 6701-02', 6713-14', 6740-41', 6759-60', 6799-6800', 6810-11', 6820-21', 6825-26' w/ 3 spf.

Perforated the Upper Price River from 6484-85', 6495-96', 6502-03', 6509-10', 6534-35', 6558-59', 6564-65', 6591-92', 6599-6600', 6609-10', 6617-19' w/ 3 spf.

### 32. FORMATION (LOG) MARKERS

Lower Price River	8010
Sego	8533

**REPORT OF WATER ENCOUNTERED DURING DRILLING**

Well name and number: CWU 1114-27

API number: 4304739433

Well Location: QQ NESE Section 27 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		
		NO WATER	

Formation tops: (Top to Bottom)

1 _____	2 _____	3 _____
4 _____	5 _____	6 _____
7 _____	8 _____	9 _____
10 _____	11 _____	12 _____

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

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

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE *Mary A. Maestas*

DATE 10/16/2008

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-0344A
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> CHAPITA WELLS
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> CWU 1114-27
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047394330000
<b>3. ADDRESS OF OPERATOR:</b> 600 17th Street, Suite 1000 N , Denver, CO, 80202	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 2296 FSL 0820 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NESE Section: 27 Township: 09.0S Range: 23.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: Pit closure
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 7/22/2009			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

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

The reserve pit on the referenced location was closed on 7/22/2009 as per the APD procedure.

**Accepted by the  
 Utah Division of  
 Oil, Gas and Mining  
 FOR RECORD ONLY**  
 August 03, 2009

<b>NAME (PLEASE PRINT)</b> Mary Maestas	<b>PHONE NUMBER</b> 303 824-5526	<b>TITLE</b> Regulatory Assistant
<b>SIGNATURE</b> N/A	<b>DATE</b> 7/31/2009	