

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

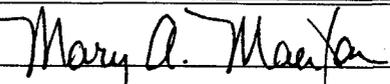
FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

5a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		3b. Phone No. (include area code) 435-781-9111		5. Lease Serial No. U-473	
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator EOG RESOURCES, INC				7. If Unit or CA Agreement, Name and No.	
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 634315 1289' FSL & 1704' FWL (SESW) 39.916222 LAT 109.429211 LON At proposed prod. zone Same 44194254 39.916167 -109.428484				8. Lease Name and Well No. Natural Cotton 87-27	
14. Distance in miles and direction from nearest town or post office* 55.1 miles south of Vernal, Utah				9. API Well No. 43-047-39444	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1289' Lease line 936' Drilling line		16. No. of acres in lease 640		10. Field and Pool, or Exploratory Natural Buttes/Green River	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.		19. Proposed Depth 3600'		11. Sec., T. R. M. or Blk. and Survey or Area Sec. 27-T10S-R22E, S.L.B.&M.	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4984' NAT GL		22. Approximate date work will start*		12. County or Parish Uintah County	
				13. State UT	
				17. Spacing Unit dedicated to this well 160 acres	
				20. BLM/BIA Bond No. on file NM2308	
				23. Estimated duration 45 days	

24. Attachments

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

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

25. Signature 		Name (Printed/Typed) Mary A. Maestas		Date 07/12/2007	
Title					
Approved by 		Name (Printed/Typed) BRADLEY G. HILL		Date 07-18-07	
Title		Off ENVIRONMENTAL MANAGER			

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

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

*(Instructions on page 2)

**Federal Approval of this
Action is Necessary**

RECEIVED

JUL 17 2007

DIV. OF OIL, GAS & MINING

T10S, R22E, S.L.B.&M.

1991 Alum. Cap,
0.5' High, Pile
of Stones

N89°55'14"W - 2648.06' (Meas.)

S89°57'04"W - 2626.76' (Meas.)

1991 Alum. Cap,
Flush w/Top of
Pile of Stones

1991 Alum. Cap,
0.5' High, Pile
of Stones

N00°09'00"W - 2618.61' (Meas.)

N00°02'E - 2626.80' (G.L.O.)

N00°14'27"W - 2623.73' (Meas.)

N00°18'W - 2632.74' (G.L.O.)

1991 Alum. Cap,
Flush w/Top of
Pile of Stones

27

NATURAL COTTON #87-27
Elev. Graded Ground = 4984'

1704'

1289'

1991 Alum. Cap,
0.3' High, Pile
of Stones

1991 Alum. Cap,
0.1' High

S89°48'13"E - 2636.67' (Meas.)

N89°46'W - 2636.04' (G.L.O.)

LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)

LATITUDE = 39°54'58.40" (39.916222)

LONGITUDE = 109°25'45.16" (109.429211)

(NAD 27)

LATITUDE = 39°54'58.55" (39.916264)

LONGITUDE = 109°25'42.67" (109.428519)

EOG RESOURCES, INC.

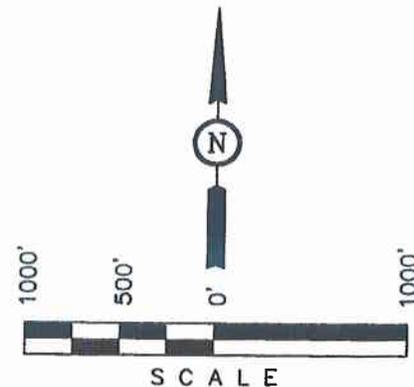
Well location, NATURAL COTTON #87-27, located as shown in the SE 1/4 SW 1/4 of Section 27, T10S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 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 SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

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

SCALE 1" = 1000'	DATE SURVEYED: 06-01-06	DATE DRAWN: 06-05-06
PARTY G.S. B.J. C.H.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN

NATURAL COTTON 87-27
SE/SW, SEC. 27, T10S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Uinta FM	19			
Green River FM	361			
Mahogany Oil Shale Bed	1,210			Oil
Garden Gulch MBR	1,631	Secondary		Oil / Gas
Middle Carb Bed	1,835			
Douglas Creek MBR	2,501	Secondary		Oil / Gas
Castle Peak MBR	3,087	Primary		Oil / Gas
Uteland Butte MBR	3,389	Secondary		Oil / Gas
TD	3,600			

EST. TD: 3,600' or 200' ± below Uteland Butte Top

Anticipated BHP: 1,780 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 - 5,000 Psig
 BOP Schematic Diagram 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 - 500' 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#	J-55	LTC	4960 PSI	5350 Psi	162,000#

All casing will be new or inspected.

EIGHT POINT PLAN

NATURAL COTTON 87-27
SE/SW, SEC. 27, T10S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0 - 500' ± Below GL):

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1 – 5-10' above shoe, every collar for next 3 joints (4 total).

Production Hole Procedure (500' ± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, J-55 or equivalent marker collars or short casing joints to be placed 400' above top of Garden Gulch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Garden Gulch top. (15± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM:

Surface Hole Procedure (0 - 500' ± below GL):

Air/air mist or aerated water

Production Hole Procedure (500' ± - TD):

Anticipated mud weight 9.0 – 9.5 ppg depending on actual wellbore condition encountered while drilling.

500'± - 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

NATURAL COTTON 87-27
SE/SW, SEC. 27, T10S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.
Open Hole Logs: Open Hole Logs will be run consisting of the following:
Schlumberger Platform Express: Open Hole Gamma Ray, Resistivity, and Neutron Porosity

9. CEMENT PROGRAM:

Surface Hole Procedure (0-500' ± Below GL)

Lead: 185 sks Class 'G' cement with 2% S1 (CaCl₂) & 0.25 pps D29 (cellophane flakes), mixed at 15.8 ppg, 1.16 ft³/sk., 4.95 gps water.

Top Out: 207 sks Top out with Class 'G' cement with 2% S1 (CaCl₂) in mix water, 15.8 ppg, 1.16 ft³/sk., 4.95 gps via 1" tubing set at 25' if needed.

Install 6' x 4' cellar ring, drill rat and mouse holes with spud rig.

Note: Cement volumes will be calculated to bring cement to surface.

Production Hole Procedure (500' ± to TD)

Lead: 90 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: 600 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

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

EIGHT POINT PLAN

NATURAL COTTON 87-27
SE/SW, SEC. 27, T10S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 500'±):

Lost circulation

Production Hole (500'± - TD):

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

11. STANDARD REQUIRED EQUIPMENT:

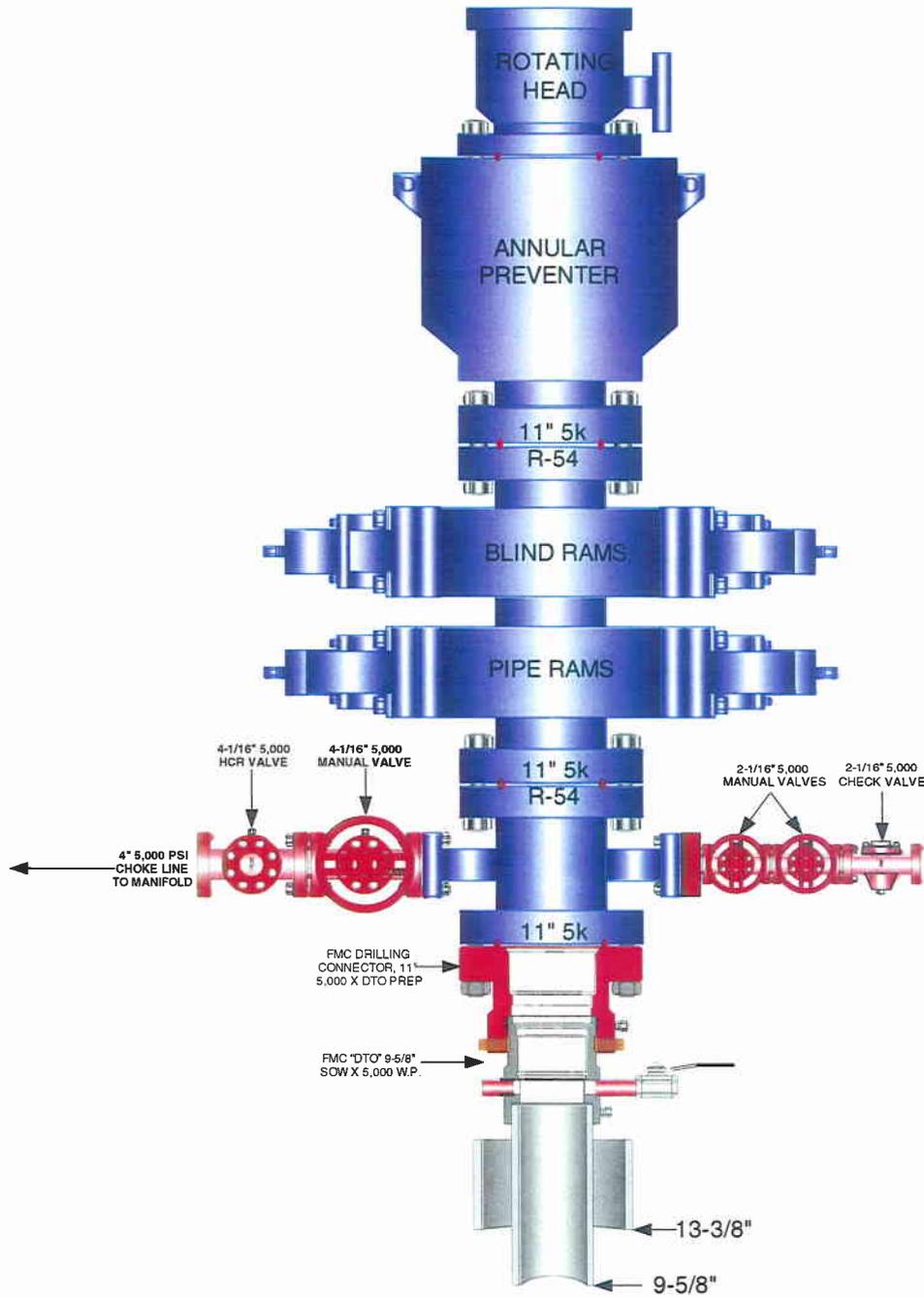
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

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.

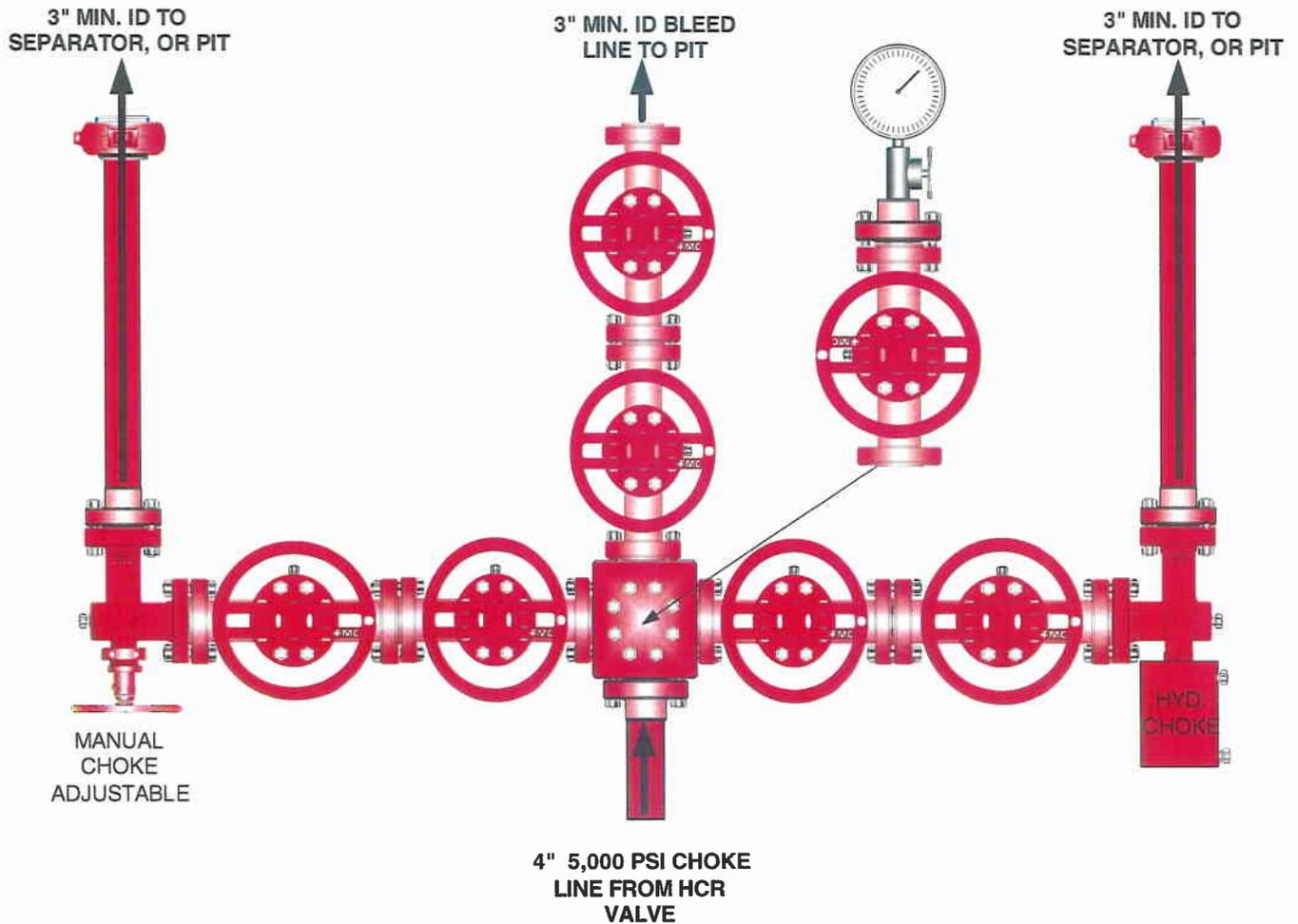
(Attachment: BOP Schematic Diagram)

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.



***Natural Cotton 87-27
SESW, Section 27, T10S, R22E
Uintah County, Utah***

SURFACE USE PLAN

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 320 feet long with a 40-foot right-of-way, disturbing approximately .29 acre. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.13 acres. The pipeline is approximately 2641 feet long with a 40-foot right-of-way, disturbing approximately 2.43 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 55.1 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 320' in length, with culverts installed as construction dictates. See attached Topo B.
- 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 is not required. The entire length of the proposed access road is located within Federal Lease # U-473.

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. **The tanks will be placed on the west side of the location if operationally feasible.**
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 2641’ x 40’. The proposed pipeline leaves the southern edge of the well pad (Lease U-473) proceeding in a northerly direction for an approximate distance of 2641’ tying into an existing pipeline in the NENW of Section 27, T10S, R22E (Lease U-473). 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 SESW of section 27, township 10S, range 22E, proceeding northerly for an approximate distance of 2641’ to the NENW of section 27, township 10S, range 22E.
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 by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

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

The reserve pit shall be lined with felt, 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 southwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the west side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil north of corner #5. 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 north.

The south and east sides of the location shall be bermed and rip-rapped to divert runoff water.

Once pit is closed the west side of location shall be ditched or bermed to prevent runoff water from entering the location.

FENCING REQUIREMENTS:

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

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

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

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

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Interim Reclamation (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.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
HyCrest Wheatgrass	6.0
Western Wheatgrass	6.0

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

B. Dry Hole/Abandoned Location

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

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Wyoming Big Sage	3.0
Gardner Saltbush	2.0
Indian Ricegrass	2.0
HyCrest Wheatgrass	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 7/20/2006. A paleontological survey was conducted and submitted by Intermountain Paleo on 8/9/2006.

Additional Surface Stipulations:

None.

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.

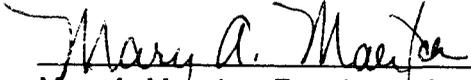
The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

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 Natural Cotton 87-27 Well, located in the SESW, of Section 27, T10S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

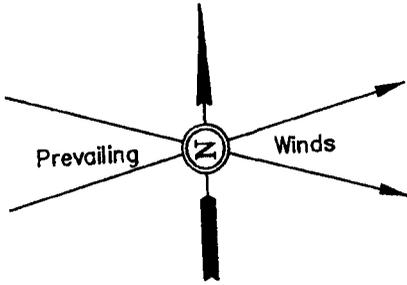
July 12, 2007
Date



Mary A. Maestas, Regulatory Assistant

EOG RESOURCES, INC.

LOCATION LAYOUT FOR
NATURAL COTTON #87-27
SECTION 27, T10S, R22E, S.L.B.&M.
1289' FSL 1704' FWL



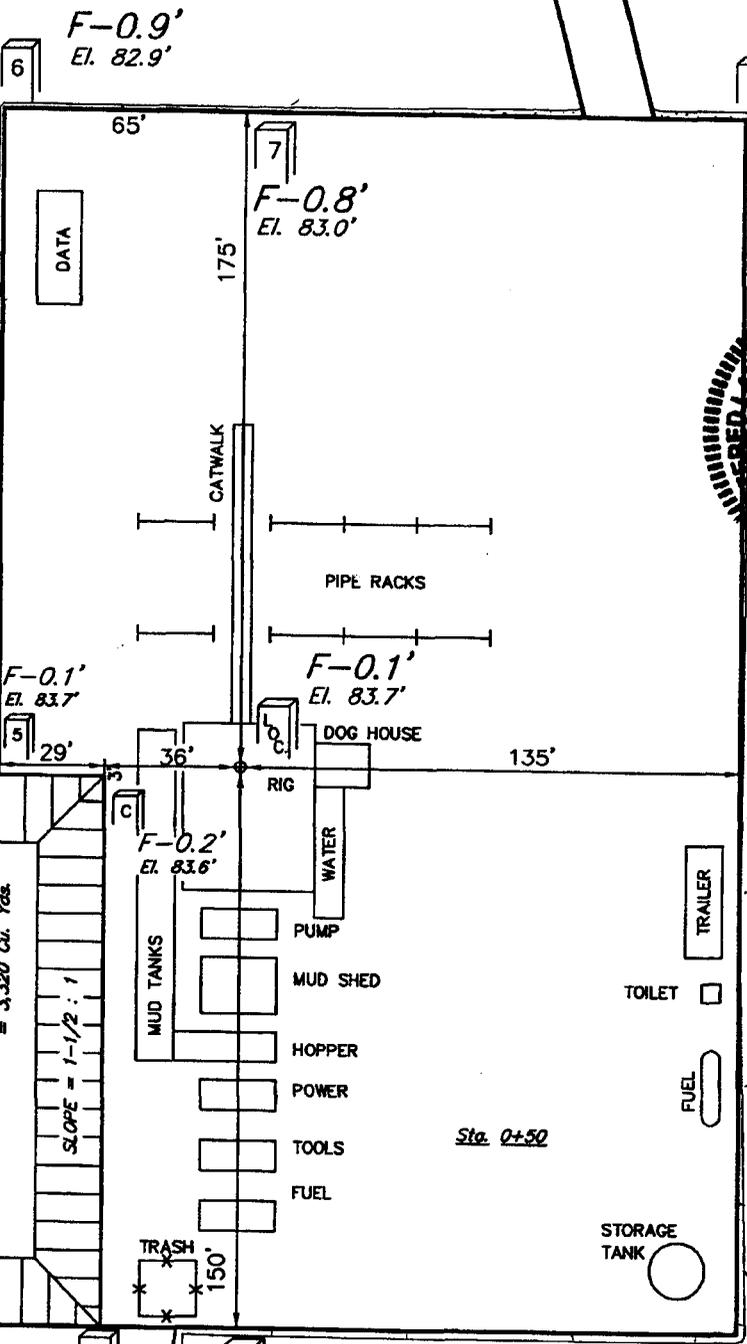
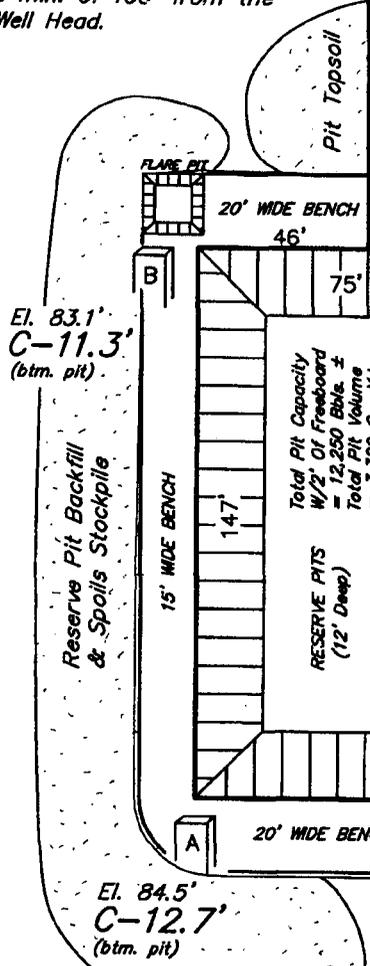
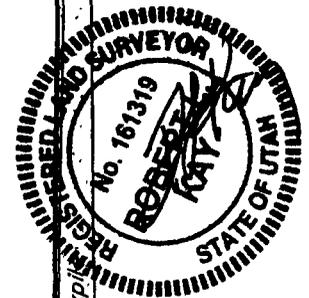
Proposed Access Road

SCALE: 1" = 50'
DATE: 06-05-06
Drawn By: C.H.

Approx. Toe of Fill Slope

NOTE:

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



NOTES:

Elev. Ungraded Ground At Loc. Stake = 4983.7'

FINISHED GRADE ELEV. AT LOC. STAKE = 4983.8'

Approx. Top of Cut Slope

FIGURE #1

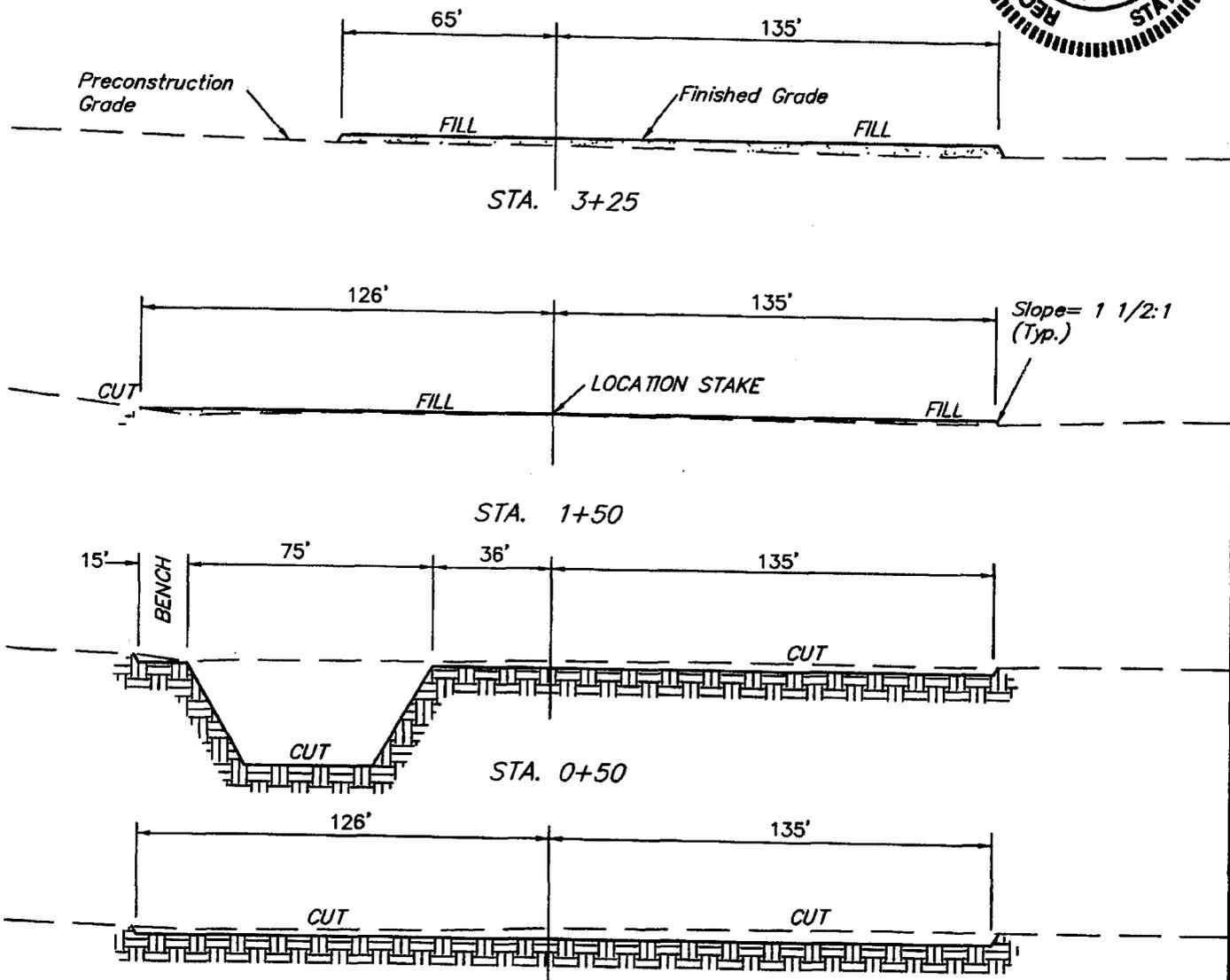
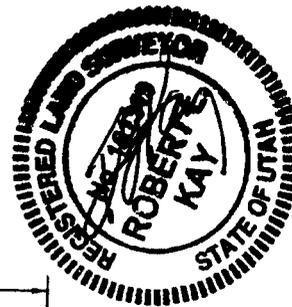
EOG RESOURCES, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR
 NATURAL COTTON #87-27
 SECTION 27, T10S, R22E, S.L.B.&M.
 1289' FSL 1704' FWL

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

DATE: 06-05-06
 Drawn By: C.H.



NOTE:

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

STA. 0+00

* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,500 Cu. Yds.
Remaining Location	= 3,540 Cu. Yds.
TOTAL CUT	= 5,040 CU.YDS.
FILL	= 1,880 CU.YDS.

EXCESS MATERIAL	= 3,160 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,160 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

EOG RESOURCES, INC.
NATURAL COTTON #87-27
 LOCATED IN UINTAH COUNTY, UTAH
 SECTION 27, T10S, R22E, S.L.B.&M.

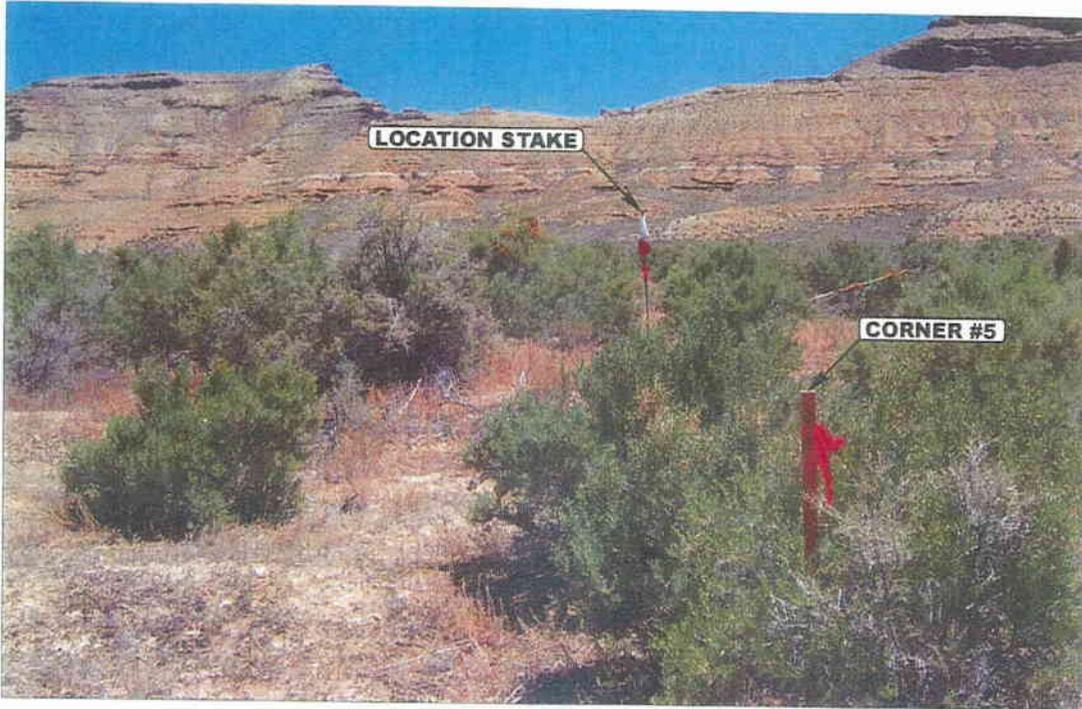


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: EASTERLY



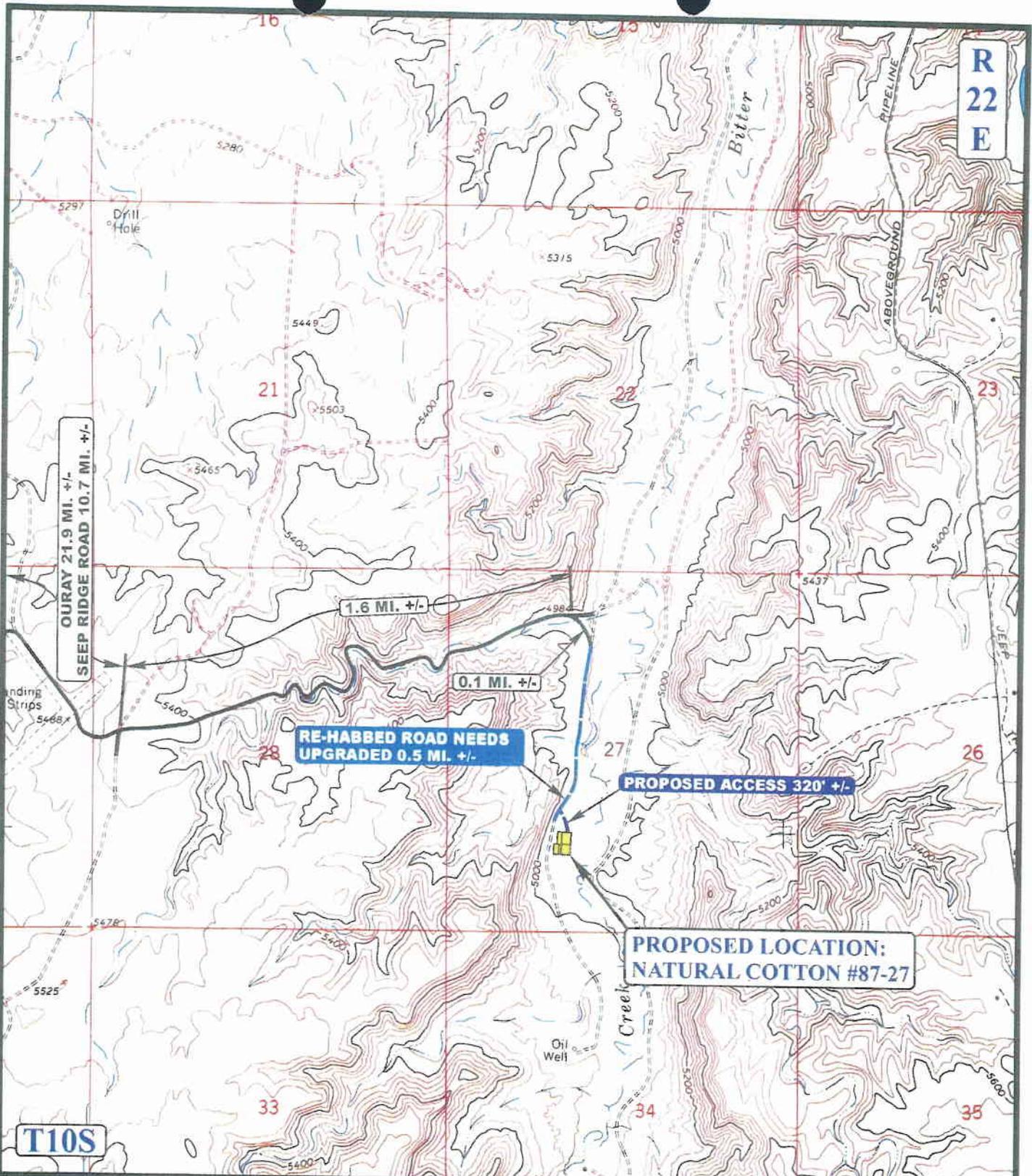
PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



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

LOCATION PHOTOS			06	12	06	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: B.J.	DRAWN BY: B.C.	REVISED: 00-00-00				



LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD
-  RE-HABBED ROAD NEEDS UPGRADED



EOG RESOURCES, INC.

NATURAL COTTON #87-27
SECTION 27, T10S, R22E, S.L.B.&M.
1289' FSL 1704' FWL



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

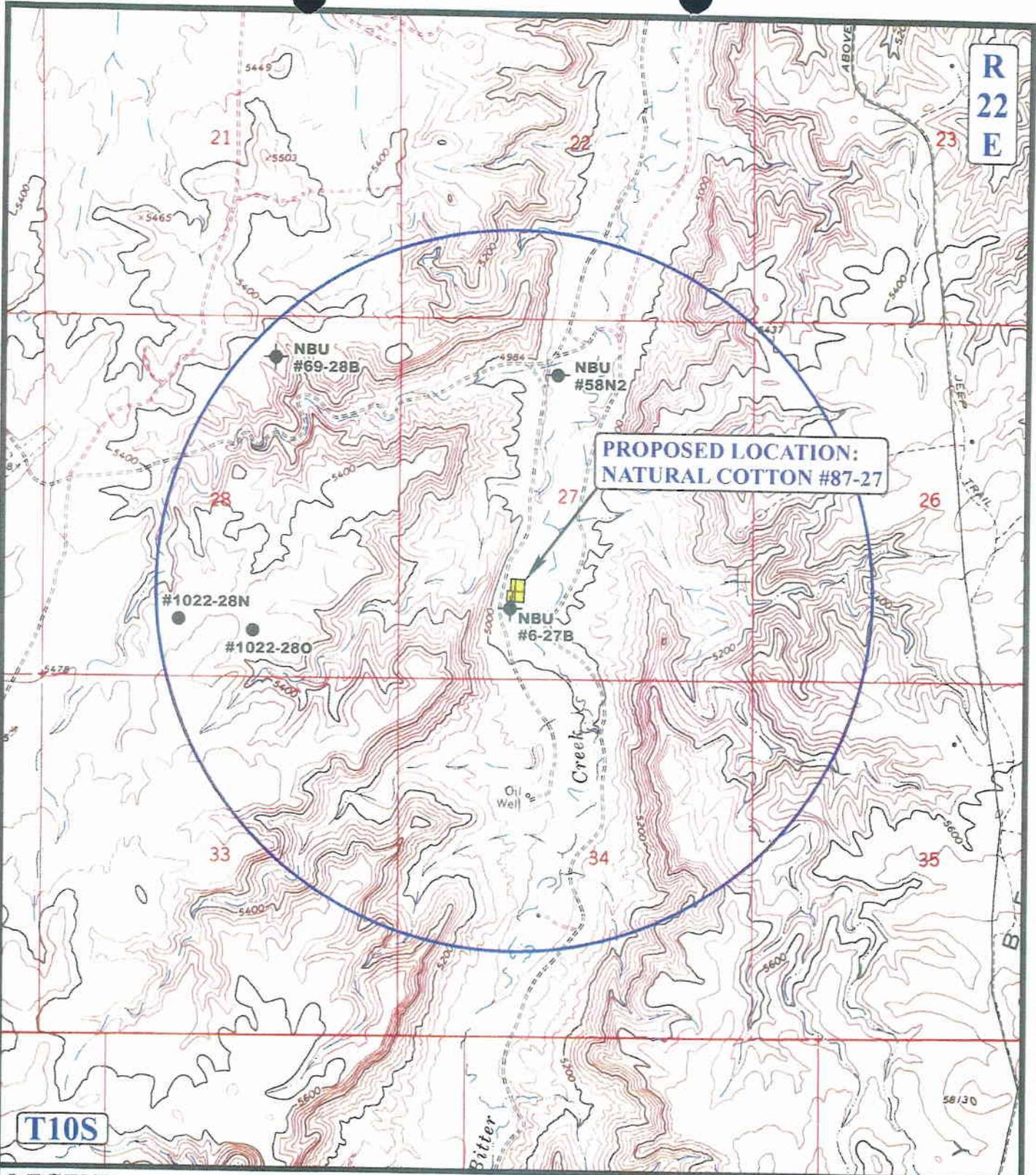
TOPOGRAPHIC
MAP

06 12 06
 MONTH DAY YEAR

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



R
22
E



T10S

LEGEND:

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



EOG RESOURCES, INC.

NATURAL COTTON #87-27
SECTION 27, T10S, R22E, S.L.B.&M.
1289' FSL 1704' FWL

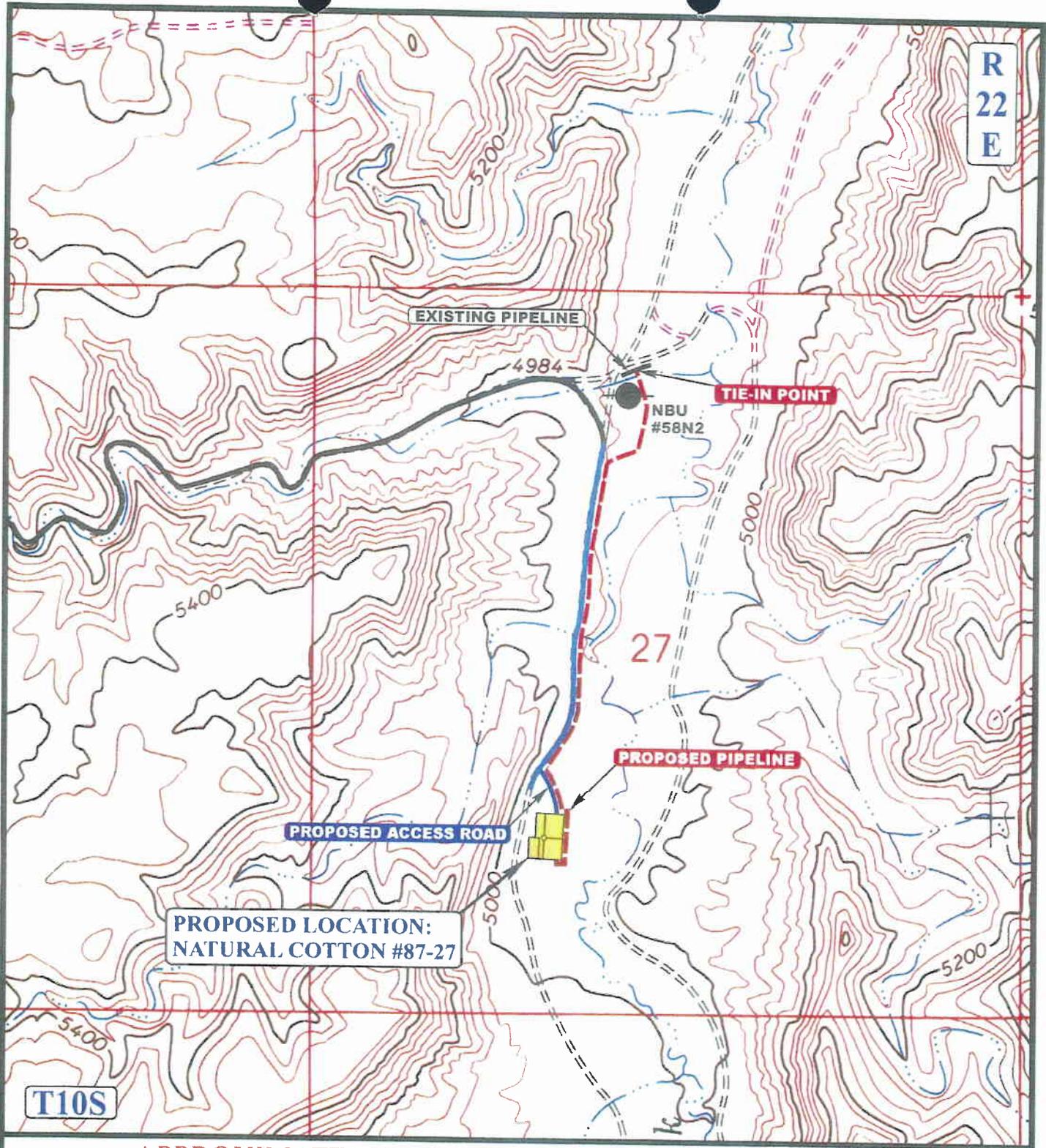


Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 06 12 06
MAP MONTH DAY YEAR

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





APPROXIMATE TOTAL PIPELINE DISTANCE = 2,641' +/-

LEGEND:

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



EOG RESOURCES, INC.

NATURAL COTTON #87-27
SECTION 27, T10S, R22E, S.L.B.&M.
1289' FSL 1704' FWL



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

TOPOGRAPHIC MAP 06 12 06
 MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: B.C. REVISED: 00-00-00



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 07/17/2007

API NO. ASSIGNED: 43-047-39444

WELL NAME: NATURAL COTTON 87-27

OPERATOR: EOG RESOURCES INC (N9550)

PHONE NUMBER: 435-781-9111

CONTACT: MARY MAESTAS

PROPOSED LOCATION:

SESW 27 100S 220E
 SURFACE: 1289 FSL 1704 FWL
 BOTTOM: 1289 FSL 1704 FWL
 COUNTY: UINTAH
 LATITUDE: 39.91617 LONGITUDE: -109.4285
 UTM SURF EASTINGS: 634315 NORTHINGS: 4419425
 FIELD NAME: NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: U-473
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: GRRV
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

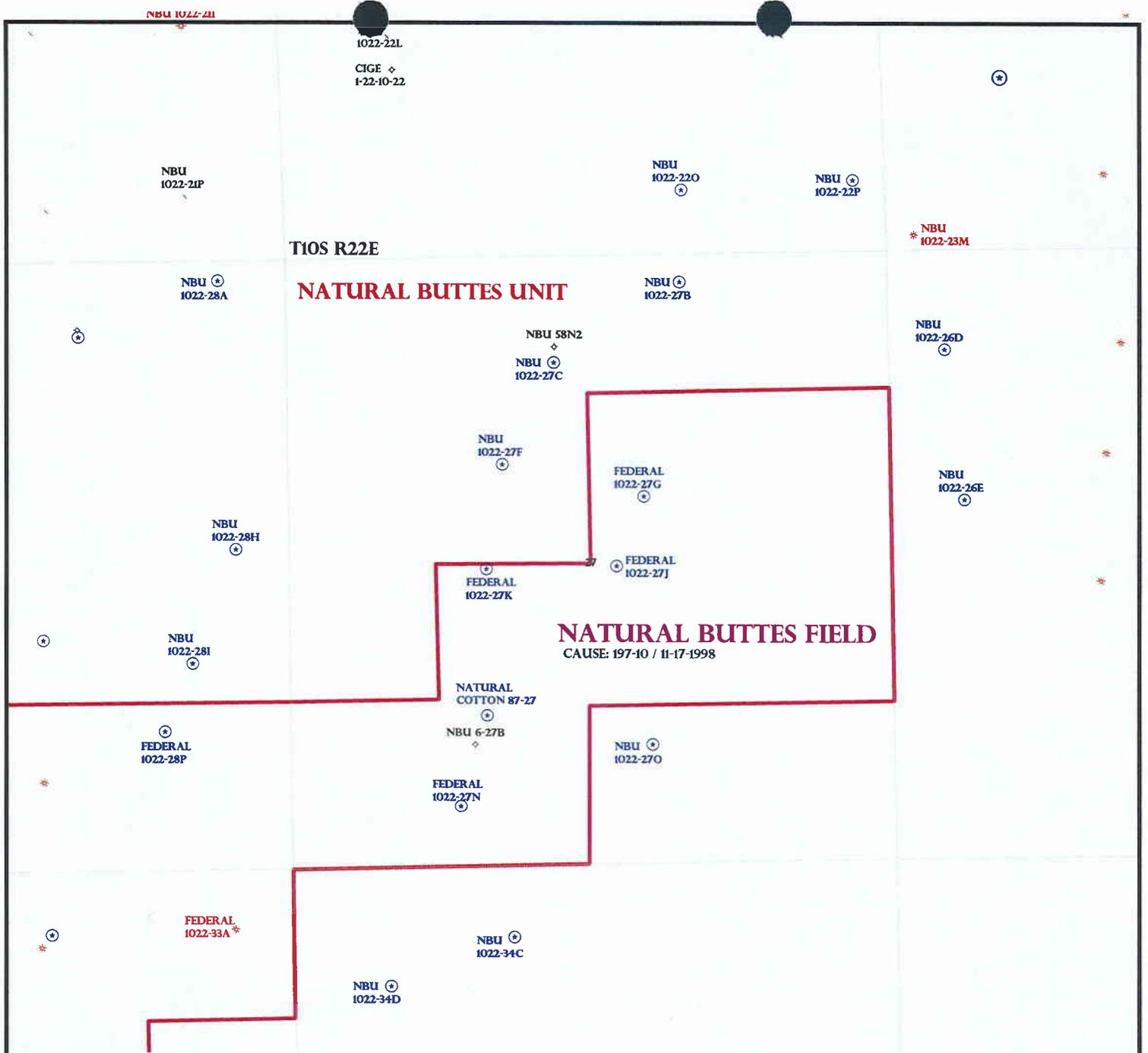
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM2308)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-225)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit: _____
- R649-3-2. General
- Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: 197-10
- Eff Date: 11-17-1998
- Siting: Wells shall not be drilled closer than 1000' to ext. dir u barg.
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1- Federal Approval
2- OIL SHALE



OPERATOR: EOG RESOURCES INC (N9550)
 SEC: 27 T.10S R. 22E
 FIELD: NATURAL BUTTES (630)
 COUNTY: UINTAH
 CAUSE: 197-10 / 11-17-1998

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

Wells Status

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



PREPARED BY: DIANA MASON
 DATE: 18-JULY-2007



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 18, 2007

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

Re: Natural Cotton 87-27 Well, 1289' FSL, 1704' FWL, SE SW, Sec. 27, T. 10 South,
R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39444.

Sincerely,


Gil Hunt
Associate Director

pab
Enclosures

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



Operator: EOG Resources, Inc.
Well Name & Number Natural Cotton 87-27
API Number: 43-047-39444
Lease: U-473

Location: SE SW Sec. 27 T. 10 South R. 22 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division with 24 hours of spudding the well.

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

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

- Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

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

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

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

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU473

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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.

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
Natural Cotton 87-27

2. NAME OF OPERATOR:
EOG Resources, Inc.

9. API NUMBER:
43-047-39444

3. ADDRESS OF OPERATOR:
1060 East Highway 40 CITY Vernal STATE UT ZIP 84078

PHONE NUMBER:
(435) 781-9111

10. FIELD AND POOL, OR WILDCAT:
Natural Buttes/Green River

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **1289' FSL - 1704' FWL 39.916222 Lat 109.429211 Lon**
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **SESW 27 10S 22E S.L.B. & M**

COUNTY: **Uintah**
STATE: **UTAH**

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

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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
EOG Resources, Inc. respectfully withdraws the Application for Permit to Drill approved 7/18/2007.

NAME (PLEASE PRINT) Kaylene R. Gardner TITLE Lead Regulatory Assistant
SIGNATURE  DATE 3/19/2008

(This space for State use only)

RECEIVED
MAR 21 2008



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

March 25, 2008

Kaylene Gardner
EOG Resources Inc.
1060 East Hwy 40
Vernal, UT 84078

43 047 39444

Re: APDs Rescinded at the request of EOG Resources Inc.

Dear Ms. Gardner:

Enclosed find the list of APDs that you requested to be rescinded to EOG Resources Inc. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective March 21, 2008.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject locations.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal

Natural Cotton 68-05
Natural Cotton 76-13
Natural Cotton 73-13
Chapita Grove 2-28
Chapita Grove 1-28
Wells Draw 18-05GR



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.blm.gov/ut/st/en/fo/vernal/html>



IN REPLY REFER TO:

3160

UT08300

April 15, 2008

Kaylene R. Gardner
EOG Resources, Inc.
1060 E Hwy 40
Vernal, UT 84078

43-04739444

Re: Well No. Natural Cotton 87-27
SESW, Sec. 27, T10S, R22E
Uintah County, Utah
Lease No. UTU-473

Dear Ms. Gardner:

The Application for Permit to Drill (APD) the above referenced well submitted July 13, 2007 is being returned unapproved per your request in a letter dated March 19, 2008 to Jerry Kenczka. If you intend to drill at this location at a future date, a new APD must be submitted.

If you have any questions regarding APD processing, please contact me at (435) 781-4455.

Sincerely,

Cindy Severson

Cindy Severson
Land Law Examiner

cc: UDOGM – Diana Mason

RECEIVED
APR 18 2008
DIV. OF OIL, GAS & MINING