

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

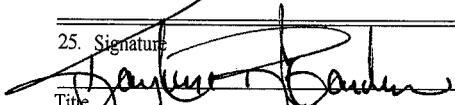
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-0283-A
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG Resources, Inc.		7. If Unit or CA Agreement, Name and No. Chapita Wells Unit
3a. Address 1060 East Highway 40 Vernal, UT 84078		8. Lease Name and Well No. Chapita Wells Unit 1335-15
3b. Phone No. (include area code) 435-781-9111		9. API Well No. 4304739512
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 634726 10 FNL & 1330 FEL (NWNE), 40.043233 LAT 109.421383 LON At proposed prod. zone Same 44335464 40.043284 -109.426744		10. Field and Pool, or Exploratory Natural Buttes/Mesaverde
14. Distance in miles and direction from nearest town or post office* 47.9 Miles South of Vernal, Utah		11. Sec., T. R. M. or Blk. and Survey or Area Section 15, T9S, R22E S.L.B.&M
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 10	16. No. of acres in lease 1360	12. County or Parish Uintah
17. Spacing Unit dedicated to this well Suspended	13. State UT	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 790	19. Proposed Depth 9780	20. BLM/BIA Bond No. on file NM 2308
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4867 GL	22. Approximate date work will start*	23. Estimated duration 45 DAYS

24. Attachments

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

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

25. Signature 	Name (Printed Typed) Kaylene R. Gardner	Date 08/09/2007
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Title **Sr. Regulatory Assistant**

Approved by Signature 	Name (Printed Typed) BRADLEY G. HILL	Date 08-16-07
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Title **ENVIRONMENTAL MANAGER**

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

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

*(Instructions on page 2)

**Federal Approval of this
Action is Necessary**

RECEIVED

AUG 13 2007

DIV. OF OIL, GAS & MINING

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

EOG RESOURCES, INC.

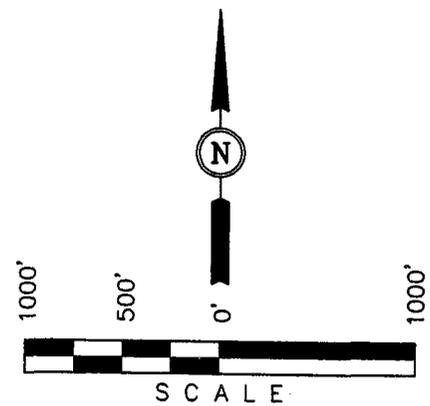
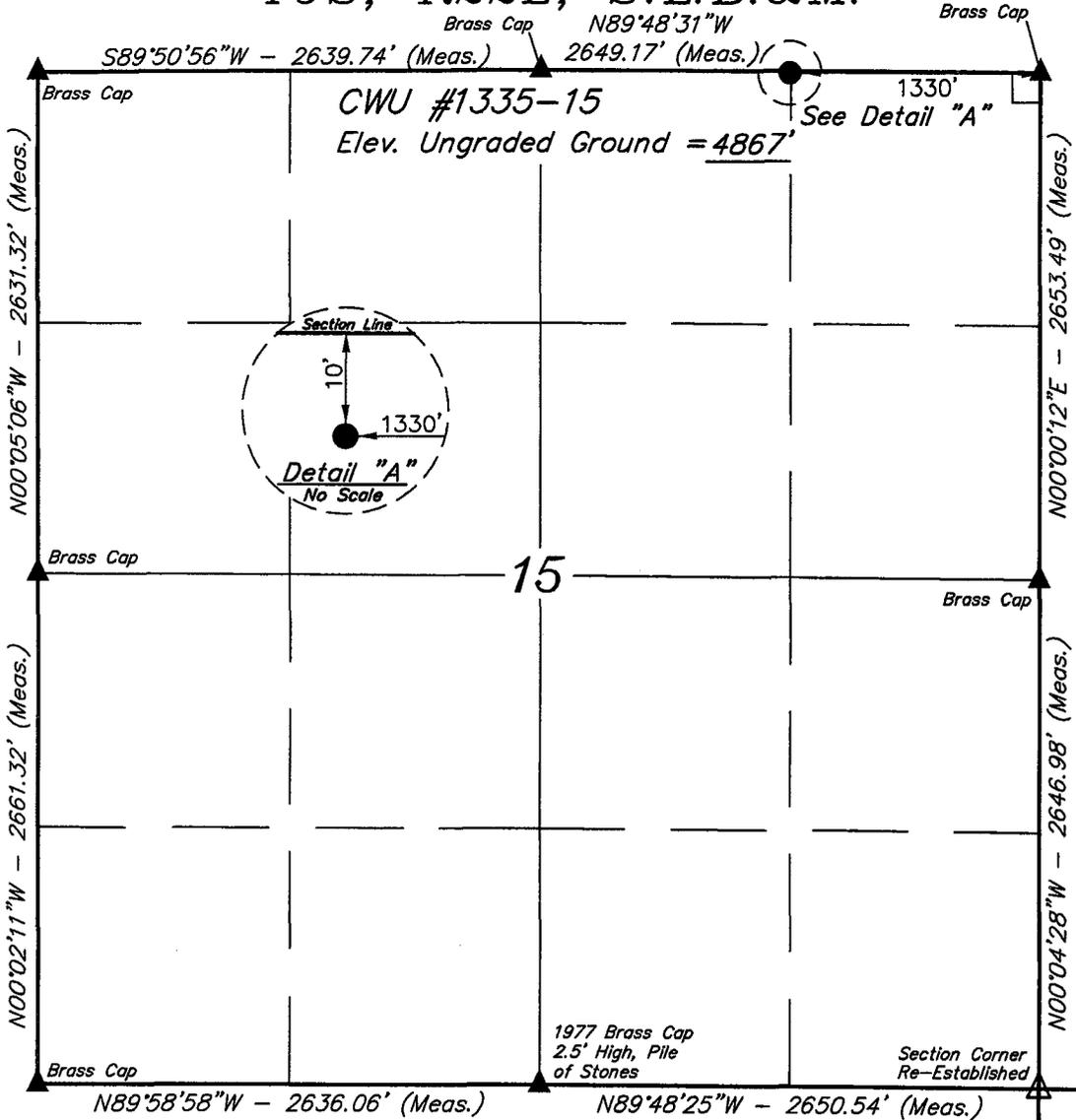
Well location, CWU #1335-15, located as shown in the NW 1/4 NE 1/4 of Section 15, T9S, R22E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

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



CERTIFICATE OF SURVEY

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.

[Signature]

REGISTERED LAND SURVEYOR
REGISTRATION NO. 16179
STATE OF UTAH

LEGEND:

- └─┘ = 90° SYMBOL
 - = PROPOSED WELL HEAD.
 - ▲ = SECTION CORNERS LOCATED.
 - △ = SECTION CORNERS RE-ESTABLISHED BY DOUBLE PROPORTION METHOD (Not Set On Ground)
- (NAD 83)
 LATITUDE = 40°02'35.64" (40.043233)
 LONGITUDE = 109°25'16.98" (109.421383)
- (NAD 27)
 LATITUDE = 40°02'35.77" (40.043269)
 LONGITUDE = 109°25'14.52" (109.420700)

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 06-12-07	DATE DRAWN: 06-19-07
PARTY A.F. Z.G. L.K.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1335-15
NW/NE, SEC. 15, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,897		Shale	
Wasatch	4,943		Sandstone	
Chapita Wells	5,533		Sandstone	
Buck Canyon	6,199		Sandstone	
North Horn	6,818		Sandstone	
KMV Price River	7,415	Primary	Sandstone	Gas
KMV Price River Middle	8,299	Primary	Sandstone	Gas
KMV Price River Lower	9,074	Primary	Sandstone	Gas
Sego	9,574		Sandstone	
TD	9,780			

Estimated TD: **9,780' or 200'± below Sego top**

Anticipated BHP: 5,340 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 ½"	0 – 45'	13 ¾"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

Note: 12-¼" 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 1335-15
NW/NE, SEC. 15, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

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

7. VARIANCE REQUESTS:

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

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1335-15
NW/NE, SEC. 15, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

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

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: 207 sks Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

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

Production Hole Procedure (2300'± - TD)

Lead: 152 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 939 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

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

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1335-15
NW/NE, SEC. 15, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

11. STANDARD REQUIRED EQUIPMENT:

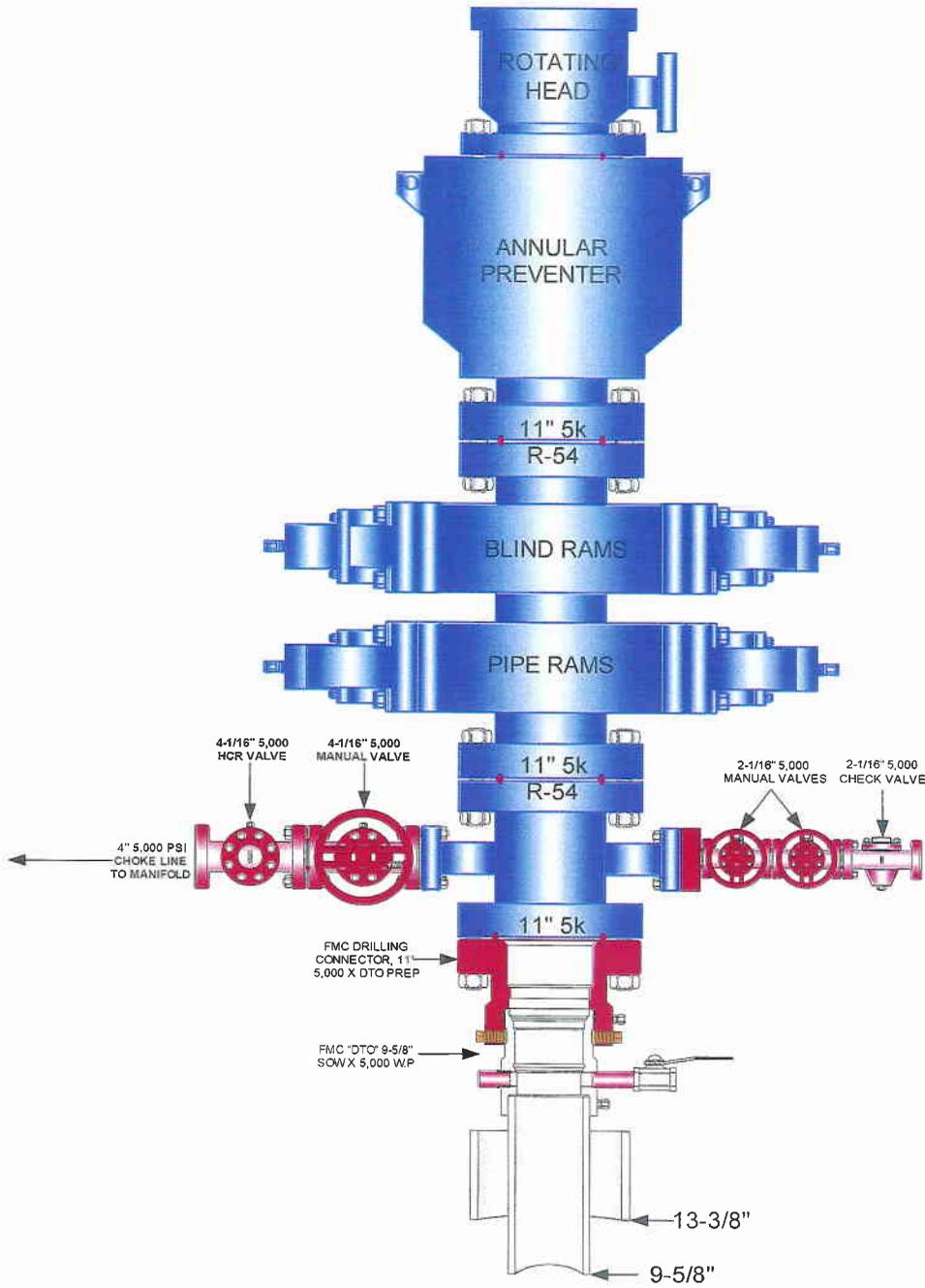
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

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

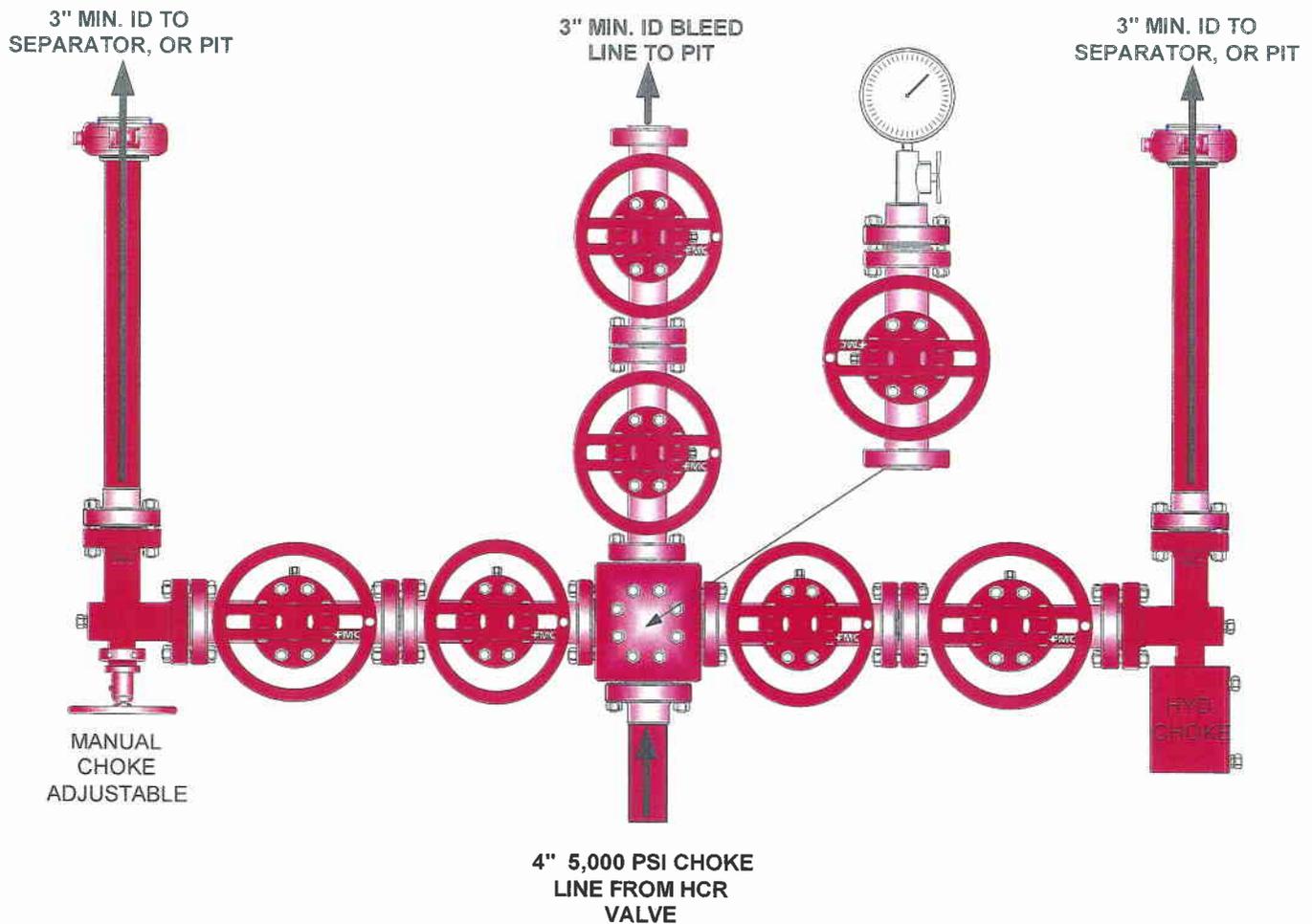
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF 2



Testing Procedure:

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



**Chapita Wells Unit 1335-15
NWNE, Section 15, T9S, R22E
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 200 feet long with a 40-foot right-of-way, disturbing approximately 0.18 acres. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.43 acres. The pipeline is approximately 217 feet long with a 40-foot right-of-way, disturbing approximately 0.20 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 47.9 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 200' in length, culverts shall be installed as needed. 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 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, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

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

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

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

A. On Well Pad

- 1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and attaching piping.

2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

B. Off Well Pad

1. Proposed pipeline will transport natural gas.
2. The pipeline will be a permanent feeder line.
3. The length of the proposed pipeline is 217 x 40'. The proposed pipeline leaves the northern edge of the well pad (Lease U-0283-A) proceeding in a easterly direction for an approximate distance of 217' to Section 15, T9S, R22E tying into an existing pipeline in the NWNE of Section 15, T9S, R22E (Lease U-0283-A). The existing pipeline will be re-routed to the east of the proposed well pad for an approximate distance of 942'. 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 NWNE of Section 15, Township 9S, Range 22E, proceeding easterly for an approximate distance of 217' to the NWNE of section 15, township 9S, 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.** 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, CWU 2-29 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 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 east corner of the location. The flare pit will be located downwind of the prevailing wind direction on the south side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil southeast of corner #5. The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protect 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 south.

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	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.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Shadscale	6.1
Indian Ricegrass	3.0
HyCrest Wheatgrass	2.0
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, as needed, to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A block cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants (MOAC 06-612) on January 29, 2007. A paleontological survey was conducted and will be submitted by Intermountain Paleo.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

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

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

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

CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 1335-15 Well, located in the NWNE, of Section 15, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

August 9, 2007

Date



Kaylene R. Gardner, Sr. Regulatory Assistant

EOG RESOURCES, INC.

CWU #1335-15

LOCATED IN UINTAH COUNTY, UTAH
SECTION 15, T9S, R22E, S.L.B.&M.

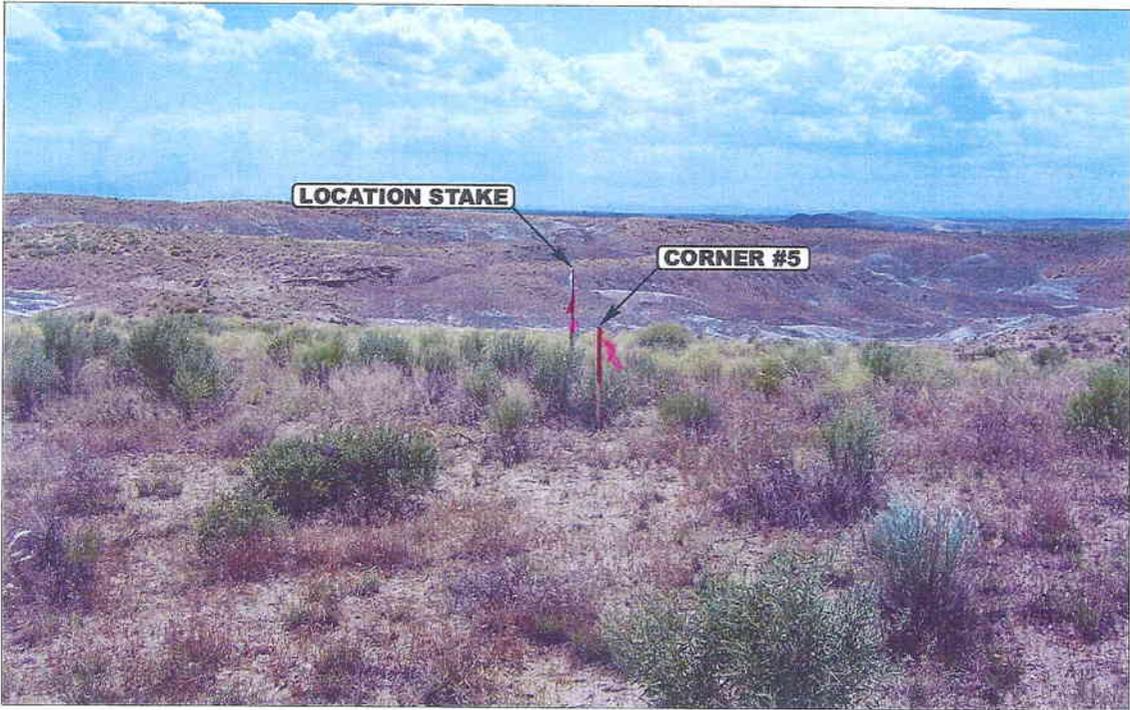


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY



- Since 1964 -

UELS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

06 13 07
MONTH DAY YEAR

PHOTO

TAKEN BY: A.F.

DRAWN BY: B.C.

REVISED: 00-00-00

EOG RESOURCES, INC.
CWU #1335-15
SECTION 15, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN LEFT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 100' TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE WEST; FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 200' TO THE PROPOSED LOCATION.

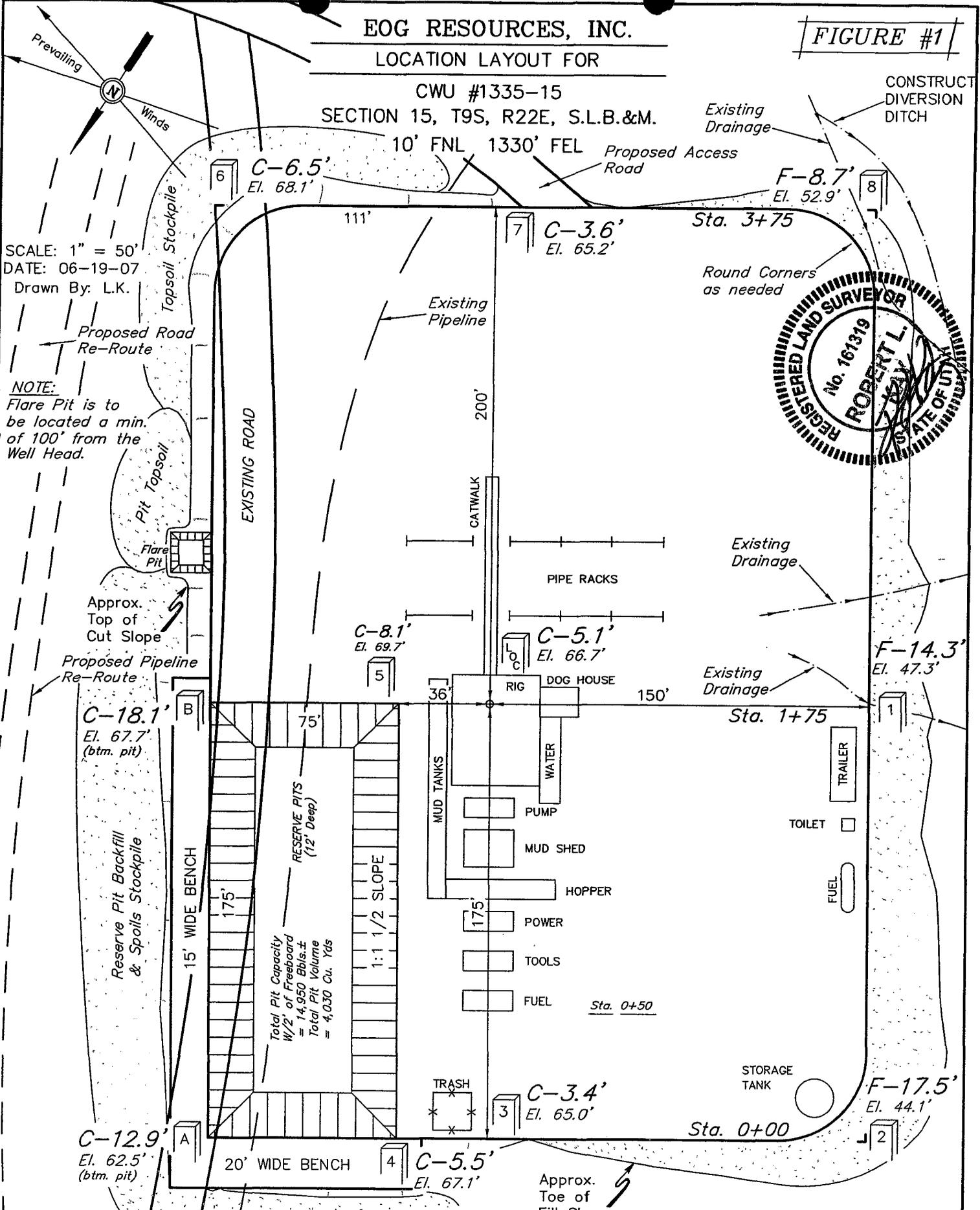
TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 47.9 MILES.

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

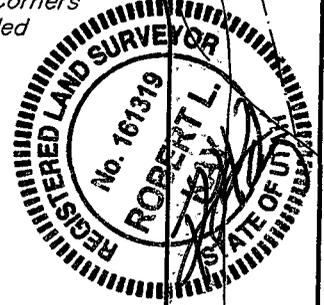
CWU #1335-15
SECTION 15, T9S, R22E, S.L.B.&M.

FIGURE #1



SCALE: 1" = 50'
DATE: 06-19-07
Drawn By: L.K.

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



Elev. Ungraded Ground at Location Stake = 4866.7'
Elev. Graded Ground at Location Stake = 4861.6'

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

EOG RESOURCES, INC.

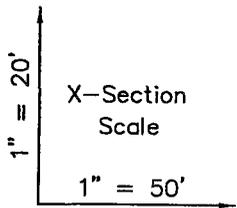
TYPICAL CROSS SECTIONS FOR

CWU #1335-15

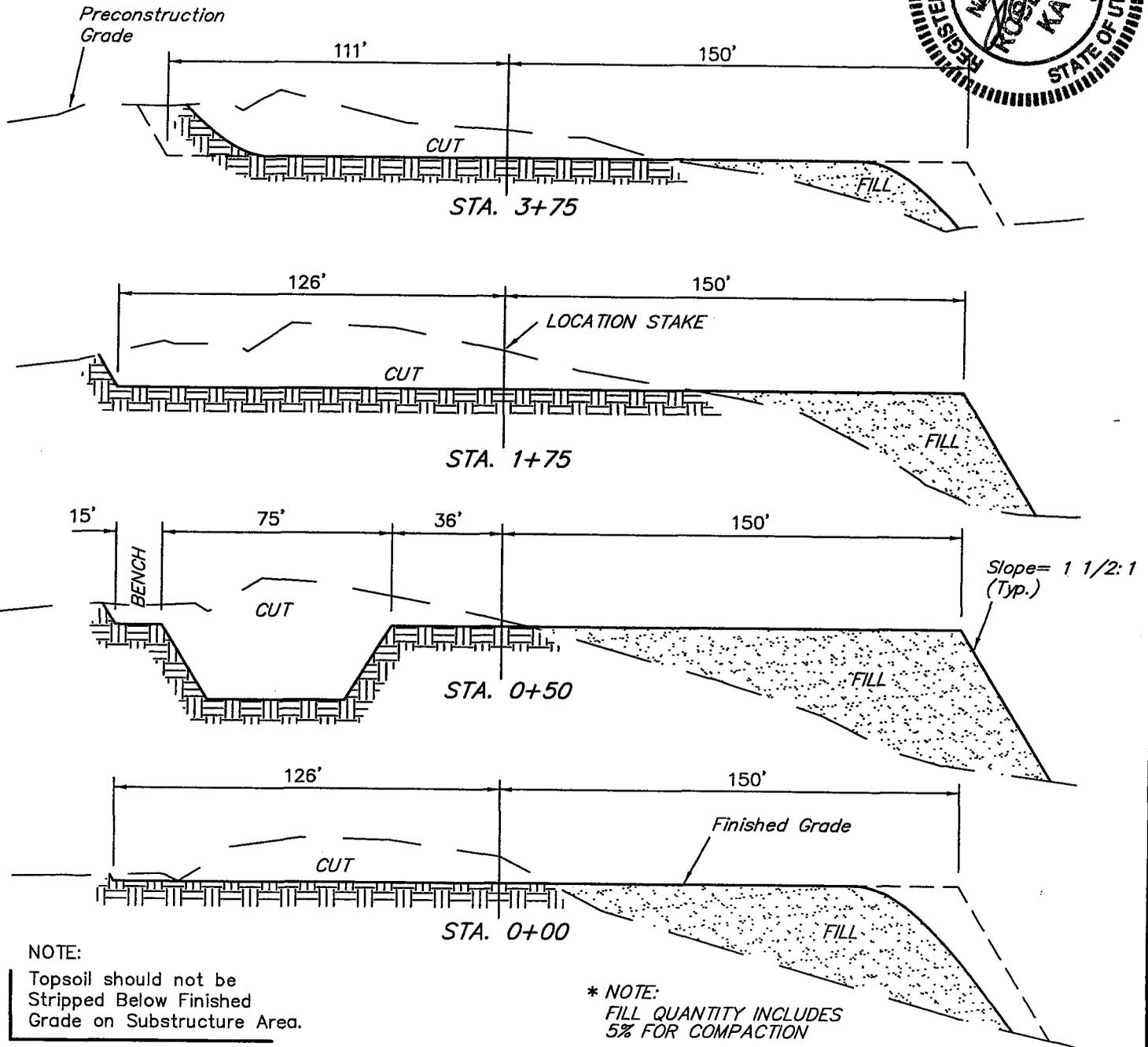
SECTION 15, T9S, R22E, S.L.B.&M.

10' FNL 1330' FEL

FIGURE #2



DATE: 06-19-07
Drawn By: L.K.



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

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	2,240 Cu. Yds.
Remaining Location	=	15,080 Cu. Yds.
TOTAL CUT	=	17,320 CU.YDS.
FILL	=	13,060 CU.YDS.

EXCESS MATERIAL	=	4,260 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	4,260 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	=	0 Cu. Yds.

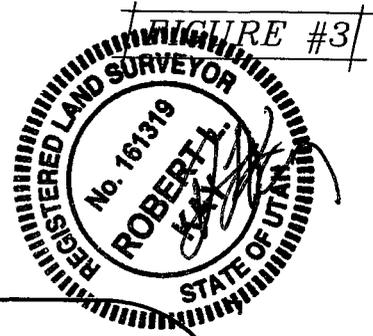
EOG RESOURCES, INC.

PRODUCTION FACILITY LAYOUT FOR

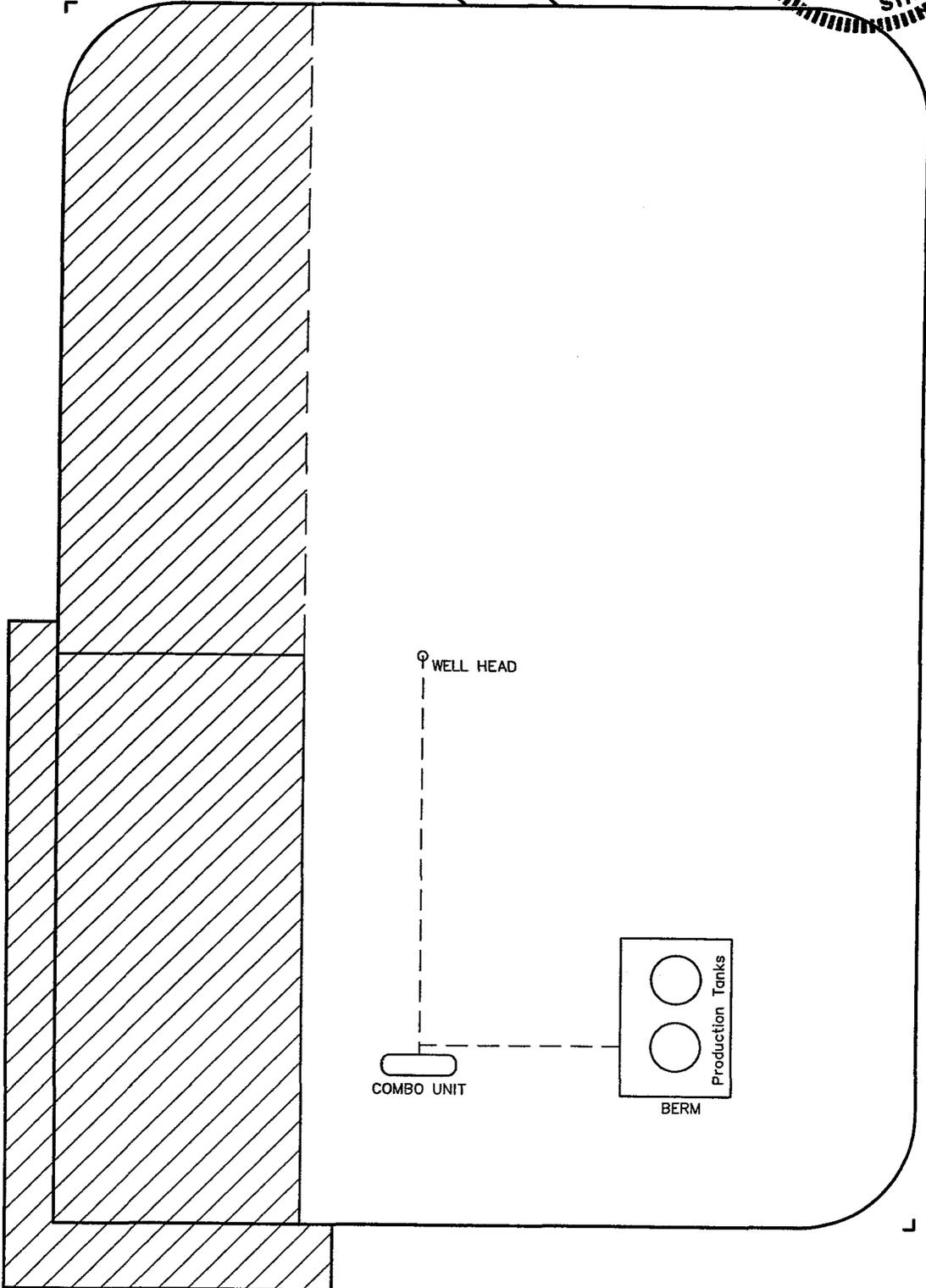
CWU #1335-15

SECTION 15, T9S, R22E, S.L.B.&M.

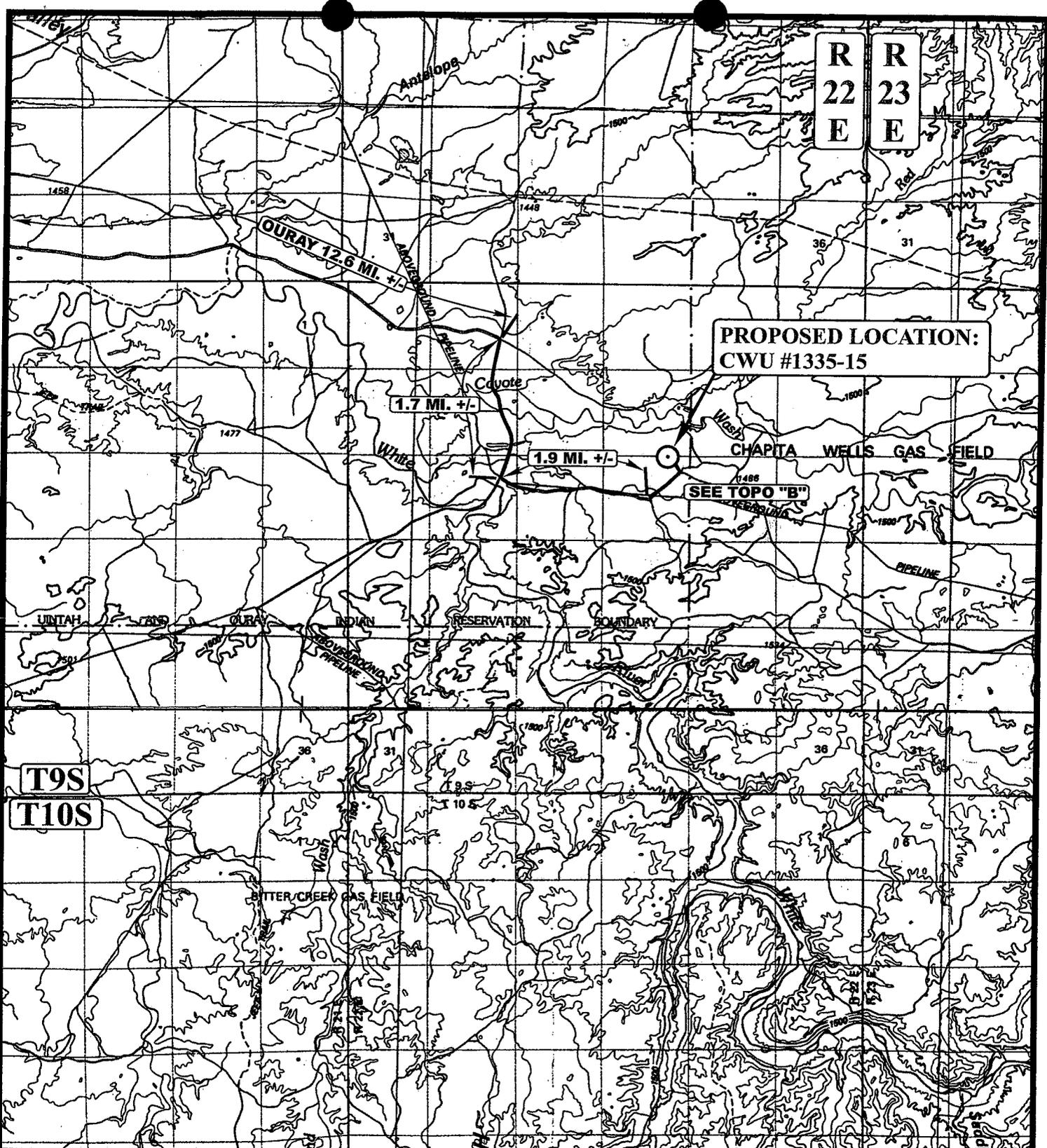
10' FNL 1330' FEL *Access Road*



SCALE: 1" = 50'
DATE: 06-19-07
Drawn By: L.K.



 RE-HABED AREA



R
22
E

R
23
E

**PROPOSED LOCATION:
CWU #1335-15**

1.7 MI. +/-

1.9 MI. +/-

SEE TOPO "B"

T9S
T10S

LEGEND:

⊙ PROPOSED LOCATION



EOG RESOURCES, INC.

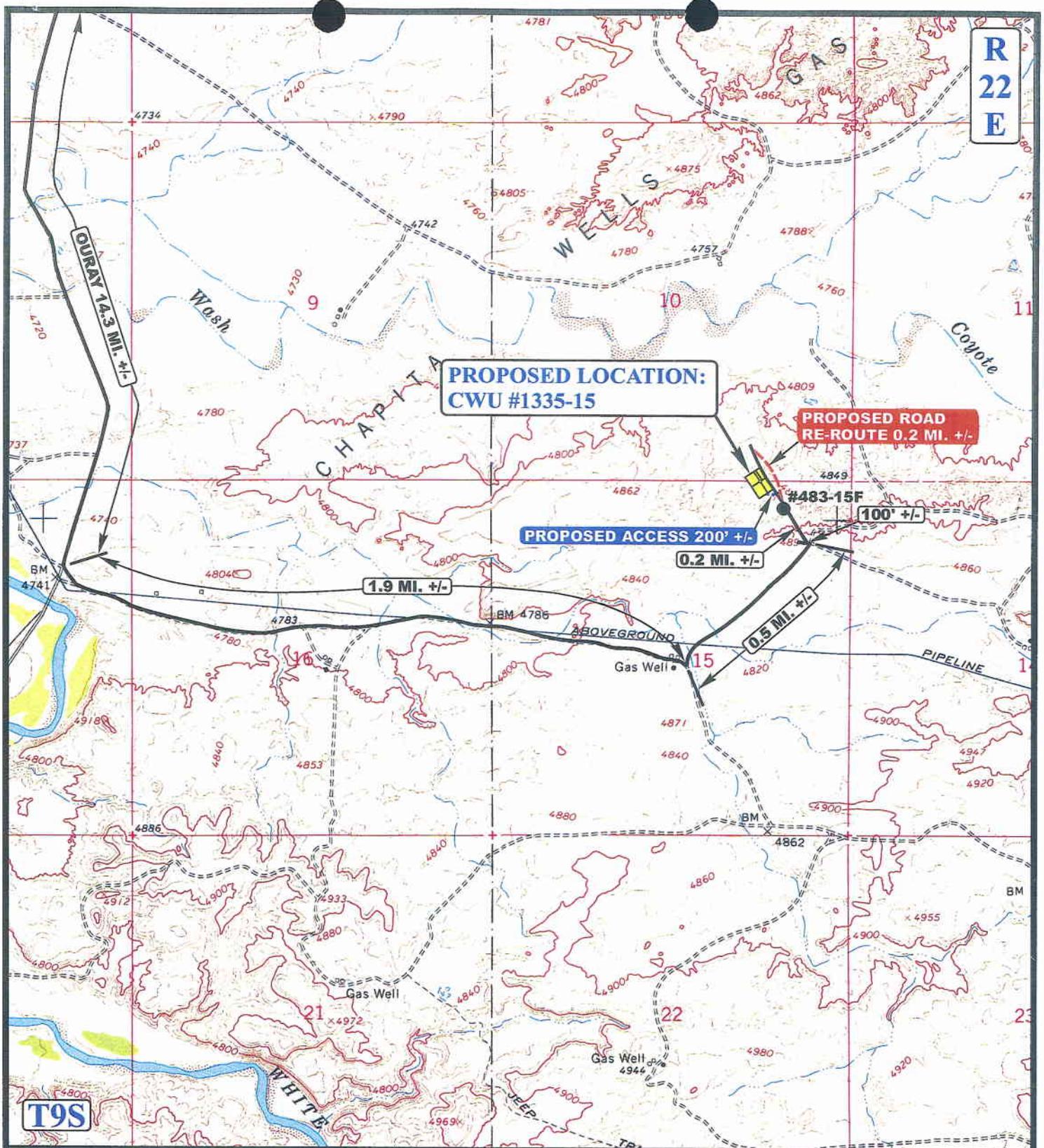
CWU #1335-15
SECTION 15, T9S, R22E, S.L.B.&M.
10' FNL 1330' FEL



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

TOPOGRAPHIC MAP
06 13 07
MONTH DAY YEAR
SCALE: 1:100,000 DRAWN BY: B.C. REVISED: 00-00-00





LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD
- PROPOSED ROAD RE-ROUTE

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

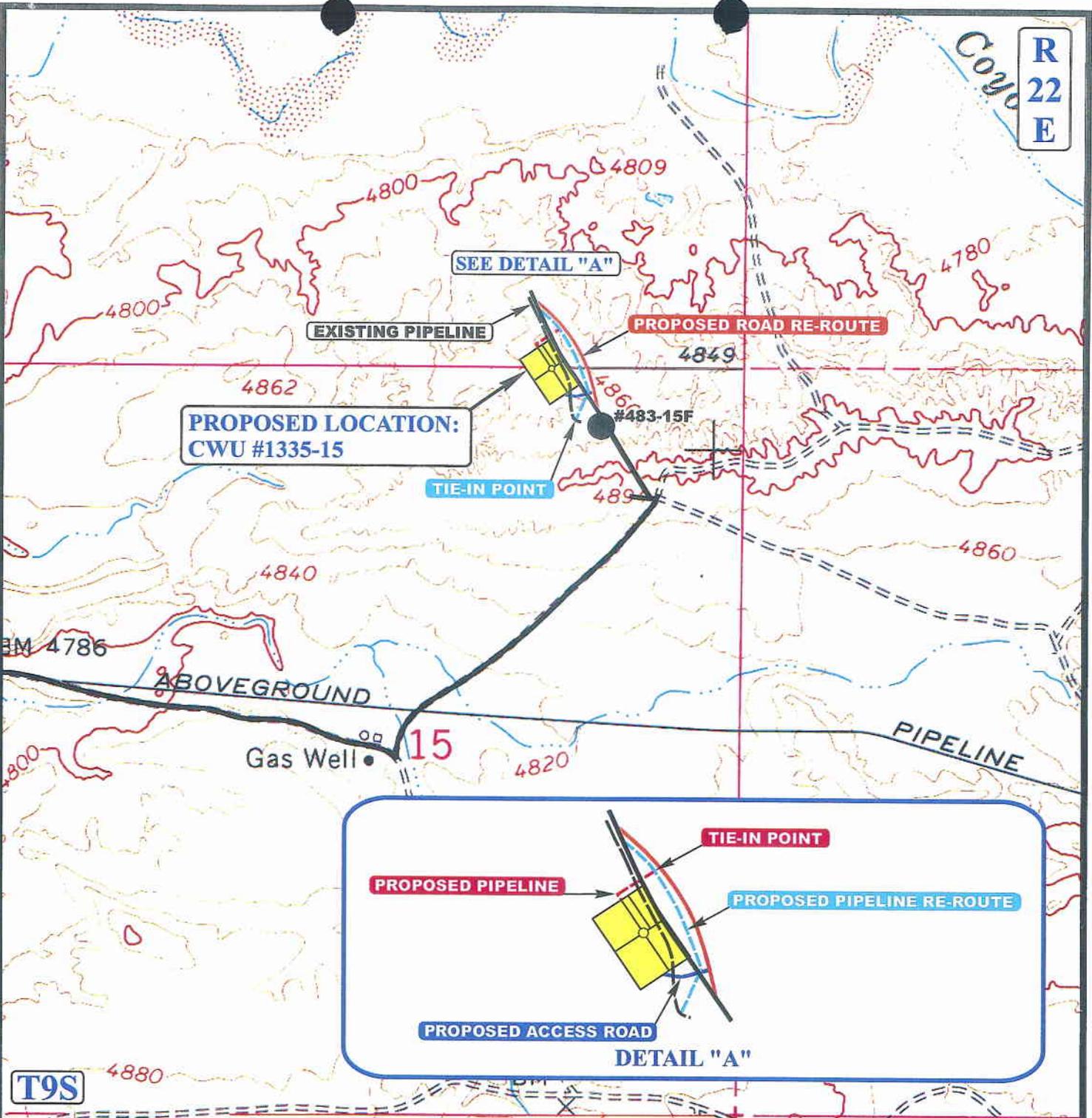
EOG RESOURCES, INC.

CWU #1335-15
SECTION 15, T9S, R22E, S.L.B.&M.
10' FNL 1330' FEL



TOPOGRAPHIC MAP **06 13 07**
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: B.C. REVISED: 00-00-00 **B TOPO**

R
22
E



APPROXIMATE TOTAL PIPELINE RE-ROUTE DISTANCE = 942' +/-

APPROXIMATE TOTAL PIPELINE DISTANCE = 217' +/-

LEGEND:

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

EOG RESOURCES, INC.

CWU #1335-15
 SECTION 15, T9S, R22E, S.L.B.&M.
 10' FNL 1330' FEL



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



TOPOGRAPHIC MAP 06 13 07
 MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: B.C. REVISED: 00-00-00

D
TOPO

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/13/2007

API NO. ASSIGNED: 43-047-39512

WELL NAME: CWU 1335-15
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

NWNE 15 090S 220E
 SURFACE: 0010 FNL 1330 FEL
 BOTTOM: 0010 FNL 1330 FEL
 COUNTY: UINTAH
 LATITUDE: 40.04328 LONGITUDE: -109.4207
 UTM SURF EASTINGS: 634726 NORTHINGS: 4433546
 FIELD NAME: NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: U-0283-A
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV
 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)

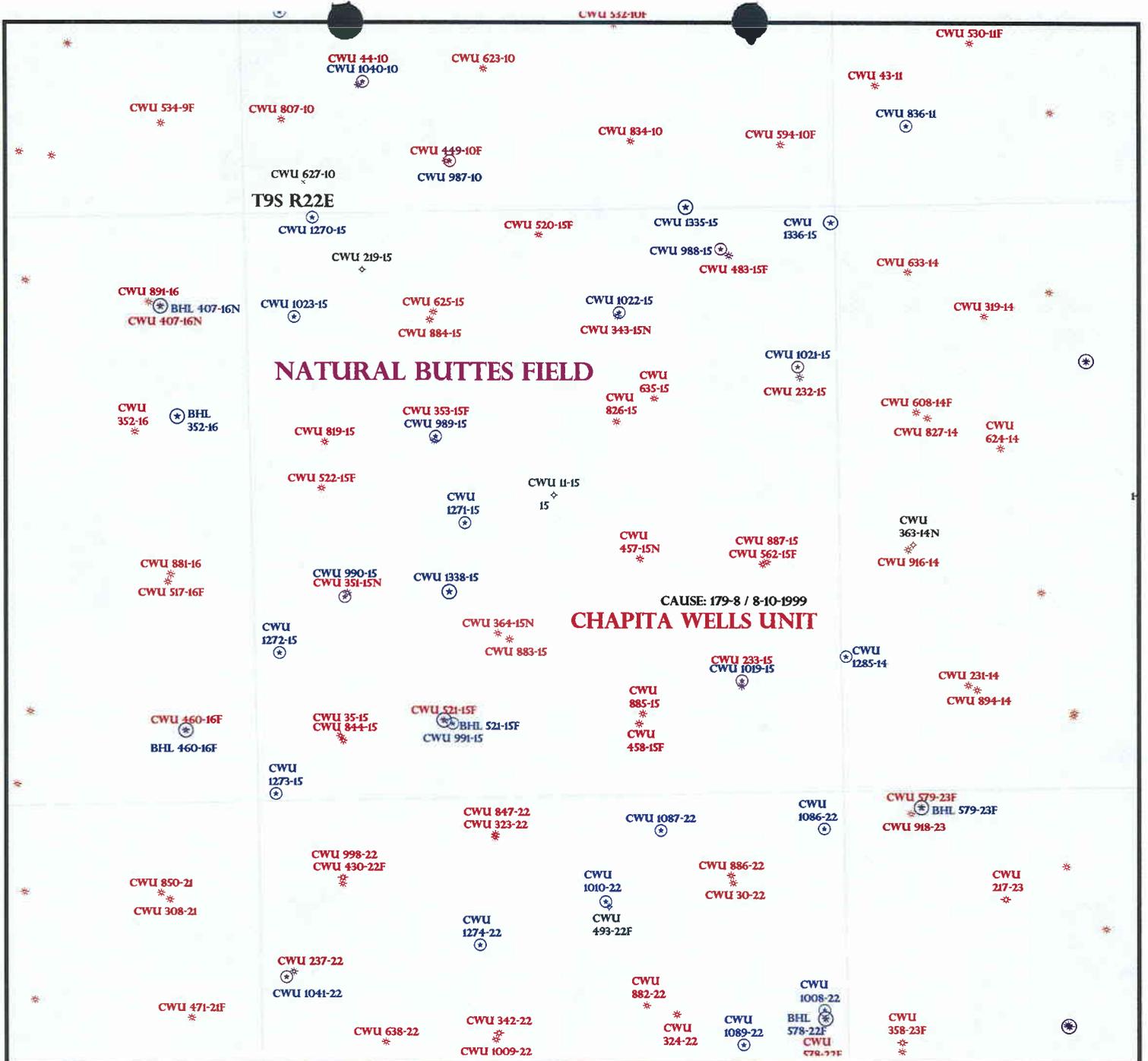
LOCATION AND SITING:

- 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: 179-8
- Eff Date: 8-10-1999
- Siting: Su Speeds General Siting
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: _____

1- Federal Approval
2- OIL SHALE



NATURAL BUTTES FIELD

CHAPITA WELLS UNIT

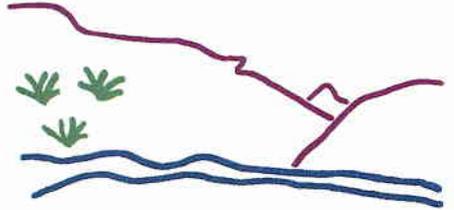
CAUSE: 179-8 / 8-10-1999

OPERATOR: EOG RESOURCES INC (N9550)
 SEC: 15 T.9S R. 22E
 FIELD: NATURAL BUTTES (630)
 COUNTY: UINTAH
 CAUSE: 179-8 / 8-10-1999

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

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

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



Utah Oil Gas and Mining



PREPARED BY: DIANA MASON
 DATE: 15-AUGUST-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)

August 15, 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 Price River)

43-047-39515 CWU 956-32 Sec 32 T09S R23E 2179 FSL 2023 FEL

43-047-39512 CWU 1335-15 Sec 15 T09S R22E 0010 FNL 1330 FEL

43-047-39513 CWU 1338-15 Sec 15 T09S R22E 1850 FSL 1750 FWL

43-047-39514 CWU 1336-15 Sec 15 T09S R22E 0171 FNL 0035 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:8-15-07



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

August 16, 2007

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

Re: Chapita Wells Unit 1335-15 Well, 10' FNL, 1330' FEL, NW NE, Sec. 15, T. 9 South,
R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39512.

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 1335-15

API Number: 43-047-39512

Lease: U-0283-A

Location: NW NE Sec. 15 T. 9 South R. 22 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 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.

RECEIVED
VERNAL FIELD OFFICE

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

AUG 10 AM 9:24

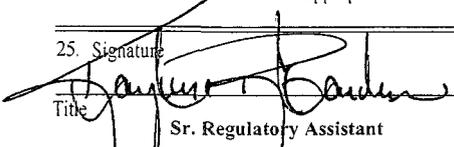
APPLICATION FOR PERMIT TO DRILL OR REENTER

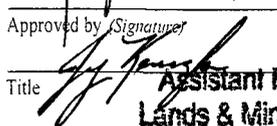
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No. Chapita Wells Unit
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		8. Lease Name and Well No. Chapita Wells Unit 1335-15
2. Name of Operator EOG Resources, Inc.		9. API Well No. 43 047 39512
3a. Address 1060 East Highway 40 Vernal, UT 84078	3b. Phone No. (include area code) 435-781-9111	10. Field and Pool, or Exploratory Natural Buttes/Mesaverde
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 10 FNL & 1330 FEL (NWNE), 40.043233 LAT 109.421383 LON At proposed prod. zone Same		11. Sec., T. R. M. or Blk. and Survey or Area Section 15, T9S, R22E S.L.B.&M
14. Distance in miles and direction from nearest town or post office* 47.9 Miles South of Vernal, Utah		12. County or Parish Uintah
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 10		13. State UT
16. No. of acres in lease 1360		17. Spacing Unit dedicated to this well Suspended
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 790		20. BLM/BIA Bond No. on file NM 2308
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4867 GL		22. Approximate date work will start* 45 DAYS

24. Attachments

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

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

25. Signature 	Name (Printed Typed) Kaylene R. Gardner	Date 08/09/2007
Title Sr. Regulatory Assistant		

Approved by (Signature) 	Name (Printed Typed) Jerry Kavela	Date 7-2-2008
Title Assistant Field Manager 1 Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

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

CONDITIONS OF APPROVAL ATTACHED

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

*(Instructions on page 2)

NOTICE OF APPROVAL

UDOGM

RECEIVED
JUL 09 2008
DIV. OF OIL, GAS & MINING

NOS 7/9/07
07PP2370A



**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.	Location:	NWNE, Sec. 15, T9S, R22E
Well No:	Chapita Wells Unit 1335-15	Lease No:	UTU-0283-A
API No:	43-047-39512	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
Supervisory NRS:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	
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 COAs:

- Bury pipeline at all low water crossings.
- Permission from an authorized BLM representative will be required if construction or other operations occur during wet conditions that would lead to excessive rutting.
- Permission to clear all wildlife stipulations will 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:

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

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

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

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

- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Wellogs@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.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: U-0283-A
2. NAME OF OPERATOR: EOG Resources, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY <u>Vernal</u> STATE <u>UT</u> ZIP <u>84078</u>		7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit
4. LOCATION OF WELL FOOTAGES AT SURFACE: 10' FNL & 1330' FEL 40.043233 LAT 109.421383 LON		8. WELL NAME and NUMBER: Chapita Wells Unit 1335-15
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 15 9S 22E S		9. API NUMBER: 43-047-39512
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Mesaverde
STATE: UTAH		

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

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

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

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

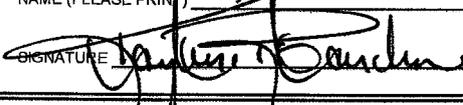
Approved by the
Utah Division of
Oil, Gas and Mining

Date: 08-04-08
By: 

COPY SENT TO OPERATOR

Date: 8.5.2008

Initials: KS

NAME (PLEASE PRINT) <u>Kaylene R. Gardner</u>	TITLE <u>Lead Regulatory Assistant</u>
SIGNATURE 	DATE <u>7/30/2008</u>

(This space for State use only)

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AUG - 1 2008

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-39512
Well Name: CHAPITA WELLS UNIT 1335-15
Location: 10 FNL - 1330 FEL (NWN), SECTION 15, T9S, R22E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 8/16/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

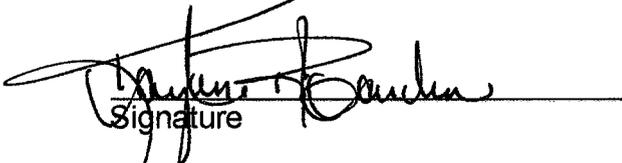
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No


Signature

7/30/2008
Date

Title: Lead Regulatory Assistant

Representing: EOG Resources, Inc.

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AUG - 1 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. Multiple (See Attached)
2. Name of Operator EOG Resources, Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 1060 E. HWY 40 Vernal, UT 84078	3b. Phone No. (include area code) 435-789-0790	7. If Unit or CA/Agreement, Name and/or No. Chapita Wells Unit
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple (See Attached)		8. Well Name and No. Multiple (See Attached)
43 047 39512		9. API Well No. Multiple (See Attached)
UNU 1335-15		10. Field and Pool, or Exploratory Area Natural Buttes
95 22E 15		11. County or Parish, State Uintah County, Utah

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

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

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

EOG Resources, Inc. respectfully requests authorization for air drilling operations, see attached.

COPY SENT TO OPERATOR

Date: 10.14.2008

Initials: KS

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SEP 22 2008

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mickenzie Thacker

Title **Operations Clerk**

Signature

Mickenzie Thacker

Date

09/17/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

[Signature]

Title

Pet. Eng.

Date

10/7/08

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

Office

DOGm

Federal Approval Of This Action Is Necessary

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

(Instructions on page 2)

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

Air Drilling Operations:

1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1

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

1. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
2. EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
3. EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
4. EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
5. EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 1335-15

Api No: 43-047-39512 Lease Type: FEDERAL

Section 15 Township 09S Range 22E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # RATHOLE

SPUDDED:

Date 11/06/08

Time 7:30 AM

How DRY

Drilling will Commence: _____

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 11/64/08 Signed CHD

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

FORM 6

ENTITY ACTION FORM

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

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39471	CHAPITA WELLS UNIT 1290-25		NWNE	25	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	99999	<i>13650</i>	11/4/2008		<i>11/10/08</i>		
Comments: <u>MESAVERDE</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39512	CHAPITA WELLS UNIT 1335-15		NWNE	15	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	99999	<i>13650</i>	11/6/2008		<i>11/10/08</i>		
Comments: <u>MESAVERDE</u> <i>PRCV=</i>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39886	CHAPITA WELLS UNIT 1370-30		NWSE	30	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	99999	<i>13650</i>	11/6/2008		<i>11/10/08</i>		
Comments: <u>MESAVERDE</u>							

ACTION CODES:

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

Mickenzie Thacker

Name (Please Print)

Mickenzie Thacker

Signature

Operations Clerk

11/7/2008

Title

Date

(5/2000)

RECEIVED

NOV 10 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.
UTU0283A

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

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
CHAPITA WELLS UNIT 1335-15

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

9. API Well No.
43-047-39512

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

3b. Phone No. (include area code)
Ph: 435-781-9145

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 15 T9S R22E NWNE 10FNL 1330FEL
40.04323 N Lat, 109.42138 W Lon

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

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

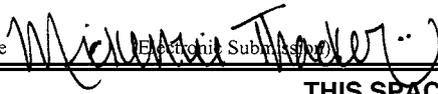
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/>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

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

The referenced well was spud on 11/6/2008.

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

**Electronic Submission #64547 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MICKENZIE THACKER	Title OPERATIONS CLERK
Signature  (Electronic Submission)	Date 11/07/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

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

RECEIVED

NOV 12 2008

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU0283A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

8. Well Name and No.
CHAPITA WELLS UNIT 1335-15

9. API Well No.
43-047-39512

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 15 T9S R22E NWNE 10FNL 1330FEL
40.04323 N Lat, 109.42138 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 2/6/2009. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #67159 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal

Name (Printed/Typed) MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature *Mary A. Maestas* Date 02/10/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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

Office _____

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

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****
RECEIVED
FEB 12 2009

WELL CHRONOLOGY REPORT

Report Generated On: 02-10-2009

Well Name	CWU 1335-15	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API #	43-047-39512	Well Class	COMP
County, State	UINTAH, UT	Spud Date	12-27-2008	Class Date	
Tax Credit	N	TVD / MD	9,780/ 9,780	Property #	061871
Water Depth	0	Last CSG	2.375	Shoe TVD / MD	0/0
KB / GL Elev	4,879/ 4,862				
Location	Section 15, T9S, R22E, NWNE, 10 FNL & 1330 FEL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	100.0	NRI %	82.059

AFE No	304848	AFE Total	1,931,500	DHC / CWC	1,056,500/ 875,000
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Rig Contr	TRUE	Rig Name	TRUE #9	Start Date	08-12-2007	Release Date	01-05-2009
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08-12-2007 Reported By SHARON CAUDILL

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
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Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0
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MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
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Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
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Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	LOCATION DATA
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10' FNL & 1330' FEL (NW/NE)

SECTION 15, T9S, R22E

UINTAH COUNTY, UTAH

LAT 39.992525, LONG 109.350764 (NAD 83)

LAT 39.992558, LONG 109.350086 (NAD 27)

TRUE #9

OBJECTIVE: 9780' TD, MESAVERDE

DW/GAS

CHAPITA WELLS DEEP PROSPECT

DD&A: CHAPITA DEEP

NATURAL BUTTES FIELD

LEASE: U-0283-A

ELEVATION: 4866.7' NAT GL, 4861.6' PREP GL(DUE TO ROUNDING THE PREP GL WILL BE 4862'), 4879' KB (17')

EOG BPO WI 100%, NRI 82.05923%

EOG APO WI 55.6856%, NRI 47.67131%

10-29-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling \$75,000 **Completion** \$0 **Daily Total** \$75,000

Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000

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

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	START LOCATION TODAY 10/29/08

10-30-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0

Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000

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

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

Activity at Report Time: BUILD LOCATION

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

10-31-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0

Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000

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.

11-03-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0

Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000

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 60% COMPLETE.

11-04-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0

Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000

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

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

Activity at Report Time: BUILD LOCATION

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

11-05-2008 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
 Cum Costs: Drilling \$75,000 Completion \$0 Well Total \$75,000

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TODAY WEATHER PERMITTING.

11-06-2008 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
 Cum Costs: Drilling \$75,000 Completion \$0 Well Total \$75,000

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: WO BUCKET TRUCK

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

11-07-2008 Reported By TERRY CSERE/JERRY BARNES

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
 Cum Costs: Drilling \$75,000 Completion \$0 Well Total \$75,000

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: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	CRAIGS ROUSTABOUT SERVICE SPUD A 20" HOLE ON 11/06/08 @ 7:30 AM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 11/06/08 @ 6:30 AM.

11-14-2008 Reported By KYLAN COOK

DailyCosts: Drilling \$258,859 Completion \$0 Daily Total \$258,859
 Cum Costs: Drilling \$333,859 Completion \$0 Well Total \$333,859

MD 2,462 TVD 2,462 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 # 3 ON 11/9/2008. DRILLED 12-1/4" HOLE TO 2445' GL (2462' KB). DRILLED TO TD ON AIR. RAN 57 JTS (2434.24') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2451' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO CRAIG'S RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 2000 PSIG. PUMPED 188 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (146 BBLs) OF PREMIUM LEAD CEMENT W/0.2% VARASET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/YIELD OF 4.1 CF/SX.

TAILED IN W/300 SX (63 BBLs) OF PREMIUM CEMENT W/2 % CACL2. MIXED TAIL CEMENT TO 15.6 W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/185 BBLs FRESH WATER. BUMP PLUG W/900# @ 5:56 PM, 11/12/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 176 BBL INTO FRESH WATER FLUSH. LOST RETURNS 160 BBLs INTO DISPLACEMENT. NO CEMENT TO SURFACE.

TOP JOB #1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (20 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2HRS 30 MINUTES.

TOP JOB #2: MIXED & PUMPED 150 SX (31 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED AND STOOD FULL. RDMO HALLIBURTON CEMENTERS.

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

CRAIG'S RIG #3 TOOK SURVEYS WHILE DRILLING HOLE @ 1219'= 0.5 DEGREE & 2419'= 2 DEGREES.

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

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

BRIAN ROW EMAILED NOTIFICATION TO BLM OF THE SURFACE CASING & CEMENT JOB ON 11-10-08 @ 9:25 AM.

12-24-2008	Reported By	DAVID GREESON									
Daily Costs: Drilling	\$19,383	Completion	\$0	Daily Total	\$19,383						
Cum Costs: Drilling	\$353,242	Completion	\$0	Well Total	\$353,242						
MD	2,462	TVD	2,462	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: RURT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RIG DOWN ROTARY TOOL. WESTROC TRUCKS BEGIN RIG MOVE AT 07:00 AND DERRICK LAYED OVER AT 09:00. RIG MOVE FROM THE CWU 1334-15 TO THE CWU 1335-15, 2.5 MILES. RIG COMPLETELY MOVED OFF OLD LOCATION TO NEW LOCATION. BOP TAKEN OFF AND SET ON NEW WELL HEAD W/ FMC TECH HAND. ONLY MATTING BOARDS, CAMPS AND BOP SET IN PLACE. BLM NOTIFIED ON 12-23-08 VIA EMAIL OF SCHEDULED BOP TEST FOR 12-24-08 @ 16:00 HRS. NO NIGHT WORK, TRUCKS WILL BEGIN MOVING AGAIN AT 07:00 IN THE MORNING.

TRANSFERED 1600 GL FUEL, 174.43' 4.5", 11.6#, N-80 LTC PROD. CSG. AND AN 22.68' 4.5", 11.6#, P-110 MJ TO THE CWU 1335-15.

FULL CREWS & NO ACCIDENTS OR INCIDENTS REPORTED.

SAFETY MEETINGS: MOVING RIG SAFELY IN COLD AND ICY CONDITIONS.

FUEL ON HAND 1600 GL., USED 0 GL.

BOILER 0 HOURS.

WEATHER: -3 DEGREES.

12-25-2008	Reported By	DAVID GREESON									
Daily Costs: Drilling	\$19,908	Completion	\$804	Daily Total	\$20,712						
Cum Costs: Drilling	\$373,150	Completion	\$804	Well Total	\$373,954						
MD	2,462	TVD	2,462	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: RURT

Start	End	Hrs	Activity Description
06:00	18:00	12.0	RIG UP ROTARY TOOL. WESTROC TRUCKS BEGAN WORKING AT 07:00. RIG MOVE FROM THE CWU 1334-15 TO THE CWU 1335-15, 2.5 MILES. OLD LOCATION BLADED AND CLEANED. RIG 75% IN PLACE AND RIGGED UP 50%. CRANE HAD EQUIPMENT PROBLEM, ANOTHER CRANE ON WAY TO LOCATION. DOGHOUSE, COMPOUND, DRAW WORKS, BULK BAR HOPPER AND DERRICK NOT SET INTO POSITION. ALL OTHER BUILDINGS SET. FMC TECH HAND LOCKED DOWN BOP AND TESTED SEAL TO 5K PSI. BLM NOTIFIED ON 12-24-08 VIA EMAIL OF RE-SCHEDULED BOP TEST FOR 12-27-08 @ 02:00 HRS. NO NIGHT WORK AND NO WORK ON 12-25-08. TRUCKS WILL BEGIN MOVING AGAIN AT 07:00 IN THE MORNING ON 12/26/08 DUE TO 24 HOUR CHRISTMAS BREAK.
18:00	06:00	12.0	SHUT DOWN ALL WORK UNTIL AFTER 12-25-08 FOR CHRISTMAS BREAK. TOOLPUSHER DRY WATCHING RIG. RIG UP TO RESUME ON 12-26-08. TRANSFERED 1600 GL FUEL, 174.43' 4.5", 11.6#, N-80 LTC PROD. CSG. AND AN 22.68' 4.5", 11.6#, P-110 MJ TO THE CWU 1335-15. FULL CREWS & NO ACCIDENTS OR INCIDENTS REPORTED. SAFETY MEETINGS: MOVING RIG SAFELY/USING CRANE SAFELY. FUEL ON HAND 1600 GL., USED 0 GL. BOILER 0 HOURS. WEATHER: 5 DEGREES.

12-26-2008	Reported By	DAVID GREESON									
Daily Costs: Drilling	\$19,383	Completion	\$0	Daily Total	\$19,383						
Cum Costs: Drilling	\$392,533	Completion	\$804	Well Total	\$393,337						
MD	2,462	TVD	2,462	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: RURT											

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SHUT DOWN ALL WORK UNTIL AFTER 12-25-08 FOR APPROVED HOLIDAY BREAK. TOOLPUSHER DRY WATCHING RIG. RIG UP TO RESUME ON THE MORNING OF 12-26-08. WESTROC TRUCKS AND ROCKY MT. CRANE SCHEDULED TO BEGIN WORK AT 06:00 AM. RIG MOVE FROM THE CWU 1334-15 TO THE CWU 1335-15, 2.5 MILES. OLD LOCATION BLADED AND CLEANED. RIG 75% IN PLACE AND RIGGED UP 50%. SCHEDULED BOP TEST FOR 12-27-08 @ 02:00 HRS. TRANSFERED 1600 GL FUEL, 174.43' 4.5", 11.6#, N-80 LTC PROD. CSG. AND 22.68' OF 4.5", 11.6#, P-110 MJ TO THE CWU 1335-15. FULL CREWS & NO ACCIDENTS OR INCIDENTS REPORTED. SAFETY MEETINGS: RIG UP SAFETY/USING CRANE SAFELY. FUEL ON HAND 1600 GL., USED 0 GL. BOILER 0 HOURS. WEATHER: 5 DEGREES.

12-27-2008	Reported By	DAVID GREESON									
Daily Costs: Drilling	\$39,906	Completion	\$0	Daily Total	\$39,906						
Cum Costs: Drilling	\$432,440	Completion	\$804	Well Total	\$433,244						
MD	2,462	TVD	2,462	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: TESTING BOPE											

Start	End	Hrs	Activity Description
06:00	04:00	22.0	WESTROC TRUCKS AND ROCKY MT. CRANE FINISHED RIG MOVE AT 12:00. DERRICK RAISED AT 14:00. RIG MOVE FROM THE CWU 1334-15 TO THE CWU 1335-15, 2.5 MILES. RIG UP WATER AND STEAM LINES, PUMPS, PITS AND RIG FLOOR. GET RESERVE PIT CENTRIFUGAL GOING TO FILL ACTIVE PIT SYSTEM. CHANGE OUT SPLIT PIPING ON BOILER, UNTHAW ALL LINES TO GET CIRCULATING SYSTEM WORKING.

04:00 06:00 2.0 NU BOP, ACCUMULATOR, CHOKE MANIFOLD, FLOWLINE AND FLARE LINES. FINISH RIG UP AND UNTHAW ALL STEAM AND WATER LINES TO ENABLE TESTING TO BEGIN. RIGGING UP BOP TESTER AT REPORT TIME. RIG ON DAYWORK @ 04:00, 12-27-08.

FULL CREWS & NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS: RIG UP ROTARY TOOL/COLD WEATHER SAFETY.
 FUEL RECEIVED 7200 GL. ON HAND 8200 GL., USED 600 GL.
 BOILER 8 HOURS.
 WEATHER: 3 DEGREES.

12-28-2008		Reported By		DAVID GREESON							
Daily Costs: Drilling	\$40,389	Completion	\$0	Daily Total	\$40,389						
Cum Costs: Drilling	\$472,829	Completion	\$804	Well Total	\$473,633						
MD	3,000	TVD	3,000	Progress	530	Days	1	MW	8.6	Visc	28.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: DRILLING @ 3,000'											

Start	End	Hrs	Activity Description
06:00	13:30	7.5	TEST BOPS AS FOLLOWS WITH B&C QUICK TEST. TEST UPPER & LOWER KELLY VALVE, INSIDE BOP & SAFETY VALVE TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST PIPE RAMS & INSIDE VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST PIPE RAMS & OUTSIDE BOP VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST ANNULAR PREVENTER TO 250 PSI LOW FOR 5 MINUTES & 2500 PSI HIGH FOR 10 MINUTES. TEST BLIND RAMS, KILL LINE, CHOKE LINE & MANIFOLDS TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST BLIND RAMS, KILL LINE, CHOKE LINE, & OUTSIDE MANIFOLD VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TESTED SUPERCHOKE TO 1000 PSI FOR 10 MINUTES. ALL TESTS HELD. AT DIFFERENT TIMES BETWEEN TESTS WE HAD 2.5 HOURS OF DOWN TIME WHILE TEST TRUCK AND KELLY WAS FROZEN. MORE ETHANOL WAS ADDED AND TESTS RESUMED.
13:30	14:00	0.5	TEST CASING W/ B&C QUICK TEST FOR 30 MIN. TEST HELD.
14:00	14:30	0.5	SET WEAR BUSHING
14:30	15:30	1.0	RIG REPAIR. THAW AIR LINES TO PUMPS. DE-ICE MUD LINES TO STAND PIPE.
15:30	16:30	1.0	RU/RD SERVICE TOOLS
16:30	21:30	5.0	PU BHA & DP WITH KIMZEY LD MACHINE. KELLY UP AT 2380'. SHOE AT 2460'.
21:30	22:00	0.5	KELLY UP AND INSTALL NEW ROT. HEAD RUBBER
22:00	23:00	1.0	DRILL CEMENT, FLOAT EQUIP. AND 10' NEW HOLE TO 2470'. <7K WOB, 54 RPM, 130 STK. ON #1 PUMP, 455 GPM.
23:00	23:30	0.5	FIT TEST TO 280 PSI AT 2420', 8.8 MW. = 11.0 EMW. SURVEY IN CSG. AT 2390', 1.25 DEGREE.
23:30	06:00	6.5	DRILLING FROM 2470' TO 3000' (530') 82' FPH. WOB 12-18K, ROTARY 54 & MOTOR 73. #1 PUMP ON HOLE @ 130 SPM, 455 GPM @ 1000 PSI. MUD WT 9.0 & VIS 32.

FULL CREWS & NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS: BEWARE ICE PLUGS/PRESSURE TEST BOP.
 FORMATION TOPS: GREEN RIVER 1,897', WASATCH 4,943'
 FUEL ON HAND 7000 GL., USED 1200 GL.
 BOILER 24 HOURS.
 WEATHER: -5 DEGREES.

06:00 SPUD 7 7/8" HOLE W/ROTARY TOOLS AT 23:30 HRS, 12/27/08.

12-29-2008	Reported By	DAVID GREESON, CARLOS ARRIETA
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DailyCosts: Drilling \$34,394 **Completion** \$0 **Daily Total** \$34,394
Cum Costs: Drilling \$507,223 **Completion** \$804 **Well Total** \$508,027
MD 3,785 **TVD** 3,785 **Progress** 785 **Days** 2 **MW** 9.1 **Visc** 32.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**
Activity at Report Time: TOH FOR NEW BIT

Start	End	Hrs	Activity Description
06:00	10:30	4.5	DRILL ROTATE 3000' - 3277' (277') 61' FPH. WOB 12-18K, ROTARY 54 & MOTOR 73. #1 PUMP ON HOLE @ 130 SPM, 455 GPM @ 1000 PSI. MUD WT 9.0 & VIS 32.
10:30	11:00	0.5	SERVICE RIG, CK. C.O.M.
11:00	15:30	4.5	DRILL ROTATE 3277' - 3592' (315') 70' FPH. WOB 12-18K, ROTARY 54 & MOTOR 73. #1 PUMP ON HOLE @ 130 SPM, 455 GPM @ 1000 PSI. MUD WT 9.0 & VIS 32.
15:30	16:00	0.5	SURVEY @ 3500' 2.38 DEG
16:00	22:30	6.5	DRILL ROTATE 3592' - 3785' (193') 29' FPH. WOB 12-18K, ROTARY 54 & MOTOR 73. # 2 PUMP ON HOLE @ 136 SPM, 455 GPM @ 1000 PSI. MUD WT 9.1 & VIS 31.
22:30	23:00	0.5	MIX & PUMP PILL, SURVEY
23:00	00:30	1.5	TRIP OUT HOLE F/ BIT # 2, 10 STDS CK FLOW, WELL FLOWING 2"
00:30	01:00	0.5	TRIP IN HOLE TO INCREASE MUD WT.
01:00	04:30	3.5	CIRCULATE MIX BARITE, 8'/10' FLARE, MUD WT. 9.1 PPG
04:30	05:00	0.5	CK FLOW OK, MUD WT. 9.5 PPG, MIX & PUMP PILL
05:00	06:00	1.0	TRIP OUT HOLE F/ BIT # 2

FULL CREWS & NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS: SLIPS TRIPS & FALLS/ TRIP OUT HOLE PINCH POINTS
 FORMATION TOPS: GREEN RIVER 1,897', WASATCH 4,943'
 FUEL ON HAND 5400 GL., USED 1600 GL.
 BOILER 24 HOURS.
 WEATHER: -4 DEGREES.
 MUD LOGGER 2 DAYS

12-30-2008 Reported By CARLOS ARRIETA
DailyCosts: Drilling \$31,366 **Completion** \$0 **Daily Total** \$31,366
Cum Costs: Drilling \$538,590 **Completion** \$804 **Well Total** \$539,394
MD 4,820 **TVD** 4,820 **Progress** 1,036 **Days** 3 **MW** 9.5 **Visc** 32.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**
Activity at Report Time: DRILLING @ 4820'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	TRIP OUT HOLE, CHANGE MUD MOTOR, BIT LOST 10 PIECES OF CUTTERS IN HOLE.
07:00	10:30	3.5	WAIT ON MILL & B. BASKET
10:30	12:30	2.0	TRIP IN HOLE W/ B. BASKET & MILL
12:30	15:00	2.5	MILL F/ 3785' - 3788' (3') WOB 6/8K, # 2 MUD PUMP 124 SPM, 1100 PSI
15:00	17:00	2.0	CK FLOW, PUMP PILL, TRIP OUT HOLE
17:00	17:30	0.5	L/DN MILL, CLEAN UP J. BASKET, P/UP BIT # 2
17:30	20:00	2.5	TRIP IN HOLE W/ BIT # 2, SECURITY FMHX 6555 ZM
20:00	06:00	10.0	DRILL ROTATE 3787' - 4820' (1033') 103.5' FPH. WOB 12-18K, ROTARY 56 & MOTOR 70. # 2 PUMP ON HOLE @ 136 SPM, 438 GPM @ 1650 PSI. MUD WT 9.5 & VIS 32.

FULL CREWS & NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS: HOUSE KEEPING & FALLS/ HAZARDS BOILER
 FORMATION TOPS: GREEN RIVER 1,897', WASATCH 4,943'
 FUEL ON HAND 7800 GL., USED 1600 GL.
 BOILER 24 HOURS.
 WEATHER: -3 DEGREES.
 MUD LOGGER 3 DAYS
 NO FLARE

12-31-2008	Reported By	CARLOS ARRIETA									
DailyCosts: Drilling	\$41,264	Completion	\$0	Daily Total	\$41,264						
Cum Costs: Drilling	\$579,854	Completion	\$804	Well Total	\$580,658						
MD	6,770	TVD	6,770	Progress	1,950	Days	4	MW	9.6	Visc	32.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: DRILLING @ 6770'											

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILL ROTATE 4820' - 5443' (623') 89' FPH. WOB 12-18K, ROTARY 56 & MOTOR 70. # 2 PUMP ON HOLE @ 136 SPM, 438 GPM @ 1650 PSI. MUD WT 9.5 & VIS 32.
13:00	13:30	0.5	SERVICE RIG, CK C.O.M.
13:30	06:00	16.5	DRILL ROTATE 5443' - 6770' (1327') 80.4' FPH. WOB 15/20K, ROTARY 54 & MOTOR 73. # 1 PUMP ON HOLE @ 130 SPM, 455 GPM @ 2000 PSI. MUD WT 9.7 & VIS 33. LOST 150 BBLs. MUD IN HOLE

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS:
 FORMATION TOPS: BUCK CANYON 6199', PRICE RIVER @ 7415'
 FUEL ON HAND 7800 GL., USED 1900 GL.
 BOILER 24 HOURS.
 WEATHER: 2 DEGREES.
 MUD LOGGER 4 DAYS
 NO FLARE

01-01-2009	Reported By	CARLOS ARRIETA									
DailyCosts: Drilling	\$42,912	Completion	\$0	Daily Total	\$42,912						
Cum Costs: Drilling	\$622,767	Completion	\$804	Well Total	\$623,571						
MD	7,940	TVD	7,940	Progress	1,170	Days	5	MW	33.0	Visc	7.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: DRILLING @ 7940'											

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILL ROTATE 6770' - 7077' (307') 51.1' FPH. WOB 15/20K, ROTARY 54 & MOTOR 73. # 1 PUMP ON HOLE @ 130 SPM, 455 GPM @ 2000 PSI. MUD WT 10 & VIS 34.
12:00	12:30	0.5	SERVICE RIG
12:30	06:00	17.5	DRILL ROTATE 7077 - 7940' (863') 49.3' FPH. WOB 16/20K, ROTARY 54 & MOTOR 69. # 1 PUMP ON HOLE @ 123 SPM, 431 GPM @ 2000 PSI. MUD WT 10.5 & VIS 34.

LOST 0 BBLs. MUD IN HOLE
 FULL CREWS & NO ACCIDENTS OR INCIDENTS REPORTED.

SAFETY MEETINGS: MIX CORR. CHEMS. & SNUB LINES & SHAKELS TONGS
 FORMATION TOPS: PRICE RIVER 7415', MIDDLE PRICE RIVER @ 8299'
 FUEL ON HAND 8300 GL., USED 2100 GL.
 BOILER 24 HOURS.
 WEATHER: -1 DEGREES.
 MUD LOGGER 5 DAYS
 NO FLARE

01-02-2009	Reported By	CARLOS ARRIETA									
Daily Costs: Drilling	\$31,369	Completion	\$0	Daily Total	\$31,369						
Cum Costs: Drilling	\$654,137	Completion	\$804	Well Total	\$654,941						
MD	8,380	TVD	8,380	Progress	440	Days	6	MW	10.8	Visc	34.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: TFNB#3

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILL ROTATE 7940' - 8150' (210') 32.3' FPH. WOB 16/20K, ROTARY 54 & MOTOR 69. # 1 PUMP ON HOLE @ 123 SPM, 431 GPM @ 2000 PSI. MUD WT 10.5 & VIS 34.
12:30	13:00	0.5	SERVICE RIG
13:00	21:30	8.5	DRILL ROTATE 8150' - 8380' (230') 27' FPH. WOB 16/20K, ROTARY 54 & MOTOR 69. # 1 PUMP ON HOLE @ 123 SPM, 431 GPM @ 2000 PSI. MUD WT 11.1 & VIS 34.
21:30	23:30	2.0	CIRCULATE RAISE MUD WT. TO 11.1 PPG, PUMP PILL
23:30	04:30	5.0	TRIP OUT HOLE F/ BIT # 3
04:30	05:00	0.5	L/DN REAMERS & CHANGE MUD MOTOR,
05:00	06:00	1.0	TRIP IN HOLE W/ BIT # 3 SMITH MI 616

LOST 0 BBLS. MUD IN HOLE
 FULL CREWS & NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS: BOILER, STEAM & TRIP OUT HOLE
 FORMATION TOPS: PRICE RIVER MIDDLE 8299', LOWER PRICE RIVER @ 9074'
 FUEL ON HAND 6500 GL., USED 1800 GL.
 BOILER 24 HOURS.
 WEATHER: 2 DEGREES.
 MUD LOGGER 6 DAYS
 NO FLARE

01-03-2009	Reported By	CARLOS ARRIETA									
Daily Costs: Drilling	\$126,777	Completion	\$0	Daily Total	\$126,777						
Cum Costs: Drilling	\$780,914	Completion	\$804	Well Total	\$781,718						
MD	9,150	TVD	9,150	Progress	770	Days	7	MW	11.1	Visc	35.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: DRILLING @ 9150'

Start	End	Hrs	Activity Description
06:00	08:30	2.5	TRIP IN HOLE W/ BIT #3
08:30	09:00	0.5	WASH 40' TO BTM, NO FILL
09:00	16:00	7.0	DRILL ROTATE 8380' - 8730' (350') 50' FPH. WOB 16/20K, ROTARY 54 & MOTOR 69. # 1 PUMP ON HOLE @ 123 SPM, 431 GPM @ 2000 PSI. MUD WT 11.1 & VIS 34.

16:00 16:30 0.5 SERVICE RIG
 16:30 01:00 8.5 DRILL ROTATE 8730' - 9076' (346') 40.7' FPH. WOB 16/20K, ROTARY 54 & MOTOR 69. # 1 PUMP ON HOLE @ 123 SPM, 431 GPM @ 2000 PSI. MUD WT 11.3 & VIS 36.
 01:00 02:30 1.5 WORK ON TIGHT CONNECTION @ 9076' TOP OF LOWER PRICE RIVER
 02:30 06:00 3.5 DRILL ROTATE 9076' - 9150' (74') 21.1' FPH. WOB 16/22K, ROTARY 54 & MOTOR 66. # 1 PUMP ON HOLE @ 118 SPM, 417 GPM @ 2100 PSI. MUD WT 11.3 & VIS 36.

LOST 0 BBLs. MUD IN HOLE
 FULL CREWS & NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS: ICE & DRIVING HOME
 FORMATION TOPS: LOWER PRICE RIVER @ 9074'
 FUEL ON HAND 4700 GL., USED 1800 GL.
 BOILER 24 HOURS.
 WEATHER: 19 DEGREES.
 MUD LOGGER 7 DAYS
 NO FLARE

01-04-2009	Reported By	CARLOS ARRIETA									
Daily Costs: Drilling	\$37,973	Completion	\$0	Daily Total	\$37,973						
Cum Costs: Drilling	\$818,887	Completion	\$804	Well Total	\$819,691						
MD	9,641	TVD	9,641	Progress	491	Days	8	MW	11.2	Visc	36.0
Formation :	PBTD : 0.0		Perf :		PKR Depth : 0.0						
Activity at Report Time: 9641' / TFNB#5											

Start	End	Hrs	Activity Description
06:00	14:30	8.5	DRILL ROTATE 9150' - 9387' (237') 27.8' FPH. WOB 16/22K, ROTARY 54 & MOTOR 66. # 1 PUMP ON HOLE @ 118 SPM, 417 GPM @ 2100 PSI. MUD WT 11.3 & VIS 36.
14:30	15:00	0.5	SERVICE RIG
15:00	04:30	13.5	DRILL ROTATE 9387' - 9641' (254') 18.8' FPH. WOB 18/24K, ROTARY 54 & MOTOR 66. # 1 PUMP ON HOLE @ 118 SPM, 417 GPM @ 2100 PSI. MUD WT 11.4 & VIS 35. ROP SLOWED.
04:30	05:30	1.0	CIRCULATE, FILL TRIP TANK, MIX & PUMP PILL, BLOW KELLY.
05:30	06:00	0.5	TRIP OUT HOLE F/ BIT # 5.

FULL CREWS & NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS: SPINNING CHAIN & TRIP
 FORMATION TOPS: SEGO @ 9574'
 FUEL ON HAND 2600 GL., USED 2100 GL.
 BOILER 24 HOURS.
 WEATHER: 10 DEGREES.
 MUD LOGGER 8 DAYS
 NO FLARE

01-05-2009	Reported By	JESSE TATMAN									
Daily Costs: Drilling	\$45,806	Completion	\$0	Daily Total	\$45,806						
Cum Costs: Drilling	\$864,694	Completion	\$804	Well Total	\$865,498						
MD	9,780	TVD	9,780	Progress	139	Days	9	MW	11.6	Visc	37.0
Formation :	PBTD : 0.0		Perf :		PKR Depth : 0.0						
Activity at Report Time: LAYING DOWN DRILL STRING											

Start	End	Hrs	Activity Description
06:00	09:30	3.5	TRIP OUT HOLE F/ BIT # 5
09:30	14:00	4.5	P/UP BIT # 5, Q 506, TRIP IN HOLE
14:00	16:00	2.0	DRILL ROTATE 9641' - 9701', 4-18K WOB, 55/67 RPM, 119 SPM, 417 GPM, 200-300 PSI DIFF, 30 FPH.
16:00	16:30	0.5	SERVICE RIG.
16:30	18:15	1.75	DRILL ROTATE 9701' - 9780', 14-18K WOB, 55/67 RPM, 119 SPM, 417 GPM, 200-300 PSI DIFF, 45 FPH. REACHED TD AT 18:15 HRS, 1/4/2009.
18:15	19:15	1.0	CIRCULATE FOR SHORT TRIP.
19:15	19:45	0.5	SHORT TRIP 5 STANDS.
19:45	21:30	1.75	CIRCULATE FOR LAYING DOWN DRILL STRING & RIG UP LAYDOWN CREW. HOLD SAFETY MEETING WITH LAYDOWN CREW & RIG CREW ON LAYING DOWN DRILL STRING.
21:30	21:45	0.25	PUMP PILL & WINTERIZE RIG FOR LAYING DOWN DRILL STRING.
21:45	06:00	8.25	LAYING DOWN DRILL STRING. SAFETY MEETING ON RIG SERVICE & LAYING DOWN PIPE. WEATHER IS CLEAR & TEMP IS -11 DEG. FULL CREWS & NO ACCIDENTS. COM OK. FUEL 3400 GAL. MUD WT 11.6 PPG & 38 VIS. FORMATION SEGO.

01-06-2009	Reported By	JESSE TATMAN									
DailyCosts: Drilling	\$40,254	Completion	\$226,512	Daily Total	\$266,766						
Cum Costs: Drilling	\$904,948	Completion	\$227,316	Well Total	\$1,132,265						
MD	9,780	TVD	9,780	Progress	0	Days	10	MW	11.5	Visc	36.0
Formation :	PBTD : 0.0		Perf :		PKR Depth : 0.0						

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:15	0.25	PULL WEAR BUSHING.
06:15	07:00	0.75	RIG UP CASING CREW & HOLD SAFETY MEETING ON RUNNING CASING.
07:00	14:30	7.5	RAN 230 TOTAL JOINTS (228 FULL JOINTS + 2 MARKER JOINTS) OF 4.5", 11.6#, N-80, LT&C CASING AS FOLLOWS: 1 WEATHERFROD FLOAT SHOE SET @ 9770', 1 JOINT OF CASING, 1 WEATHERFROD FLOAT COLLAR SET @ 9725', 64 JOINTS OF CASING, 22' MARKER JOINT SET @ 6992'-7014', 58 JOINTS OF CASING, 21' MARKER JOINT SET @ 4481'-4502', 105 JOINTS OF CASING & 1 CASING HANGER ASSEMBLY. RUN 35 TOTAL CENTRALIZERS AS FOLLOWS, 5' ABOVE SHOE ON JOINT #1 & ON TOP OF JOINT #2, THEN EVERY 2ND JOINT TO JOINT #68 @ 6865'. CONFIRMED TD WITH CASING, TAGGING AT 9780' WITH JOINT # 231. SET CASING IN MANDREL HANGER WITH FULL STRING WEIGHT. (80,000# WITHOUT BLOCK WEIGHT).
14:30	16:30	2.0	CIRCULATE FOR CEMENT & HOLD SAFETY MEETING ON CEMENTING.

16:30 18:45 2.25 RIGGED UP CEMENT HEAD, PRESSURE TESTED LINES TO 5000 PSI & CEMENT 4 1/2" PRODUCTION CASING AS FOLLOWS: PUMPED 20 BBLs CHEM WASH WITH .250 GAL/BBL FLUID LOSS & .500 GAL/BBL CHEM WASH CO, PUMPED WASH @ 7 BPM & 225 PSI. PUMPED 20 BBLs FRESH WATER SPACER @ 7 BPM & 250 PSI. PUMPED 445 SACKS (157 BBLs) OF 35/65 CEMENT WITH 5.0% D020, (EXTENDER), 2.0% D174, (EXPANDING CE), .750% D112, (FLUID LOSS), .200% D046, (ANTIFOAM), .300% D013, (RETARDER), .200% D065, (DISPERSANT), .125 LB/SK D130, (LOST CIRC), 12.50 PPG, 1.98 CFPS, 10.94 GPS FRESH WATER. PUMPED LEAD CEMENT @ 6 BPM & 400 PSI. PUMPED 1580 SACKS (363 BBLs) OF 50:50 POZ G CEMENT WITH 2.0% D020, (EXTENDER), .100% D046, (ANTIFOAM), .200% D167, (FLUID LOSS), .200% D065, (DISPERSANT), .100% D013, (RETARDER), 14.10 PPG, 1.29 CFPS, 5.97 GPS FRESH WATER. PUMPED TAIL CEMENT @ 6 BPM & 350 PSI. DISPLACED WITH TOTAL OF 151 BBLs FRESH WATER. FIRST 100 BBLs DISPLACEMENT @ 7 BPM & 700-2200 PSI, PUMPED 2ND 41 BBLs DISPLACEMENT @ 5 BPM & 2200-2600 PSI, 10 BBLs SHY OF BUMPING PLUG, REDUCED DISPLACEMENT RATE TO 2 BPM & 2500 PSI. BUMPED PLUG WITH 3500 PSI @ 18:35 HOURS, CHECKED FLOATS & FLOATS HELD. ABLE TO MAINTAIN GOOD CIRCULATION THROUGHOUT JOB. (NO CEMENT TO SURFACE).

18:45 20:00 1.25 RIG DOWN CEMENTERS.

20:00 21:30 1.5 BACK OUT LANDING JOINT, SET PACKOFF & TEST TO 5000 PSI FOR 15 MIN.

21:30 23:30 2.0 CLEAN MUD TANKS & RIG DOWN.

23:30 06:00 6.5 RIG DOWN.

SAFETY MEETING ON RUNNING CASING & CEMENTING.
 FULL CREWS & NO ACCIDENTS.
 COM OK.
 BOILER 24 HOURS.
 TRANSFER 2280 GAL OF DIESEL @ \$2.20/GAL TO CWU 1271-15
 TRANSFER 10 JOINTS 370.53' OF 4.5" N-80, 11.6#, LT&C CASING TO CWU 1271-15.
 MOVING RIG 1.3 MILES TO CWU 1271-15.
 TRUCKS SCHEDULED FOR 01/06/2009.

06:00 RELEASED RIG @ 23:30 HRS, 1/5/2009.
 CASING POINT COST \$893,105

01-14-2009		Reported By		SEARLE	
DailyCosts: Drilling	\$0	Completion	\$45,492	Daily Total	\$45,492
Cum Costs: Drilling	\$904,948	Completion	\$272,808	Well Total	\$1,177,757
MD	9,780	TVD	9,780	Progress	0
		Days	11	MW	0.0
Formation :		PBTD : 0.0		Perf :	
				PKR Depth :	0.0
Activity at Report Time: PREP FOR FRACS					
Start	End	Hrs	Activity Description		
06:00			MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 950' EST CEMENT TOP @ 1660'. RD SCHLUMBERGER.		

02-01-2009		Reported By		SEARLE	
DailyCosts: Drilling	\$0	Completion	\$700	Daily Total	\$700
Cum Costs: Drilling	\$904,948	Completion	\$273,508	Well Total	\$1,178,457
MD	9,780	TVD	9,780	Progress	0
		Days	12	MW	0.0
Formation :		PBTD : 0.0		Perf :	
				PKR Depth :	0.0
Activity at Report Time: PREP FOR COMPLETION					
Start	End	Hrs	Activity Description		

06:00 06:00 24.0 MIRU WSS. TEST CASING & FRAC TREE TO 6500 PSIG. RD WSS. PREP FOR COMPLETION.

02-03-2009 Reported By MCCURDY

Daily Costs: Drilling	\$0	Completion	\$1,143	Daily Total	\$1,143
Cum Costs: Drilling	\$904,948	Completion	\$274,651	Well Total	\$1,179,600

MD 9,780 TVD 9,780 Progress 0 Days 13 MW 0.0 Visc 0.0

Formation : MESAVERDE PBSD : 0.0 Perf : 8731'-9512' 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 9259'-60', 9277'-78', 9308'-09', 9338'-39', 9359'-60', 9398'-99', 9419'-20', 9441'-42', 9499'-501', 9510'-12' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4176 GAL WF116 LINEAR PAD, 2098 GAL YF116 ST+ PAD, 33630 GAL YF116ST+ WITH 107700# 20/40 SAND @ 0.5-5 PPG. MTP 6189 PSIG. MTR 52.7 BPM. ATP 5295 PSIG. ATR 46.6 BPM. ISIP 3000 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 9236'. PERFORATE LPR/MPR FROM 9034'-35', 9055'-56', 9074'-75', 9085'-86', 9095'-96', 9107'-08', 9162'-63', 9171'-72', 9193'-94', 9202'-03', 9214'-15', 9221'-22' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2073 GAL YF116 ST+ PAD, 37432 GAL YF116ST+ WITH 123700# 20/40 SAND @ 0.5-5 PPG. MTP 6097 PSIG. MTR 52.1 BPM. ATP 5295 PSIG. ATR 47.3 BPM. ISIP 3300 PSIG. RD SCHLUMBERGER.
			RUWL SET 6K CFP AT 9002'. PERFORATE MPR FROM 8731'-33', 8764'-66', 8781'-83', 8792'-93', 8810'-12', 8914'-15', 8937'-38', 8988'-89' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2074 GAL YF116 ST+ PAD, 15385 GAL YF116ST+ WITH 9500# 20/40 SAND @ 0.5-2 PPG. SD DUE TO BLENDER BREAKDOWN. OVERFLUSHED 70 BBLs. MTP 6227 PSIG. MTR 49.6 BPM. ATP 5030 PSIG. ATR 36.5 BPM. ISIP 2700 PSIG. MI REPLACEMENT BLENDER. SDFN.

02-04-2009 Reported By MCCURDY

Daily Costs: Drilling	\$0	Completion	\$365,952	Daily Total	\$365,952
Cum Costs: Drilling	\$904,948	Completion	\$640,604	Well Total	\$1,545,552

MD 9,780 TVD 9,780 Progress 0 Days 14 MW 0.0 Visc 0.0

Formation : MESAVERDE PBSD : 0.0 Perf : 7447'-9512' PKR Depth : 0.0

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	REFRAC MPR FROM 8731'-8989'. INITIAL PRESSURE 2610 PSIG. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4080 GAL YF116 ST+ PAD, 40020 GAL YF116ST+ WITH 117300 # 20/40 SAND @ 0.5-5 PPG. MTP 5700 PSIG. MTR 52 BPM. ATP 5000 PSIG. ATR 47 BPM. ISIP 2880 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 8714'. PERFORATE MPR FROM 8521'-22', 8533'-34', 8541'-42', 8552'-53', 8575'-76', 8605'-06', 8634'-35', 8639'-40', 8657'-58', 8667'-68', 8686'-87', 8696'-97' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4171 GAL YF116 ST+ PAD, 55885 GAL YF116ST+ WITH 190600# 20/40 SAND @ 0.5-5 PPG. MTP 5784 PSIG. MTR 51.1 BPM. ATP 4811 PSIG. ATR 46.5 BPM. ISIP 2650 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 8484'. PERFORATE MPR/UPR FROM 8271'-72', 8281'-82', 8332'-33', 8348'-49', 8357'-58', 8366'-67', 8389'-90', 8416'-17', 8424'-25', 8442'-43', 8454'-55', 8464'-65' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4165 GAL YF116 ST+ PAD, 44505 GAL YF116ST+ WITH 151900# 20/40 SAND @ 0.5-5 PPG. MTP 5744 PSIG. MTR 51.6 BPM. ATP 4599 PSIG. ATR 47.9 BPM. ISIP 2850 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 8230'. PERFORATE UPR FROM 7981'-82', 7995'-96', 8006'-07', 8012'-13', 8053'-54', 8062'-63', 8116'-17', 8123'-24', 8146'-47', 8158'-59', 8188'-89', 8216'-17' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5750 GAL YF116 ST+ PAD, 45083 GAL YF116ST+ WITH 151900# 20/40 SAND @ 0.5-5 PPG. MTP 5808 PSIG. MTR 52.3 BPM. ATP 4408 PSIG. ATR 48.4 BPM. ISIP 2550 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 7952'. PERFORATE UPR FROM 7703'-04', 7728'-29', 7772'-73', 7784'-85', 7831'-33', 7896'-98', 7911'-12', 7922'-23', 7929'-31' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2069 GAL YF116 ST+ PAD, 37283 GAL YF116ST+ WITH 123100# 20/40 SAND @ 0.5-5 PPG. MTP 5872 PSIG. MTR 51.6 BPM. ATP 4281 PSIG. ATR 47.2 BPM. ISIP 2650 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 7630'. PERFORATE UPR FROM 7447'-48', 7456'-57', 7467'-68', 7487'-88', 7499'-500', 7504'-05', 7510'-11', 7528'-29', 7536'-37', 7593'-94', 7598'-99', 7602'-03' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2066 GAL YF116 ST+ PAD, 44243 GAL YF116ST+ WITH 150100# 20/40 SAND @ 0.5-5 PPG. MTP 5696 PSIG. MTR 53.2 BPM. ATP 3948 PSIG. ATR 48.8 BPM. ISIP 2350 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 7365'. RDWL. SDFN.

02-05-2009		Reported By		BAUSCH							
Daily Costs: Drilling		\$0	Completion		\$26,395	Daily Total		\$26,395			
Cum Costs: Drilling		\$904,948	Completion		\$666,999	Well Total		\$1,571,947			
MD	9,780	TVD	9,780	Progress	0	Days	15	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 0.0			Perf : 7447'-9512'		PKR Depth : 0.0			
Activity at Report Time: CLEAN OUT AFTER FRAC											
Start	End	Hrs	Activity Description								
07:00	16:00	9.0	MIRUSU. ND FRAC TREE. NU BOP. RIH W/3-7/8" HURRICANE MILL & PUMP OFF SUB TO 7365'. RU TO DRILL OUT PLUGS. SDFN.								

02-06-2009		Reported By		BAUSCH							
Daily Costs: Drilling		\$0	Completion		\$10,728	Daily Total		\$10,728			
Cum Costs: Drilling		\$904,948	Completion		\$677,727	Well Total		\$1,582,675			
MD	9,780	TVD	9,780	Progress	0	Days	16	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 9570.0			Perf : 7447'-9512'		PKR Depth : 0.0			
Activity at Report Time: FLOW TEST											
Start	End	Hrs	Activity Description								
07:00	06:00	23.0	CLEANED OUT & DRILLED OUT PLUGS @ 7365', 7630', 7952', 8230', 8484', 8714', 9002' & 9236'. RIH. CLEANED OUT TO 9570'. LANDED TBG AT 8252' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RD MOSU.								

FLOWED 15 HRS. 24/64 CHOKE. FTP 1350 PSIG. CP 1200 PSIG. 90 BFPH. RECOVERED 1470 BLW. 9121 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'
 1 JT 2-3/8 4.7# N-80 TBG 31.65'
 XN NIPPLE 1.30'
 259 JTS 2-3/8 4.7# N-80 TBG 8200.99'
 BELOW KB 17.00'

LANDED @ 8251.94' KB

02-07-2009	Reported By	BAUSCH/DUANE COOK									
DailyCosts: Drilling	\$0	Completion	\$2,540	Daily Total	\$2,540						
Cum Costs: Drilling	\$904,948	Completion	\$680,267	Well Total	\$1,585,215						
MD	9,780	TVD	9,780	Progress	0	Days	17	MW	0.0	Visc	0.0
Formation : MESAVERDE	PBTD : 9570.0		Perf : 7447'-9512'		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 1450 PSIG & CP 1100 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 12:30 HRS, 2/6/09. FLOWED 800 MCFD RATE ON 24/64" POS CHOKE. STATIC 282. QGM METER #8078.

FLOWED 24 HRS. 24/64 CHOKE. FTP 1450 PSIG. CP 1000 PSIG. 54 BFPH. RECOVERED 1543 BLW. 7578 BLWTR. 1200 MCFD RATE. FLOWED THROUGH TEST UNIT TO SALES.

02-08-2009	Reported By	BAUSCH									
DailyCosts: Drilling	\$0	Completion	\$2,040	Daily Total	\$2,040						
Cum Costs: Drilling	\$904,948	Completion	\$682,307	Well Total	\$1,587,255						
MD	9,780	TVD	9,780	Progress	0	Days	18	MW	0.0	Visc	0.0
Formation : MESAVERDE	PBTD : 9570.0		Perf : 7447'-9512'		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 1400 PSIG. CP 2550 PSIG. 50 BFPH. RECOVERED 1252 BLW. 6326 BLWTR. 1400 MCFD RATE. FLOWED THROUGH TEST UNIT TO SALES.

FLOWED 835 MCF, 0 BC & 1543 BW IN 20 HRS ON 24/64" CHOKE, TP 1400 PSIG, CP 1550 PSIG.

02-09-2009	Reported By	BAUSCH									
DailyCosts: Drilling	\$0	Completion	\$2,040	Daily Total	\$2,040						
Cum Costs: Drilling	\$904,948	Completion	\$684,347	Well Total	\$1,589,295						
MD	9,780	TVD	9,780	Progress	0	Days	19	MW	0.0	Visc	0.0
Formation : MESAVERDE	PBTD : 9570.0		Perf : 7447'-9512'		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 1300 PSIG. CP 2250 PSIG. 41 BFPH. RECOVERED 1017 BLW. 5309 BLWTR. 1800 MCFD RATE. FLOWED THROUGH TEST UNIT TO SALES.

FLOWED 1411 MCF, 130 BC & 1180 BW IN 24 HRS ON 24/64" CHOKE, TP 1500 PSIG, CP 2500 PSIG.

02-10-2009	Reported By										
DailyCosts: Drilling	\$0	Completion	\$2,040	Daily Total	\$2,040						
Cum Costs: Drilling	\$904,948	Completion	\$686,387	Well Total	\$1,591,335						
MD	9,780	TVD	9,780	Progress	0	Days	20	MW	0.0	Visc	0.0
Formation : MESAVERDE	PBTD : 9570.0		Perf : 7447'-9512'		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 1150 PSIG. CP 2000 PSIG. 30 BFPH. RECOVERED 746 BLW. 4063 BLWTR.
1800 MCFD RATE. FLOWED THROUGH TEST UNIT TO SALES.

FLOWED 1752 MCF, 0 BC & 1017 BW IN 24 HRS ON 24/64" CHOKE, TP 1250 PSIG, CP 2250 PSIG.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU0283A

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 NWNE 10FNL 1330FEL 40.04323 N Lat, 109.42138 W Lon
 At top prod interval reported below NWNE 10FNL 1330FEL 40.04323 N Lat, 109.42138 W Lon
 At total depth NWNE 10FNL 1330FEL 40.04323 N Lat, 109.42138 W Lon

14. Date Spudded 11/06/2008 15. Date T.D. Reached 01/04/2009 16. Date Completed D & A Ready to Prod. 02/06/2009

6. If Indian, Allottee or Tribe Name
7. Unit or CA Agreement Name and No. CHAPITA WELLS
8. Lease Name and Well No. CHAPITA WELLS UNIT 1335-15
9. API Well No. 43-047-39512
10. Field and Pool, or Exploratory NATURAL BUTTES
11. Sec., T., R., M., or Block and Survey or Area Sec 15 T9S R22E Mer SLB
12. County or Parish UINTAH 13. State UT
17. Elevations (DF, KB, RT, GL)* 4867 GL

18. Total Depth: MD 9780 TVD 19. Plug Back T.D.: MD 9570 TVD 20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
RST/CBL/CCL/VDL/GR Temp

22. Was well cored? No Yes (Submit analysis)
 Was DST run? No Yes (Submit analysis)
 Directional Survey? No Yes (Submit analysis)

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

Hole Size	Size/Grade	Wt. (#ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2451		750		0	
7.875	4.500 N-80	11.6	0	9770		2025		1660	

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		8252						

25. Producing Intervals 26. Perforation Record 7447

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	7447	9512	9259 TO 9512		3	
B)			9034 TO 9222		3	
C)			8731 TO 8989		3	
D)			8521 TO 8697		3	

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

Depth Interval	Amount and Type of Material
9259 TO 9512	40,069 GALS GELLED WATER & 107,700# 20/40 SAND
9034 TO 9222	39,670 GALS GELLED WATER & 123,700# 20/40 SAND
8731 TO 8989	61,889 GALS GELLED WATER & 126,800# 20/40 SAND
8521 TO 8697	60,221 GALS GELLED WATER & 190,600# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
02/06/2009	02/17/2009	24	▶	20.0	534.0	70.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
10/64"	SI 1600	2200.0	▶	20	534	70		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 #67956 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
 ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED

RECEIVED

MAR 16 2009

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	7447	9512		GREEN RIVER BIRDS NEST MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER	1945 2050 2553 4829 4944 5535 6238 7439

32. Additional remarks (include plugging procedure):

Please see the attached page for detailed perforation and additional formation marker information.

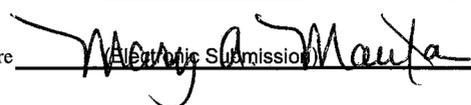
33. Circle enclosed attachments:

- 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 #67956 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 03/11/2009

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 1335-15 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

8271-8465	3/spf
7981-8217	3/spf
7703-7931	3/spf
7447-7603	3/spf

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

8271-8465	48,835 GALS GELLED WATER & 151,900# 20/40 SAND
7981-8217	50,998 GALS GELLED WATER & 151,900# 20/40 SAND
7703-7931	39,517 GALS GELLED WATER & 123,100# 20/40 SAND
7447-7603	46,474 GALS GELLED WATER & 150,100# 20/40 SAND

Perforated the Lower Price River from 9259-60', 9277-78', 9308-09', 9338-39', 9359-60', 9398-99', 9419-20', 9441-42', 9499-9501', 9510-12' w/ 3 spf.

Perforated the Lower/Middle Price River from 9034-35', 9055-56', 9074-75', 9085-86', 9095-96', 9107-08', 9162-63', 9171-72', 9193-94', 9202-03', 9214-15', 9221-22' w/ 3 spf.

Perforated the Middle Price River from 8731-33', 8764-66', 8781-83', 8792-93', 8810-12', 8914-15', 8937-38', 8988-89' w/ 3 spf.

Perforated the Middle Price River from 8521-22', 8533-34', 8541-42', 8552-53', 8575-76', 8605-06', 8634-35', 8639-40', 8657-58', 8667-68', 8686-87', 8696-97' w/ 3 spf.

Perforated the Middle/Upper Price River from 8271-72', 8281-82', 8332-33', 8348-49', 8357-58', 8366-67', 8389-90', 8416-17', 8424-25', 8442-43', 8454-55', 8464-65' w/ 3 spf.

Perforated the Upper Price River from 7981-82', 7995-96', 8006-07', 8012-13', 8053-54', 8062-63', 8116-17', 8123-24', 8146-47', 8158-59', 8188-89', 8216-17' w/ 3 spf.

Perforated the Upper Price River from 7703-04', 7728-29', 7772-73', 7784-85', 7831-33', 7896-98', 7911-12', 7922-23', 7929-31' w/ 3 spf.

Perforated the Upper Price River from 7447-48', 7456-57', 7467-68', 7487-88', 7499-7500', 7504-05', 7510-11', 7528-29', 7536-37', 7593-94', 7598-99', 7602-03' w/ 3 spf.

32. FORMATION (LOG) MARKERS

Middle Price River	8313
Lower Price River	9105
Sego	9622

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

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 1335-15

API number: 4304739512

Well Location: QQ NWNE Section 15 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
		DRY	NO WATER

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

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

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

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 3/11/2009

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0283A
2. Name of Operator EOG RESOURCES, INC.		6. If Indian, Allottee or Tribe Name
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS
3b. Phone No. (include area code) Ph: 303-824-5526 Fx: 303-824-5527		8. Well Name and No. CHAPITA WELLS UNIT 1335-15
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 15 T9S R22E NWNE 10FNL 1330FEL 40.04323 N Lat, 109.42138 W Lon		9. API Well No. 43-047-39512
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

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

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

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

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

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

14. I hereby certify that the foregoing is true and correct. Electronic Submission #70506 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 <i>Mary A. Maestas</i> (Electronic Submission)	Date 06/04/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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 ****

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: U-0283-A
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: CWU 1335-15
2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047395120000
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0010 FNL 1330 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 15 Township: 09.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: 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"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 9/21/2009	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: Pit Closure

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

The reserve pit on the referenced location was closed on 9/21/2009 as per the APD procedure.

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

FOR RECORD ONLY

October 07, 2009

NAME (PLEASE PRINT) Mickenzie Gates	PHONE NUMBER 435 781-9145	TITLE Operations Clerk
SIGNATURE N/A		DATE 10/6/2009