

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL			5. MINERAL LEASE NO: ML 3355	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			8. UNIT or CA AGREEMENT NAME: Chapita Wells Unit	
2. NAME OF OPERATOR: EOG RESOURCES, INC.			9. WELL NAME and NUMBER: Chapita Wells Unit 731-32	
3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY VERNAL STATE UT ZIP 84078		PHONE NUMBER: (435) 789-0790	10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1046 FNL & 2041 FWL 39.996875 Lat 109.352856 Lon AT PROPOSED PRODUCING ZONE: Same			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 32 9S 23E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 54.0 Miles South of Vernal, UT			12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1046	16. NUMBER OF ACRES IN LEASE: 640	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: Suspended		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 65'	19. PROPOSED DEPTH: 6,730	20. BOND DESCRIPTION: NM 2308		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5199' GL	22. APPROXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION: 45 Days		

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
17-1/2	13-3/8 H-40 48#	45	SEE ATTACHED EIGHT POINT PLAN
12-1/4	9-5/8 J-55 36#	2,300	SEE ATTACHED EIGHT POINT PLAN
7-7/8	4-1/2 N-80 11.6#	6,730	SEE ATTACHED EIGHT POINT PLAN

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Kaylene R. Gardner TITLE Lead Regulatory Assistant
 SIGNATURE [Signature] DATE 8/20/2007

(This space for State use only)

API NUMBER ASSIGNED: 43-047-39582

APPROVAL: [Signature]
 Date: 11-01-07
 By: [Signature]

Approved by the
Utah Division of
Oil, Gas and Mining

RECEIVED
AUG 22 2007
DIV. OF OIL, GAS & MINING

EIGHT POINT PLAN

CHAPITA WELLS UNIT 731-32
NE/NW, SEC. 32, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,424		Shale	
Wasatch	4,408	Primary	Sandstone	Gas
Chapita Wells	4,938	Primary	Sandstone	Gas
Buck Canyon	5,625	Primary	Sandstone	Gas
North Horn	6,251	Primary	Sandstone	Gas
KMV Price River	6,523		Sandstone	
TD	6,730			

Estimated TD: **6,730' or 200'± below Segro top**

Anticipated BHP: 3,675 Psig

- Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
- 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	233,000#

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.

1. to surf w/10"

EIGHT POINT PLAN

CHAPITA WELLS UNIT 731-32
NE/NW, SEC. 32, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 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 731-32
NE/NW, SEC. 32, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

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

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: **185 sks** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% 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: **121 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: **490 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 731-32
NE/NW, SEC. 32, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

11. STANDARD REQUIRED EQUIPMENT:

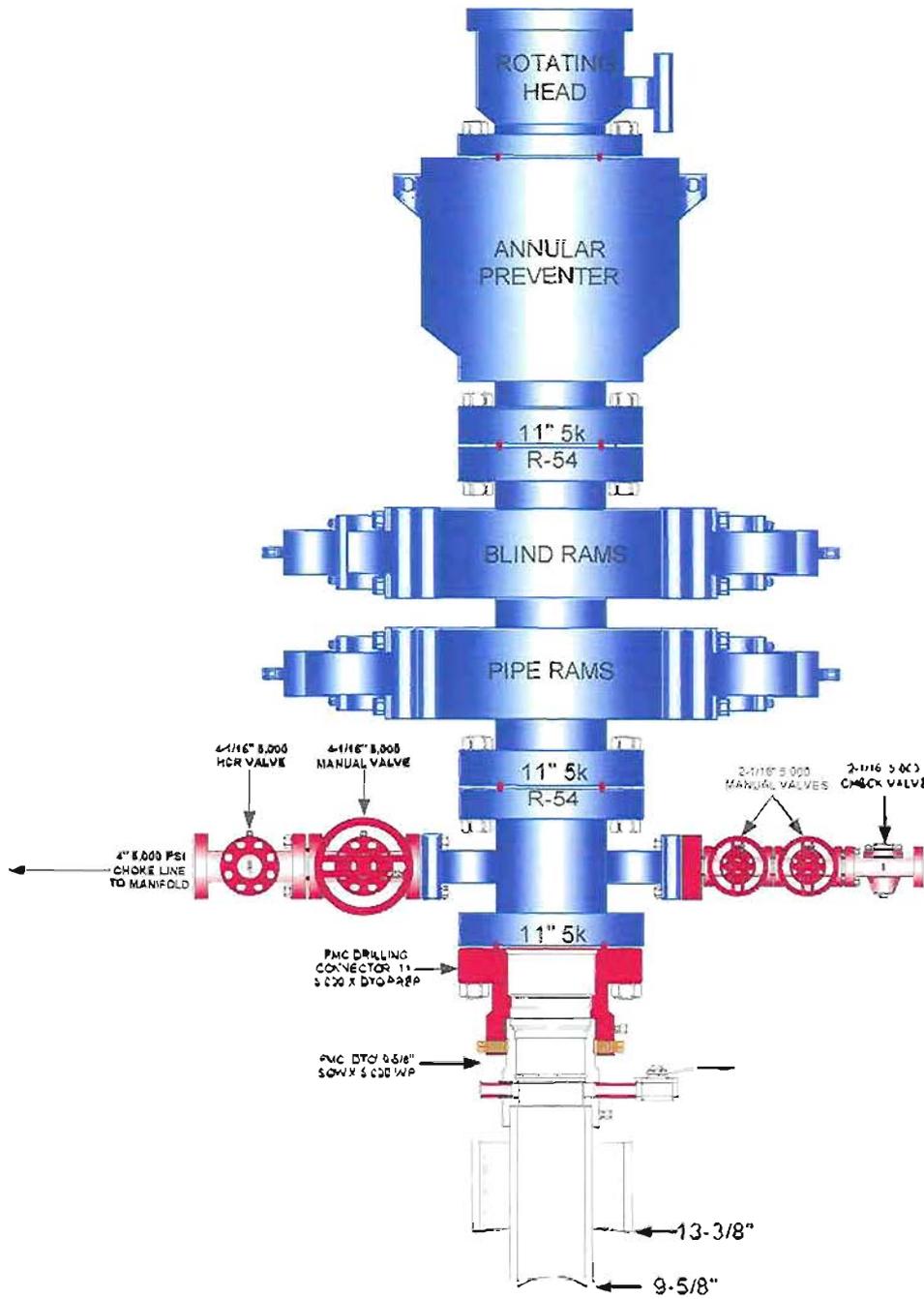
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

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

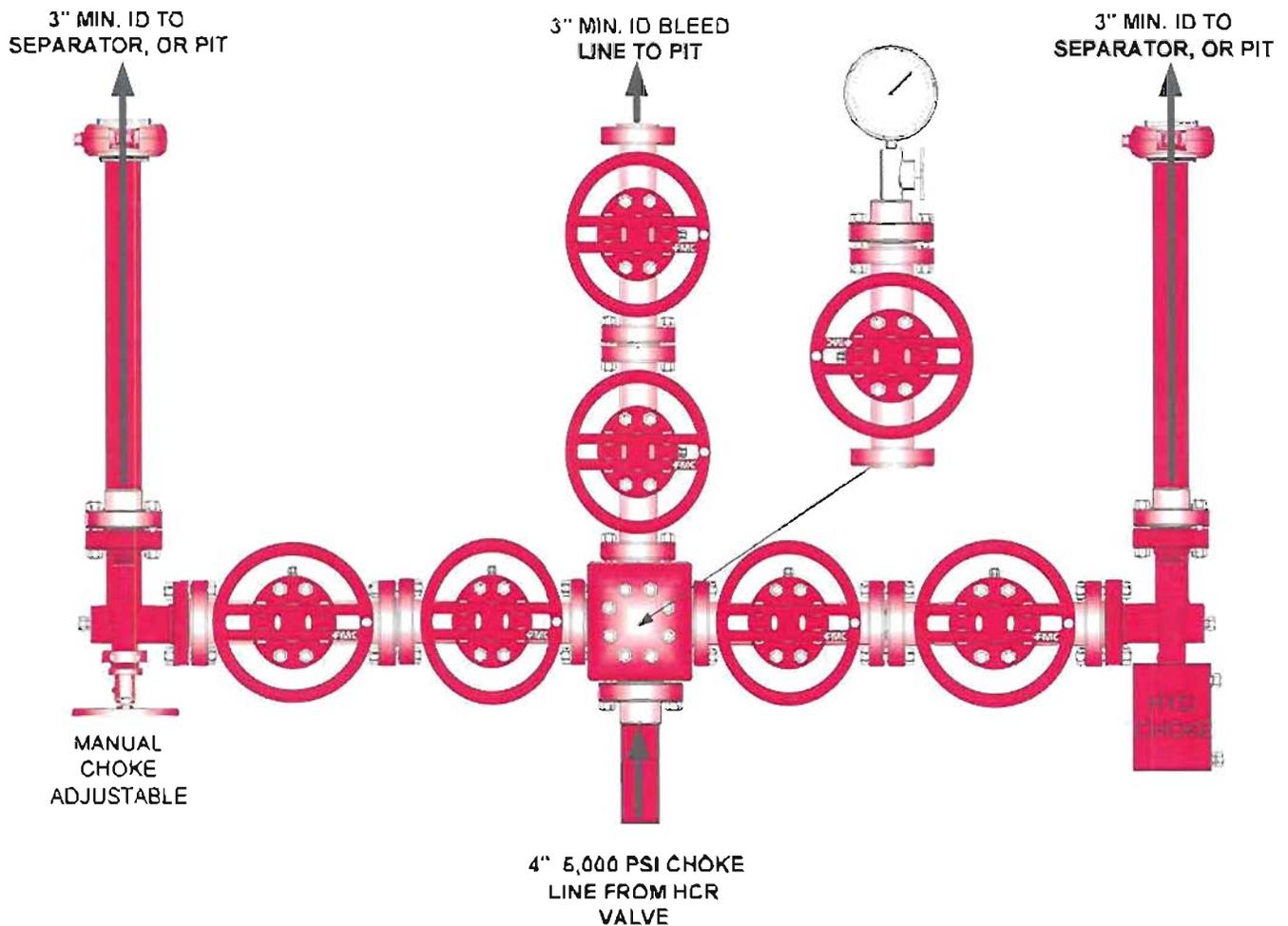
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF 2



Testing Procedure:

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



**Chapita Wells Unit 731-32
NENW, Section 32, T9S, R23E
Uintah County, Utah**

SURFACE USE PLAN

1. EXISTING ROADS:

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 54.0 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

- A. The existing access road for Chapita Wells Unit 853-32 will be used to access the proposed location. No new access road will be required.
- B. 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. 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.

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

5. LOCATION AND TYPE OF WATER SUPPLY:

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

6. SOURCE OF CONSTRUCTION MATERIALS:

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

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

1. Cuttings will be confined in the reserve pit.
2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.

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

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

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

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

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

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

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

The reserve pit will be located on the southeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the south side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil. The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protection of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the east.

FENCING REQUIREMENTS:

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

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

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

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as

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

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Interim Reclamation (Producing Location)

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

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

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

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours – See attached Figure #3. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

B. 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.

11. SURFACE OWNERSHIP:

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

State of Utah

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 cultural resources survey was conducted and submitted February 23, 2007 report # MOAC 06-620. A paleontology survey will be conducted and 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.

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 731-32 Well, located in the NENW, of Section 32, T9S, R23E, Uintah County, Utah; State 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 20, 2006
Date

Kaylene R. Gardner, Lead Regulatory Assistant

EOG RESOURCES, INC.

CWU #731-32

LOCATED IN UINTAH COUNTY, UTAH
SECTION 32, T9S, R23E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

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

LOCATION PHOTOS

08 02 07
MONTH DAY YEAR

PHOTO

TAKEN BY: A.F.

DRAWN BY: B.C.

REVISED: 00-00-00

EOG RESOURCES, INC.

CWU #731-32

SECTION 32, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 4.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE EXISTING #853-32 AND THE PROPOSED LOCATION.

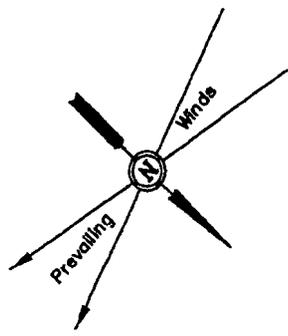
TOTAL DISTANCE FROM VERNAL, UT TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 54.0 MILES.

EOG RESOURCES, INC.

FIGURE #1

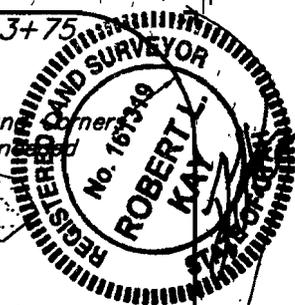
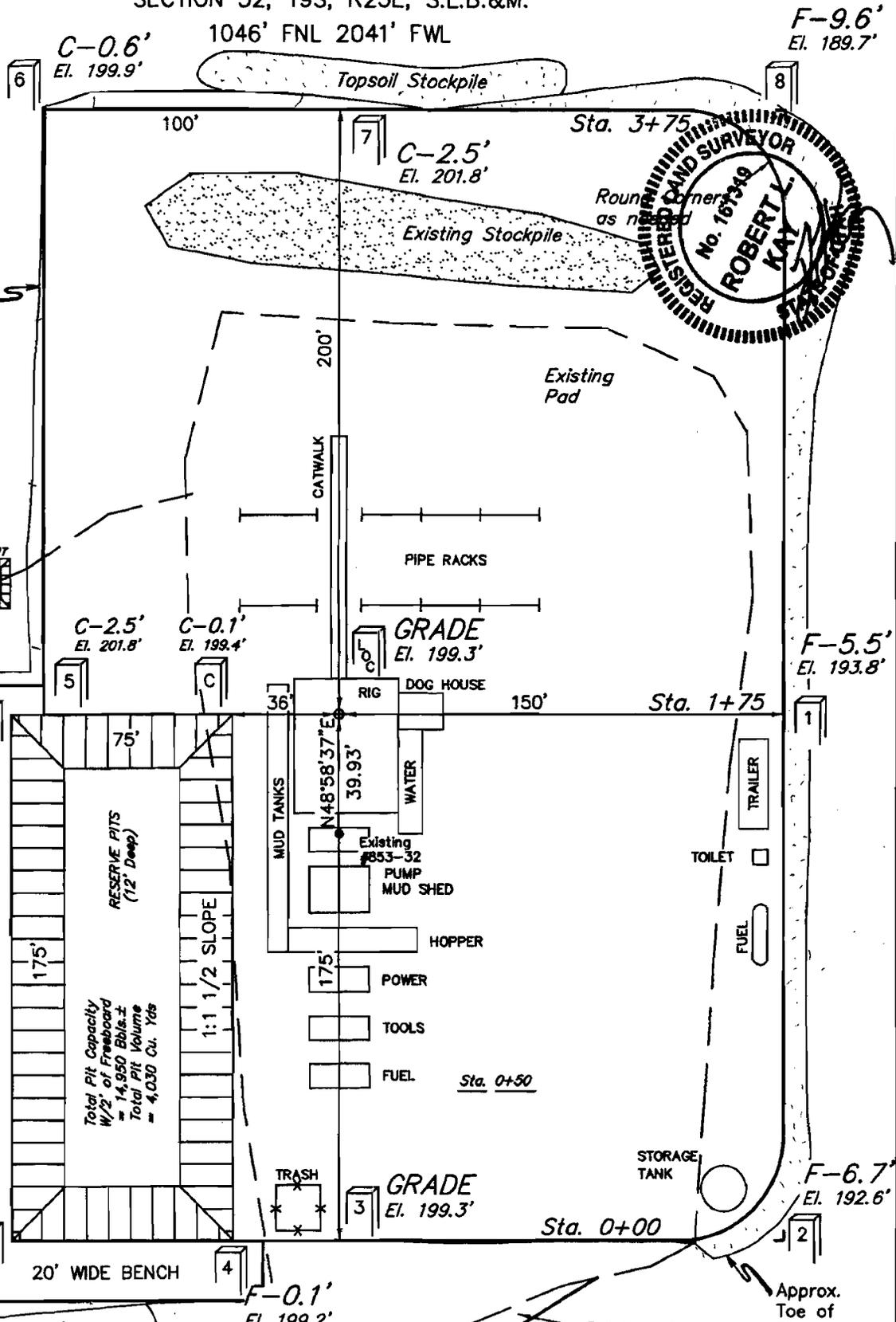
LOCATION LAYOUT FOR

CWU #731-32
SECTION 32, T9S, R23E, S.L.B.&M.
1046' FNL 2041' FWL



SCALE: 1" = 50'
DATE: 07-30-07
Drawn By: C.H.

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



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

Borrow Area
Elev. Ungraded Ground at Location Stake = 5199.3'
Elev. Graded Ground at Location Stake = 5199.3'

EOG RESOURCES, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR

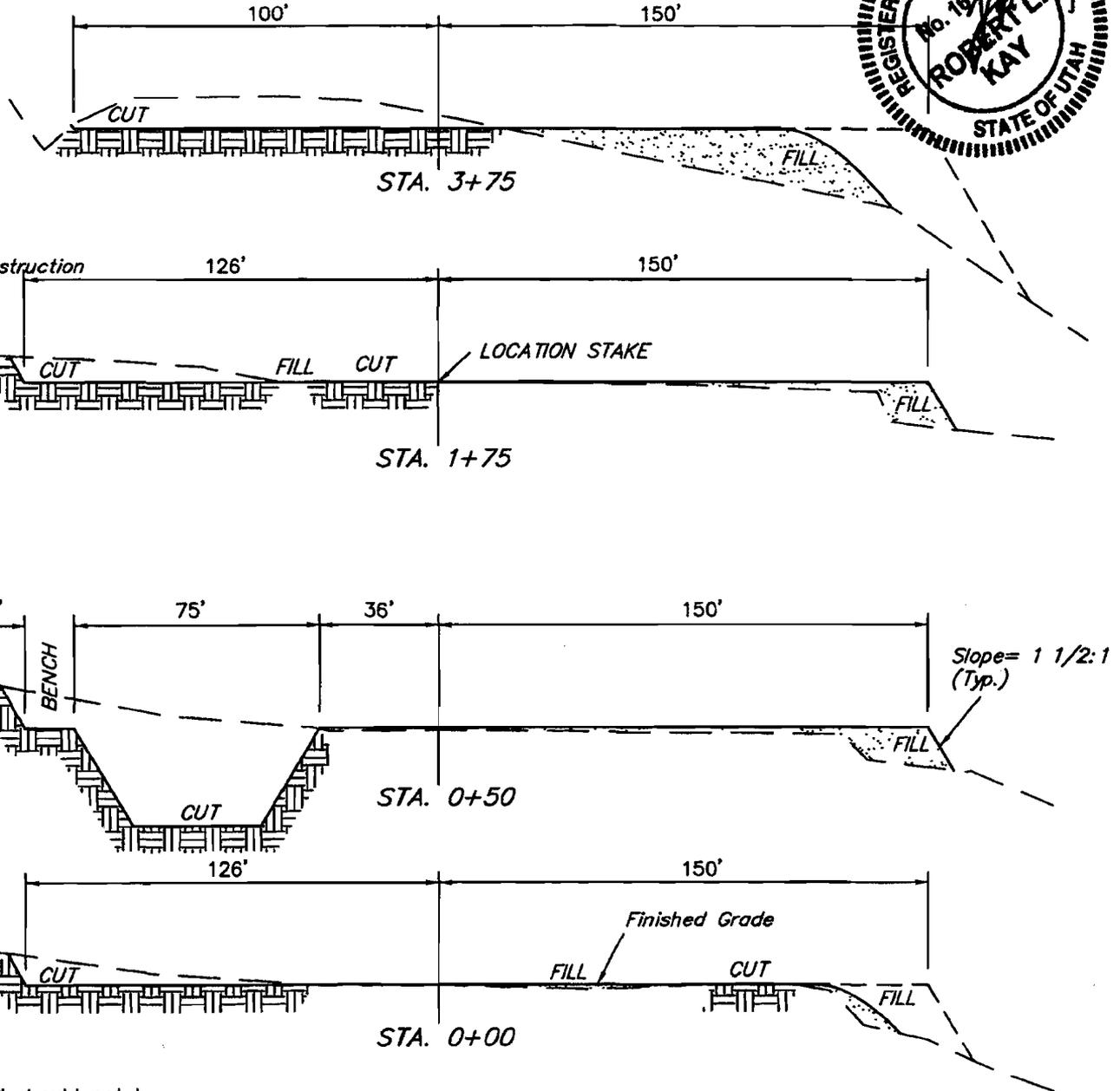
CWU #731-32

SECTION 32, T9S, R23E, S.L.B.&M.

1046' FNL 2041' FWL

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

DATE: 07-30-07
Drawn By: C.H.



NOTE:

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

(Obtain Deficit Material From Approved Borrow Area)

* NOTE: FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	900 Cu. Yds.
New Construction Only		
Remaining Location	=	1,790 Cu. Yds.
TOTAL CUT	=	2,690 CU.YDS.
FILL	=	5,340 CU.YDS.

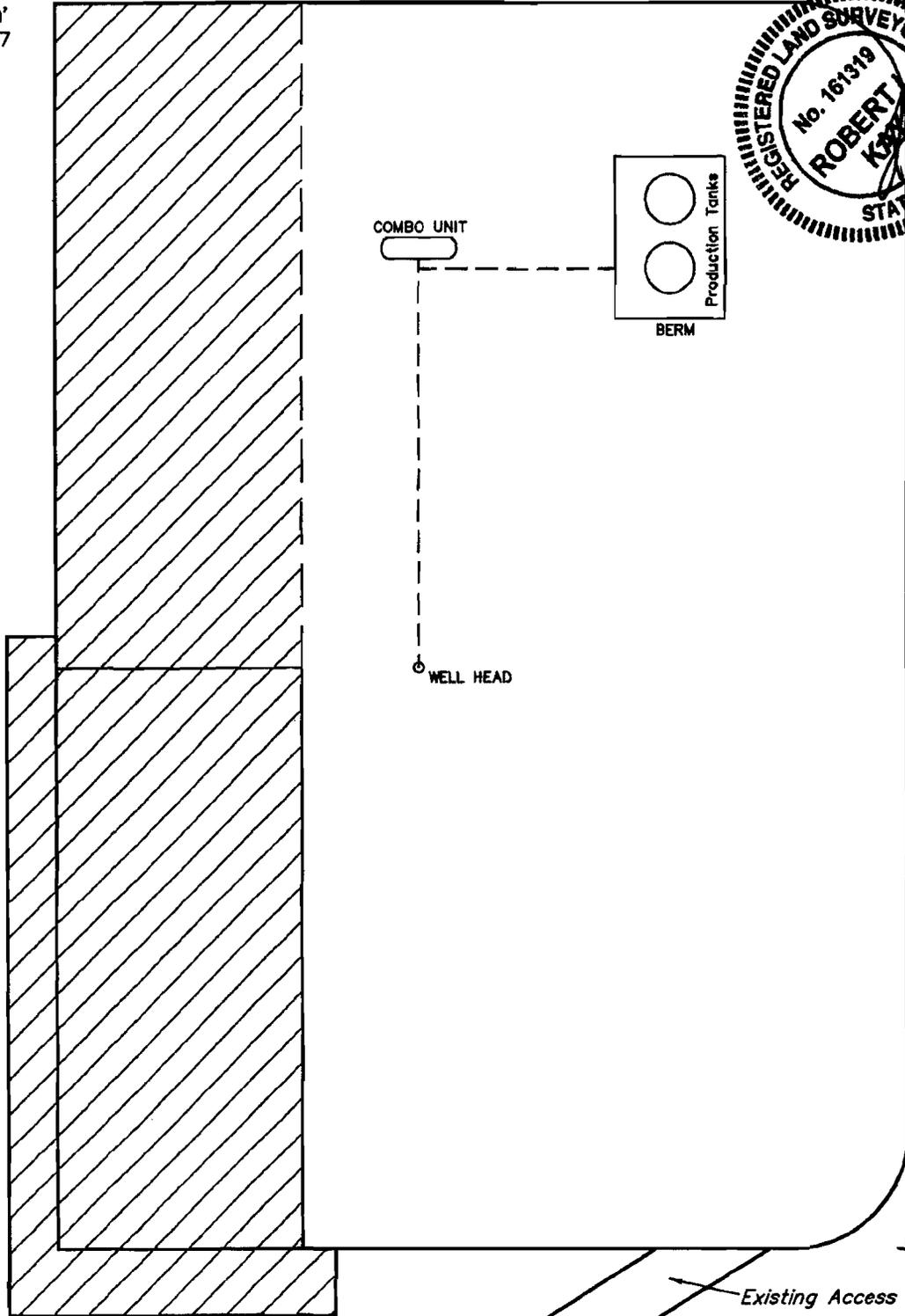
DEFICIT MATERIAL	=	<2,650>Cu. Yds.
Topsoil & Pit Backfill	=	2,920 Cu. Yds.
(1/2 Pit Vol.)		
DEFICIT UNBALANCE	=	<5,570>Cu. Yds.
(After Interim Rehabilitation)		

EOG RESOURCES, INC.
PRODUCTION FACILITY LAYOUT FOR
CWU #731-32
SECTION 32, T9S, R23E, S.L.B.&M.
1046' FNL 2041' FWL

FIGURE #3

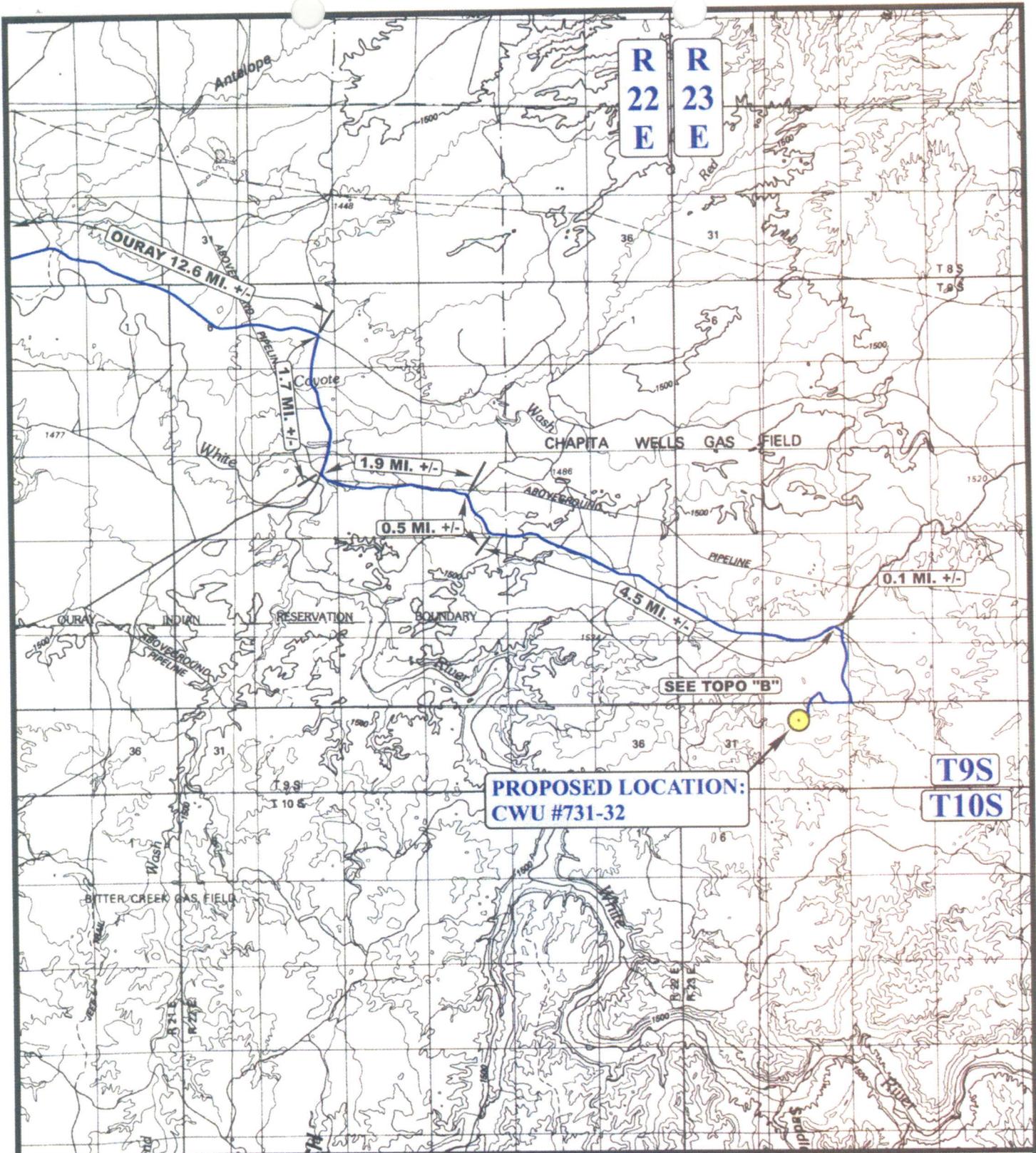


SCALE: 1" = 50'
DATE: 07-30-07
Drawn By: C.H.



 RE-HABED AREA

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



**PROPOSED LOCATION:
CWU #731-32**

SEE TOPO "B"

LEGEND:

 **PROPOSED LOCATION**



EOG RESOURCES, INC.

**CWU #731-32
SECTION 32, T9S, R23E, S.L.B.&M.
1046' FNL 2041' FWL**

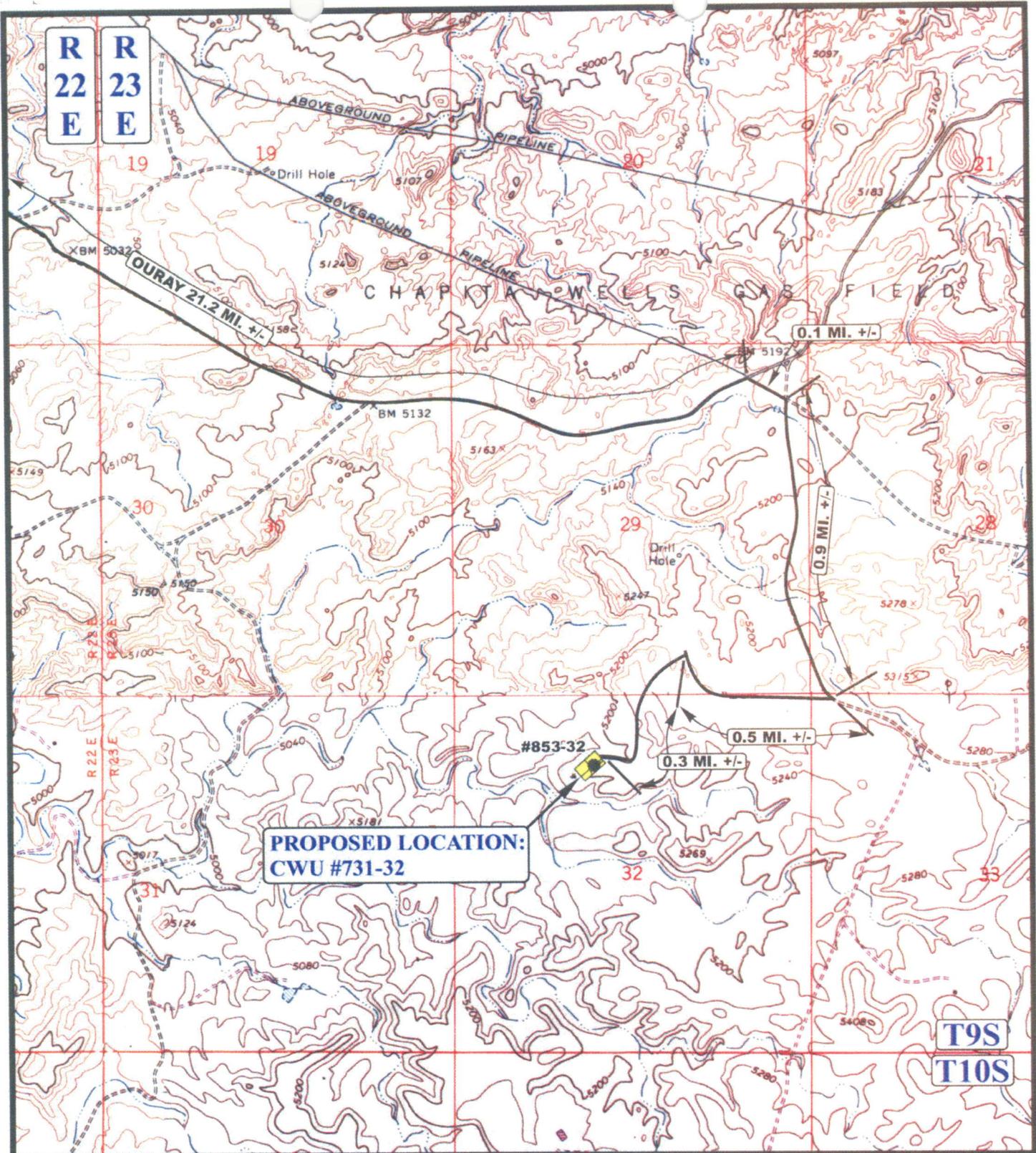


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP **08 02 07**
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: B.C. REVISED: 00-00-00





LEGEND:

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD

EOG RESOURCES, INC.

CWU #731-32
SECTION 32, T9S, R23E, S.L.B.&M.
1046' FNL 2041' FWL



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

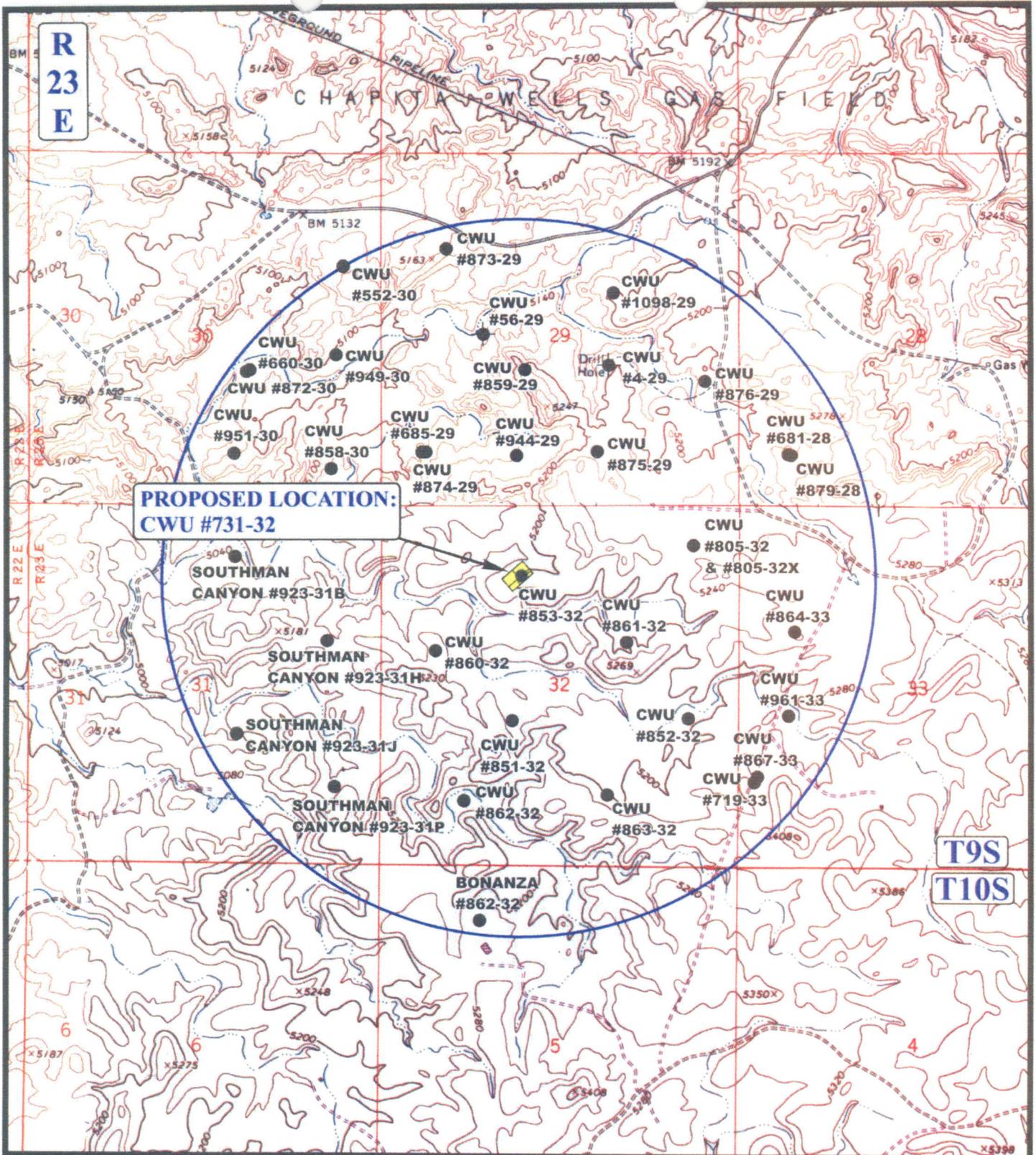


TOPOGRAPHIC
MAP

08 02 07
 MONTH DAY YEAR

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





**PROPOSED LOCATION:
CWU #731-32**

**T9S
T10S**

LEGEND:

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



EOG RESOURCES, INC.

**CWU #731-32
SECTION 32, T9S, R23E, S.L.B.&M.
1046' FNL 2041' FWL**



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

TOPOGRAPHIC MAP	08 02 07 MONTH DAY YEAR	C TOPO
SCALE: 1" = 2000'	DRAWN BY: B.C. REVISED: 00-00-00	

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/22/2007

API NO. ASSIGNED: 43-047-39582

WELL NAME: CWU 731-32
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-789-0790

PROPOSED LOCATION:

NENW 32 090S 230E
 SURFACE: 1046 FNL 2041 FWL
 BOTTOM: 1046 FNL 2041 FWL
 COUNTY: UINTAH
 LATITUDE: 39.99694 LONGITUDE: -109.3522
 UTM SURF EASTINGS: 640668 NORTHINGS: 4428508
 FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DWG	11/1/07
Geology		
Surface		

LEASE TYPE: 3 - State
 LEASE NUMBER: ML 3355
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSTC
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. 6196017)
- 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: Suspends General Siting
- R649-3-11. Directional Drill

COMMENTS:

Needs Permit (09-24-07)

STIPULATIONS:

- 1- STATEMENT OF BASIS
- 2- Surface Csg Cont Stip

T9S R23E

CWU 658-30
CWU 869-30

CWU 1083-30

CWU 870-30
CWU 550-30N

CWU 1125-29

CWU 1099-29

CWU 57-29

CWU 314-30F
CWU 314-30

CWU 969-30

CWU 47-30

CWU 2-29
SWD

CWU 1082-30

CWU 1084-30

CWU 1085-30

CWU 552-30

CWU 873-29

CWU 1098-29

CWU 947-30

CWU 551-30

CWU 553-30F

CWU 688-30

CWU 1293-30

CWU 682-30

CWU 1294-30

CWU 56-29

29

CWU 871-30
CWU 686-30

CWU 872-30

CWU 949-30

CWU 942-29

CWU 859-29

CWU 943-29

CWU 876-29

CWU 948-30
CWU 46-30

CWU 660-30

CWU 4

CWU 703-29

NATURAL BUTTES FIELD CHAPITA WELLS UNIT

CAUSE: 179-8 / 8-10-1999

CWU 950-30

CWU 659-30

CWU 951-30

CWU 687-30

CWU 874-29
CWU 685-29

CWU 944-29

CWU 875-29

CWU 704-29

CWU 945-29

CWU 857-30

CWU 858-30

SOUTHMAN
CYN 31-2X (RIG SKID)

SOUTHMAN
CYN 923-31C

SOUTHMAN
CYN 923-31B

SOUTHMAN
CYN 923-31A

SOUTHMAN
CANYON 31-2

SOUTHMAN
CYN 923-31G

CWU 50-32

CWU 805-32X
(RIGSKID)

CWU 953-32

CWU 805-32

SOUTHMAN
CYN 923-31E

SOUTHMAN
CANYON 31-3

SOUTHMAN
CYN 923-31H

CWU 853-32

CWU 731-32

CWU 1325-32

CWU 954-32

CWU 1325-32

CWU 695-32
CWU 861-32

CWU 1326-32

CWU 955-32

SOUTHMAN
CANYON 31-1L

SOUTHMAN
CYN 923-31K

SOUTHMAN
CYN 923-31J

CWU 860-32
CWU 697-32

CWU 1330-32

CWU 1328-32

CWU 1331-32

CWU 32

CWU 956-32

CWU 722-32
CWU 852-32

SOUTHMAN
CYN 923-31L

SOUTHMAN
CYN 923-31M

SOUTHMAN
CANYON 31-4

SOUTHMAN
CYN 923-31O

SOUTHMAN
CYN 923-31P

CWU 862-32

CWU 699-32

CWU 851-32

CWU 1031-32

CWU 51-32

CWU 957-32

CWU 698-32
CWU 863-32

T10S R23E

BONANZA
1023-6B

BONANZA
1023-5A

BONANZA
1023-5AX (RIGSKID)

OPERATOR: EOG RESOURCES INC (N2995)

SEC: 30,32 T.9S R. 23E

FIELD: NATURAL BUTTES (630)

COUNTY: UTAH

CAUSE: 179-8 / 8-10-1999

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

- Unit Status**
- EXPLORATORY
 - GAS STORAGE
 - NP PP OIL
 - NP 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



OIL, GAS & MINING



PREPARED BY: DIANA MASON
DATE: 27-AUGUST-2007

Application for Permit to Drill

Statement of Basis

9/27/2007

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
518	43-047-39582-00-00		GW	S	No
Operator	EOG RESOURCES INC	Surface Owner-APD			
Well Name	CWU 731-32	Unit			
Field	UNDESIGNATED	Type of Work			
Location	NENW 32 9S 23E S 1046 FNL 2041 FWL GPS Coord (UTM) 640668E 4428508N				

Geologic Statement of Basis

EOG proposes to set 2,300' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 3,200'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and is not expected to produce prolific aquifers. The production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole.

Brad Hill
APD Evaluator

9/27/2007
Date / Time

Surface Statement of Basis

The general area is the Chapita Wells Gas Field within the Coyote Wash Drainage. This drainage is a significant drainage beginning near the Utah-Colorado border to the east and joining the White River several miles to the west and south. The wash is dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. The topography is characterized by rolling hills, frequently divided by gentle to deep draws, which flow into Coyote Wash. The draws are often rimmed with steep side hills with exposed sand stone bedrock cliffs. Vernal, Utah is approximately 35 air miles and 55 road miles to the northwest. Utah State, Uintah County and oilfield development roads access the area.

The proposed Chapita Wells Unit 731-32 gas well is a twin well to be drilled on a slightly enlarged pad with the existing well, the NBU 853-32. The existing pad will be widened about 50 feet to the south and up to approximately 100 feet to the west. Also it will be widened a short distance along the edge to the north. Deep draws to the north and southwest will not be affected. The location appears to be a suitable site for drilling and operating a well.

Both the surface and minerals for this location are owned by SITLA. Jim Davis and Ed Bonner of SITLA were invited to the pre-site evaluation but neither attended. Ben Williams and Daniel Emmett of the UDWR were also invited and neither attended.

Floyd Bartlett
Onsite Evaluator

9/24/2007
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator EOG RESOURCES INC
Well Name CWU 731-32
API Number 43-047-39582-0 **APD No** 518 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 NENW **Sec** 32 **Tw** 9S **Rng** 23E 1046 FNL 2041 FWL
GPS Coord (UTM) 640675 4428510 **Surface Owner**

Participants

Floyd Bartlett (DOGM), Byron Tolman (Representing EOG Resources).

Regional/Local Setting & Topography

The general area is the Chapita Wells Gas Field within the Coyote Wash Drainage. This drainage is a significant drainage beginning near the Utah-Colorado border to the east and joining the White River several miles to the west and south. The wash is dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. The topography is characterized by rolling hills, frequently divided by gentle to deep draws, which flow into Coyote Wash. The draws are often rimmed with steep side hills with exposed sand stone bedrock cliffs. Vernal, Utah is approximately 35 air miles and 55 road miles to the northwest. Utah State, Uintah County and oilfield development roads access the area.

The proposed Chapita Wells Unit 731-32 gas well is a twin well to be drilled on a slightly enlarged pad with the existing well, the NBU 853-32. The existing pad will be widened about 50 feet to the south and up to approximately 100 feet to the west. Also it will be widened a short distance along the edge to the north. Deep draws to the north and southwest will not be affected. The location appears to be a suitable site for constructing and operating a well.

Both the surface and minerals for this location are owned by SITLA.

Surface Use Plan

Current Surface Use

Existing Well Pad

New Road

Miles	Well Pad	Src Const Material	Surface Formation	
0	Width 276	Length 375	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Poorly vegetated with saltbrush, halogeton, Indian ricegrass, black sage, curly mesquite, shadscale, cheatgrass, broom snakeweed and spring annuals.

Antelope, small mammals and birds.

Soil Type and Characteristics

Shallow rocky, sandy loam.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Y Paleo Potential Observed? N Cultural Survey Run? Y Cultural Resources? N

Reserve Pit

Site-Specific Factors		Site Ranking
Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	<300	20
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	<10	0
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0
Final Score		35
		1 Sensitivity Level

Characteristics / Requirements

A 75' x 175" x 12' deep reserve pit is planned in an area of cut in the southeast corner of the location. A liner with an appropriate thickness of felt sub-liner is required. EOG commonly uses a 16 mil liner.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 16 Pit Underlayment Required? Y

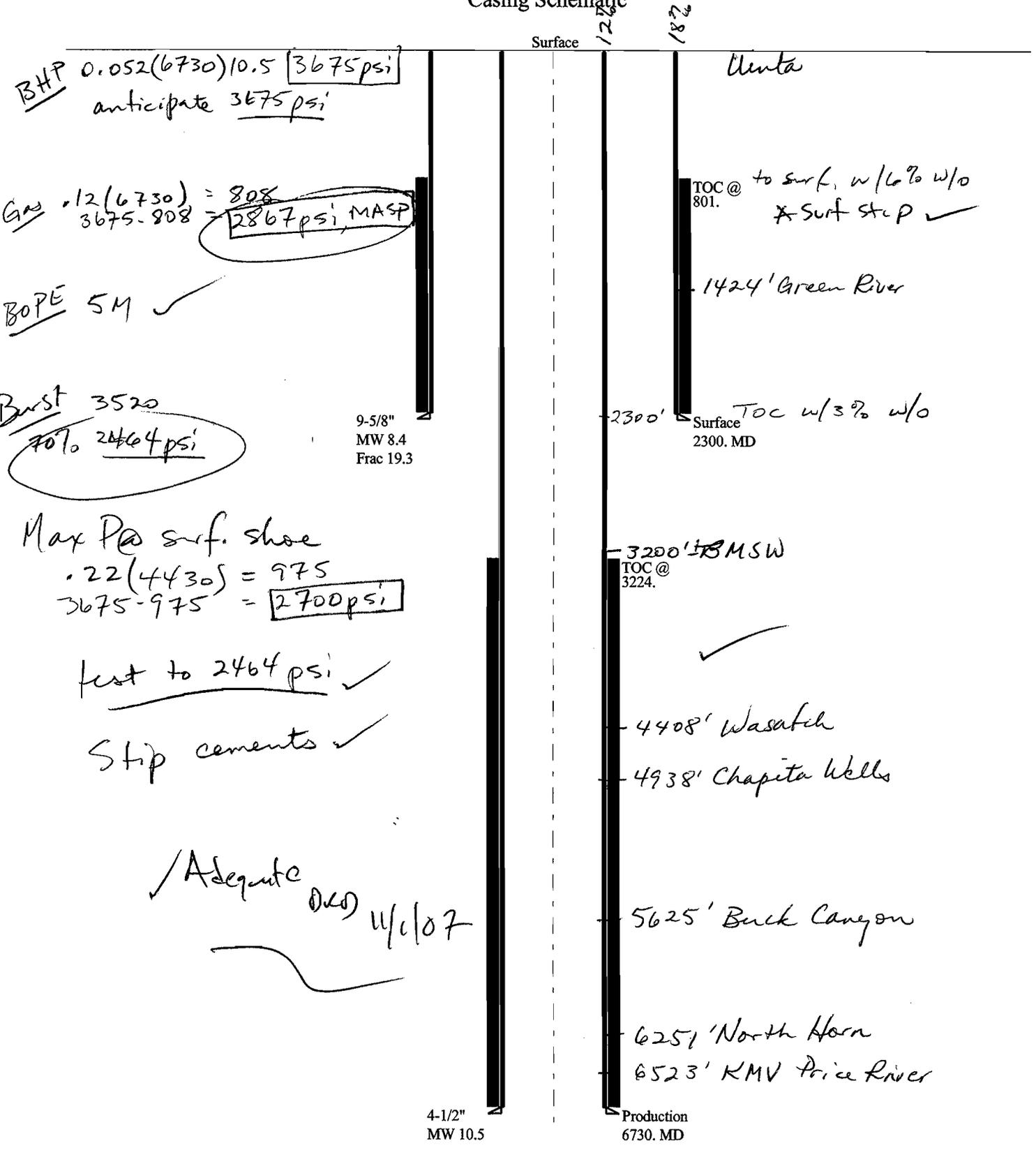
Other Observations / Comments

Floyd Bartlett
Evaluator

9/24/2007
Date / Time

2007-10 EOG CWU 731-32

Casing Schematic



BHP $0.052(6730)10.5$ 3675 psi
anticipate 3675 psi

Gas $\cdot 12(6730) = 808$
 $3675 - 808 =$ 2867 psi, MASP

BOPE 5M ✓

Burst 3520
70% 2464 psi

Max P@ surf. shoe
 $\cdot 22(4430) = 975$
 $3675 - 975 =$ 2700 psi

Test to 2464 psi ✓

Strip cements ✓

✓ Adequate $\frac{0.40}{11/107}$

Uenta

TOC @ 801. to surf. w/6% w/o
* Surf stop ✓

1424' Green River

2300' Surface TOC w/3% w/o
2300. MD

3200' ~~MSW~~
TOC @ 3224.

4408' Wasatch ✓

4938' Chapita Wells

5625' Buck Canyon

6251' North Horn

6523' KMV Price River

9-5/8"
MW 8.4
Frac 19.3

4-1/2"
MW 10.5

Production
6730. MD

Well name:

2007-10 EOG CWU 731-32

Operator: **EOG Resources Inc.**

String type: **Surface**

Project ID:

43-047-39582

Location: **Uintah County**

Design parameters:

Collapse

Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 107 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 290 ft
Cement top: 801 ft

Burst

Max anticipated surface pressure: 2,024 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,300 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 2,014 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 6,730 ft
Next mud weight: 10.500 ppg
Next setting BHP: 3,671 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,300 ft
Injection pressure: 2,300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2300	9.625	36.00	J-55	ST&C	2300	2300	8.796	998.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1004	2020	2.013	2300	3520	1.53	73	394	5.43 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Minerals

Phone: 801-538-5357
FAX: 801-359-3940

Date: October 23, 2007
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2300 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:

2007-10 EOG CWU 731-32

Operator: **EOG Resources Inc.**

String type: Production

Project ID:

43-047-39582

Location: Uintah County

Design parameters:

Collapse

Mud weight: 10.500 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 169 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 3,224 ft

Burst

Max anticipated surface pressure: 2,190 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 3,671 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 5,674 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	6730	4.5	11.60	N-80	LT&C	6730	6730	3.875	587.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3671	6350	1.730	3671	7780	2.12	66	223	3.39 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Minerals

Phone: 801-538-5357
FAX: 801-359-3940

Date: October 23, 2007
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 6730 ft, a mud weight of 10.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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 29, 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 Wasatch)

43-047-39582 CWU 731-32 Sec 32 T09S R23E 1046 FNL 2041 FWL

(Proposed PZ Mesaverde)

43-047-39584 CWU 1182-03 Sec 03 T09S R22E 0680 FNL 1908 FEL

43-047-39585 CWU 0977-11 Sec 11 T09S R22E 0345 FSL 0772 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:8-29-07

From: Ed Bonner
To: Mason, Diana
Date: 9/14/2007 5:12 PM
Subject: Well Clearance

CC: Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil

The following wells have been given cultural resources clearance by the Trust Lands Cultural Resources Group:

EOG Resources, Inc

Chapita Wells Unit 732-32 (API 43 047 39599)
Chapita Wells Unit 731-32 (API 43 047 39582)

Questar Exploration & Production Company

RW 23-32BW (API 43 047 39182)
RW 21-32BW (API 43 047 39183)

Petro-Canada Resources (USA), Inc

State 32-11 (API 43 015 30734)

Williams Production RMT Company

State Reservation Ridge 42-2 (API 43 013 33758)

If you have any questions regarding this matter please give me a call.



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

November 1, 2007

EOG Resources, Inc.
P O Box 1815
Vernal, UT 84078

Re: Chapita Wells Unit 731-32 Well, 1046' FNL, 2041' FWL, NE NW, Sec. 32, T. 9 South, R. 23 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39582.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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



Operator: EOG Resources, Inc.
Well Name & Number Chapita Wells Unit 731-32
API Number: 43-047-39582
Lease: ML 3355

Location: NE NW Sec. 32 T. 9 South R. 23 East

Conditions of Approval

1. General

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

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
- 24 hours prior to spudding the well – contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
- Any changes to the approved drilling plan – contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at: (801) 538-5338 office (801) 942-0873 home
- Carol Daniels at: (801) 538-5284 office
- 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.

Page 2

43-047-39582

November 1, 2007

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
6. Surface casing shall be cemented to the surface.

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.

		6. LEASE DESIGNATION AND SERIAL NUMBER: ML-3355
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: Chapita Wells Unit 731-32
2. NAME OF OPERATOR: EOG Resources, Inc.		9. API NUMBER: 43-047-39582
3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY Vernal STATE UT ZIP 84078		10. FIELD AND POOL, OR WILDCAT: Natural Buttes
		PHONE NUMBER: (435) 789-0790
4. LOCATION OF WELL		
FOOTAGES AT SURFACE: 1046' FNL & 2041' FWL 39.996875 LAT 109.352856 LON		COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 32 9S 23E S.L.B. & M.		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input checked="" 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 type="checkbox"/> OTHER: _____
	<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.

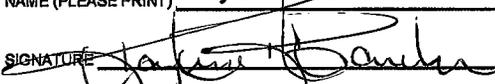
EOG Respectfully requests authorization to change the drilling plan for the referenced well.

A revised drilling plan is attached.

COPY SENT TO OPERATOR

Date: 5-19-2008

Initials: KS

NAME (PLEASE PRINT) <u>Kaylene R. Gardner</u>	TITLE <u>Lead Regulatory Assistant</u>
SIGNATURE 	DATE <u>5/7/2008</u>

(This space for State use only) **APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING**
 DATE: 5/19/08
 BY: [Signature] (See Instructions on Reverse Side)
 *Surface casing shall be cemented back to surface

RECEIVED

MAY 09 2008

DRILLING PLAN

CHAPITA WELLS UNIT 731-32 NE/NW, SEC. 32, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,424		Shale	
Wasatch	4,408	Primary	Sandstone	Gas
Chapita Wells	4,938	Primary	Sandstone	Gas
Buck Canyon	5,625	Primary	Sandstone	Gas
North Horn	6,251	Primary	Sandstone	Gas
KMV Price River	6,523		Sandstone	
TD	6,730			

Estimated TD: 6,730' or 200'± below TD

Anticipated BHP: 3,675 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 ⅝"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0' – 2,300' KB±	9-⅝"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	6-¼"	Surface – TD	4-½"	11.6#	P-110	BTC	7560 PSI	10,690 Psi	279,000#

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/9-⅝" 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.

DRILLING PLAN

CHAPITA WELLS UNIT 731-32 NE/NW, SEC. 32, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2300'± - TD):

Bit, Cross-over sub with float, IB stabilizer, Casing pup jt., IB Stabilizer, 1 joint casing, and balance of casing to surface. All casing will be 4-½", 11.6#, P-110, Buttress and Grant Prideco DWC couplings, with a marker jt. 400' above top of Wasatch. Composite-coated, positive stand-off centralizers will be utilized on the bottom 20 jts. The casing will be rotated via a top-drive system to drill the hole. A cement plug will be landed on the float above the bit.

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 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.

DRILLING PLAN

CHAPITA WELLS UNIT 731-32 NE/NW, SEC. 32, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1
Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

- 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).
- 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.
- 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.
- 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).
- 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).

8. EVALUATION PROGRAM:

Logs: Gas shows 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**

DRILLING PLAN

CHAPITA WELLS UNIT 731-32 NE/NW, SEC. 32, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

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: 89 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: 220 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.

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.
This section of hole will be casing drilled and will meet BLM requirement for .422 of cement sheath space on all sides of the casing couplings.

DRILLING PLAN

CHAPITA WELLS UNIT 731-32 **NE/NW, SEC. 32, T9S, R23E, S.L.B.&M..** **UINTAH COUNTY, UTAH**

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.

13. 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.

(Attachment: BOP Schematic Diagram)

BOPE REVIEW

EOG CWU 731-32 API 43-047-39582

INPUT		EOG CWU 731-32 API 43-047-39582	
Well Name		String 1	String 2
Casing Size (")		9 5/8	4 1/2
Setting Depth (TVD)		2300	6730
Previous Shoe Setting Depth (TVD)		45	2300
Max Mud Weight (ppg)		8.4	10.5
BOPE Proposed (psi)		500	5000
Casing Internal Yield (psi)		3520	10690
Operators Max Anticipated Pressure (psi)		3675	10.5 ppg

Calculations	String 1	9 5/8 "	
Max BHP [psi]	$.052 * \text{Setting Depth} * \text{MW} =$	1005	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$	729	NO <i>OK</i> Air drill
MASP (Gas/Mud) [psi]	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$	499	YES
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	509	NO
Required Casing/BOPE Test Pressure		2300 psi	
*Max Pressure Allowed @ Previous Casing Shoe =		1500 psi	

Calculations	String 2	4 1/2 "	
Max BHP [psi]	$.052 * \text{Setting Depth} * \text{MW} =$	3675	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$	2867	YES ✓
MASP (Gas/Mud) [psi]	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$	2194	YES
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	2700	NO
Required Casing/BOPE Test Pressure		5000 psi	
*Max Pressure Allowed @ Previous Casing Shoe =		2300 psi	*Assumes 1psi/ft frac gradient

2008-05 EOG CWU 731-32(rev2007-10)

Casing Schematic

12 7/8
18 7/8

Surface

Uinta

TOC @ 801. to surf w/6% w/o
Propose to surface
*stop

1424' Green River

1710' 6% tail

1915' 18% tail

2013' TOC w/7% w/o

Surface
2300. MD

9-5/8"
MW 8.4
Frac 19.3

TOC @
2715.

3200'± BMSW

✓ Propose to 2100' MD
0.12 -

4408' Wasatch

4620' 7% tail

4934' 12% tail

4938' Chapita Wells

5625' Buck Canyon

6251' North Horn

6523' KMV Price River

4-1/2"
MW 10.5

Production
6730. MD

Stop surf. csg. cont to surface
" prod. cont to 2100'

Well name:	2008-05 EOG CWU 731-32(rev2007-10)	
Operator:	EOG Resources Inc.	Project ID:
String type:	Surface	43-047-39582
Location:	Uintah County	

Design parameters:	Minimum design factors:	Environment:
Collapse	Collapse:	H2S considered? No
Mud weight: 8.400 ppg	Design factor: 4.125 1.325	Surface temperature: 75 °F
Design is based on evacuated pipe.		Bottom hole temperature: 107 °F
		Temperature gradient: 1.40 °F/100ft
		Minimum section length: 290 ft
	Burst:	Cement top: 801 ft
	Design factor: 1.00 1.20	
Burst		
Max anticipated surface pressure: 2,024 psi	Tension:	Non-directional string.
Internal gradient: 0.120 psi/ft	8 Round STC: 4.80 (J) 2.0	
Calculated BHP: 2,300 psi	8 Round LTC: 1.80 (J)	
	Buttress: 1.60 (J)	
No backup mud specified.	Premium: 1.50 (J)	
	Body yield: 1.50 (B)	Re subsequent strings:
	Tension is based on buoyed weight.	Next setting depth: 6,730 ft
	Neutral point: 2,014 ft	Next mud weight: 10,500 ppg
		Next setting BHP: 3,671 psi
		Fracture mud wt: 19,250 ppg
		Fracture depth: 2,300 ft
		Injection pressure: 2,300 psi

Run Seq	Segment Length (ft)	Size (In)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (In)	Internal Capacity (ft³)
1	2300	9.625	36.00	J-55	ST&C	2300	2300	8.796	998.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1004	2020	2.013	2300	3520	1.53	73	394	5.43 J

Prepared by: Helen Sadik-Macdonald, Div of Oil, Gas & Minerals
 Phone: 801-538-5357, FAX: 801-359-3940
 Date: May 14, 2008, Salt Lake City, Utah

Remarks: Collapse is based on a vertical depth of 2300 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	2008-05 EOG CWU 731-32(rev2007-10)	
Operator:	EOG Resources Inc.	Project ID:
String type:	Production	43-047-39582
Location:	Utah County	

Design parameters:

Collapse

Mud weight: 10.500 ppg
 Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor ~~1.125~~
 1.325

Burst:

Design factor ~~1.00~~
 1.20

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 169 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft

Cement top: 2,715 ft

Burst

Max anticipated surface pressure: 2,190 psi
 Internal gradient: 0.220 psi/ft
 Calculated BHP: 3,671 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
 8 Round LTC: 1.80 (J)
 Buttress: ~~1.60 (J)~~ 1.80
 Premium: 1.50 (J)
 Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.
 Neutral point: 5,674 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	6730	4.5	11.60	P-110	Buttress	6730	6730	3.875	587.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3671	7580	2.065	3671	10690	2.91	66	367	5.58 B

Prepared by: Helen Sadik-Macdonald
 Div of Oil, Gas & Minerals

Phone: 801-538-5357
 FAX: 801-359-3940

Date: May 14, 2008
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 6730 ft, a mud weight of 10.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 731-32

Api No: 43-047-39582 Lease Type: STATE

Section 32 Township 09S Range 23E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # RATHOLE

SPUDDED:

Date 06/10/08

Time 12:00 NOON

How DRY

Drilling will Commence: _____

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 06/10//08 Signed CHD

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

FORM 6

ENTITY ACTION FORM

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

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39582	Chapita Wells Unit 731-32		NENW	32	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>EA</i>	99999	<i>16896</i>	6/10/2008		<i>6/19/08</i>		
Comments: <u>Wasatch well</u>							

Well 2

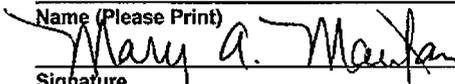
API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

Well 3

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

ACTION CODES:

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

Mary A. Maestas
 Name (Please Print)

 Signature
 Regulatory Assistant
 Title
 6/11/2008
 Date

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JUN 11 2008

DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3355
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:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit
2. NAME OF OPERATOR: EOG Resources, Inc.			8. WELL NAME and NUMBER: Chapita Wells Unit 731-32
3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202		PHONE NUMBER: (303) 824-5526	9. API NUMBER: 43-047-39582
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1046' FNL & 2041' FWL 39.996875 LAT 109.352856 LON COUNTY: Uintah QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 32 9S 23E S.L.B. & M. STATE: UTAH			10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch

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 (Submit in Duplicate) Approximate date work will start: _____ <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<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/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"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>Well spud</u>

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

The referenced well spud on 6/10/2008.

NAME (PLEASE PRINT) <u>Mary A. Maestas</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u><i>Mary A. Maestas</i></u>	DATE <u>6/10/2008</u>

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JUN 13 2008
DIV. OF OIL, GAS & MINING

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

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	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
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	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<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 authorization for disposal of produced water from the referenced well to any of the following locations.

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

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

COPY SENT TO OPERATOR

Date: 6-17-2008

Initials: KS

Date: 06-16-08
By: [Signature]

NAME (PLEASE PRINT) <u>Mary A. Maestas</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u>[Signature]</u>	DATE <u>6/10/2008</u>

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RECEIVED
JUN 13 2008

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DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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

EOG Resources, Inc. requests authorization to change the drilling plan for the referenced well.
After evaluating the economics of drilling with casing, it was decided to drill the subject well without casing.
A revised drilling plan is attached.

COPY SENT TO OPERATOR

Date: 7.15.2008

Initials: KS

NAME (PLEASE PRINT) <u>Mary A. Maestas</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u>Mary A. Maestas</u>	DATE <u>6/26/2008</u>

(This space for State use only)

**APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING**
DATE: 7/15/08
BY: [Signature]

(See Instructions on Reverse Side)

RECEIVED
JUN 27 2008
DIV. OF OIL, GAS & MINING

DRILLING PLAN

CHAPITA WELLS UNIT 731-32 NE/NW, SEC. 32, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,550		Shale	
Mahogany Oil Shale Bed	2,152		Shale	
Wasatch	4,409	Primary	Sandstone	Gas
Chapita Wells	4,939	Primary	Sandstone	Gas
Buck Canyon	5,626	Primary	Sandstone	Gas
North Horn	6,252	Primary	Sandstone	Gas
KMV Price River	6,523		Sandstone	
TD	6,730			

Estimated TD: 6,730' or 200'± below TD

Anticipated BHP: 3,675 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 – 60'	13 ⅝"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0' – 2,300' KB±	8-5/8"	32.0#	J-55	STC	2530 PSI	3930 Psi	372,000#
Production	6-¼"	Surface – TD	4-½"	11.6#	P-110	LTC	7560 PSI	10,690 Psi	279,000#

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/ 8-5/8" 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.

DRILLING PLAN

CHAPITA WELLS UNIT 731-32 NE/NW, SEC. 32, T9S, R23E, S.L.B.&M., UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

DRILLING PLAN

CHAPITA WELLS UNIT 731-32 NE/NW, SEC. 32, T9S, R23E, S.L.B.&M., UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1
Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

- 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).
- 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.
- 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.
- 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).
- 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).

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**

DRILLING PLAN

CHAPITA WELLS UNIT 731-32 NE/NW, SEC. 32, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

- Lead: 278 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: 312 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: 89 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: 220 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.

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.

DRILLING PLAN

CHAPITA WELLS UNIT 731-32 **NE/NW, SEC. 32, T9S, R23E, S.L.B.&M..** **UINTAH COUNTY, UTAH**

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

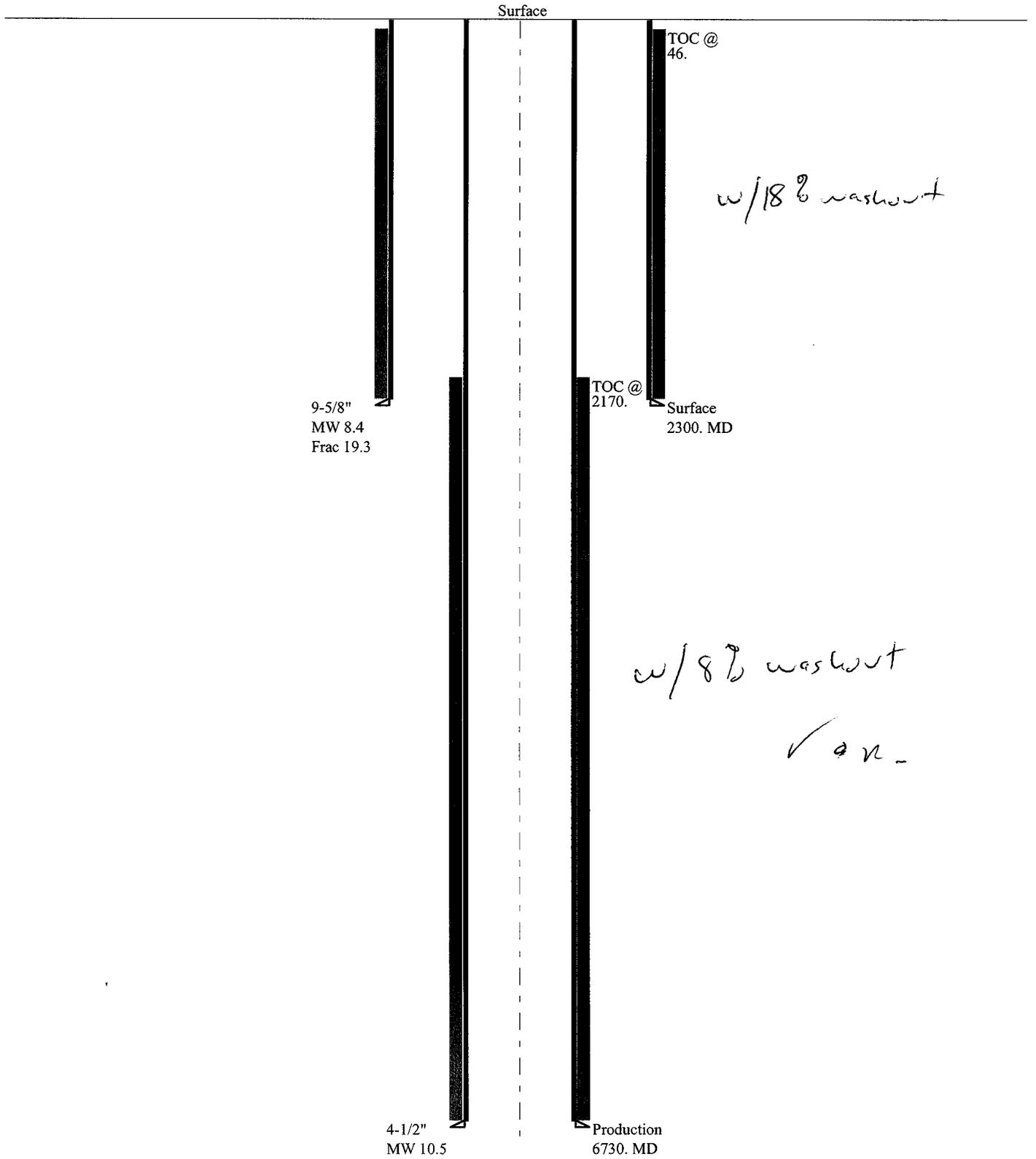
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold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

13. 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.

(Attachment: BOP Schematic Diagram)

Casing Schematic



Well name:	2007-10 EOG CWU 731-32Rev7/2008		
Operator:	EOG Resources Inc.		
String type:	Production	Project ID:	43-047-39582
Location:	Uintah County		

Design parameters:

Collapse

Mud weight: 10.500 ppg
 Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 169 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft

Cement top: 2,170 ft

Burst

Max anticipated surface pressure: 2,190 psi
 Internal gradient: 0.220 psi/ft
 Calculated BHP 3,671 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
 8 Round LTC: 1.80 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.
 Neutral point: 5,674 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft ³)
1	6730	4.5	11.60	P-110	LT&C	6730	6730	3.875	587.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3671	7580	2.065 ✓	3671	10690	2.91 ✓	66	279	4.24 J ✓

Prepared by: Helen Sadik-Macdonald
 Div of Oil, Gas & Minerals

Phone: 801-538-5357
 FAX: 801-359-3940

Date: July 15, 2008
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 6730 ft, a mud weight of 10.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	2007-10 EOG CWU 731-32Rev7/2008		
Operator:	EOG Resources Inc.		Project ID:
String type:	Surface		43-047-39582
Location:	Uintah County		

Design parameters:

Collapse
Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 107 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 290 ft
Cement top: 46 ft

Burst

Max anticipated surface pressure: 2,024 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,300 psi
No backup mud specified.

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 2,016 ft

Non-directional string.

Re subsequent strings:
Next setting depth: 6,730 ft
Next mud weight: 10.500 ppg
Next setting BHP: 3,671 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,300 ft
Injection pressure: 2,300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2300	9.625	32.30	H-40	ST&C	2300	2300	8.876	1016.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1004	1370	1.365 ✓	2300	2270 2520	0.99 o.k.	65	254	3.90 J ✓

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Minerals

Phone: 801-538-5357
FAX: 801-359-3940

Date: July 15, 2008
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 2300 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

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		COUNTY: Uintah STATE: UTAH

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	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" 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 type="checkbox"/> OTHER: _____
	<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.

The referenced well was turned to sales on 9/3/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

NAME (PLEASE PRINT) <u>Mary A. Maestas</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u><i>Mary A. Maestas</i></u>	DATE <u>9/5/2008</u>

(This space for State use only)

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DIV. OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 09-04-2008

Well Name	CWU 731-32	Well Type	DEVG	Division	DENVER
Field	CHAPITA WELLS UNIT	API #	43-047-39582	Well Class	1SA
County, State	UINTAH, UT	Spud Date	07-07-2008	Class Date	09-04-2008
Tax Credit	N	TVD / MD	6,730/ 6,730	Property #	061776
Water Depth	0	Last CSG	0.0	Shoe TVD / MD	6,100/ 6,100
KB / GL Elev	5,212/ 5,199				
Location	Section 32, T9S, R23E, NENW, 1046 FNL & 2041 FWL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	100.0	NRI %	82.5

AFE No	304815	AFE Total	1,294,600	DHC / CWC	694,700/ 599,900
Rig Contr	ELENBURG	Rig Name	ELENBURG #28	Start Date	06-03-2008
06-02-2008	Reported By	CYNTHIA HANSELMAN			
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0
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: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			1046' FNL & 2041' FWL (NE/NW)
			SECTION 32, T9S, R23E
			UINTAH COUNTY, UTAH
			LAT 39.996875, LONG 109.352856 (NAD 83)
			LAT 39.996908, LONG 109.352175 (NAD 27)
			ELENBURG #28
			OBJECTIVE: 6730' MD/TVD, NORTH HORN
			DW/GAS
			PROSPECT: CHAPITA WELLS PROSPECT
			DD&A: NATURAL BUTTES
			NATURAL BUTTES FIELD
			LEASE: ML3355
			ELEVATION: 5199.3' NAT GL, 5199.3' PREP GL, (DUE TO ROUNDING PREP GL IS 5199'), 5212' KB (13')
			EOG WI 100%, NRI 82.50%

06-03-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling \$38,000 **Completion** \$0 **Daily Total** \$38,000
Cum Costs: Drilling \$38,000 **Completion** \$0 **Well Total** \$38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	START LOCATION TODAY 6/3/08.

06-04-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$38,000 **Completion** \$0 **Well Total** \$38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

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

06-05-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$38,000 **Completion** \$0 **Well Total** \$38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 15% COMPLETE.

06-06-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$38,000 **Completion** \$0 **Well Total** \$38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 25% COMPLETE.

06-09-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$38,000 **Completion** \$0 **Well Total** \$38,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

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

06-10-2008 **Reported By** TERRY CSERE

TOP JOB # 3: MIXED & PUMPED 200 SX (41 BBLs) OF PREMIUM CEMENT
 W/ 2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO BJ
 CEMENTERS.

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

GLENN'S WIRELINE TOOK SURVEYS WHILE DRILLING @ 1478'-.75°, 1687'-.50°, 2080'-1.25°.

CONDUCTOR LEVEL RECORD: PS=90 OPS=89.9 VDS=89.8 MS=90.

9 5/8 CASING LEVEL RECORD: PS=89.9 OPS=89.9 VDS=89.8 MS=89.7.

KYLAN COOK NOTIFIED ROOSEVELT OFFICE W/ UDOGM OF THE SURFACE CASING & CEMENT JOB ON
 6/18/2008 @ 1:20 PM.

07-06-2008	Reported By	MATT WILLIAMS									
Daily Costs: Drilling	\$56,668	Completion	\$0	Daily Total	\$56,668						
Cum Costs: Drilling	\$289,234	Completion	\$0	Well Total	\$289,234						
MD	2,192	TVD	2,192	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: TEST BOP / REPAIR WELLHEAD											

Start	End	Hrs	Activity Description
06:00	12:00	6.0	MOVE F/ CWU 732-32 TO CWU 731-32 2.7 MILES & RIG UP. TRUCKS OFF LOCATION @ 12:00 NOON. INSTALL NIGHT CAP W/ FMC. SETBOP AND TEST DTO HEAD W/ FMC. LOCK DOWN BOP.
12:00	17:00	5.0	NIPPLE UP BOP, ROT.HEAD, CHOKE LINE, KILL LINE VALVES, HYD. HOSES, FUNCTION TEST BOP. RIG ON DAY WORK @ 12:00 HRS, 7/05/08.
17:00	18:00	1.0	R/U BCS TEST EQUIP. ATTEMPT TO TEST. WELLHEAD LEAKING @ THE BOTTOM TEST PORT.
18:00	06:00	12.0	NIPPLE DOWN AND START REPAIRS ON WELLHEAD. ACCIDENTS NONE REPORTED. FUNCTION CROWN-O-MATIC. SAFETY MEETING: MOVE RIG, NIPPLE UP. CREWS FULL. FUEL ON HAND: 2962 GALS. USED: 128 GALS. FORMATION: MUD LOGGER UNMANED ON LOCATION 7/05//08 (1DAY).

07-07-2008	Reported By	MATT WILLIAMS									
Daily Costs: Drilling	\$32,730	Completion	\$0	Daily Total	\$32,730						
Cum Costs: Drilling	\$321,965	Completion	\$0	Well Total	\$321,965						
MD	2,568	TVD	2,568	Progress	376	Days	1	MW	9.0	Visc	30.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: DRILLING @ 2568'											

Start	End	Hrs	Activity Description
06:00	13:00	7.0	REPAIR WELLHEAD WITH FRED NYE WELDING SERVICES.
13:00	17:30	4.5	TEST BOPE AS PER PROGRAM. NOTIFIED STATE REP, DAVID HACKFORD VERNAL OFFICE ON 7/04/08 @ 07: 30 HRS FOR BOP TEST.

INSIDE BOP, SAFETY VALVE, UPPER KELLY COCK 250/5000 PSI 5/10 MIN.
 HCR, CHOKE LINE, KILL LINE, 250/5000 PSI 5/10 MIN.
 CHOKE MANIFOLD, 250/5000 PSI 5/10 MIN.
 PIPE RAMS, BLIND RAMS, 250/5000 PSI 5/10 MIN.
 ANNULAR, 250/2500 PSI 5/10 MIN.
 TEST 8 5/8" CASING TO 1500 PSI 30 MIN.
 WITNESS: J. POWELL

17:30 18:00 0.5 RIG DOWN TESTER AND SET WEAR BUSHING
 18:00 21:30 3.5 P/U BHA AND TRIP IN HOLE , TAG CEMENT @ 2140'.
 21:30 22:30 1.0 DRILL CEMENT/FLOAT EQUIP FROM 2140' TO 2192' + 10' OF NEW HOLE.
 22:30 23:00 0.5 CIRCULATE, PULL UP IN CASING, PERFORM FIT TEST, 9.2 MWT, 150 PSI = 10.51 EMW.
 23:00 00:00 1.0 TAKE WIRELINE SURVEY @ 2193', 2 DEG.
 00:00 06:00 6.0 DRILLING FROM 2192' TO 2568', ROP 62.6, WOB 12/15, RPM 40/50, TQ 8701400.

MUD LOSS LAST 24 HRS. 0 BBLS.
 MUD WT 9.1 VIS 30.
 ROT 71 P/U 75 S/O 70.
 ACCIDENTS NONE REPORTED.
 FUNCTION CROWN-O-MATIC.
 SAFETY MEETING: TEST BOPE, P/U BHA.
 CREWS FULL.
 FUEL: ON HAND: 2962 GALS USED: 620 GALS, REC 0 GALS.
 GAS BG 40U CONN 100 U.
 LITHOLOGY SAND/ SHALE.
 MUD LOGGER UNMANNED ON LOCATION SINCE 7/05/08 (2 DAYS).

06:00 06:00 24.0 SPUD 7 7/8" @ 00:00 HRS, 7/07/08.

07-08-2008		Reported By		MATT WILLIAMS							
Daily Costs: Drilling		\$30,612		Completion		\$0		Daily Total		\$30,612	
Cum Costs: Drilling		\$352,577		Completion		\$0		Well Total		\$352,577	
MD	4,683	TVD	4,683	Progress	2,115	Days	2	MW	9.1	Visc	29.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		
Activity at Report Time: DRILLING @ 4683'.											

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILLING FROM 2568' TO 2700', ROP 132, WOB 12/15, RPM 40/50, TQ 850/1350.
07:00	08:00	1.0	SERVICE RIG.
08:00	19:30	11.5	DRILLING FROM 2700' TO 3686', ROP 85.7, WOB 12/20, RPM 40/60, TQ 850/1500.
19:30	20:00	0.5	SURVEY @ 3646', 2 1/2 DEG.
20:00	02:00	6.0	DRILLING FROM 3686' TO 4366', ROP 113.3, WOB 12/20, RPM 40/60, TQ 900/1500.
02:00	02:30	0.5	SURVEY @ 4326', 2 DEG.
02:30	06:00	3.5	DRILLING FROM 4366' TO 4683', ROP 90.6, WOB 12/20, RPM 40/60, TQ 1300/2100.
MUD LOSS LAST 24 HRS. 0 BBLS.			
MUD WT 9.3 VIS 33.			
ROT 105 P/U 107 S/O 106.			

ACCIDENTS NONE REPORTED.
 FUNCTION CROWN-O-MATIC.
 SAFETY MEETING: CONNECTIONS, WIRE LINE SURVEYS
 CREWS FULL.
 FUEL: ON HAND: 823 GALS USED: 2139 GALS, REC 0 GALS.
 GAS BG 40U CONN 100 U.
 LITHOLOGY SAND/ SHALE.
 MUD LOGGER UNMANNED ON LOCATION SINCE 7/05/08 (3 DAYS).

07-09-2008 **Reported By** MATT WILLIAMS

Daily Costs: Drilling	\$54,970	Completion	\$0	Daily Total	\$54,970
Cum Costs: Drilling	\$407,547	Completion	\$0	Well Total	\$407,547

MD 6,428 **TVD** 6,428 **Progress** 1,745 **Days** 3 **MW** 9.5 **Visc** 34.0

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

Activity at Report Time: DRILLING @ 6428'.

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILLING FROM 4683' TO 5138', ROP 113.8, WOB 15/20, RPM 40/60, TQ 1200/2000.
10:00	10:30	0.5	SERVICE RIG
10:30	06:00	19.5	DRILLING FROM 5138' TO 6428', ROP 66 , WOB 15/22, RPM 40/60, TQ 1100/1700. MUD LOSS LAST 24 HRS. 0 BBLs. MUD WT 9.5 VIS 35. ROT 134 P/U 142 S/O 136. ACCIDENTS NONE REPORTED. FUNCTION CROWN-O-MATIC. SAFETY MEETING: WORKING ON PUMPS, FORKLIFT SAFTEY. CREWS FULL. FUEL: ON HAND: 4137 GALS USED: 1186 GALS, REC 4500 GALS. GAS BG 40U CONN 100 U. LITHOLOGY SAND/ SHALE. MUD LOGGER UNMANNED ON LOCATION SINCE 7/05/08 (4 DAYS).

07-10-2008 **Reported By** DAVID FOREMAN / MATT WILLIAMS

Daily Costs: Drilling	\$39,378	Completion	\$0	Daily Total	\$39,378
Cum Costs: Drilling	\$446,925	Completion	\$0	Well Total	\$446,925

MD 6,730 **TVD** 6,730 **Progress** 302 **Days** 4 **MW** 9.5 **Visc** 40.0

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

Activity at Report Time: RUN 4 1/2" PROD. CSG.

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILLING FROM 6428' TO 6730', ROP 75.5, WOB 15/22, RPM 50, TQ 2100/2300. REACHED TD @ 10:00 HRS, 7/09/08.
10:00	12:00	2.0	PUMP SWEEP, CIRC AND COND HOLE FOR SHORT TRIP. NOTIFIED DAVE HACKFORD OF CEMENT JOB @ 0900 ON 7/09/08.
12:00	13:00	1.0	WIPER TRIP.
13:00	14:30	1.5	CIRC. COND.MUD 9.7 TO RUN CASING SPOT 130 BBLs.11. MUD,EMW 10., TOP OF PILL 5078
14:30	21:00	6.5	DROP SURVEY, LAY DOWN DRILL PIPE & BHA, REMOVE WEAR BUSHING. SURVEY @ 6700' = 1 3/4.

21:00 23:00 2.0 SAFETY MEETING W/ RIG CREW & T-REX CASING SERVICE. RIG UP TO RUN 4 1/2 CSG.
 23:00 06:00 7.0 RUN 4 1/2 CASING 11.6 N 80 LTC 155 JTS. 1 MARKER P 110 11.6 LTS + 1 PUP TAG @ 6730.

ACCIDENTS NONE REPORTED
 FUNCTION TEST CROWN-O-MATIC,
 SAFETY MEETING: RUN CSG, TRIPING
 CREWS FULL
 FUEL ON HAND: 3218 GAL USED 919 GAL
 FORMATION: PRICE RIVER
 LITHOLOGY: SAND/ SHALE,
 MUD LOGGER UNMANED ON LOCATION 5 DAYS.

07-11-2008 Reported By DAVID FOREMAN

Daily Costs: Drilling \$17,658 Completion \$120,702 Daily Total \$138,360
 Cum Costs: Drilling \$464,584 Completion \$120,702 Well Total \$585,286

MD 6,730 TVD 6,730 Progress 0 Days 5 MW 0.0 Visc 0.0
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RDRT/WO COMPLETION

Start End Hrs Activity Description

06:00 07:30 1.5 LAY DOWN TAG JT.MAKE UP HANGER JT.SPACER OUT. CIRC. BOTTOMS UP. LAND CASING @6724' W/ FULL STRING WT.68,000. CASING RAN AS FOLLOWS 4 1/2 11.6# N80 LTC,155 JTS. + 1 MARKER JT.+1 PUP JT. FLOAT SHOE@ 6722' 1JT.CSG. FLOAT COLLAR @ 6679' 62 JTS. CSG.1 MARJER JT.@3989' 92 JTS.CSG.1 PUP JT. HANGER ASS. CENTRALIZERS, 5 FT. ABOVE SHOE TOP OF JT.#2 & EVERY 3 TH. JT. +/- 400' ABOVE NORTH HORN @ 6252' TOTAL 10.
 07:30 08:00 0.5 SAFETY MEETING W/SCHLUMBERGER & RIG CREW.
 08:00 09:30 1.5 RIG UP TEST LINES TO 4500 PSI. DROP BOTTOM PLUG PUMP 20 BBLs CHEM WASH & 20 BBLs WATER SPACER AHEAD OF LEAD AND CEMENT 6724' 4 1/2 N-80 11.6# CSG. LEAD 135 BBLs 255 SKS. G + ADDS. D020 10% EXTENDER D167 .2% FLUID LOSS D046.2% ANTIFOAM D013 .5% RATARDER D065 .5% DISPERSANT D130 .125LB/SK BLEND LOST CIRC. YIELD 2.98 FT3/SK H2O 18.2 GAL/SK @ 11.5 PPG TAIL. 188 BBLs 820 SKS 50/50 POZ G + ADDS. D020 2% EXTENDER D046 .1% ANTIFOAM D167 .2% FLUID LOSS D065 .2% DISPERSANT S001 1% ACCELERATOR. YIELD 1.29 FT3/SK H2O 5.94 GAL/SK @ 14.1 PPG. SHUTDOWN WASH OUT PUMPS & LINES DROP TOP PLUG & DISP. TO FLOAT COLLAR W/FRESH WATER.103.5 BBLs. AVG. DISP. RATE 6 BPM, FULL RETURNS THROUGH OUT JOB. DROP PLUG @ 08:58 BUMPED PLUG @ 09:19 TO 2850 PSI 1100 PSI OVER LIFT PSI HOLD PRESSURE FOR 1 MIN. 1 BBL. BACK, FLOAT HELD @ 09:20 CEMENT IN PLACE 1 BBL CEMENT TO SURFACE.
 09:30 10:30 1.0 W/O CEMENT & RIG DOWN SCHLUMBERGER.
 10:30 11:30 1.0 L/D LANDING JT. INSTALL PACKOFF & TEST TO 5000 PSI. GOOD TEST LOOSEN DTO LOCK DOWN BOLTS.
 11:30 18:00 6.5 NIPPLE DOWN & CLEAN MUD PITS & PREMIX PIT.
 RELEASE RIG @ 18:00 ON THE 7-10-08.
 18:00 06:00 12.0 RIG DOWN PREPARE F/ HOWCROFT TRUCKING @ 07:00 AM. RIG MOVE 11.5 MILES.F/ CWU 731-32 TO CWU 1229-7. NOTIFIED BLM JAMIE SPARGER @ VERNAL OFFICE 435-781-4502 F/ BOP TEST ON THE 7-11-08 @ 19:00 +/-
 06:00 00:00 18.0 RIG RELEASED @ 18:00HRS, 07/10/08.
 CASING POINT COST \$464,584

07-17-2008 Reported By SEARLE

RUWL. SET 6K CFP @ 6100' & PERFORATE Ba FROM 5829'-30', 5854'-55', 5880'-81', 5889'-90', 5901'-02', 5913'-14', 5973'-74', 5980'-81', 6016'-17', 6039'-40', 6065'-66', 6073'-74' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 2088 GAL YF116 ST+ PAD, 39759 GAL YF116 ST+ WITH 115500# 20/40 SAND @ 1-4 PPG. MTP 6497 PSIG. MTR 50.7 BPM. ATP 4197 PSIG. ATR 47.2 BPM. ISIP 1550 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5800' & PERFORATE Ca/Ba FROM 5577'-78', 5583'-84', 5591'-92', 5611'-12', 5618'-19', 5637'-38', 5677'-78', 5691'-92', 5716'-17', 5742'-43', 5748'-49', 5770'-71' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 2091 GAL YF116 ST+ PAD, 40199 GAL YF116 ST+ WITH 116600# 20/40 SAND @ 1-4 PPG. MTP 6490 PSIG. MTR 51 BPM. ATP 3727 PSIG. ATR 44.8 BPM. ISIP 1500 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5550'. PERFORATE Ca FROM 5419'-21', 5427'-28', 5453'-55', 5476'-77', 5492'-94', 5505'-06', 5525'-27', 5534'-35' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 2091 GAL YF116ST+ PAD, 36118 GAL YF116ST+ WITH 102100# 20/40 SAND @ 1-4 PPG. MTP 5996 PSIG. MTR 51.1 BPM. ATP 3237 PSIG. ATR 47.4 BPM. ISIP 1850 PSIG. RD SCHLUMBERGER. SDFN.

08-08-2008 Reported By CARLSON

DailyCosts: Drilling \$0 Completion \$271,856 Daily Total \$271,856

Cum Costs: Drilling \$464,584 Completion \$449,411 Well Total \$913,995

MD 6,730 TVD 6,730 Progress 0 Days 11 MW 0.0 Visc 0.0

Formation : WASATCH PBTd : 6678.0 Perf : 4936'-6498' PKR Depth : 0.0

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 950 PSIGL. RUWL SET 6K CFP @ 5200' & PERFORATE Ca FROM 5056'-57', 5063'-64', 5093'-94', 5106'-07', 5117'-18', 5128'-29', 5134'-35', 5142'-43', 5149'-50', 5156'-57', 5162'-63', 5169'-70' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2094 GAL YF116 ST+ PAD 42317 GAL YF116 ST+ WITH 124900# 20/40 SAND @ 1-4 PPG. MTP 4440 PSIG. MTR 51.2 BPM. ATP 2937 PSIG. ATR 48.4 BPM. ISIP 1850 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP @ 5030' & PERFORATE Ca/Pp FROM 4936'-37', 4944'-45', 4952'-54', 4960'-61', 4972'-73', 4982'-83', 4988'-89', 4998'-99', 5011'-13', 5017'-18' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4171 GAL YF116 ST+ PAD, 43416 GAL YF116 ST+ WITH 139400# 20/40 SAND @ 1-4 PPG. MTP 3914 PSIG. MTR 51.4 BPM. ATP 2319 PSIG. ATR 49.2 BPM. ISIP 1300 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 4843'. RDWL. SDFN.

08-13-2008 Reported By HAL IVIE

DailyCosts: Drilling \$0 Completion \$27,676 Daily Total \$27,676

Cum Costs: Drilling \$464,584 Completion \$477,087 Well Total \$941,671

MD 6,730 TVD 6,730 Progress 0 Days 12 MW 0.0 Visc 0.0

Formation : WASATCH PBTd : 6678.0 Perf : 4936'-6498' PKR Depth : 0.0

Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
06:00	15:00	9.0	MIRU ROYAL RIG # 1. ND FRAC TREE. NU BOP. RIH W/ BIT & PUMP OFF SUB TO 4843'. RU TO DRILL OUT PLUGS. SDFN.

08-14-2008 Reported By HAL IVIE

DailyCosts: Drilling \$0 Completion \$43,004 Daily Total \$43,004

Cum Costs: Drilling \$464,584 Completion \$520,091 Well Total \$984,675

MD 6,730 TVD 6,730 Progress 0 Days 13 MW 0.0 Visc 0.0
 Formation : WASATCH PBTD : 6678.0 Perf : 4936'-6498' PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 4843', 5030', 5200', 5550', 5800', 6100', 6400' RIH. CLEANED OUT TO PBTD @ 6678'. LANDED TBG AT 6101' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 17 HRS. 32/64" CHOKE. FTP 500 PSIG, CP 650 PSIG. 57 BFPH. RECOVERED 971 BLW. 6953 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'
 1 JT 2-3/8 4.7# N-80 TBG 31.85'
 XN NIPPLE 1.10'
 191 JTS 2-3/8 4.7# N-80 TBG 6053.71'
 BELOW KB 13.00'
 LANDED @ 6100.66' KB

08-15-2008 Reported By HAL IVIE
 DailyCosts: Drilling \$0 Completion \$2,565 Daily Total \$2,565
 Cum Costs: Drilling \$464,584 Completion \$522,656 Well Total \$987,240
 MD 6,730 TVD 6,730 Progress 0 Days 14 MW 0.0 Visc 0.0
 Formation : WASATCH PBTD : 6678.0 Perf : 4936'-6498' PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 32/64" CHOKE. FTP 800 PSIG. CP 1600 PSIG. 56 BFPH. RECOVERED 1350 BLW. 5603 BLWTR.

08-16-2008 Reported By HAL IVIE
 DailyCosts: Drilling \$0 Completion \$2,565 Daily Total \$2,565
 Cum Costs: Drilling \$464,584 Completion \$525,221 Well Total \$989,805
 MD 6,730 TVD 6,730 Progress 0 Days 15 MW 0.0 Visc 0.0
 Formation : WASATCH PBTD : 6678.0 Perf : 4936'-6498' PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 32/64" CHOKE. FTP 858 PSIG. CP 1450 PSIG. 34 BFPH. RECOVERED 817 BLW. 4786 BLWTR.

08-17-2008 Reported By HAL IVIE
 DailyCosts: Drilling \$0 Completion \$2,565 Daily Total \$2,565
 Cum Costs: Drilling \$464,584 Completion \$527,786 Well Total \$992,370
 MD 6,730 TVD 6,730 Progress 0 Days 16 MW 0.0 Visc 0.0
 Formation : WASATCH PBTD : 6678.0 Perf : 4936'-6498' PKR Depth : 0.0

Activity at Report Time: FLOW TEST

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

06:00 06:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 800 PSIG. CP1450 PSIG. 27 BFPH. RECOVERED 652 BLW. 4134 BLWTR.

08-18-2008 Reported By HAL IVIE

DailyCosts: Drilling \$0 Completion \$2,565 Daily Total \$2,565
 Cum Costs: Drilling \$464,584 Completion \$530,351 Well Total \$994,935

MD 6,730 TVD 6,730 Progress 0 Days 17 MW 0.0 Visc 0.0

Formation : WASATCH PBTBTD : 6678.0 Perf : 4936'-6498' PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 32/64" CHOKE. FTP 800 PSIG. CP 1400 PSIG. 23 BFPH. RECOVERED 554 BLW. 3580 BLWTR.

08-19-2008 Reported By HAL IVIE

DailyCosts: Drilling \$0 Completion \$2,565 Daily Total \$2,565
 Cum Costs: Drilling \$464,584 Completion \$532,916 Well Total \$997,500

MD 6,730 TVD 6,730 Progress 0 Days 18 MW 0.0 Visc 0.0

Formation : WASATCH PBTBTD : 6678.0 Perf : 4936'-6498' PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 32/64" CHOKE. FTP 800 PSIG. CP 1350 PSIG. 21 BFPH. RECOVERED 517 BLW. 3063 BLWTR.

08-20-2008 Reported By HAL IVIE

DailyCosts: Drilling \$0 Completion \$2,565 Daily Total \$2,565
 Cum Costs: Drilling \$464,584 Completion \$535,481 Well Total \$1,000,065

MD 6,730 TVD 6,730 Progress 0 Days 19 MW 0.0 Visc 0.0

Formation : WASATCH PBTBTD : 6678.0 Perf : 4936'-6498' PKR Depth : 0.0

Activity at Report Time: WO FACILITIES

Start End Hrs Activity Description

06:00 06:00 24.0 FLOWED 24 HRS. 32/64" CHOKE. FTP 750 PSIG. CP 1300 PSIG. 18 BFPH. RECOVERED 437 BLW. 2626 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 8/19/08

09-04-2008 Reported By DUANE COOK

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
 Cum Costs: Drilling \$464,584 Completion \$535,481 Well Total \$1,000,065

MD 6,730 TVD 6,730 Progress 0 Days 20 MW 0.0 Visc 0.0

Formation : WASATCH PBTBTD : 6678.0 Perf : 4936'-6498' PKR Depth : 0.0

Activity at Report Time: INITIAL PRODUCTION

Start End Hrs Activity Description

06:00 06:00 24.0 INITIAL PRODUCTION - OPENING PRESSURE: TP 1800 PSIG & CP 2050 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 14:30 HRS, 9/03/08. FLOWED 1330 MCFD RATE ON 14/64" CHOKE. STATIC 470. QGM METER #7852.

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-3355

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME
Chapita Wells Unit

8. WELL NAME and NUMBER:
Chapita Wells Unit 731-32

9. API NUMBER:
43-047-39582

10. FIELD AND POOL, OR WILDCAT
Natural Buttes/Wasatch

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
NENW 32 9S 23E S

12. COUNTY
Uintah

13. STATE
UTAH

1a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER _____

b. TYPE OF WORK: NEW WELL HORIZ. LATS. DEEP-EN RE-ENTRY DIFF. RESVR. OTHER _____

2. NAME OF OPERATOR:
EOG Resources, Inc.

3. ADDRESS OF OPERATOR: **600 17th St., Suite 1000N** CITY **Denver** STATE **CO** ZIP **80202** PHONE NUMBER: **(303) 824-5526**

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: **1046' FNL & 2041' FWL 39.996875 LAT 109.352856 LON**
AT TOP PRODUCING INTERVAL REPORTED BELOW: **Same**
AT TOTAL DEPTH: **Same**

14. DATE SPUDDED: **6/10/2008** 15. DATE T.D. REACHED: **7/9/2008** 16. DATE COMPLETED: **9/3/2008** ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
5199' NAT GL

18. TOTAL DEPTH: MD **6,730** TVD _____ 19. PLUG BACK T.D.: MD **6,678** TVD _____ 20. IF MULTIPLE COMPLETIONS, HOW MANY? * _____ 21. DEPTH BRIDGE MD _____ PLUG SET: TVD _____

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
RST/CBL/CCL/VDL/GR, Temp

23. WAS WELL CORED? NO YES (Submit analysis)
WAS DST RUN? NO YES (Submit report)
DIRECTIONAL SURVEY? NO YES (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12-1/4	8-5/8 J-55	32.0	0	2,192		914			
7-7/8	4-1/2 N-80	11.6	0	6,724		1075			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8	6,101							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Wasatch	4,936	6,498			6,421 6,498		3	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(B)					6,184 6,375		3	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)					5,829 6,074		3	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)					5,577 5,771		3	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD **4936 - 6498**

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
6421-6498	47,408 GALS GELLED WATER & 140,500# 20/40 SAND
6184-6375	45,162 GALS GELLED WATER & 126,900# 20/40 SAND
5829-6074	41,847 GALS GELLED WATER & 115,500# 20/40 SAND

29. ENCLOSED ATTACHMENTS: ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT DST REPORT DIRECTIONAL SURVEY
 SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS OTHER: _____

30. WELL STATUS:
Producing

RECEIVED

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 9/3/2008		TEST DATE: 9/9/2008		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL – BBL: 5	GAS – MCF: 1,259	WATER – BBL: 90	PROD. METHOD: Flows
CHOKE SIZE: 14/64"	TBG. PRESS. 1,650	CSG. PRESS. 1,900	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL: 5	GAS – MCF: 1,259	WATER – BBL: 90	INTERVAL STATUS: Producing

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

Sold

33. 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.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Wasatch	4,936	6,498		Green River	1,543
				Mahogany	2,137
				Uteland Butte	4,292
				Wasatch	4,397
				Chapita Wells	4,955
				Buck Canyon	5,649
				Price River	6,510

35. ADDITIONAL REMARKS (Include plugging procedure)

See attached page for additional information.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory Assistant
 SIGNATURE Mary A. Maestas DATE 9/26/2008

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 Box 145801
 Salt Lake City, Utah 84114-5801

Phone: 801-538-5340
 Fax: 801-359-3940

Chapita Wells Unit 731-32 – ADDITIONAL REMARKS (CONTINUED):

27. PERFORATION RECORD

5419-5535	3/spf
5056-5170	3/spf
4936-5018	3/spf

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

5577-5771	42,290 GALS GELLED WATER & 116,600# 20/40 SAND
5419-5535	38,209 GALS GELLED WATER & 102,100# 20/40 SAND
5056-5170	44,576 GALS GELLED WATER & 124,900# 20/40 SAND
4936-5018	47,752 GALS GELLED WATER & 139,400# 20/40 SAND

Perforated the North Horn from 6421-23', 6428-30', 6435-37', 6441-43', 6451-53', 6496-98' w/ 3 spf.

Perforated the Ba/North Horn from 6184-85', 6201-02', 6230-31', 6268-69', 6299-6300', 6311-13', 6320-22', 6329-30', 6354-55', 6374-75' w/ 3 spf.

Perforated the Ba from 5829-30', 5854-55', 5880-81', 5889-90', 5901-02', 5913-14', 5973-74', 5980-81', 6016-17', 6039-40', 6065-66', 6073-74' w/ 3 spf.

Perforated the Ca/Ba from 5577-78', 5583-84', 5591-92', 5611-12', 5618-19', 5637-38', 5677-78', 5691-92', 5716-17', 5742-43', 5748-49', 5770-71' w/ 3 spf.

Perforated the Ca from 5419-21', 5427-28', 5453-55', 5476-77', 5492-94', 5505-06', 5525-27', 5534-35' w/ 3 spf.

Perforated the Ca from 5056-57', 5063-64', 5093-94', 5106-07', 5117-18', 5128-29', 5134-35', 5142-43', 5149-50', 5156-57', 5162-63', 5169-70' w/ 3 spf.

Perforated the Ca/Pp from 4936-37', 4944-45', 4952-54', 4960-61', 4972-73', 4982-83', 4988-89', 4998-99', 5011-13', 5017-18' w/ 3 spf.

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 731-32

API number: 4304739582

Well Location: QQ NENW Section 32 Township 9S Range 23E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,530	1,550	NO FLOW	NOT KNOWN

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

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

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

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE *Mary A. Maestas*

DATE 9/26/2008

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3355
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:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit
2. NAME OF OPERATOR: EOG Resources, Inc.		8. WELL NAME and NUMBER: Chapita Wells Unit 731-32
3. ADDRESS OF OPERATOR: 1060 East Highway 40 Vernal UT 84078		9. API NUMBER: 43-047-39582
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1046' FNL & 2041' FWL 39.996875 LAT 109.352856 LON COUNTY: Uintah QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 32 9S 23E S.L.B. & M. STATE: UTAH		10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch

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 (Submit in Duplicate) Approximate date work will start: _____ <input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<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/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"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>Site Facility Diagram</u>

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

Attached please find a site facility diagram.

NAME (PLEASE PRINT) <u>Mickenzie Thacker</u>	TITLE <u>Operations Clerk</u>
SIGNATURE <u><i>Mickenzie Thacker</i></u>	DATE <u>10/2/2008</u>

(This space for State use only)

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OCT 06 2008

DIV. OF OIL, GAS & MINING

Geogresources Site Facility Diagram

Well Name: CHAPITA WELLS UNIT 731-32
1/4 1/4:NE/NW Sec:32 T:9S R:23E
County:UINTAH State:UTAH
Lease: ML-3355
UNITPA#: 892000905X



Site facility diagrams & site security plans are located at the Vernal office in Vernal, Utah. The office is located at 1060 East Hwy 40 and normal business hours are 7:00 a.m. to 4:30 p.m. Mon -Thurs and 7:00 a.m. to 1:00 p.m. fridays.

Valve	Production Phase	Sales Phase	Water Drain
PV	O	SC	SC
LV	SC	O	SC
WD	SC	SC	O

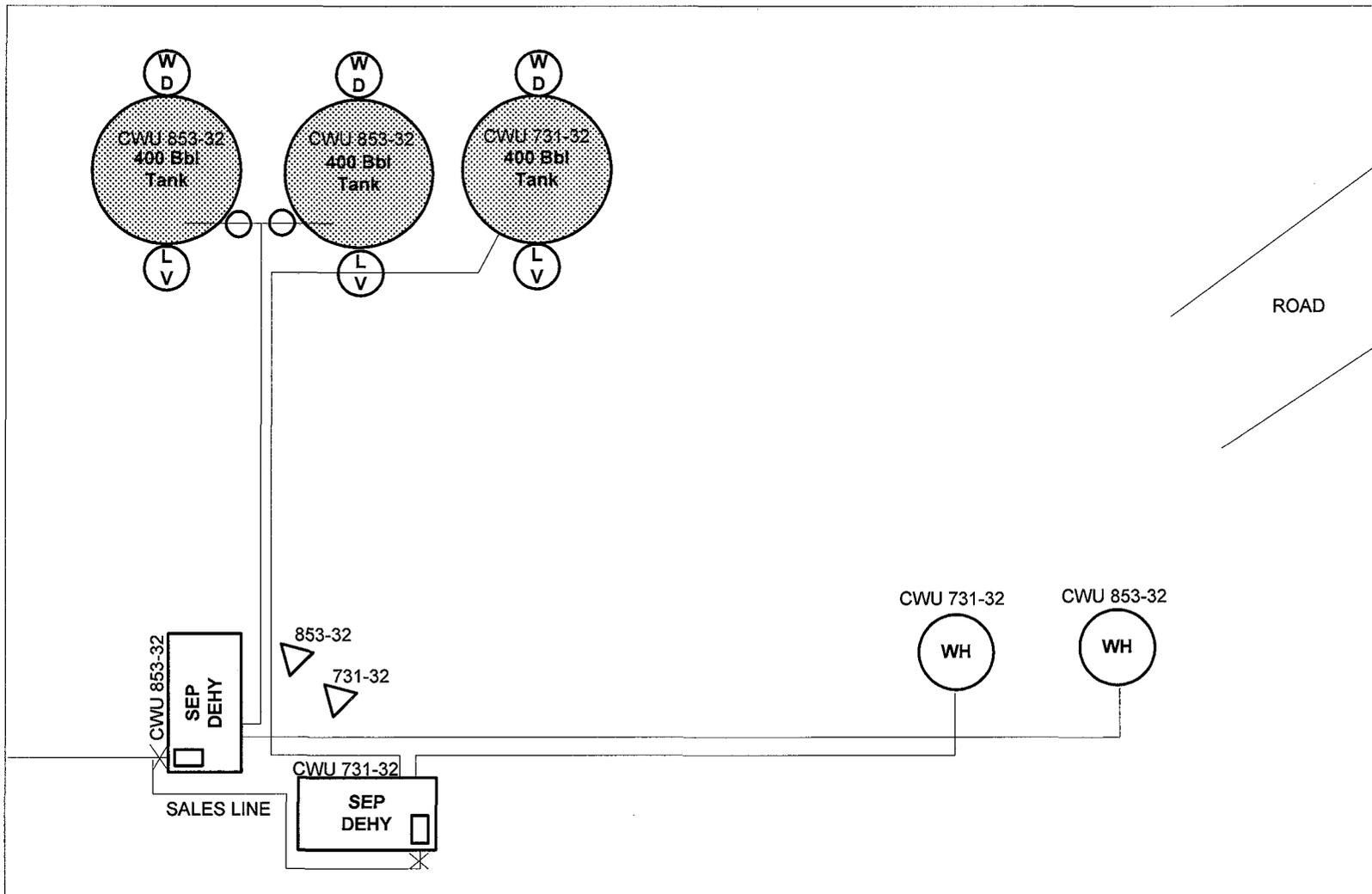
DATED 9/30/2008

Abbreviations

AM= Allocation Meter
 AR = Access Road
 CHT = Chemical Tank
 COMP = Compressor
 CON = Condensor
 CT = Condensate Tank
 DL = Dump Line
 EP = Electrical Panel
 ET = Emergency Tank
 FW = Firewall
 LACT = LACT Unit
 LH = Line Heater
 LV = Load Valve
 MAN = Manifold
 MB = Methanol Bath
 O = Open
 PL = Production Line
 PP = Power Pole
 PT = Propane Tank
 PU = Pumping Unit
 PV = Production Valve
 PW = Produced Water
 RL = Recycle Line
 RP = Recycle Pump
 RV = Recycle Valve
 SC = Sealed Closed
 SGS = Sales Gas Scrubber
 SL = Sales Line
 SM = Sales Meter
 SO = Sealed Open
 SP = Separator
 SV = Sales Valve
 T = Treater
 TP = Trace Pump
 WD = Water Drain
 WDP = Water Disposal Pump
 WFP = Water Flood Pump
 WH = Wellhead

----- = Buried Line
 _____ = Unburied Line

◁ = Meter Display
 ◻ = Meter Tube
 ○ = Production Valve
 ✕ = Valve



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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS			5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3355
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 Unit
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: Chapita Wells Unit 731-32	
2. NAME OF OPERATOR: EOG Resources, Inc.		9. API NUMBER: 43-047-39582	
3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202		PHONE NUMBER: (303) 824-5526	10. FIELD AND POOL, OR W/LDCAT: Natural Buttes/Wasatch
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1046' FNL & 2041' FWL 39.996875 LAT 109.352856 LON COUNTY: Uintah			
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 32 9S 23E S.L.B. & M. 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 (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input checked="" type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<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.

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat. Interim reclamation was completed on 9/16/2008.

NAME (PLEASE PRINT) <u>Mary A. Maestas</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u><i>Mary A. Maestas</i></u>	DATE <u>1/6/2009</u>

(This space for State use only)

RECEIVED
JAN 08 2009
DIV. OF OIL, GAS & MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov/ut/st/en.html>



IN REPLY REFER TO
3180
UT-922

July 24, 2009

Debbie Spears
EOG Resources, Inc.
600 17th Street, Suite 1000N
Denver, Colorado 80202

Re: Initial Consolidated Wasatch
Formation PA "A-H, J"
Chapita Wells Unit
Uintah County, Utah

Dear Ms. Spears:

The Initial Consolidated Wasatch Formation PA "A-H, J", Chapita Wells Unit, CRS No. UTU63013BM, AFS No. 892000905BM, is hereby approved effective as of September 1, 2008, pursuant to Section 11 of the Chapita Wells Unit Agreement, Uintah County, Utah.

The Initial Consolidated Wasatch Formation PA "A-H, J" results in an initial consolidated participating area of 15,904.22 acres and is based upon the completion of the following wells as capable of producing unitized substances in paying quantities.

to 4905

WELL NO.	API NO.	LOCATION	LEASE NO.
CWU 731-32	43-047-39582	NE $\frac{1}{4}$ NW $\frac{1}{4}$, 32-9S-23E	STATE
CWU 717-7	43-047-39055	SE $\frac{1}{4}$ SW $\frac{1}{4}$, 7-9S-23E	UTU0343
CWU 1229-7	43-047-38113	NE $\frac{1}{4}$ NE $\frac{1}{4}$, 7-9S-23E	UTU0343

from

16896
16948
16934

Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the approval of the Initial Consolidated Wasatch Formation PA "A-H J", Chapita Wells Unit, and the effective date.

also entity 15871 to 4905

API	WELL NAME	QTR/QTR	SEC	TWP	RNG
✓ 4304737415	CWU 695-32	SWNE	32	0908	230E
✓ 4304737484	CWU 689-33	NESW	33	0808	230E
✓ 4304738862	CWU 722-32	NESE	32	0908	230E
4304739056	CWU 719-33	SWSW	33	0908	230E
4304739197	CWU 697-32	SWNW	32	0908	230E
4304739199	CWU 699-32	SWSW	32	0908	230E
✓ 4304739216	CWU 698-32	SWSE	32	0908	230E
✓ 4304739599	CWU 732-32	NESW	32	0908	230E

Sincerely,

/s/ Terry Catlin

Terry Catlin
Acting Chief, Branch of Fluid Minerals

RECEIVED

JUL 29 2009

DIV. OF OIL, GAS & MINING

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

FORM 6

ENTITY ACTION FORM

Operator: EOG Resources, Inc. Operator Account Number: N 9550
 Address: 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
43-047-39582	CHAPITA WELLS UNIT 731-32		NENW	32	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	16896	4905	6/10/2008		9/1/2008		
Comments: WASATCH — 8/24/09							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39055	CHAPITA WELLS UNIT 717-07		SESW	7	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	16948	4905	6/29/2008		9/1/2008		
Comments: WASATCH — 8/24/09							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38113	CHAPITA WELLS UNIT 1229-07		NENE	7	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	16934	4905	6/23/2008		9/1/2008		
Comments: WASATCH — 8/24/09							

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

8/20/2009

Title

Date

RECEIVED

AUG 19 2009

DIV. OF OIL, GAS & MINING

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.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML 3355
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL Gas Well		7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS
2. NAME OF OPERATOR: EOG RESOURCES, INC.		8. WELL NAME and NUMBER: CWU 731-32
3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1000 N , Denver, CO, 80202		9. API NUMBER: 43047395820000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1046 FNL 2041 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENW Section: 32 Township: 09.0S Range: 23.0E 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 checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 3/14/2014 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER
		<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text" value="Gas Lift"/>
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. EOG Resources, Inc. respectfully requests authorization to install a 145 HP Caterpillar G3306 or equivalent skid mounted gas engine at CWU 731-32, install an associated H2S treatment facility and install a carport type building over the compressor on the existing well. No new surface disturbance will be required. The compressor will be used for gas lift on the CWU 731-32. An updated site facility diagram will follow post installation.		
		Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY March 11, 2014
NAME (PLEASE PRINT) Donna J Skinner	PHONE NUMBER 303 262-9467	TITLE Sr. Regulatory Assistant
SIGNATURE N/A		DATE 3/6/2014



GARY R. HERBERT
Governor

SPENCER J. COX
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

June 9, 2014

Certified Mail No. 7003 2260 0003 2358 7172

43 047 39582
CWU 731-32
32 95 23E

Mr. Ed Forsman
EOG Resources, Inc.
1060 E Hwy 40
Vernal, UT 84078-2833

Subject: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases

Dear Mr. Ed Forsman:

As of April 2014, EOG Resources, Inc. has seven (7) State Lease Wells (see attachment A) that are currently in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status.

Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

Please note that the Divisions preferred method for showing well integrity is by MIT.



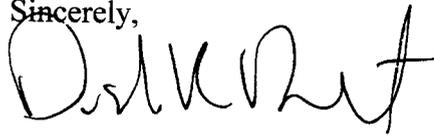
Page 2
EOG Resources, Inc.
June 9, 2014

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

DKD/JP/js

cc: Compliance File
Well File
LaVonne Garrison, SITLA

N:\O&G Reviewed Docs\ChronFile\PetroleumEngineer\SITA

ATTACHMENT A

	Well Name	API	LEASE	Years Inactive
1	CWU 39-16	43-047-30268	ML-3078	2 years 6 months
2	CWU 302-2F	43-047-33212	ML-3077	1 year 6 months
3	E CHAPITA 8-16	43-047-36815	ML-47045	2 years
4	CWU 695-32	43-047-37415	ML-3355	2 years 1 month
5	CWU 699-32	43-047-39199	ML-3355	2 years 2 months
→ 6	CWU 731-32	43-047-39582	ML-3355	1 year 7 months
7	CWU 1324-32	43-047-50091	ML-3355	1 year 4 months



EOG Resources, Inc.
600 Seventeenth Street
Suite 1000N
Denver, CO 80202
Main: 303-572-9000
Fax: 303-824-5400

July 8, 2014

DIV. OF OIL, GAS & MINING
JUL 09 2014
RECEIVED

Mr. Dustin Doucet
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84116

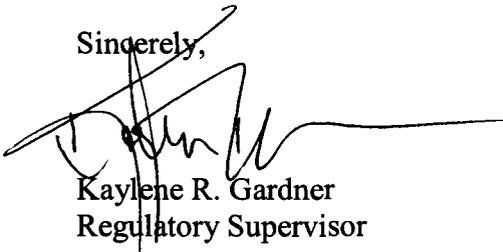
RE: 2014 Demand Letter

Dear Mr. Doucet:

In response to your 2014 demand letter EOG has completed the following actions addressing concerns regarding the shut-in status of the wells.

- CWU 39-16 – P&A sundry was submitted 7/1/2014 - API # 4304730268
- CWU 302-02F - This well is producing 5 Mscf/day and should be taken off the SI list - API # 4304733212
- ECW 8-16 - This well has a wireline fish that was left in the well during completion. The API - 4304736815 well still has five frac stages that need to be completed and has never been IP'ed. We will plan on testing and maintaining the wellbore integrity so that the well can be completed once the gas market becomes viable.
- CWU 695-32 – Will be returned to sales API # - 4304737415
- CWU 699-32 – Will be returned to sales API # - 4304739199
- CWU 731-32 - Well was placed on gas lift and is currently making 400 Mscf/day net API # - 4304739582 production. This well should be taken off the SI list.
- CWU 1324-32 - This well will be placed on gas lift mid-July, and returned to sales. API # - 4304750091

Sincerely,



Kaylene R. Gardner
Regulatory Supervisor

cc: File

Accepted by the
Utah Division of
Oil, Gas and Mining
For Record Only