

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-0281	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator EOG Resources, Inc.		7. If Unit or CA Agreement, Name and No. Chapita Wells Unit	
3a. Address 1060 East Highway 40, Vernal UT 84078		8. Lease Name and Well No. Chapita Wells Unit 977-11	
3b. Phone No. (include area code) 435-781-9111		9. API Well No. 43-047-39585	
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 345 FSL & 772 FEL 40.044181 Lat 109.400456 Lon. ^{ESG} At proposed prod. zone Same ^{636506X} ⁴⁴³³⁶⁸³⁴ ^{40.044233} ^{-109.399858}		10. Field and Pool, or Exploratory Natural Buttes/Mesaverde	
14. Distance in miles and direction from nearest town or post office* 49.2 Miles South of Vernal, UT		11. Sec., T. R. M. or Blk. and Survey or Area Section 11, T9S, R22E S.L.B.&M	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 345	16. No. of acres in lease 2558	12. County or Parish Uintah	
17. Spacing Unit dedicated to this well Suspended	13. State UT		
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1100	19. Proposed Depth 9550	20. BLM/BIA Bond No. on file NM 2308	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4831' GL	22. Approximate date work will start*	23. Estimated duration 45 Days	

24. Attachments

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

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

25. Signature 	Name (Printed Typed) Kaylene R. Gardner	Date 08/20/2007
-------------------	--	--------------------

Title Lead Regulatory Assistant	
Approved by (Signature) 	Name (Printed Typed) BRADLEY G. HILL
Title	Office ENVIRONMENTAL MANAGER
Date 08-29-07	

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

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

(Continued on page 2)

*(Instructions on page 2)

**Federal Approval of this
Action is Necessary**

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

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

EOG RESOURCES, INC.

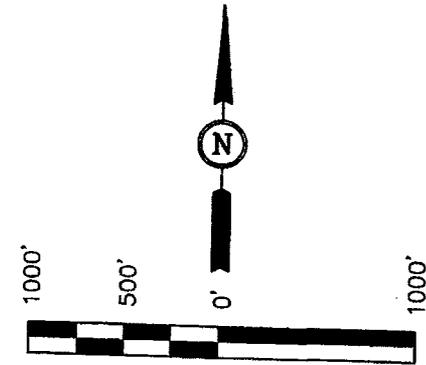
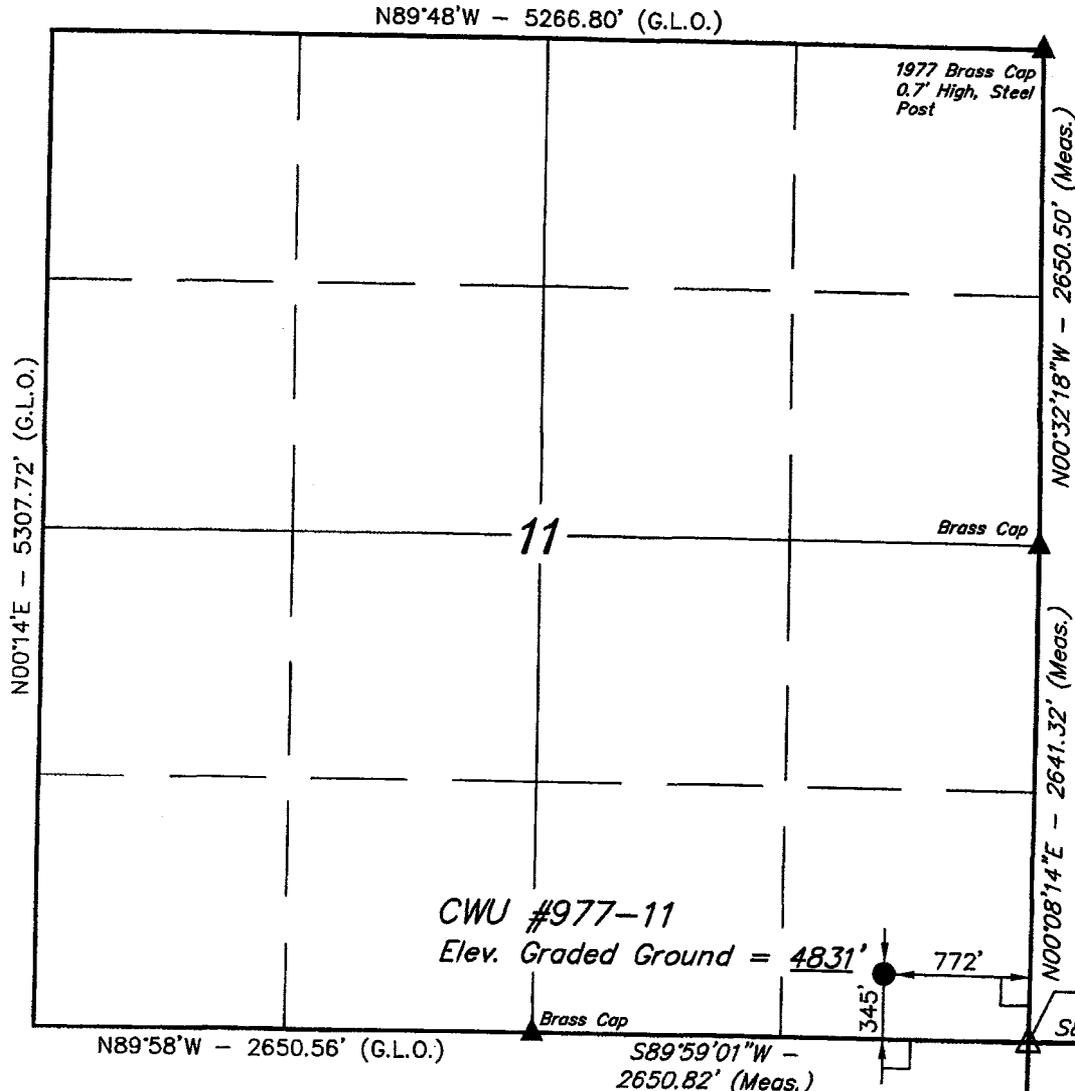
Well location, CWU #977-11, located as shown in the SE 1/4 SE 1/4 of Section 11, T9S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

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

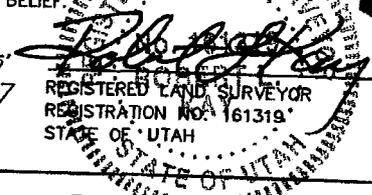
BASIS OF BEARINGS

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



SCALE
CERTIFICATE

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



CWU #977-11
Elev. Graded Ground = 4831'

Section Corner
Re-Established By
Double Proportion
Method (Not Set)

S 1/4 Sec. 12
1977 Brass Cap 0.5'
High, Loose Stones

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED. (Not Set On Ground)

(NAD 83)
LATITUDE = 40°02'39.05" (40.044181)
LONGITUDE = 109°24'01.64" (109.400456)
(NAD 27)
LATITUDE = 40°02'39.18" (40.044217)
LONGITUDE = 109°23'59.18" (109.399772)

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 11-16-04	DATE DRAWN: 1-19-05
PARTY G.S. D.L. K.G.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN

CHAPITA WELLS UNIT 977-11
SE/SE, SEC. 11, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,879		Shale	
Wasatch	4,875		Sandstone	
Chapita Wells	5,451		Sandstone	
Buck Canyon	6,131		Sandstone	
North Horn	6,826		Sandstone	
KMV Price River	7,296	Primary	Sandstone	Gas
KMV Price River Middle	8,129	Primary	Sandstone	Gas
KMV Price River Lower	8,839	Primary	Sandstone	Gas
Sego	9,345		Sandstone	
TD	9,550			

Estimated TD: **9,550' or 200'± below Sego top**

Anticipated BHP: 5,215 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 ⅜"	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	7-7/8"	Surface – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-⅝" 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.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 977-11
SE/SE, SEC. 11, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2300'± - TD):

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

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

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

7. VARIANCE REQUESTS:

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

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 977-11
SE/SE, SEC. 11, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

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

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

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

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

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

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

Production Hole Procedure (2300'± - TD)

Lead: 148 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: 910 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 977-11
SE/SE, SEC. 11, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

11. STANDARD REQUIRED EQUIPMENT:

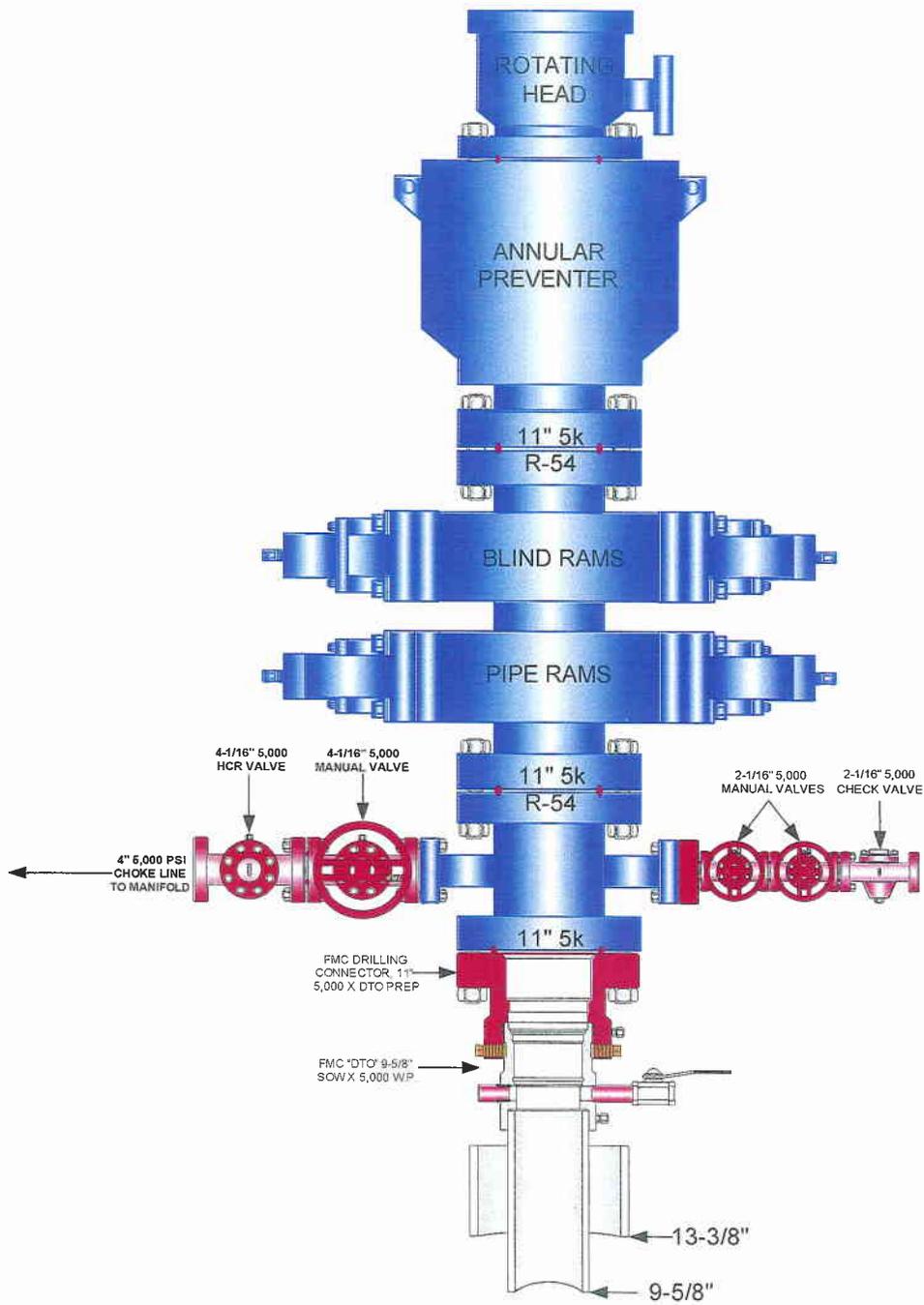
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

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

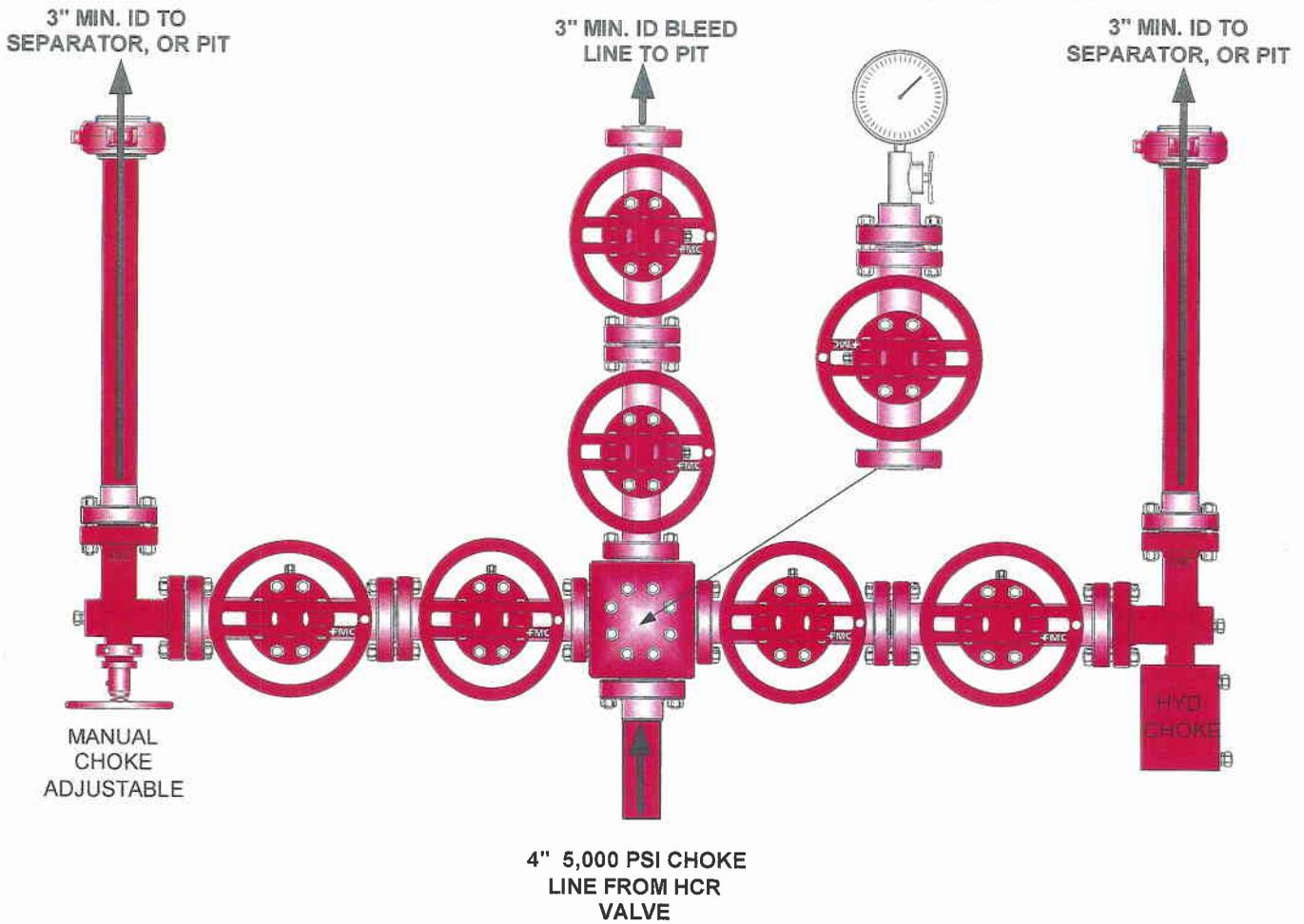
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF 2



Testing Procedure:

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



**Chapita Wells Unit 977-11
SESE, Section 11, T9S, R22E
Uintah County, Utah**

SURFACE USE PLAN

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. New surface disturbance associated with the well pad is estimated to be approximately 1.84 acres.

1. EXISTING ROADS:

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 49.2 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

- A. The existing access road for Chapita Wells Unit 315-11 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 and/or one (1) 300 bbl vertical tanks and attaching piping.
2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

B. Off Well Pad

1. No new pipeline will be required. Existing pipeline for CWU 315-11 will be used to transport gas from the proposed 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, through natural or artificial methods, or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

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

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

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

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold

planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

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

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

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

Access to the well pad will be from the south

FENCING REQUIREMENTS:

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

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

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

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

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Interim Reclamation (Producing Location)

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

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

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

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

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

Seed Mixture	Drilled Rate (lbs./acre PLS*)
HyCrest Wheatgrass	9.0
Prostrate Kochia	3.0

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

B. Dry Hole/Abandoned Location

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

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Fourwing Saltbush	3.0
Shadscale	3.0
Indian Ricegrass	2.0
HyCrest Wheatgrass	1.0

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

11. SURFACE OWNERSHIP:

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

Bureau of Land Management

12. OTHER INFORMATION:

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

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

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will

assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)
- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

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

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

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

A block cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants on August 10, 2005, report # MOAC 05-264. A paleontological survey was conducted and submitted by Montgomery Archaeological Consultants on August 10, 2005, report # MOAC 05-233.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

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

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

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

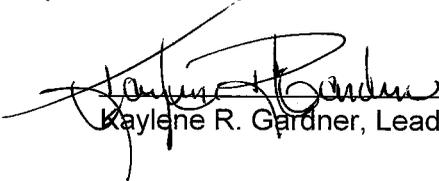
CERTIFICATION:

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

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 977-11 Well, located in the SESE, of Section 11, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

August 20, 2007 _____

Date



Kaylene R. Gardner, Lead Regulatory Assistant

EOG RESOURCES, INC.

CWU #977-11

LOCATED IN UTAH COUNTY, UTAH
SECTION 11, T9S, R22E, S.L.B.&M.



PHOTO: VIEW THROUGH PIT "C" TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: NORTHEASTERLY



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

LOCATION PHOTOS

12 27 04
MONTH DAY YEAR

PHOTO

TAKEN BY: GS

DRAWN BY: C.J.L.

REVISED: 00:00:00

EOG RESOURCES, INC.
CWU #977-11
SECTION 11, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; 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 12.6 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 1.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN AN NORTHERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 49.15 MILES

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

CWU #977-11

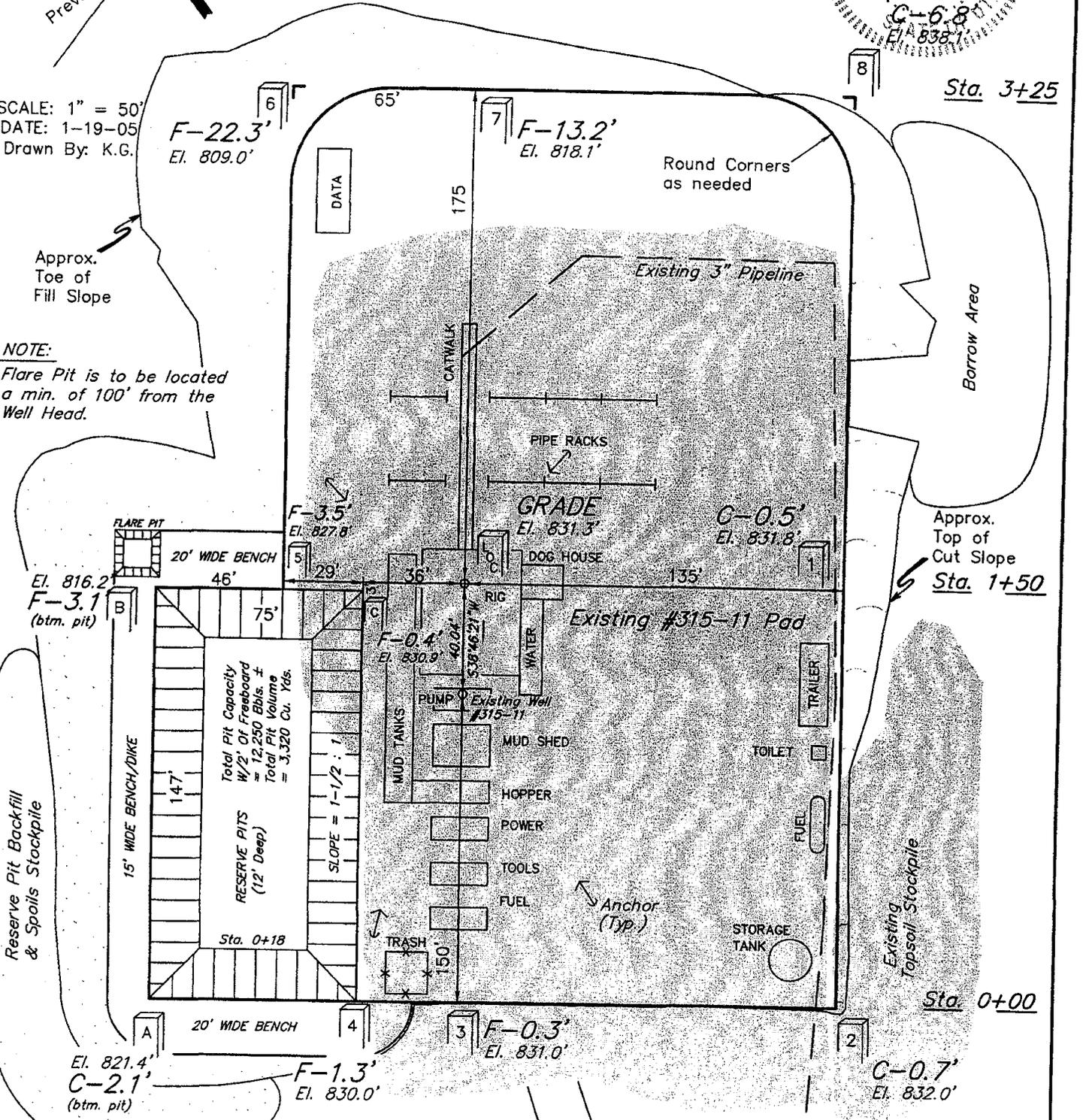
SECTION 11, T9S, R22E, S.L.B.&M.
345' FSL 772' FEL



SCALE: 1" = 50'
DATE: 1-19-05
Drawn By: K.G.

Sta. 3+25

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



NOTES:

Elev. Graded Ground At Loc. Stake = 4831.3'
FINISHED GRADE ELEV. AT LOC. STAKE = 4831.3'

FIGURE #1

EOG RESOURCES, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR

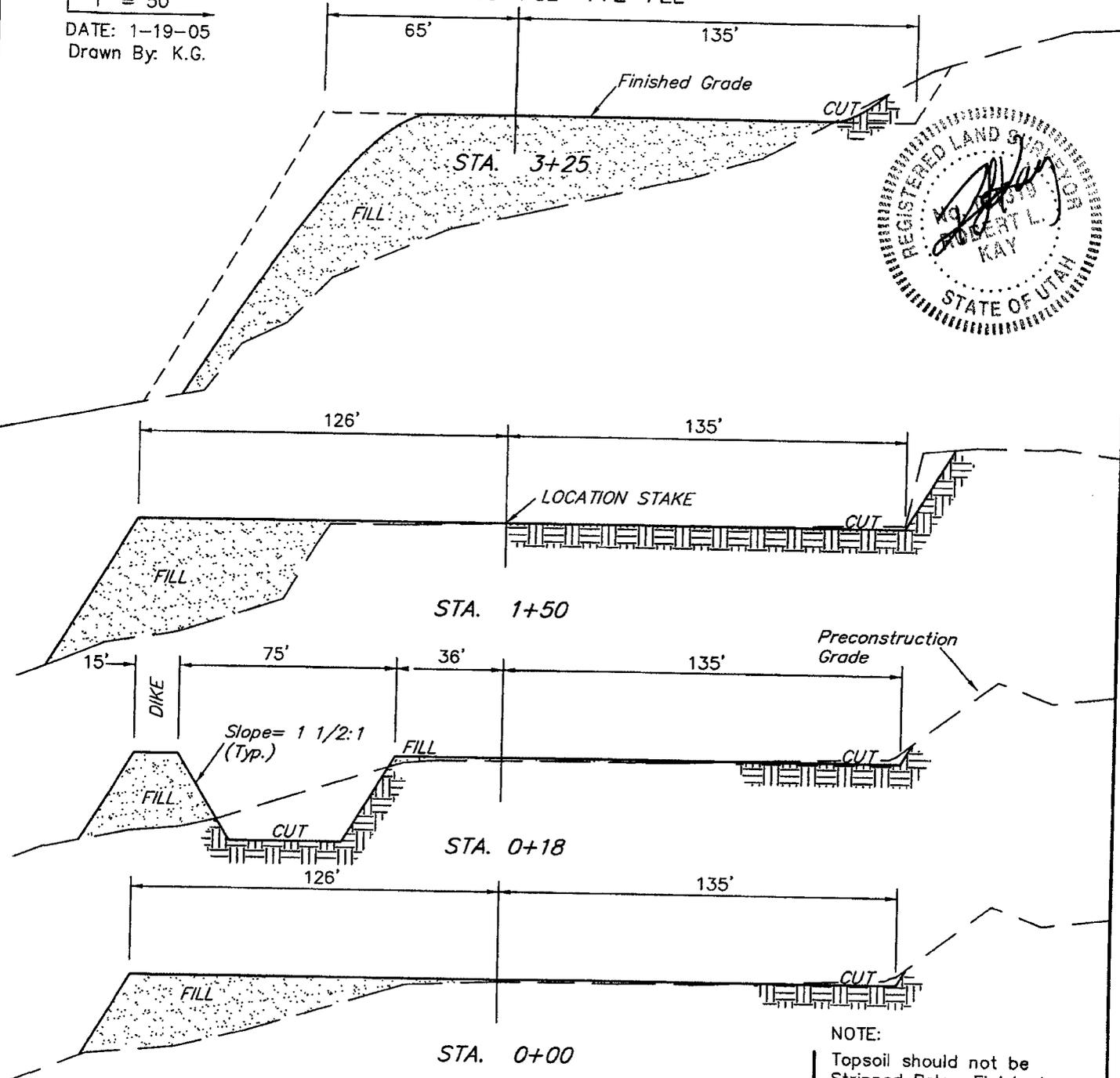
CWU #977-11

SECTION 11, T9S, R22E, S.L.B.&M.

345' FSL 772' FEL

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

DATE: 1-19-05
Drawn By: K.G.



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

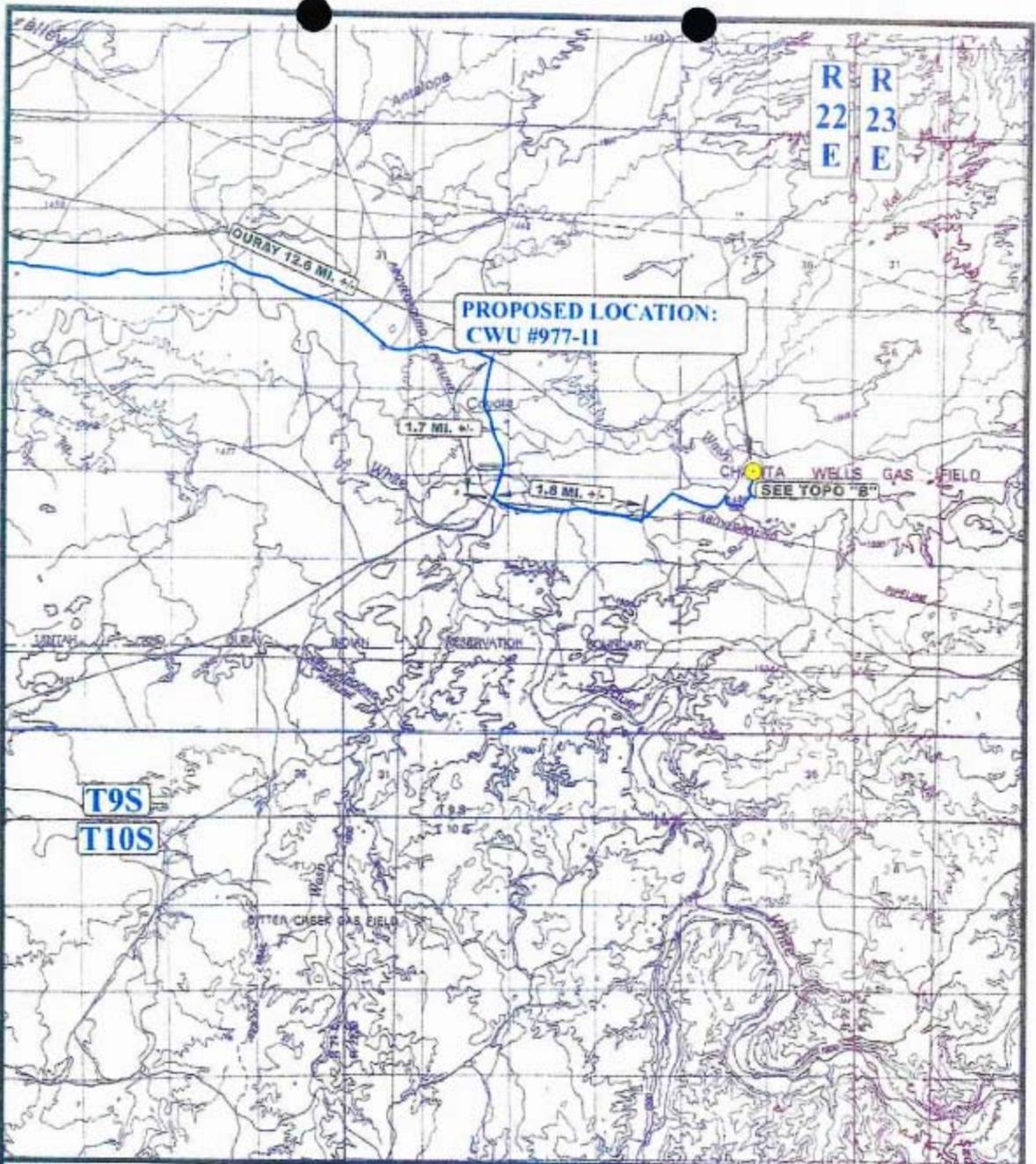
* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping (New Construction)	= 520 Cu. Yds.
Remaining Location	= 2,390 Cu. Yds.
TOTAL CUT	= 2,910 CU.YDS.
FILL	= 10,960 CU.YDS.

DEFICIT MATERIAL	= <8,050> Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,180 Cu. Yds.
DEFICIT UNBALANCE	= <10,230> Cu. Yds.
(Obtain From Approved Borrow Area)	

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



LEGEND:

 PROPOSED LOCATION

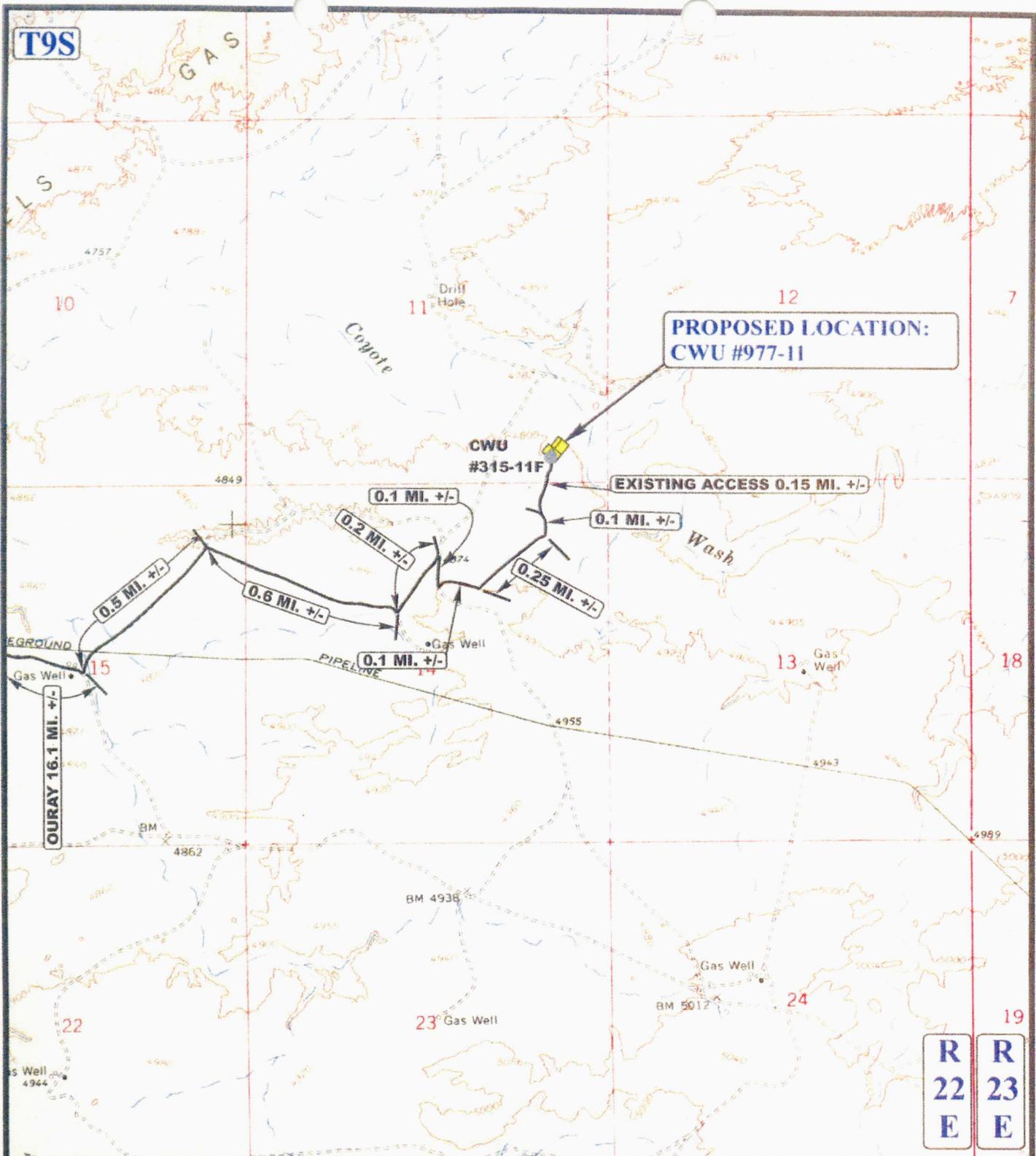


EOG RESOURCES, INC.

CWU #977-11
SECTION 11, T9S, R22E, S.L.B.&M.
345' FSL 772' FEI.

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

TOPOGRAPHIC MAP **12 27 04**
MONTH DAY YEAR
SCALE: 1:100,000 DRAWN BY: C.H. REVISED: 00-00-00 **A**
TOPO



LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



EOG RESOURCES, INC.

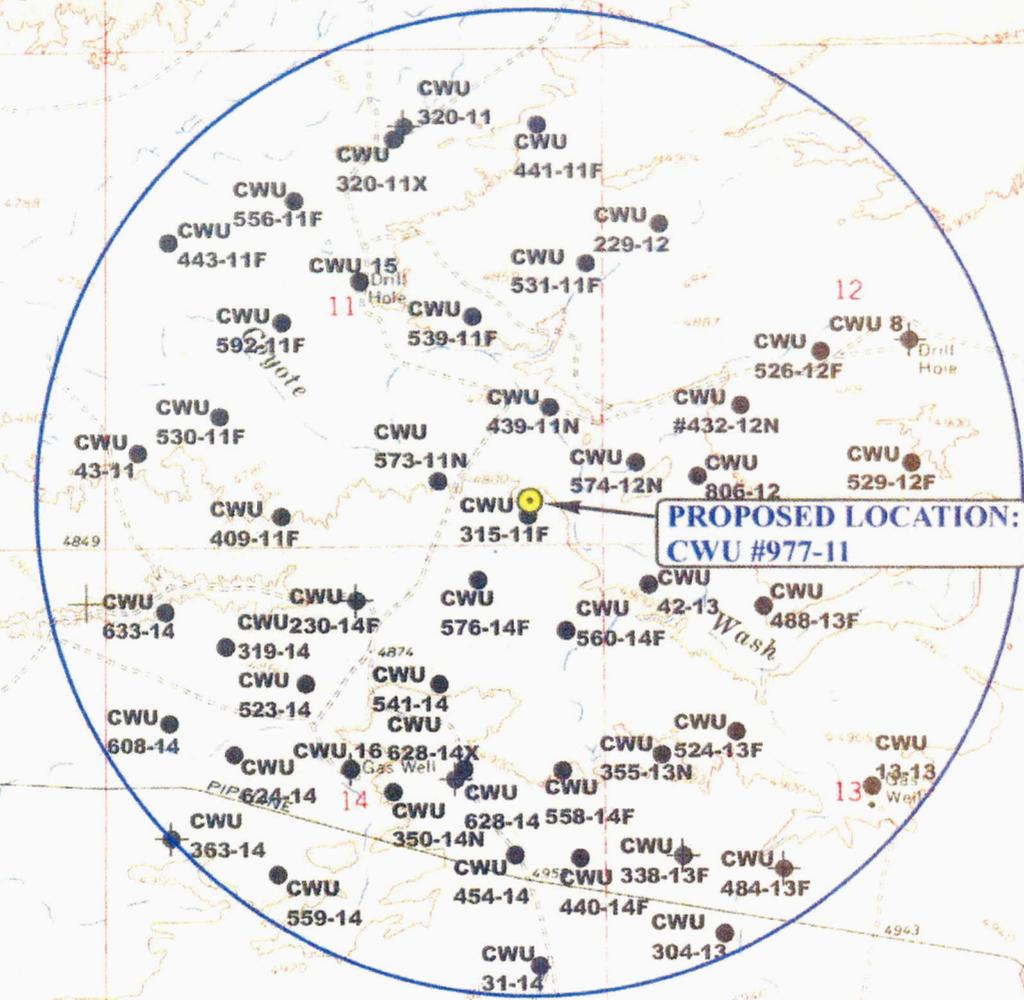
CWU #977-11
 SECTION 11, T9S, R22E, S.L.B.&M.
 345' FSL 772' FEL

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

TOPOGRAPHIC MAP **12 27 04**
MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.H. REVISED: 00-00-00 **B TOPO**

T9S

FIELD 2



PROPOSED LOCATION:
CWU #977-11

R	R
22	23
E	E

LEGEND:

- | | |
|-------------------|-------------------------|
| ⊗ DISPOSAL WELLS | ♂ WATER WELLS |
| ● PRODUCING WELLS | ● ABANDONED WELLS |
| ● SHUT IN WELLS | ● TEMPORARILY ABANDONED |



EOG RESOURCES, INC.

CWU #977-11
SECTION 11, T9S, R22E, S.L.B.&M.
345' FSL 772' FEL.



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

TOPOGRAPHIC
MAP

12 27 04
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.H. REVISED: 00-00-00



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/22/2007

API NO. ASSIGNED: 43-047-39585

WELL NAME: CWU 977-11
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

SESE 11 090S 220E
 SURFACE: 0345 FSL 0772 FEL
 BOTTOM: 0345 FSL 0772 FEL
 COUNTY: UINTAH
 LATITUDE: 40.04423 LONGITUDE: -109.3999
 UTM SURF EASTINGS: 636506 NORTHINGS: 4433683
 FIELD NAME: NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: U-0281
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM 2308)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-225)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

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: 274-8
Eff Date: 8-10-1994
Siting: Suspends (check) Siting
- R649-3-11. Directional Drill

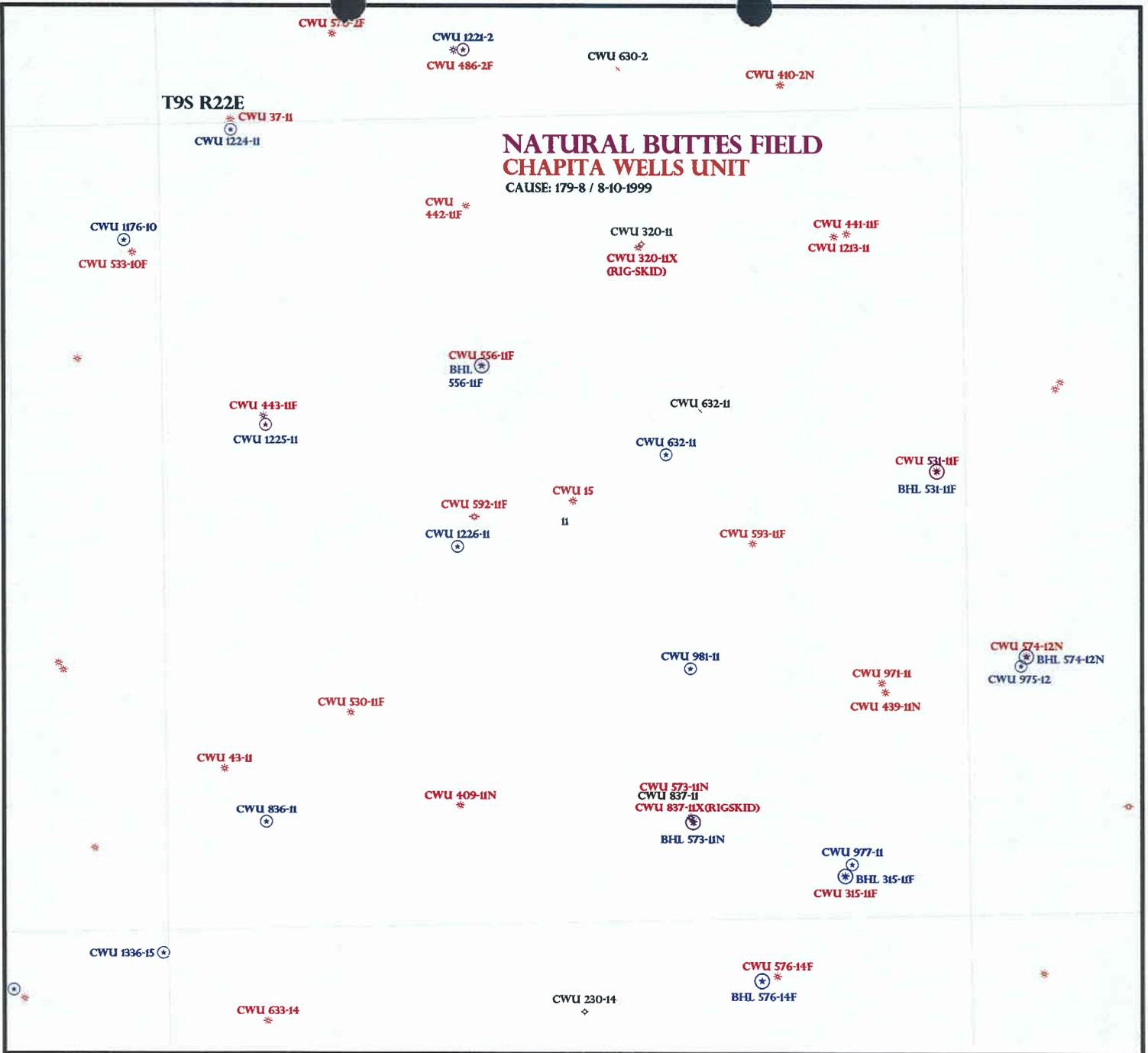
COMMENTS: _____

STIPULATIONS: 1- Federal Approval
2- Oil Shale

T9S R22E

NATURAL BUTTES FIELD CHAPITA WELLS UNIT

CAUSE: 179-8 / 8-10-1999



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 11 T.9S R. 22E

FIELD: NATURAL BUTTES (630)

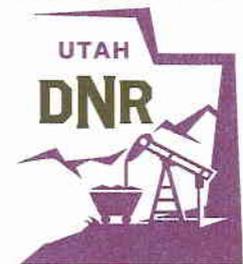
COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999

Field Status	
	ABANDONED
	ACTIVE
	COMBINED
	INACTIVE
	PROPOSED
	STORAGE
	TERMINATED

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

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



OIL, GAS & MINING



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

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

August 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



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

August 29, 2007

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

Re: Chapita Wells Unit 977-11 Well, 345' FSL, 772' FEL, SE SE, Sec. 11, T. 9 South,
R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39585.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

Operator: EOG Resources, Inc.

Well Name & Number Chapita Wells Unit 977-11

API Number: 43-047-39585

Lease: U-0281

Location: SE SE Sec. 11 T. 9 South R. 22 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

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

3. Reporting Requirements

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

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

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

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: U-0281
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 977-11
3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY Vernal STATE UT ZIP 84078		9. API NUMBER: 43-047-39585
4. LOCATION OF WELL FOOTAGES AT SURFACE: 345' FSL & 772' FEL 40.044181 LAT 109.400456 LON		10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Mesaverde
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 11 9S 22E S		COUNTY: Uintah
		STATE: UTAH

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

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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
EOG Resources, Inc. requests the APD for the referenced well be extended for one year.

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

Date: 08-04-08
By: [Signature]

COPY SENT TO OPERATOR
Date: 8-5-2008
Initials: KS

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

(This space for State use only)

RECEIVED

AUG - 1 2008

DIV OF OIL, GAS & MINING

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

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

API: 43-047-39585
Well Name: CHAPITA WELLS UNIT 977-11
Location: 345 FSL - 772 FEL (SESE), SECTION 11, T9S, R22E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 8/29/2007

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

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

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

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

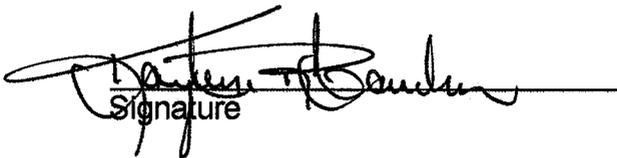
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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

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

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

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


Signature

7/30/2008

Date

Title: Lead Regulatory Assistant

Representing: EOG Resources, Inc.

RECEIVED

AUG - 1 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
VERNAL FIELD OFFICE
2007 AUG 21 PM 1:01
DEPT. OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-0281	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator EOG Resources, Inc.		7. If Unit or CA Agreement, Name and No. Chapita Wells Unit	
3a. Address 1060 East Highway 40, Vernal UT 84078		8. Lease Name and Well No. Chapita Wells Unit 977-11	
3b. Phone No. (include area code) 435-781-9111		9. API Well No. 43 047 39585	
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 345 FSL & 772 FEL 40.044181 Lat 109.400456 Lon SESE At proposed prod. zone Same		10. Field and Pool, or Exploratory Natural Buttes/Mesaverde	
14. Distance in miles and direction from nearest town or post office* 49.2 Miles South of Vernal, UT		12. County or Parish Uintah	13. State UT
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 345	16. No. of acres in lease 2558	17. Spacing Unit dedicated to this well Suspended	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1100	19. Proposed Depth 9550	20. BLM/BIA Bond No. on file NM 2308	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4831' GL	22. Approximate date work will start*	23. Estimated duration 45 Days	

24. Attachments

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

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

25. Signature 	Name (Printed Typed) Kaylene R. Gardner	Date 08/20/2007
-------------------	--	--------------------

Title Lead Regulatory Assistant

Approved by (Signature) 	Name (Printed Typed) Leah Kewers	Date AUG 13 2008
-----------------------------	-------------------------------------	---------------------

Title Assistant Field Manager
Office VERNAL FIELD OFFICE

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

CONDITIONS OF APPROVAL ATTACHED

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

(Continued on page 2)

*(Instructions on page 2)

NOTICE OF APPROVAL

UDOGM

RECEIVED
AUG 20 2008

DIV. OF OIL, GAS & MINING

NOS 7/23/07
07PP2496A



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

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: EOG Resources, Inc.
Well No: Chapita Wells Unit 977-11
API No: 43-047-39585

Location: SESE, Sec. 11, T9S, R22E
Lease No: UTU-0281
Agreement: Chapita Wells Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	(435) 828-4029
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

Fax: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

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

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

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

SITE SPECIFIC COAs:

- Bury pipeline at all low water crossings.
- Permission from an authorized BLM representative will be required if construction or other operations occur during wet conditions that will lead to excessive rutting.
- Permission to clear all wildlife stipulations will only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.
- Culverts and gravel may be installed as needed.
- There will not be any construction, during April 1 to July 15 in order to protect Red-tailed Hawk nests.
- The pit liner will be completely removed at interim reclamation and properly disposed of at an appropriate off-site location.
- The reserve pit will be lined with a double layer of felt and polyswell.

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

SITE SPECIFIC DOWNHOLE COAs:

- A surface casing shoe integrity test shall be performed.
- A variance is granted for Onshore Order #2-Drilling Operations III. E. "Blooie line discharge 100 feet from well bore and securely anchored" Blooie line can be 75 feet.
- Production casing cement shall be at a minimum 200 feet inside the surface casing. A CBL shall be run from TD to top of cement and a field copy shall be sent to this field office.

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

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

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

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

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Serial No. UTU0281
2. Name of Operator EOG RESOURCES, INC. Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com	6. If Indian, Allottee or Tribe Name
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202	7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS UNI
3b. Phone No. (include area code) Ph: 303-824-5526	8. Well Name and No. CHAPITA WELLS UNIT 977-11
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 11 T9S R22E SESE 345FSL 772FEL 40.04418 N Lat, 109.40046 W Lon	9. API Well No. 43-047-39585
	10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE
	11. County or Parish, and State UINTAH COUNTY, UT

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other Change to Original A PD

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

EOG Resources, Inc. requests authorization to change the TD of the referenced well from

9550'

to

9650'

A revised drilling plan is attached.

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

COPY SENT TO OPERATOR

Date: 9-10-2008

Initials: KS

Date: 09-09-08
By: [Signature]

**Federal Approval of this
Action is Necessary**

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

**Electronic Submission #62532 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT
Signature <u>Mary A Maestas</u>	Date 08/25/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

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

RECEIVED
SEP 08 2008

DIV. OF OIL, GAS & MINING

EIGHT POINT PLAN

CHAPITA WELLS UNIT 977-11
SE/SE, SEC. 11, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,879		Shale	
Wasatch	4,875		Sandstone	
Chapita Wells	5,451		Sandstone	
Buck Canyon	6,131		Sandstone	
North Horn	6,826		Sandstone	
KMV Price River	7,296	Primary	Sandstone	Gas
KMV Price River Middle	8,129	Primary	Sandstone	Gas
KMV Price River Lower	8,839	Primary	Sandstone	Gas
Sego	9,446		Sandstone	
TD	9,650			

Estimated TD: 9,650' or 200'± TD

Anticipated BHP: 5,270 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±	9-⅝"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	8-⅝"	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/9-⅝" 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.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 977-11 SE/SE, SEC. 11, T9S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (Surface- 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 (Surface - TD):

Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

Surface - 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.

EIGHT POINT PLAN
CHAPITA WELLS UNIT 977-11
SE/SE, SEC. 11, T9S, R22E, 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**

EIGHT POINT PLAN

CHAPITA WELLS UNIT 977-11 SE/SE, SEC. 11, T9S, R22E, 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:** 143 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:** 928 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., 5.9 gps 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 (Surface - TD):

Production Hole will be drilling with an 8-5/8" bit to 5,800' ± and change to 7-7/8" Hole.
Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 977-11 **SE/SE, SEC. 11, T9S, R22E, 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)

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 977-11

Api No: 43-047-39585 Lease Type: FEDERAL

Section 11 Township 09S Range 22E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # RATHOLE

SPUDDED:

Date 11/14/08

Time 1:30 PM

How DRY

Drilling will Commence: _____

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 11/17/08 Signed CHD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
Multiple (See Attached)
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well
 Oil Well Gas Well Other

7. If Unit of CA/Agreement, Name and/or No.
Chapita Wells Unit

2. Name of Operator
EOG Resources, Inc

8. Well Name and No.
Multiple (See Attached) **CWU 977-11**

3a. Address
1060 EAST HIGHWAY 40, VERNAL, UT 84078

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

9. API Well No.
Multiple (See Attached) **43 047 39585**

10. Field and Pool or Exploratory Area
Natural Buttes

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Multiple (See Attached)
9S 22E 11

11. Country or Parish, State
Uintah, Utah

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

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

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

EOG Resources, Inc. respectfully requests authorization for Air Drilling Operations, see Attached.

COPY SENT TO OPERATOR
Date: 12.4.2008
Initials: KS

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

Title Operations Clerk

Signature *Mickenzie Thacker*

Date 11/12/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by *[Signature]*

Title Pet. Eng.

Date 11/26/08

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

Office DOGM

Federal Approval Of This Action Is Necessary

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

RECEIVED

NOV 17 2008

API #	Lease #	Well Name	Footages	¼-¼ Legal Description
43-047-39585	UTU-0281	CWU 977-11	345' FSL 772' FEL	SESE Sec. 11 T9S R22E
43-047-39452	UTU-0284-A	CWU 1276-22	992' FSL 1883' FWL	SESW Sec. 22 T9S R22E
43-047-40266	UTU-0285-A	CWU 1281-27	1321' FNL 2070' FWL	SESW Sec. 27 T9S R22E
43-047-39607	UTU-0285-A	CWU 1282-27	1845' FNL 2453' FWL	SESW Sec. 27 T9S R22E
43-047-39453	UTU-0285-A	CWU 1288-26	1555' FSL 2209' FEL	NWSE Sec. 26 T9S R22E
43-047-39608	UTU-0337	CWU 1295-30	2434' FNL 1121' FEL	SENE Sec. 30 T9S R23E
43-047-39615	UTU-0283-A	CWU 1341-15	2' FSL 769' FEL	SESE Sec. T9S R22E
43-047-39624	UTU-0284-A	CWU 1343-22	1203' FNL 1502' FEL	NWNE Sec. 22 T9S R22E
43-047-39621	UTU-0285-A	CWU 1347-27	25' FNL 500' FWL	NWNW Sec. 27 T9S R22E
43-047-39900	UTU-0282	CWU 1357-24	2556' FNL 1406' FWL	SESW Sec. 24 T9S R22E
43-047-39882	UTU-0285-A	CWU 1362-25	1367' FNL 1394' FWL	SESW Sec. 25 T9S R22E
43-047-39886	UTU-0337	CWU 1370-30	1343' FSL 2338' FEL	NWSE Sec. 30 T9S R23E
43-047-39914	UTU-0337	CWU 1375-29	154' FSL 2579' FEL	SWSE Sec. 29 T9S R23E

Air Drilling Operations:

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

VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1

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

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

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

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES
Address: 1060 East Highway 40
city VERNAL
state UT zip 84078

Operator Account Number: N 9550
Phone Number: (435) 781-9145

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39585	CHAPITA WELLS UNIT 977-11		SESE	11	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>KB</u>	99999	<u>13650</u>	11/14/2008		<u>11/25/08</u>		
Comments: <u>MESAVERDE</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39896	CHAPITA WELLS UNIT 727-29		NENW	29	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>A</u>	99999	<u>17198</u>	11/14/2008		<u>11/25/08</u>		
Comments: <u>WASATCH</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39607	CHAPITA WELLS UNIT 1282-27		SESW	27	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>KB</u>	99999	<u>13650</u>	11/15/2008		<u>11/25/08</u>		
Comments: <u>MESAVERDE</u>							

ACTION CODES:

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

Mickenzie Thacker

Name (Please Print)

Mickenzie Thacker

Signature

Operations Clerk

11/17/2008

Title

Date

RECEIVED

NOV 17 2008

(5/2000)

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.		5. Lease Serial No. UTU0281
		6. If Indian, Allottee or Tribe Name
		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. CHAPITA WELLS UNIT 977-11
2. Name of Operator EOG RESOURCES, INC.		9. API Well No. 43-047-39585
Contact: MICKENZIE THACKER E-Mail: MICKENZIE_THACKER@EOGRESOURCES.COM		
3a. Address 1060 E. HWY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-9145	10. Field and Pool, or Exploratory NATURAL BUTTES
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 11 T9S R22E SESE 345FSL 772FEL 40.04418 N Lat, 109.40046 W Lon		11. County or Parish, and State UINTAH COUNTY, UT

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

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

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

The referenced well was spud on 11/14/2008.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #64841 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal	
Name (Printed/Typed) MICKENZIE THACKER	Title OPERATIONS CLERK
Signature 	Date 11/17/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

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

NOV 19 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0281
2. Name of Operator EOG RESOURCES, INC.		6. If Indian, Allottee or Tribe Name
3a. Address 1060 E. HWY 40 VERNAL, UT 84078		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS
3b. Phone No. (include area code) Ph: 453-781-9145		8. Well Name and No. CHAPITA WELLS UNIT 977-11
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 11 T9S R22E SESE 345FSL 772FEL 40.04418 N Lat, 109.40046 W Lon		9. API Well No. 43-047-39585
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

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

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

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

EOG Resources, Inc. respectfully requests authorization to change the Evaluation Program (Item 8 of the Drilling Plan) for the referenced well.

Logs: CBL/CCL/VDL/GR

A revised drilling plan reflecting the change is attached.

COPY SENT TO OPERATOR

Date: 1.27.2009

Initials: KS

14. I hereby certify that the foregoing is true and correct. Electronic Submission #66420 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal	
Name (Printed/Typed) MICKENZIE THACKER	Title OPERATIONS CLERK
Signature <i>Mickenzie Thacker</i>	Date 01/19/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>[Signature]</i>	Title <i>Pet-Eng.</i>	Date <i>1/20/09</i>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Federal Approval Of This Action Is Necessary
Office <i>DOGm</i>		

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

RECEIVED

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

DIV. OF OIL, GAS & MINING

EIGHT POINT PLAN

CHAPITA WELLS UNIT 977-11
SE/SE, SEC. 11, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,879		Shale	
Wasatch	4,875		Sandstone	
Chapita Wells	5,451		Sandstone	
Buck Canyon	6,131		Sandstone	
North Horn	6,826		Sandstone	
KMV Price River	7,296	Primary	Sandstone	Gas
KMV Price River Middle	8,129	Primary	Sandstone	Gas
KMV Price River Lower	8,839	Primary	Sandstone	Gas
Sego	9,345		Sandstone	
TD	9,550			

Estimated TD: **9,550' or 200'± below Segó top**

Anticipated BHP: 5,215 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
 BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 ½"	0 – 45'	13 ¾"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 977-11 SE/SE, SEC. 11, T9S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2300'± - TD):

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

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

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

7. VARIANCE REQUESTS:

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

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 977-11 SE/SE, SEC. 11, T9S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.
Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
CBL/CCL/VDL/GR

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: **148 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: **910 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 977-11
SE/SE, SEC. 11, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

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

(Attachment: BOP Schematic Diagram)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0281
2. Name of Operator EOG RESOURCES, INC.		6. If Indian, Allottee or Tribe Name
Contact: MICKENZIE THACKER E-Mail: MICKENZIE_THACKER@EOGRESOURCES.COM		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS
3a. Address 1060 E. HWY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 453-781-9145	8. Well Name and No. CHAPITA WELLS UNIT 977-11
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 11 T9S R22E SESE 345FSL 772FEL 40.04418 N Lat, 109.40046 W Lon		9. API Well No. 43-047-39585
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

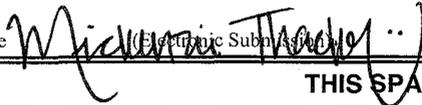
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

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

The referenced well was turned to sales on 2/10/2009. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct.
**Electronic Submission #67268 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MICKENZIE THACKER	Title OPERATIONS CLERK
Signature 	Date 02/12/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

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

RECEIVED
FEB 17 2009
DIV. OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 02-12-2009

Well Name	CWU 977-11	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API #	43-047-39585	Well Class	COMP
County, State	UINTAH, UT	Spud Date	12-22-2008	Class Date	
Tax Credit	N	TVD / MD	9,650/ 9,650	Property #	055091
Water Depth	0	Last CSG	2.375	Shoe TVD / MD	8,109/ 8,109
KB / GL Elev	4,844/ 4,831				
Location	Section 11, T9S, R22E, SESE, 345 FSL & 772 FEL				

Event No	1.0	Description	DRILL & COMPLETE		
-----------------	-----	--------------------	------------------	--	--

Operator	EOG RESOURCES, INC	WI %	100.0	NRI %	82.059
-----------------	--------------------	-------------	-------	--------------	--------

AFE No	302873	AFE Total	1,901,100	DHC / CWC	956,100/ 945,000
---------------	--------	------------------	-----------	------------------	------------------

Rig Contr	ELENBURG	Rig Name	ELENBURG #28	Start Date	09-10-2008	Release Date	01-15-2009
------------------	----------	-----------------	--------------	-------------------	------------	---------------------	------------

09-10-2007	Reported By	SHARON CAUDILL
-------------------	--------------------	----------------

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 345' FSL & 772' FEL (SE/SE) SECTION 11, T9S, R22E UINTAH COUNTY, UTAH
-------	-------	------	--

LAT 40.044181, LONG 109.400456 (NAD 83)
LAT 40.044217, LONG 109.399772 (NAD 27)

ELENBURG #28
OBJECTIVE: 9650' TD, MESAVERDE
DW/GAS
CHAPITA WELLS DEEP PROSPECT
DD&A FIELD: CHAPITA DEEP
NATURAL BUTTES FIELD

LEASE: U-0281
ELEVATION: 4831.3' NAT GL, 4831.3' PREP GL (DUE TO ROUNDING THE PREP GL 4831') 4844' KB (13')

EOG BPO WI 100%, NRI 82.05923%
EOG APO WI 55.6856%, NRI 47.67131%

11-12-2008	Reported By	TERRY CSERE
-------------------	--------------------	-------------

Daily Costs: Drilling \$75,000 **Completion** \$0 **Daily Total** \$75,000
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	BEGIN CONSTRUCTION OF LOCATION TODAY.

11-13-2008 **Reported By** TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

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

11-14-2008 **Reported By** TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	STARTING CLOSED LOOP SYSTEM.

11-17-2008 **Reported By** TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
MD 60 **TVD** 60 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: WO BUCKET TRUCK/SPUD

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE. CRAIG'S ROUSTABOUT SERVICE SPUD A 20" HOLE ON 11/14/08 @ 1:30 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 11/14/08 @ 12:30 PM.

11-21-2008 **Reported By** JERRY JENKINS

Daily Costs: Drilling \$264,546 **Completion** \$0 **Daily Total** \$264,546
Cum Costs: Drilling \$339,546 **Completion** \$0 **Well Total** \$339,546
MD 2,428 **TVD** 2,428 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: WORT

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

06:00 06:00 24.0 MIRU CRAIG'S AIR RIG # 4 ON 11/14/2008. DRILLED 12-1/4" HOLE TO 2415' GL (2428' KB). ENCOUNTERED WATER AT 1700'. FLUID DRILLED HOLE FROM 1770' WITH NO LOSSES. RAN 57 JTS (2408.03') OF 9-5/8", 36.0 #. FT, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. PICKED UP JT.# 58 TAGGED FILL @ 2412'. LAYED DOWN JT.# 58. LANDED @ 2421' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO CRAIGS RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 2200 PSIG. PUMPED 186 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 250 SX (183 BBLS) OF PREMIUM LEAD CEMENT W/0.2% VARSET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/YIELD OF 4.10 CF/SX.

TAILED IN W/300 SX (63 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED TAIL CEMENT TO 15.6 PPG W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/183 BBLS FRESH WATER. BUMPED PLUG W/500 # @ 7:37 AM, 11/19/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 165 BBLS INTO FRESH WATER FLUSH. NO CEMENT TO SURFACE. HOLE FELL BACK WHEN PLUG BUMPED.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (21 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED 9 BBLS INTO CEMENT. LOST RETURNS 16 BBLS INTO CEMENT. WOC 3 HRS 32 MIN.

TOP JOB # 2: MIXED & PUMPED 125 SX (26 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILL & STOOD FULL. RDMO HALLIBURTONN CEMENTERS.

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

CRAIGS RIG # 4 TOOK SURVEYS WHILE DRILLING HOLE @ 1440' - 0 DEGREE & 2370' - 1.25 DEGREE.

CONDUCTOR LEVEL RECORD: PS= 89.7 OPS= 89.8 VDS= 89.8 MS= 89.8.

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

LESTER FARNSWORTH EMAILED NOTIFICATION TO BLM OF THE SURFACE CASING AND CEMENT JOB ON 11/18/2008 @ 2:43 PM.

12-22-2008		Reported By		MATT WILLIAMS							
Daily Costs: Drilling		\$84,274	Completion		\$0	Daily Total		\$84,274			
Cum Costs: Drilling		\$423,820	Completion		\$0	Well Total		\$423,820			
MD	2,428	TVD	2,428	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			

Activity at Report Time: TESTING BOPE

Start	End	Hrs	Activity Description
06:00	07:00	1.0	RIG DOWN F/ MOVE & SAFETY MEETING W/ALL PERSONNEL.
07:00	16:00	9.0	RIG MOVE TO CWU 977-11, 15.2 MILES.
16:00	19:00	3.0	SET BOP TEST DTO HEAD TO 5000 PSI. W/ FMC, RAISE DERRICK @ 14:30 SPOT. TANKS,PUMPS,GROUND SUPPORT, CONT TO RIG UP TRUCKS OFF LOCATION @ 14:00.
19:00	23:00	4.0	CHANGE OUT DRILL LINE SPOOL, AND STRING UP SAME.
23:00	03:00	4.0	NIPPLE UP BOP, ROT.HEAD, CHOKE LINE, KILL LINE VALVES, HYD. HOSES, FUNCTION TEST BOP. RIG ON DAY WORK @ 23:00 HRS, 12/21/08.
03:00	06:00	3.0	START TEST BOPE AS PER PROGRAM. NOTIFIED BLM REP, JAIME SPARGER VERNAL OFFICE ON 12/20/08 @ 08:00:00 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 9 5/8" CASING TO 1500 PSI 30 MIN.
 WITNESS: ROBERT PICKERING .
 ACCIDENTS NONE REPORTED.
 FUNCTION TEST CROWN-O-MATIC.
 SAFETY MEETING: R/U, CUT DRILL LINE .
 CREWS FULL.
 FUEL ON HAND: GALS. 6015 USED 1096 GALS, 4400 GAL RECIEVED.
 MUD LOGGER UNMANED ON LOCATION F/ 12/21/08 = 1 DAY.
 BOILER RAN: 12 HRS

12-23-2008		Reported By	DYSART, WILLIAMS								
Daily Costs: Drilling	\$34,869	Completion	\$0	Daily Total	\$34,869						
Cum Costs: Drilling	\$458,855	Completion	\$0	Well Total	\$458,855						
MD	4,246	TVD	4,246	Progress	1,818	Days	1	MW	8.9	Visc	32.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING @ 4246'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	RIG DOWN BOPE TESTER
07:00	09:30	2.5	INSTALL WEAR BUSHING, LAYOUT & STRAP BHA & DRILL PIPE.
09:30	13:00	3.5	TRIP IN HOLE WITH BHA & DRILL PIPE, TAG CEMENT @ 2373' (SHOE DEPTH 2428')
13:00	14:00	1.0	DRILL CEMENT/FLOAT EQUIP. 2373' TO 2428' DRILL 10' RAT HOLE TO 2438'
14:00	14:30	0.5	FIT @ 2428' WITH 8.8 PPG FLUID 215 PSI = 10.5 EMW
14:30	15:00	0.5	DRILL ROTATE 2438' TO 2480'.
15:00	15:30	0.5	SURVEY @ 2436' 1.25 DEG.
15:30	17:00	1.5	DRILL ROTATE 2480' TO 2662' (182') ROP 121 WOB 14/18K, RPM 50/60 + 68, GPM 402, PSI 1100/1300
17:00	17:30	0.5	SERVICE RIG
17:30	06:00	12.5	DRILL ROTATE 2662' TO 4246' (1584') ROP 126 WOB 14/18K, RPM 50/60 + 68, GPM 402, PSI 1200/1700 M/W 9.3 VIS 32

NO ACCIDENTS OR INCIDENTS REPORTED, FULL CREWS
 BOP DRILLS: 45 SEC DAYS, 60 SEC NIGHTS. CHECK COM X 2
 SAFETY MTGS: TRIPPING IN HOLE, CLEANING WITH STEAM
 BOILER 24 HRS
 FUEL: 4807, USED 1208
 UNMANNED LOGGER: DAY 2

06:00 SPUD 7 7/8" HOLE W/ROTARY TOOLS @ 14:30 HRS, 12/22/08.

12-24-2008	Reported By	R. DYSART
-------------------	--------------------	-----------

Daily Costs: Drilling \$32,586 **Completion** \$0 **Daily Total** \$32,586
Cum Costs: Drilling \$488,031 **Completion** \$0 **Well Total** \$488,031
MD 6,104 **TVD** 6,104 **Progress** 1,858 **Days** 2 **MW** 9.5 **Visc** 33.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING @ 6104'

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRILL ROTATE 4246' TO 4518' (272') ROP 181 WOB 14/18K, RPM 50/60 + 68, GPM 402, PSI 1500/1700
07:30	08:30	1.0	SURVEY @ 4462' 1.25 DEG.
08:30	11:00	2.5	DRILL ROTATE 4518' TO 4790' (272') ROP 108 WOB 14/18K, RPM 50/60 + 68, GPM 402, PSI 1500/1700
11:00	11:30	0.5	WORK TIGHT HOLE ON CONNECTION, (4775') STRING WT. 105K, DOWN 65K, JAR FREE @ 170K M/W 9.5 PPG, WASH & REAM THROUGH TIGHT SECTION, WEIGHT UP MUD SYSTEM TO 9.8 PPG
11:30	06:00	18.5	DRILL ROTATE 4790' TO 6104' (1314') ROP 71 WOB 14/18K, RPM 50/60 + 68, GPM 402, PSI 1500/1700 M/W 10 PPG, VIS 33

NO ACCIDENTS OR INCIDENTS REPORTED, FULL CREWS, CHECK COM X 2
 SAFETY MTGS: HANDLING CHEMICALS, WORKING ON PUMPS
 BOILER 24 HRS FUEL: 2463, USED 2344
 UNMANNED LOGGER: DAY 3

12-25-2008 **Reported By** R. DYSART/D.FOREMAN

Daily Costs: Drilling \$42,381 **Completion** \$0 **Daily Total** \$42,381
Cum Costs: Drilling \$530,412 **Completion** \$0 **Well Total** \$530,412
MD 7,120 **TVD** 7,120 **Progress** 1,016 **Days** 3 **MW** 10.1 **Visc** 34.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING @ 7120'

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILL ROTATE F/ 6104' TO 6648' ROP' 83.6 WOB 18/19 RPM 68/60 DIFF.300/189.
12:30	13:00	0.5	SERVICE RIG
13:00	22:30	9.5	DRILL ROTATE F/ 6648' TO 7010' ROP 38.1 WOB 19/20 RPM 68/60 DIFF. 245/98.
22:30	01:00	2.5	RIG REPAIR CHG. SWIVEL PUMP.
01:00	06:00	5.0	DRILL ROTATE F/ 7010' TO 7120' ROP 22. WOB 20/22 RPM 68/55 DIFF. 98/255 BOILER 24 HRS.

ROT.WT.155, P/U 160, S/O 148.
 MUD LOSS LAST 24 HRS. 55 BBLS.
 MUD WT. 10.8 VIS.34.
 ACCIDENTS NONE REPORTED.
 FUNCTION TEST CROWN-O-MATIC.
 SAFETY MEETING: TEAM WORK : HOUSEKEEPING
 CREWS FULL.
 FUEL ON HAND: 4942 GALS. USED 2021 GALS, RECIEVED 4500 GALS.

FORMATION TOP: NORTH HORN
 GAS BG.96 U, CONN 126 U.
 LITHOLOGY, SAND/ SHALE
 MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 4 DAYS.

12-26-2008 **Reported By** DAVID FOREMAN

Daily Costs: Drilling	\$30,346	Completion	\$682	Daily Total	\$31,028						
Cum Costs: Drilling	\$560,759	Completion	\$682	Well Total	\$561,441						
MD	7,644	TVD	7,644	Progress	524	Days	4	MW	10.4	Visc	35.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: DRILLING @ 7644'

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILL ROTATE F/ 7120' TO 7236' ROP 29' WOB 20/21 RPM 68/45 DIFF. 95/186.
10:00	13:00	3.0	RIG REPAIR CHG. SWIVEL PUMP
13:00	06:00	17.0	DRILL ROTATE F/ 7236' TO 7644' ROP 24' WOB 20/22 RPM 67/45 DIFF. 167/230.

BOILER 24 HRS.
 ROT.WT.160, P/U 158, S/O 153.
 MUD LOSS LAST 24 HRS. 80 BBLs.
 MUD WT. 11.2 VIS.36.
 ACCIDENTS NONE REPORTED.
 FUNCTION TEST CROWN-O-MATIC.
 SAFETY MEETING: INCIDENT REPORTING : HOUSEKEEPING
 CREWS FULL.
 FUEL ON HAND: 3090 GALS. USED 1852 GALS, RECIEVED 0 GALS TRANSFER 600 GALS. TO BOILER.
 FORMATION TOP: PRICE RIVER
 GAS BG.87 U, CONN 446 U.
 LITHOLOGY, SAND/ SHALE
 MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 5 DAYS.

12-27-2008 **Reported By** DAVID FOREMAN

Daily Costs: Drilling	\$31,674	Completion	\$0	Daily Total	\$31,674						
Cum Costs: Drilling	\$592,434	Completion	\$682	Well Total	\$593,116						
MD	8,096	TVD	8,096	Progress	452	Days	5	MW	11.2	Visc	36.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: DRILLING @ 8096'

Start	End	Hrs	Activity Description
06:00	06:00	24.0	DRILL ROTATE F/ 7644' TO 8096' ROP 452' WOB 20/22 RPM 67/48 DIFF. 187/65.

BOILER 24 HRS.
 ROT.WT.162, P/U 1168, S/O 158.
 MUD LOSS LAST 24 HRS. 0 BBLs.
 MUD WT. 11.2 VIS.36.
 ACCIDENTS NONE REPORTED.
 FUNCTION TEST CROWN-O-MATIC.

SAFETY MEETING: EYE PROTECTION : HOUSEKEEPING
 CREWS FULL.
 FUEL ON HAND: 1643 GALS. USED 1647 GALS, RECIEVED 0 GALS TRANSFER 400 GALS. TO BOILER.
 FORMATION TOP: PRICE RIVER
 GAS BG.78 U, CONN 346 U.
 LITHOLOGY, SAND/ SHALE
 MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 6 DAYS.

12-28-2008 **Reported By** DAVID FOREMAN

DailyCosts: Drilling	\$70,447	Completion	\$0	Daily Total	\$70,447
Cum Costs: Drilling	\$663,094	Completion	\$682	Well Total	\$663,776

MD 8,173 **TVD** 8,173 **Progress** 77 **Days** 6 **MW** 11.1 **Visc** 37.0

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

Activity at Report Time: TIH W/NEW BIT

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILL ROTATE F/ 8096' TO 8143' ROP 23.5 WOB 20/22 RPM 66/44 DIFF. 120/85.
08:00	08:30	0.5	SERVICE RIG
08:30	10:00	1.5	DRILL ROTATE F/ 8143' TO 8173' ROP 20' WOB 20/22 RPM 66/45 DIFF. 85/40.
10:00	12:00	2.0	PUMP SLUG,DROP SURVEY, TRIP F/ BIT. (CLEANED SHALE PIT ON TRIP)
12:00	12:30	0.5	CHG. FILL UP LINE.
12:30	17:30	5.0	TRIP F/ BIT WORKING TIGHT HOLE F/ 5845' TO 3784'(PULLED INTO CROWN—C-O-M TRIPPED BUT DIDN'T SHUT DOWN DRAWWORKS.)
17:30	18:00	0.5	VISUALY INSPECTED CROWN,BLOCK,SHEAVES,DROWWORKS,FOUND BAD U-JOINT.
18:00	21:00	3.0	CHG. OUT U JOINT AND REPAIR C-O-M FOUND ICE PLUG IN AIR LINE METHANOLED LINES FUNCTION TEST. ROLLED IN C-O-M W/ DRIL LINE WORKING GOOD.
21:00	02:00	5.0	FINISH TRIP OUT RECOVER SURVEY 3 DEG. CHG. OUT MOTOR.
02:00	04:30	2.5	MAKE UP BIT TEST MOTOR, TRIP IN HOLE.
04:30	05:30	1.0	CUT DRILL LINE 35 FT.
05:30	06:00	0.5	TRIP IN W/ BIT # 2.

BOILER 24 HRS.
 ACCIDENTS NONE REPORTED.
 FUNCTION TEST CROWN-O-MATIC.
 SAFETY MEETING: ICY CONDITIONS : PPE.
 CREWS FULL.
 FUEL ON HAND: 4137 GALS. USED 1507 GALS, RECIEVED 4000 GALS TRANSFER 600 GALS. TO BOILER.
 FORMATION TOP: PRICE RIVER
 GAS BG.176 U, CONN 435 U.
 LITHOLOGY, SAND/ SHALE
 MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 7 DAYS.

12-29-2008 **Reported By** DAVID FOREMAN

DailyCosts: Drilling	\$28,872	Completion	\$0	Daily Total	\$28,872
Cum Costs: Drilling	\$691,966	Completion	\$682	Well Total	\$692,648

MD 8,173 **TVD** 8,173 **Progress** 0 **Days** 7 **MW** 11.2 **Visc** 37.0

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

Activity at Report Time: RIG REPAIR (DRAWWORKS)

Start	End	Hrs	Activity Description
06:00	08:30	2.5	TRIP IN FILLING PIPE EVERY 1000' TO PREVENT FREEZE TAG BRIDGE @ 4954'
08:30	12:00	3.5	WASH/REAM F/ 4954' TO 5830' HOLE SLUFFING BUILD MUD WT. TO 11.5.
12:00	14:30	2.5	WASH & REAM BACK REAM TIGHT SPOT F/ 5830' TO 5820' HOLE TAKING FLUID TRYING TO PACK OFF MIX AND PUMP LCM PILL FLUID LOSS 300 bbls.
14:30	00:00	9.5	WASH/REAM F/ 5830' TO 7947' NO MUD LOSS. MUD WT. 11.4.
00:00	01:30	1.5	CHECK DRUM CLUTCH CHAIN ON DRAWWORKS. FOUND DRUM BEARING CAP BROKEN ON PIT SIDE.
01:30	06:00	4.5	REMOVE GUARDS AND PREPARE FOR REPAIRS. W/O/ WELDER & MECHANIC. SET DOWN ON SWIVEL STOPS. BIT AT 7947', ROTATE & CIRC. COND. MUD @ 7947'.

BOILER 24 HRS.
 ROT.WT.165, P/U 170, S/O 160.
 MUD LOSS LAST 24 HRS. 0 BBLS.
 MUD WT. 11.5 VIS.38.
 ACCIDENTS NONE REPORTED.
 FUNCTION TEST CROWN-O-MATIC.
 SAFETY MEETING: PPE : L/O & T/O
 CREWS FULL.
 FUEL ON HAND: 2342 GALS. USED 1795 GALS, RECIEVED 0 GALS TRANSFER 379 GALS. TO BOILER.
 FORMATION TOP: PRICE RIVER
 GAS BG.78 U, CONN 346 U.
 LITHOLOGY, SAND/ SHALE
 MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 8 DAYS.

12-30-2008	Reported By	DAVID FOREMAN									
Daily Costs: Drilling	\$46,348	Completion	\$0	Daily Total	\$46,348						
Cum Costs: Drilling	\$733,811	Completion	\$682	Well Total	\$734,493						
MD	8,173	TVD	8,173	Progress	0	Days	8	MW	11.4	Visc	38.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: RIG REPAIR/DRAWWORKS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RIG REPAIR DRAWWORKS REMOVE ALL CHAINS, DRUM CLUTCH, SPROCKETS, BEARINGS TO CHANGE DRUM BEARING. CIRC. W/ PUMP & ROTATE. W/O/PARTS.

BOILER 24 HRS.
 MUD LOSS LAST 24 HRS. 0 BBLS.
 MUD WT. 11.4 VIS. 38.
 ACCIDENTS NONE REPORTED.
 SAFETY MEETING: COLD WEATHER : HAND RAILES & STAIRS.
 CREWS FULL.
 FUEL ON HAND: 4807 GALS. USED 1535 GALS, RECIEVED 4000 GALS.
 FORMATION TOP: PRICE RIVER
 GAS BG.38 U,
 LITHOLOGY, SAND/ SHALE
 MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 9 DAYS.

12-31-2008 Reported By DAVID FOREMAN

Daily Costs: Drilling \$39,828 Completion \$0 Daily Total \$39,828
 Cum Costs: Drilling \$773,639 Completion \$682 Well Total \$774,321

MD 8,173 TVD 8,173 Progress 0 Days 9 MW 11.3 Visc 37.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RIG REPAIR

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROTATE & CIRC. W/ RIG PUMP. W/O/PARTS F/ DRAWWORKS. PARTS ON LOCATION @ 22:00. ASSEMBLING DRAWWORKS. ESTIMATED START UP 12:00 NOON. BOILER 24 HRS. MUD LOSS LAST 24 HRS. 0 BBLS. MUD WT. 11.5 VIS. 40. ACCIDENTS: NONE REPORTED. SAFETY MEETING: DRIVING SAFETY RULES : DEFENSIVE DRIVING. CREWS FULL. FUEL ON HAND: 3090 GALS. USED 1717 GALS, RECEIVED 0 GALS. FORMATION TOP: PRICE RIVER GAS BG.40 U, LITHOLOGY, SAND/ SHALE MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08 = 10 DAYS.

01-01-2009 Reported By DAVID FORMAN/MATT WILLAMS

Daily Costs: Drilling \$28,710 Completion \$0 Daily Total \$28,710
 Cum Costs: Drilling \$802,533 Completion \$682 Well Total \$803,215

MD 8,173 TVD 8,173 Progress 0 Days 10 MW 11.3 Visc 38.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: TIH

Start	End	Hrs	Activity Description
06:00	16:30	10.5	ROTATE & CIRC. W/ RIG PUMP.ASSEMBLE DRAWWORKS.
16:30	03:00	10.5	TRIP OUT OF HOLE FOR NEW MUD MOTOR.
03:00	06:00	3.0	P/U BIT # 2 (RR), NEW MUD MOTOR AND START TIH. BOILER 24 HRS. MUD LOSS LAST 24 HRS. 150 BBLS. MUD WT. 11.5 VIS. 40. ACCIDENTS MECHANIC REPORTED AND RECIEVED TREATMENT FOR A SMASHED FINGER. SAFETY MEETING: TRIPPING OUT OF HOLE. CREWS FULL. FUEL ON HAND: 1755 GALS. USED 1335 GALS, RECIEVED 0 GALS. FORMATION TOP: PRICE RIVER GAS BG.40 U, LITHOLOGY, SAND/ SHALE MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 11 DAYS.

01-02-2009 Reported By MATT WILLAMS

DailyCosts: Drilling	\$42,100	Completion	\$0	Daily Total	\$42,100						
Cum Costs: Drilling	\$844,634	Completion	\$682	Well Total	\$845,316						
MD	8,173	TVD	8,173	Progress	0	Days	11	MW	11.5	Visc	37.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: RIG REPAIR / TOP DRIVE SHEAVE AND BEARINGS

Start	End	Hrs	Activity Description
06:00	08:00	2.0	TRIPPING IN HOLE.
08:00	09:00	1.0	CHECK SURFACE EQUIPMENT, MUD MOTOR FAILURE.
09:00	13:00	4.0	TRIP OUT OF HOLE FOR MUD MOTOR.
13:00	19:30	6.5	P/U & M/U MUD MOTOR. TRIP IN HOLE TO 6300'.
19:30	01:30	6.0	WASH AND REAM FROM 6300' TO 7585'.
01:30	06:00	4.5	SETTING ON STOPS, CIRC AND ROTATE. RIG REPAIR, BEARING ON TOP DRIVE SHEAVE AND SHAFT NEEDS TO BE REPLACED. WAITING ON PARTS TO BE DELIVERED FROM WYOMING.

BOILER 24 HRS.

MUD LOSS LAST 24 HRS. 0 BBLS.

MUD WT. 11.3 VIS. 35.

ACCIDENTS NONE REPORTED.

SAFETY MEETING: TRIPPING PIPE, 100 % TIE OFF.

CREWS FULL.

FUEL ON HAND: 4404 GALS. USED 1751 GALS, RECIEVED 4400 GALS.

FORMATION TOP: PRICE RIVER

GAS BG.40 U,

LITHOLOGY, SAND/ SHALE

MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 12 DAYS.

01-03-2009 **Reported By** MATT WILLAMS

DailyCosts: Drilling	\$41,681	Completion	\$0	Daily Total	\$41,681						
Cum Costs: Drilling	\$886,316	Completion	\$682	Well Total	\$886,998						
MD	8,362	TVD	8,362	Progress	189	Days	12	MW	11.5	Visc	37.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: DRILLING @ 8362'

Start	End	Hrs	Activity Description
06:00	14:30	8.5	REPLACE SHAFT AND SHEAVE ON TOP DRIVE.
14:30	21:00	6.5	WASH AND REAM FROM 7585' TO 8173'.
21:00	06:00	9.0	DRLG F/ 8173' TO 8362', ROP 21, WOB 12/21, RPM 40/60, DIFF 100/400, TQ 7500/11,300. MWT 11.5, VIS 38.

BOILER 24 HRS.

MUD LOSS LAST 24 HRS. 0 BBLS.

MUD WT. 11.5 VIS. 38.

ACCIDENTS NONE REPORTED.

SAFETY MEETING: HANDLING PIPE, SLIPS,TRIPS, FALLS.

BOP DRILL: 1 MIN 3 SECONDS.

CREWS FULL.

FUEL ON HAND: 2711 GALS. USED 1693 GALS, RECIEVED 0 GALS.

FORMATION TOP: MIDDLE PRICE RIVER
 GAS BG.40 U,
 LITHOLOGY, SAND/ SHALE
 MUD LOGGER UNMANNED UNIT ON LOCATION F/12/21/08 = 13 DAYS.

01-04-2009	Reported By	MATT WILLAMS									
Daily Costs: Drilling	\$29,534	Completion	\$0	Daily Total	\$29,534						
Cum Costs: Drilling	\$915,850	Completion	\$682	Well Total	\$916,532						
MD	8,890	TVD	8,890	Progress	528	Days	13	MW	11.6	Visc	36.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRLG @ 8890'.

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRLG F/ 8362' TO 8588', WOB 8/22, RPM 40/65, DIFF 50/250, TQ 6000/10000.
12:30	13:00	0.5	SERVICE RIG.
13:00	06:00	17.0	DRLG F/ 8588' TO 8890', WOB 10/22, RPM 40/65, DIFF 50/275, TQ 6500/10,000, MWT 11.5, VIS 39.

BOILER 24 HRS.
 MUD LOSS LAST 24 HRS. 0 BBLS.
 MUD WT. 11.5 VIS. 39.
 ACCIDENTS NONE REPORTED.
 SAFETY MEETING: WORKING W/ STEAM, FIRE EXTINGUISHERS.
 CREWS FULL.
 FUEL ON HAND: 5211 GALS. USED 1500 GALS, RECIEVED 4000 GALS.
 FORMATION TOP: LOWER PRICE RIVER
 GAS BG.40 U,
 LITHOLOGY, SAND/ SHALE
 MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 14 DAYS.

01-05-2009	Reported By	MATT WILLAMS									
Daily Costs: Drilling	\$40,122	Completion	\$0	Daily Total	\$40,122						
Cum Costs: Drilling	\$955,973	Completion	\$682	Well Total	\$956,655						
MD	9,210	TVD	9,210	Progress	320	Days	14	MW	11.5	Visc	37.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRLG @ 9210'.

Start	End	Hrs	Activity Description
06:00	06:00	24.0	DRLG F/ 8890' TO 9210', ROP 13.3, WOB 10/27, RPM 40/60, DIFF 75/350, TQ 6500/11,000, MWT 11.5+, VIS 38. (HANDLING BOOM DROPPED AND IS NOT USABLE)

BOILER 24 HRS.
 MUD LOSS LAST 24 HRS. 0 BBLS.
 MUD WT. 11.5+ VIS. 38.
 ACCIDENTS NONE REPORTED.
 SAFETY MEETING:MIXING CHEMICALS, VISIBILITY DUE TO STEAM.
 CREWS FULL.
 FUEL ON HAND: 3218 GALS. USED 1993 GALS, RECIEVED 0 GALS.

FORMATION TOP: LOWER PRICE RIVER
 GAS BG.40 U,
 LITHOLOGY, SAND/ SHALE
 MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 15 DAYS.

01-06-2009 **Reported By** MATT WILLAMS

Daily Costs: Drilling	\$41,387	Completion	\$0	Daily Total	\$41,387						
Cum Costs: Drilling	\$997,361	Completion	\$682	Well Total	\$998,043						
MD	9,339	TVD	9,339	Progress	129	Days	15	MW	11.5	Visc	38.0

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

Activity at Report Time: RIG REPAIR / PIPE HANDLING BOOM

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRLG F/ 9210' TO 9276', ROP 7.3, WOB 20/26, RPM 40, DIFF 100/300, TQ 5500/10500.
15:00	15:30	0.5	SERVICE RIG.
15:30	04:30	13.0	DRLG F/ 9276 TO 9339', ROP 4.8, WOB 15/28, RPM 40/50, DIFF 100/300, TQ 5500/10500, MWT 11.7.
04:30	05:00	0.5	LUBRICATE RIG.
05:00	06:00	1.0	RIG REPAIR / PIPE HANDLING BOOM / UNABLE TO TRIP(REPLACEMENT BOOM DUE THIS A.M.) CIRCULATE AND COND MUD FOR BIT TRIP.

BOILER 24 HRS.
 MUD LOSS LAST 24 HRS. 0 BBLS.
 MUD WT. 11.7 VIS. 38.
 ACCIDENTS NONE REPORTED.
 SAFETY MEETING:MAKING CONNECTIONS WITHOUT BOOM.
 CREWS FULL.
 FUEL ON HAND: 5748 GALS. USED 1870 GALS, RECIEVED 4400 GALS.
 FORMATION TOP: LOWER PRICE RIVER
 GAS BG.40 U,
 LITHOLOGY, SAND/ SHALE
 MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 16 DAYS.

01-07-2009 **Reported By** MATT WILLAMS

Daily Costs: Drilling	\$17,358	Completion	\$0	Daily Total	\$17,358						
Cum Costs: Drilling	\$1,009,959	Completion	\$682	Well Total	\$1,010,641						
MD	9,339	TVD	9,339	Progress	0	Days	16	MW	11.6	Visc	36.0

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

Activity at Report Time: CIRC, WAIT ON L/D EQUIP FOR BIT TRIP.

Start	End	Hrs	Activity Description
06:00	23:00	17.0	CIRCULATING FOR BIT TRIP. WAITING ON REPLACEMENT BOOM TO START TRIP. BOOM DELIVERED WILL NOT FIT WITHOUT SPECIAL MODIFICATIONS. WILL NOT PIN INTO SUB OR REACH THE RIG FLOOR WHEN RAISED.
23:00	06:00	7.0	CIRC AND COND MUD WHILE WAITING ON CALIBER LAY DOWN MACHINE TO TRIP. BOILER 24 HRS. MUD LOSS LAST 24 HRS. 0 BBLS. MUD WT. 11.7 VIS. 47.

ACCIDENTS NONE REPORTED.
 SAFETY MEETING:WORKING ON BOOM.
 CREWS FULL.
 FUEL ON HAND: 3739 GALS. USED 2000 GALS. RECIEVED 0 GALS.
 FORMATION TOP: LOWER PRICE RIVER
 GAS BG.40 U,
 LITHOLOGY, SAND/ SHALE
 MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 17 DAYS.

01-08-2009	Reported By	MATT WILLAMS									
DailyCosts: Drilling	\$9,978	Completion	\$0	Daily Total	\$9,978						
Cum Costs: Drilling	\$1,019,938	Completion	\$682	Well Total	\$1,020,620						
MD	9,339	TVD	9,339	Progress	0	Days	17	MW	11.6	Visc	40.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: BOOM REPAIR. PREP TO TOH.

Start	End	Hrs	Activity Description
06:00	08:30	2.5	WAITING ON CALIBER L/D TRUCK FOR BIT TRIP.
08:30	13:00	4.5	MOVE PIPE TRAILERS, BACK L/D TRUCK ONTO LOCATION AND R/U L/D EQUIPMENT.
13:00	02:00	13.0	TOOH LAYING DOWN DRILL PIPE TO 2208'. DETERMINED MULTIPLE SAFETY HAZARDS HANDLING BHA WITH LD MACHINE. DECISION MADE TO WAIT ON REBUILT BOOM.
02:00	03:30	1.5	CUT AND SLIP 70' OF DRILL LINE.
03:30	06:00	2.5	WAITING ON BOOM TO CONTINUE TOOH.(REBUILT BOOM DUE THIS AM)

BOILER 24 HRS.
 MUD LOSS LAST 24 HRS. 0 BBLS.
 MUD WT. 11.7 VIS. 40.
 ACCIDENTS NONE REPORTED.
 SAFETY MEETING:L/D DRILL PIPE W/ L/D MACHINE.
 CREWS FULL.
 FUEL ON HAND: 2342 GALS. USED 1397 GALS, RECIEVED 0 GALS.
 FORMATION TOP: LOWER PRICE RIVER
 GAS BG.40 U,
 LITHOLOGY, SAND/ SHALE
 MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 18 DAYS.

01-09-2009	Reported By	MATT WILLAMS									
DailyCosts: Drilling	\$22,928	Completion	\$0	Daily Total	\$22,928						
Cum Costs: Drilling	\$1,040,551	Completion	\$682	Well Total	\$1,041,233						
MD	9,339	TVD	9,339	Progress	0	Days	18	MW	11.6	Visc	40.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: TIH

Start	End	Hrs	Activity Description
06:00	00:30	18.5	WAIT ON BOOM TO CONTINUE TOOH FOR BIT AND MUD MOTOR.
00:30	01:30	1.0	INSTALL AND FUNCTION TEST BOOM
01:30	04:30	3.0	TOOH FROM 2208', L/D MUD MOTOR AND BIT.
04:30	06:00	1.5	P/U AND M/U NEW BIT AND MUD MOTOR AND TIH.

BOILER 24 HRS.
 MUD LOSS LAST 24 HRS. 0 BBLS.
 MUD WT. 11.7 VIS. 40.
 ACCIDENTS NONE REPORTED.
 SAFETY MEETING: HOOKING UP BOOM.
 CREWS FULL.
 FUEL ON HAND: 1318 GALS. USED 1024 GALS, RECIEVED 0 GALS.
 FORMATION TOP: LOWER PRICE RIVER
 GAS BG.40 U,
 LITHOLOGY, SAND/ SHALE
 MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 19 DAYS.

01-10-2009		Reported By		MATT WILLAMS							
Daily Costs: Drilling	\$43,580	Completion	\$0	Daily Total	\$43,580						
Cum Costs: Drilling	\$1,084,132	Completion	\$682	Well Total	\$1,084,814						
MD	9,339	TVD	9,339	Progress	0	Days	19	MW	11.7	Visc	41.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: WASHING AND REAMING @ 8100'.

Start	End	Hrs	Activity Description
06:00	10:30	4.5	TRIP IN HOLE TO 4500'.
10:30	06:00	19.5	WASH AND REAM FROM 4500' TO 8100'. 2,000-5,000 WOB -- OCCASSIONAL PACKING OFF PUMPING 30 TO 80 BBL SWEEPS HOURLY. REAMING RATE INCREASED TO 100 FPH FROM 50 FPH @ 04:30, TORQUE AND PACKING OFF REDUCED AT THE TIME REAMING INCREASED. BOILER 24 HRS. MUD LOSS LAST 24 HRS. 0 BBLS. MUD WT. 11.6+ VIS. 46. ACCIDENTS NONE REPORTED. SAFETY MEETING: TRIPPING PIPE, WORKING ON FORKLIFT. CREWS FULL. FUEL ON HAND: 3608 GALS. USED 2210 GALS, RECIEVED 4500 GALS. FORMATION TOP: LOWER PRICE RIVER GAS BG.40 U, LITHOLOGY, SAND/ SHALE MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 20 DAYS.

01-11-2009		Reported By		MATT WILLAMS							
Daily Costs: Drilling	\$11,111	Completion	\$0	Daily Total	\$11,111						
Cum Costs: Drilling	\$1,095,243	Completion	\$682	Well Total	\$1,095,925						
MD	9,650	TVD	9,650	Progress	311	Days	20	MW	11.6	Visc	45.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: LD DP

Start	End	Hrs	Activity Description
06:00	14:00	8.0	WASH AND REAM FROM 8100' TO 9339'.

14:00 22:30 8.5 DRLG F/ 9339' TO 9650', ROP 36.5, WOB 18/22, RPM 40, DIFF 200/300, TQ 8500/13000, MWT 11.7, VIS 45. REACHED TD @ 22:30 HRS, 1/10/09.

22:30 01:00 2.5 PUMP SWEEP AND CIRC CLEAN FOR SHORT TRIP.

01:00 02:00 1.0 SHORT TRIP TO 9339'.

02:00 04:00 2.0 PUMP SWEEP AND CIRC CLEAN FOR TRIP OUT OF HOLE.

04:00 06:00 2.0 TRIP OUT OF HOLE LAYING DOWN DRILL PIPE.

BOILER 24 HRS.

MUD LOSS LAST 24 HRS. 0 BBLs.

MUD WT. 11.7 VIS. 45.

ACCIDENTS NONE REPORTED.

SAFETY MEETING: CLEANING W/ STEAM, TRIPPING PIPE.

CREWS FULL.

FUEL ON HAND: 1214 GALS. USED 2394 GALS, RECIEVED 0 GALS.

FORMATION TOP: SEGO

GAS BG.450 U,

LITHOLOGY, SAND/ SHALE

MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 21 DAYS.

01-12-2009	Reported By	MATT WILLAMS									
Daily Costs: Drilling	\$46,686	Completion	\$9,048	Daily Total	\$55,734						
Cum Costs: Drilling	\$1,141,930	Completion	\$9,730	Well Total	\$1,151,660						
MD	9,650	TVD	9,650	Progress	0	Days	21	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :		PKR Depth : 0.0						

Activity at Report Time: PREP TO LD CSG (HIT LEDGE)

Start	End	Hrs	Activity Description
06:00	14:00	8.0	TRIP OUT OF HOLE LAYING DOWN DRILL PIPE AND BHA.
14:00	16:00	2.0	PULL WEAR BUSHING. RIG UP TO RUN 4 1/2 PROD STRING.
16:00	00:00	8.0	R/U AND RUN 4 1/2 PRODUCTION CASING W/ REAMER SHOE TO 7616'.
00:00	06:00	6.0	WORKING CSG WITH PUMP AND ROTATION. GOOD CIRCULATION. UNABLE TO GO PAST 7616'. STRING WT 85K, PICK UP 90 K, 110 SPM. APPEARS TO BE A LEDGE. PREP TO L.D. CASING.
740 PSI, 0 DIFF PRESS WHILE SLACKING OFF.			
BOILER 24 HRS.			
MUD LOSS LAST 24 HRS. 0 BBLs.			
MUD WT. 11.7 VIS. 45.			
ACCIDENTS NONE REPORTED.			
SAFETY MEETING:TRIPPING PIPE, RUNNING CSG.			
CREWS FULL.			
FUEL ON HAND: 3347 GALS. USED 1367 GALS, RECIEVED 3500 GALS.			
FORMATION TOP: SEGO			
GAS BG.450 U,			
LITHOLOGY, SAND/ SHALE			
MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 2 DAYS.			

01-13-2009 **Reported By** MATT WILLAMS

DailyCosts: Drilling \$35,173 **Completion** \$4,678 **Daily Total** \$39,851
Cum Costs: Drilling \$1,177,103 **Completion** \$14,408 **Well Total** \$1,191,511
MD 9,650 **TVD** 9,650 **Progress** 0 **Days** 22 **MW** 11.7 **Visc** 46.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: WASH AND REAM @ 6490'

Start	End	Hrs	Activity Description
06:00	18:30	12.5	LAY DOWN 4.5 CASING (MISSING LAST CENTRALIZER).
18:30	21:00	2.5	RIG DOWN CASING CREW/ RIG UP TO TIH.
21:00	21:30	0.5	MAKE UP MILL ASS.
21:30	22:00	0.5	RIG SERVICE.
22:00	02:00	4.0	TIH W/MILL ASSY.
02:00	02:30	0.5	REPAIR BOOM.
02:30	04:30	2.0	TIH W MILL ASSEMBLY.
04:30	06:00	1.5	WASH AND REAM F/ 6250' TO 6490', RPM 75, TQ 4500/5800, MWT 11.7, VIS 44.
			BOILER 24 HRS.
			MUD LOSS LAST 24 HRS. 0 BBLS.
			MUD WT. 11.7 VIS. 44.
			ACCIDENTS NONE REPORTED.
			SAFETY MEETING:L/D CSG,TRIPPING PIPE.
			CREWS FULL.
			FUEL ON HAND: 5748 GALS. USED 1199 GALS, RECIEVED 3600 GALS.
			FORMATION TOP: SEGO
			GAS BG.450 U,
			LITHOLOGY, SAND/ SHALE
			MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 23 DAYS.

01-14-2009 **Reported By** MATT WILLAMS

DailyCosts: Drilling \$28,081 **Completion** \$19,500 **Daily Total** \$47,581
Cum Costs: Drilling \$1,205,184 **Completion** \$33,908 **Well Total** \$1,239,092
MD 9,650 **TVD** 9,650 **Progress** 0 **Days** 23 **MW** 11.7 **Visc** 44.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: CIRCULATE & CONDITION

Start	End	Hrs	Activity Description
06:00	12:00	6.0	WASH AND REAM FROM 6490' TO 7622'.
12:00	14:00	2.0	MILL FROM 7622' TO 7630', TORQUE 5500 TO 13000 STALLING OUT, WT ON MILL 15K, WORK PIPE WITH PUMP IN AND OUT.
14:00	02:00	12.0	WASH AND REAM FROM 7630' TO 9650', WORK JUNK BASKET EACH CONN FROM 7620'.
02:00	06:00	4.0	SWEEP, CIRC AND CEAN HOLE FOR TRIP OUT OF HOLE. MWT 11.7, VIS 43.
			BOILER 24 HRS.
			MUD LOSS LAST 24 HRS. 0 BBLS.
			MUD WT. 11.7 VIS. 43.
			ACCIDENTS NONE REPORTED.
			SAFETY MEETING: MIXING MUD, HOUSEKEEPING.

CREWS FULL.
 FUEL ON HAND: 3871 GALS. USED 1877 GALS, RECIEVED 0 GALS.
 FORMATION TOP: SEGO
 GAS BG.450 U,
 LITHOLOGY, SAND/ SHALE
 MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 24 DAYS.

01-15-2009	Reported By	MATT WILLAMS									
Daily Costs: Drilling	\$33,713	Completion	\$0	Daily Total	\$33,713						
Cum Costs: Drilling	\$1,234,136	Completion	\$33,908	Well Total	\$1,268,044						
MD	9,650	TVD	9,650	Progress	0	Days	24	MW	11.7	Visc	45.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: RUNNING 4 1/2 PROD STRING @ 8600'.

Start	End	Hrs	Activity Description
06:00	08:30	2.5	CIRC AND SPOT 230 BBL,13# PILL.
08:30	18:30	10.0	TRIP OUT OF HOLE LAYING DOWN DRILL PIPE AND BHA.
18:30	19:00	0.5	PULL WEAR BUSHING.
19:00	06:00	11.0	RUNNING 4 1/2, 11.6, P-110, BUTTRESS CSG.

BOILER 24 HRS.
 MUD LOSS LAST 24 HRS. 0 BBLS.
 MUD WT. 11.7 VIS. 43.
 ACCIDENTS NONE REPORTED.
 SAFETY MEETING: TRIPPING PIPE, RUNNING CSG.
 CREWS FULL.
 FUEL ON HAND: 2711 GALS. USED 1160 GALS, RECIEVED 0 GALS.
 FORMATION TOP: SEGO
 GAS BG.450 U,
 LITHOLOGY, SAND/ SHALE
 MUD LOGGER UNMANNED UNIT ON LOCATION F/ 12/21/08.= 25 DAYS.

01-16-2009	Reported By	MATT WILLAMS									
Daily Costs: Drilling	\$39,316	Completion	\$245,293	Daily Total	\$284,609						
Cum Costs: Drilling	\$1,273,453	Completion	\$279,201	Well Total	\$1,552,654						
MD	9,650	TVD	9,650	Progress	0	Days	25	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	08:00	2.0	RUN 4.5, 11.6#, HC P-110 CASING 230 JTS. + 2 MARKER JTS. AS FOLLOWS FLOAT SHOE, 1 JT.CSG, FLOAT COLLAR, 65 JTS. CSG, 1 MARKER JT, 57 JTS.CSG, 1 MARKER JT, 107 JTS CSG & HANGER ASSEMBLY. FLOAT SHOE @ 9647', FLOAT COLLAR @ 9602', MARKER JT @ 6876, AND 4480', CENTRALIZERS 5 FT. ABOVE SHOE JT, TOP OF JT.#2 & EVERY 3 RD. JT. TOTAL 20. TAG @ 9650' CIRC. TO LAY DOWN TAG JT.
08:00	09:30	1.5	CIRCULATE & LD TAG JT. PU DTO HANGER, LAND CSG WITH 65,000#. R/D CALIBER CSG EQUIP.

09:30 13:00 3.5 HOLD PJSM W/ SCHLUMBERGER AND RIG CREW. RIG UP TEST LINES TO 5000 PSI. DROP BOTTOM PLUG PUMP 20 BBLs CHEM WASH & 20 BBLs WATER SPACER AHEAD OF LEAD AND CEMENT 9650' 4 1/2 P-110 11.6# CSG. LEAD 310 BBLs 880 SKS. G + ADDS. D020 10%EXTENDER D167 .2% FLUID LOSS D046.2% ANTIFOAM D013 .5% RETARDER D065 .5% DISPERSANT D130 .125LB/SK BLEND LOST CIRC. YIELD 2.26 FT3/SK H2O 12.9 GAL/SK@ 12.50.PPG TAIL. 358.4 BBLs 1560 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.149 BBLs. AVG. DISP. RATE 4 BPM, FULL RETURNS THROUGH OUT JOB. DROP PLUG @ 12:00 BUMPED PLUG @ 12:37 TO 3596 PSI 1000 PSI OVER LIFT PSI HOLD PRESSURE FOR 1 MIN. 1. BBL. BACK, FLOAT HELD @ 12:38 CEMENT IN PLACE.

13:00 14:00 1.0 W/O CEMENT & RIG DOWN SCHLUMBERGER.

14:00 15:00 1.0 REMOVE CEMENT HEAD. LAY DOWN LANDING JT. LAND PACKOFF TEST 5000 PSI. LOOSEN DTO LOCK DOWN BOLTS W/ FMC.

15:00 19:00 4.0 NIPPLE DOWN BOPE AND CLEAN TANKS.

19:00 06:00 11.0 R/D PREPEARE FOR RIG MOVE. RIG MOVE 2.7 MILES TO CWU 759-25.

BOILER RAN 24 HRS.
 ACCIDENTS NONE REPORTED.
 FUNCTION TEST CROWN-O-MATIC.
 SAFETY MEETING: CEMENTING, RIG MOVE.
 CREWS FULL.
 FUEL ON HAND: 2463 GALS. USED 248 GALS, 0 GAL RECIEVED.
 MUD LOGGER UNMANED ON LOCATION F/ 12/21/08 TO 1/15/09 = 25 DAYS

06:00 RELEASE RIG @ 19:00 HRS, 1/15/09.
 CASING POINT COST \$1,257,914

01-20-2009		Reported By		SEARLE							
DailyCosts: Drilling	\$0	Completion	\$9,500	Daily Total		\$9,500					
Cum Costs: Drilling	\$1,273,453	Completion	\$288,701	Well Total		\$1,562,154					
MD	9,650	TVD	9,650	Progress	0	Days	26	MW	0.0	Visc	0.0
Formation :		PBTD : 9602.0		Perf :		PKR Depth : 0.0					
Activity at Report Time: PREP FOR FRACS											
Start	End	Hrs	Activity Description								
06:00			MIRU LONE WOLF. LOG WITH CBL/CCL/VDL/GR FROM PBTD TO 50'. EST CEMENT TOP @ 100'. RD LONE WOLF.								

02-01-2009		Reported By		SEARLE							
DailyCosts: Drilling	\$0	Completion	\$700	Daily Total		\$700					
Cum Costs: Drilling	\$1,273,453	Completion	\$289,401	Well Total		\$1,562,854					
MD	9,650	TVD	9,650	Progress	0	Days	27	MW	0.0	Visc	0.0
Formation :		PBTD : 9602.0		Perf :		PKR Depth : 0.0					
Activity at Report Time: PREP FOR COMPLETION											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	MIRU WSS. TEST CASING & FRAC TREE TO 6500 PSIG. RD WSS. PREP FOR COMPLETION.								

02-05-2009		Reported By		MCCURDY					
DailyCosts: Drilling	\$0	Completion	\$1,501	Daily Total		\$1,501			

Cum Costs: Drilling \$1,273,453 **Completion** \$290,902 **Well Total** \$1,564,355
MD 9,650 **TVD** 9,650 **Progress** 0 **Days** 28 **MW** 0.0 **Visc** 0.0
Formation : MESAVERDE **PBTD : 9602.0** **Perf : 8808'-9402'** **PKR Depth : 0.0**

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU CUTTERS WIRELINE & PERFORATE LPR FROM 9176'-77', 9183'-84', 9219'-20', 9222'-23', 9229'-30', 9244'-45', 9250'-51', 9270'-71', 9283'-84', 9317'-18', 9347'-48', 9401'-02' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GALLONS GYPTRON T-106, 4182 GAL WF116 LINEAR PAD, 2095 GAL YF116ST+ PAD, 41133 GAL YF116ST+ WITH 137200# 20/40 SAND @ 0.5-5 PPG. MTP 6438 PSIG. MTR 51.8 BPM. ATP 4915 PSIG. ATR 47.4 BPM. ISIP 3200 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 9060'. PERFORATE LPR/MPR FROM 8808'-09', 8813'-14', 8855'-56', 8859'-60', 8888'-89', 8891'-92', 8920'-21', 8933'-34', 8982'-83', 9010'-11', 9018'-19', 9042'-43' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GALLONS GYPTRON T-106, 2073 GAL YF116ST+ PAD, 39528 GAL YF116ST+ WITH 129500# 20/40 SAND @ 0.5-5 PPG. MTP 6111 PSIG. MTR 51.5 BPM. ATP 4904 PSIG. ATR 46.4 BPM. ISIP 3350 PSIG. RD SCHLUMBERGER. SDFN.

02-06-2009 **Reported By** MCCURDY

Daily Costs: Drilling \$0 **Completion** \$326,757 **Daily Total** \$326,757
Cum Costs: Drilling \$1,273,453 **Completion** \$617,659 **Well Total** \$1,891,113
MD 9,650 **TVD** 9,650 **Progress** 0 **Days** 29 **MW** 0.0 **Visc** 0.0
Formation : MESAVERDE **PBTD : 9602.0** **Perf : 7307'-9402'** **PKR Depth : 0.0**

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 2260 PSIG. RUWL. SET 6K CFP AT 8766'. PERFORATE MPR FROM 8484'-85', 8506'-07', 8533'-34', 8541'-42', 8573'-74', 8593'-94', 8613'-14', 8640'-41' (MISFIRE), 8678'-79', 8694'-95', 8719'-20', 8757'-58' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GALLONS GYPTRON T-106, 2077 GAL YF116ST+ PAD, 46328 GAL YF116ST+ WITH 157200# 20/40 SAND @ 0.5-5 PPG. MTP 6102 PSIG. MTR 51.8 BPM. ATP 5207 PSIG. ATR 47.3 BPM. ISIP 2900 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 8400'. PERFORATE MPR FROM 8203'-04', 8210'-11', 8243'-44', 8268'-69', 8275'-76', 8279'-80', 8298'-99', 8302'-03', 8362'-63', 8377'-78', 8380'-81', 8394'-95' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GALLONS GYPTRON T-106, 2079 GAL YF116ST+ PAD, 44071 GAL YF116ST+ WITH 148000# 20/40 SAND @ 0.5-5 PPG. MTP 6070 PSIG. MTR 51.2 BPM. ATP 4985 PSIG. ATR 47.2 BPM. ISIP 3450 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 8040'. PERFORATE UPR FROM 7870'-72', 7919'-20', 7932'-34', 7963'-64', 7969'-70', 8020'-21', 8024'-25', 8036'-38' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GALLONS GYPTRON T-106, 2066 GAL YF116ST+ PAD, 35230 GAL YF116ST+ WITH 112200# 20/40 SAND @ 0.5-5 PPG. MTP 5610 PSIG. MTR 51.9 BPM. ATP 4552 PSIG. ATR 47.9 BPM. ISIP 2900 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 7790'. PERFORATE UPR FROM 7529'-30', 7541'-42', 7553'-54', 7573'-74', 7576'-77', 7645'-46', 7662'-63', 7706'-07', 7716'-17', 7733'-34', 7775'-76', 7782'-83' @ 3 SPF @ 180° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GALLONS GYPTRON T-106, 4164 GAL YF116ST+ PAD, 37261 GAL YF116ST+ WITH 120400# 20/40 SAND @ 0.5-5 PPG. MTP 6036 PSIG. MTR 53.1 BPM. ATP 4659 PSIG. ATR 49.8 BPM. ISIP 2900 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 7470'. PERFORATE UPR FROM 7307'-08', 7311'-12', 7338'-39', 7368'-69', 7372'-73', 7404'-05', 7415'-16', 7437'-38', 7443'-44', 7447'-48', 7466'-67', 7469'-70' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GALLONS GYPTRON T-106, 2064 GAL YF116ST+ PAD, 40679 GAL YF116ST+ WITH 136600# 20/40 SAND @ 0.5-5 PPG. MTP 5940 PSIG. MTR 53.2 BPM. ATP 4762 PSIG. ATR 50.0 BPM. ISIP 3650 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 7226'. RDWL. SDFN.

02-07-2009 **Reported By** BAUSCH

Daily Costs: Drilling	\$0	Completion	\$25,283	Daily Total	\$25,283
Cum Costs: Drilling	\$1,273,453	Completion	\$642,942	Well Total	\$1,916,396

MD	9,650	TVD	9,650	Progress	0	Days	30	MW	0.0	Visc	0.0
-----------	-------	------------	-------	-----------------	---	-------------	----	-----------	-----	-------------	-----

Formation : MESAVERDE	PBTD : 9602.0	Perf : 7307'-9402'	PKR Depth : 0.0
------------------------------	----------------------	---------------------------	------------------------

Activity at Report Time: CLEAN OUT AFTER FRAC

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

07:00	16:00	9.0	MIRUSU. ND FRAC TREE. NU BOP. RIH W/3-7/8" HURRICANE MILL & PUMP OFF SUB TO 7226'. RU TO DRILL OUT PLUGS. SDFN.
-------	-------	-----	---

02-10-2009 **Reported By** POWELL

Daily Costs: Drilling	\$0	Completion	\$9,484	Daily Total	\$9,484
Cum Costs: Drilling	\$1,273,453	Completion	\$652,426	Well Total	\$1,925,880

MD	9,650	TVD	9,650	Progress	0	Days	31	MW	0.0	Visc	0.0
-----------	-------	------------	-------	-----------------	---	-------------	----	-----------	-----	-------------	-----

Formation : MESAVERDE	PBTD : 9602.0	Perf : 7307'-9402'	PKR Depth : 0.0
------------------------------	----------------------	---------------------------	------------------------

Activity at Report Time: FLOW TEST

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

07:00	16:00	9.0	CLEANED OUT & DRILLED OUT PLUGS @ 7226', 7470', 7790', 8040', 8400', 8766' & 9060'. RIH. CLEANED OUT TO PBTD @ 9602'. LANDED TBG AT 8109' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.
-------	-------	-----	---

FINAL COMPLETION DATE: 02/09/2009

FLOWED 15 HRS. 24/64" CHOKE. FTP 1150 PSIG. CP 1350 PSIG. 72 BFPH. RECOVERED 1189 BLW. 7109 BLWTR.

TUBING DETAIL: LENGTH

PUMP OFF SUB 1.00'

1 JT 2-3/8" 4.7# L-80 TBG 31.75'

XN NIPPLE 1.10'

254 JTS 2-3/8" 4.7# L-80 TBG 8063.64'

BELOW KB 12.00'

LANDED @ 8109.49' KB

02-11-2009 **Reported By** POWELL/DUANE COOK

Daily Costs: Drilling	\$0	Completion	\$2,278	Daily Total	\$2,278
Cum Costs: Drilling	\$1,273,453	Completion	\$654,704	Well Total	\$1,928,158

MD	9,650	TVD	9,650	Progress	0	Days	32	MW	0.0	Visc	0.0
-----------	-------	------------	-------	-----------------	---	-------------	----	-----------	-----	-------------	-----

Formation : MESAVERDE	PBTD : 9602.0	Perf : 7307'-9402'	PKR Depth : 0.0
------------------------------	----------------------	---------------------------	------------------------

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

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

05:00	05:00	24.0	INITIAL PRODUCTION. FIRST GAS SALES: OPENING PRESSURE: TP 1100 & CP 1300 PSI. TURNED WELL TO QUESTAR SALES AT 12:30 PM, 02/10/09. FLOWED 700 MCFD RATE ON 24/64" POS CHOKE. STATIC 238. QGM METER #8086.
-------	-------	------	--

FLOWED THROUGH TEST UNIT TO SALES 24 HRS. 24/64" CHOKE. FTP 900 PSIG. CP 1750 PSIG. 54 BPH.
RECOVERED 1354 BLW. 5755 BLWTR. 820 MCFD RATE.

02-12-2009 **Reported By** POWELL

Daily Costs: Drilling	\$0	Completion	\$2,278	Daily Total	\$2,278
Cum Costs: Drilling	\$1,273,453	Completion	\$656,982	Well Total	\$1,930,436

MD 9,650 **TVD** 9,650 **Progress** 0 **Days** 33 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD : 9602.0** **Perf : 7307'-9402'** **PKR Depth : 0.0**

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 800 PSIG. CP 1900 PSIG. 41 BFPH. RECOVERED 1069 BLW. 4686 BLWTR. 960 MCFD RATE. FLOW THROUGH TEST UNIT TO SALES.

FLOWED 601 MCF, 30 BC & 1152 BW IN 24 HRS ON 24/64" CK, FTP 900 PSIG, FCP 2000 PSIG.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU0281

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

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

3. Address **1060 E. HWY 40** 3a. Phone No. (include area code)
VERNAL, UT 84078 Ph: **453-781-9145**

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface **SESE 345FSL 772FEL 40.04418 N Lat, 109.40046 W Lon**
 At top prod interval reported below **SESE 345FSL 772FEL 40.04418 N Lat, 109.40046 W Lon**
 At total depth **SESE 345FSL 772FEL 40.04418 N Lat, 109.40046 W Lon**

14. Date Spudded **11/14/2008** 15. Date T.D. Reached **01/10/2009** 16. Date Completed
 D & A Ready to Prod. **02/10/2009**

17. Elevations (DF, KB, RT, GL)*
4831 GL

18. Total Depth: MD **9650** 19. Plug Back T.D.: MD **9602** 20. Depth Bridge Plug Set: MD
 TVD **TVD** TVD **TVD** TVD **TVD**

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

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

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.
CHAPITA WELLS

8. Lease Name and Well No.
CHAPITA WELLS UNIT 977-11

9. API Well No.
43-047-39585

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey
 or Area **Sec 11 T9S R22E Mer SLB**

12. County or Parish **UINTAH** 13. State
UT

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0		2421		475		0	
7.875	4.500 HCP-110	11.6		9647		2440		100	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	8109							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	7307	9402	9176 TO 9402		3	
B)			8808 TO 9043		3	
C)			8484 TO 8758		3	
D)			8203 TO 8395		3	

26. Perforation Record **7307**

Depth Interval	Amount and Type of Material
9176 TO 9402	47,575 GALS OF GELLED WATER & 137,200# 20/40 SAND
8808 TO 9043	41,766 GALS OF GELLED WATER & 129,500# 20/40 SAND
8484 TO 8758	48,570 GALS OF GELLED WATER & 157,200# 20/40 SAND
8203 TO 8395	46,315 GALS OF GELLED WATER & 148,000# 20/40 SAND

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

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
02/10/2009	02/22/2009	24	→	20.0	397.0	85.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
12/64	950 SI	1450.0	→	20	397	85		PGW	

28a. Production - Interval B

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

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

ELECTRONIC SUBMISSION #68086 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

Chapita Wells Unit 977-11 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

7870-8038	3/spf
7529-7783	3/spf
7307-7470	3/spf

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

7870-8038	37,461 GALS GELLED WATER & 112,200# 20/40 SAND
7529-7783	41,590 GALS GELLED WATER & 120,400# 20/40 SAND
7307-7470	42,908 GALS GELLED WATER & 136,600# 20/40 SAND

Perforated the Lower Price River from 9176'-77', 9183'-84', 9219'-20', 9222'-23', 9229'-30', 9244'-45', 9250'-51', 9270'-71', 9283'-84', 9317'-18', 9347'-48', 9401'-02' w/ 3 spf.

Perforated the Lower/Middle Price River from 8808'-09', 8813'-14', 8855'-56', 8859'-60', 8888'-89', 8891'-92', 8920'-21', 8933'-34', 8982'-83', 9010'-11', 9018'-19', 9042'-43' w/ 3 spf.

Perforated the Middle Price River from 8484'-85', 8506'-07', 8533'-34', 8541'-42', 8573'-74', 8593'-94', 8613'-14', 8678'-79', 8694'-95', 8719'-20', 8757'-58' w/ 3 spf.

Perforated the Middle Price River from 8203'-04', 8210'-11', 8243'-44', 8268'-69', 8275'-76', 8279'-80', 8298'-99', 8302'-03', 8362'-63', 8377'-78', 8380'-81', 8394'-95' w/ 3 spf.

Perforated the Upper Price River from 7870'-72', 7919'-20', 7932'-34', 7963'-64', 7969'-70', 8020'-21', 8024'-25', 8036'-38' w/ 3 spf.

Perforated the Upper Price River from 7529'-30', 7541'-42', 7553'-54', 7573'-74', 7576'-77', 7645'-46', 7662'-63', 7706'-07', 7716'-17', 7733'-34', 7775'-76', 7782'-83' w/ 3 spf.

Perforated the Upper Price River from 7307'-08', 7311'-12', 7338'-39', 7368'-69', 7372'-73', 7404'-05', 7415'-16', 7437'-38', 7443'-44', 7447'-48', 7466'-67', 7469'-70' w/ 3 spf.

32. FORMATION (LOG) MARKERS

Middle Price River	8148
Lower Price River	8938
Sego	9455

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 977-11

API number: 4304739585

Well Location: QQ SESE Section 11 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,700	1,720	NO FLOW	NOT KNOWN

Formation tops: _____ 2 _____
 (Top to Bottom) _____ 3 _____
 _____ 4 _____
 _____ 5 _____

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) Mickenzie Thacker

TITLE Operations Clerk

SIGNATURE *Mickenzie Thacker*

DATE 3/10/2009