

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL			5. MINERAL LEASE NO: ML 3355	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			8. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT	
2. NAME OF OPERATOR: EOG RESOURCES, INC.			9. WELL NAME and NUMBER: CHAPITA WELLS UNIT 732-32	
3. ADDRESS OF OPERATOR: P.O. BOX 1815 VERNAL UT 84078		PHONE NUMBER: (435) 789-0790	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2170 FSL & 1901 FWL 39.991197 LAT 109.353344 LON AT PROPOSED PRODUCING ZONE: SAME			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 32 9S 23E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 55.0 Miles South of Vernal, UT			12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1901	16. NUMBER OF ACRES IN LEASE: 640	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 70	19. PROPOSED DEPTH: 6,620	20. BOND DESCRIPTION: NM 2308		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5163 GL	22. APPROXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION: 45 DAYS		

24. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
17-1/2	13-3/8	H-40	48#	0-45	SEE ATTACHED EIGHT POINT PLAN
12-1/4	9-5/8	J-55	36#	45-2300	SEE ATTACHED EIGHT POINT PLAN
7-7/8	4-1/2	N-80	11.6#	2300-TD	SEE ATTACHED EIGHT POINT PLAN

25. ATTACHMENTS

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

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

NAME (PLEASE PRINT) Kaylene R. Gardner TITLE Lead Regulatory Assistant

SIGNATURE *Kaylene R. Gardner* DATE 8/29/2007

(This space for State use only)

Approved by the Utah Division of Oil, Gas and Mining

APJ NUMBER ASSIGNED: 43-047-39599

RECEIVED
AUG 31 2007
DIV. OF OIL, GAS & MINING

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

(11/2001) (See Instructions on Reverse Side)

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

EOG RESOURCES, INC.

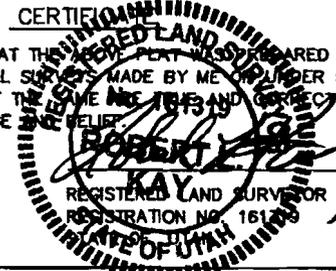
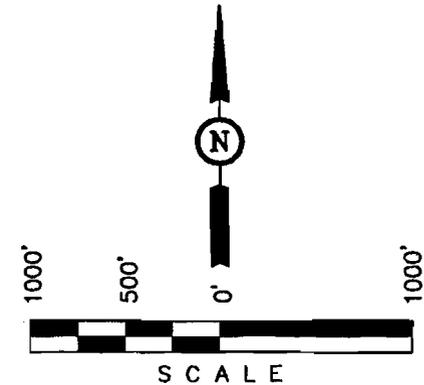
Well location, CWU #732-32, located as shown in the NE 1/4 SW 1/4 of Section 32, T9S, R23E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

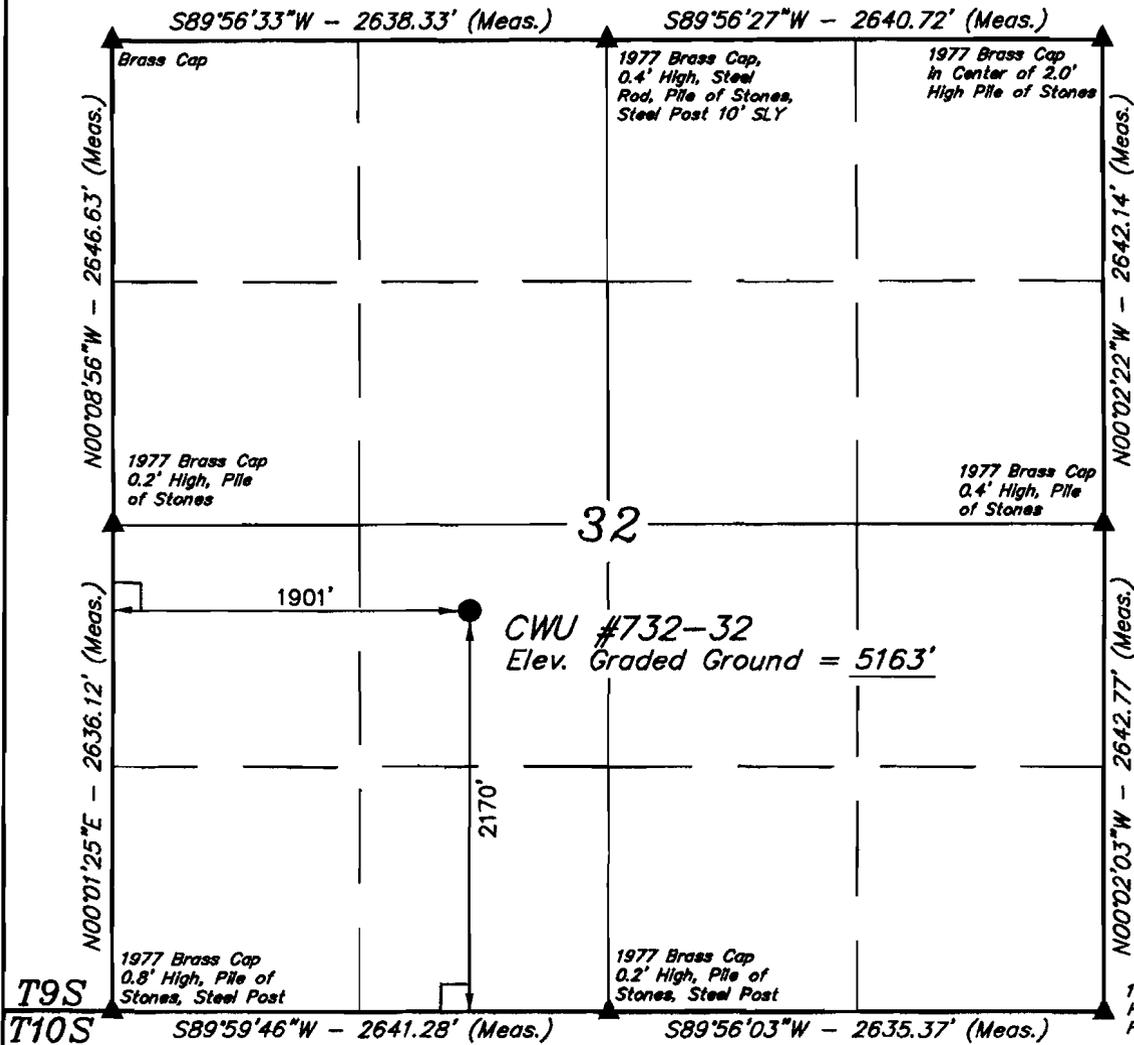
BENCHMARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UINTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

BASIS OF BEARINGS

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



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



BASIS OF BEARINGS

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

(NAD 83)
 LATITUDE = 39°59'28.31" (39.991197)
 LONGITUDE = 109°21'12.04" (109.353344)
 (NAD 27)
 LATITUDE = 39°59'28.43" (39.991231)
 LONGITUDE = 109°21'09.59" (109.352664)

LEGEND:

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

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

SCALE 1" = 1000'	DATE SURVEYED: 07-26-07	DATE DRAWN: 07-27-07
PARTY A.F. W.J. C.H.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN

CHAPITA WELLS UNIT 732-32
NE/SW, SEC. 32, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,329		Shale	
Wasatch	4,304	Primary	Sandstone	Gas
Chapita Wells	4,874	Primary	Sandstone	Gas
Buck Canyon	5,549	Primary	Sandstone	Gas
North Horn	6,140	Primary	Sandstone	Gas
KMV Price River	6,415		Sandstone	
TD	6,620			

Estimated TD: **6,620' or 200'± below Segó top**

Anticipated BHP: 3,615 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
 BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 ½"	0 – 45'	13 ¾"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	233,000#

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

All casing will be new or inspected.

*1. to surf w/ 16 7/8"
 2. to 2290 w/ 3 7/8"*

EIGHT POINT PLAN

CHAPITA WELLS UNIT 732-32
NE/SW, SEC. 32, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 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 732-32
NE/SW, SEC. 32, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

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

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

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

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

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

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

Production Hole Procedure (2300'± - TD)

Lead: **115 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: **489 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 732-32
NE/SW, SEC. 32, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

11. STANDARD REQUIRED EQUIPMENT:

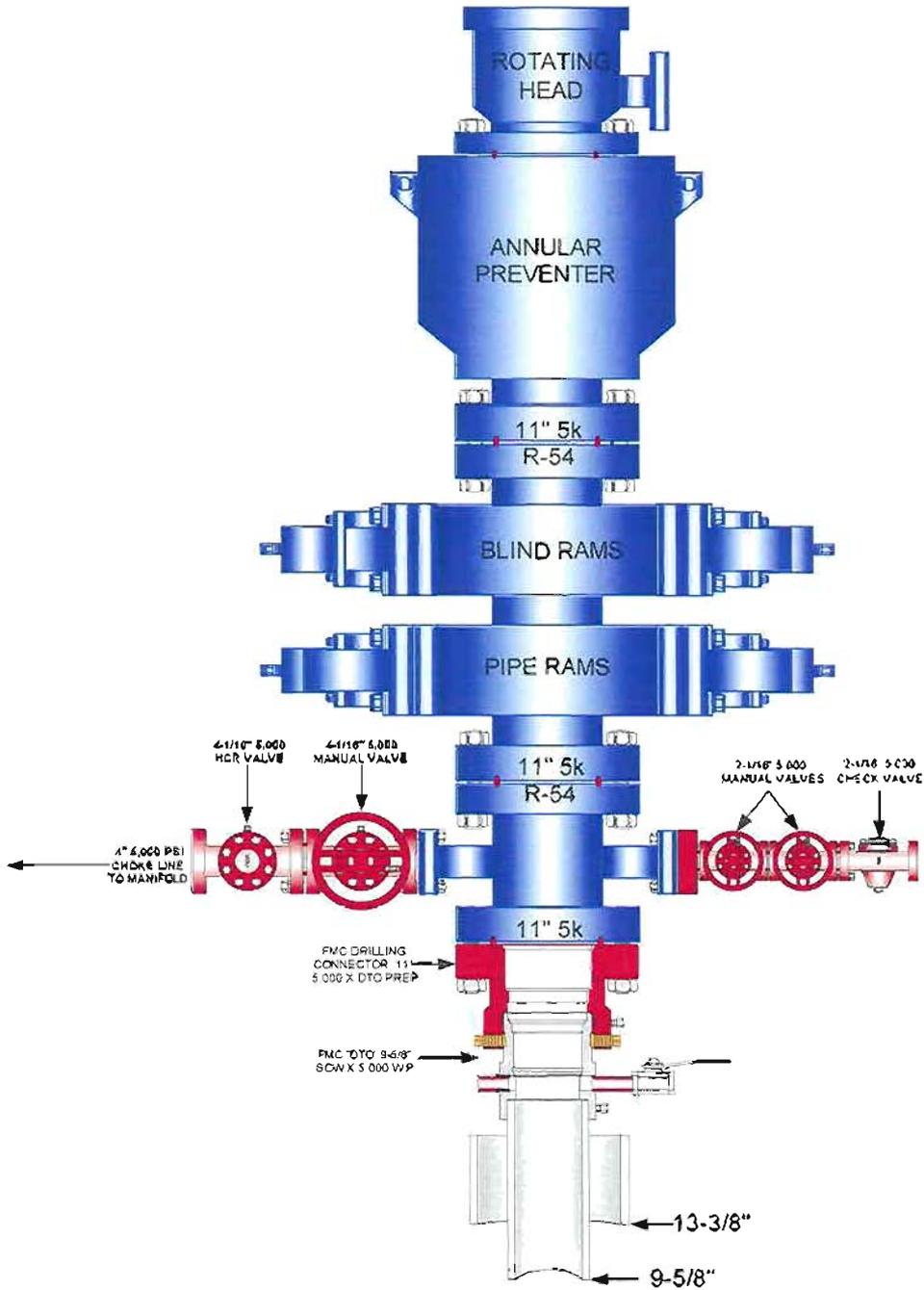
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

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

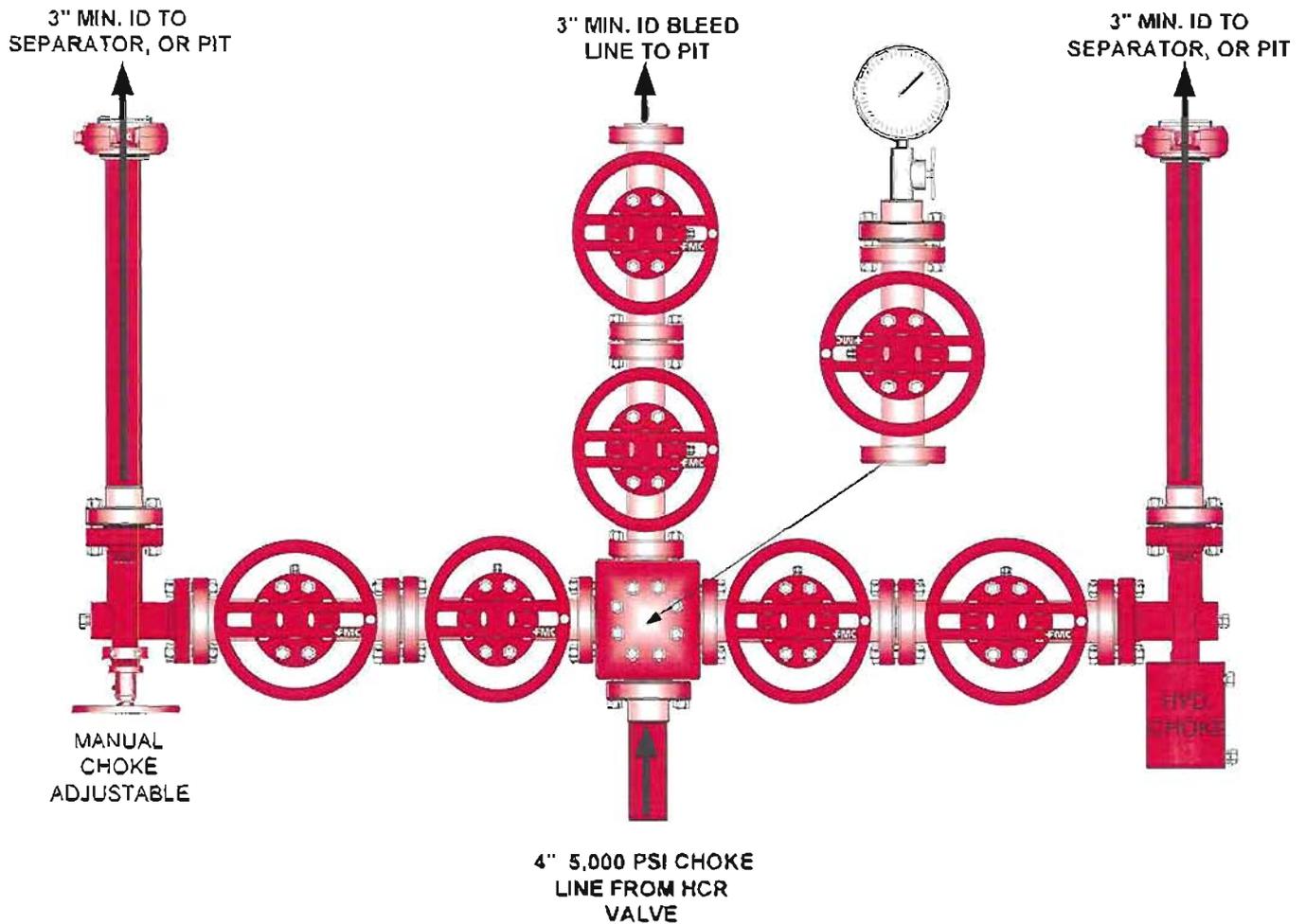
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF 2



Testing Procedure:

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



**CHAPITA WELLS UNIT 732-32
NE/SW, Section 32, T9S, R23E
Uintah County, Utah**

SURFACE USE PLAN

NOTIFICATION REQUIREMENTS

Location Construction: Forty-eight (48) hours prior to construction of location and access roads.

Location Completion: Prior to moving on the drilling rig.

Spud Notice: At least twenty-four (24) hours prior to spudding the well.

Casing String and Cementing: Twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related Equipment Tests: Twenty-four (24) hours prior to running casing and tests.

First Production Notice: Within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

The well pad is approximately 375 feet long with a 261-foot width, containing 2.25 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 Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 55.0 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

No new access road will be required. The existing access road for Chapita Wells Unit 852-32 will be utilized to access the proposed location.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation or debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 30 foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

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

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

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

A. On Well Pad

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

B. Off Well Pad

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

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 existing 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 Target Trucking Inc.'s water source in the SW/SW. Sec 35, T9S, R22E Uintah County, Utah (State Water Right # 49-1501, 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 location and access road 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 three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

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

The reserve pit shall be lined with felt and a 16 millimeter plastic liner.

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.

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

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

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

The stockpiled topsoil will be stored between Corners #1 and #8. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the east.

FENCING REQUIREMENTS:

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

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

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

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion

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

10. PLANS FOR RECLAMATION OF THE SURFACE:

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

B. Dry Hole/Abandoned Location

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

11. SURFACE OWNERSHIP:

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

State of Utah

12. OTHER INFORMATION:

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

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

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

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. 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.
- D. 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.)

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

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

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

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

DRILLING OPERATIONS

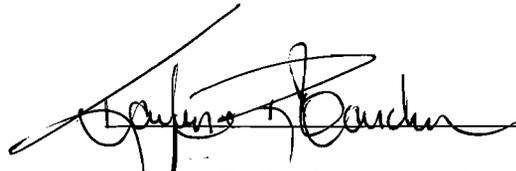
Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
307-276-4865

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 732-32 Well, located in the NESW, of Section 32, T9S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

August 29, 2007 _____

Date



Kaylene R. Gardner, Lead Regulatory Assistant

EOG RESOURCES, INC.

CWU #732-32

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

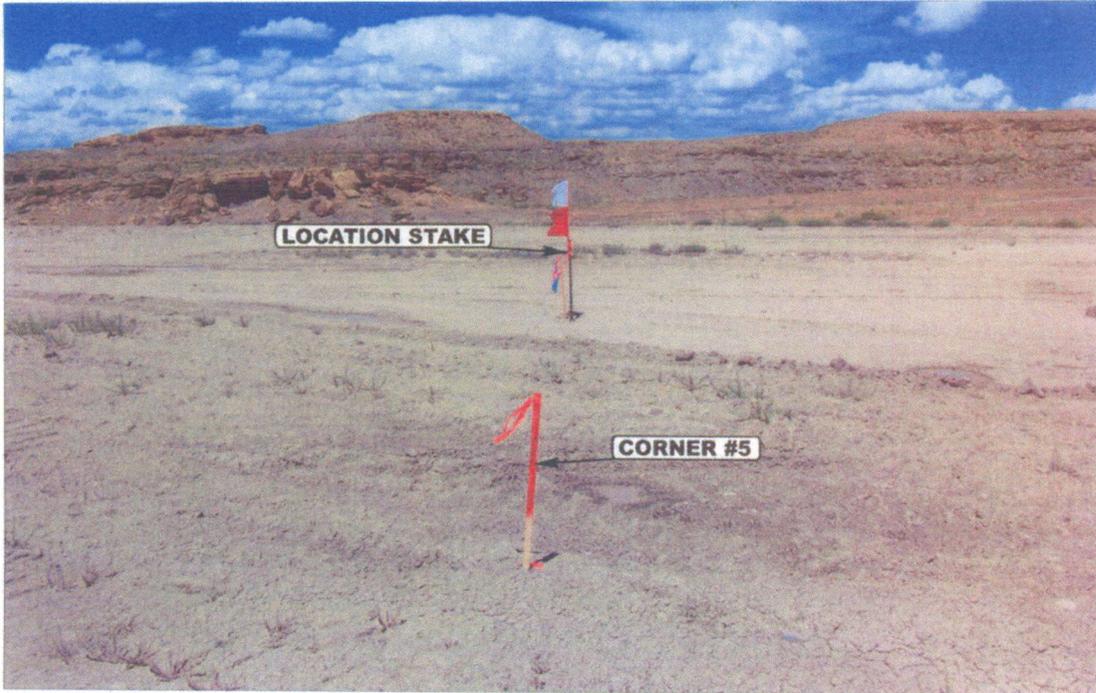


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

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

LOCATION PHOTOS

08 03 07
MONTH DAY YEAR

PHOTO

TAKEN BY: A.F.

DRAWN BY: C.P.

REVISED: 00-00-00

EOG RESOURCES, INC.
CWU #732-32
SECTION 32, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 4.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 50' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 55.0 MILES.

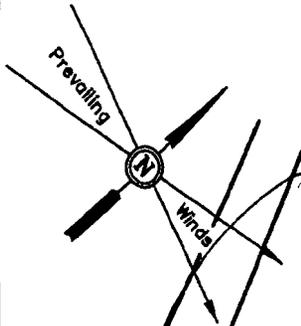
EOG RESOURCES, INC.

FIGURE #1

LOCATION LAYOUT FOR
 CWU #732-32
 SECTION 32, T9S, R23E, S.L.B.&M.
 2170' FSL 1901' FWL

Approx.
 Top of
 Cut Slope

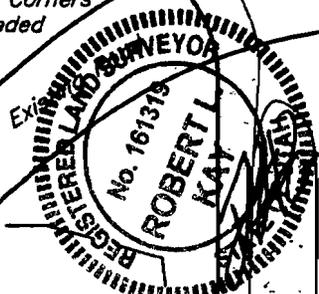
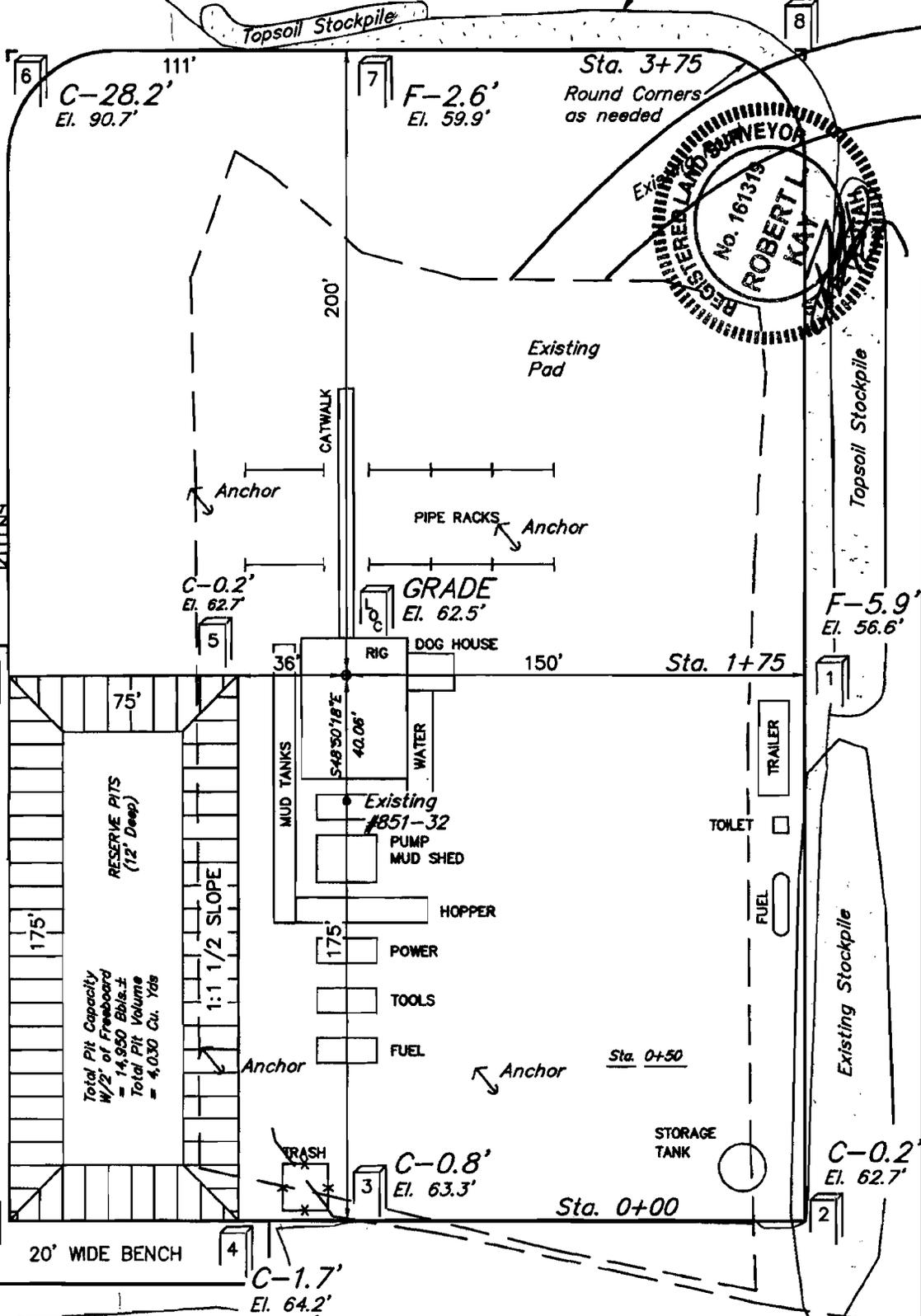
Approx.
 Toe of
 Fill Slope



SCALE: 1" = 50'
 DATE: 07-27-07
 Drawn By: C.H.

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

F-7.2'
 El. 55.2'



Elev. Ungraded Ground at Location Stake = 5162.5'
 Elev. Graded Ground at Location Stake = 5162.5'

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

DATE: 07-27-07

Drawn By: C.H.

EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

CWJ #732-32

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

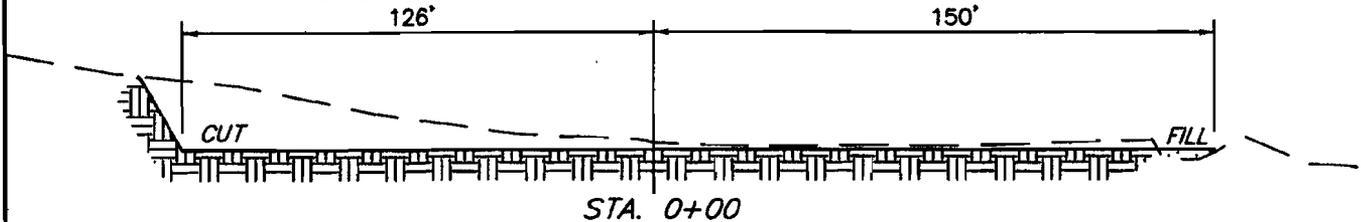
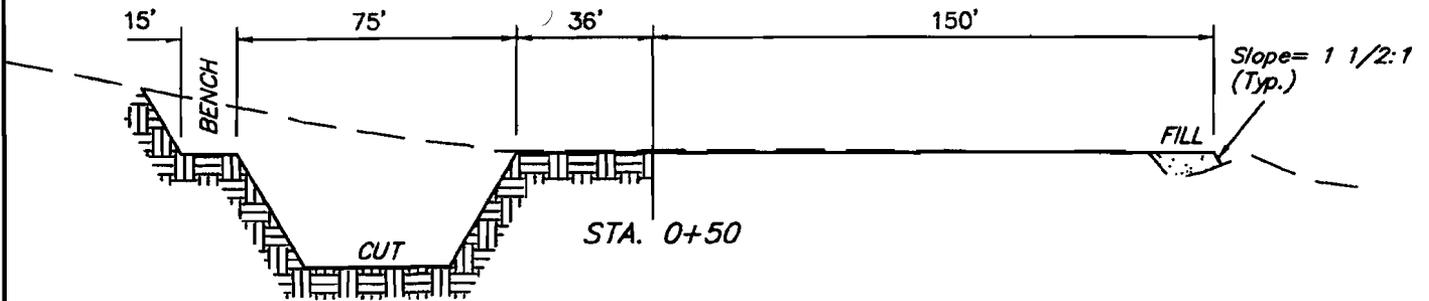
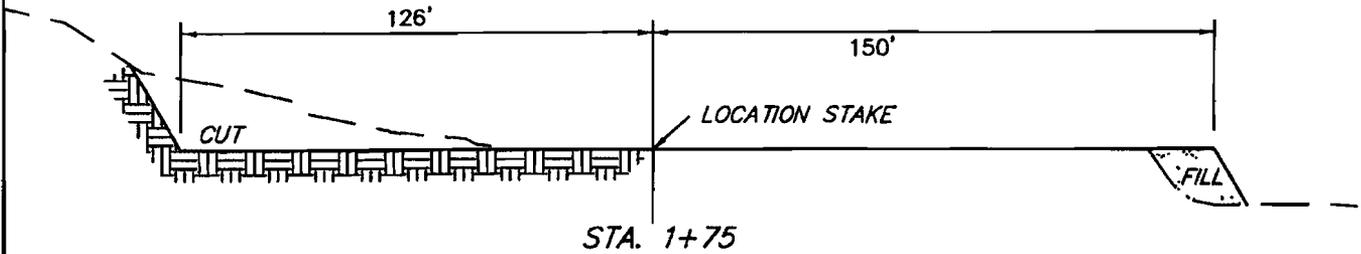
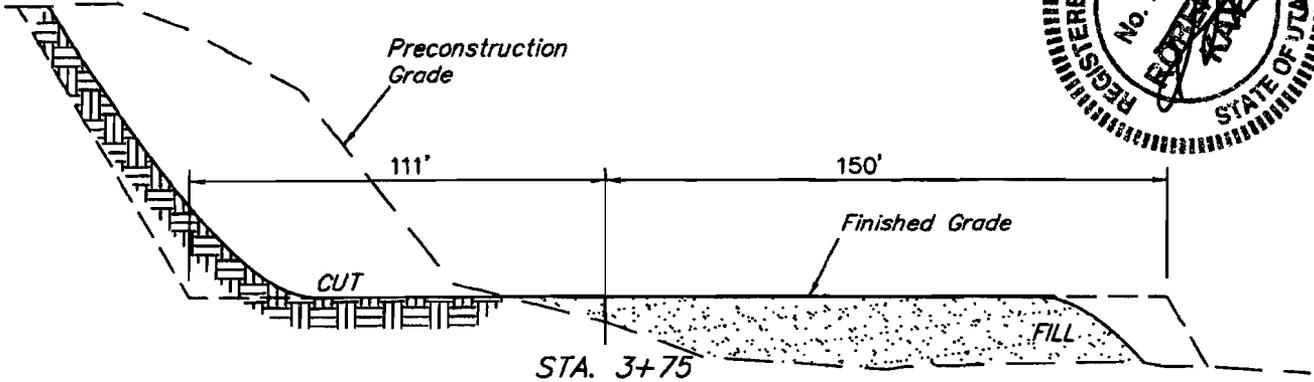
2170' FSL 1901' FWL

FIGURE #2

1" = 20'

X-Section
Scale

1" = 50'



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	870 Cu. Yds.
(New Construction Only)		
Remaining Location	=	18,110 Cu. Yds.
TOTAL CUT	=	18,980 CU.YDS.
FILL	=	4,170 CU.YDS.

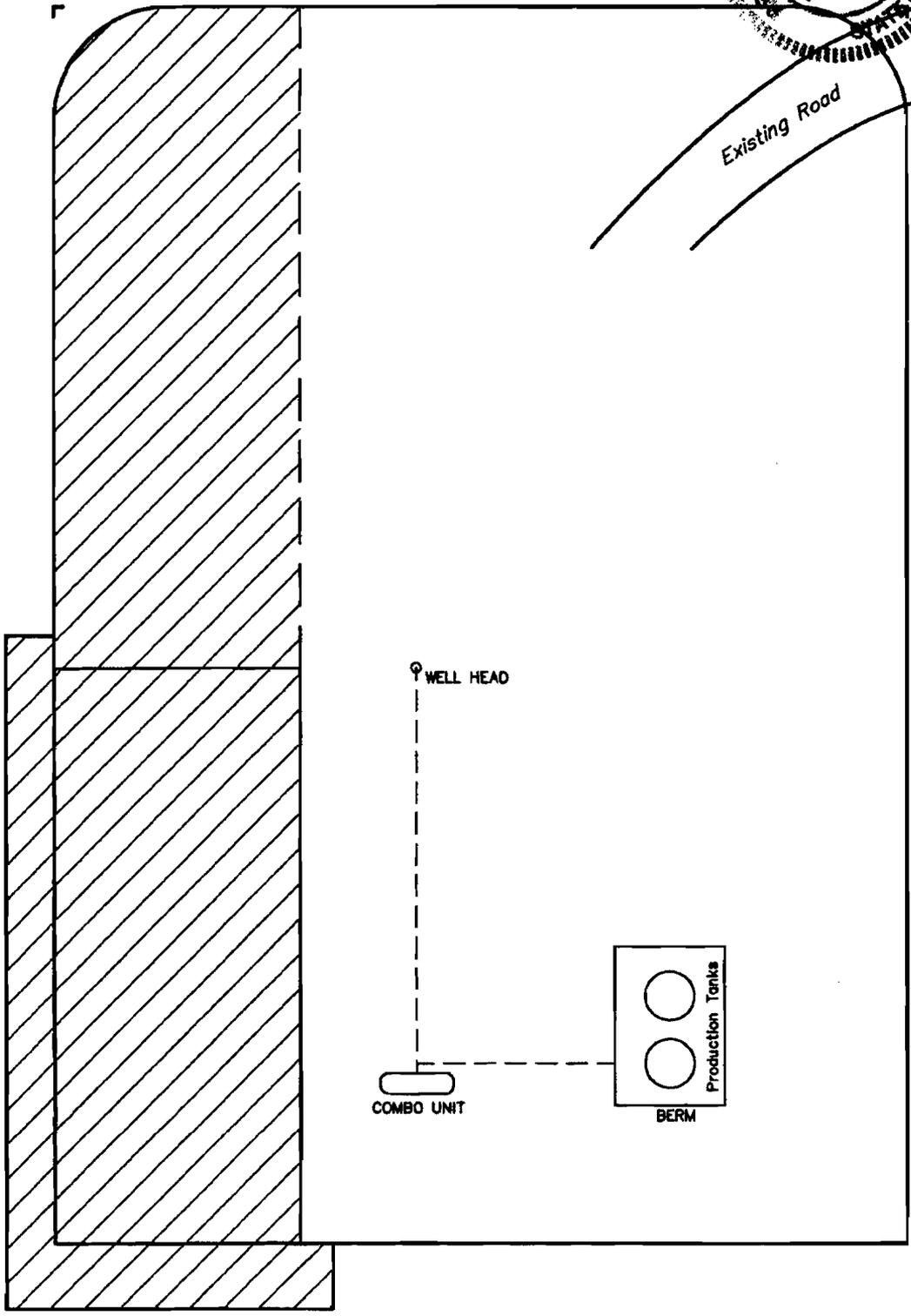
EXCESS MATERIAL	=	14,810 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	2,890 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	=	11,920 Cu. Yds.

EOG RESOURCES, INC.
PRODUCTION FACILITY LAYOUT FOR
CWJ #732-32
SECTION 32, T9S, R23E, S.L.B.&M.
2170' FSL 1901' FWL

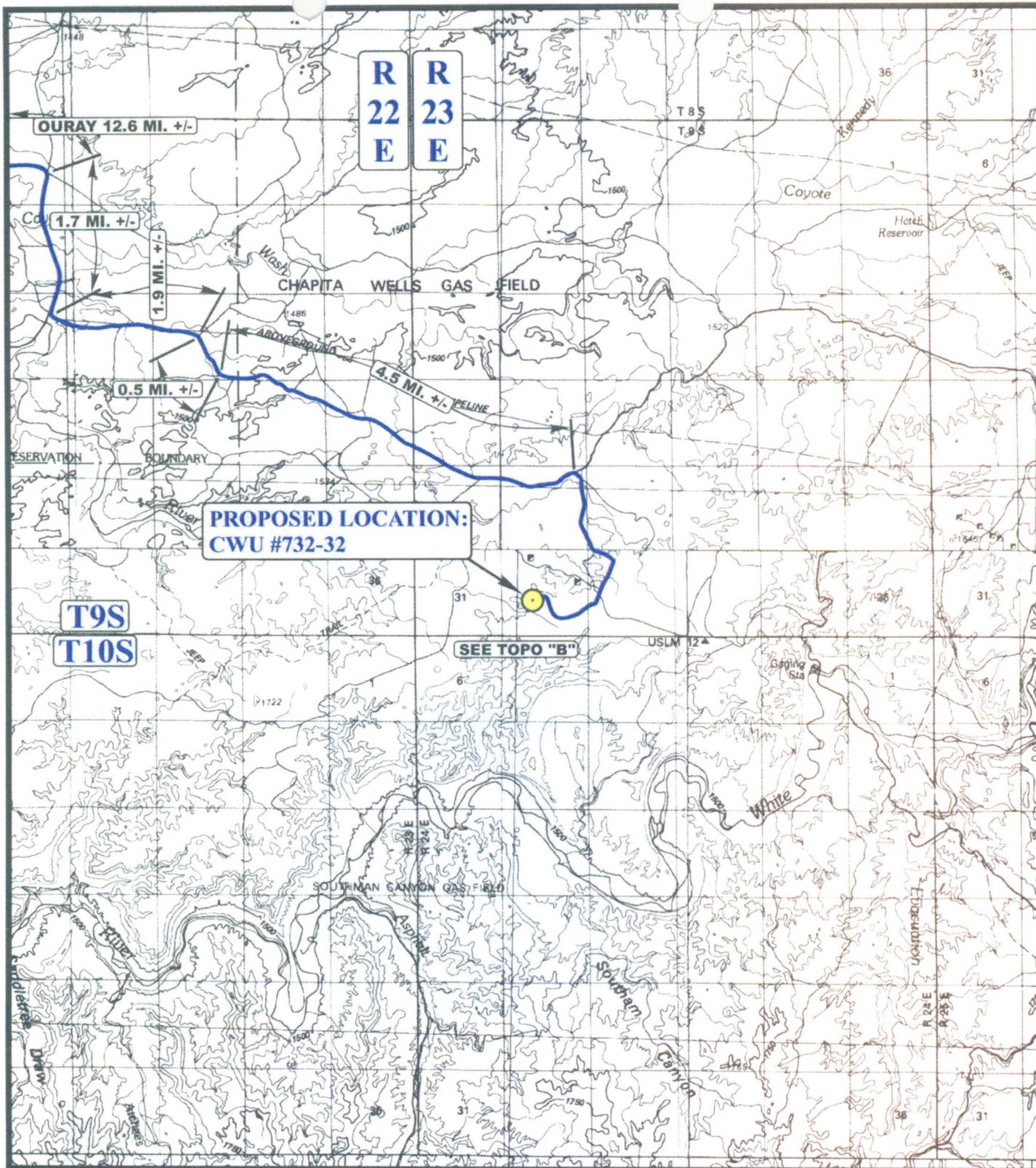
FIGURE #3



SCALE: 1" = 50'
DATE: 07-27-07
Drawn By: C.H.



 RE-HABED AREA



LEGEND:

 PROPOSED LOCATION



EOG RESOURCES, INC.

CWU #732-32
SECTION 32, T9S, R23E, S.L.B.&M.
2170' FSL 1901' FWL



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

TOPOGRAPHIC
MAP

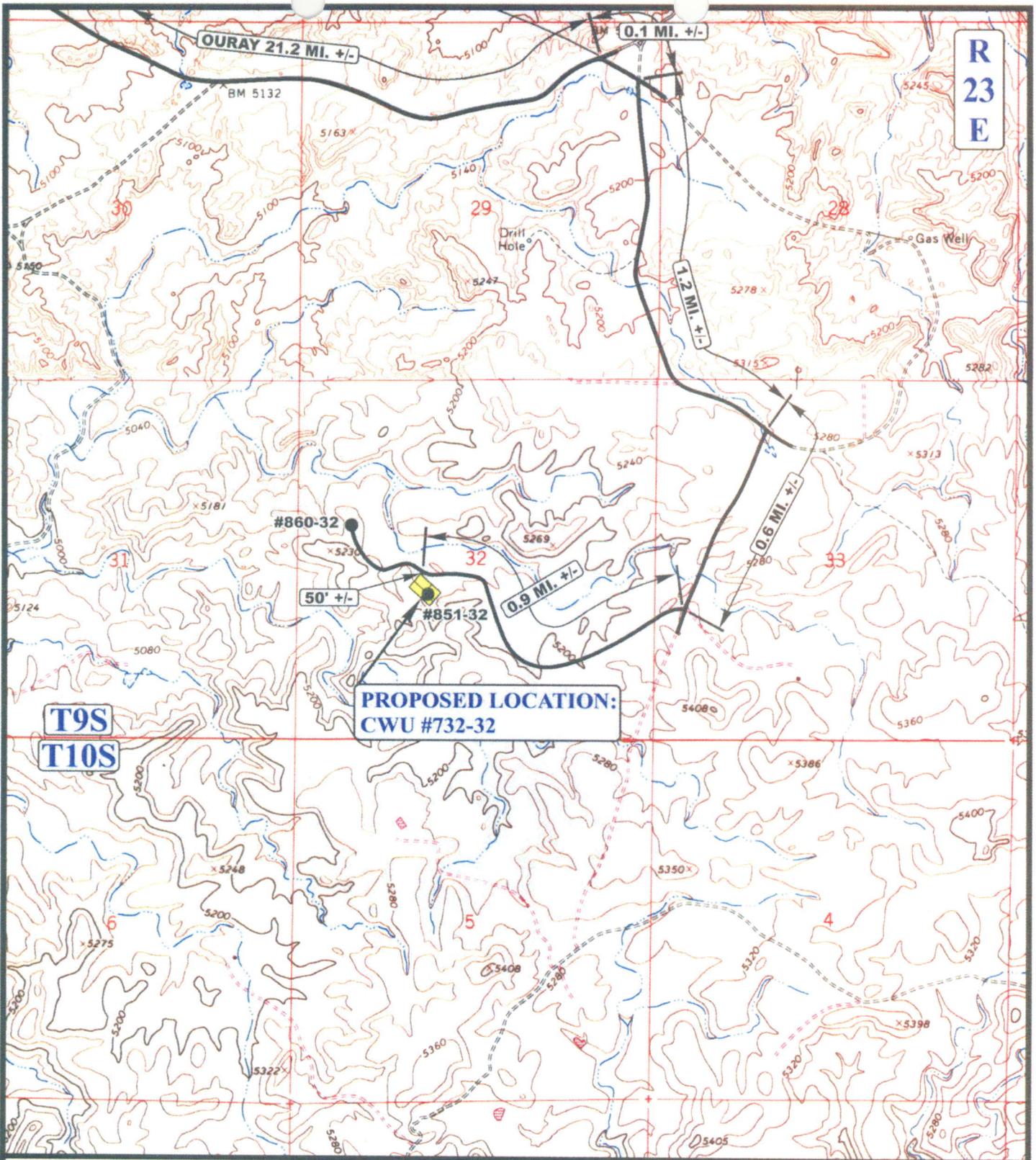
08 03 07
 MONTH DAY YEAR

SCALE: 1:100,000

DRAWN BY: C.P.

REVISED: 00-00-00





**R
23
E**

**T9S
T10S**

**PROPOSED LOCATION:
CWU #732-32**

LEGEND:

— EXISTING ROAD

EOG RESOURCES, INC.

**CWU #732-32
SECTION 32, T9S, R23E, S.L.B.&M.
2170' FSL 1901' FWL**



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



**TOPOGRAPHIC
MAP**

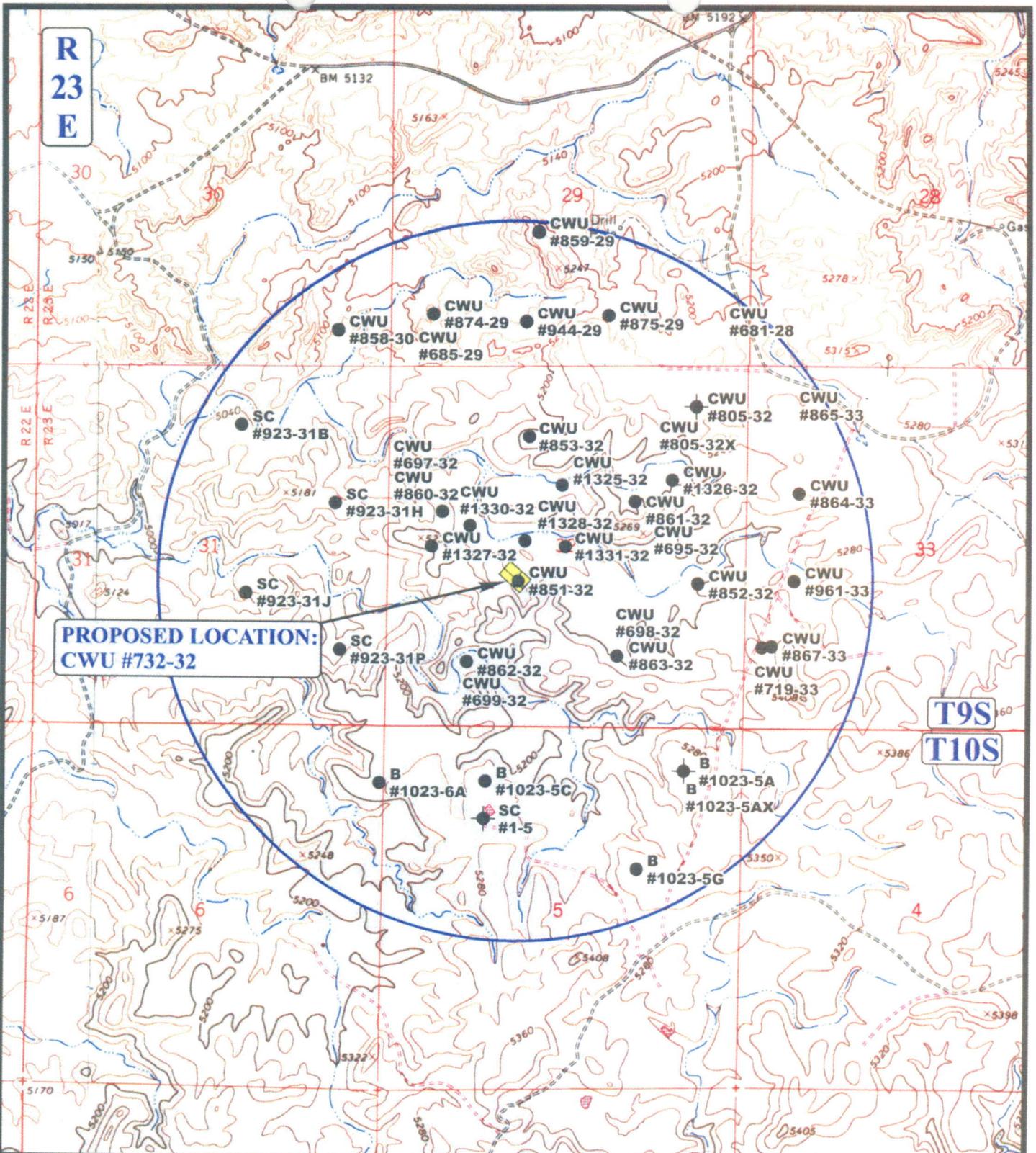
08 03 07
MONTH DAY YEAR

**B
TOPO**

SCALE: 1" = 2000'

DRAWN BY: C.P.

REVISED: 00-00-00



**PROPOSED LOCATION:
CWU #732-32**

**T9S
T10S**

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



EOG RESOURCES, INC.

**CWU #732-32
SECTION 32, T9S, R23E, S.L.B.&M.
2170' FSL 1901' FWL**

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

TOPOGRAPHIC MAP 08 03 07
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/31/2007

API NO. ASSIGNED: 43-047-39599

WELL NAME: CWU 732-32
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-789-0790

PROPOSED LOCATION:

NESW 32 090S 230E
 SURFACE: 2170 FSL 1901 FWL
 BOTTOM: 2170 FSL 1901 FWL
 COUNTY: UINTAH
 LATITUDE: 39.99127 LONGITUDE: -109.3527
 UTM SURF EASTINGS: 640636 NORTHINGS: 4427878
 FIELD NAME: NATURAL BUTTES (630)

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

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

PROPOSED FORMATION: PRRV
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. 6196017)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-1501)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit: CHAPITA WELLS
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 179-8
Eff Date: 8-10-1994
Siting: Depends on Siting
- R649-3-11. Directional Drill

COMMENTS:

Needs Permit (09-24-07)

STIPULATIONS:

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

Application for Permit to Drill

Statement of Basis

9/27/2007

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
546	43-047-39599-00-00		GW	S	No
Operator	EOG RESOURCES INC		Surface Owner-APD		
Well Name	CWU 732-32	Unit	CHAPITA WELLS		
Field	NATURAL BUTTES		Type of Work		
Location	NESW 32 9S 23E S 2170 FSL 1901 FWL GPS Coord (UTM) 640636E 4427878N				

Geologic Statement of Basis

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

Brad Hill
APD Evaluator

9/27/2007
Date / Time

Surface Statement of Basis

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

The proposed Chapita Wells Unit 732-32 gas well is a twin well to be drilled on a slightly enlarged pad with the existing well, the NBU 851-32. The existing pad will be widened about 50 feet to the south and up to approximately 100 feet to the west. Also it will be widened a short distance along the edge to the north. Fill from the ridge to the southwest will be moved north. Corner 6 needs to be rounded so as not to undercut the road, which is on top of the ridge to the south. A drainage ditch or a pond should be constructed above the location to the east after the reserve pit is closed. The location appears to be a suitable site for constructing and operating a well.

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

Floyd Bartlett
Onsite Evaluator

9/24/2007
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	Drainages adjacent to the proposed pad shall be diverted around the location.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator EOG RESOURCES INC
Well Name CWU 732-32
API Number 43-047-39599-0 **APD No** 546 **Field/Unit** NATURAL BUTTES
Location: 1/4,1/4 NESW **Sec** 32 **Tw** 9S **Rng** 23E 2170 FSL 1901 FWL
GPS Coord (UTM) **Surface Owner**

Participants

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

Regional/Local Setting & Topography

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

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

Surface Use Plan

Current Surface Use

Existing Well Pad

New Road

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

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

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

Antelope, small mammals and birds.

Soil Type and Characteristics

Shallow rocky sandy loam.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required N

Berm Required? N

Erosion Sedimentation Control Required? N

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

Reserve Pit

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

Characteristics / Requirements

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

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

Other Observations / Comments

Floyd Bartlett
Evaluator

9/24/2007
Date / Time

2007-10 EOG CWU 732-32

Casing Schematic

Surface

12 1/2"

18 1/2"

BHP $0.052(4620)10.5 = 3615 \text{ psi}$
anticipate 3615 psi

GM $.12(6620) = 794$
 $3615 - 794 = 2821 \text{ psi}$

BOPE 5M ✓

Burst 3520
707, 2464

Max P@ surf, shoe

$.22(4320) = 950$
 $3615 - 950 = 2665 \text{ psi}$

Heat to 2464 psi ✓

Strip cements ✓

✓ Adequate (MD) w/1107

9-5/8"
MW 8.4
Frac 19.3

4-1/2"
MW 10.5

Uenta

TOC @ 801.
to surf w/67%
+ surf st. p ✓

1329' Green River

2290'
TOC w/3% w/o
Surface
2300. MD

TOC @ 3200' ± BMSW
3193.

4304' Wasatch

4874' Chapita Wells

5549' Buck Canyon

6140' North Horn

6415' KMV Price River

Production
6620. MD

Well name:	2007-10 EOG CWU 732-32	
Operator:	EOG Resources Inc.	Project ID:
String type:	Surface	43-047-39599
Location:	Uintah County	

Design parameters:

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

Minimum design factors:

Collapse:
Design factor 1.125

Environment:

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

Burst

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

Burst:

Design factor 1.00

Cement top: 801 ft

No backup mud specified.

Tension:

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

Non-directional string.

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

Re subsequent strings:

Next setting depth: 6,620 ft
Next mud weight: 10.500 ppg
Next setting BHP: 3,611 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,300 ft
Injection pressure: 2,300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft ³)
1	2300	9.625	36.00	J-55	ST&C	2300	2300	8.796	998.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1004	2020	2.013	2300	3520	1.53	73	394	5.43 J

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

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

Date: October 24, 2007
Salt Lake City, Utah

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

Burst strength is not adjusted for tension.

Well name:

2007-10 EOG CWU 732-32

Operator: **EOG Resources Inc.**

String type: Production

Project ID:

43-047-39599

Location: Uintah County

Design parameters:

Collapse

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

Minimum design factors:

Collapse:

Design factor 1.125

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 168 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Burst:

Design factor 1.00

Cement top: 3,193 ft

Burst

Max anticipated surface pressure: 2,155 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 3,611 psi

No backup mud specified.

Tension:

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

Non-directional string.

Tension is based on buoyed weight.
Neutral point: 5,581 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	6620	4.5	11.60	N-80	LT&C	6620	6620	3.875	577.7
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3611	6350	1.759	3611	7780	2.15	65	223	3.44 J

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

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

Date: October 24, 2007
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 6620 ft, a mud weight of 10.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kernler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

RECEIVED
SEP 11 2007
DIV. OF OIL, GAS & MINING

IN REPLY REFER TO:
3160
(UT-922)

September 10, 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 well is planned for calendar year 2007 within the Chapita Wells Unit, Uintah County, Utah.

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

(Proposed PZ Wasatch)

43-047-39599 CWU 732-32 Sec 32 T09S R23E 2170 FSL 1901 FWL

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:9-10-07

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

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

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

EOG Resources, Inc

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

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

Questar Exploration & Production Company

RW 23-32BW (API 43 047 39182)

RW 21-32BW (API 43 047 39183)

Petro-Canada Resources (USA), Inc

State 32-11 (API 43 015 30734)

Williams Production RMT Company

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

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



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

November 1, 2007

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

Re: Chapita Wells Unit 732-32 Well, 2170' FSL, 1901' FWL, NE SW, Sec. 32, T. 9 South,
R. 23 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39599.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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



Operator: EOG Resources, Inc.
Well Name & Number Chapita Wells Unit 732-32
API Number: 43-047-39599
Lease: ML 3355

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

Conditions of Approval

1. General

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

2. Notification Requirements

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

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

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

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

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

- Dan Jarvis at: (801) 538-5338 office (801) 942-0873 home
- Carol Daniels at: (801) 538-5284 office
- Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

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

Page 2

43-047-39599

November 1, 2007

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

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3355
2. NAME OF OPERATOR: EOG Resources, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY <u>Vernal</u> STATE <u>UT</u> ZIP <u>84078</u>		7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2170' FSL & 1901' FWL 39.991197 LAT 109.353344 LON		8. WELL NAME and NUMBER: Chapita Wells Unit 732-32
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 32 9S 23E S.L.B. & M.		9. API NUMBER: 43-047-39599
		10. FIELD AND POOL, OR WILDCAT: Natural Buttes
		COUNTY: Uintah
		STATE: UTAH

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

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

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

A revised drilling plan is attached.

RECEIVED

MAY 09 2008

DIV. OF OIL, GAS & MINING

COPY SENT TO OPERATOR

Date: 5-19-2008

Initials: KS

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

(This space for State use only)

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING

DATE: 5/19/08

BY: (See Instructions on Reverse Side)

*Surface casing shall be cemented back to surface

(6/2000)

DRILLING PLAN

CHAPITA WELLS UNIT 732-32 NE/SW, SEC. 32, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,329		Shale	
Wasatch	4,304	Primary	Sandstone	Gas
Chapita Wells	4,874	Primary	Sandstone	Gas
Buck Canyon	5,549	Primary	Sandstone	Gas
North Horn	6,140	Primary	Sandstone	Gas
KMV Price River	6,415		Sandstone	
TD	6,620			

Estimated TD: 6,620' or 200'± below TD

Anticipated BHP: 3,615 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 ½"	0 – 45'	13 ⅝"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0' – 2,300' KB±	9-⅝"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	6-¼"	Surface – TD	4-½"	11.6#	P-110	BTC	7560 PSI	10,690 Psi	279,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-⅝" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

DRILLING PLAN

CHAPITA WELLS UNIT 732-32 NE/SW, SEC. 32, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2300'± - TD):

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

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD):

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

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

DRILLING PLAN

CHAPITA WELLS UNIT 732-32 NE/SW, SEC. 32, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

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

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

8. EVALUATION PROGRAM:

Logs: Gas shows from base of surface casing to TD.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following: **Cement Bond / Casing Collar Locator and Pulsed Neutron**

DRILLING PLAN

CHAPITA WELLS UNIT 732-32 NE/SW, SEC. 32, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

- Lead: 185 sks** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.
- Tail: 207 sks** Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.
- Top Out:** As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.
- Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

Production Hole Procedure (2300'± - TD)

- Lead: 89 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.
- Tail: 218 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.
- Note:** The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

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

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.
This section of hole will be casing drilled and will meet BLM requirement for .422 of cement sheath space on all sides of the casing couplings.

DRILLING PLAN

CHAPITA WELLS UNIT 732-32 **NE/SW, SEC. 32, T9S, R23E, S.L.B.&M..** **UINTAH COUNTY, UTAH**

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

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

13. Air Drilling Operations:

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

(Attachment: BOP Schematic Diagram)

BOPE REVIEW

EOG CWU 732-32 API 43-047-39599

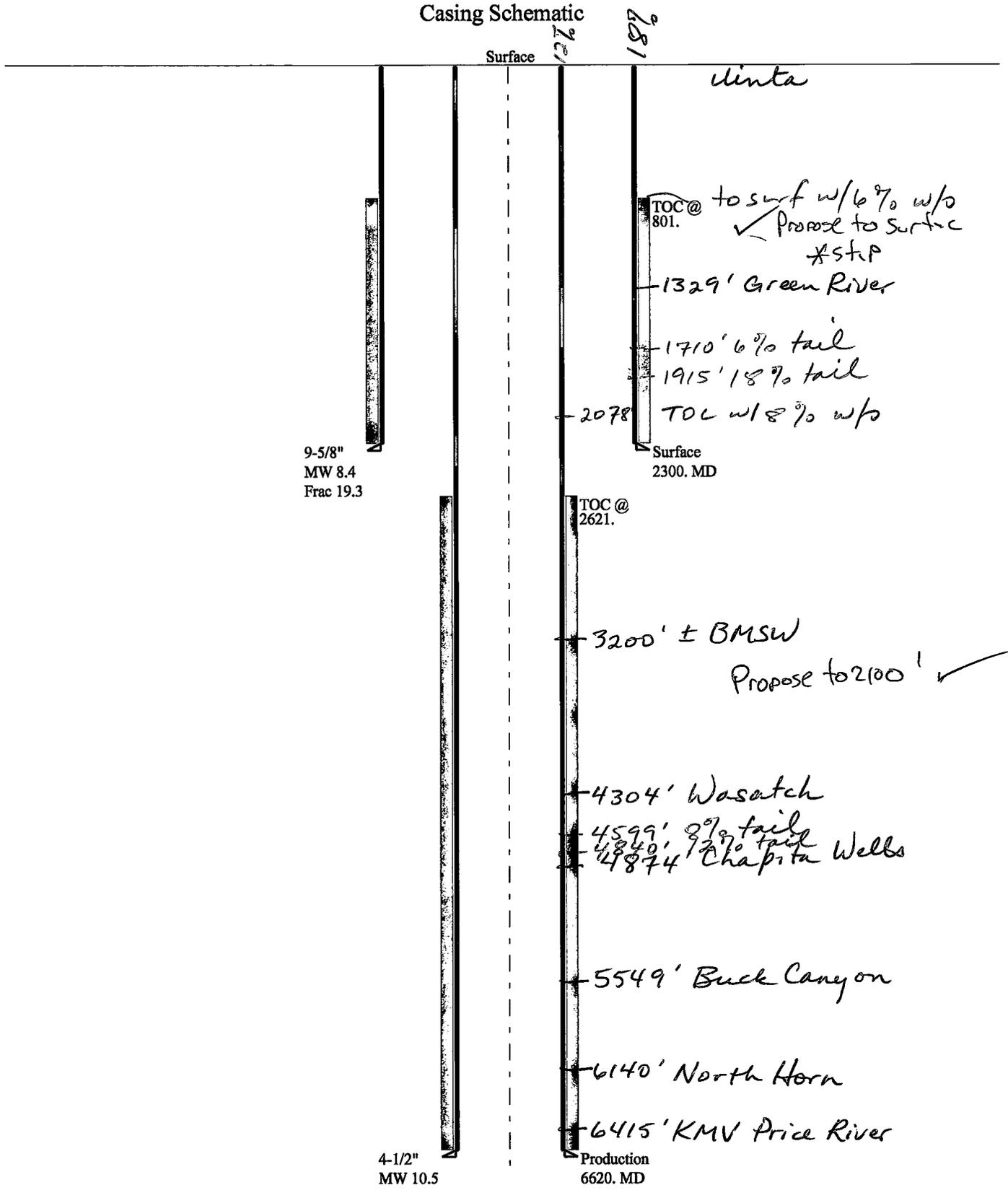
INPUT		EOG CWU 732-32		API 43-047-39599	
Well Name		String 1	String 2		
Casing Size (")		9 5/8	4 1/2		
Setting Depth (TVD)		2300	6620		
Previous Shoe Setting Depth (TVD)		45	2300		
Max Mud Weight (ppg)		8.4	10.5		
BOPE Proposed (psi)		500	5000		
Casing Internal Yield (psi)		3520	10690		
Operators Max Anticipated Pressure (psi)		3615	10.5 ppg		

Calculations		String 1	9 5/8 "	
Max BHP [psi]	.052*Setting Depth*MW =		1005	
				BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =		729	NO <i>OK</i> Air drill
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =		499	YES
				*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =		509	NO
Required Casing/BOPE Test Pressure			2300 psi	
*Max Pressure Allowed @ Previous Casing Shoe =			450 psi	

Calculations		String 2	4 1/2 "	
Max BHP [psi]	.052*Setting Depth*MW =		3615	
				BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =		2820	YES
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =		2158	YES
				*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =		2664	NO
Required Casing/BOPE Test Pressure			5000 psi	
*Max Pressure Allowed @ Previous Casing Shoe =			2300 psi	*Assumes 1psi/ft frac gradient

2008-05 EOG CWU 732-32(rev2007-10)

Casing Schematic



Well name:	2008-05 EOG CWU 732-32(rev2007-10)	
Operator:	EOG Resources Inc.	Project ID:
String type:	Surface	43-047-39599
Location:	Uintah County	

Design parameters:

Collapse

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

Burst

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

 No backup mud specified.

Minimum design factors:

Collapse:

Design factor: ~~1.125~~
 1.325

Burst:

Design factor: ~~1.00~~
 1.20

Tension:

8 Round STC: ~~1.80 (J)~~ 2.00
 8 Round LTC: 1.80 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.50 (B)

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

Environment:

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

Cement top: 801 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 6,620 ft
 Next mud weight: 10.500 ppg
 Next setting BHP: 3,611 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 2,300 ft
 Injection pressure: 2,300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2300	9.625	36.00	J-55	ST&C	2300	2300	8.796	998.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1004	2020	2.013	2300	3520	1.53	73	394	6.43 J

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

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

Date: May 14, 2008
 Salt Lake City, Utah

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

Burst strength is not adjusted for tension.

Well name:	2008-05 EOG CWU 732-32(rev2007-10)	
Operator:	EOG Resources Inc.	Project ID:
String type:	Production	43-047-39599
Location:	Uintah County	

Design parameters:

Collapse

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

Minimum design factors:

Collapse:

Design factor ~~1.125~~
 1.325

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 168 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft

Burst:

Design factor ~~1.00~~
 1.22

Cement top: 2,621 ft

Burst

Max anticipated surface pressure: 2,155 psi
 Internal gradient: 0.220 psi/ft
 Calculated BHP: 3,611 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
 8 Round LTC: 1.80 (J)
 Buttress: ~~4.60 (J)~~ 1.80
 Premium: 1.50 (J)
 Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.
 Neutral point: 5,581 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	6620	4.5	11.60	P-110	Buttress	6620	6620	3.875	577.7
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3611	7580	2.099	3611	10690	2.96	65	367	5.67 B

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

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

Date: May 14, 2008
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 6620 ft, a mud weight of 10.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 732-32

Api No: 43-047-39599 Lease Type: STATE

Section 32 Township 09S Range 23E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # RATHOLE

SPUDDED:

Date 06/05/08

Time 7:00 AM

How DRY

Drilling will Commence: _____

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 06/06//08 Signed CHD

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

FORM 6

ENTITY ACTION FORM

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

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39685	Chapita Wells Unit 742-03H		SWSE	3	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>EA</i>	99999	<i>16898</i>	6/4/2008			<i>6/19/08</i>	
Comments: <u>Wasatch well</u> <i>NHORN = WSTC</i> <i>BHL = NENE</i>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39922	Chapita Wells Unit 1105-34		NWNW	34	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
B	99999	<i>13650</i>	6/4/2008			<i>6/19/04</i>	
Comments: <u>Mesaverde well</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39599	Chapita Wells Unit 732-32		NESW	32	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>EA</i>	99999	<i>16899</i>	6/5/2008			<i>6/19/08</i>	
Comments: <u>Wasatch well</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)

Mary A. Maestas

Name (Please Print)

Mary A Maestas

Signature

Regulatory Assistant

6/5/2008

Title

Date

RECEIVED

JUN 05 2008

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3355
2. NAME OF OPERATOR: EOG Resources, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE Co ZIP 80202		7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2170' FSL & 1901' FWL 39.991197 LAT 109.353344 LON COUNTY: Uintah QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 32 9S 23E S.L.B. & M. STATE: UTAH		8. WELL NAME and NUMBER: Chapita Wells Unit 732-32
		9. API NUMBER: 43-047-39599
		10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch
		PHONE NUMBER: (303) 824-5526

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

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

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

The referenced well spud on 6/5/2008.

RECEIVED
JUN 06 2008
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Mary A. Maestas	TITLE Regulatory Assistant
SIGNATURE	DATE 6/5/2008

(This space for State use only)

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3355
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit
2. NAME OF OPERATOR: EOG Resources, Inc.		8. WELL NAME and NUMBER: Chapita Wells Unit 732-32
3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE Co ZIP 80202		9. API NUMBER: 43-047-39599
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2170' FSL & 1901' FWL 39.991197 LAT 109.353344 LON		10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 32 9S 23E S.L.B. & M.		COUNTY: Uintah STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> 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
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	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.

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

COPY SENT TO OPERATOR

Date: 6-12-2008

Initials: KS

Accepted by the
Utah Division of
Oil, Gas and Mining

Date: 6-11-08
By: [Signature]

RECEIVED
JUN 06 2008
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Mary A. Maestas</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u>Mary A. Maestas</u>	DATE <u>6/5/2008</u>

(This space for State use only)

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3355
2. NAME OF OPERATOR: EOG Resources, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE Co ZIP 80202		7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2170' FSL & 1901' FWL 39.991197 LAT 109.353344 LON COUNTY: Uintah QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 32 9S 23E S.L.B. & M. STATE: UTAH		8. WELL NAME and NUMBER: Chapita Wells Unit 732-32
		9. API NUMBER: 43-047-39599
		10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input 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
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	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

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

COPY SENT TO OPERATOR

Date: 7.15.2008
Initials: KS

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

(This space for State use only)

**APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING**
DATE: 7/15/08
BY: [Signature]
(See Instructions on Reverse Side)

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

DRILLING PLAN

CHAPITA WELLS UNIT 732-32
NE/SW, SEC. 32, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,484		Shale	
Mahogany Oil Shale	2,037		Shale	
Wasatch	4,305	Primary	Sandstone	Gas
Chapita Wells	4,875	Primary	Sandstone	Gas
Buck Canyon	5,550	Primary	Sandstone	Gas
North Horn	6,141	Primary	Sandstone	Gas
KMV Price River	6,415		Sandstone	
TD	6,620			

Estimated TD: 6,620' or 200'± below TD

Anticipated BHP: 3,615 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 ¾"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0' – 2,300' KB±	8-5/8"	32.0#	J-55	STC	2530 PSI	3930 Psi	372,000#
Production	6-¼"	Surface – TD	4-½"	11.6#	P-110	LTC	7560 PSI	10,690 Psi	279,000#

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

All casing will be new or inspected.

DRILLING PLAN

CHAPITA WELLS UNIT 732-32 NE/SW, SEC. 32, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2300'± - TD):

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

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD):

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

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

DRILLING PLAN

CHAPITA WELLS UNIT 732-32 NE/SW, SEC. 32, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

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

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

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following: **Cement Bond / Casing Collar Locator and Pulsed Neutron**

DRILLING PLAN

CHAPITA WELLS UNIT 732-32 NE/SW, SEC. 32, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

- Lead:** 278 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.
- Tail:** 312 sks Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.
- Top Out:** As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.
- Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

Production Hole Procedure (2300'± - TD)

- Lead:** 89 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.
- Tail:** 218 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.
- Note:** The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

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

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

DRILLING PLAN

CHAPITA WELLS UNIT 732-32 NE/SW, SEC. 32, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

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

13. Air Drilling Operations:

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

(Attachment: BOP Schematic Diagram)

Well name:	2007-10 EOG CWU 732-32rev7/2008		
Operator:	EOG Resources Inc.		
String type:	Production	Project ID:	43-047-39599
Location:	Uintah County		

Design parameters:

Collapse

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

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 168 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft
 Cement top: 2,078 ft

Burst

Max anticipated surface pressure: 2,155 psi
 Internal gradient: 0.220 psi/ft
 Calculated BHP 3,611 psi

No backup mud specified.

Tension:

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

Non-directional string.

Tension is based on buoyed weight.
 Neutral point: 5,581 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	6620	4.5	11.60	P-110	LT&C	6620	6620	3.875	577.7
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3611	7580	2.099 ✓	3611	10690	2.96 ✓	65	279	4.31 J ✓

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

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

Date: July 15, 2008
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 6620 ft, a mud weight of 10.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	2007-10 EOG CWU 732-32rev7/2008		
Operator:	EOG Resources Inc.		
String type:	Surface	Project ID:	43-047-39599
Location:	Uintah County		

Design parameters:

Collapse

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

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

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

Burst

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

Tension:

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

Non-directional string.

Re subsequent strings:

Next setting depth: 6,620 ft
 Next mud weight: 10.500 ppg
 Next setting BHP: 3,611 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 2,300 ft
 Injection pressure: 2,300 psi

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

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2300	9.625	32.30	H-40	ST&C	2300	2300	8.876	1016.2
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1004	1370	1.365 ✓	2300	2270 2530 psi	0.99 0.92	65	254	3.90 J ✓

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

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

Date: July 15, 2008
 Salt Lake City, Utah

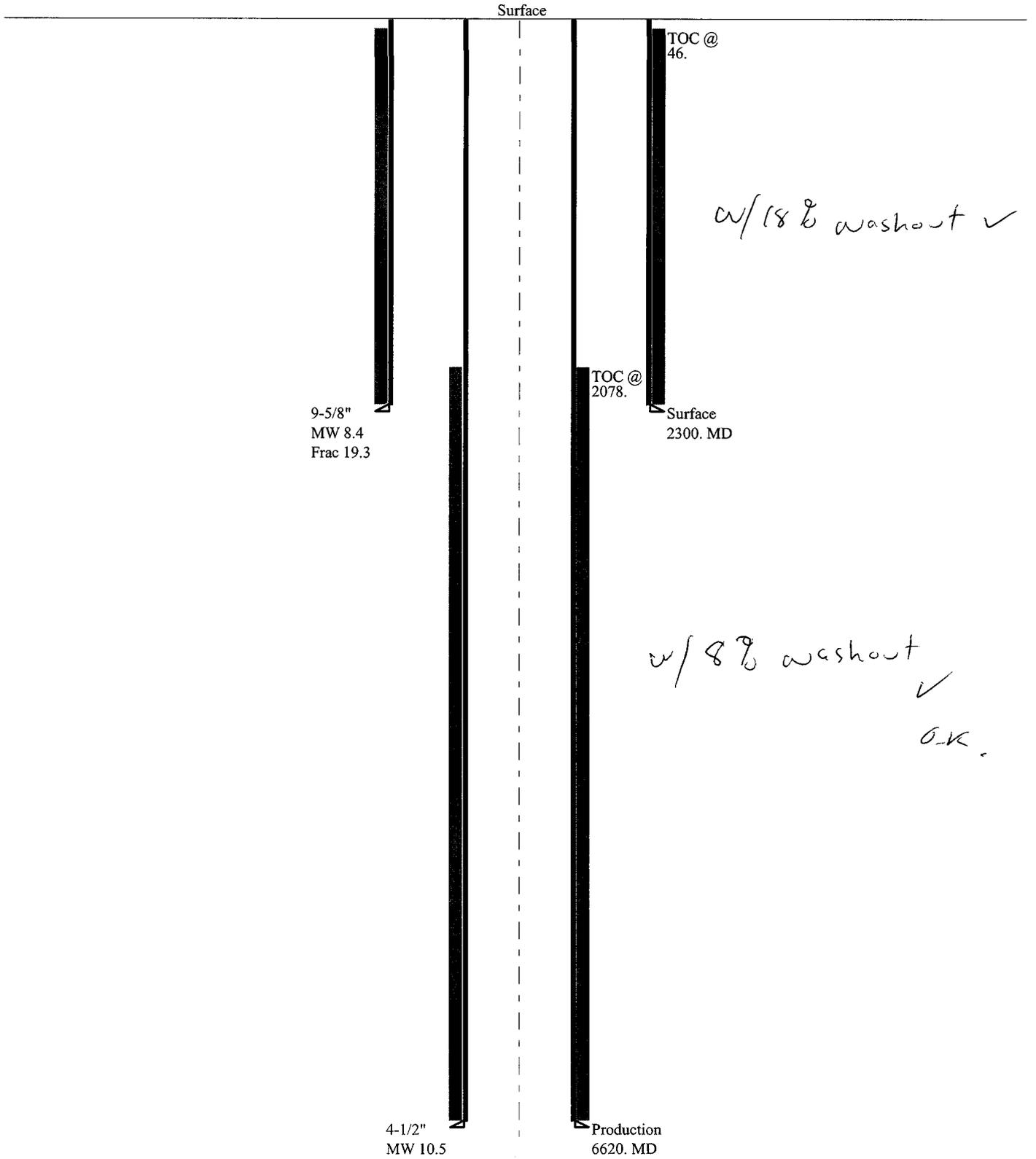
Remarks:

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

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Casing Schematic



9-5/8"
MW 8.4
Frac 19.3

4-1/2"
MW 10.5

TOC @
2078.

Surface
2300. MD

TOC @
46.

w/ 18% washout ✓

w/ 8% washout ✓

O.K.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3355
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: Chapita Wells Unit 732-32
2. NAME OF OPERATOR: EOG Resources, Inc.		9. API NUMBER: 43-047-39599
3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE Co ZIP 80202		10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch
PHONE NUMBER: (303) 824-5526		
4. LOCATION OF WELL		
FOOTAGES AT SURFACE: 2170' FSL & 1901' FWL 39.991197 LAT 109.353344 LON		COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 32 9S 23E S.L.B. & M.		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
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	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

The referenced well was turned to sales on 8/11/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

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

NAME (PLEASE PRINT) <u>Mary A. Maestas</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u><i>Mary A. Maestas</i></u>	DATE <u>8/13/2008</u>

(This space for State use only)

WELL CHRONOLOGY REPORT

Report Generated On: 08-12-2008

Well Name	CWU 732-32	Well Type	DEVG	Division	DENVER
Field	CHAPITA WELLS UNIT	API #	43-047-39599	Well Class	1SA
County, State	UINTAH, UT	Spud Date	07-01-2008	Class Date	08-12-2008
Tax Credit	N	TVD / MD	6,620/ 6,620	Property #	061777
Water Depth	0	Last CSG	2.375	Shoe TVD / MD	5,125/ 5,125
KB / GL Elev	5,176/ 5,163				
Location	Section 32, T9S, R23E, NESW, 2170 FSL & 1901 FWL				

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

AFE No	304816	AFE Total	1,293,200	DHC / CWC	694,700/ 598,500
Rig Contr	ELENBURG	Rig Name	ELENBURG #28	Start Date	06-01-2008
06-01-2008	Reported By	CYNTHIA HANSELMAN			
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			2170' FSL & 1901' FWL (NE/SW)
			SECTION 32, T9S, R23E
			UINTAH COUNTY, UTAH
			LAT 39.991197, LONG 109.353344 (NAD 83)
			LAT 39.991231, LONG 109.352664 (NAD 27)
			ELENBURG #28
			OBJECTIVE: 6620' MD/TVD, NORTH HORN
			DW/GAS
			PROSPECT: CHAPITA WELLS PROSPECT
			DD&A: NATURAL BUTTES
			NATURAL BUTTES FIELD
			LEASE: ML3355
			ELEVATION: 5162.5' NAT GL, 5162.5' PREP GL (DUE TO ROUNDING PREP GL IS 5163'), 5176' KB (13')
			EOG WI 100%, NRI 82.5 %

06-02-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION STARTED TODAY 06/02/08.

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

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

Activity at Report Time: BUILD LOCATION

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

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

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT.

06-05-2008 **Reported By** TERRY CSERE/KAYLENE GARDNER

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$38,000 **Completion** \$0 **Well Total** \$38,000
MD 60 **TVD** 60 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION/SPUD NOTIFICATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TODAY. WEATHER PERMITTING. CRAIGS ROUSTABOUT SERVICE SPUD A 20" HOLE ON 06/05/08 @ 7:00 AM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MIKE LEE W/BLM OF THE SPUD 06/05/08 @ 6:00 AM.

06-06-2008 **Reported By** TERRY CSERE/KAYLENE GARDNER

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$38,000 **Completion** \$0 **Well Total** \$38,000
MD 60 **TVD** 60 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

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

06-09-2008 Reported By TERRY CSERE/KAYLENE GARDNER

Daily Costs: Drilling \$0 Completion \$0 Daily Total \$0
 Cum Costs: Drilling \$38,000 Completion \$0 Well Total \$38,000
 MD 60 TVD 60 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

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

06-18-2008 Reported By JERRY BARNES

Daily Costs: Drilling \$177,371 Completion \$0 Daily Total \$177,371
 Cum Costs: Drilling \$215,371 Completion \$0 Well Total \$215,371
 MD 2,135 TVD 2,135 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG #2 ON 6/7/2008. DRILLED 12-1/4" HOLE TO 2135' GL. ENCOUNTERED WATER @ 1520. RAN 53 JTS (2135.31') OF 8-5/8", 32.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. WASHED CASING TO BOTTOM W/RIG PUMP. LANDED CASING @ 2148' KB.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1500 PSIG. PUMPED 10 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 400 SX (84 BBLS) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX.

DISPLACED CEMENT W/127.5 BBLS FRESH WATER. BUMPED PLUG W/700# @ 8:46 PM, 6/10/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS. SET 5M STRING WT. ON BOTTOM. RDMO CRAIGS RIG.

TOP JOB # 1: MIXED & PUMPED 100 SX (20.5 BBLS) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 5 HRS.

TOP JOB # 2: MIXED & PUMPED 200 SX (41 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS.

TOP JOB # 3: MIXED & PUMPED 200 SX (41 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT TO 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED W/CEMENT BUT FELL BACK WHEN PUMPING STOPPED. WOC 2 HRS.

TOP JOB # 4: MIXED & PUMPED 50 SX (10 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

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

GLENN'S WIRELINE SERVICE TOOK SURVEYS AS DRILLED: 969' - 0.5°, 1698' - 0.5°, 2080' - 1.5°.

CONDUCTOR LEVEL REDORD: PS= 89.8 OPS= 89.9 VDS= 89.7 MS= 89.9.

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

DALL COOK NOTIFIED DAVE HACKFORD W/UDOGM OF THE SURFACE CASING & CEMENT JOB ON 6/8/2008 @ 2:20 PM.

07-01-2008	Reported By	MATT WILLIAMS									
Daily Costs: Drilling	\$75,509	Completion	\$0	Daily Total	\$75,509						
Cum Costs: Drilling	\$290,880	Completion	\$0	Well Total	\$290,880						
MD	2,193	TVD	2,193	Progress	45	Days	1	MW	0.0	Visc	0.0
Formation :	PBSD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING @ 2193'

Start	End	Hrs	Activity Description
06:00	13:00	7.0	MOVE F/ CWU 719-33 TO CWU 732-32 .125 MILES & RIG UP. TRUCKS OFF LOCATION @ 12:00 NOON. INSTALL NIGHT CAP W/ FMC.SETBOP AND TEST DTO HEAD W/ FMC & LOCK DOWN BOP.
13:00	18:00	5.0	NIPPLE UP BOP, ROT.HEAD, CHOKE LINE, KILL LINE VALVES, HYD. HOSES, FUNCTION TEST BOP. RIG ON DAY WORK @ 13:00 HRS, 6/30/08.
18:00	22:00	4.0	TEST BOPE AS PER PROGRAM. NOTIFIED STATE REP, DAVID HACKFORD VERNAL OFFICE ON 6/30/08 @ 07:30 HRS FOR BOP TEST. INSIDE BOP, SAFETY VALVE, UPPER KELLY COCK 250/5000 PSI 5/10 MIN. HCR, CHOKE LINE, KILL LINE, 250/5000 PSI 5/10 MIN. CHOKE MANIFOLD, 250/5000 PSI 5/10 MIN. PIPE RAMS, BLIND RAMS, 250/5000 PSI 5/10 MIN. ANNULAR, 250/2500 PSI 5/10 MIN. TEST 8 5/8" CASING TO 1500 PSI 30 MIN. WITNESS: JOHN SIDWELL
22:00	23:00	1.0	STRAP BHA INSTALL WEAR BUSHING.
23:00	02:30	3.5	PU BHA AND TRIP IN HOLE , TAG CEMENT @ 2084'.
02:30	03:30	1.0	DRILL CEMENT/FLOAT EQUIP FROM 2084' TO 2148' + 10' OF NEW HOLE.
03:30	04:00	0.5	CIRCULATE, PULL UP IN CASING, PERFORM FIT TEST, 9.1 MWT, 160PSI = 10.53.
04:00	05:00	1.0	DRILLING FROM 2148' TO 2193', ROP 45, WOB 10/14, RPM 50, TQ 950/1500.
05:00	06:00	1.0	CIRCULATE AND SURVEY @ 2193'. MUD LOSS LAST 24 HRS. 0 BBLs. MUD WT 9.1 VIS 34. ROT 65 P/U 68 S/O 64.
			ACCIDENTS NONE REPORTED. FUNCTION CROWN-O-MATIC. SAFETY MEETING: TEST BOPE, TRIP IN HOLE. CREWS FULL. FUEL: ON HAND: 5748 GALS USED: 386 GALS, REC 4492 GALS. GAS BG 40U CONN 100 U. LITHOLOGY SAND/ SHALE. MUD LOGGER UNMANNED ON LOCATION SINCE 6/30/08 (1 DAY).
06:00	06:00	24.0	SPUD 7 7/8" HOLE AT 04:00 HRS, 7/1/08.

07-02-2008 Reported By MATT WILLIAMS

Daily Costs: Drilling \$28,230 Completion \$0 Daily Total \$28,230
 Cum Costs: Drilling \$319,110 Completion \$0 Well Total \$319,110

MD 4,744 TVD 4,744 Progress 2,551 Days 2 MW 9.1 Visc 33.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 4744'

Start	End	Hrs	Activity Description
06:00	14:30	8.5	DRILLING FROM 2193' TO 3234', ROP 122.4, WOB 10/16, RPM 40/65, TQ 1000/1500.
14:30	15:30	1.0	CIRCULATE CLEAN AND SURVEY @ 3180', 3 DEG.
15:30	00:30	9.0	DRILLING FROM 3234' TO 4276', ROP 115.7, WOB 12/18, RPM 40/65, TQ 1000/1500.
00:30	01:00	0.5	SURVEY @ 4276', 4 DEG.
01:00	06:00	5.0	DRILLING FROM 4276' TO 4744', ROP 93.6, WOB 12/20, RPM 40/65, TQ 1200/1650. MUD LOSS LAST 24 HRS. 0 BBLs. MUD WT 9.2 VIS 36. ROT 100 P/U 110 S/O 105. ACCIDENTS NONE REPORTED. FUNCTION CROWN-O-MATIC. SAFETY MEETING: MIXING CHEMICALS, RUNNING SURVEYS. CREWS FULL. FUEL: ON HAND: 3347 GALS USED: 2401 GALS, REC 0 GALS. GAS BG 40U CONN 100 U. LITHOLOGY SAND/ SHALE. MUD LOGGER UNMANNED ON LOCATION SINCE 6/30/08 (2 DAYS).

07-03-2008 Reported By MATT WILLIAMS

Daily Costs: Drilling \$27,031 Completion \$0 Daily Total \$27,031
 Cum Costs: Drilling \$346,141 Completion \$0 Well Total \$346,141

MD 6,361 TVD 6,361 Progress 1,617 Days 3 MW 9.3 Visc 41.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 6361'

Start	End	Hrs	Activity Description
06:00	16:30	10.5	DRILLING FROM 4744' TO 5682', ROP 89.3, WOB 12/20, RPM 40/60, TQ 1200/1800.
16:30	17:00	0.5	SERVICE RIG.
17:00	01:30	8.5	DRILLING FROM 5682' TO 6135', ROP 53.2, WOB 15/20, RPM 40/65, TQ 1200/1800.
01:30	02:00	0.5	SERVICE RIG.
02:00	06:00	4.0	DRILLING FROM 6135' TO 6361', ROP 56.5, WOB 15/20, RPM 50, TQ 1200/1950. MUD LOSS LAST 24 HRS. 0 BBLs. MUD WT 9.7 VIS 34. ROT 130 P/U 140 S/O 133. ACCIDENTS NONE REPORTED. FUNCTION CROWN-O-MATIC. SAFETY MEETING: RIG SERVICE. CREWS FULL. FUEL: ON HAND: 1869 GALS USED: 1478 GALS, REC 0 GALS. GAS BG 40U CONN 100 U.

LITHOLOGY SAND/ SHALE.
MUD LOGGER UNMANNED ON LOCATION SINCE 6/30/08 (3 DAYS).

07-04-2008 **Reported By** MATT WILLIAMS

Daily Costs: Drilling	\$55,820	Completion	\$0	Daily Total	\$55,820						
Cum Costs: Drilling	\$401,962	Completion	\$0	Well Total	\$401,962						
MD	6,620	TVD	6,620	Progress	259	Days	4	MW	9.8	Visc	34.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: CEMENT PRODUCTION CSG

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILLING FROM 6361' TO 6620' TD, ROP 129.5, WOB 16/22, RPM 50, TQ 1600/1950. REACHED TD @ 08:00 HRS, 7/3/08.
08:00	08:30	0.5	CIRCULATE AND CONDITION MUD.
08:30	09:30	1.0	SHORT TRIP.
09:30	10:30	1.0	CIRCULATE HOLE CLEAN. SPOT 150 BBL 11 PPG PILL, EMW = 10.1. DROP SURVEY.
10:30	18:00	7.5	LAY DOWN DRILL PIPE, AND BHA. CASING POINT COST \$401,963.
18:00	19:00	1.0	PULL WEAR BUSHING, AND RIG UP T- REX CSG EQUIP.
19:00	06:00	11.0	RAN CASING - 4.5 N-80 11.6# LTC, 163 FULL JTS. + 1 MKR JT, 1 PUP JT, AS FOLLOWS, FLOAT SHOE, 1JT.CSG. , FLOAT COLLAR, 67 JTS. CSG., 1 MARJER JT, 96 JTS.CSG, 1 PUP JT, & DTO CASING HANGER. FLOAT SHOE @ 6620', FLOAT COLLAR @ 6577', MARKER JT. @ 3902', TOP (BTM @ 3922), 10 CENTRALIZERS, 5 FT. ABOVE SHOE, TOP OF JT.#2 & EVERY 3 RD. JT.

MUD LOSS LAST 24 HRS. 0 BBLs.
ACCIDENTS NONE REPORTED.
FUNCTION CROWN-O-MATIC.
SAFETY MEETING: RUN CASING.
CREWS FULL.
FUEL: ON HAND: 3218 GALS USED: 665 GALS, REC 2014 GALS.
GAS BG 40U CONN 100 U.
LITHOLOGY SAND/ SHALE.
MUD LOGGER UNMANNED ON LOCATION SINCE 6/30/08 (4 DAYS).

07-05-2008 **Reported By** MATT WILLIAMS

Daily Costs: Drilling	\$25,447	Completion	\$109,384	Daily Total	\$134,831						
Cum Costs: Drilling	\$427,410	Completion	\$109,384	Well Total	\$536,794						
MD	6,620	TVD	6,620	Progress	0	Days	5	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
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06:00 09:00 3.0 JSA & SAFETY MTG W/ SCHLUMBERGER, R/U AND TEST LINES TO 5000 PSI, PUMP 20 BBLs CHEM WASH & 20 BBLs WATER SPACER AHEAD & CEMENT 6620' OF 4.5 11.6 N-80 LTC CSG. LEAD CEMENT - 250 SKS - G + ADDS MIX - D20 - 10% EXTENDER, D167 .20% FLUID LOSS, D046 .2% ANTIFOAM, D013 .5% RETARDER, D065 .5% DISPERSANT, D130 .125%LB/SK BLEND LOST CIRC. YIELD 2.98 FT3/SK, 18.227 GAL/SK @ 11.5 PPG., 132.7 BBLs. TAIL CEMENT 820 SKS 50/50 POZ G + ADDS - D020 2% EXTENDER, D046 .1% ANTIFOAM, D167 .2% FLUID LOSS, D065 .2% DISPERSANT, S001 1.0% ACCELERATOR, YIELD 1.29 FT3/SK 5.941 GAL/SK @ 14.1 PPG. .188.4 BBLs. END TAIL, WASH UP LINES.DROP PLUG @ 08:41. DISP. TO FLOAT COLLAR W/FRESH WATER.102 BBLs. AVG. DISP. RATE 6.8. BPM, FULL RETURNS THROUGH OUT JOB. LIFT PRESS. 1,500 PSI., BUMPED PLUG TO 2500 PSI @ 08:56 F/3 MINS. FLOAT HELD.,5.BBL. BACK @ 08:59 CEMENT IN PLACE. LEAVE CEMENT HEAD ON 1 HOUR.

09:00 10:00 1.0 R/D SCHLUMBERGER
 10:00 11:00 1.0 L/D LANDING JT., M/U & LAND PACKOFF.
 11:00 06:00 19.0 RIG DOWN & CLEAN TANKS.

TRUCKS TO ARRIVE @07:00 FOR RIG MOVE TO CWU 731-32, .RIG MOVE DISTANCE IS 2.7 MILES.
 ACCIDENTS NONE REPORTED.
 FUNCTION CROWN-O-MATIC.
 SAFETY MEETING: RUN CSG & CEMENTING.
 CREWS FULL.
 FUEL ON HAND: 3090 GALS. USED: 128 GALS.
 FORMATION:
 MUD LOGGER UNMANED ON LOCATION FROM 6/30/08 TO 7/04/08 (5 DAYS).

06:00 06:00 24.0 RELEASE RIG @ 03:00 HRS, 7/04/08.
 CASING POINT COST \$427,411

07-09-2008		Reported By		SEARLE	
Daily Costs: Drilling	\$0	Completion	\$39,664	Daily Total	\$39,664
Cum Costs: Drilling	\$427,410	Completion	\$149,048	Well Total	\$576,458
MD	6,620	TVD	6,620	Progress	0
Days	6	MW	0.0	Visc	0.0
Formation :	PBTB : 6577.0		Perf :	PKR Depth : 0.0	
Activity at Report Time: PREP FOR FRACS					
Start	End	Hrs	Activity Description		
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTB TO 50'. EST CEMENT TOP @ 300'. RD SCHLUMBERGER.		

07-11-2008		Reported By		MCCURDY	
Daily Costs: Drilling	\$0	Completion	\$2,248	Daily Total	\$2,248
Cum Costs: Drilling	\$427,410	Completion	\$151,296	Well Total	\$578,706
MD	6,620	TVD	6,620	Progress	0
Days	7	MW	0.0	Visc	0.0
Formation :	PBTB : 6577.0		Perf :	PKR Depth : 0.0	
Activity at Report Time: WO COMPLETION					
Start	End	Hrs	Activity Description		
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.		

07-18-2008		Reported By		KERN	
Daily Costs: Drilling	\$0	Completion	\$137,210	Daily Total	\$137,210
Cum Costs: Drilling	\$427,410	Completion	\$288,506	Well Total	\$715,917

MD 6,620 TVD 6,620 Progress 0 Days 8 MW 0.0 Visc 0.0
 Formation : WASATCH PBTB : 6577.0 Perf : 5131'-6405' PKR Depth : 0.0

Activity at Report Time: WOSU TO DRILL OUT PLUGS.

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CUTTERS WIRELINE & PERFORATE NORTH HORN FROM 6183'-84', 6191'-92', 6226'-27', 6231'-32', 6242'-43', 6279'-80', 6283'-84', 6362'-63', 6371'-72', 6377'-78', 6396'-97', 6404'-05' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 6334 GAL LINEAR DELTA 140 1# & 1.5#, 34953 GAL DELTA 140 W/ 125800 # 20/40 SAND @ 1-4 PPG. MTP 5129 PSIG. MTR 51.6 BPM. ATP 3645 PSIG. ATR 45.4 BPM. ISIP 2538 PSIG. RD HALLIBURTON.

RUWL SET 6K CFP AT 6150'. PERFORATE Ba FROM 5766'-67', 5770'-71', 5781'-82', 5796'-97', 5800'-01', 5873'-74', 5913'-14', 5954'-55', 5977'-78', 6012'-13', 6096'-97', 6130'-31' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 6326 GAL LINEAR DELTA 140 1# & 1.5#, 28196 GAL DELTA 140 W/ 100000 # 20/40 SAND @ 1-4 PPG. MTP 6610 PSIG. MTR 51.2 BPM. ATP 4957 PSIG. ATR 37.2 BPM. ISIP 1491 PSIG. RD HALLIBURTON.

RUWL SET 6K CFP AT 5705'. PERFORATE Ba/Ca FROM 5402'-03', 5418'-19', 5451'-52', 5460'-61', 5465'-66', 5507'-08', 5607'-08', 5636'-37', 5663'-64', 5674'-75', 5675'-76', 5685'-86' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 6318 GAL LINEAR DELTA 140 1# & 1.5#, 27726 GAL DELTA 140 W/ 100100 # 20/40 SAND @ 1-4 PPG. MTP 5874 PSIG. MTR 52.4 BPM. ATP 4388 PSIG. ATR 48 BPM. ISIP 1430 PSIG. RD HALLIBURTON.

RUWL SET 6K CFP AT 5380'. PERFORATE Ca FROM 5131'-32', 5142'-43', 5145'-46', 5146'-47', 5147'-48', 5150'-51', 5181'-82', 5270'-71', 5307'-08', 5344'-45', 5345'-46', 5366'-67' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 4233 GAL LINEAR DELTA 140 1# & 1.5#, 22597 GAL DELTA 140 W/ 83500 # 20/40 SAND @ 1-4 PPG. MTP 6122 PSIG. MTR 48 BPM. ATP 4054 PSIG. ATR 40.5 BPM. ISIP 1906 PSIG. RDMO HALLIBURTON.

RUWL. SET 6K CBP AT 5024'. RDMO CUTTERS WIRELINE.

07-22-2008		Reported By	HISLOP	
Daily Costs: Drilling	\$0	Completion	\$17,940	Daily Total \$17,940
Cum Costs: Drilling	\$427,410	Completion	\$306,446	Well Total \$733,857
MD	6,620	TVD	6,620	Progress 0 Days 9 MW 0.0 Visc 0.0
Formation : WASATCH	PBTB : 6577.0		Perf : 5131'-6405'	PKR Depth : 0.0

Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRUSU. ND TREE. NU BOP. RIH W/BIT & PUMP OFF SUB TO 5024'. RU TO DRILL PLUGS. SDFN.

07-23-2008		Reported By	HISLOP	
Daily Costs: Drilling	\$0	Completion	\$40,945	Daily Total \$40,945
Cum Costs: Drilling	\$427,410	Completion	\$347,391	Well Total \$774,802
MD	6,620	TVD	6,620	Progress 0 Days 10 MW 0.0 Visc 0.0
Formation : WASATCH	PBTB : 6577.0		Perf : 5131'-6405'	PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5024', 5380', 5705' & 6150'. RIH. CLEANED OUT TO 6508'. LANDED TUBING @ 5126' KB. ND BOP. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 17 HRS. 64/64" CHOKE. FTP 200 PSIG. CP 200 PSIG. 48 FPH. RECOVERED 608 BLW. 3092 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF BIT SUB .91'
 1 JT 2-3/8" 4.7# J-55 TBG 31.70'
 XN NIPPLE 1.30'
 161 JTS 2-3/8" 4.7# J-55 TBG 5078.72'
 BELOW KB 13.00'
 LANDED @ 5125.63' KB

07-24-2008		Reported By		HISLOP							
Daily Costs: Drilling	\$0	Completion	\$3,185	Daily Total	\$3,185						
Cum Costs: Drilling	\$427,410	Completion	\$350,576	Well Total	\$777,987						
MD	6,620	TVD	6,620	Progress	0	Days	11	MW	0.0	Visc	0.0
Formation : WASATCH		PBTD : 6577.0		Perf : 5131'-6405'		PKR Depth : 0.0					
Activity at Report Time: WO FACILITIES											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	FLOWED 24 HRS. 32/64" CHOKE. FTP 350 PSIG. CP 700 PSIG. 8 FPH. RECOVERED 294 BLW. 2800 BLWTR. SI. WO FACILITIES.								

FINAL COMPLETION DATE: 7/23/08

08-12-2008		Reported By		DUANE COOK							
Daily Costs: Drilling	\$0	Completion	\$3,185	Daily Total	\$3,185						
Cum Costs: Drilling	\$427,410	Completion	\$353,761	Well Total	\$781,172						
MD	6,620	TVD	6,620	Progress	0	Days	12	MW	0.0	Visc	0.0
Formation : WASATCH		PBTD : 6577.0		Perf : 5131'-6405'		PKR Depth : 0.0					
Activity at Report Time: INITIAL SALES											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	INITIAL PRODUCTION - OPENING PRESSURE: TP 2000 PSIG & CP 2000 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 12:30 HRS, 8/11/08. FLOWED 1460 MCFD RATE ON 12/64" CHOKE. STATIC 492. QGM METER #7832.								

08-14-2008		Reported By		DAN & STEVE							
Daily Costs: Drilling	\$0	Completion	\$3,185	Daily Total	\$3,185						
Cum Costs: Drilling	\$427,410	Completion	\$356,946	Well Total	\$784,357						
MD	6,620	TVD	6,620	Progress	0	Days	13	MW	0.0	Visc	0.0
Formation : WASATCH		PBTD : 6577.0		Perf : 5131'-6405'		PKR Depth : 0.0					
Activity at Report Time: BUILD LOCATION											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0									

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

AMENDED REPORT FORM 8
(highlight changes)

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-3355

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

7. UNIT or CA AGREEMENT NAME
Chapita Wells Unit

8. WELL NAME and NUMBER:
Chapita Wells Unit 732-32

9. API NUMBER:
43-047-39599

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

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

12. COUNTY
Uintah

13. STATE
UTAH

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

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

2. NAME OF OPERATOR:
EOG Resources, Inc.

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

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: **2170' FSL & 1901' FWL 39.991197 LAT 109.353344 LON**

AT TOP PRODUCING INTERVAL REPORTED BELOW: **Same**

AT TOTAL DEPTH: **Same**

14. DATE SPURRED: **6/5/2008** 15. DATE T.D. REACHED: **7/3/2008** 16. DATE COMPLETED: **8/11/2008** ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
5163' NAT GL

18. TOTAL DEPTH: MD **6,620**
TVD _____

19. PLUG BACK T.D.: MD **6,577**
TVD _____

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE MD
PLUG SET: TVD _____

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

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

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/L)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12-1/4	9-5/8 J-55	36.0	0	2,148		950			
7-7/8	4-1/2 N-80	11.6	0	6,620		1070			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8	5,126							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) Wasatch	5,131	6,405		
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
6,183 6,405		3	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
5,766 6,131		3	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
5,402 5,686		3	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
5,131 5,367		3	Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
6183-6405	41,287 GALS GELLED WATER & 125,800# 20/40 SAND
5766-6131	34,522 GALS GELLED WATER & 100,000# 20/40 SAND
5402-5686	34,044 GALS GELLED WATER & 100,100# 20/40 SAND

29. ENCLOSED ATTACHMENTS:

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

30. WELL STATUS:

Producing

RECEIVED

SEP 11 2008

DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 8/11/2008		TEST DATE: 8/18/2008		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL - BBL: 9		GAS - MCF: 767		WATER - BBL: 70		PROD. METHOD: Flows	
CHOKE SIZE: 12/64"	TBG. PRESS. 1,275	CSG. PRESS. 1,400	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →		OIL - BBL: 9	GAS - MCF: 767	WATER - BBL: 70	INTERVAL STATUS: Producing				

INTERVAL B (As shown in item #26)

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

INTERVAL C (As shown in item #26)

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

INTERVAL D (As shown in item #26)

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

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

Sold

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Wasatch	5,131	6,405		Green River	1,450
				Mahogany	2,039
				Uteland Butte	4,192
				Wasatch	4,300
				Chapita Wells	4,857
				Buck Canyon	5,541
				Price River	6,409

35. ADDITIONAL REMARKS (Include plugging procedure)

See attached page for additional information.

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

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

This report must be submitted within 30 days of

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

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

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

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

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

Chapita Wells Unit 732-32 - ADDITIONAL REMARKS (CONTINUED):

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

5131-5367	26,830 GALS GELLED WATER & 83,500# 20/40 SAND
-----------	---

Perforated the North Horn from 6183-84', 6191-92', 6226-27', 6231-32', 6242-43', 6279-80', 6283-84', 6362-63', 6371-72', 6377-78', 6396-97', 6404-05' w/ 3 spf.

Perforated the Ba from 5766-67', 5770-71', 5781-82', 5796-97', 5800-01', 5873-74', 5913-14', 5954-55', 5977-78', 6012-13', 6096-97', 6130-31' w/ 3 spf.

Perforated the Ba/Ca from 5402-03', 5418-19', 5451-52', 5460-61', 5465-66', 5507-08', 5607-08', 5636-37', 5663-64', 5674-75', 5675-76', 5685-86' w/ 3 spf.

Perforated the Ca from 5131-32', 5142-43', 5145-46', 5146-47', 5147-48', 5150-51', 5181-82', 5270-71', 5307-08', 5344-45', 5345-46', 5366-67' w/ 3 spf.

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

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 732-32

API number: 4304739599

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

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,520	1,560	NO FLOW	NOT KNOWN

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

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

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

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 9/9/2008

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ML 3355
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: CWU 732-32
2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047395990000
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2170 FSL 1901 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 32 Township: 09.0S Range: 23.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 10/16/2008	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: Pit Closure

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
 The reserve pit on the referenced location was closed on 10/16/2008 as per the APD procedure.

Accepted by the
 Utah Division of
 Oil, Gas and Mining
FOR RECORD ONLY
 June 09, 2009

NAME (PLEASE PRINT) Kaylene Gardner	PHONE NUMBER 435 781-9111	TITLE Regulatory Administrator
SIGNATURE N/A		DATE 6/8/2009