

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU0284A
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC.		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNI
Contact: KAYLENE R GARDNER E-Mail: KAYLENE_GARDNER@EOGRESOURCES.COM		8. Lease Name and Well No. CHAPITA WELLS UNIT 1339-22
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-9111	9. API Well No. 43047-39620
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NENW 162FNL 1330FWL 40.02832 N Lat, 109.43008 W Lon At proposed prod. zone NENW 162FNL 1330FWL 40.02832 N Lat, 109.43008 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE
14. Distance in miles and direction from nearest town or post office* 48.2 MILES FROM VERNAL, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area Sec 22 T9S R22E Mer SLB
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 162	16. No. of Acres in Lease 1240.00	12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 790	19. Proposed Depth 9650 MD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4898 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well
		20. BLM/BIA Bond No. on file NM 2308
		23. Estimated duration 45-DAYS

24. Attachments

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

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

25. Signature (Electronic Submission)	Name (Printed/Typed) KAYLENE R GARDNER Ph: 435-781-9111	Date 09/06/2007
Title LEAD REGULATORY ASSISTANT		
Approved by (Signature)	Name (Printed/Typed) BRADLEY G. HILL	Date 09-17-07
Title ENVIRONMENTAL MANAGER		

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

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

Electronic Submission #56271 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal

**Federal Approval of this
Action is Necessary**

RECEIVED
SEP 10 2007
DIV. OF OIL, GAS & MINING

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

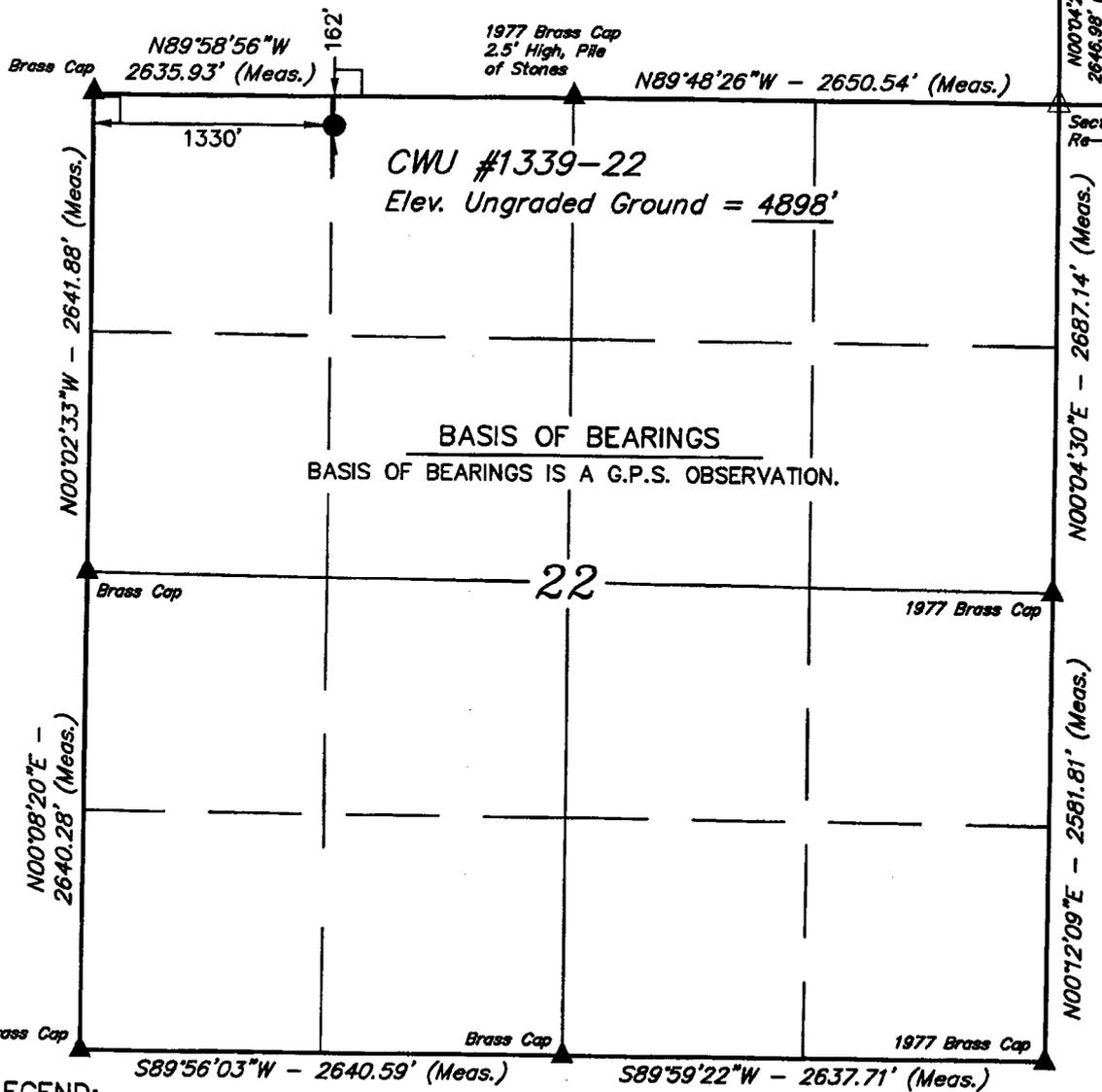
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T9S, R22E, S.L.B.&M.

E 1/4 Cor. Sec. 15, Brass Cap

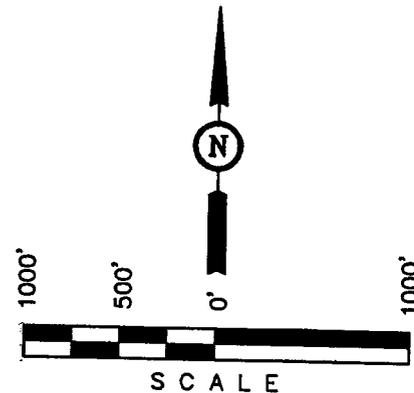
EOG RESOURCES, INC.

Well location, CWU #1339-22, located as shown in the NE 1/4 NW 1/4 of Section 22, T9S, R22E, S.L.B.&M., Uintah County, Utah.



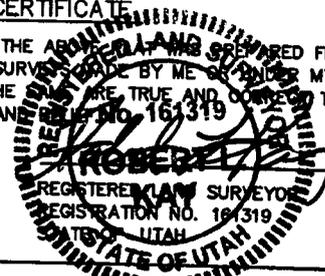
BASIS OF ELEVATION

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



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE PLAT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF NO. 161319



LEGEND:

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

(NAD 83)
 LATITUDE = 40°01'41.83" (40.028286)
 LONGITUDE = 109°25'50.75" (109.430764)
 (NAD 27)
 LATITUDE = 40°01'41.96" (40.028322)
 LONGITUDE = 109°25'48.29" (109.430081)

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

SCALE 1" = 1000'	DATE SURVEYED: 06-22-07	DATE DRAWN: 07-11-07
PARTY G.S. A.F. C.H.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1339-22
NE/NW, SEC. 22, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,795		Shale	
Wasatch	4,821		Sandstone	
Chapita Wells	5,433		Sandstone	
Buck Canyon	6,109		Sandstone	
North Horn	6,765		Sandstone	
KMV Price River	7,308	Primary	Sandstone	Gas
KMV Price River Middle	8,181	Primary	Sandstone	Gas
KMV Price River Lower	8,973	Primary	Sandstone	Gas
Sego	9,452		Sandstone	
TD	9,650			

Estimated TD: 9,650' or 200'± below Se-go top

Anticipated BHP: 5,270 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
 BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 ½"	0 – 45'	13 ⅜"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

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

All casing will be new or inspected.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1339-22
NE/NW, SEC. 22, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2300'± - TD):

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

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

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

7. VARIANCE REQUESTS:

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

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1339-22
NE/NW, SEC. 22, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

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

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

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

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

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

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

Production Hole Procedure (2300'± - TD)

Lead: 145 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: 937 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 1339-22
NE/NW, SEC. 22, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

11. STANDARD REQUIRED EQUIPMENT:

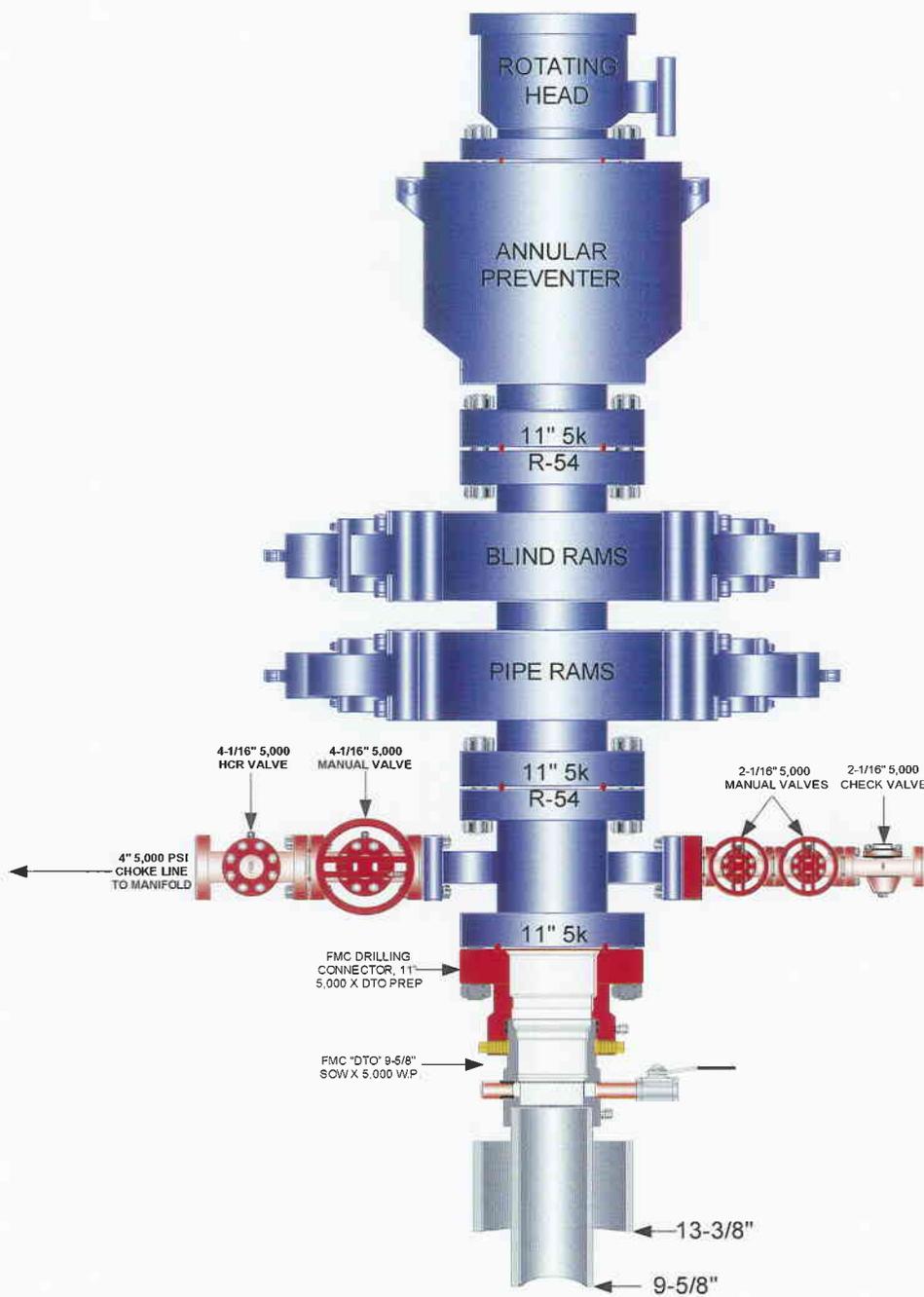
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

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

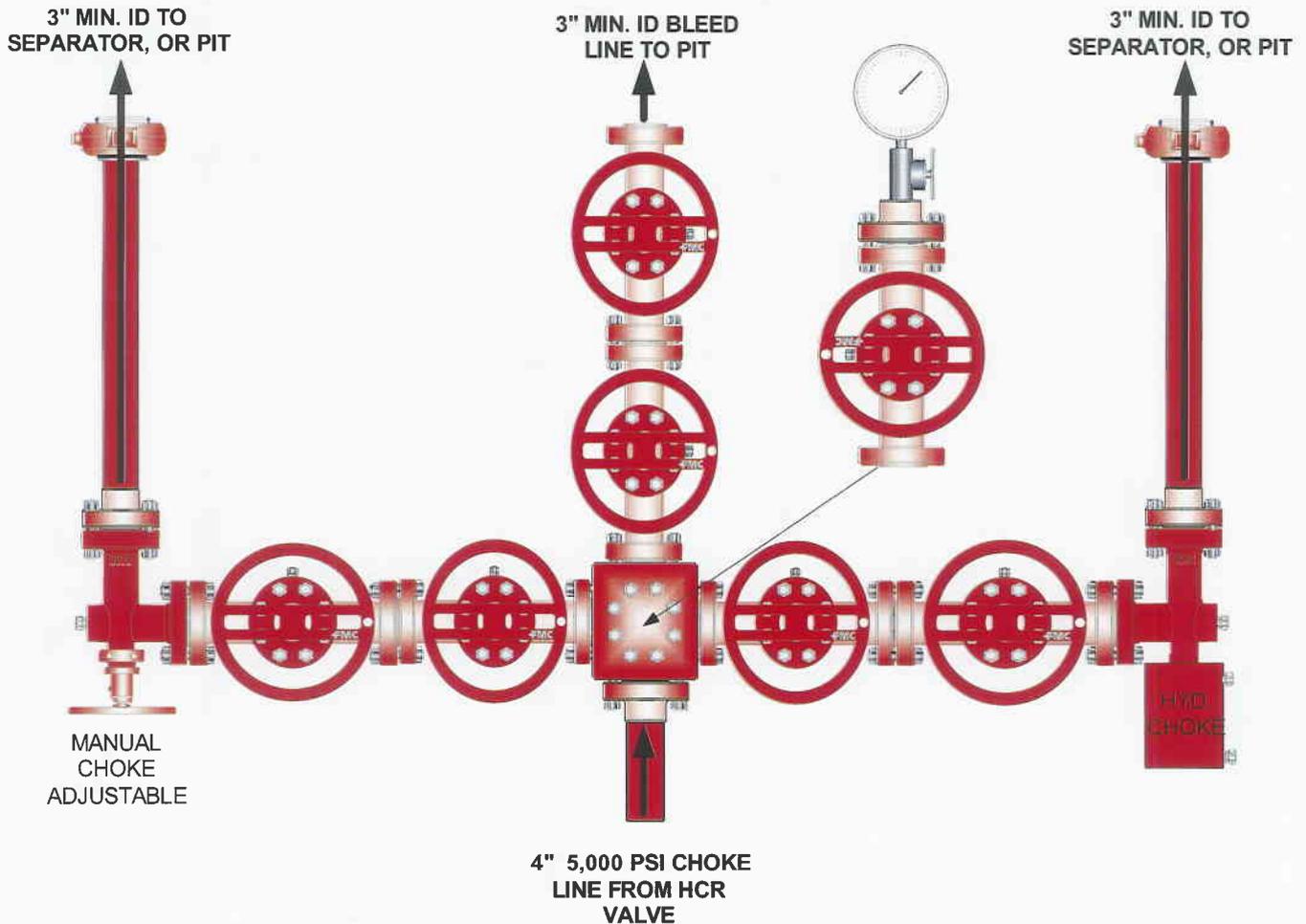
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF 2



Testing Procedure:

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



***Chapita Wells Unit 1339-22
NENW, Section 22, T9S, R22E
Uintah County, Utah***

SURFACE USE PLAN

The well pad is approximately 375 feet long with a 261-foot width, containing 2.25 acres more or less. The well access road is approximately 220 feet long with a 40-foot right-of-way, disturbing approximately 0.20 acres. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.45 acres. The pipeline is approximately 862 feet long with a 40-foot right-of-way, disturbing approximately 0.79 acres.

1. EXISTING ROADS:

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 48.2 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

- A. The access road will be approximately 220 in length, Culvert's if necessary See attached Topo B.
- B. The access road has a 40-foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

- I. A 40-foot permanent right-of-way is requested. No surfacing material will used.
- J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed, safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 40-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the roadbed block the drainages. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around then avoided.

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

Traveling off the 40-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

No off lease right-of-way is required. The entire length of the access road is located within the Chapita Wells Unit.

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

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

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

A. On Well Pad

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

B. Off Well Pad

1. Proposed pipeline will transport natural gas.
2. The pipeline will be a permanent feeder line.
3. The length of the proposed pipeline is 862 x 40'. The proposed pipeline leaves the western edge of the well pad (Lease UTU0284A) proceeding in a northerly direction for an approximate distance of 412' to Section 15, T9S, R22E (Lease UTU0283A, T9S, R22E) proceeding an additional 450' tying into an existing pipeline for Chapita Wells Unit 35-15 located in the SWSW of Section 15, T9S, R22E (Lease UTU0283A). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface
5. Proposed pipeline will be laid on surface.
6. A 20-foot permanent pipeline right-of-way is requested. A 40-foot temporary pipeline right-of-way for construction purposes is requested, the temporary right-of-way will be utilized for a 10-day period.
7. The proposed pipeline route begins in the NWNW of section 15, township 9S, range 22E, proceeding northerly for an approximate distance of 862' to the Chapita Wells Unit 35-15 located within the SWSW of section 15, township 9S, range 22E.
8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

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

5. LOCATION AND TYPE OF WATER SUPPLY:

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

6. SOURCE OF CONSTRUCTION MATERIALS:

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

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
 - 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
 - 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
 - 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD, CWU 2-29 SWD, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
 - 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

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

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

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

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

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

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

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

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

the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the east.

FENCING REQUIREMENTS:

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

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

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

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

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Interim Reclamation (Producing Location)

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

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

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

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

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

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

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

B. Dry Hole/Abandoned Location

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

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

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

11. SURFACE OWNERSHIP:

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

Bureau of Land Management

12. OTHER INFORMATION:

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:
- Whether the materials appear eligible for the National Register of Historic Places;
 - The mitigation measures the operator will likely have to undertake before the site can be used.
 - A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

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

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

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for

the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

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

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

A block cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants on January 29, 2007, MOAC Report No. 06-612. A paleontological survey was conducted and will be submitted by Intermountain Paleo.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

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

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

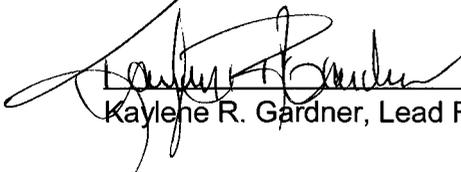
The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

CERTIFICATION:

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

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 1339-22 Well, located in the NENW, of Section 22, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

September 6, 2007
Date



Kaylene R. Gardner, Lead Regulatory Assistant

EOG RESOURCES, INC.

CWU #1339-22

LOCATED IN UINTAH COUNTY, UTAH

SECTION 22, T9S, R22E, S.L.B.&M.

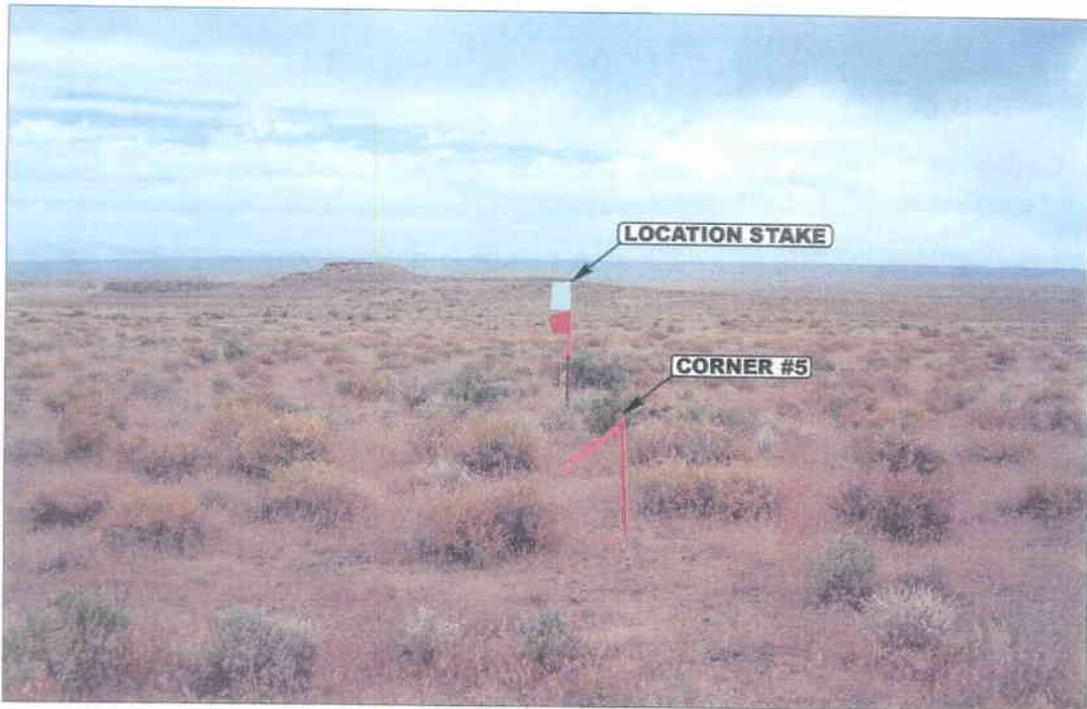


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY

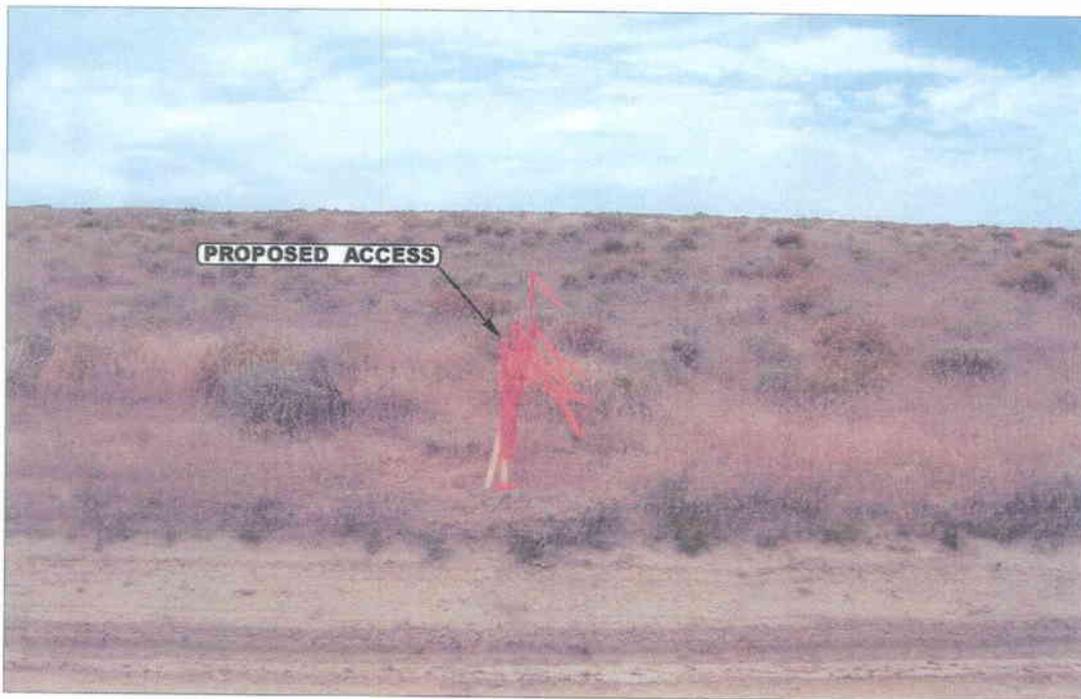


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



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

- Since 1964 -

LOCATION PHOTOS

06 22 07
MONTH DAY YEAR

PHOTO

TAKEN BY: A.F.

DRAWN BY: A.A.

REVISED: 00-00-00

EOG RESOURCES, INC.
CWU #1339-22
SECTION 22, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 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 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 WEST; TURN RIGHT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 220' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 48.2 MILES.

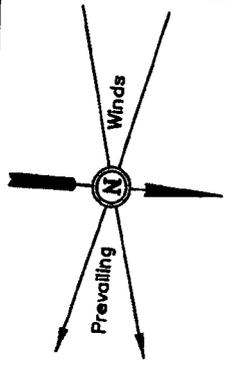
EOG RESOURCES, INC.

FIGURE #1

LOCATION LAYOUT FOR
 CWU #1339-22
 SECTION 22, T9S, R22E, S.L.B.&M.
 162' FNL 1330' FWL

Approx.
 Toe of
 Fill Slope

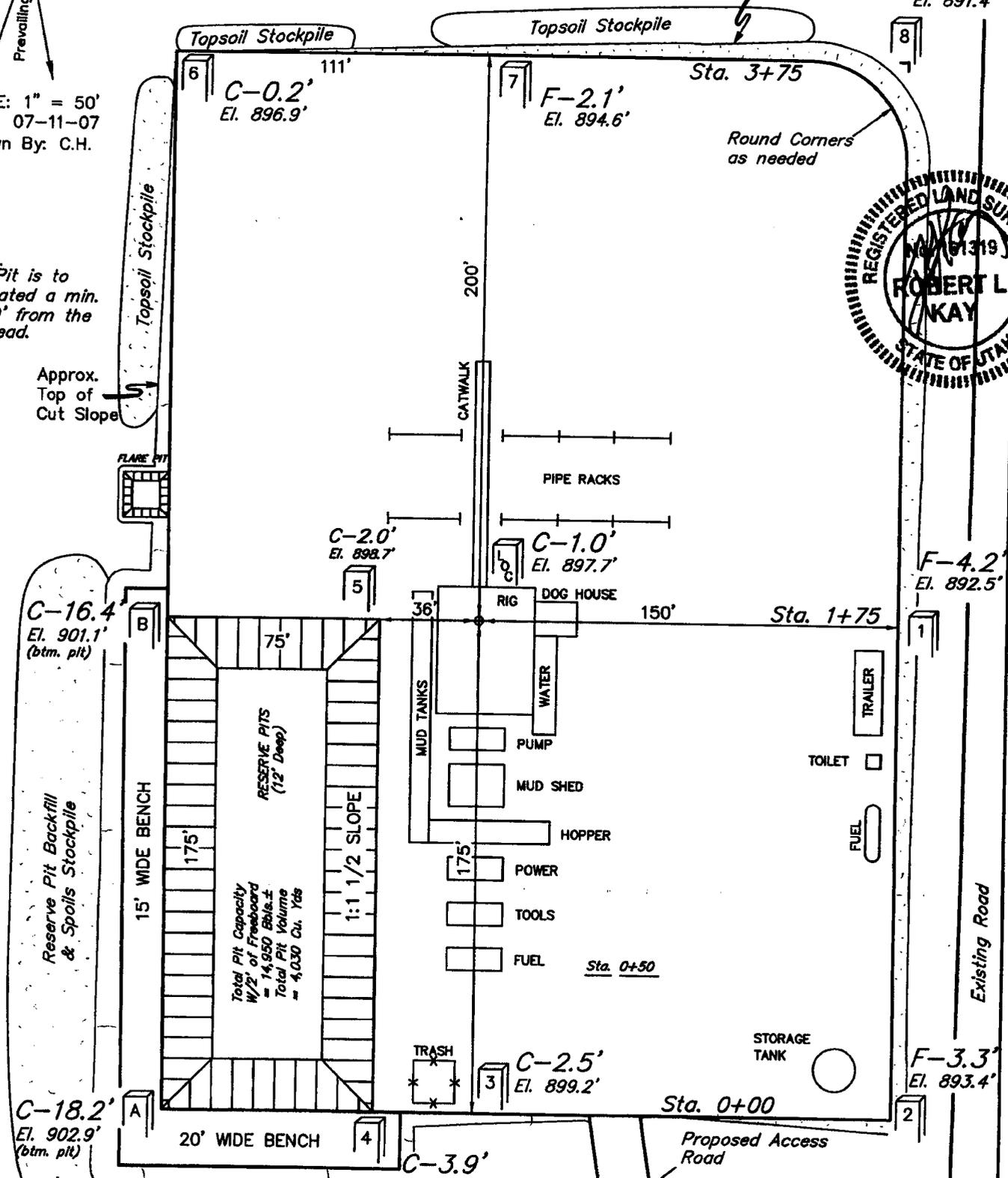
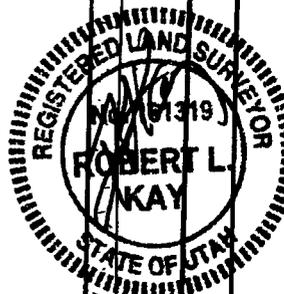
F-5.3'
 El. 891.4'



SCALE: 1" = 50'
 DATE: 07-11-07
 Drawn By: C.H.

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

Approx.
 Top of
 Cut Slope



Elev. Ungraded Ground at Location Stake = 4897.7'
 Elev. Graded Ground at Location Stake = 4896.7'

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

EOG RESOURCES, INC.

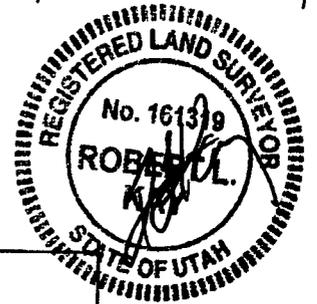
TYPICAL CROSS SECTIONS FOR

CWU #1339-22

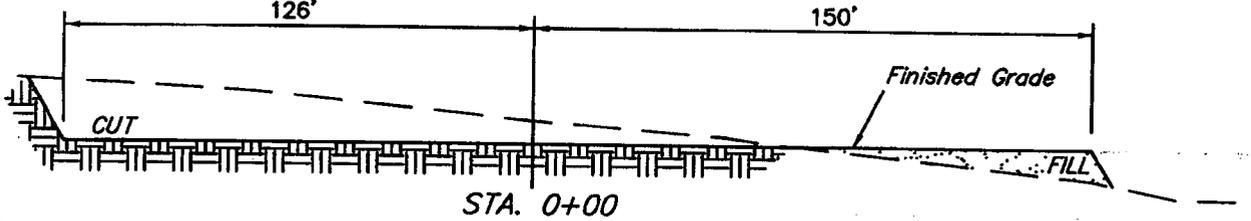
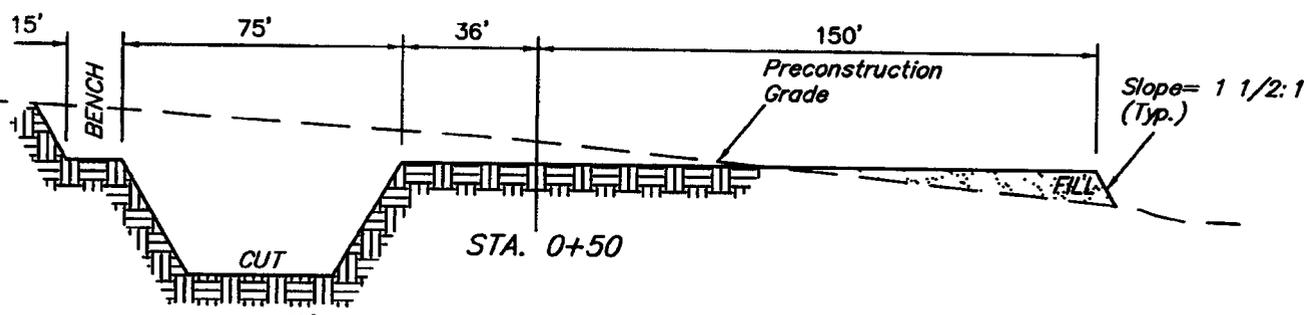
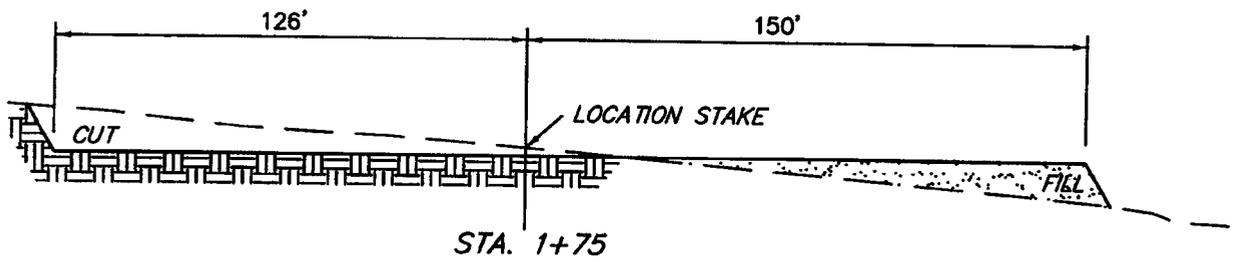
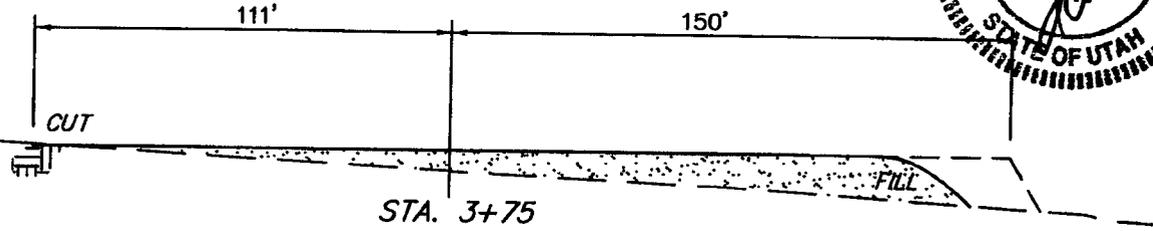
SECTION 22, T9S, R22E, S.L.B.&M.

162' FNL 1330' FWL

FIGURE #2



1" = 20'
X-Section Scale
1" = 50'
DATE: 07-11-07
Drawn By: C.H.



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

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	2,100 Cu. Yds.
Remaining Location	=	7,980 Cu. Yds.
TOTAL CUT	=	10,080 CU.YDS.
FILL	=	5,960 CU.YDS.

EXCESS MATERIAL	=	4,120 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	4,120 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	=	0 Cu. Yds.

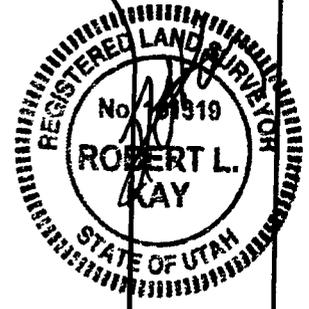
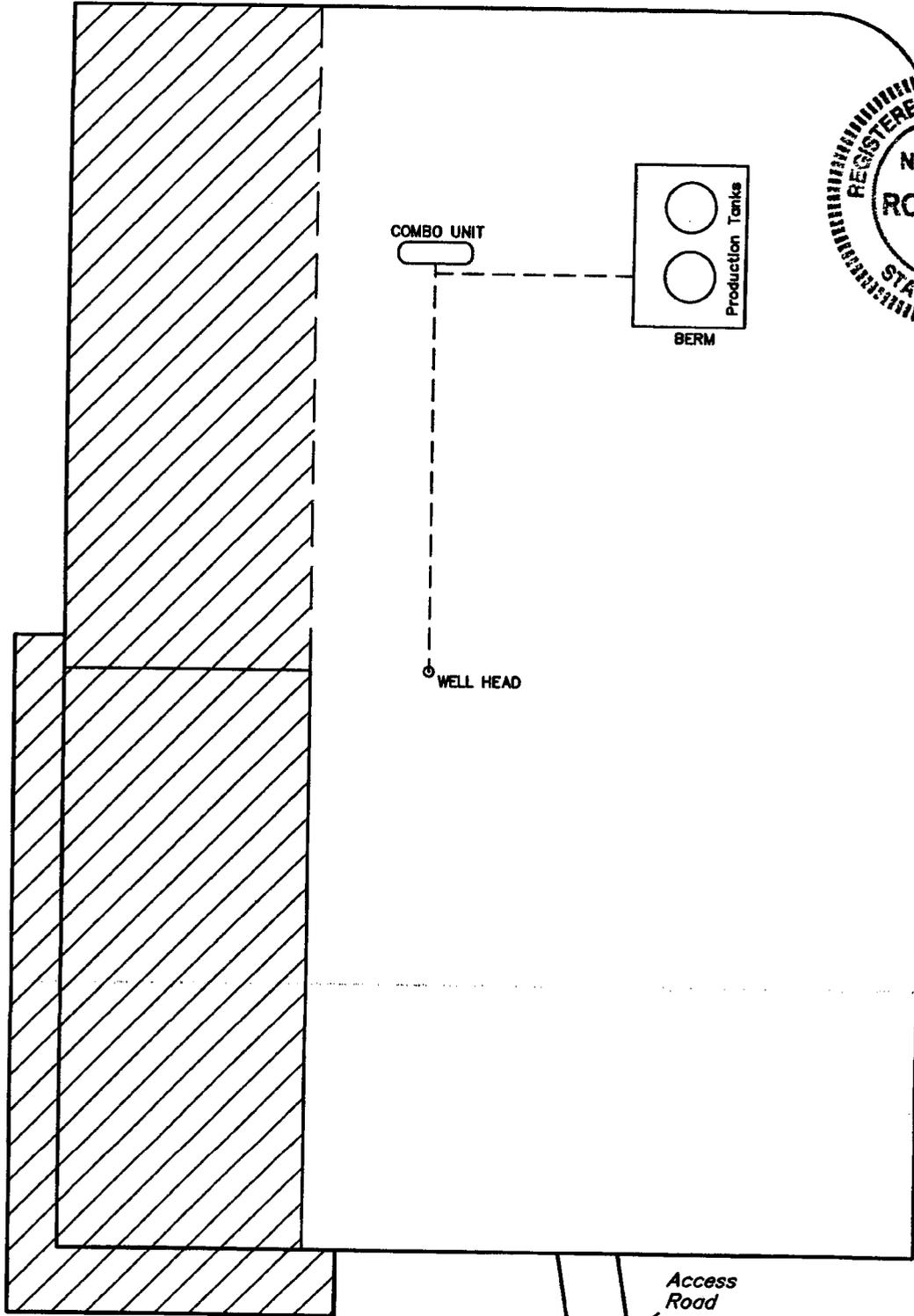
EOG RESOURCES, INC.
PRODUCTION FACILITY LAYOUT FOR

FIGURE #3

CWU #1339-22
SECTION 22, T9S, R22E, S.L.B.&M.
162' FNL 1330' FWL

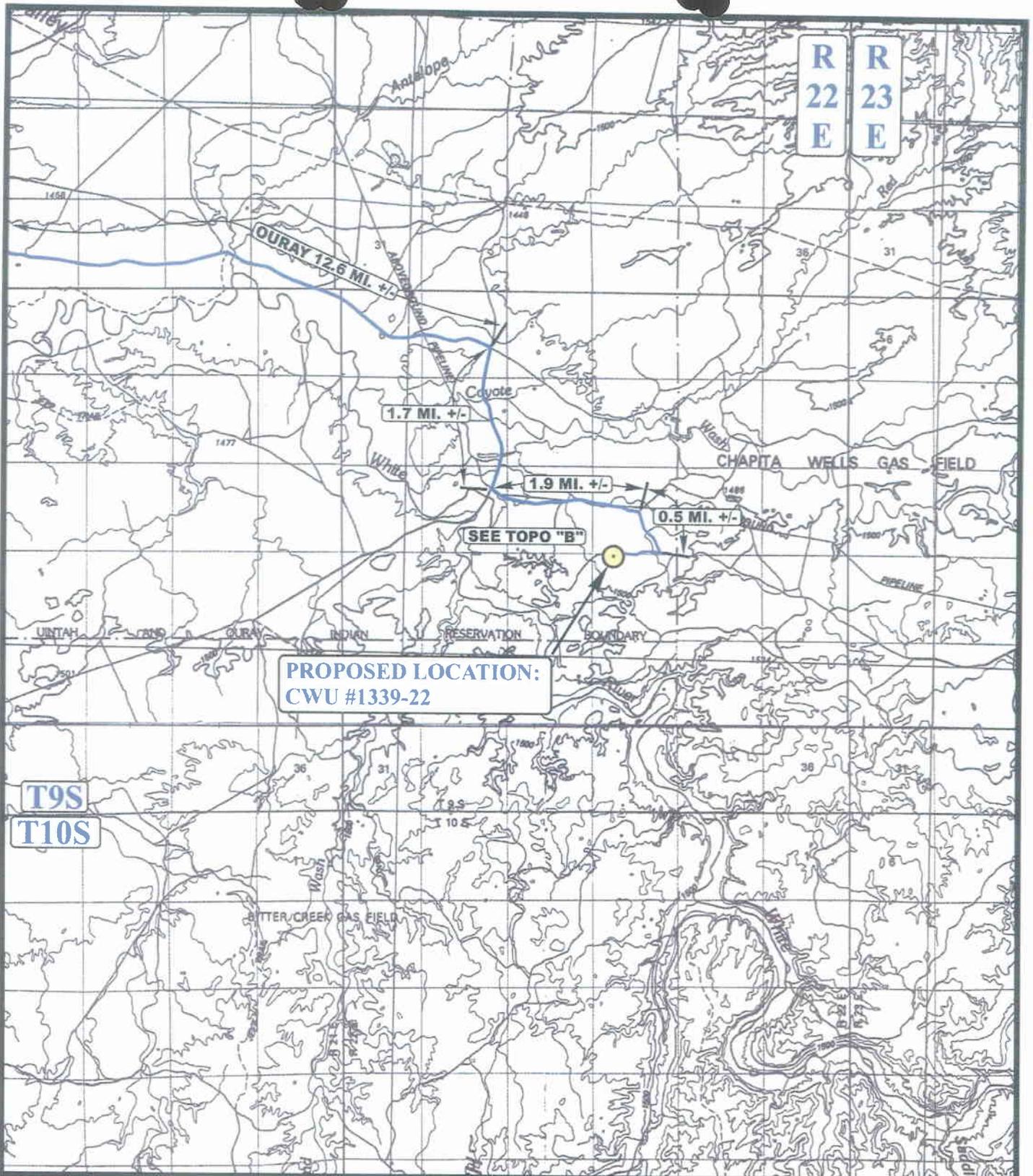


SCALE: 1" = 50'
DATE: 07-11-07
Drawn By: C.H.



 RE-HABED AREA

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



**PROPOSED LOCATION:
CWU #1339-22**

LEGEND:

 PROPOSED LOCATION

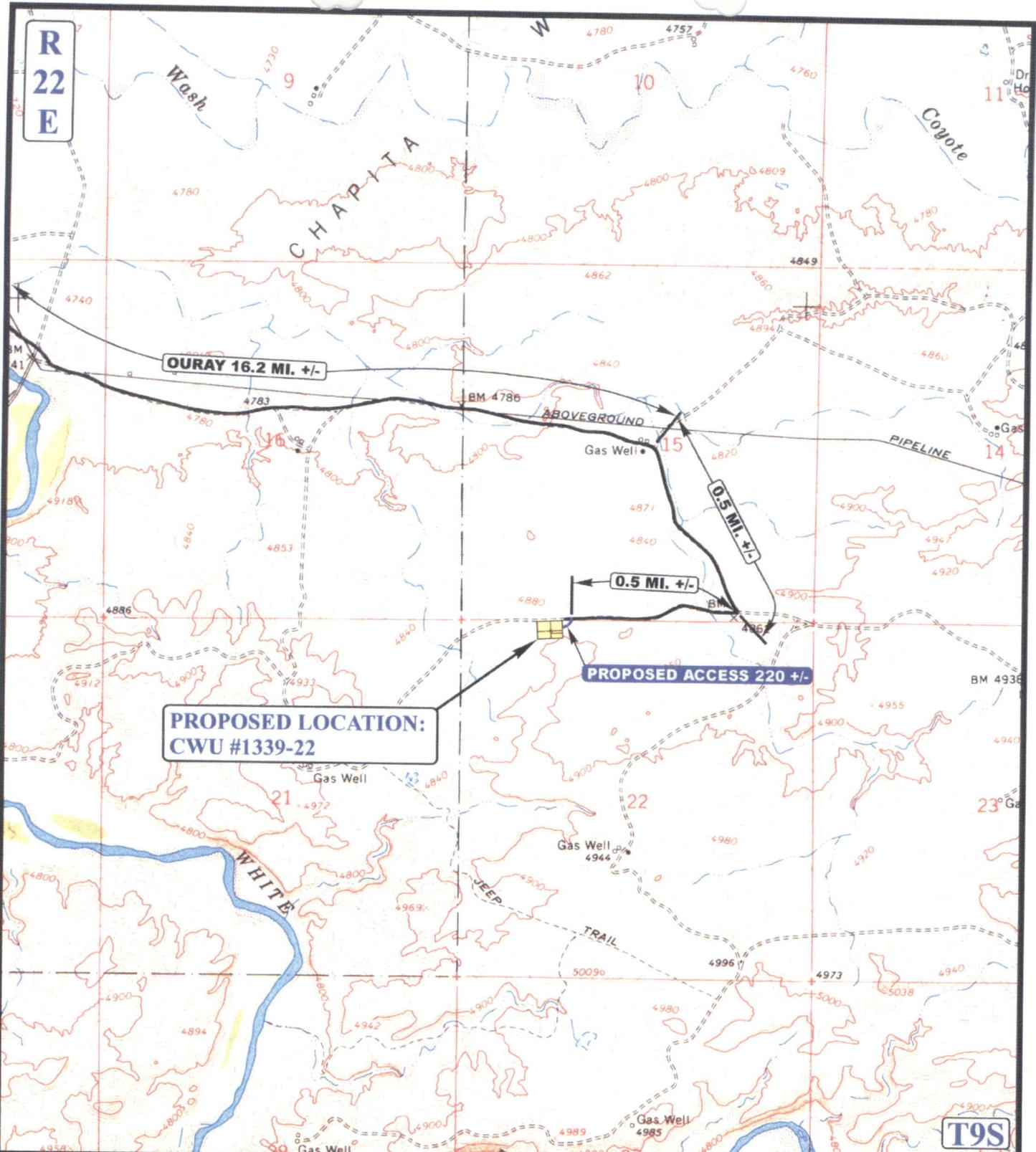


EOG RESOURCES, INC.

CWU #1339-22
SECTION 22, T9S, R22E, S.L.B.&M.
162' FNL 1330' FWL

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

TOPOGRAPHIC MAP **06 22 07**
 MONTH DAY YEAR
 SCALE: 1:100,000 DRAWN BY: A.A. REVISED: 00-00-00 **A TOPO**



LEGEND:

— EXISTING ROAD



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



EOG RESOURCES, INC.

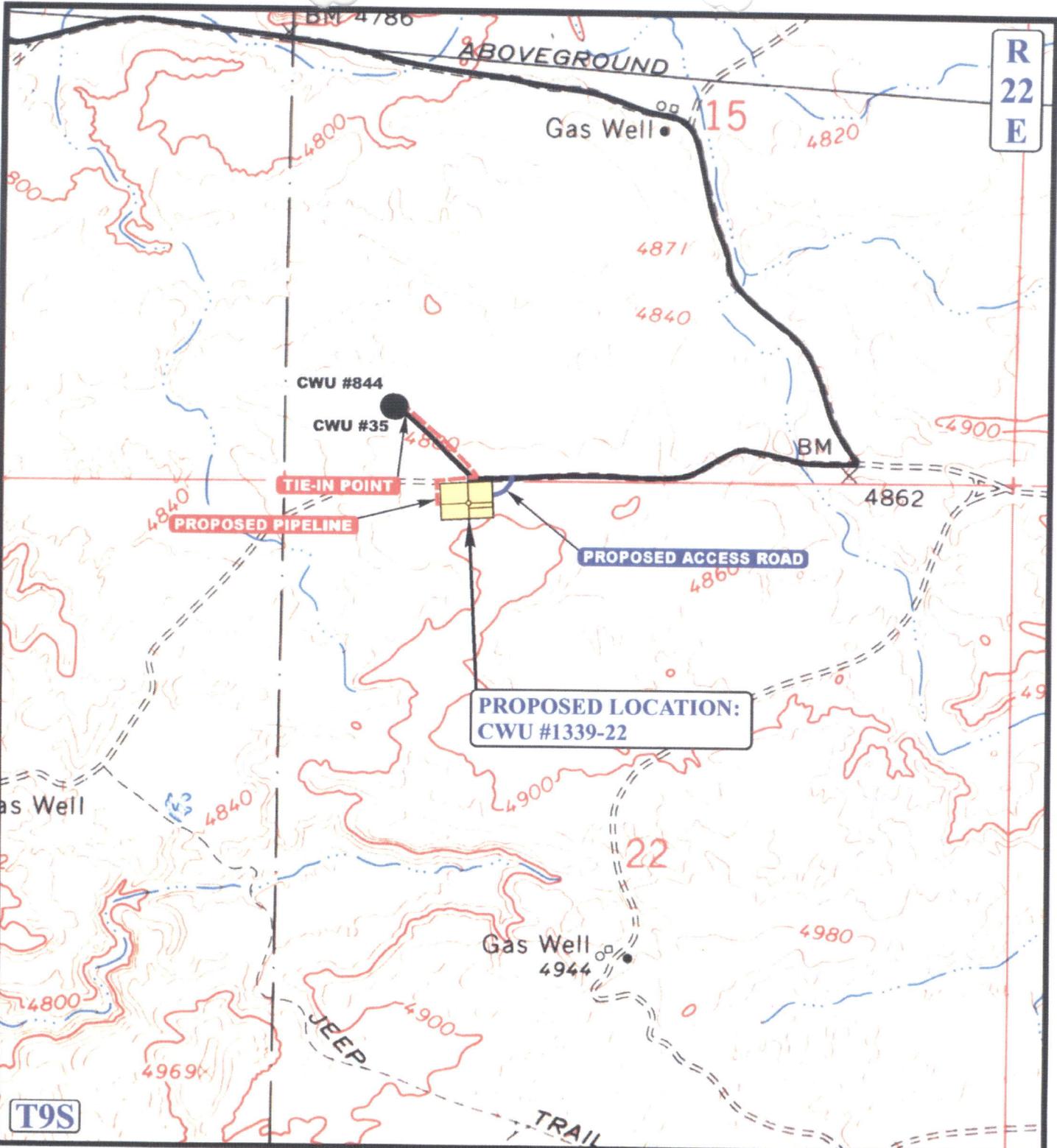
CWU #1339-22
SECTION 22, T9S, R22E, S.L.B.&M.
162' FNL 1330' FWL

TOPOGRAPHIC MAP

06	22	07
MONTH	DAY	YEAR

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





APPROXIMATE TOTAL PIPELINE DISTANCE = 862' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- - - - - PROPOSED PIPELINE

EOG RESOURCES, INC.

CWU #1339-22
 SECTION 22, T9S, R22E, S.L.B.&M.
 162' FNL 1330' FWL



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

TOPOGRAPHIC MAP 06 22 07
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: A.A. REVISED: 00-00-00

D
 TOPO

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 09/10/2007

API NO. ASSIGNED: 43-047-39620

WELL NAME: CWU 1339-22
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

NENW 22 090S 220E
 SURFACE: 0162 FNL 1330 FWL
 BOTTOM: 0162 FNL 1330 FWL
 COUNTY: UINTAH
 LATITUDE: 40.02837 LONGITUDE: -109.4300
 UTM SURF EASTINGS: 633963 NORTHINGS: 4431877
 FIELD NAME: NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU0284A
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

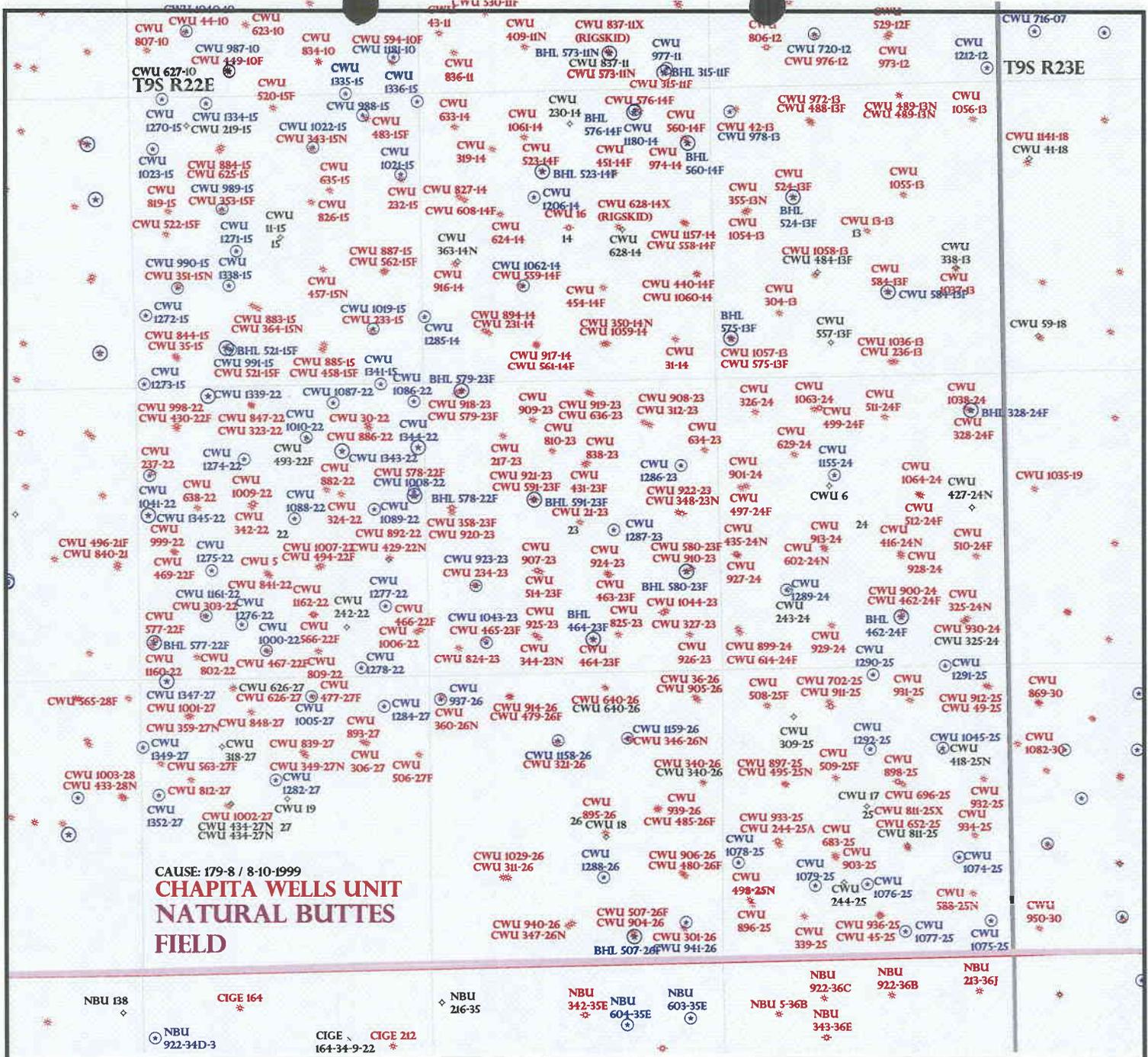
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM 2308)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-225)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit: CHAPITA WELLS
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 174-8
Eff Date: 8-10-49
Siting: Suspending General Siting
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1- Federal Approval
2- Oil Shale



OPERATOR: EOG RESOURCES INC (N9550)
 SEC: 13,14,15,22,25,27 T.9S R. 22E
 FIELD: NATURAL BUTTES (630)
 COUNTY: UINTAH
 CAUSE: 179-8 / 8-10-1999

Field Status

ABANDONED
ACTIVE
COMBINED
INACTIVE
PROPOSED
STORAGE
TERMINATED

Unit Status

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

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



PREPARED BY: DIANA MASON
 DATE: 11-SEPTEMBER-2007

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:
3160
(UT-922)

September 12, 2007

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2007 Plan of Development Chapita Wells Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2007 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ Wasatch)		
43-047-39617	CWU 0729-29 Sec 29 T09S R23E 2039 FNL 1944 FEL	
(Proposed PZ MesaVerde)		
43-047-39614	CWU 0978-13 Sec 13 T09S R22E 0442 FNL 0367 FWL	
43-047-39610	CWU 1206-14 Sec 14 T09S R22E 1909 FNL 2073 FWL	
43-047-39615	CWU 1341-15 Sec 15 T09S R22E 0002 FSL 0769 FEL	
43-047-39616	CWU 1334-15 Sec 15 T09S R22E 0142 FNL 1397 FWL	
43-047-39622	CWU 1345-22 Sec 22 T09S R22E 2297 FNL 0209 FWL	
43-047-39623	CWU 1344-22 Sec 22 T09S R22E 1163 FNL 0120 FEL	
43-047-39624	CWU 1343-22 Sec 22 T09S R22E 1203 FNL 1502 FEL	
43-047-39620	CWU 1339-22 Sec 22 T09S R22E 0162 FNL 1330 FWL	
43-047-39612	CWU 1349-27 Sec 27 T09S R22E 1219 FNL 0040 FWL	
43-047-39613	CWU 1352-27 Sec 27 T09S R22E 2096 FNL 0314 FWL	
43-047-39621	CWU 1347-27 Sec 27 T09S R22E 0025 FNL 0500 FWL	
43-047-39619	CWU 0958-33 Sec 33 T09S R23E 0671 FNL 0544 FWL	
43-047-39618	CWU 1150-19 Sec 19 T09S R23E 0456 FSL 1832 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:9-12-07



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

September 17, 2007

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

Re: Chapita Wells Unit 1339-22 Well, 162' FNL, 1330' FWL, NE NW, Sec. 22, T. 9 South,
R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39620.

Sincerely,

Gil Gil Hunt
Associate Director

pab
Enclosures

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

Operator: EOG Resources, Inc.

Well Name & Number Chapita Wells Unit 1339-22

API Number: 43-047-39620

Lease: UTU0284A

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

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

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

3. Reporting Requirements

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

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU0284A
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES INC Contact: KAYLENE R GARDNER E-Mail: kaylene_gardner@eogresources.com		7. If Unit or CA Agreement, Name and No. UTU63013X
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		8. Lease Name and Well No. CWU 1339-22
3b. Phone No. (include area code) Ph: 307.276.3331 Ext: 4842		9. API Well No. 43-047-39620
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NENW 162FNL 1330FWL At proposed prod. zone NENW 162FNL 1330FWL		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 48.2 MILES FROM VERNAL, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area Sec 22 T9S R22E Mer SLB SME: BLM
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 162	16. No. of Acres in Lease 1240.00	12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 790	19. Proposed Depth 9650 MD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4898 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well
23. Estimated duration 45-DAYS		20. BLM/BIA Bond No. on file NM2308

24. Attachments

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

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

25. Signature (Electronic Submission)	Name (Printed/Typed) KAYLENE R GARDNER Ph: 307.276.3331 Ext: 4842	Date 09/06/2007
Title REGULATORY ASSISTANT		
Approved by (Signature) 	Name (Printed/Typed) Jerry Newell	Date 6-27-2008
Title District Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

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

Title 18 U.S.C. Section 1001 and Title 45 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Electronic Submission #56271 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal
Committed to AFMSS for processing by CINDY SEVERSON on 09/06/2007 (07CXS02)

RECEIVED
JUL 09 2008

UDDGM

CONDITIONS OF APPROVAL ATTACHED

DIV OF OIL GAS & MINING

** BLM REVISED **

NOTICE OF APPROVAL

NDS 07/23/2007

07PP2492A



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

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: EOG Resources Inc.
Well No: CWU 1339-22
API No: 43-047-39620

Location: NENW, Sec. 22, T9S, R22E
Lease No: UTU-0284A
Agreement: Chapita Wells Unit.

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

Fax: (435) 781-3420

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

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

NOTIFICATION REQUIREMENTS

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

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

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

SITE SPECIFIC CONDITIONS OF APPROVAL:

- If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.
- Bury pipeline at all low water crossings.
- Permission from an authorized BLM representative would be required if construction or other operations occur during wet conditions that would lead to excessive rutting.
- Permission to clear all wildlife stipulations would only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.
- Culverts and gravel may be installed as needed.

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

SITE SPECIFIC DOWNHOLE COAs:

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

Drilling Operations, Special Drilling Operations, air/gas drilling.

- A Gamma Ray well Log shall be run from the well Total Depth to the surface.
 - A copy of the Gamma Ray well Log shall be submitted to the BLM Vernal Field Office.
- Covering air/gas drilling operations, requirements will be adhered to covering air/gas drilling operations as described in Onshore Order #2 III. E. 1. Drilling Operations, Special Drilling Operations, air/gas drilling.

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

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or

data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Vernal Field Office
170 South 500 East
Vernal, Utah 84078-2799
<http://www.blm.gov/utah/vernal>

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

IN REPLY REFER TO:
3160
UT08300

June 30, 2008

43-047-39620

EOG Resources, Inc.
Kaylene Gardner
Regulatory Assistant
1060 East Highway 40
Vernal, Utah 84078

Re: Well No. CWU 1339-22
NENW, Sec.22, T9S, R22E
Uintah County, Utah
Lease No. UTU-0284A

Dear Ms: Gardner:

Enclosed are two copies of the approved Application for Permit to Drill (APD) with attached Conditions of Approval.

If you have any questions concerning APD processing, please contact me at (435) 781-4429.

Sincerely,

Johnetta Magee
Legal Instruments Examiner

Enclosures
bcc: Well file

Reading file

ES

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DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 1339-22

Api No: 43-047-39620 Lease Type: FEDERAL

Section 22 Township 09S Range 22E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # RATHOLE

SPUDDED:

Date 08/07/08

Time 10:30 AM

How DRY

Drilling will Commence: _____

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 08/07/08 Signed CHD

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

FORM 6

ENTITY ACTION FORM

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

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39620	CHAPITA WELLS UNIT 1339-22		NENW	22	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	<i>99999</i>	<i>13650</i>	<i>8/7/2008</i>		<i>8/14/08</i>		
Comments: <i>mvrds</i>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37509	NATURAL BUTTES UNIT 559-17E		SESW	17	10S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	<i>99999</i>	<i>2900</i>	<i>8/5/2008</i>		<i>8/14/08</i>		
Comments: <i>PRRV = mvrds = wsmvd</i>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38962	NATURAL BUTTES UNIT 564-26E		NENW	26	10S	20E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	<i>99999</i>	<i>2900</i>	<i>8/6/2008</i>		<i>8/14/08</i>		
Comments: <i>wstc = wsmvd</i>							

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)

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Mickenzie Thacker

Name (Please Print)

Mickenzie Thacker

Signature

Operations Clerk

8/8/2008

Title

Date

(5/2000)

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU0284A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

1. Type of Well

Oil Well Gas Well Other

8. Well Name and No.
CHAPITA WELLS UNIT 1339-22

2. Name of Operator
EOG RESOURCES, INC.

Contact: MICKENZIE THACKER
E-Mail: MICKENZIE_THACKER@EOGRESOURCES.COM

9. API Well No.
43-047-39620

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

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

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 22 T9S R22E NENW 162FNL 1330FWL
40.02829 N Lat, 109.43076 W Lon

11. County or Parish, and State

UINTAH COUNTY, UT

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

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

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

The referenced well was spud on 8/7/2008.

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

**Electronic Submission #62105 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) KAYLENE R GARDNER

Title LEAD REGULATORY ASSISTANT

Signature



Date 08/08/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____

Title

Date

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

Office

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

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

EOG RESOURCES, INC.

CHAPITA WELLS UNIT #1339-22
API # 43-047-39620

Surface Location
NW NE NW Section 22, T9S-R22E
(162' FNL, 1330' FWL)

Uintah County, Utah

WELL REPORT
WELL DATA & SERVICES
FORMATION TOPS
WELL SUMMARY

ROBERT J. GROTH
WELLSITE GEOLOGIST
G & H PRODUCTION COMPANY, LLC
518 17th STREET, SUITE 1060
DENVER, COLORADO 80202
303-534-0708 - Office
303-638-8635 - Cell

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Morning Reports	Back Pocket

WELL DATA & SERVICES

OPERATOR: EOG Resources, Inc.

WELL NAME: Chipta Wells Unit #1339-22

API NUMBER: 43-047-39620

LOCATION: NW NE NW Section 22, T9S-R22E
162' FNL, 1330' FWL
Uintah County, Utah

FIELD: Development

ELEVATIONS: 4,898' GL
4,919' KB

SPUD DATE: August 22, 2008 – 19:30 Hrs. (7:30 PM)

SURFACE CASING: Drilled 12 1/4" hole to 2,520',
Ran 58 JTS of 9 5/8", 36 #, J-55,
Total length = 2,456', Set at 2,500' - KB = 21 Ft.
Then drilled an 7 7/8" to 9,650' MD - TD

LAST FORMATION PENETRATED: Mesaverde

TOTAL DEPTH : 9,650' MD, Driller Depth

DRILLING COMPLETED: September 2, 2008 – 11:10 AM

WELL STATUS: **Wait On Completion Rig**

DRILLING CONTRACTOR: True Drilling LLC, Rig #32
Toolpusher: J R Curtain
Backup Toolpusher: S. Thompson

COMPANY MAN: Duanne Winkler and Bob Williams

WELLSITE GEOLOGIST: Robert J. Groth

GAS DETECTION: Terra Services, Inc.
Mudlogging Systems, Inc. - Hot Wire,
Gas Chromatograph

MUD COMPANY: Anchor Drilling Fluids

MUD ENGINEER: Patrick Phillips

DAILY WELL HISTORY (6 AM)

DATE	DEPTH	FOOTAGE	STATUS	ACTIVITY
8-23-08	1360	835	Drilling	Spud 8-22-08 (19:30 Hrs, 7:30 PM), drilling 12 1/4" hole, drilling
8-24-08	2520	1160	LD DC	Drilling, lost returns at 1834' – fill mud tanks, drilling to 2520', circulate & pump 80 Bbls, short trip, reaming 2420' - 2520', circulate & pump 2 trucks of mud, drop survey, trip out, lay down drill collars
8-25-08	2520	0	Test BOP	Lay down drill collars. Rig up casers & run casing, rig down casing crew, rig up cementers Schlumberger, cement, no returns while pumping cement, wait on cement, circulate to surface, rig down cementers, cut off conductor & casing, weld on well head, nipple up BOP, test BOP
8-26-08	3260	740	Drilling	Test BOP, pick up BHA, trip in, tag cement at 2450' drilling cement, formation test to 400 PSI, install rotary head rubber, drilling, survey, drilling
8-27-08	5196	1936	Drilling	Drilling, survey, drilling, repair rotary chain, drilling
8-28-08	6205	1009	Drilling	Drilling, repair Kelly spinners, drilling
8-29-08	6840	635	Drilling	Drilling, drop survey & pump pill, trip out, pick up bit & mud motor, trip in, wash & ream 6576'-6654' drilling
8-30-08	7881	1041	Drilling	Drilling
8-31-08	8474	593	Trip Out	Drilling, trip out for bit #4
9-1-08	8820	346	Drilling	Trip out for bit #4, pick up bit & mud motor, change out Kelly spinner, trip in, wash through bridge, trip in, ream & wash to bottom 8415' to 8474', drilling
9-2-08	9533	713	Drilling	Drilling
9-3-08	9650	117		Drilling, run sweep & pump pill, drilling, TD-9650' at 11:10 hrs. (AM), 9-2-2008, condition mud & circulate, rig up lay down truck, trip out – lay down drill pipe, rig up casers, run casing

BIT RECORD

#	SIZE	MAKE	TYPE	OUT	FOOTAGE	HOURS	FT/HR
1	12 1/4"	Smith	MD1616	2520	2000	25.00	80.0
2	7 7/8"	Hughes	Q 506	6654	4134	65.50	63.1
3	7 7/8"	Smith	MI 616	8474	1820	50.00	36.4
4	7 7/8"	Smith	MI 616	9650	1176	41.00	28.7

MUD RECORD

DATE	DEPTH	WT	VIS	PV/YP	WL	SOLIDS	PH	CL	Hard
8-23-08	1800	8.9	28	3/2	N/C	2.0	9.6	2100	80
8-24-08	2520	8.9	29	1/1	N/C	2.0	11.0	1800	80
8-25-08		NO REPORT							
8-26-08	3500	9.5	32	3/6	30.0+	8.0	12.2	10500	360
8-27-08	5300	10.1	33	4/6	28.0	11.0	11.8	7200	160
8-28-08	6326	10.3	37	8/12	28.0	12.0	11.2	5600	160
8-29-08	6993	10.6	38	11/4	20.0	14.0	11.2	5300	160
8-30-08	8000	10.9	45	13/10	15.0	15.0	10.4	4000	200
8-31-08	8474	11.2	37	8/12	11.2	14.0	11.2	4000	180
9-1-08	8947	11.2	34	8/10	16.0	14.0	11.7	3100	120
9-2-08	9582	11.3	33	9/6	15.0	15.0	12.3	3000	80

<u>SAMPLE FORMATION TOPS</u>		
WELL: #1339-22 Chapita Wells Unit		
EOG Resources, Inc.		
API # 43-047-39620		
<u>FORMATION</u>		
GL	4898	
KB	4919	
	Measured	Subsea
	Depth	
GREEN RIVER		
MAHOGANY OIL SHALE		
WASATCH	4,838	81
CHAPITA WELLS	5,442	-523
BUCK CANYON	6,130	-1,211
NORTH HORN	6,781	-1,862
PRICE RIVER	7,306	-2,387
PRICE RIVER		
PRICE RIVER		
SEGO	9,454	-4,535
TOTAL DEPTH- DRILLER	9,650	-4,731

GAS SHOWS

#	INTERVAL	GAS READINGS	BACKGROUND	SHOW
			GAS	TYPE
1	2628' - 2647'	TG = 130 u, C1 = 122 u	BG gas-40u	GAS
2	2721' - 2739'	TG=202 u, C1=189 u, C2=13 u	BG gas-44u	GAS
3	3100' - 3139'	TG=289 u, C1=259 u, C2=30 u	BG gas-77u	GAS
4	3432' - 3647'	TG=286 u, C1=262 u, C2=24 u	BG gas-38u	GAS
5	3583' - 3616'	TG=660 u, C1=607 u, C2=51 u, C3=2 u	BG gas-71u	GAS
6	3863' - 3886'	TG=461 u, C1=410 u, C2=50 u	BG gas-58u	GAS
7	4088' - 4123'	TG=449 u, C1=407 u, C2=42 u	BG gas-75u	GAS
8	4154' - 4169'	TG=462 u, C1=421 u, C2=41 u	BG gas-44u	GAS
9	4297' - 4336'	TG=435 u, C1=409 u, C2=20 u, C3=4 u	BG gas-110u	GAS
10	4390' - 4417'	TG=606 u, C1=482 u, C2=96 u, C3=27 u	BG gas-130u	GAS
11	4520' - 4542'	TG=333 u, C1=288 u, C2=28 u, C3=17 u	BG gas-45u	GAS
12	4615' - 4631'	TG=376 u, C1=290 u, C2=54 u, C3=31 u	BG gas-40u	GAS
13	5354' - 5369'	TG=1308 u, C1=1142 u, C2=163 u, C3=3 u	BG gas-65u	GAS
14	5692' - 5744'	TG=394 u, C1=337 u, C2=56 u, C3=3 u	BG gas-33u	GAS
15	6023' - 6030'	TG=623 u, C1=484 u, C2=91 u, C3=5 u	BG gas-18u	GAS
16	6130' - 6143'	TG=518 u, C1=407 u, C2=71u	BG gas-25u	GAS
17	6203' - 6217'	TG=1436 u, C1=1277 u, C2=159 u	BG gas-43u	GAS
18	6300' - 6308'	TG=480 u, C1=413 u, C2=67 u	BG gas-33u	GAS
19	6451' - 6478'	TG=417 u, C1=345 u, C2=71 u	BG gas-36u	GAS
20	6563' - 6599'	TG=471 u, C1=401 u, C2 = 62 u, C3=7 u	BG gas-33u	GAS
21	6794' - 6810'	TG=1717 u, C1=1476 u, C2=238 u, C3=44 u	BG gas-25u	GAS
22	6950' - 6960'	TG=467 u, C1=410 u, C2=55 u, C3=2 u	BG gas-24u	GAS
23	7230' - 7248'	TG=448 u, C1=64 u, C2=83 u, C3=1 u	BG gas-46u	GAS
24	7279' - 7349'	TG=554 u, C1=465 u, C2=89 u	BG gas-46u	GAS
25	7416' - 7448'	TG=766 u, C1=567 u, C2=197 u	BG gas-80u	GAS
26	7662' - 7674'	TG=2671 u, C1=2017 u, C2=642 u, C3=8 u	BG gas-63u	GAS

Continued - GAS SHOWS

#	INTERVAL	GAS READINGS	BACKGROUND	SHOW
			GAS	TYPE
27	7799' - 7864'	TG=1538 u, C1=1117 u, C2=389 u, C3=31 u	BG gas-36u	GAS
28	8022' - 8050'	TG=3360 u, C1=2346 u, C2=913 u, C3=33 u	BG gas-133u	GAS
29	8205' - 8217'	TG=1448 u, C1=1015 u, C2=339 u, C3=33 u	BG gas-79u	GAS
30	8254' - 8292'	TG=1449 u, C1=1046 u, C2=375 u, C3=24 u	BG gas-51u	GAS
31	8540' - 8566'	TG=2670 u, C1=1912 u, C2=731 u, C3=25 u	BG gas-80u	GAS
32	8586' - 8608'	TG=1439 u, C1=1015 u, C2=395 u, C3=29 u	BG gas-85u	GAS
33	8679' - 8723'	TG=2578 u, C1=1779 u, C2=708 u, C3=92 u	BG gas-85u	GAS
34	8822' - 8854'	TG=2033 u, C1=1451 u, C2=510 u, C3=72 u	BG gas-130u	GAS
35	8926' - 8980'	TG=1631 u, C1=988 u, C2=343 u, C3=18 u	BG gas-165u	GAS
36	9088' - 9116'	TG=3381 u, C1=2429 u, C2=906 u, C3=43 u	BG gas-272u	GAS
37	9142' - 9188'	TG=3006 u, C1=2117 u, C2=844 u, C3=44 u	BG gas-233u	GAS
38	9384' - 9413'	TG=2351 u, C1=1745 u, C2=592 u, C3=23 u	BG gas-344u	GAS
39	9560, - 9578'	TG=5553 u, C1=4591, C2=1470, C3=233, C4=107	BG gas-155u	GAS

WELL SUMMARY

The Tertiary Mahogany Oil Shale Bed consists of oil shale that is dark brown, brown, light gray, slightly firm, calcareous to non-calcareous, sub-waxy, sub-platy, with dull fluorescence and good cut, with interbedded limestone that is cream, off white, light gray, firm, microcrystalline, platy, sub-platy, with some interbedded light gray sandstone. There were twelve gas shows in the Mahogany Oil Shale Bed. The largest gas show was Show #5. This gas show was at 3,583' – 3,616' and had 660 units of Total Gas, Methane was 607 units, Ethane was 51 units, and Propane was 2 units. This show was from oil shale.

The Tertiary Wasatch had a sample top at 4,838'. The Wasatch consists of sandstone that is off white, translucent, slightly friable, very fine to medium grained, sub-rounded to sub-angular, calcareous, slightly glauconitic, poorly sorted, with poor to fair porosity, and no sample shows and red shale that is also red-brown, some brown, soft, calcareous to very calcareous, earthy, platy, sub-blocky, sub-platy. There was one gas show in the Wasatch. This gas show was Show #13 at 5,354' – 5,369' and had 1308 units of Total Gas, Methane was 1142 units, Ethane was 163 units, and Propane was 3 units. This show was from sandstone.

The Chapita Wells had a sample top of 5,442' +/- . The Chapita Wells consists of sandstone that is translucent, off white, white, friable, very fine grained, some fine grained, sub-angular, calcite cement - matrix, poor porosity to tight, no sample shows and red shale that is also chocolate brown, red brown, soft, earthy, calcareous to very calcareous, sub-blocky, and sub-platy. There were two gas shows in the Chapita Wells. The largest gas show was Show #15, the second gas show of the two. This gas show was at 6,023' – 6,030' and had 623 units of Total Gas, Methane was 484 units, Ethane was 91 units, and Propane was 5 units. This show was from sandstone.

The Buck Canyon had a sample top of 6,130' +/- . The Buck Canyon consists of sandstone that is salt & pepper, off white, light gray, slightly friable, very fine to fine grained, some medium grained, sub-angular, calcareous, poorly sorted, with fair porosity, shale that is dark gray, gray, some gray brown, soft to slightly soft, calcareous, slightly carbonaceous in part, sub-blocky and some red shale. There were five gas shows in the Buck Horn. The largest gas show was Show #17, the second gas show of the five. This gas show was at 6,203' – 6,217' and had 1436 units of Total Gas, Methane was 1277 units, and Ethane was 159 units. This show was from sandstone.

The North Horn had a sample top of 6,781' +/- . The North Horn consists of sandstone that is off white, some light gray, slightly friable, very fine to fine grained, sub-rounded, very calcareous - matrix, poorly sorted, fair to poor porosity, no fluorescence, no stain, with some fair milky cut, and shale that is light gray, tan, gray, slightly firm to slightly soft, very calcareous - limy, platy, some sub-blocky. There were three gas shows in the North Horn. The largest gas show was Show #21, the first gas show of the three. This gas show was at 6,794' – 6,810' and had 1717 units of Total Gas, Methane was 1476 units, Ethane was 238 units, and Propane was 44 units. This show was from sandstone.

The Price River had a sample top of 7,306'. The Price River consists of sandstone that is salt & pepper, white, translucent, slightly friable to friable, medium to coarse grained, sub-rounded, some sub-angular, well sorted, calcareous in part, fair to good porosity, no sample shows, and shale that is black-coaly, dark gray, dark brown, firm, very carbonaceous, non-calcareous, platy, and fissile, with interbedded Siltstone. There were fifteen gas shows in the Price River. The largest gas show was Show #36. This gas show was at 9,088' – 9,116' and had 3381 units of Total Gas, Methane was 2429 units, Ethane was 906 units, and Propane was 43 units. This show was from sandstone.

The Segó had a sample top of 9,454'. The Segó consists of sandstone that is translucent, off white, clear, slightly friable, fine to medium grained, sub-rounded to sub-angular, calcareous in part, well sorted, fair porosity, with no sample shows, and shale that is dark gray, black, firm, slightly carbonaceous, slightly calcareous, blocky, and sub-platy.. There was one gas show in the Segó. This gas show was Show #39 and was at 9,560' – 9,578' and had 5553 units of Total Gas, Methane was 4591 units, Ethane was 1470 units, Propane was 233 units and the Butanes were 107 units. This show was from sandstone.



EOG RESOURCES, INC.

CHAPITA WELLS UNIT #1339=22

Morning Report
NE NW Section 22, T9S-R22E, Uintah County, Utah

Robert Groth Cell 303-638-8635

Date: August 26, 2008	Current Depth MD (5 AM) : 3,218 ft.																								
Background TG = 10 - 88 units, C ₁ = 8- 75, C ₂ = 0-11	Footage last 24 hrs. 698 ft.																								
Trip Gas	Current Formation Mahogany Oil Shale																								
Connection Gas TG = 347 units, C ₁ = 313, C ₂ = 34 @ 3,157'	New Formation Top																								
Peak Gas in past 24 hrs TG = 289 units, C ₁ = 259, C ₂ = 30 @ 3,116'	Projected, Next Formation Top/Depth Wasatch @ 4,825'																								
Comments:																									
General Lithological Description last 24 hours																									
<table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 50%;">% Sand</td><td style="width: 50%;">15%</td></tr> <tr><td>% Shale</td><td>60%</td></tr> <tr><td>% Coal</td><td>%</td></tr> <tr><td>% Siltstone</td><td>12%</td></tr> <tr><td>% Limestone</td><td>13%</td></tr> <tr><td>% Claystone</td><td>%</td></tr> </table>	% Sand	15%	% Shale	60%	% Coal	%	% Siltstone	12%	% Limestone	13%	% Claystone	%	<p><u>Oil Shale-dark brown, brown, light gray, slightly firm, calcareous to non-calcareous, sub-waxy, sub-platy. with dull fluorescence & good cut, with Interbedded shaly Sandstone. Interbedded Limestone-cream, off white, light gray, firm, microcrystalline, platy, sub-platy.</u></p>												
% Sand	15%																								
% Shale	60%																								
% Coal	%																								
% Siltstone	12%																								
% Limestone	13%																								
% Claystone	%																								
Shows:																									
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Shows:</th> <th style="width: 15%;">Depths</th> <th style="width: 20%;">Gas units</th> <th style="width: 15%;">BG gas</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td style="text-align: center;">2628' - 2647'</td> <td style="text-align: center;">TG = 130 units, C₁ = 122 units</td> <td style="text-align: center;">BG gas-40u</td> </tr> <tr> <td style="text-align: center;">3</td> <td style="text-align: center;">3100' - 3139'</td> <td style="text-align: center;">TG = 289 units, C₁ = 259 units C₂ = 30 units</td> <td style="text-align: center;">BG gas-77u</td> </tr> </tbody> </table>	Shows:	Depths	Gas units	BG gas	1	2628' - 2647'	TG = 130 units, C ₁ = 122 units	BG gas-40u	3	3100' - 3139'	TG = 289 units, C ₁ = 259 units C ₂ = 30 units	BG gas-77u	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Shows:</th> <th style="width: 15%;">Depths</th> <th style="width: 20%;">Gas Units</th> <th style="width: 15%;">BG gas</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2</td> <td style="text-align: center;">2721' - 2739'</td> <td style="text-align: center;">TG = 202 units, C₁ = 189 units C₂ = 13 units</td> <td style="text-align: center;">BG gas-44u</td> </tr> <tr> <td style="text-align: center;">4</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Shows:	Depths	Gas Units	BG gas	2	2721' - 2739'	TG = 202 units, C ₁ = 189 units C ₂ = 13 units	BG gas-44u	4			
Shows:	Depths	Gas units	BG gas																						
1	2628' - 2647'	TG = 130 units, C ₁ = 122 units	BG gas-40u																						
3	3100' - 3139'	TG = 289 units, C ₁ = 259 units C ₂ = 30 units	BG gas-77u																						
Shows:	Depths	Gas Units	BG gas																						
2	2721' - 2739'	TG = 202 units, C ₁ = 189 units C ₂ = 13 units	BG gas-44u																						
4																									



EOG RESOURCES, INC.

CHAPITA WELLS UNIT #1339=22

Morning Report
NE NW Section 22, T9S-R22E, Uintah County, Utah
Robert Groth Cell 303-638-8635

Date: August 27, 2008				Current Depth MD (5 AM) : 5,171 ft.			
Background TG = 10 - 120 units, C ₁ = 8- 104, C ₂ = 0-13				Footage last 24 hrs. 1,953 ft.			
Trip Gas				Current Formation Wasatch			
Connection Gas TG = 163 units, C ₁ = 125, C ₂ = 26, C ₃ = 11 @ 4,827'				New Formation Top Wasatch @ 4,838'			
Peak Gas in past 24 hrs TG = 660 units, C ₁ = 607, C ₂ = 51, C ₃ = 2 @ 3,605'				Projected, Next Formation Top/Depth Chapita Wells @ 5,437'			
Comments:							
				General Lithological Description last 24 hours			
% Sandstone		20%		Wasatch - Shale-red-brown, brown, gray, soft to slightly soft, slightly calcareous to calcareous, earthy, sub-platy. Sandstone-off white, translucent, slightly friable, very fine to medium grained, sub-rounded to sub-angular, calcareous, slightly glauconitic, poorly sorted, poor to fair porosity, no sample shows.			
% Shale		60%					
% Coal		%					
% Siltstone		5%					
% Limestone		15%					
% Claystone		%					
Shows:							
Shows:	Depths	Gas units	BG gas	Shows:	Depths	Gas Units	BG gas
4	3,432' - 3447'	TG = 286 units, C ₁ = 262 units, C ₂ = 24 units	BG gas-38u	5	3,583' - 3616'	TG = 660 units, C ₁ = 607 units C ₂ = 51 units C ₃ = 2 units	BG gas-71u
6	3,863' - 3,886'	TG = 461 units, C ₁ = 410 units, C ₂ = 50 units	BG gas-58u	7	4,088' - 4,123'	TG = 449 units, C ₁ = 407 units, C ₂ = 42 units	BG gas-75u
8	4,154' - 4,169'	TG = 462 units, C ₁ = 421 units C ₂ = 41 units	BG gas-44u	9	4,297' - 4,336'	TG = 435 units, C ₁ = 409 units C ₂ = 20 units C ₃ = 4 units	BG gas-110u
10	4,390' - 4,417'	TG = 606 units, C ₁ = 482 units C ₂ = 96 units C ₃ = 27 units	BG gas-130u	11	4,520' - 4,542'	TG = 333 units, C ₁ = 288 units C ₂ = 28 units C ₃ = 17 units	BG gas-45u
12	4,615' - 4,631'	TG = 376 units, C ₁ = 290 units C ₂ = 54 units C ₃ = 31 units	BG gas-40u				



EOG RESOURCES, INC.

CHAPITA WELLS UNIT #1339-22

Morning Report
NE NW Section 22, T9S-R22E, Uintah County, Utah

Robert Groth Cell 303-638-8635

Date: August 28, 2008	Current Depth MD (5 AM) : 6,159 ft.						
Background TG = 10 - 46 units, C ₁ = 8- 41, C ₂ = 0-6	Footage last 24 hrs. 988 ft.						
Trip Gas	Current Formation Buck Canyon Member						
Connection Gas TG = 93 units, C ₁ = 85, C ₂ = 7 @ 5,343'	New Formation Top						
Peak Gas in past 24 hrs TG = 1308 units, C ₁ = 1142, C ₂ = 163, C ₃ = 3 @ 6,025'	Projected, Next Formation Top/Depth North Horn equiv. @ 6,762'						
Comments:							
General Lithological Description last 24 hours							
% Sand 35%	<u>Red Shale-red, red-brown, some brown, soft, calcareous to very calcareous, earthy, platy, sub-blocky, sub-platy.</u> <u>Sandstone-translucent, some off white, very friable - unconsolidated, fine to very fine grained, sub-angular, calcareous, moderately well sorted, fair porosity, no sample shows.</u>						
% Shale 60%							
% Coal %							
% Siltstone %							
% Limestone 5%							
% Claystone %							
Shows:							
Shows: Depths Gas units BG gas	Shows: Depths Gas Units BG gas						
13	5354' - 5369'	TG = 1308 units, C ₁ = 1142 units C ₂ = 163 units C ₃ = 3 units	BG gas-65u	14	5692' - 5744'	TG = 394 units, C ₁ = 337 units C ₂ = 56 units C ₃ = 3 units	BG gas-33u
15	6023' - 6030'	TG = 623 units, C ₁ = 484 units C ₂ = 91 units C ₃ = 5 units	BG gas-18u				



EOG RESOURCES, INC.

CHAPITA WELLS UNIT #1339-22

Morning Report
NE NW Section 22, T9S-R22E, Uintah County, Utah

Robert Groth Cell 303-638-8635

Date: August 29, 2008	Current Depth MD (5 AM) : 6,792 ft.						
Background	Footage last 24 hrs. 638 ft.						
Trip Gas TG = 1886 units, C1 = 1583, C2 = 294, C3 = 9 @ 6,654'	Current Formation North Horn equiv.						
Connection Gas TG = 102 units, C1 = 86, C2 = 13 @ 6,687'	New Formation Top						
Peak Gas in past 24 hrs TG = 1436 units, C1 = 1277, C2 = 159 @ 6,207'	Projected, Next Formation Top/Depth Price River Form. @ 7,288 ft.						
Comments:							
General Lithological Description last 24 hours							
% Sand 40%	<u>Sandstone-light gray, off white, friable, very fine to fine grained, sub-angular to sub-rounded, very calcareous matrix, moderately well sorted, poor to fair porosity. Shale light gray, gray, some dark gray, slightly firm to firm, very calcareous - limy, platy, sub-blocky.</u>						
% Shale 60%							
% Coal %							
% Siltstone %							
% Limestone %							
% Claystone %							
Shows:							
Shows:	Depths	Gas units	BG gas	Shows:	Depths	Gas Units	BG gas
16	6130' - 6143'	TG = 518 units, C1 = 407 units C2 = 71 units	BG gas-25u	17	6203' - 6217'	TG = 1436 units, C1 = 1277 units C2 = 159 units	BG gas-43u
18	6300' - 6308'	TG = 480 units, C1 = 413 units C2 = 67 units	BG gas-33u	19	6451' - 6478'	TG = 417 units, C1 = 345 units C2 = 71 units	BG gas-36u
20	6563' - 6599'	TG = 471 units, C1 = 401 units C2 = 62 units C3 = 7 units	BG gas-33u				



EOG RESOURCES, INC.

CHAPITA WELLS UNIT #1339-22

Morning Report
 NE NW Section 22, T9S-R22E, Uintah County, Utah
 Robert Groth Cell 303-638-8635

Date: August 30, 2008	Current Depth MD (5 AM) : 7,825 ft.
Background TG = 10 - 66 units, C ₁ = 8- 55, C ₂ = 0-8	Footage last 24 hrs. 1,033 ft.
Trip Gas	Current Formation Price River Form..
Connection Gas TG = 135 units, C ₁ = 115, C ₂ = 19 @ 7,367'	New Formation Top Price River Form. @ 7,306 ft.
Peak Gas in past 24 hrs TG = 2671 units, C ₁ = 2017, C ₂ = 642, C ₃ = 8 @ 7,662'	Projected, Next Formation Top/Depth Price River Middle. @ 8,185 ft.
Comments:	
	General Lithological Description last 24 hours
% Sand 40%	<u>Sandstone-translucent, clear, off white, friable to very friable, abundant loose grains, medium to fine grained, sub-rounded to sub-angular, very calcareous - matrix, moderately well sorted, fair to poor porosity, no sample shows. Shale-dark gray, gray, some black, slightly firm - brittle, carbonaceous, calcareous to non-calcareous, sub-blocky, sub-platy, with trace of micro pyrite.</u>
% Shale 55%	
% Coal 1%	
% Siltstone 5%	
% Limestone %	
% Claystone %	
Shows:	
Shows:	Shows:
Depths	Depths
Gas units	Gas Units
BG gas	BG gas
21	22
6794' - 6810'	6950' - 6960'
TG = 1717 units, C ₁ = 1476 units, C ₂ = 238 units, C ₃ = 44 units	TG = 467 units, C ₁ = 410 units, C ₂ = 55 units, C ₃ = 2 units
BG gas-25u	BG gas-24u
23	24
7230' - 7248'	7279' - 7349'
TG = 448 units, C ₁ = 364 units, C ₂ = 83 units, C ₃ = 1 unit	TG = 554 units, C ₁ = 465 units, C ₂ = 89 units
BG gas-46u	BG gas-46u
25	26
7416' - 7448'	7662' - 7674'
TG = 766 units, C ₁ = 567 units, C ₂ = 197 units	TG = 2671 units, C ₁ = 2017 units, C ₂ = 642 units, C ₃ = 8 units
BG gas-80u	BG gas-63u



EOG RESOURCES, INC.

CHAPITA WELLS UNIT #1339-22

Morning Report
NE NW Section 22, T9S-R22E, Uintah County, Utah

Robert Groth Cell 303-638-8635

Date: August 31, 2008	Current Depth MD (5 AM) : 8,468 ft.						
Background TG = 20 - 152 units, C ₁ = 15- 121, C ₂ = 2-11	Footage last 24 hrs. 643 ft.						
Trip Gas	Current Formation Price River Form..						
Connection Gas TG = 203 units, C ₁ = 167, C ₂ = 34, C ₃ = 2 @ 8,407'	New Formation Top						
Peak Gas in past 24 hrs TG = 3360 units, C ₁ = 2346, C ₂ = 913, C ₃ = 33 @ 8.038'	Projected, Next Formation Top/Depth Price River Lower. @ 8,977 ft.						
Comments:							
General Lithological Description last 24 hours							
% Sand 47%	Sandstone-off white, salt & pepper, slightly friable, medium to fine grained, sub-rounded, moderately well sorted, scattered carbonaceous material non-calcareous to slightly calcareous, tight to poor porosity, no sample shows.						
% Shale 50%							
% Coal 3%							
% Siltstone %							
% Limestone %							
% Claystone %	Shale-dark gray, black-coaly in part, some gray, firm to brittle, carbonaceous to very carbonaceous, non-calcareous, fissile, sub-platy, splintery.						
Shows:							
Shows:	Depths	Gas units	BG gas	Shows:	Depths	Gas Units	BG gas
27	7799' - 7864'	TG = 1538 units, C ₁ = 1117 units, C ₂ = 389 units, C ₃ = 31 units	BG gas-36u	28	8022 - 8050'	TG = 3360 units, C ₁ = 2346 units, C ₂ = 913 units, C ₃ = 33 units	BG gas-133u
29	8205 - 8217'	TG = 1448 units, C ₁ = 1015 units, C ₂ = 339 units, C ₃ = 33 units	BG gas-79u	30	8254 - 8292'	TG = 1449 units, C ₁ = 1046 units, C ₂ = 375 units, C ₃ = 24 units	BG gas-51u



EOG RESOURCES, INC.

CHAPITA WELLS UNIT #1339-22

Morning Report
NE NW Section 22, T9S-R22E, Uintah County, Utah

Robert Groth Cell 303-638-8635

Date: September 1, 2008	Current Depth MD (5 AM) : 8,788 ft.																				
Background TG = 24 - 160 units, C ₁ = 19- 130, C ₂ = 2-12	Footage last 24 hrs. 320 ft.																				
Trip Gas TG = 317 units, C ₁ = 268, C ₂ = 49, C ₃ = 5 @ 8,474'	Current Formation Price River Form..																				
Connection Gas	New Formation Top																				
Peak Gas in past 24 hrs TG = 2670 units, C ₁ = 1912, C ₂ = 731, C ₃ = 25 @ 8.548'	Projected, Next Formation Top/Depth Price River Lower. @ 8,977 ft.																				
Comments:																					
General Lithological Description last 24 hours																					
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 50%;">% Sand</td><td style="width: 50%;">50%</td></tr> <tr><td>% Shale</td><td>50%</td></tr> <tr><td>% Coal</td><td>%</td></tr> <tr><td>% Siltstone</td><td>%</td></tr> <tr><td>% Limestone</td><td>%</td></tr> <tr><td>% Claystone</td><td>%</td></tr> </table>	% Sand	50%	% Shale	50%	% Coal	%	% Siltstone	%	% Limestone	%	% Claystone	%	<p><u>Sandstone-off white, translucent, white, slightly friable, fine to medium grained, sub-angular, well sorted, scattered carbonaceous material, calcareous, fair to poor porosity, no sample shows. Shale-dark gray, dark gray-brown, firm to hard, very carbonaceous, non-calcareous, fissile, sub-platy, platy.</u></p>								
% Sand	50%																				
% Shale	50%																				
% Coal	%																				
% Siltstone	%																				
% Limestone	%																				
% Claystone	%																				
Shows:																					
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Shows:	Depths	Gas units	BG gas																		
31	8540 - 8566'	TG = 2670 units, C ₁ = 1912 units, C ₂ = 731 units, C ₃ = 25 units	BG gas-80u																		
33	8679 - 8723'	TG = 2578 units, C ₁ = 1779 units, C ₂ = 708 units, C ₃ = 92 units	BG gas-85u																		
Shows:	Depths	Gas Units	BG gas																		
32	8586 - 8608'	TG = 1439 units, C ₁ = 1015 units, C ₂ = 395 units, C ₃ = 29 units	BG gas-85u																		



EOG RESOURCES, INC.

CHAPITA WELLS UNIT #1339-22

Morning Report
 NE NW Section 22, T9S-R22E, Uintah County, Utah
 Robert Groth Cell 303-638-8635

Date: September 2, 2008	Current Depth MD (5 AM) : 9,508 ft.						
Background TG = 40 - 240 units, C ₁ = 33- 195, C ₂ = 8-41, C ₃ = 0 - 3	Footage last 24 hrs. 720 ft.						
Trip Gas	Current Formation Sego						
Connection Gas TG = 1125 units, C ₁ = 845, C ₂ = 279, C ₃ = 3 @ 9,442'	New Formation Top						
Peak Gas in past 24 hrs TG = 3381 units, C ₁ = 2429, C ₂ = 906, C ₃ = 43 @ 9,148'	Projected, Next Formation Top/Depth						
Comments:							
General Lithological Description last 24 hours							
% Sand 40%	<u>Sandstone-translucent, off white, slightly friable, fine grained, some very fine grained, sub-angular to sub-rounded, well sorted, slightly calcareous, poor to fair porosity, no sample shows. Shale-black-coaly, dark gray, slightly firm - brittle, very carbonaceous, non-calcareous, sub-blocky, splintery, fissile.</u>						
% Shale 40%							
% Coal 6%							
% Siltstone 14%							
% Limestone %							
% Claystone %							
Shows:							
Shows:	Depths	Gas units	BG gas	Shows:	Depths	Gas Units	BG gas
34	8822 - 8854'	TG = 2033 units, C ₁ = 1451 units, C ₂ = 510 units, C ₃ = 72 units	BG gas-130u	35	8926 - 8980'	TG = 1631 units, C ₁ = 988 units, C ₂ = 343 units, C ₃ = 18 units	BG gas-165u
36	9088 - 9116'	TG = 3381 units, C ₁ = 2429 units, C ₂ = 906 units, C ₃ = 43 units	BG gas-272u	37	9142 - 9188'	TG = 3006 units, C ₁ = 2117 units, C ₂ = 844 units, C ₃ = 44 units	BG gas-233u
38	9384 - 9413'	TG = 2351 units, C ₁ = 1745 units, C ₂ = 592 units, C ₃ = 23 units	BG gas-344u				



EOG RESOURCES, INC.

CHAPITA WELLS UNIT #1339-22

Morning Report
NE NW Section 22, T9S-R22E, Uintah County, Utah

Robert Groth Cell 303-638-8635

Date: September 3, 2008	Current Depth MD (5 AM) : 9,650 ft. TD @ 11:10 AM, 9-2-2008						
Background TG = 40 - 240 units, C ₁ = 33- 195, C ₂ = 8-41, C ₃ = 0 - 3	Footage last 24 hrs. 142 ft.						
Trip Gas	Current Formation Sego						
Connection Gas TG = 1088 units, C ₁ = 882, C ₂ = 198, C ₃ = 8 @ 9,504'	New Formation Top Sego @ 9,454 ft.						
Peak Gas in past 24 hrs TG = 5553 units, C ₁ = 4591, C ₂ = 1470, C ₃ = 233, C ₄ = 107 @ 9,564'	Projected, Next Formation Top/Depth						
Comments:							
General Lithological Description last 24 hours							
% Sand 40%	<u>Sandstone-translucent, off white, clear, slightly friable, fine to medium grained, sub-rounded to sub-angular, calcareous in part, well sorted, fair porosity, no sample shows. Shale-dark gray, some black, firm to very firm, carbonaceous, non-calcareous, sub-blocky, splintery. Siltstone-light gray to gray, slightly friable, sandy, calcareous, tight.</u>						
% Shale 45%							
% Coal 2%							
% Siltstone 13%							
% Limestone %							
% Claystone %							
Shows:							
Shows:	Depths	Gas units	BG gas	Shows:	Depths	Gas Units	BG gas
39	9560 - 9578'	TG = 5553 units, C ₁ = 4591 units, C ₂ = 1470 units, C ₃ = 233 units, C ₄ = 107	BG gas-155u				

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. Multiple (See Attached)
2. Name of Operator EOG Resources, Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 1060 E. HWY 40 Vernal, UT 84078	3b. Phone No. (include area code) 435-789-0790	7. If Unit or CA/Agreement, Name and/or No. Chapita Wells Unit
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple (See Attached)		8. Well Name and No. Multiple (See Attached)
43 047 39620 CW 4 1339-22 9S 22E 22		9. API Well No. Multiple (See Attached)
		10. Field and Pool, or Exploratory Area Natural Buttes
		11. County or Parish, State Uintah County, Utah

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

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

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

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

COPY SENT TO OPERATOR

Date: 10.14.2008

Initials: KS

RECEIVED

SEP 22 2008

DIV. OF OIL, GAS & MINING

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

Mickenzie Thacker

Title **Operations Clerk**

Signature

Mickenzie Thacker

Date

09/17/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

[Signature]

Title

Pet. Eng.

Date

10/7/08

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

Office

DOGm

Federal Approval Of This Action Is Necessary

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

(Instructions on page 2)

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

Air Drilling Operations:

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

VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU0284A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CHAPITA WELLS UNIT 1339-22

9. API Well No.
43-047-39620

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 22 T9S R22E NENW 162FNL 1330FWL
40.02829 N Lat, 109.43076 W Lon

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

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

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

The referenced well was turned to sales on 10/17/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

RECEIVED

OCT 27 2008

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #64078 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal

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

Signature *Mary A. Maestas* Date 10/22/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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

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

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

WELL CHRONOLOGY REPORT

Report Generated On: 10-22-2008

Well Name	CWU 1339-22	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API #	43-047-39620	Well Class	1SA
County, State	UINTAH, UT	Spud Date	08-22-2008	Class Date	10-17-2008
Tax Credit	N	TVD / MD	9,650/ 9,650	Property #	061875
Water Depth	0	Last CSG	0.0	Shoe TVD / MD	8,139/ 8,139
KB / GL Elev	4,918/ 4,897				
Location	Section 22, T9S, R22E, NENW, 162 FNL & 1330 FWL.				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	55.033	NRI %	47.155

AFE No	304852	AFE Total	1,835,300	DHC / CWC	956,100/ 879,200						
Rig Contr	TRUE	Rig Name	TRUE #32	Start Date	08-05-2008	Release Date	09-03-2008				
Rig Contr	TRUE	Rig Name	TRUE #34	Start Date	09-11-2007	Release Date					
09-11-2007	Reported By	SHARON CAUDILL									
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0						
Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0						
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :		PKR Depth : 0.0						

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			162' FNL & 1330' FWL (NE/NW)
			SECTION 22, T9S, R22E
			UINTAH COUNTY, UTAH
			LAT 40.028286, LONG 109.430764 (NAD 83)
			LAT 40.028322, LONG 109.430081 (NAD 27)
			TRUE 32
			OBJECTIVE: 9650' TD, MESAVERDE
			DW/GAS
			CHAPITA WELLS DEEP PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: UTU-0284-A
			ELEVATION: 4897.7' NAT GL, 4896.7' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4897'), 4918' KB (21')
			EOG WI 55.0328%, NRI 47.15451%

06:00 06:00 24.0 LOCATION COMPLETE. CRAIGS ROUSTABOUT SERVICE SPUD A 26" HOLE ON 08/07/08 @ 10:30 A.M. SET 60' OF 16" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 08/07/08 @ 9:45 A.M.

08-11-2008		Reported By		JERRY BARNES							
Daily Costs: Drilling	\$34,648	Completion	\$0	Daily Total	\$34,648						
Cum Costs: Drilling	\$72,648	Completion	\$0	Well Total	\$72,648						
MD	520	TVD	520	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 CRAIGS AIR RIG # 4 ON 8/9/2008. DRILLED 12 1/4" HOLE TO 520'. ENCOUNTERED LITTLE WATER AT 190'. RDMO CRAIGS RIG.

TRUE 32 WILL FINISH DRILLING 12 1/4" HOLE AND RUN CASING.

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

NO SURVEY AT THIS TIME.

08-18-2008		Reported By		BOB WILLIAMS-DUANE WINKLER							
Daily Costs: Drilling	\$22,575	Completion	\$0	Daily Total	\$22,575						
Cum Costs: Drilling	\$95,223	Completion	\$0	Well Total	\$95,223						
MD	520	TVD	520	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0		Perf :		PKR Depth : 0.0					

Activity at Report Time:

Start	End	Hrs	Activity Description
06:00	18:00	12.0	SAFETY MEETING.RIG DOWN WITH CRANE ON MUTUAL 2-30H, 21 LOADS OFF LOCATION.
18:00	06:00	12.0	SHUT DOWN FOR NIGHT.
			NO ACCIDENTS REPORTED, CREWS 5/5.
			SAFETY TOPIC, 100% TIE-OFF, OVER HEAD LOADS.
			SHOULD BE 100% OFF MUTUAL BY TUESDAY 8/19/08.

08-19-2008		Reported By		BOB WILLIAMS-DUANE WINKLER							
Daily Costs: Drilling	\$22,785	Completion	\$0	Daily Total	\$22,785						
Cum Costs: Drilling	\$118,008	Completion	\$0	Well Total	\$118,008						
MD	520	TVD	520	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0		Perf :		PKR Depth : 0.0					

Activity at Report Time: MIRT

Start	End	Hrs	Activity Description
06:00	20:00	14.0	RDRT, LOAD EQUIPMENT AND DERRICK, ALL LOADS MOVE OFF THE MUTUAL 2-30H LOCATION AND DELIVERED TO CWU 1339-22 BY EARLY MORNING, CRANE ON LOCATION AND RIGGED UP. RIG MOVE IS APPROXAMITLY 280 MILES.
20:00	06:00	10.0	TRUCKS IN TRANSPORT TO CWU 1339-22.

08-20-2008		Reported By		BOB WILLIAMS-DUANE WINKLER					
Daily Costs: Drilling	\$27,432	Completion	\$0	Daily Total	\$27,432				

Cum Costs: Drilling	\$145,440	Completion	\$0	Well Total	\$145,440
MD	520	TVD	520	Progress	0
Formation :		PBTD : 0.0		Perf :	
				MW	0.0
				Visc	0.0
				PKR Depth : 0.0	

Activity at Report Time: RURT

Start	End	Hrs	Activity Description
06:00	17:00	11.0	THIRD PARTY SAFETY MEETING, RIG MOVE 100% COMPLETE, RIG UP 15% = SET MATTING BOARDS AND SUB BASE, SET RIG SITE TRAILERS. SETTING MAN CAMP IN JENSEN UTAH, NO ACCIDENTS/INCIDENTS REPORTED.
17:00	06:00	13.0	RIG UP MAN CAMP IN JENSEN UTAH SET WELL SITE CAMPS.

08-21-2008 Reported By DUANE C WINKLER

DailyCosts: Drilling	\$27,432	Completion	\$0	Daily Total	\$27,432
Cum Costs: Drilling	\$172,872	Completion	\$0	Well Total	\$172,872
MD	520	TVD	520	Progress	0
Formation :		PBTD : 0.0		Perf :	
				MW	0.0
				Visc	0.0
				PKR Depth : 0.0	

Activity at Report Time: RURT

Start	End	Hrs	Activity Description
06:00	18:00	12.0	THIRD PARTY SAFETY MEETING, COMPLETE SETTING UP CAMPS, RIG UP EQUIPMENT WITH CRANE AND TRUCKS, RIG IS 50 PERCENT RIG UP NO ACCIDENTS/INCIDENTS.
18:00	06:00	12.0	SHUT DOWN FOR NIGHT.

08-22-2008 Reported By DUANE C WINKLER

DailyCosts: Drilling	\$64,970	Completion	\$0	Daily Total	\$64,970
Cum Costs: Drilling	\$237,842	Completion	\$0	Well Total	\$237,842
MD	520	TVD	520	Progress	0
Formation :		PBTD : 0.0		Perf :	
				MW	0.0
				Visc	0.0
				PKR Depth : 0.0	

Activity at Report Time: RURT

Start	End	Hrs	Activity Description
06:00	16:00	10.0	RURT WITH TRUCKS AND CRANE, STRING DERRICK, SET CUTTING SKIDS AND SUMP COVERS.
16:00	17:00	1.0	RAISE DERRICK, RELEASED TRUCKS AND CRANE. RIG IS 90 PERCENT RIGGED UP.
17:00	06:00	13.0	SHUT DOWN, TWO HANDS SHORT FOR ONE CREW, NO ACCIDENTS/INCIDENTS.

08-23-2008 Reported By DUANE C WINKLER

DailyCosts: Drilling	\$35,029	Completion	\$0	Daily Total	\$35,029
Cum Costs: Drilling	\$272,871	Completion	\$0	Well Total	\$272,871
MD	520	TVD	520	Progress	820
Formation :		PBTD : 0.0		Perf :	
				MW	0.0
				Visc	0.0
				PKR Depth : 0.0	

Activity at Report Time: DRILLING @ 1340'

Start	End	Hrs	Activity Description
06:00	15:00	9.0	RURT, ACCEPT RIG ON 8/22/2008 @ 1500 HRS.

15:00	15:30	0.5	STABLIZE CONDUCTER PIPE
15:30	19:00	3.5	PICK UP BHA
19:00	19:30	0.5	SERVICE RIG
19:30	06:00	10.5	DRILLED 520' TO 1340', (820'), ROP 78, MW 8.4, GPM 700.

NO LOSS/GAIN, NO RIG REPAIRS, NO ACCIDENTS/INCIDENTS, SAFETY MEETING # 1 PRE SUPD, SAFETY MEETING # 2 PPE, FUEL ON HAND 10118 GLS, USED 760 GLS.

06:00 SPUD 12 1/4" HOLE AT 19:30 HRS, 8/22/08.

08-24-2008	Reported By	DUANE C WINKLER									
Daily Costs: Drilling	\$36,648	Completion	\$0	Daily Total	\$36,648						
Cum Costs: Drilling	\$308,840	Completion	\$0	Well Total	\$308,840						
MD	2,520	TVD	2,520	Progress	1,180	Days	2	MW	8.9	Visc	28.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: LAY DOWN EIGHT INCH DRILL COLLARS

Start	End	Hrs	Activity Description
06:00	08:30	2.5	DRILLED 1340' TO 1740', (400'), ROP 160, MW WATER, 700 GPM, NO LOSS/GAIN.
08:30	09:00	0.5	SERVICE RIG.
09:00	09:30	0.5	DRILLED 1740' TO 1834', (94'), ROP 188, MW WATER. GPM 700, LOST RETURNS.
09:30	11:30	2.0	LOST RETURNS, PUMPING TO GAIN RETURNS,BUILDING VOLUME IN MUD TANKS.
11:30	23:00	11.5	DRILLED 1834' TO 2520', (686'), ROP 60, MW WATER, RUN LIQUID MUD SWEEPS, GPM 700, LOST RETURNS.
23:00	23:30	0.5	PUMP LIQUID MUD SWEEP.
23:30	01:30	2.0	SHORT TRIP BIT TO 500'.
01:30	02:30	1.0	TRIP BIT BACK TO BTM, SPOT LIQUID MUD ON BTM.
02:30	03:30	1.0	PULL TWO JOINTS, DROP SURVEY, TRIP OUT OF HOLE TO EIGHT INCH DRILL COLLARS.
03:30	04:30	1.0	RIG UP LAY DOWN CREW EQUIPMENT, THIRD PARTY SAFETY MEETING.
04:30	06:00	1.5	LAY DOWN EIGHT INCH DRILL COLLARS, FULL CREW, NO RIG REPAIRS, NO ACCIDENTS/INCIDENTS, SAFETY MEETING # 1 DRILLING, SAFETY MEETING # 2: COMMUNICATION, FUEL ON HAND 8645 GLS, USED 1473 GLS.

08-25-2008	Reported By	DUANE C WINKLER									
Daily Costs: Drilling	\$159,464	Completion	\$0	Daily Total	\$159,464						
Cum Costs: Drilling	\$468,304	Completion	\$0	Well Total	\$468,304						
MD	2,520	TVD	2,520	Progress	0	Days	3	MW	8.9	Visc	29.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: TESTING BOPE

Start	End	Hrs	Activity Description
06:00	10:30	4.5	RUN A TOTAL OF 58 JT'S 9.625 X 36 3 J55 STC CASING, FLOAT SHOE @ 2500', FLOAT COLLAR @ 2453', CENTRALIZER ON MIDDLE OF SHOE JT. TOP OF SECOND JT. THAN EVERY 3RD, FOR A TOTAL OF #6 CENTRALIZERS. 8/24/2008 @ 0830 NOTIFIED VERNAL BLM OFFICE, (JAMIE SPARGER) 435-781-4502, ON 8/24/2008 @ 0800 START TO RUN CASING, 1300 HRS CEMENTING, 8/24/2008 @ 2300 HRS BOPE TEST.
10:30	12:00	1.5	RIG DOWN CASING CREW EQUIPMENT

12:00 15:30 3.5 RU SCHLUMBERGER. HOLD PRE-JOB SAFETY MTG. TEST LINES TO 3500 PSI. PUMP 20 BBLs CHEMICAL WASH AND 20 BBLs WATER SPACER. MIXED AND PUMPED 235 SKS G + ADDITIVES (YIELD 3.91) AT 11 PPG WITH 24.96 GPS H2O, (191 BCM). MIXED AND PUMPED TAIL 235 SKS POZ G + ADDITIVES (YIELD 1.16) AT 15.8 PPG WITH 4.96 GPS H2O, (48 BCM). DISPLACED TO FLOAT COLLAR WITH 192 BBL H2O WITH 2 GAL/1000 LO64 FRESH WATER. AVG MIX AND DISPLACEMENT RATE 6.6 BPM. NO RETURN FINAL PUMP PRESSURE 300 PSI AT 5.5 BPM. BUMPED PLUG TO 1300 PSI. BLED OFF PRESSURE, FLOATS HELD.

15:30 16:30 1.0 RUN 100' ONE INCH, TOP OUT #1 50 SKS 'G' CMT YEILD 1.16, 15.8 PPG, (10 BCM), NO RETURNS.

16:30 18:30 2.0 WAIT ON CEMENT

18:30 19:30 1.0 TOP OUT#2, 70 SKS "G" CMT YEILD 1.16, 15.8 PPG, 14 BCM, CIRCULATE 4 BCM (20 SKS), TO SURFACE.

20:30 21:30 1.0 RIG DOWN SCHLUMBERGER EQUIPMENT

21:30 23:00 1.5 WELD ON WELL HEAD

23:00 05:00 6.0 NIPPLE UP BOPE

05:00 06:00 1.0 TESTING BOPE,

NO ACCIDENTS/INCIDENTS, FULL CREWS, NO RIG REPAIRS,
 SAFETY MEETING # 1: CEMENTING, SAFETY MEETING # 2: NIPPLE UP BOPE,
 FUEL ON HAND 7798 GLS, USED 339 GLS,
 MUD LOGGER ON LOCATION 8/24/2008 @ 1800 HRS.

08-26-2008	Reported By	DUANE C WINKLER									
Daily Costs: Drilling	\$34,940	Completion	\$740	Daily Total	\$35,680						
Cum Costs: Drilling	\$499,973	Completion	\$740	Well Total	\$500,713						
MD	3,294	TVD	3,294	Progress	794	Days	4	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :		PKR Depth : 0.0						

Activity at Report Time: DRILLING @ 3294'

Start	End	Hrs	Activity Description
06:00	11:00	5.0	TEST BOPE AS PER PROGRAM. NOTIFIED BLM REP. JAIME SPARGER VERNAL OFFICE ON 8/24/2008 @ 08:30 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 9 5/8" CASING TO1500 PSI 30 MIN.
11:00	14:30	3.5	PICK UP BHA, TRIP IN HOLE TAG FLOAT COLLAR
14:30	15:30	1.0	DRILLED FOAT COLLAR, CEMENT, FLOAT SHOE, AND 10' OF FORMATION
15:30	16:00	0.5	DEVATION SURVEY 2450' @ 11 DEGREE
16:00	16:30	0.5	F. I. T. @ 2500' PRESSURE WITH WATER TO 400 PSIG, EMW 11.4.
16:30	17:00	0.5	INSTAL ROTATING RUBBER
17:00	20:30	3.5	DRILLED 2500' TO 2716', (216'), ROP 61, MW 8.8, VIS 29, GPM 450, NO LOSS/ GAIN.
20:30	21:00	0.5	SURVEY MISRUN
21:00	00:00	3.0	DRILLED 2716' TO 2997', (281'), ROP 94, MW 8.9, VIS 29, GPM 450, NO LOSS / GAIN.
00:00	00:30	0.5	SURVEY MISRUN
00:30	01:00	0.5	DRILLED 2997' TO 3029', (32'), ROP 64, MW 8.9, VIS 29, GPM 450, NO LOSS/GAIN
01:00	01:30	0.5	DEVATION SURVEY 2951' @ 5.5 DEGREE
01:30	06:00	4.5	DRILLED 3029' TO 3294', (265'), ROP 58, MW 9.2, VIS 30, GPM 450, NO LOSS/GAIN
NO RIG REPAIRS, PARTICAL CREWS, NO ACCIDENTS/INCIDENTS, SAFETY MEETING # 1 ELECTRIC GRINDER, SAFETY MEETING # 2: MAN TUGER,			

FUEL ON HAND 7456 GLS, USED 342 GLS.

08-27-2008 **Reported By** DUANE C WINKLER

DailyCosts: Drilling \$90,112 **Completion** \$0 **Daily Total** \$90,112

Cum Costs: Drilling \$589,540 **Completion** \$740 **Well Total** \$590,280

MD 5,190 **TVD** 5,190 **Progress** 1,896 **Days** 5 **MW** 9.5 **Visc** 32.0

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

Activity at Report Time: DRILLING @ 5190

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILLED 3294' TO 3526', (232'), ROP 66, MW 9.4, VIS 33, GPM 450, NO LOSS/GAIN
09:30	10:00	0.5	DEVATION SURVEY 3450' @ 3 DEGREE
10:00	11:30	1.5	DRILLED 3526' TO 3649', (123'), ROP 82, MW 9.5, VIS 32, GPM 618, NO LOSS/GAIN
11:30	12:00	0.5	SERVICE RIG
12:00	16:00	4.0	DRILLED 3649' TO 3990', (341'), ROP 85, MW 9.5, VIS 32, GPM 618, NO LOSS/GAIN
16:00	17:00	1.0	RIG REPAIR REPAIR ROTARY CHAIN
17:00	06:00	13.0	DRILLED 3990' TO 5190' (1200'), ROP 92, MW 9.7, VIS 34, GPM 618, NO LOSS/GAIN

FULL CREWS,
NO ACCIDENTS/INCIDENTS, RIG REPAIRS,
SAFETY MEETING # 1; HAND TOOLS, SAFETY MEETING # 2: RUNNING TOOLS,
FUEL ON HAND 6048 GLS, USED 1408 GLS.
MANNED LOGGING UNIT DAY #4

08-28-2008 **Reported By** DUANE C WINKLER

DailyCosts: Drilling \$352,610 **Completion** \$0 **Daily Total** \$352,610

Cum Costs: Drilling \$942,151 **Completion** \$740 **Well Total** \$942,891

MD 6,210 **TVD** 6,210 **Progress** 1,020 **Days** 6 **MW** 10.1 **Visc** 33.0

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

Activity at Report Time: DRILLING @ 6210'

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILLED 5190' TO 5468' (278'), ROP 42, MW 9.9, VIS 33, GPM 450, NO LOSS/GAIN.
12:30	13:00	0.5	SERVICE RIG, BOP DRILL
13:00	02:00	13.0	DRILLED 5468' TO 6067', (599'), ROP 46, MW 10. VIS 34, GPM 450, NO LOSS/GAIN.
02:00	02:30	0.5	SERVICE RIG
02:30	03:00	0.5	RIG REPAIR KELLY SPINNERS
03:00	06:00	3.0	DRILLED 6067' TO 6210', (143'), ROP 47, MW 10.1, VIS 33, GPM 450, NO LOSS/GAIN.

NO ACCIDENTS/INCIDENT,
FULL CREWS, RIG REPAIRS, SAFETY MEETING # 1: PPE, SAFETY MEETING # 2: KELLY SPINNERS, FUEL ON HAND 4840 GLS, USED 1208 GLS,
MUD LOGGER DAY 5.

08-29-2008 **Reported By** DUANE C WINKLER

DailyCosts: Drilling \$52,319 **Completion** \$0 **Daily Total** \$52,319

Cum Costs: Drilling \$994,470 **Completion** \$740 **Well Total** \$995,210

MD 6,849 TVD 6,849 Progress 639 Days 7 MW 10.3 Visc 37.0
 Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 6849'

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILLED 6210' TO 6437', (227'), ROP 41, MW 10.2, VIS 34, GPM 450, NO LOSS/GAIN.
11:30	12:00	0.5	SERVICE RIG, BOP DRILL.
12:00	17:30	5.5	DRILLED 6437' TO 6654', (217'), ROP 39, MW 10.3, VIS 34, GPM 450, NO LOSS/GAIN.
17:30	21:00	3.5	TRIP OUT OF HOLE FOR BIT.
21:00	01:00	4.0	TRIP IN HOLE WITH BIT.
01:00	01:30	0.5	WASH/REAM.
01:30	06:00	4.5	DRILLED 6654' TO 6849', (195'). ROP 43, MW 10.4, VIS 35, GPM 410, NO LOSS/GAIN,

NO ACCIDENT/INCIDENT
 NO RIG REPAIRS
 FULL CREWS
 FUEL ON HAND 3671 GALS, USED 1169 GALS,
 SAFETY MEETING # 1: FALL PROTECTION, SAFETY MEETING # 2: TRIPPING
 MUD LOGGER ON LOCATION DAY # 6
 CHECK CROWN-O-MATIC
 BOP DRILL.

08-30-2008 Reported By DUANE C WINKLER

DailyCosts: Drilling \$69,783 Completion \$0 Daily Total \$69,783
 Cum Costs: Drilling \$1,064,254 Completion \$740 Well Total \$1,064,994

MD 7,873 TVD 7,873 Progress 1,033 Days 8 MW 10.6 Visc 38.0
 Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 7873'

Start	End	Hrs	Activity Description
06:00	17:00	11.0	DRILLED 6840' TO 7467', (627'), ROP 57, MW 10.6, VIS 38, GPM 450, NO LOSS/GAIN.
17:00	17:30	0.5	SERVICE RIG, BOP TEST.
17:30	06:00	12.5	DRILLED 7467' TO 7873', (406'), ROP 32, MW 11.1, VIS 42, GPM 450.

NO LOSS/GAIN, NO ACCIDENT/INCIDENTS, NO RIG REPAIRS, FULL CREWS,
 SAFETY MEETING #1: COMMUNICATIONS, SAFETY MEETING # 2: FORK LIFT OPERATIONS,
 FUEL ON HAND 10118 GLS, USED 1100 GLS,
 MUD LOGGER ON LOCATION DAY 7,
 CHECK CROWN-O-MATIC, BOP DRILL.

08-31-2008 Reported By DUANE C WINKLER

DailyCosts: Drilling \$37,490 Completion \$8,032 Daily Total \$45,522
 Cum Costs: Drilling \$1,101,744 Completion \$8,772 Well Total \$1,110,516

MD 8,472 TVD 8,472 Progress 599 Days 9 MW 10.9 Visc 45.0
 Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 8472'

Start	End	Hrs	Activity Description
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06:00 17:30 11.5 DRILLED 7873' TO 8250' (377'), ROP 32, MW 11.2, VIS 41, GPM 450, NO LOSS/GAIN.
 17:30 18:00 0.5 SERVICE RIG, BOP DRILL
 18:00 06:00 12.0 DRILLED 8250' TO 8472', (222'), ROP 18, MW 11.2, VIS 37, GPM 450.

NO LOSS/GAIN
 NO ACCIDENT/INCIDENT
 FULL CREWS
 NO RIG REPAIRS
 FUEL ON HAND 8813 GALS, USED 1305 GALS
 SAFETY MEETING # 1: USING HAND SIGNALS, SAFETY MEETING # 2 PP&E
 MUD LOGGER ON LOCATION DAY 8
 CHECK CROWN-O-MATIC
 BOP DRILL.

09-01-2008 **Reported By** DUANE C WINKLER
DailyCosts: Drilling \$57,547 **Completion** \$0 **Daily Total** \$57,547
Cum Costs: Drilling \$1,159,291 **Completion** \$8,772 **Well Total** \$1,168,063
MD 8,810 **TVD** 8,810 **Progress** 338 **Days** 10 **MW** 11.2 **Visc** 37.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**
Activity at Report Time: DRILLING @ 8810'

Start	End	Hrs	Activity Description
06:00	12:00	6.0	TRIP OUT OF HOLE FOR BIT.
12:00	13:30	1.5	RIG REPAIR, CHANGED OUT KELLY SPINNER.
13:30	18:00	4.5	TRIP IN HOLE WITH BIT.
18:00	06:00	12.0	DRILLED 8472' TO 8810' (338'), ROP 28, MW 11.2, VIS 36, GPM 450

NO LOSS/GAIN, NO ACCIDENT/INCIDENT,
 FULL CREWS, RIG REPAIRS,
 FUEL ON HAND 8713 GLS, USED 1000 GLS,
 SAFETY MEETING # 1: USING HAND SIGNALS, SAFETY MEETING # 2 PP&E,
 MUD LOGGER ON LOCATION DAY 9,
 CHECK CROWN-O-MATIC, BOP DRILL.

09-02-2008 **Reported By** DUANE C WINKLER
DailyCosts: Drilling \$40,579 **Completion** \$0 **Daily Total** \$40,579
Cum Costs: Drilling \$1,193,671 **Completion** \$8,772 **Well Total** \$1,202,443
MD 9,527 **TVD** 9,527 **Progress** 717 **Days** 11 **MW** 11.2 **Visc** 34.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**
Activity at Report Time: DRILLING @ 9527'

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRILLED 8810' TO 9154, (344'), ROP 38, MW 11.3, VIS 34, GPM 450, NO LOSS/GAIN.
15:00	15:30	0.5	SERVICE RIG, BOP DRILL, CHECK CROWN-O-MATIC.
15:30	06:00	14.5	DRILLED 9154' TO 9527, (373'), ROP 25, MW 11.3, VIS 34, GPM 450

NO LOSS/GAIN,

NO ACCIDENT/INCIDENT,
 FULL CREWS,
 NO RIG REPAIRS,
 SAFETY MEETING # 1: GAINS, SAFETY MEETING # 2: LOST CIRCULATION,
 FUEL ON HAND 6573 GALS, USED 1054 GALS,
 MUD LOGGER ON LOACATION 10 DAYS,
 CHECK CROWN-O-MATIC,
 BOP DRILL.

09-03-2008	Reported By	DUANE C WINKLER									
Daily Costs: Drilling	\$68,984	Completion	\$151,488	Daily Total	\$220,472						
Cum Costs: Drilling	\$1,262,656	Completion	\$160,260	Well Total	\$1,422,916						
MD	9,650	TVD	9,650	Progress	123	Days	12	MW	11.3	Visc	33.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: RUN 4.5" CSG @ 9650'											

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILLED 9527' TO 9650' TD, (123'), ROP 22, MW 11.3, VIS 33, GPM 450, NO LOSS/GAIN. 9/2/2008 TD WELL @ 1130 HRS. REACHED TD AT 11:30 AM, 9/2/08.
11:30	12:30	1.0	SHORT TRIP BIT.
12:30	13:00	0.5	CIRCULATE, SET UP LAY DOWN EQUIPMENT, THIRD PARTY SAFETY MEETING. 9/2/2008. CASING POINT STARTED @ 1300 HRS, 9/2/2008 @ 16:20 HRS, NOTIFIED BLM VERNAL OFFICE (JAMIE SPARGER) 435-781-4502, START RUN CASING 9/2/2008 @ 1900 HRS AND ON 9/3/2008 START CMT @ 0400 HRS.
13:00	21:00	8.0	LAY DOWN DRILL PIPE, BHA.
21:00	21:30	0.5	PULL WEAR BUSHING.
21:30	23:30	2.0	RIG UP CASING EQUIPMENT, THIRD PARTY SAFETY MEETING.
23:30	06:00	6.5	RUN A TOTAL OF 222 JTS 4.5", 11.6#, P110, LTC CASING, FLOAT SHOE @ 9610', FLOAT COLLAR @ 9562', MARKER JOINT @ 6876' & 4567'. CENTRALIZER ON MIDDLE OF SHOE JT. TOP OF SECOND JT. THEN EVERY 3RD, FOR A TOTAL OF 30 CENTRALIZERS.

NO ACCIDENT/INCIDENT, FULL CREWS,
 NO RIG REPAIRS,
 SAFETY MEETING # 1: WITH THIRD PART CONTRACTORS, SAFETY MEETING # 2: RUN CASING, FUEL ON HAND 5698 GLS, USED 875 GLS,
 MUD LOGGER ON LOACATION 11 DAYS, (RELEASED MUD LOGGER 9/2/2008),
 CHECK CROWN-O-MATIC, BOP DRILL.

09-04-2008	Reported By	D WINKLER, B. WILLAMS									
Daily Costs: Drilling	\$79,532	Completion	\$72,658	Daily Total	\$152,190						
Cum Costs: Drilling	\$1,342,189	Completion	\$232,918	Well Total	\$1,575,107						
MD	9,650	TVD	9,650	Progress	0	Days	13	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: RDRT/WO COMPLETION											

Start	End	Hrs	Activity Description
06:00	08:00	2.0	CIRCULATE ON CSG.

08:00 11:00 3.0 SAFETY & OPERATIONS MEETING. RIG UP & CMT WITH: 20 BBL CHEM WASH. LEAD IN WITH 360 SKS. 35/65 + ADS, (YIELD-2.26). MIXED @ 12 PPG. TAILED IN WITH 1575 SKS 50/50 + ADS, (YIELD-1.29). MIXED @ 14.1 PPG. WASHED LINE TO PIT. DROP TOP PLUG & DISPLACE WITH 148 BBL WATER @ 5-6 BPM. LIFT PRESSURE 2600 PSI. BUMP PLUG WITH 3265#. GOOD RETURNS. CHECK FLOATS, OK. RIG DOWN.

11:00 12:00 1.0 LAND CSG. ON HANGER & TEST SEALS TO 5000#.

12:00 14:00 2.0 NIPPLE DOWN.

14:00 15:00 1.0 CLEAN TANKS.

15:00 06:00 15.0 RIG DOWN BY HAND.

NO ACCIDENTS TODAY OR THIS WELL. CREWS-4/5.

WESTROC TRUCKING DUE TODAY IN PM TO BEGIN MOVE TO NCW 344-23
RIG MOVE DISTANCE 11.0 MILES

SAFETY MEETINGS HELD ON NIPPLE DOWN.
REPAIRING KELLY SPINNERS DURING RIG MOVE, INSTALL 6.5" LINERS IN #2 PUMP.

TRANSFER 2500 GALLONS DYED DIESEL TO NCW 344-23
TRANSFER 2 JOINTS 9 5/8" 36# TO NCW 344-23 -
TRANSFER 7 JOINTS OF HCP-110 - 11.6#
TRANSFER 1 MARKER 4.5" HCP-110 - 11.6#

06:00 RIG RELEASED @ 15:00 HRS, 9/3/08
CASING POINT COST \$1,335,348

09-17-2008	Reported By	SEARLE									
DailyCosts: Drilling	\$0	Completion	\$44,816	Daily Total	\$44,816						
Cum Costs: Drilling	\$1,342,189	Completion	\$277,734	Well Total	\$1,619,923						
MD	9,650	TVD	9,650	Progress	0	Days	14	MW	0.0	Visc	0.0
Formation :	PBTD : 9563.0			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 PBTD TO 590'. EST CEMENT TOP @ 800'. RD SCHLUMBERGER.								

09-27-2008	Reported By	MCCURDY									
DailyCosts: Drilling	\$0	Completion	\$1,724	Daily Total	\$1,724						
Cum Costs: Drilling	\$1,342,189	Completion	\$279,458	Well Total	\$1,621,647						
MD	9,650	TVD	9,650	Progress	0	Days	15	MW	0.0	Visc	0.0
Formation :	PBTD : 9563.0			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 8500 PSIG. WO COMPLETION.								

10-10-2008 **Reported By** HOOLEY

Daily Costs: Drilling	\$0	Completion	\$25,895	Daily Total	\$25,895
Cum Costs: Drilling	\$1,342,189	Completion	\$305,353	Well Total	\$1,647,542

MD 9,650 **TVD** 9,650 **Progress** 0 **Days** 16 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD : 9563.0** **Perf : 8194-9429** **PKR Depth : 0.0**

Activity at Report Time: FRAC MESAVERDE

Start	End	Hrs	Activity Description
06:00	19:00	13.0	SICP 0 PSIG. RU LONE WOLF WL. PERFORATED LPR FROM 9100-01', 9105-06', 9116-17', 9155-56', 9185-86', 9253-54', 9265-66', 9281-82', 9302-03', 9308-09', 9319-20', 9333-34', 9362-63', 9380-81', 9419-20' AND 9428-29' @ 3 SPF AND 120° PHASING. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 9380 GAL 16# DELTA FRAC 200 XL PAD, 50499 GAL 16# DELTA FRAC 200 XL WITH 151400# 20/40 SAND @ 1-5 PPG. MTP 5353 PSIG. MTR 52.6 BPM. ATP 4222 PSIG. ATR 45.6 BPM. ISIP 2880 PSIG. RD HALLIBURTON.
			RUWL. SET 10K CFP @ 9060'. PERFORATED L/MPR FROM 8808-09', 8828-29', 8835-36', 8851-52', 8869-70', 8893-94', 8910-11', 8947-48', 8960-61', 9003-04', 9017-18' AND 9041-42' @ 3 SPF AND 120° PHASING. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2757 GAL 16# DELTA FRAC 200 XL PAD, 44368 GAL 16# DELTA FRAC 200 XL WITH 130800# 20/40 SAND @ 1-5 PPG. MTP 5584 PSIG. MTR 52.6 BPM. ATP 4500 PSIG. ATR 47.6 BPM. ISIP 3214 PSIG. RD HALLIBURTON.
			RUWL. SET 10K CFP @ 8760'. PERFORATED MPR FROM 8550-51', 8562-63', 8593-94', 8606-07', 8628-29', 8638-39', 8652-53', 8688-89', 8696-97', 8709-10', 8717-18' AND 8735-36' @ 3 SPF AND 120 DEG PHASING. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2100 GAL 16# DELTA FRAC 200 XL PAD, 56006 GAL 16# DELTA FRAC 200 XL WITH 171800# 20/40 SAND @ 1-5 PPG. MTP 4804 PSIG. MTR 52.1 BPM. ATP 4226 PSIG. ATR 48.2 BPM. ISIP 2543 PSIG. RD HALLIBURTON.
			RUWL. SET 10K CFP @ 8515'. PERFORATED MPR FROM 8343-44', 8354-55', 8367-69', 8378-79', 8412-13', 8420-21', 8430-32', 8469-70', AND 8488-90' @ 3 SPF AND 120 DEG PHASING. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2679 GAL 16# DELTA FRAC 200 XL PAD, 53936 GAL 16# DELTA FRAC 200 XL WITH 170600# 20/40 SAND @ 1-5 PPG. MTP 4835 PSIG. MTR 49.4 BPM. ATP 3743 PSIG. ATR 46.1 BPM. ISIP 2680 PSIG. RD HALLIBURTON.
			RUWL. SET 10K CFP @ 8315'. PERFORATED MPR FROM 8194-96', 8209-11', 8219-21', 8263-65', 8274-76' AND 8289-91' @ 3 SPF AND 120 DEG PHASING. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2322 GAL 16# DELTA FRAC 200 XL PAD, 47578 GAL 16# DELTA FRAC 200 XL WITH 145000# 20/40 SAND @ 1-5 PPG. MTP 4896 PSIG. MTR 55.8 BPM. ATP 4160 PSIG. ATR 48.5 BPM. ISIP 3005 PSIG. RD HALLIBURTON. SDFN.

10-11-2008 **Reported By** HOOLEY

Daily Costs: Drilling	\$0	Completion	\$425,917	Daily Total	\$425,917
Cum Costs: Drilling	\$1,342,189	Completion	\$731,270	Well Total	\$2,073,460

MD 9,650 **TVD** 9,650 **Progress** 0 **Days** 17 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD : 9563.0** **Perf : 7334-9429** **PKR Depth : 0.0**

Activity at Report Time: CLEAN OUT AFTER FRACS.

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP- PSIG. RUWL. SET 10K CFP @ 8160'. PERFORATED UPR FROM 7954-55', 7986-87', 8011-12', 8048-49', 8054-56', 8084-85', 8102-03', 8117-19', 8129-30' AND 8137-38' @ 3 SPF AND 120 DEG PHASING. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2108 GAL 16# DELTA FRAC 200 XL PAD, 47914 GAL 16# DELTA FRAC 200 XL WITH 146100# 20/40 SAND @ 1-5 PPG. MTP 4668 PSIG. MTR 50.9 BPM. ATP 3781 PSIG. ATR 49.3 BPM. ISIP 2763 PSIG. RD HALLIBURTON.

RUWL. SET 10K CFP @ 7910'. PERFORATED UPR FROM 7731-32', 7750-51', 7796-97', 7812-13', 7819-21', 7826-27', 7860-61', 7866-68' AND 7879-81' @ 3 SPF AND 120 DEG PHASING. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2132 GAL 16# DELTA FRAC 200 XL PAD, 46762 GAL 16# DELTA FRAC 200 XL WITH 138100# 20/40 SAND @ 1-5 PPG. MTP 4379 PSIG. MTR 51.8 BPM. ATP 3677 PSIG. ATR 50.8 BPM. ISIP 2615 PSIG. RD HALLIBURTON.

RUWL. SET 10K CFP @ 7700'. PERFORATED UPR FROM 7488-89', 7495-96', 7519-20', 7532-33', 7536-38', 7571-72', 7580-81', 7612-13', 7665-66' AND 7669-71' @ 3 SPF AND 120 DEG PHASING. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5486 GAL 16# DELTA FRAC 200 XL PAD, 53423 GAL 16# DELTA FRAC 200 XL WITH 108873# 20/40 SAND @ 1-5 PPG. MTP 6473 PSIG. MTR 55.6 BPM. ATP 4652 PSIG. ATR 44.8 BPM. ISIP 2786 PSIG. RD HALLIBURTON.

RUWL. SET 10K CFP @ 7470'. PERFORATED UPR FROM 7334-35', 7339-41', 7348-50', 7400-02', 7429-31', 7436-38', AND 7442-43' @ 3 SPF AND 120 DEG PHASING. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2103 GAL 16# DELTA FRAC 200 XL PAD, 39081 GAL 16# DELTA FRAC 200 XL WITH 132328# 20/40 SAND @ 1-5 PPG. MTP 3858 PSIG. MTR 51 BPM. ATP 3222 PSIG. ATR 49.5 BPM. ISIP 2194 PSIG. RD HALLIBURTON.

RUWL. SET 6K CBP @ 7252'. BLED OFF PRESSURE. RDWL. SDFN.

10-16-2008		Reported By		POWELL	
Daily Costs: Drilling	\$0	Completion	\$7,376	Daily Total	\$7,376
Cum Costs: Drilling	\$1,342,189	Completion	\$738,646	Well Total	\$2,080,836
MD	9,650	TVD	9,650	Progress	0
Days	18	MW	0.0	Visc	0.0
Formation : MESAVERDE	PBTD : 9563.0	Perf : 7334-9429	PKR Depth : 0.0		
Activity at Report Time: DRILL OUT PLUGS					
Start	End	Hrs	Activity Description		
07:00	15:00	8.0	MIRUSU. ND FRAC TREE, NU BOPE. RIH W/BIT & PUMP OFF SUB TO 7252'. RU TO DRILL OUT. SDFN.		

10-17-2008		Reported By		HAL IVIE	
Daily Costs: Drilling	\$0	Completion	\$37,760	Daily Total	\$37,760
Cum Costs: Drilling	\$1,342,189	Completion	\$776,406	Well Total	\$2,118,596
MD	9,650	TVD	9,650	Progress	0
Days	19	MW	0.0	Visc	0.0
Formation : MESAVERDA	PBTD : 9563.0	Perf : 7334', 9429'	PKR Depth : 0.0		
Activity at Report Time: RDMOSU, FLOW TEST					
Start	End	Hrs	Activity Description		
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7252', 7460', 7700', 7910', 8160', 8315', 8515', 8760', 9060' RIH. CLEANED OUT TO PBTD @ 9563'. LANDED TBG AT 8139.19' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.		

FINAL COMPLETION: 10/16/2008

FLOWED 15 HRS. 24/64 CHOKE. FTP-1050 PSIG, CP-1450 PSIG. 61 BFPH. RECOVERED 910 BBLs, 10185 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'
 1 JT 2-3/8 4.7# N-80 TBG 33.05'
 XN NIPPLE 1.10'

245 JTS 2-3/8 4.7# N-80 TBG 8083.04
 BELOW KB 21.00'
 LANDED @ 8139.19'

10-18-2008		Reported By		HAL IVIE							
DailyCosts: Drilling		\$0		Completion		\$3,565		Daily Total		\$3,565	
Cum Costs: Drilling		\$1,342,189		Completion		\$779,971		Well Total		\$2,122,161	
MD	9,650	TVD	9,650	Progress	0	Days	20	MW	0.0	Visc	0.0
Formation : MESAVERDA		PBTD : 9563.0		Perf : 7334', 9429'				PKR Depth : 0.0			
Activity at Report Time: FLOW TEST THRU BRECO UNIT											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	FLOWED 21 HRS. 24/64 CHOKE. FTP- 900 PSIG, CP- 2000 PSIG. 38 BFPH. RECOVERED 805 BBLs, 9380 BLWTR. 1.046 MCF/D. DOWN 3 HRS TO RU BRECO UNIT.								
10-19-2008		Reported By		HAL IVIE							
DailyCosts: Drilling		\$0		Completion		\$3,565		Daily Total		\$3,565	
Cum Costs: Drilling		\$1,342,189		Completion		\$782,736		Well Total		\$2,124,926	
MD	9,650	TVD	9,650	Progress	0	Days	21	MW	0.0	Visc	0.0
Formation : MESAVERDA		PBTD : 9563.0		Perf : 7334', 9429'				PKR Depth : 0.0			
Activity at Report Time: FLOW TEST THRU BRECO UNIT											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	FLOWED 24 HRS. 24/64 CHOKE. FTP- 750 PSIG, CP- 1550 PSIG. 27 BFPH. RECOVERED 641 BBLs, 8706 BLWTR. 1.136 MCF/D								
10-20-2008		Reported By		HAL IVIE/DUANE COOK							
DailyCosts: Drilling		\$0		Completion		\$2,765		Daily Total		\$2,765	
Cum Costs: Drilling		\$1,342,189		Completion		\$785,501		Well Total		\$2,127,691	
MD	9,650	TVD	9,650	Progress	0	Days	22	MW	0.0	Visc	0.0
Formation : MESAVERDE		PBTD : 9563.0		Perf : 7334', 9429'				PKR Depth : 0.0			
Activity at Report Time: INITIAL PRODUCTION -FLOW TEST THRU BRECO UNIT											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	INITIAL PRODUCTION - OPENING PRESSURE: TP 1000 PSIG & CP 1900 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 12:00 HRS, 10/17/08. FLOWED 770 MCFD RATE ON 24/64" CHOKE. STATIC 214. QGM METER #7884. FLOW TEST UNIT.								
FLOWED 24 HRS. 24/64 CHOKE. FTP-675 PSIG, CP- 1350 PSIG. 19 BFPH. RECOVERED 450 BBLs, 8256 BLWTR. 1053 MCF/D RD TEST UNIT & RTN TO SALES.											
10-21-2008		Reported By		ROGER DART							
DailyCosts: Drilling		\$0		Completion		\$2,765		Daily Total		\$2,765	
Cum Costs: Drilling		\$1,342,189		Completion		\$788,266		Well Total		\$2,130,456	
MD	9,650	TVD	9,650	Progress	0	Days	23	MW	0.0	Visc	0.0
Formation : MESAVERDE		PBTD : 9563.0		Perf : 7334', 9429'				PKR Depth : 0.0			
Activity at Report Time: ON SALES											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	FLOWED 1055 MCF, 60 BC & 1550 BW IN 24 HRS ON 24/64 CHOKE, FTP 875 PSIG, CP 1375 PSIG.								
10-22-2008		Reported By		ROGER DART							

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$1,342,189	Completion	\$788,266	Well Total	\$2,130,456
MD	9,650	TVD	9,650	Progress	0
		Days	24	MW	0.0
		Visc			0.0
Formation : MESAVERDE		PBTD : 9563.0		Perf : 7334', 9429'	
		PKR Depth : 0.0			

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 627 MCF, 20 BC & 180 BW IN 24 HRS ON 16/64 CHOKE, FTP 825 PSIG, CP 1375 PSIG.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU0284A

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

6. If Indian, Allottee or Tribe Name

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

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

8. Lease Name and Well No.
CHAPITA WELLS UNIT 1339-22

3. Address 600 17TH STREET SUITE 1000N
DENVER, CO 80202 3a. Phone No. (include area code)
Ph: 303-824-5526

9. API Well No.
43-047-39620

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface NENW 162FNL 1330FWL 40.02829 N Lat, 109.43076 W Lon
 At top prod interval reported below NENW 162FNL 1330FWL 40.02829 N Lat, 109.43076 W Lon
 At total depth NENW 162FNL 1330FWL 40.02829 N Lat, 109.43076 W Lon

10. Field and Pool, or Exploratory
NATURAL BUTTES/MESAVERDE

11. Sec., T., R., M., or Block and Survey
or Area Sec 22 T9S R22E Mer SLB

12. County or Parish
UINTAH 13. State
UT

14. Date Spudded
08/07/2008 15. Date T.D. Reached
09/02/2008 16. Date Completed
 D & A Ready to Prod.
10/17/2008

17. Elevations (DF, KB, RT, GL)*
4898 GL

18. Total Depth: MD 9650 TVD
19. Plug Back T.D.: MD 9563 TVD
20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
RST/CBL/CCL/VDL/GR Temp, mud
22. Was well cored? No Yes (Submit analysis)
Was DST run? No Yes (Submit analysis)
Directional Survey? No Yes (Submit analysis)

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2500		540		0	
7.875	4.500 P-110	11.6	0	9610		1935		800	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	8139							

25. Producing Intervals 26. Perforation Record 733A

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	7334	9429	9100 TO 9429		3	
B)			8808 TO 9042		3	
C)			8550 TO 8736		3	
D)			8343 TO 8490		3	

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

Depth Interval	Amount and Type of Material
9100 TO 9429	60,044 GALS GELLED WATER & 151,400# 20/40 SAND
8808 TO 9042	47,290 GALS GELLED WATER & 130,800# 20/40 SAND
8550 TO 8736	58,271 GALS GELLED WATER & 171,800# 20/40 SAND
8343 TO 8490	56,780 GALS GELLED WATER & 170,600# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
10/17/2008	10/27/2008	24	→	20.0	593.0	170.0			FLOW FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
16/64"	SI 750	1250.0	→	20	593	170		PGW	

28a. Production - Interval B

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

(See Instructions and spaces for additional data on reverse side)
 ELECTRONIC SUBMISSION #64559 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
 ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

RECEIVED
NOV 10 2008

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

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

28c. Production - Interval D

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

29. Disposition of Gas(Sold, used for fuel, vented, etc.)
SOLD

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
MESAVERDE	7334	9429		GREEN RIVER MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER MIDDLE PRICE RIVER	1778 2411 4702 4825 5416 6114 7325 8165

32. Additional remarks (include plugging procedure):
Please see the attached sheet for detailed perforation and additional formation marker information.

33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7. Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

**Electronic Submission #64559 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal**

Name (please print) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature 
(Electronic Submission)

Date 11/07/2008

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

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

Chapita Wells Unit 1339-22 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

8194-8291	3/spf
7954-8138	3/spf
7731-7881	3/spf
7488-7671	3/spf
7334-7443	3/spf

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

8194-8291	50,065 GALS GELLED WATER & 145,000# 20/40 SAND
7954-8138	50,187 GALS GELLED WATER & 146,100# 20/40 SAND
7731-7881	49,059 GALS GELLED WATER & 138,100# 20/40 SAND
7488-7671	59,074 GALS GELLED WATER & 108,873# 20/40 SAND
7334-7443	41,349 GALS GELLED WATER & 132,328# 20/40 SAND

Perforated the Lower Price River from 9100-01', 9105-06', 9116-17', 9155-56', 9185-86', 9253-54', 9265-66', 9281-82', 9302-03', 9308-09', 9319-20', 9333-34', 9362-63', 9380-81', 9419-20', 9428-29' w/ 3 spf.

Perforated the Lower/Middle Price River from 8808-09', 8828-29', 8835-36', 8851-52', 8869-70', 8893-94', 8910-11', 8947-48', 8960-61', 9003-04', 9017-18', 9041-42' w/ 3 spf.

Perforated the Middle Price River from 8550-51', 8562-63', 8593-94', 8606-07', 8628-29', 8638-39', 8652-53', 8688-89', 8696-97', 8709-10', 8717-18', 8735-36' w/ 3 spf.

Perforated the Middle Price River from 8343-44', 8354-55', 8367-69', 8378-79', 8412-13', 8420-21', 8430-32', 8469-70', 8488-90' w/ 3 spf.

Perforated the Middle Price River from 8194-96', 8209-11', 8219-21', 8263-65', 8274-76', 8289-91' w/ 3 spf.

Perforated the Upper Price River from 7954-55', 7986-87', 8011-12', 8048-49', 8054-56', 8084-85', 8102-03', 8117-19', 8129-30', 8137-38' w/ 3 spf.

Perforated the Upper Price River from 7731-32', 7750-51', 7796-97', 7812-13', 7819-21', 7826-27', 7860-61', 7866-68', 7879-81' w/ 3 spf.

Perforated the Upper Price River from 7488-89', 7495-96', 7519-20', 7532-33', 7536-38', 7571-72', 7580-81', 7612-13', 7665-66', 7669-71' w/ 3 spf.

Perforated the Upper Price River from 7334-35', 7339-41', 7348-50', 7400-02', 7429-31', 7436-38', 7442-43' w/ 3 spf.

32. FORMATION (LOG) MARKERS

Lower Price River	8951
Sego	9460

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 1339-22

API number: 4304739620

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

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
190	195	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 11/7/2008

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU0284A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CHAPITA WELLS UNIT 1339-22

9. API Well No.
43-047-39620

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 22 T9S R22E NENW 162FNL 1330FWL
40.02829 N Lat, 109.43076 W Lon

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

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

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

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat. Interim reclamation was completed on 1/27/2009.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #67161 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal

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

Signature *Mary A. Maestas* (Electronic Submission) Date 02/10/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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

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

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

RECEIVED
FEB 12 2009