

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. UTU0281
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. CHAPITA WELLS UNI
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		8. Lease Name and Well No. CHAPITA WELLS UNIT 742-03H
3b. Phone No. (include area code) Ph: 435-781-9111		9. API Well No. 43047-39685
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWSE 832FSL 2162FEL 40.06012 N Lat, 109.42431 W Lon At proposed prod. zone NENE 484FNL 1050FEL 40.07088 N Lat, 109.42049 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 46.5 MILES SOUTH OF VERNAL, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area Sec 3 T9S R22E Mer SLB
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 484	16. No. of Acres in Lease 2558.00	12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 40	19. Proposed Depth 11239 MD 7456 TVD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4802 GL	20. BLM/BIA Bond No. on file NM 2308	17. Spacing Unit dedicated to this well
	22. Approximate date work will start	23. Estimated duration 45 DAYS

24. Attachments

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

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

25. Signature (Electronic Submission)	Name (Printed/Typed) KAYLENE R GARDNER Ph: 435-781-9111	Date 10/03/2007
Title LEAD REGULATORY ASSISTANT		
Approved by (Signature)	Name (Printed/Typed) BRADLEY G. HILL	Date 10-10-07
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 #56621 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal

RECEIVED

OCT 05 2007

DIV. OF OIL, GAS & MINING

Federal Approval of this
Action is Necessary

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

Surf
634445X
4435409Y
40.060110
- 109.423648

BHL 634750X
4436610Y
40.070879
- 109.419824

EIGHT POINT PLAN

**CHAPITA WELLS UNIT 742-03H
SW/SE, SEC. 3, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH**

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

FORMATION	TVD-RKB (ft)	MD - RKB (ft)	Objective	Lithology	Objective
Green River	2004	2004		Shale	
Mahogany Oil Shale	2667	2667		Shale	
Uteland Butte MBR	4896	4896		Limestone	
Wasatch	5048	5048	Secondary	Sandstone	Gas
Chapita Wells	5638	5638	Secondary	Sandstone	Gas
Buck Canyon	6325	6325	Secondary	Sandstone	Gas
Kick-off Point	6903	6903			
North Horn	7007	7008	Primary	Sandstone	Gas
Landing Point (88.8°)	7381	7643			
TD	7456	11239			

Estimated TD: 7456' TVD / 11239' MD (±200')

Anticipated BHP: 4,070 psi

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

3. PRESSURE CONTROL EQUIPMENT: Intermediate & Production hole – 5000 Psig BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	Weight	Grade	Thread	Collapse	Burst	Tensile
Conductor	17 ½"	0 – 45'	13 ⅜"	48.0#	H-40	STC	770 psi	1730 psi	322,000#
Surface	12 ¼"	0 – 2300'±	9 ⅝"	36.0#	J-55	STC	2020 psi	3520 psi	394,000#
Intermediate	8 ¾"	0 – 7643'±	7"	23.0#	P-110	LTC	5650 psi	8720 psi	590,000#
Production	6 ¼"	0 – 11239'±	4-½"	11.6#	HCP-110	LTC	8650 psi	10690 psi	279,000#

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

All casing will be new or inspected.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 742-03H
SW/SE, SEC. 3, 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)

Intermediate Hole Procedure (2300'± - 7643'±)

Float shoe, 1 joint casing, float collar and balance of casing to surface. Centralizers: 6900' (KOP) to 4550' (500' above Wasatch), 1 every other joint (bow-spring). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

Production Hole (7643'± - 11239'±)

4 ½" P-110 dual float, latch-in casing shoe (with latch-in rupture plug) and balance of casing to surface. 4 marker joints (4-½", 11.6#, HCP-110) to be placed 1000' from TD, middle of lateral, 1000' from 7" casing shoe, & KOP. Centralizers: 11239'(TD) to 6400' (500' above KOP), 1 per joint (solid body, rigid, straight-ribbed); 6400' (500' above KOP) to 4550' (500' above Wasatch), 1 every other joint (bow-spring). Thread lock float shoe

6. MUD PROGRAM

Surface Hole (Surface - 2300'±)

Air/air mist or aerated water.

Intermediate Hole (2300'± - 7643'±)

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

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. Defloculants/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.

Production Hole (8216'± - 11801'±)

Anticipated MW 10.0 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

Same mud system as intermediate hole. Torque/drag reducing lubricants will be used as needed, based on hole conditions in the horizontal section.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 742-03H
SW/SE, SEC. 3, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

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 (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.

EIGHT POINT PLAN

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SW/SE, SEC. 3, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

Intermediate Hole (2300'± - 7643'±)

Lead: 105 sks: Hi-Lift "G" w/12.0% D20 (Bentonite), 1.0% D79 (Extender), 5.0% D44 (Accelerator), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D130 (LCM) mixed at 11.0 ppg, 3.98 ft³/sk., 25.25 gps water.

Tail: 360 sks: 50:50 Poz "G" w/ 2.0% D20 (Bentonite), 0.1% D46 (Antifoam), 0.1% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.29 ft³/sk., 5.98gps water

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to ±1800' (500'± above 9-5/8" casing shoe)
Tail volume to be calculated to bring cement to ±4550' (500' above Wasatch).

Final Cement volumes will be based upon gauge-hole plus 50% excess.

Production Hole (7643'± - 11239'±)

Tail: 535 sks: 50:50 Poz "G" w/ 2.0% D20 (Bentonite), 0.2% D65 (Dispersant), 0.4% D167 (Fluid Loss Additive), 0.1% D46 (Antifoam), 0.1% D13 (Retarder) mixed at 14.1 ppg, 1.29 ft³/sk., 5.96gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Tail volume to be calculated to bring cement to ±4550' (500' above Wasatch)

Final Cement volumes will be based upon carbide lags pumped while drilling or gauge-hole plus 30% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±)
Lost circulation

Intermediate Hole (2300'± - 7643'±)
Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

Production Hole (7643'± - 11239'±)
Hole stability in deviated wellbore.

EIGHT POINT PLAN

**CHAPITA WELLS UNIT 742-03H
SW/SE, SEC. 3, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH**

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

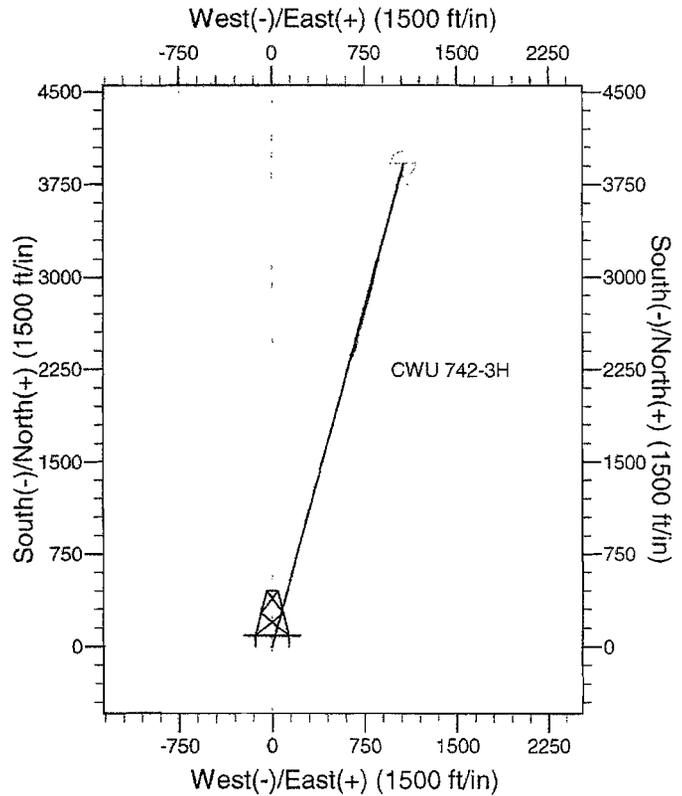
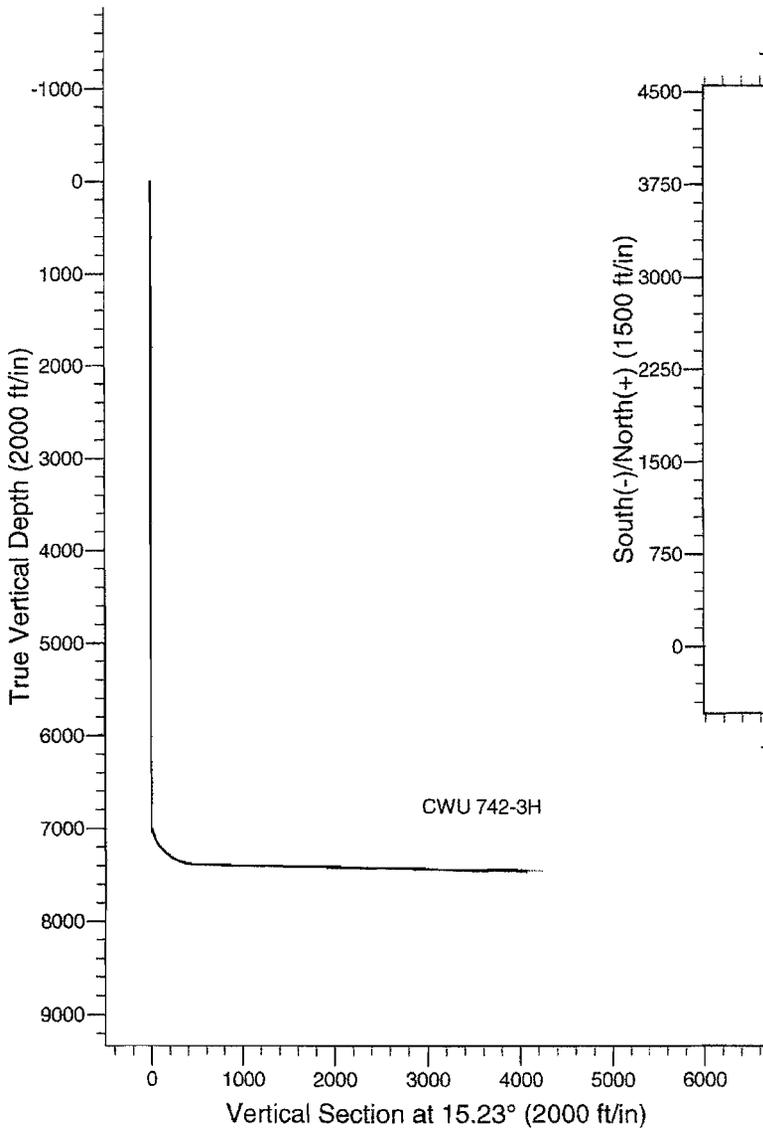
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold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

(Attachment: BOP Schematic Diagram)

CWU 742-03H
Section 3 T9S R22E
Uintah County, UT

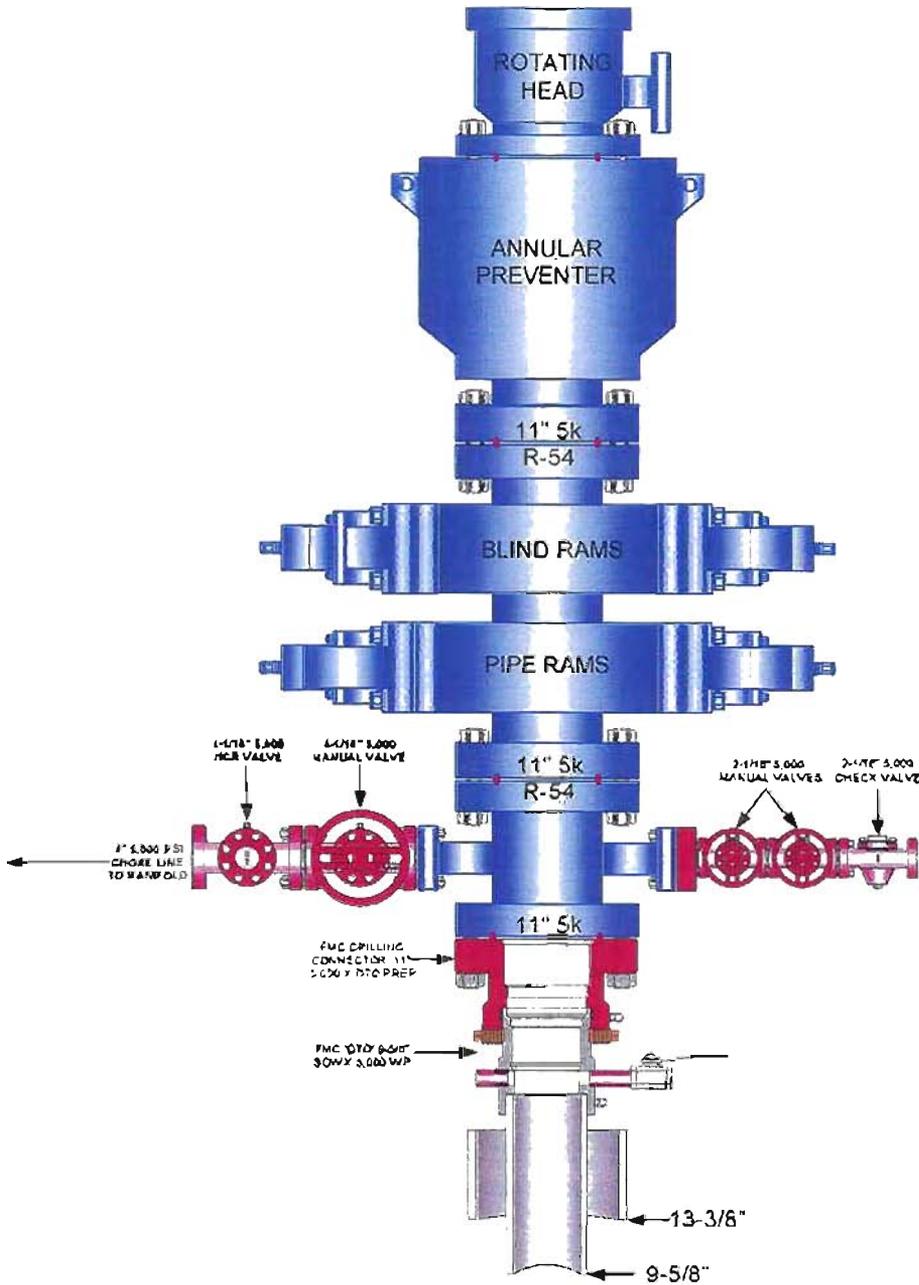
SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	6903.34	0.00	0.00	6903.34	0.00	0.00	0.00	0.00	0.00	
3	7643.34	88.80	15.23	7380.70	451.05	122.81	12.00	15.23	467.47	
4	11238.99	88.80	15.23	7456.00	3919.64	1067.23	0.00	0.00	4062.33	CWU 742-3H

Bottom Hole Location							
Name	TVD	+N/-S	+E/-W	Latitude	Longitude	Shape	
CWU 742-3H	7456.00	3919.64	1067.23	40° 4' 15.290 N	109° 25' 11.336 W	Circle (Radius: 100.00)	



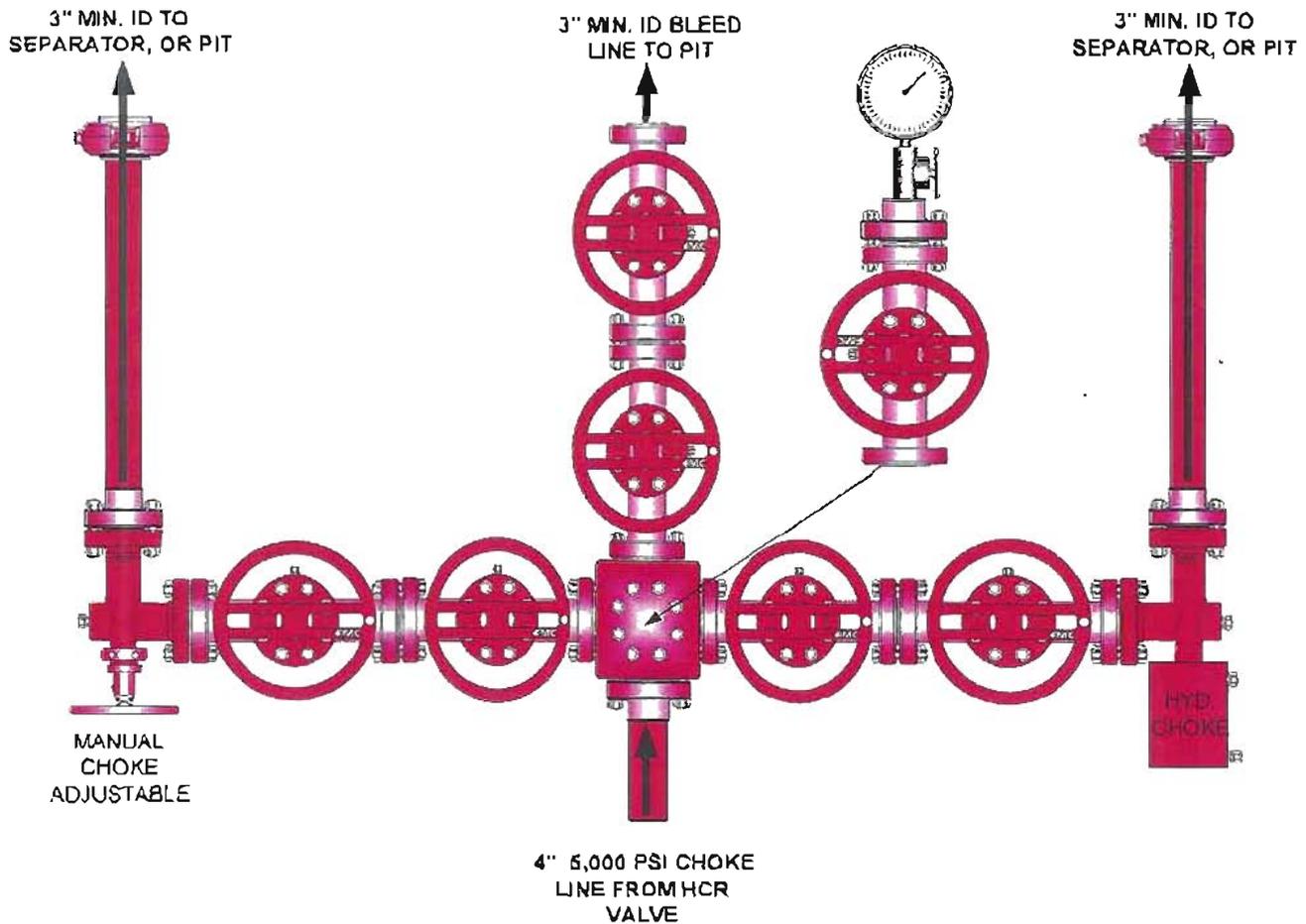
Plan: Plan #1 (CWU 742-3H/Wellbore #1)
 Prepared: 10:35, October 02 2007
 B. Thompson

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



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

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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 742-03H
SWSE, Section 3, 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 360 feet long with a 40-foot right-of-way, disturbing approximately 0.33 acres. New surface disturbance associated with the well pad and access road is estimated to be 2.58 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 46.5 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 360' in length. 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 be used.

- J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

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

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

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

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

Traveling off the 40-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth 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 will be required. The entire length of the proposed 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. No off well pad pipeline will be required. The pipeline will tie-in to an existing pipeline on pad for Chapita Wells Unit 833-3.

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

6. SOURCE OF CONSTRUCTION MATERIALS:

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

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

1. Cuttings will be confined in the reserve pit.
2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.

3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or 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 southeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the south side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

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

Access to the well pad will be from the north.

Erosion structure east of corner #1 will remain as is, the erosion dam east of corner #2 will be moved east spilling into a third dam south of corner #2.

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. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

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

Seed Mixture	Drilled Rate (lbs./acre PLS*)
HyCrest Wheatgrass	6.0
Needle and Threadgrass	6.0

*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 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 April 16, 2007 MOAC report No. 06-607. 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 742-03H Well, located in the SWSE, of Section 3, 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.

October 3, 2007 _____
Date



Lead, Regulatory Assistant

EOG RESOURCES, INC.

CWU #742-3H

LOCATED IN UINTAH COUNTY, UTAH
SECTION 3, T9S, R22E, S.L.B.&M.

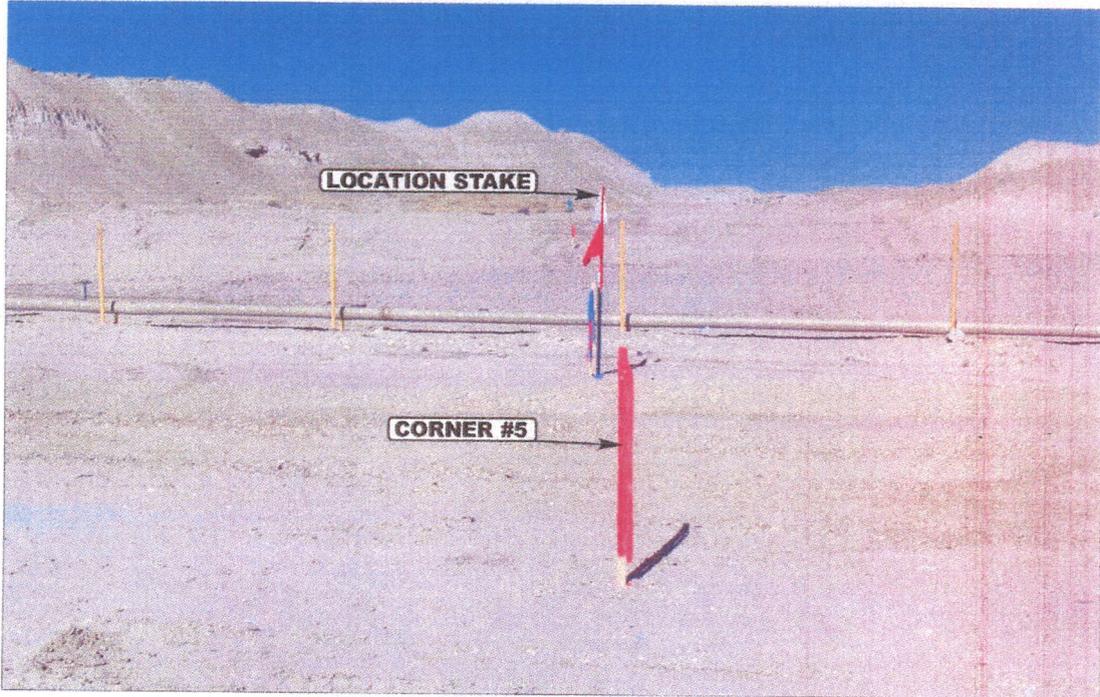


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

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

LOCATION PHOTOS

09 25 07
MONTH DAY YEAR

PHOTO

TAKEN BY: C.R.

DRAWN BY: C.P.

REVISED: 00-00-00

EOG RESOURCES, INC.

CWU #742-3H

SECTION 3, 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 A EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; PROCEED IN A SOUTHEASTERLY; THEN NORTHEASTERLY DIRECTION APPROXIMATELY 2.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 200' TO THE BEGINNING OF THE ROAD RE-ROUTE TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY DIRECTION APPROXIMATELY 360' TO THE PROPOSED LOCATION.

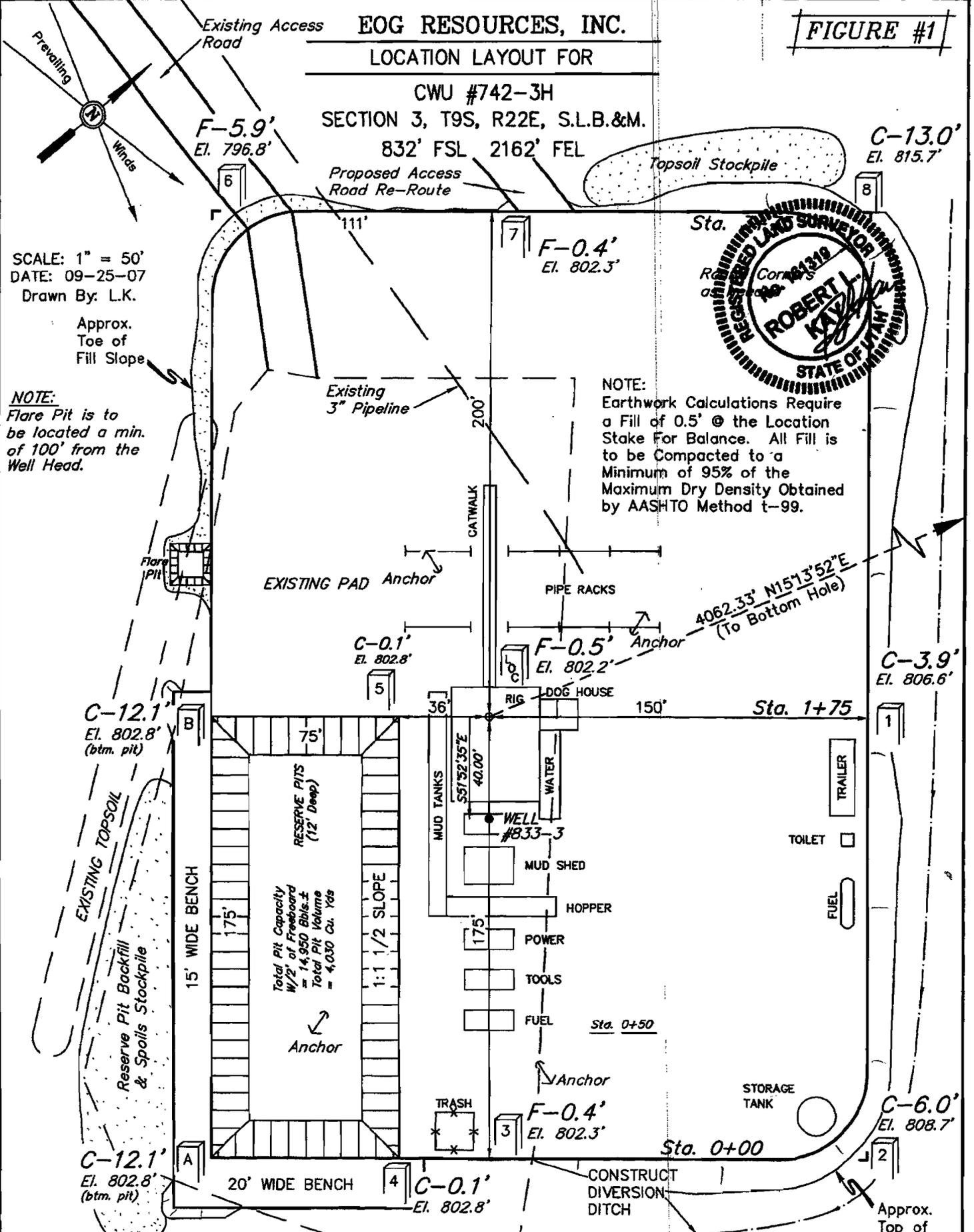
TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 46.5 MILES.

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

CWU #742-3H
SECTION 3, T9S, R22E, S.L.B.&M.

832' FSL 2162' FEL

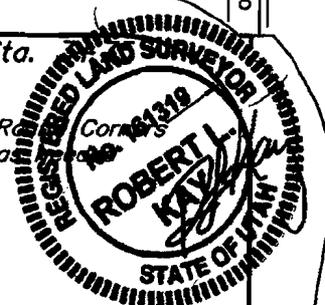


SCALE: 1" = 50'
DATE: 09-25-07
Drawn By: L.K.

Approx. Toe of Fill Slope

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

NOTE: Earthwork Calculations Require a Fill of 0.5' @ the Location Stake For Balance. All Fill is to be Compacted to a Minimum of 95% of the Maximum Dry Density Obtained by AASHTO Method t-99.



Elev. Ungraded Ground at Location Stake = 4802.2'
Elev. Graded Ground at Location Stake = 4802.7'

EOG RESOURCES, INC.

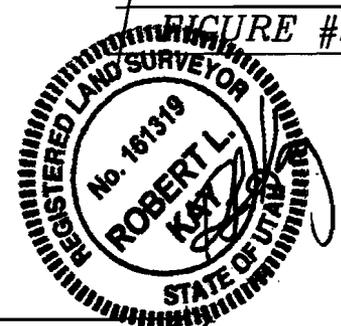
TYPICAL CROSS SECTIONS FOR

CWU #742-3H

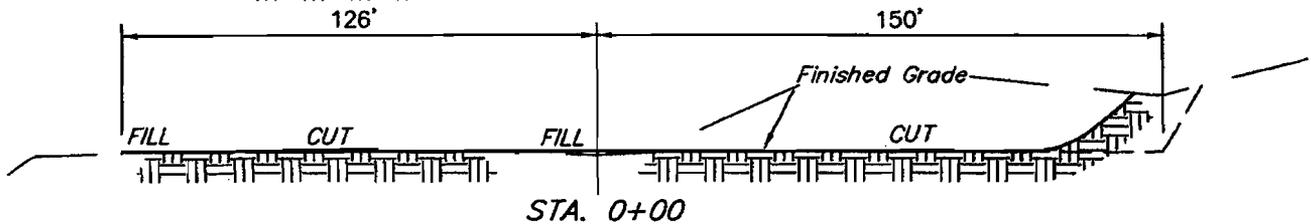
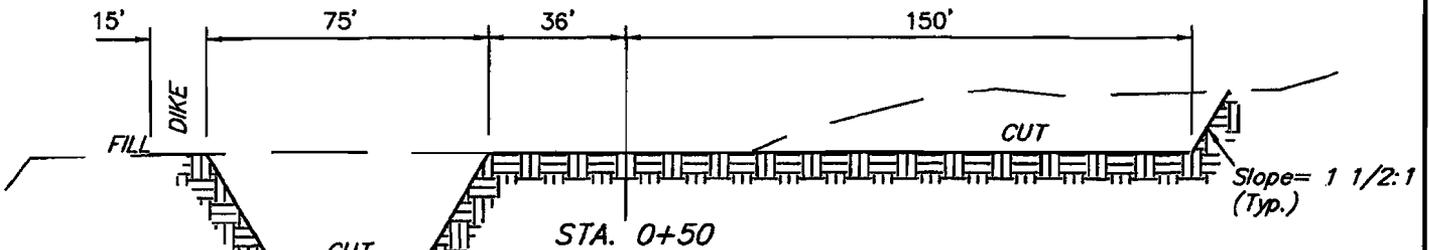
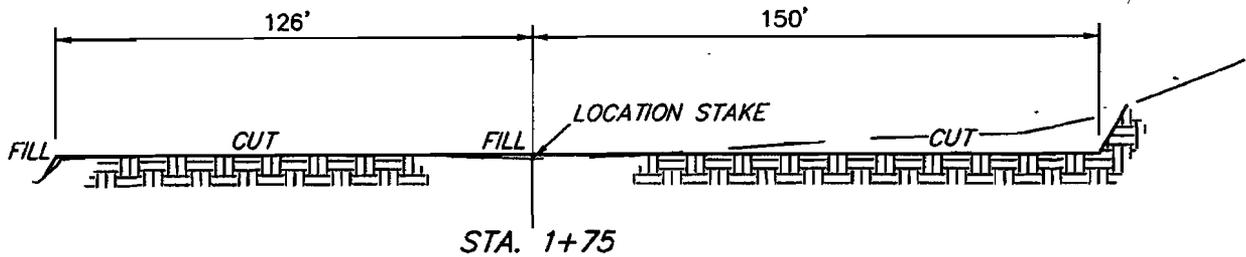
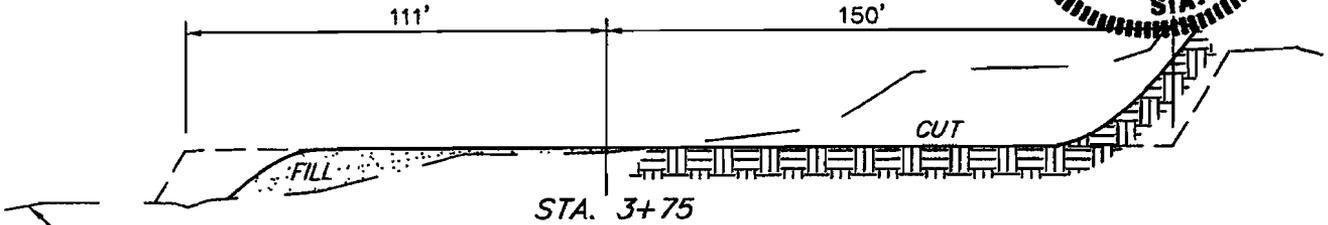
SECTION 3, T9S, R22E, S.L.B.&M.

832' FSL 2162' FEL

FIGURE #2



1" = 20'
 X-Section Scale
 1" = 50'
 DATE: 09-25-07
 Drawn By: L.K.



* NOTE:
 FILL QUANTITY INCLUDES
 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	1,270 Cu. Yds.
(New Construction Only)		
Remaining Location	=	9,630 Cu. Yds.
TOTAL CUT	=	10,900 CU.YDS.
FILL	=	1,420 CU.YDS.

EXCESS MATERIAL	=	9,480 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	3,290 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	=	6,190 Cu. Yds.

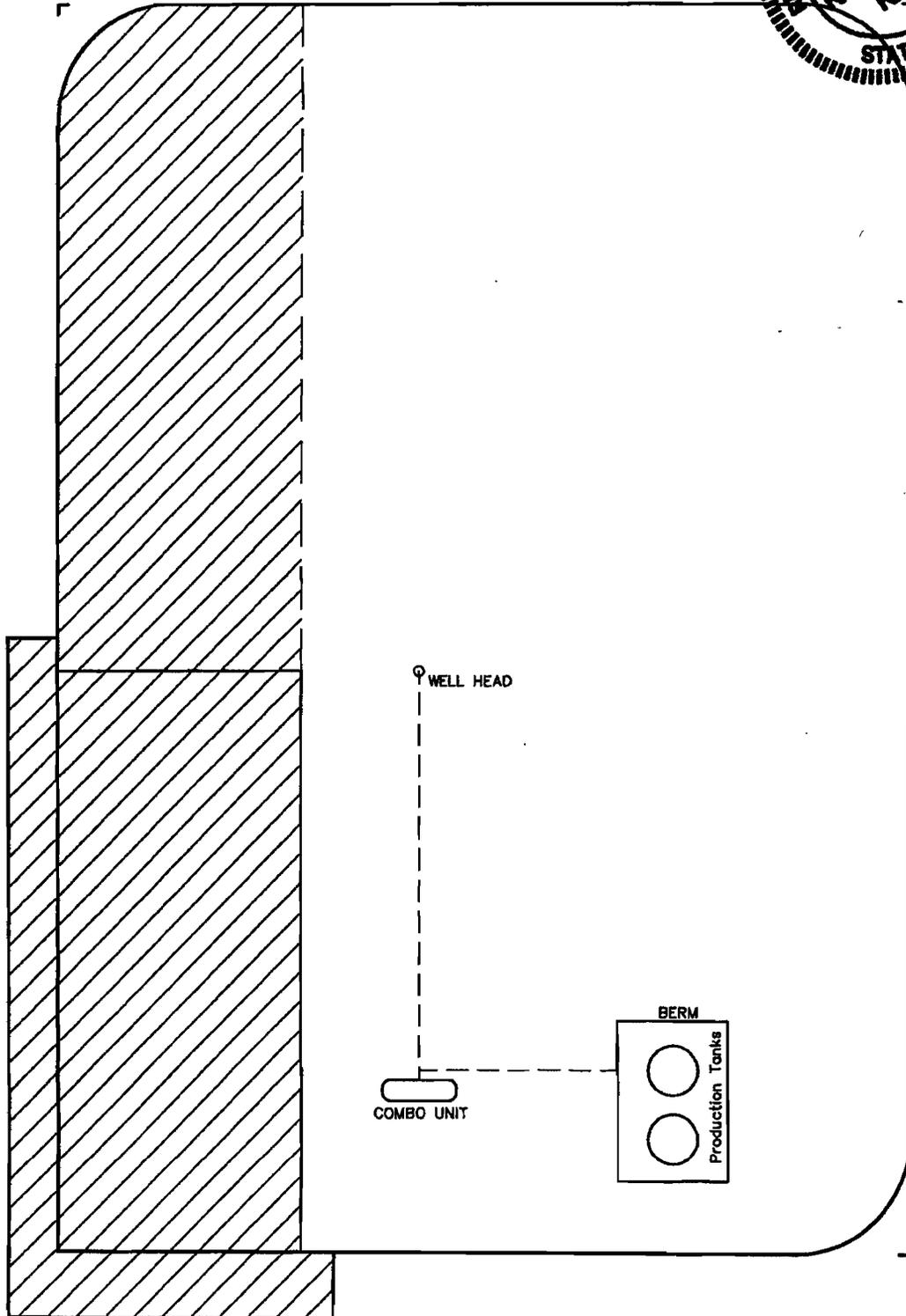
EOG RESOURCES, INC.
PRODUCTION FACILITY LAYOUT FOR

CWU #742-3H
SECTION 3, T9S, R22E, S.L.B.&M.
832' FSL 2162' FEL

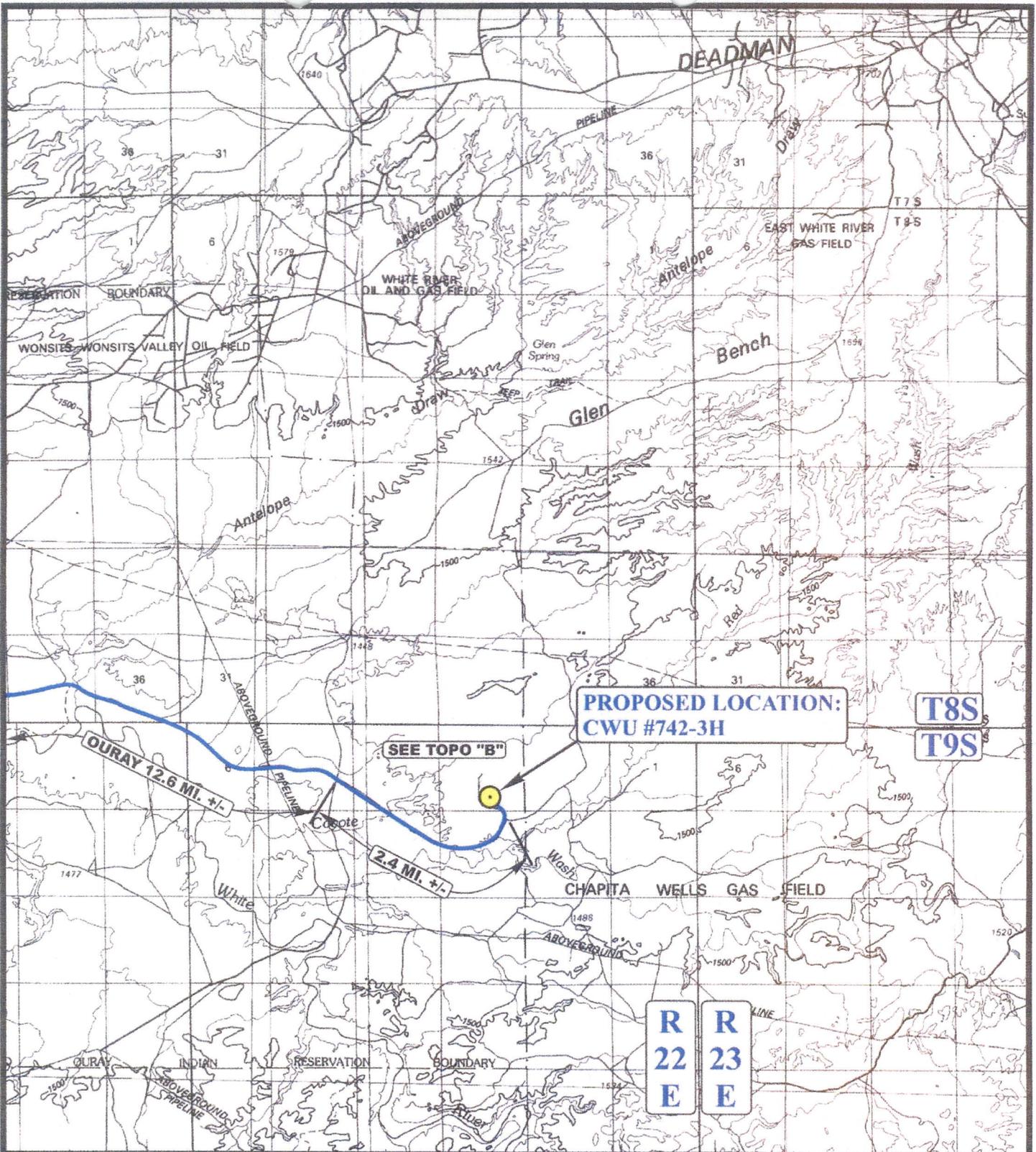
FIGURE #3



SCALE: 1" = 50'
DATE: 09-25-07
Drawn By: L.K.



 RE-HABED AREA



**PROPOSED LOCATION:
CWU #742-3H**

**T8S
T9S**

**R
22
E**

**R
23
E**

LEGEND:

 **PROPOSED LOCATION**



EOG RESOURCES, INC.

**CWU #742-3H
SECTION 3, T9S, R22E, S.L.B.&M.
832' FSL 2162' FEL**

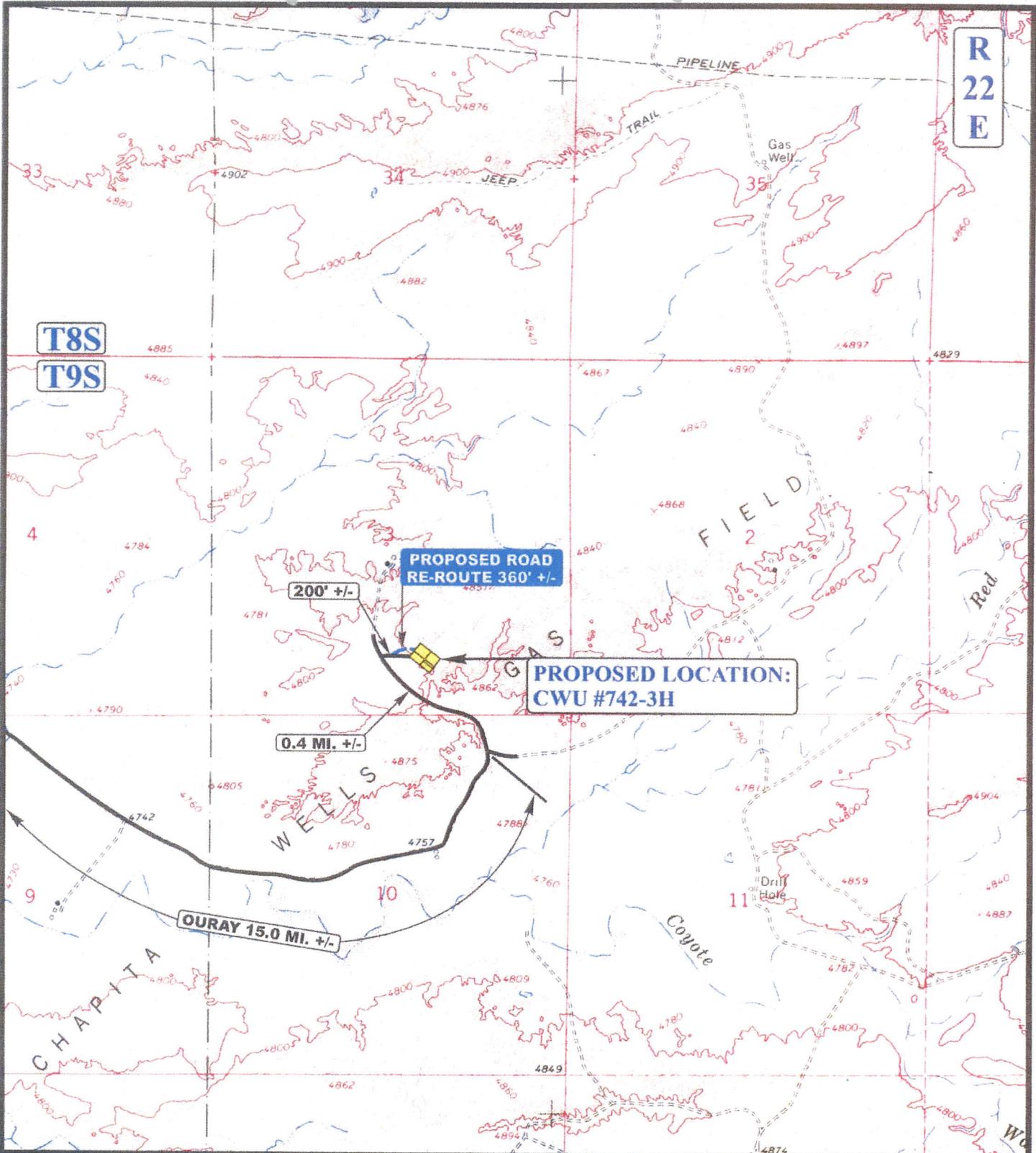


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC **09 25 07**
MAP MONTH DAY YEAR

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





LEGEND:

- EXISTING ROAD
- PROPOSED ROAD RE-ROUTE



EOG RESOURCES, INC.

CWU #742-3H
SECTION 3, T9S, R22E, S.L.B.&M.
832' FSL 2162' FEL

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

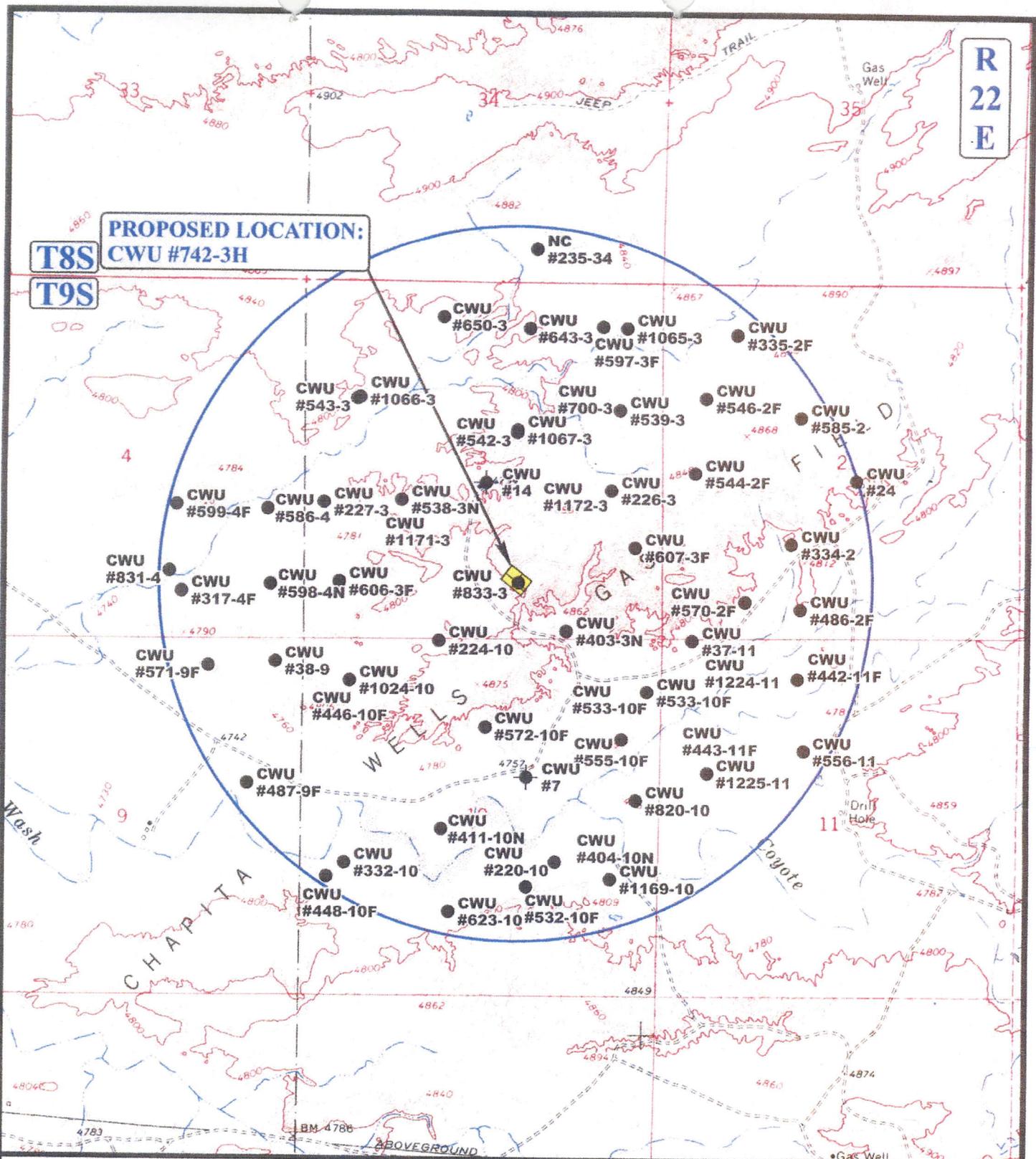
TOPOGRAPHIC MAP **09 25 07**
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00 **B**
 TOPO

R
22
E

PROPOSED LOCATION:
CWU #742-3H

T8S

T9S



LEGEND:

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

EOG RESOURCES, INC.

CWU #742-3H
SECTION 3, T9S, R22E, S.L.B.&M.
832' FSL 2162' FEL



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



TOPOGRAPHIC
MAP

09 25 07
MONTH DAY YEAR

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



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 10/05/2007

API NO. ASSIGNED: 43-047-39685

WELL NAME: CWU 742-03H
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:
 SWSE 03 090S 220E
 SURFACE: 0832 FSL 2162 FEL
 BOTTOM: 0484 FNL 1050 FEL
 COUNTY: UINTAH
 LATITUDE: 40.06011 LONGITUDE: -109.4237
 UTM SURF EASTINGS: 634445 NORTHINGS: 4435409
 FIELD NAME: NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU0281
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: NHORN
 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. # Horizontal

Unit: CHAPITA WELLS

R649-3-2. General
 Siting: 460 From Qtr/Qtr & 920' Between Wells

R649-3-3. Exception

Drilling Unit
 Board Cause No: 179-8
 Eff Date: 8-10-1999
 Siting: Suspends (General) (Siting)

R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1- Federal Approval
2- OIL SHALE

N CHAPITA 340-34

N CHAPITA 235-34

CHAPITA GROVE
6-34GR

T8S R22E

T9S R22E

NATURAL BUTTES FIELD CHAPITA WELLS UNIT CAUSE: 179-8 / 8-10-1999

CWU 1177-3

CWU 650-3

CWU 1182-03
CWU 643-3

8-10
742-05H

CWU 597-3F
CWU 1065-3

CWU 1066-3
CWU 543-3

CWU 539-3
CWU 700-3GR

CWU 1067-3
CWU 542-3

CWU 1219-02
CWU 544-2F

3
CWU 14

CWU 1172-3
CWU 226-3

CWU 227-3

CWU 1171-3
CWU 538-3N

CWU 607-3F

CWU 606-3F

CWU 541-3

CWU 833-3
CWU 742-05H

CWU 403-3N

CWU 37-11
CWU 1224-11

CWU 38-9

CWU 1024-10
CWU 446-10F

CWU 639-10

CWU 1176-10
CWU 533-10F

CWU 637-10

OPERATOR: EOG RESOURCES INC (N9550)

SEC: 3 T.11S R. 23E

FIELD: NATURAL BUTTES (630)

COUNTY: LINCOLN

CAUSE: 179-8 / 8-10-1999



OIL, GAS & MINING



PREPARED BY: DIANA MASON
DATE: 05-OCTOBER-2007

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

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 GEOTHERMAL
- ⊠ PP OIL
- ⊠ SECONDARY
- ⊠ TERMINATED

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)

October 9, 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 horizontal completion is planned for calendar year 2007 within the Chapita Wells Unit, Uintah County, Utah.

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

(Proposed PZ Wasatch)

43-047-39685	CWU 742-03H Sec 03 T09S R22E 0832 FSL 2162 FEL	
	BHL Sec 03 T09S R22E 0484 FNL 1050 FEL	

This office has no objection to permitting the well 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:10-9-07



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

October 10, 2007

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

Re: Chapita Wells Unit 742-03H Well, Surface Location 832' FSL, 2162' FEL, SW SE, Sec. 3, T. 9 South, R. 22 East, Bottom Location 484' FNL, 1050' FEL, NE NE, Sec. 3, 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 43-047-39685.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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



Operator: _____ EOG Resources, Inc. _____
Well Name & Number _____ Chapita Wells Unit 742-03H _____
API Number: _____ 43-047-39685 _____
Lease: _____ UTU0281 _____

Surface Location: SW SE **Sec. 3** **T. 9 South** **R. 22 East**
Bottom Location: NE NE **Sec. 3** **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 with 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 Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.
6. 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

RECEIVED

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

OCT 03 2007

APPLICATION FOR PERMIT TO DRILL OR REENTER

BLM

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU0281
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. UTU63013Y
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-9111	8. Lease Name and Well No. CWU 742-3H
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SWSE 832FSL 2162FEL 40.06012 N Lat, 109.42431 W Lon At proposed prod. zone Lot 1 484FNL 1050FEL 40.07088 N Lat, 109.42439 W Lon		9. API Well No. 43 047 391085
14. Distance in miles and direction from nearest town or post office* 46.5 MILES SOUTH OF VERNAL, UTAH		10. Field and Pool, or Exploratory NATURAL BUTTES
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 484	16. No. of Acres in Lease 2557.84	11. Sec., T., R., M., or Blk. and Survey or Area Sec 3 T9S R22E Mer SLB SME: BLM
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 40	19. Proposed Depth 11239 MD 7456 TVD	12. County or Parish UINTAH
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4802 GL	22. Approximate date work will start	13. State UT
20. BLM/BIA Bond No. on file NM2308		17. Spacing Unit dedicated to this well
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 10/03/2007
Title LEAD REGULATORY ASSISTANT		
Approved by (Signature) 	Name (Printed/Typed) GAIL JENKINS	Date 1-28-2008
Title Assistant Field 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 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 #56621 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal
Committed to AFMSS for processing by GAIL JENKINS on 10/03/2007 (08GXJ0064AE)

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

RECEIVED

FEB 01 2008

** BLM REVISED **

DIR. OF OIL, GAS & MINING

07GXJ5875AE
105 9/28/07



**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	Location:	SWSE, Sec 3, T9S, R22E
Well No:	CWU 742-3H	Lease No:	UTU-0281
API No:	43-047-39685	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
NRS/Enviro Scientist:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	
NRS/Enviro Scientist:		(435) 781-4476	
NRS/Enviro Scientist:	Chuck MacDonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Jannice Cutler	(435) 781-3400	(435) 828-3544
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	
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)**

General Surface COAs:

- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:
 - 6 lbs Hycrest and 6 lbs of Needle and Thread grass
- Since a BLM qualified paleontology monitor was required for the 833-3 (the original well of the "twin"), it will again be required during construction. 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.
- All the culverts will be installed according to the BLM Gold Book.
- The road and well pad will have road base on the surface.
- Bury pipeline at all low water crossings.
- Permission from an authorized BLM representative will be required if construction or other operations occur during wet conditions that will lead to excessive rutting.
- Permission to clear all wildlife stipulations will only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.
- The spillway on the existing pond at corner 2 will be improved with rock armoring.
- The bypassed portion of the existing access road will be rehabilitated and re-seeded with the interim seed mix.

DOWNHOLE CONDITIONS OF APPROVAL

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

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- The top of the intermediate casing cement shall extend a minimum of 200 feet above the surface casing shoe.
- The top of the production casing cement shall extend a minimum of 200 feet above the intermediate casing shoe.
- A 75 foot long blooie line is approved. All other equipment for air/gas drilling shall meet specifications in Onshore Order #2, Requirements, E. Special Drilling Operations.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

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

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

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

- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- 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.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 742-03H

Api No: 43-047-39685 Lease Type: FEDERAL

Section 03 Township 09S Range 22E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # RATHOLE

SPUDDED:

Date 06/04/08

Time 4:30 PM

How DRY

Drilling will Commence: _____

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 06/06/08 Signed CHD

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

FORM 6

ENTITY ACTION FORM

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

Well 1

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

Well 2

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

Well 3

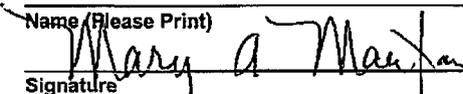
API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39599	Chapita Wells Unit 732-32		NESW	32	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>EA</i>	99999	<i>16899</i>	6/5/2008		<i>6/19/08</i>		
Comments: <u>Wasatch well</u>							

ACTION CODES:

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

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JUN 05 2008

Mary A. Maestas
 Name (Please Print)

 Signature
 Regulatory Assistant
 Title
 6/5/2008
 Date

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.
UTU0281

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

8. Well Name and No.
CHAPITA WELLS UNIT 742-03H

9. API Well No.
43-047-39685

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

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

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG RESOURCES INC

Contact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 3 T9S R22E SWSE 832FSL 2162FEL
40.06012 N Lat, 109.42431 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 Well Spud
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

The referenced well spud on 6/4/2008.

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

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #60672 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 06/05/2008

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 ****

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU0281

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

2. Name of Operator
EOG RESOURCES, INC. Contact: KAYLENE R GARDNER
E-Mail: kaylene_gardner@eogresources.com

3. Address 1060 EAST HIGHWAY 40
VERNAL, UT 84078 3a. Phone No. (include area code)
Ph: 435-781-9111

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface SWSE 832FSL 2162FEL 40.06010 N Lat, 109.42400 W Lon
 At top prod interval reported below SWSE 832FSL 2162FEL 40.06010 N Lat, 109.42400 W Lon
 At total depth SWSE 832FSL 2162FEL 40.06010 N Lat, 109.42400 W Lon

6. If Indian, Allottee or Tribe Name
7. Unit or CA Agreement Name and No.
CHAPITA WELLS UNI
8. Lease Name and Well No.
CHAPITA WELLS UNIT 742-03H
9. API Well No.
43-047-39685
10. Field and Pool, or Exploratory
NATURAL BUTTES
11. Sec., T., R., M., or Block and Survey
or Area Sec 3 T9S R22E Mer SLB
12. County or Parish
UINTAH 13. State
UT
14. Date Spudded
06/04/2008 15. Date T.D. Reached
06/14/2008 16. Date Completed
 D & A Ready to Prod.
06/15/2008 17. Elevations (DF, KB, RT, GL)*
4802 GL
18. Total Depth: MD 2300 TVD
19. Plug Back T.D.: MD TVD
20. Depth Bridge Plug Set: MD TVD
21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
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
17.500	13.375 CONDUCT	48.0	0	45					

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A)						
B)						
C)						
D)						

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

Depth Interval	Amount and Type of Material

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
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

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. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

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JUN 23 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.)
UNKNOWN

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

32. Additional remarks (include plugging procedure):
The referenced well was plugged and abandoned 6/15/2008.

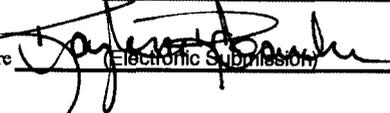
33. Circle enclosed attachments:

- 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 #60975 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal**

Name (please print) KAYLENE R GARDNER Title LEAD REGULATORY ASSISTANT

Signature  Date 06/19/2008

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.

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.
UTU0281

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 742-03H

9. API Well No.
43-047-39685

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

11. County or Parish, and State
UINTAH COUNTY 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: KAYLENE R GARDNER
E-Mail: KAYLENE_GARDNER@EOGRESOURCES.COM

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

3b. Phone No. (include area code)
Ph: 435-781-9111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 3 T9S R22E SWSE 832FSL 2162FEL
40.06012 N Lat, 109.42431 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 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

EOG RESOURCES, INC. PLUGGED AND ABANDONED THE REFERENCED WELL AS FOLLOWS:

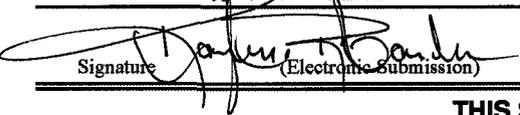
PLUG # 1: 2267' TO 1900'
TRIP IN HOLE WITH DRILL PIPE TO 2267'. MIRU HALLIBURTON CEMENTERS.MIXED & PUMPED 300 SX (61.5 BBLS) PREMIUM CEMENT W/ 2% CALC2. MIXED CEMENT @ 15.8 PPG W/ YIELD OF 1.15 CF/SX. DISPLACED CEMENT W/ 25 BBLS FRESH WATER. PULLED 16 JTS DRILL PIPE TO 1787'. HOLE STOOD FULL. WOC 4 HRS 30 MINUTES. TRIP IN HOLE & TAGGED CEMENT @ 1920'. LAID DOWN DRILL PIPE TO 1400'.

PLUG # 2: 1400' TO 1300'
MIXED & PUMPED 100 SX (20.5 BBLS) PREMIUM CEMENT W/ 2% CACL2. MIXED CEMENT @ 15.8 PPG W/ YIELD OF 1.15 CF/SX. DISPLACED CEMENT W/ 15 BBLS FRESH WATER. HAD GOOD CIRCULATION WHILE PUMPING. HOLE STOOD FULL. LAID DOWN ALL DRILL PIPE.

RECEIVED
JUN 23 2008

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #61029 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  (Electronic Submission) Date 06/19/2008

DIV. OF OIL, GAS & MINING

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 ****

Additional data for EC transaction #61029 that would not fit on the form

32. Additional remarks, continued

PLUG # 3: 100? TO SURFACE

RAN 100? OF 1? PIPE. RDMO ASPEN RIG 14. MIXED & PUMPED 150 SX (30.7 BBLS) PREMIUM CEMENT W/ 2% CACL₂. MIXED CEMENT TO 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE CIRCULATED CEMENT TO SURFACE & STOOD FULL.

DUG OUT CELLAR & CUT OF 14? CONDUCTOR PIPE 3? BELOW G.L. INSTALLED UNDERGROUND MARKED AS PER BLM REGULATIONS. P&A WAS WITNESSED BY BILL OWENS, VERNAL BLM.

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.
UTU0281

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

8. Well Name and No.
CHAPITA WELLS UNIT 742-03H

9. API Well No.
43-047-39685

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

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

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG RESOURCES, INC. Contact: KAYLENE R GARDNER
E-Mail: KAYLENE_GARDNER@EOGRESOURCES.COM

3a. Address
1060 E HWY 40
VERNAL, UT 84078
3b. Phone No. (include area code)
Ph: 435-781-9111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 3 T9S R22E SWSE 832FSL 2162FEL
40.06012 N Lat, 109.42431 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 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" 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	

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As per verbal approval received 6/15/2008 from Jim Ashley, Vernal BLM Field Office.

While drilling 12-1/4" hole the mud motor parted leaving 33' of mud motor and drill bit in the hole. TD was reached at 2300'. After several unsuccessful attempts for retrieval EOG requests authorization to P&A the referenced well as follows,

1. Trip in hole w/drill pipe to top of fish @ 2267', pump 100' cement plug 2267' to 2167'.
2. Run 1" pipe to 100' RDMO Aspen Rig 14 circulate w/cement from 100' to surface.

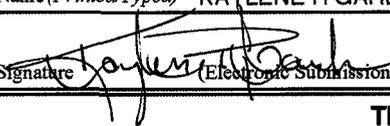
RECEIVED
JUN 23 2008
DIV. OF OIL, GAS & MINING

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

Electronic Submission #61028 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  (Electronic Submission)

Date 06/19/2008

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 ****

Additional data for EC transaction #61028 that would not fit on the form

32. Additional remarks, continued

3. Dig our cellar cut off 14" conductor 3' below surface install underground marker as per BLM regulation.