

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**

5. Lease Serial No.  
UTU0336

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.  
CHAPITA WELLS UNIT 733-33

1a. Type of Work:  DRILL  REENTER

1b. Type of Well:  Oil Well  Gas Well  Other  Single Zone  Multiple Zone

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

9. API Well No.  
4304739789

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

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

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

4. Location of Well (Report location clearly and in accordance with any State requirements.\*)  
At surface 642227<sup>x</sup> NENW 576FNL 1880FWL 39.99813 N Lat, 109.33460 W Lon  
At proposed prod. zone: 44286784 39.998214 - 109.333919

11. Sec., T., R., M., or Blk. and Survey or Area  
Sec 33 T9S R23E Mer SLB

14. Distance in miles and direction from nearest town or post office\*  
54.5 MILES SOUTH OF VERNAL, UTAH

12. County or Parish  
UINTAH

13. State  
UT

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)  
576' LEASE LINE

16. No. of Acres in Lease  
600.00

17. Spacing Unit dedicated to this well

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.  
60'

19. Proposed Depth  
6610 MD

20. BLM/BIA Bond No. on file  
NM2308

21. Elevations (Show whether DF, KB, RT, GL, etc.)  
5266 GL

22. Approximate date work will start

23. Estimated duration  
45 DAYS

**24. Attachments**

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

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 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).
- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 5. Operator certification
- 6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission) 	Name (Printed/Typed) MARY A. MAESTAS Ph: 303-824-5526	Date 11/08/2007
Title REGULATORY ASSISTANT		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 11-20-07
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.

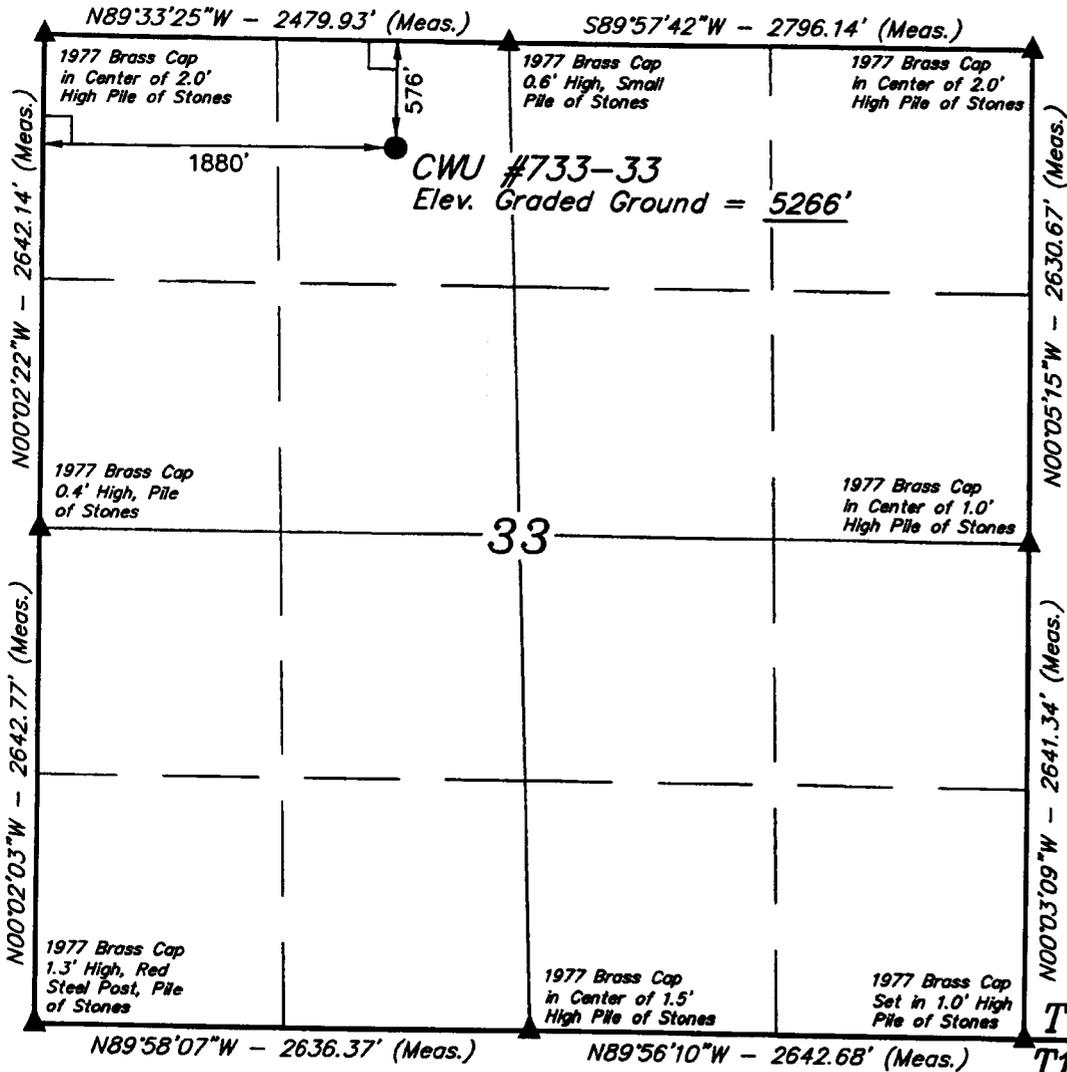
**Electronic Submission #57091 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

**Federal Approval  
Action Is Necessary**

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

**RECEIVED  
NOV 13 2007**

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



T9S  
T10S

## EOG RESOURCES, INC.

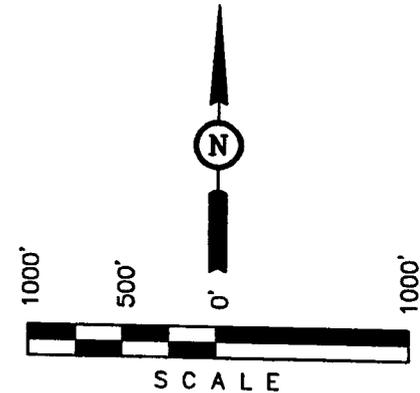
Well location, CWU #733-33, located as shown in the NE 1/4 NW 1/4 of Section 33, T9S, R23E, S.L.B.&M., Uintah County, Utah.

### BASIS OF ELEVATION

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

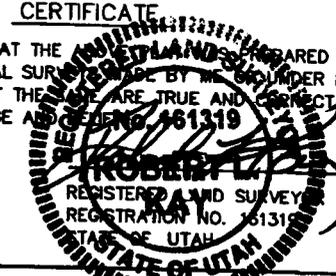
### BASIS OF BEARINGS

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



### CERTIFICATE

THIS IS TO CERTIFY THAT THE SURVEY WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. 161319



### LEGEND:

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

(NAD 83)  
 LATITUDE = 39°59'53.27" (39.998131)  
 LONGITUDE = 109°20'04.56" (109.334600)  
 (NAD 27)  
 LATITUDE = 39°59'53.39" (39.998164)  
 LONGITUDE = 109°20'02.12" (109.333922)

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

SCALE 1" = 1000'	DATE SURVEYED: 07-30-07	DATE DRAWN: 08-17-07
PARTY J.M. K.D. P.M.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 733-33**  
**NE/NW, SEC. 33, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>TVD-RKB (ft)</b>	<b>Objective</b>	<b>Lithology</b>	
Green River	1,462		Shale	
Wasatch	4,390	Primary	Sandstone	Gas
Chapita Wells	4,915	Primary	Sandstone	Gas
Buck Canyon	5,622	Primary	Sandstone	Gas
North Horn	6,164	Primary	Sandstone	Gas
KMV Price River	6,409		Sandstone	
<b>TD</b>	<b>6,610</b>			

Estimated TD: 6,610' or 200'± below Segó top

**Anticipated BHP: 3,610 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:**

<b>CASING</b>	<b>Hole Size</b>	<b>Length</b>	<b>Size</b>	<b>WEIGHT</b>	<b>Grade</b>	<b>Thread</b>	<b>Rating Collapse</b>	<b>Factor Burst</b>	<b>Tensile</b>
Conductor	17 1/2"	0 – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 1/4"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	233,000#

**Note:** 12-1/4" 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 733-33 NE/NW, SEC. 33, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 5. Float Equipment:

##### Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> 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 2<sup>nd</sup> 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 733-33 NE/NW, SEC. 33, T9S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

#### **8. EVALUATION PROGRAM:**

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

#### **9. CEMENT PROGRAM:**

##### **Surface Hole Procedure (Surface - 2300'±):**

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

**Tail:** 207 sks Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/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:** 120 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 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 472 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 ft<sup>3</sup>/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 733-33**  
**NE/NW, SEC. 33, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

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

**11. STANDARD REQUIRED EQUIPMENT:**

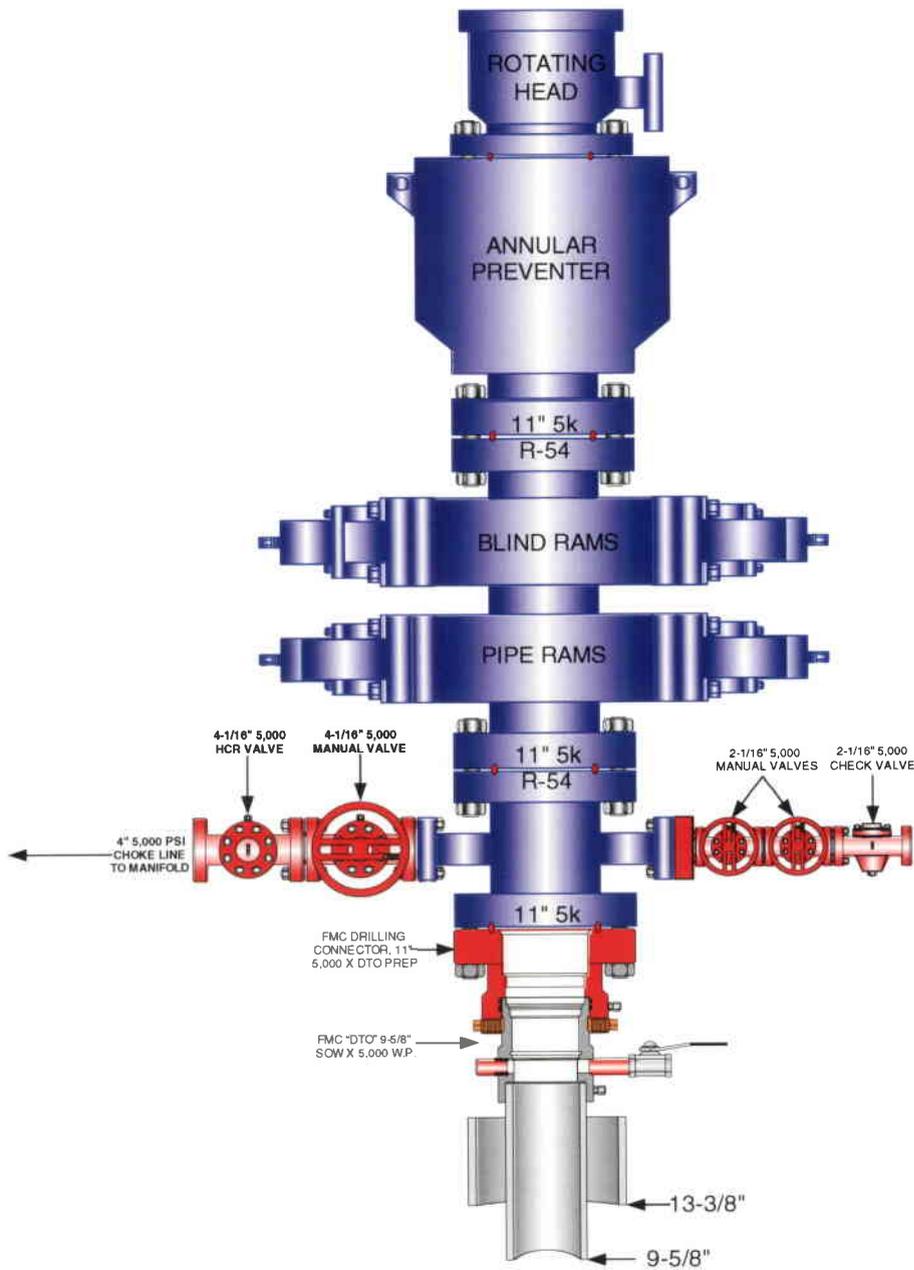
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

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

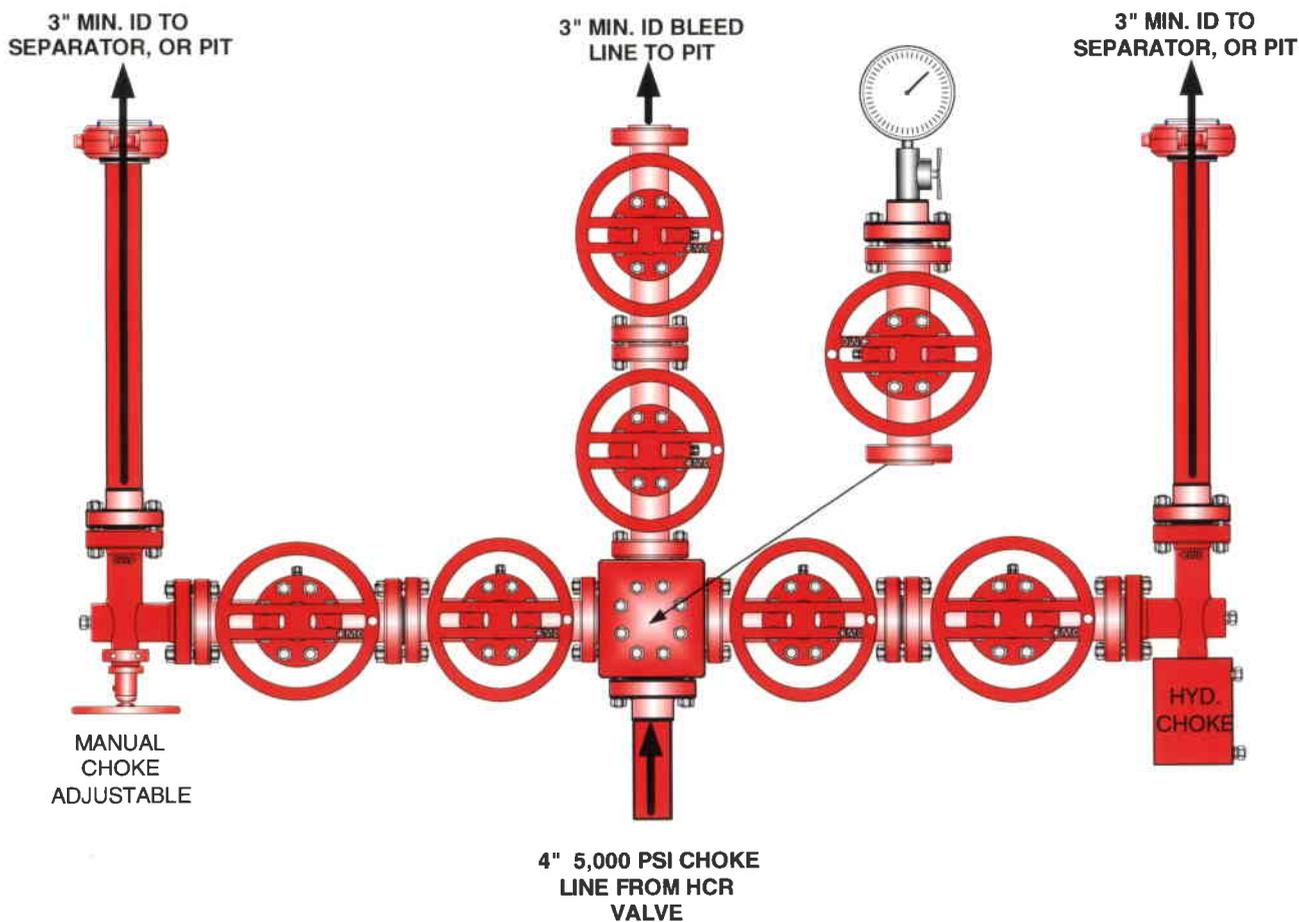
(Attachment: BOP Schematic Diagram)

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



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

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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 733-33  
NENW, Section 33, T9S, R23E  
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. New surface disturbance associated with the well pad is estimated to be 2.25 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 54.5 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 existing access road for the Chapita Wells Unit 865-33X will be used to access the proposed location. No new road will be required.
- B. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

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

Traveling off the 40-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, 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.

**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 new off-pad pipeline will be required. The existing pipeline for the Chapita Wells Unit 865-33X will be used to transport gas from the proposed location.

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

**5. LOCATION AND TYPE OF WATER SUPPLY:**

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

**6. SOURCE OF CONSTRUCTION MATERIALS:**

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

**7. METHODS OF HANDLING WASTE DISPOSAL:**

**A. METHODS AND LOCATION**

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

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

**The corners of the well pad will be rounded off as needed to minimize excavation.**

**FENCING REQUIREMENTS:**

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

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

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

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

**10. PLANS FOR RECLAMATION OF THE SURFACE:**

**A. Interim Reclamation (Producing Location)**

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

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

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

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

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

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

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

**B. Dry Hole/Abandoned Location**

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

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
Wyoming Big Sage	3.0
Shadscale	3.0
Needle and Threadgrass	3.0
HyCrest Wheatgrass	1.0
Scarlet Globe Mallow	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 or herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)
- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

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

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

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

A block cultural resources survey for Section 33, T9S, R23E was conducted and submitted by Montgomery Archaeological Consultants on 2/7/2007. A paleontology survey was conducted and will be submitted by Intermountain Paleo.

**Additional Surface Stipulations:**

None.

***LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:***

**PERMITTING AGENT**

Mary A. Maestas  
EOG Resources, Inc.  
1060 East Highway 40  
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.

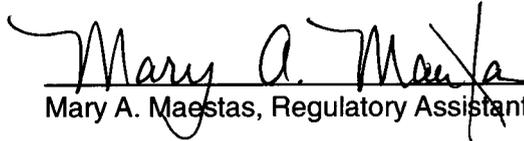
The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

**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 733-33 Well, located in the NENW, of Section 33, T9S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

November 8, 2007  
Date

  
Mary A. Maestas, Regulatory Assistant

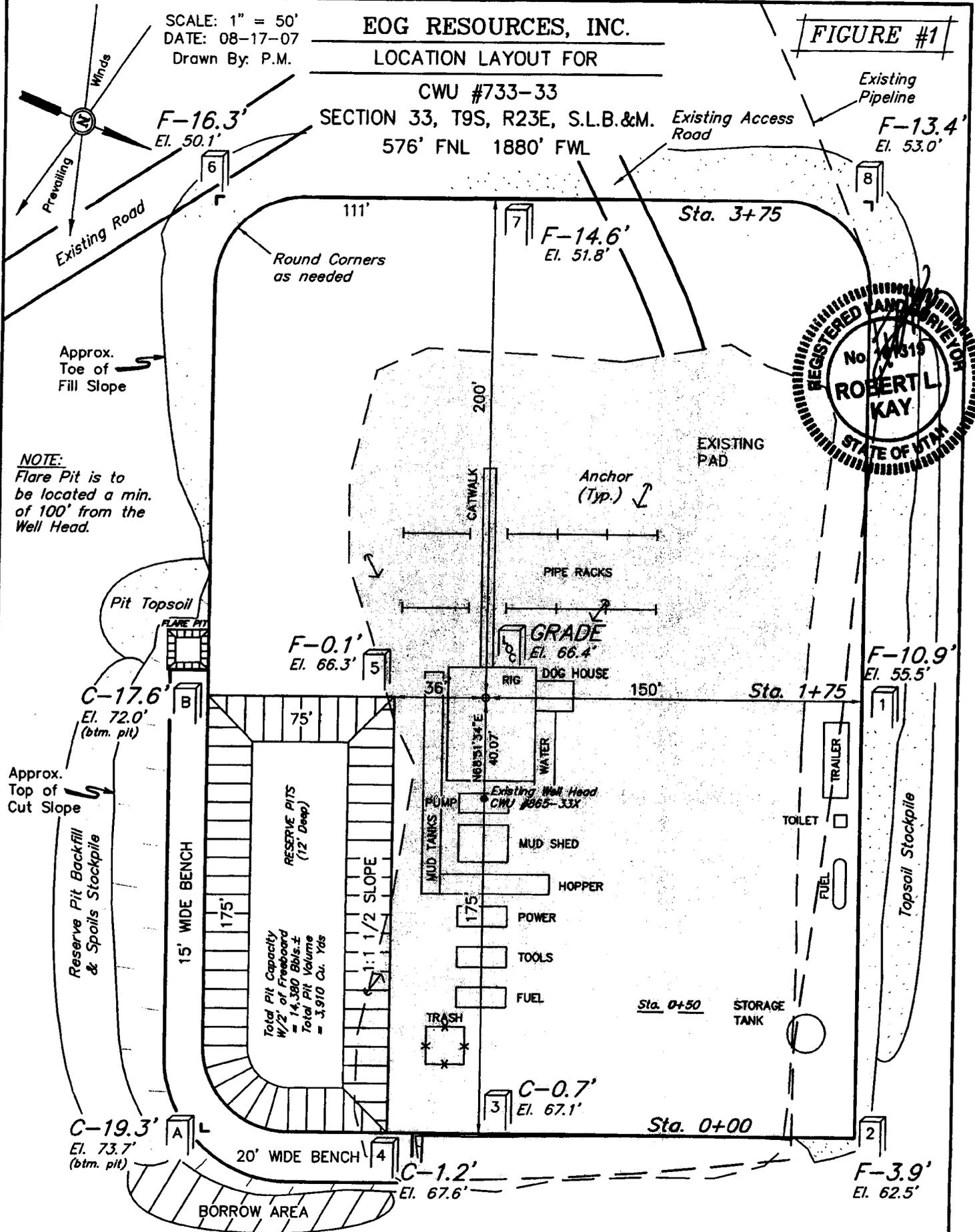
Date of onsite: September 27, 2007

SCALE: 1" = 50'  
 DATE: 08-17-07  
 Drawn By: P.M.

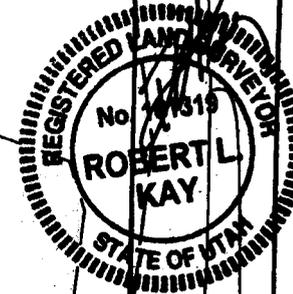
EOG RESOURCES, INC.

FIGURE #1

LOCATION LAYOUT FOR  
 CWU #733-33  
 SECTION 33, T9S, R23E, S.L.B.&M.  
 576' FNL 1880' FWL



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



Elev. Graded Ground at Location Stake = 5266.4'

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

EOG RESOURCES, INC.

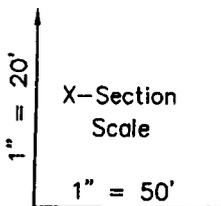
FIGURE #2

TYPICAL CROSS SECTIONS FOR

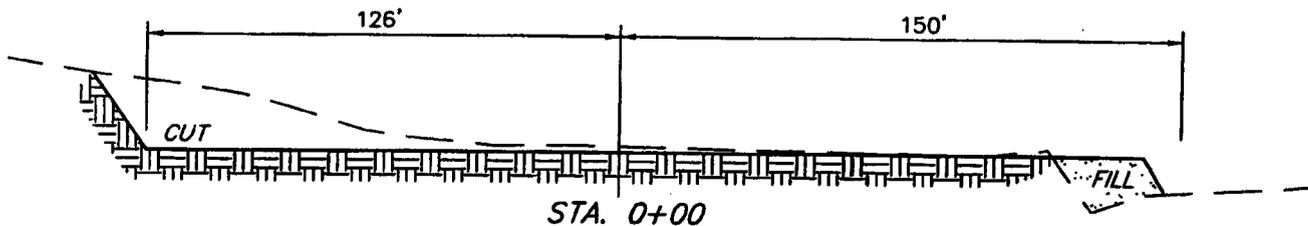
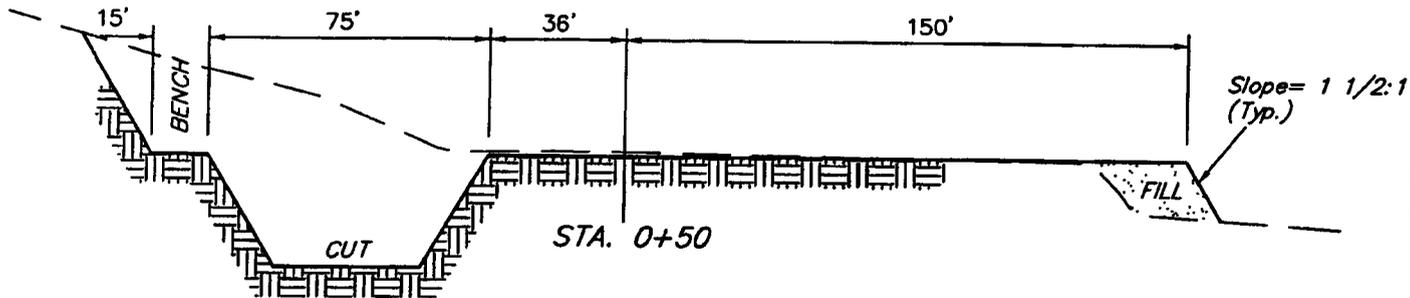
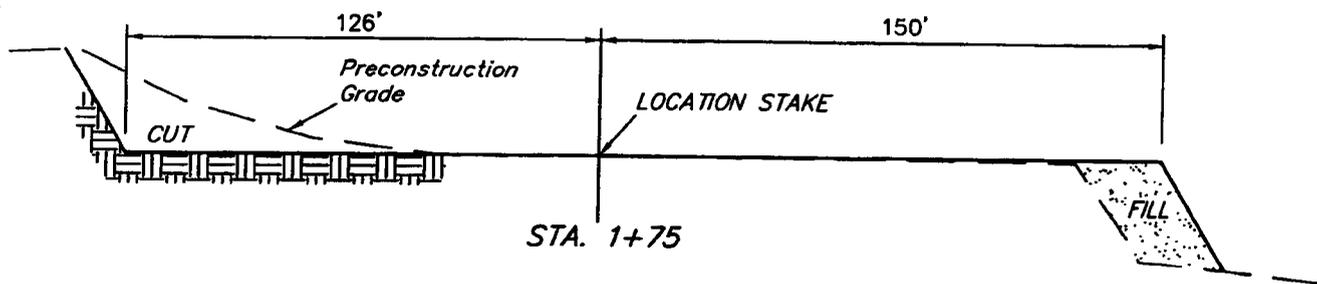
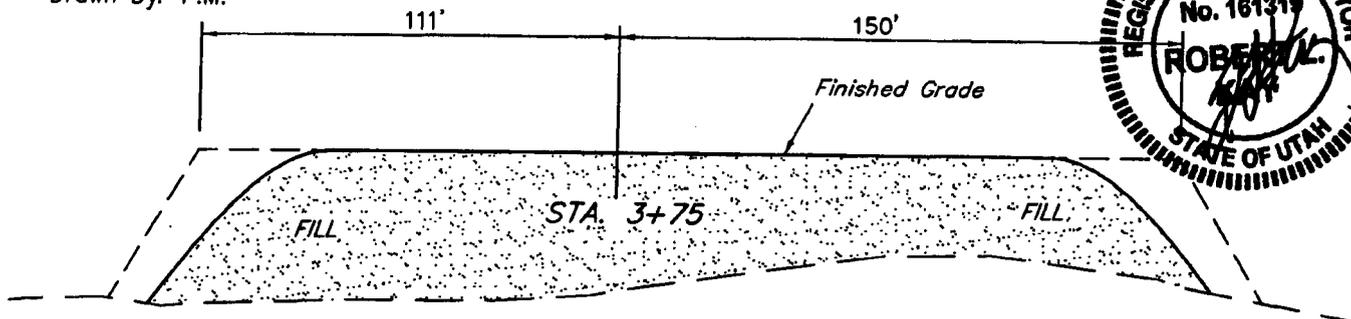
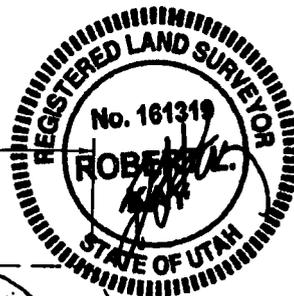
CWU #733-33

SECTION 33, T9S, R23E, S.L.B.&M.

576' FNL 1880' FWL



DATE: 08-17-07  
Drawn By: P.M.



\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping (New Construction Only)	=	1,240 Cu. Yds.
Remaining Location	=	7,940 Cu. Yds.
<b>TOTAL CUT</b>	=	<b>9,180 CU. YDS.</b>
<b>FILL</b>	=	<b>13,570 CU. YDS.</b>

DEFICIT MATERIAL	=	<4,390> Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	3,200 Cu. Yds.
DEFICIT UNBALANCE (After Interim Rehabilitation)	=	<7,590> Cu. Yds.

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

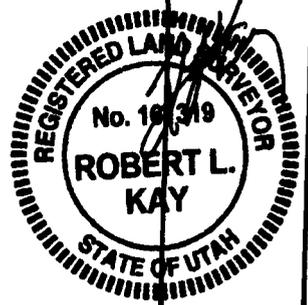
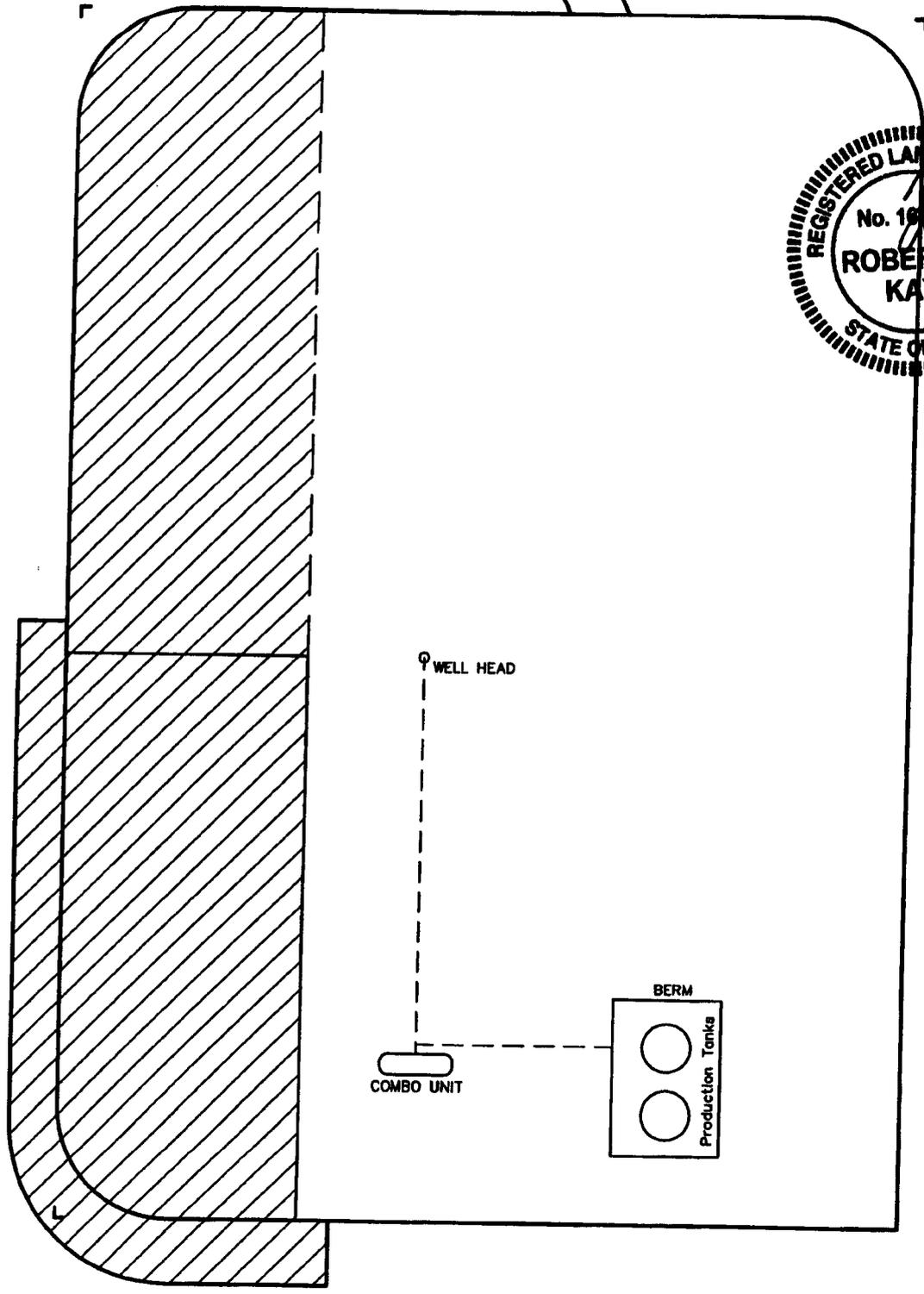
EOG RESOURCES, INC.  
PRODUCTION FACILITY LAYOUT FOR  
CWU #733-33  
SECTION 33, T9S, R23E, S.L.B.&M.  
576' FNL 1880' FWL

FIGURE #3



SCALE: 1" = 50'  
DATE: 08-17-07  
Drawn By: P.M.

Access Road



 RE-HABED AREA

# EOG RESOURCES, INC.

## CWU #733-33

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 33, T9S, R23E, S.L.B.&M.

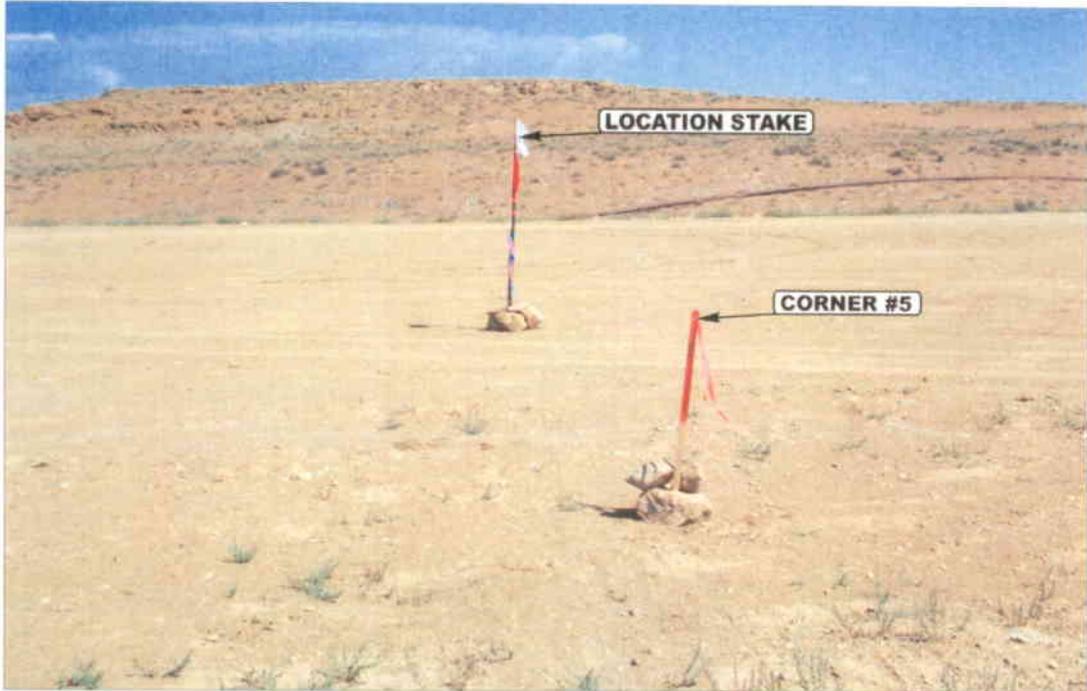


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW OF EXISTING ACCESS

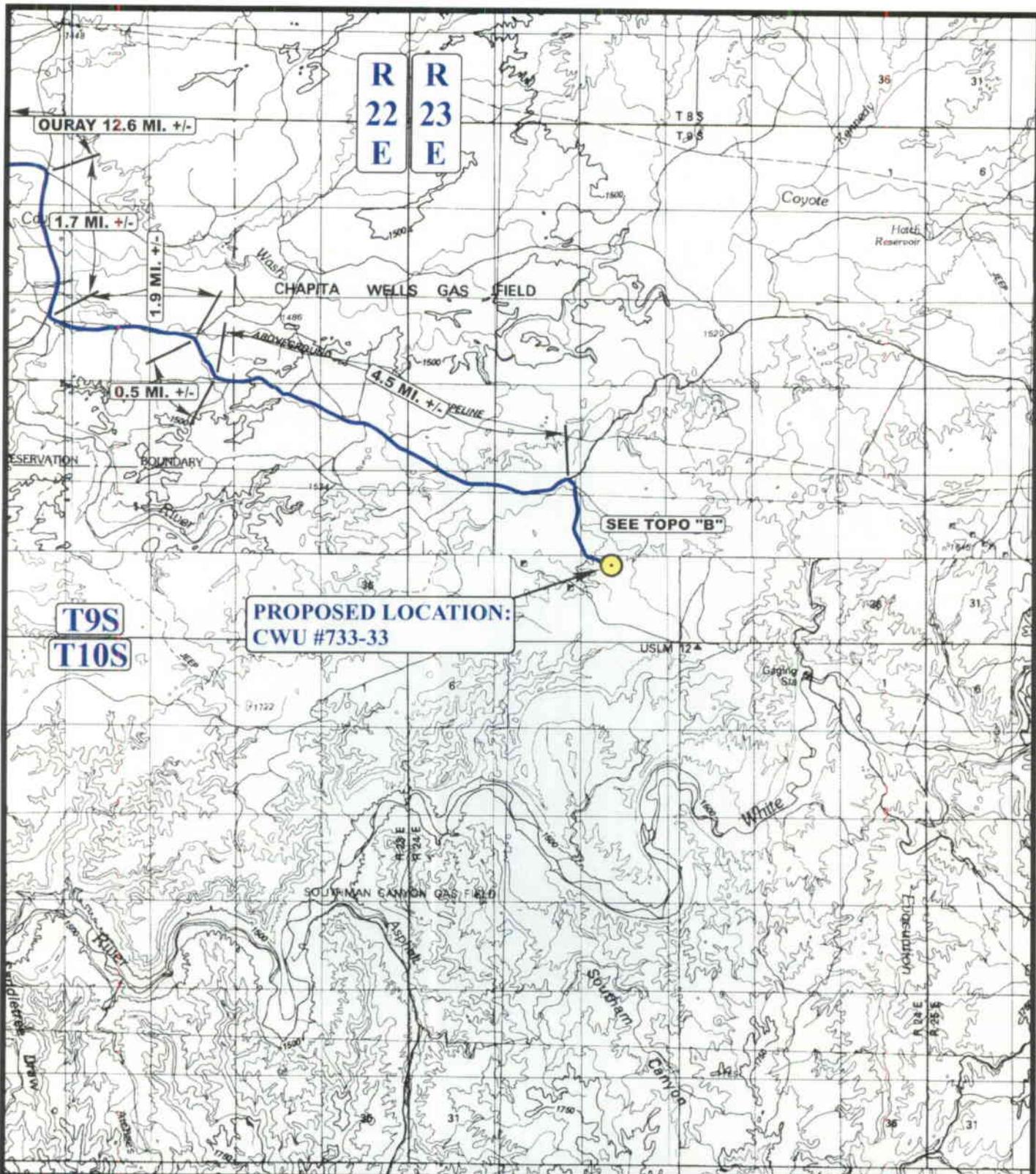
CAMERA ANGLE: NORTHEASTERLY



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

Since 1964

<b>LOCATION PHOTOS</b>			<b>08</b>	<b>15</b>	<b>07</b>	<b>PHOTO</b>
			MONTH	DAY	YEAR	
TAKEN BY: J.M.	DRAWN BY: C.P.	REVISED: 00-00-00				



**LEGEND:**

● PROPOSED LOCATION

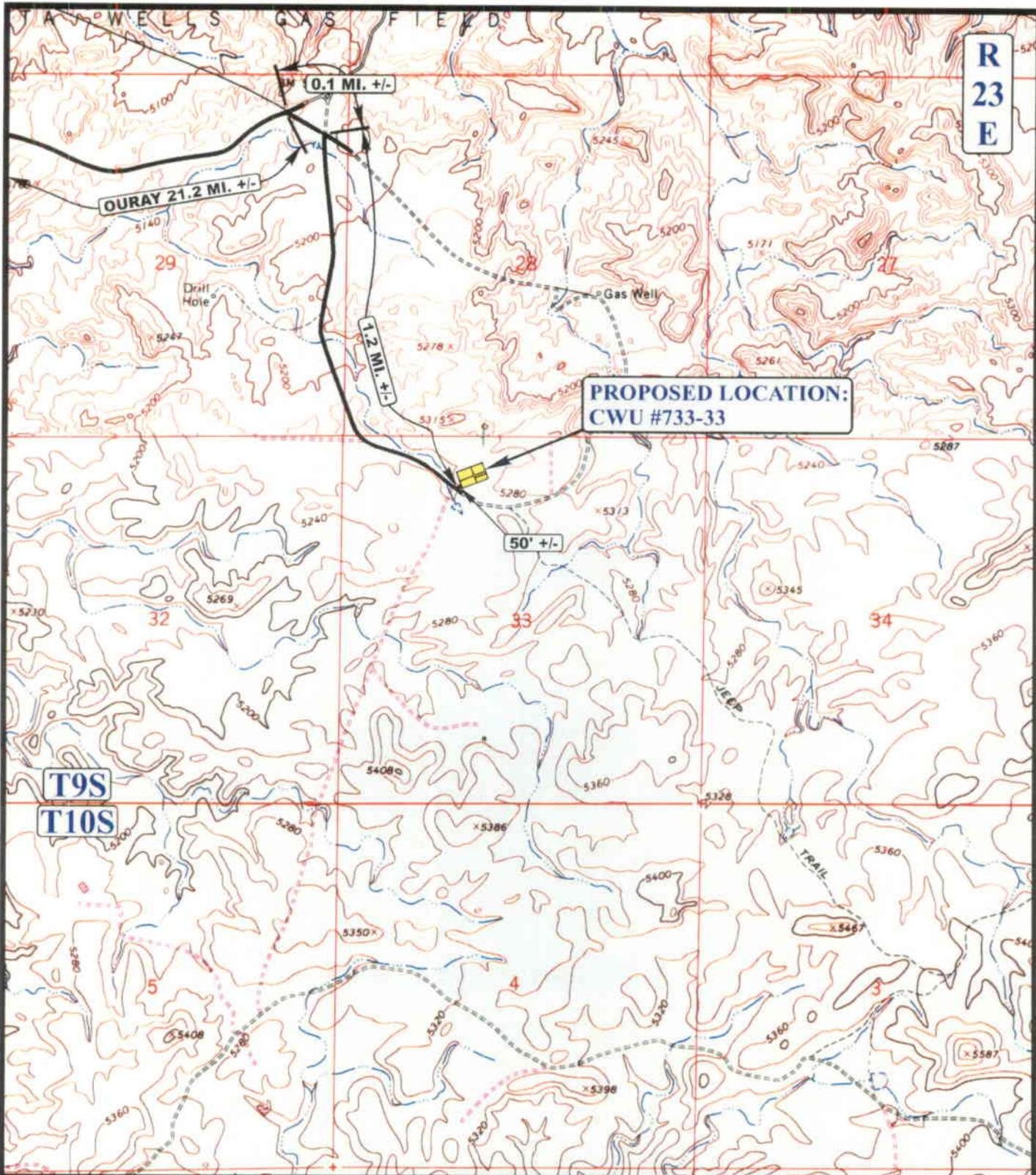
**EOG RESOURCES, INC.**

CWU #733-33  
 SECTION 33, T9S, R23E, S.L.B.&M.  
 576' FNL 1880' FWL

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



**TOPOGRAPHIC MAP** 08 15 07  
 MONTH DAY YEAR  
 SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00 **A TOPO**



**LEGEND:**

————— EXISTING ROAD



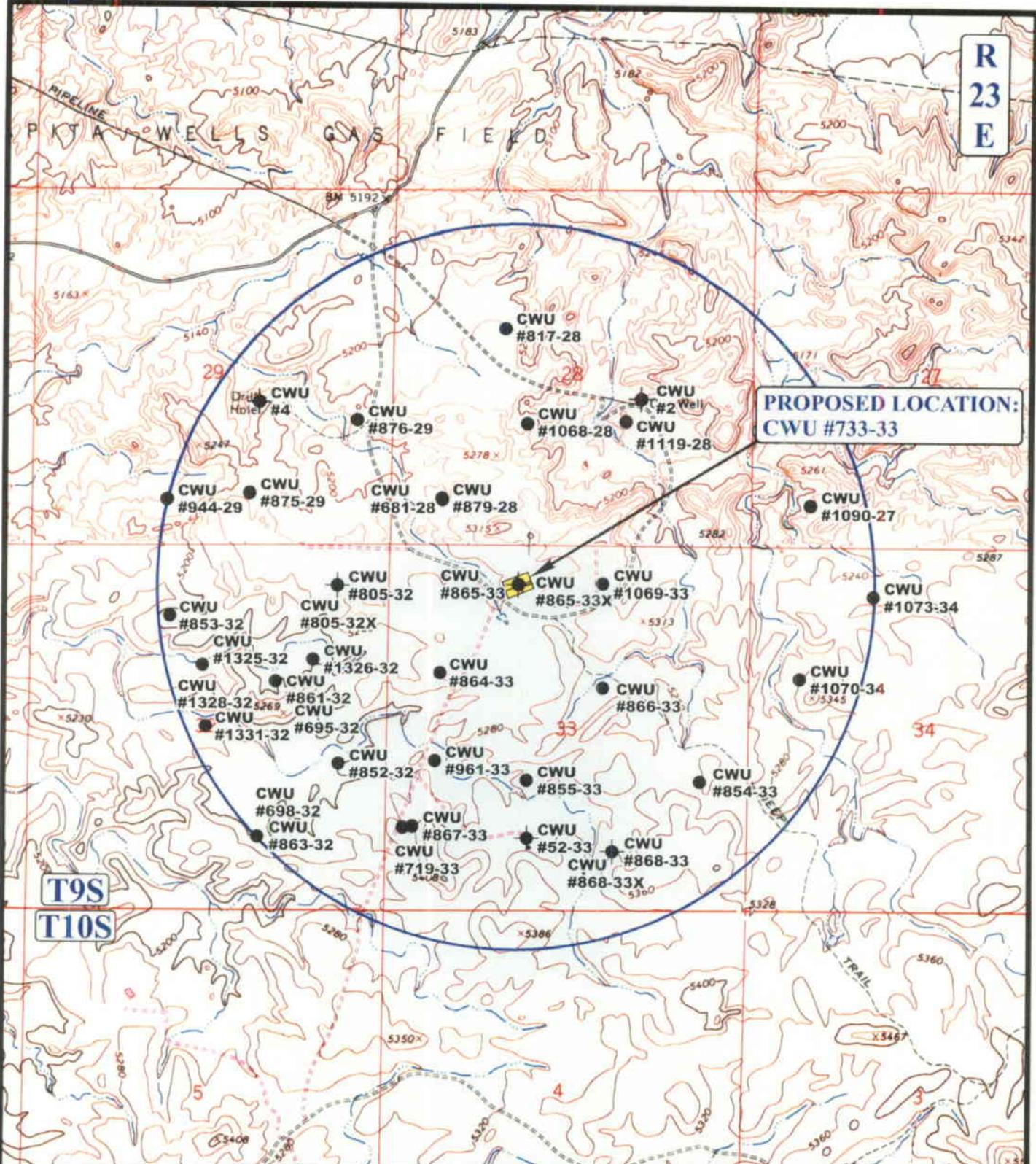
**EOG RESOURCES, INC.**

**CWU #733-33**  
**SECTION 33, T9S, R23E, S.L.B.&M.**  
**576' FNL 1880' FWL**

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

**TOPOGRAPHIC MAP** **08 15 07**  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00 **B**  
 TOPO

R  
23  
E



**PROPOSED LOCATION:**  
CWU #733-33

T9S  
T10S

**LEGEND:**

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



**EOG RESOURCES, INC.**

CWU #733-33  
SECTION 33, T9S, R23E, S.L.B.&M.  
576' FNL 1880' FWL



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

**TOPOGRAPHIC  
MAP**

**08 15 07**  
MONTH DAY YEAR

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



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 11/13/2007

API NO. ASSIGNED: 43-047-39789

WELL NAME: CWU 733-33  
 OPERATOR: EOG RESOURCES, INC. ( N9550 )  
 CONTACT: MARY MAESTAS

PHONE NUMBER: 303-824-5526

PROPOSED LOCATION:  
 NENW 33 090S 230E  
 SURFACE: 0576 FNL 1880 FWL  
 BOTTOM: 0576 FNL 1880 FWL  
 COUNTY: UINTAH  
 LATITUDE: 39.99821 LONGITUDE: -109.3339  
 UTM SURF EASTINGS: 642227 NORTHINGS: 4428678  
 FIELD NAME: NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU0336  
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSTC  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

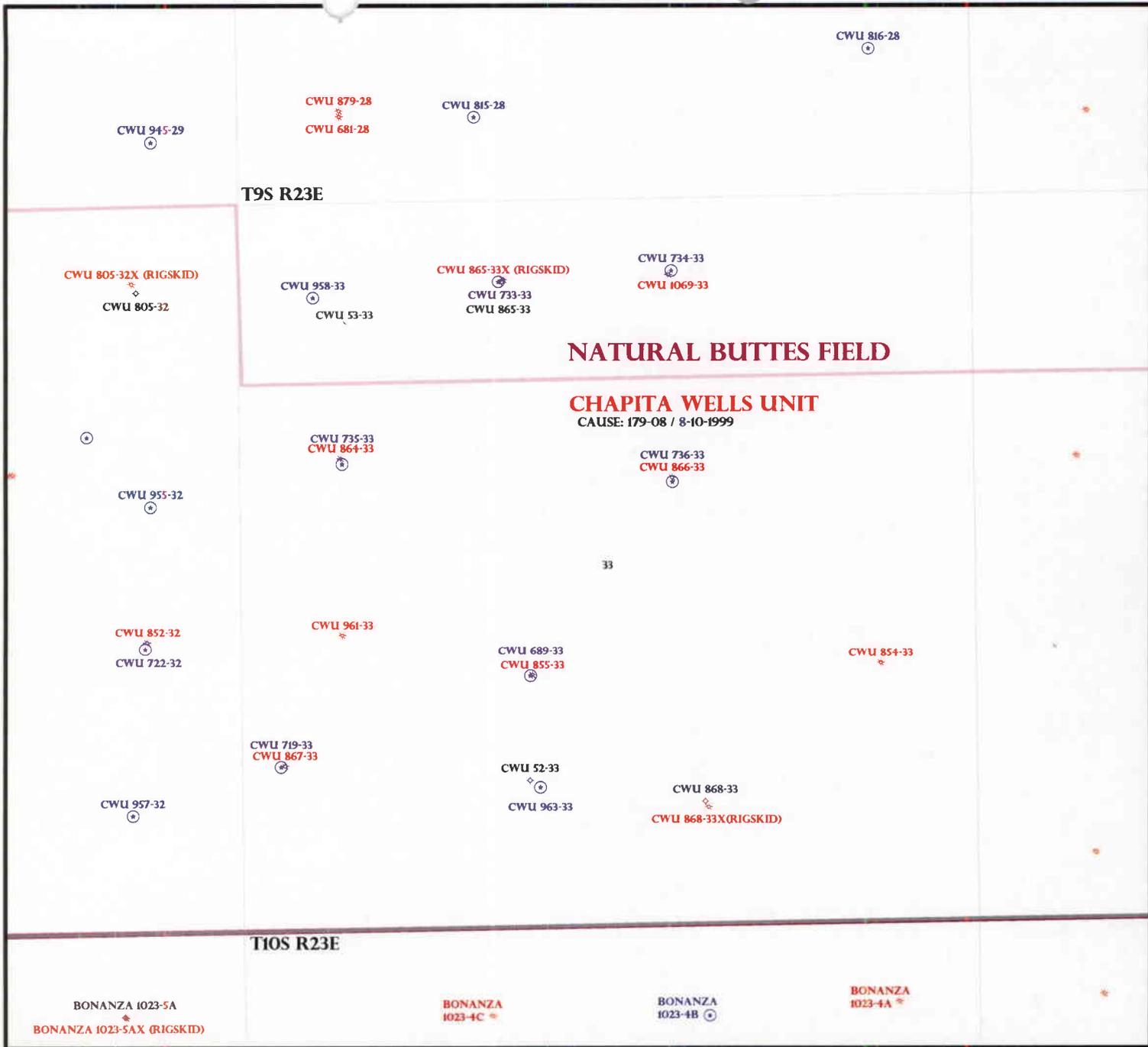
Plat  
 Bond: Fed[1] Ind[] Sta[] Fee[]  
 (No. NM2308 )  
 Potash (Y/N)  
 Oil Shale 190-5 (B) or 190-3 or 190-13  
 Water Permit  
 (No. 49-225 )  
 RDCC Review (Y/N)  
 (Date: \_\_\_\_\_ )  
 Fee Surf Agreement (Y/N)  
 Intent to Commingle (Y/N)

LOCATION AND SITING:

\_\_\_\_ R649-2-3.  
 Unit: CHAPITA WELLS  
 \_\_\_\_ R649-3-2. General  
 Siting: 460 From Qtr/Qtr & 920' Between Wells  
 \_\_\_\_ R649-3-3. Exception  
 Drilling Unit  
 Board Cause No: 179-8  
 Eff Date: 8-10-1999  
 Siting: Suspend General Siting  
 \_\_\_\_ R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

STIPULATIONS: 1-Federal Approval  
 \_\_\_\_\_  
 \_\_\_\_\_



**NATURAL BUTTES FIELD**

**CHAPITA WELLS UNIT**

CAUSE: 179-08 / 8-10-1999

T9S R23E

T10S R23E

OPERATOR: EOG RESOURCES INC (N9550)

SEC: 33 T.9S R. 23E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 179-08 / 8-10-1999



OIL, GAS & MINING

- 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: 20-NOVEMBER-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)

November 20, 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 MesaVerde)

43-047-39779 CWU 1365-19 Sec 19 T09S R23E 0150 FSL 0050 FWL

(Proposed PZ Wasatch)

43-047-39789 CWU 733-33 Sec 33 T09S R23E 0576 FNL 1880 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:11-20-07



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

November 20, 2007

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

Re: Chapita Wells Unit 733-33 Well, 576' FNL, 1880' FWL, NE NW, Sec. 33, T. 9 South,  
R. 23 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39789.

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 733-33

API Number: 43-047-39789

Lease: UTU0336

Location: NE NW                      Sec. 33                      T. 9 South                      R. 23 East

### Conditions of Approval

1. General

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

2. Notification Requirements

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.

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. UTU0336
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: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		7. If Unit or CA Agreement, Name and No. UTU63013AI
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		8. Lease Name and Well No. CWU 733-33
3b. Phone No. (include area code) Ph: 303-824-5526		9. API Well No. 43 047 39789
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NENW 576FNL 1880FWL 39.99816 N Lat, 109.33392 W Lon At proposed prod. zone NENW 576FNL 1880FWL		10. Field and Pool, or Exploratory UNKNOWN NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 54.5 MILES SOUTH OF VERNAL, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area Sec 33 T9S R23E Mer SLB SME: BLM
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 576' LEASE LINE	16. No. of Acres in Lease	12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 60'	19. Proposed Depth 6610 MD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5266 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well
20. BLM/BIA Bond No. on file NM2308		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) MARY A. MAESTAS Ph: 303-824-5526	Date 11/08/2007
Title REGULATORY ASSISTANT		
Approved by (Signature) 	Name (Printed/Typed) Terry Kewicka	Date 5-16-2008
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 #57091 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal  
Committed to AFMSS for processing by GAIL JENKINS on 11/09/2007 (303-824-5526)

CONDITIONS OF APPROVAL ATTACHED

RECEIVED

NOV - 9 2007 RECEIVED

BLM MAY 23 2008

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED

9/6/07 NOS  
07CX90265AE

DIV OF OIL, GAS & MINING



**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:** E.O.G. Resources Inc.  
**Well No:** CWU 733-33  
**API No:** 43-047-39789

**Location:** NENW, Sec. 33, T9S, R23E  
**Lease No:** UTU-0336  
**Agreement:** Chapita Wells Unit

<b>Title</b>	<b>Name</b>	<b>Office Phone Number</b>	<b>Cell Phone Number</b>
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:		(435) 781-4475	(435) 828-4029
NRS/Enviro Scientist:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:		(435) 781-4476	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7482
NRS/Enviro Scientist:		(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	(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.
- 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 will only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.
- Culverts and gravel may be installed as needed.

**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.
- 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.
- 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.

**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

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.*

5. Lease Serial No.  
**Multiple (See Attached)**

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 Unit**

8. Well Name and No.  
**Multiple (See Attached)**

9. API Well No.  
**Multiple (See Attached)**

10. Field and Pool, or Exploratory Area  
**Natural Buttes**

11. County or Parish, State  
**Uintah County, Utah**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
**EOG Resources, Inc.**

3a. Address  
**1060 E. HWY 40 Vernal, UT 84078**

3b. Phone No. (include area code)  
**435-789-0790**

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

**43 047 39189  
CW4 733-33  
9S 23E 33**

**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 <b>Air Drilling Variance Request</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

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

**COPY SENT TO OPERATOR**

Date: 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)

API #	Lease #	Well Name	Footages	¼-¼ Legal Description
43-047-38495	UTU-0281	CWU 541-03	712' FSL 2088' FWL	SESW Sec. 3 T9S R22E
43-047-39902	UTU-29535	CWU 705-29	1354' FNL 957' FWL	SWNW Sec. 29 T9S R23E
43-047-39054	UTU-0343	CWU 715-07	650' FNL 1950' FEL	NWNE Sec. 7 T9S R23E
43-047-39896	UTU-0337	CWU 727-29	473' FNL 2136' FWL	NENW Sec. 29 T9S R23E
43-047-39724	UTU-0337	CWU 728-29	608' FNL 513' FEL	NENE Sec. 29 T9S R23E
43-047-39617	UTU-0337	CWU 729-29	2039' FNL 1944' FEL	SWNE Sec. 29 T9S R23E
43-047-39723	UTU-0337	CWU 730-29	1972' FSL 2201' FWL	NESW Sec. 29 T9S R23E
43-047-39789	UTU-0336	CWU 733-33	576' FNL 1880' FWL	NENW Sec. 33 T9S R23E
43-047-39725	UTU-0336	CWU 734-33	512' FNL 2158' FEL	NWNE Sec. 33 T9S R23E
43-047-39684	UTU-0336	CWU 735-33	1884' FNL 729' FWL	SWNW Sec. 33 T9S R23E
43-047-39682	UTU-0336	CWU 736-33	2050' FNL 2182' FEL	SWNE Sec. 33 T9S R23E
43-047-39924	UTU-0281	CWU 752-10	882' FSL 350' FWL	SWSW Sec. 10 T9S R22E
43-047-39933	UTU-0285-A	CWU 758-25	2075' FNL 534' FEL	SENE Sec. 25 T9S R22E
43-047-39909	UTU-0285-A	CWU 760-25	1990' FNL 2009' FWL	SENW Sec. 25 T9S R22E
43-047-39904	UTU-0282	CWU 763-14	2531' FNL 1649' FEL	SWNE Sec. 14 T9S R22E
43-047-39690	UTU-010956	CWU 935-25	762' FSL 1453' FWL	SESW Sec. 25 T9S R22E
43-047-39654	UTU-0283-A	CWU 1020-15	2110' FSL 1814' FEL	NWSE Sec. 15 T9S R22E
43-047-39594	UTU-0282	CWU 1062-14	1756' FSL 1853' FWL	NESW Sec. 14 T9S R22E
43-047-39912	UTU-0336-A	CWU 1072-28	2165' FSL 534' FWL	NWSW Sec. 28 T9S R23E
43-047-39186	UTU-010956	CWU 1075-25	627' FSL 412' FEL	SESE Sec. 25 T9S R22E
43-047-39689	UTU-010956	CWU 1080-25	460' FSL 1822' FWL	SESW Sec. 25 T9S R22E
43-047-39678	UTU-010956	CWU 1081-25	461' FSL 445' FWL	SWSW Sec. 25 T9S R22E
43-047-39640	UTU-0337	CWU 1126-29	1864' FNL 2171' FWL	SENW Sec. 29 T9S R23E

### **Air Drilling Operations:**

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

### **VARIANCE REQUESTS:**

#### **Reference: Onshore Oil and Gas Order No. 1**

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

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

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-0336
2. NAME OF OPERATOR: EOG Resources, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1060 East Highway 40 Vernal UT 84078		7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit
PHONE NUMBER: (435) 781-9111		8. WELL NAME and NUMBER: Chapita Wells Unit 733-33
4. LOCATION OF WELL FOOTAGES AT SURFACE: 576' FNL & 1880' FWL 39.998131 LAT 109.334600 LON		9. API NUMBER: 43-047-39789
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 33 9S 23E S.L.B. & M.		10. FIELD AND POOL, OR WLD CAT: Natural Buttes

COUNTY: Uintah

STATE: UTAH

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

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

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

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 11-18-08  
By: [Signature]

NAME (PLEASE PRINT) <u>Mickenzie Thacker</u>	TITLE <u>Operations Clerk</u>
SIGNATURE <u>[Signature]</u>	DATE <u>11/13/2008</u>

(This space for State use only)

COPY SENT TO OPERATOR

Date: 11-18-2008

Initials: KS

(5/2000)

(See Instructions on Reverse Side)

RECEIVED

NOV 17 2008

DIV. OF OIL, GAS & MINING

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

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

**API:** 43-047-39789  
**Well Name:** Chapita Wells Unit 733-33  
**Location:** 576 FNL & 1880 FWL (NENW), SECTION 33, T9S, R23E S.L.B.&M  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 11/20/2007

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

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

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

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

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

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

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

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

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

Michemie Thacker  
Signature

11/13/2008

Date

Title: Operations Clerk

Representing: EOG Resources, Inc.

RECEIVED

NOV 17 2008

DIV. OF OIL, GAS & MINING

# DIVISION OF OIL, GAS AND MINING

## **SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: CWU 733-33

Api No: 43-047-39789 Lease Type: FEDERAL

Section 33 Township 09S Range 23E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # RATHOLE

## **SPUDDED:**

Date 11/23/2008

Time 10:30 AM

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 11/24/08 Signed CHD

**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
43-047-39789	CHAPITA WELLS UNIT 733-33		NENW	33	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	17223	11/23/2008		11/25/08		
Comments: <u>WASATCH</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39655	NATURAL BUTTES UNIT 615-05E		SENE	5	10S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	99999	2900	11/24/2008		11/25/08		
Comments: <u>WASATCH/MESAVERDE</u> <i>PRRV = MVRD = WSMVD</i>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39414	NATURAL BUTTES UNIT 625-04E		SENE	4	10S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	99999	2900	11/24/2008		11/25/08		
Comments: <u>WASATCH/MESAVERDE</u>							

**ACTION CODES:**

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

Mickenzie Thacker

Name (Please Print)

*Mickenzie Thacker*

Signature

Operations Clerk

11/24/2008

Title

Date

**RECEIVED**

**NOV 24 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.  
UTU0336

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

8. Well Name and No.  
CHAPITA WELLS UNIT 733-33

9. API Well No.  
43-047-39789

10. Field and Pool, or Exploratory  
NATURAL BUTTES

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: MICKENZIE THACKER  
E-Mail: MICKENZIE\_THACKER@EOGRESOURCES.COM

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 33 T9S R23E NENW 576FNL 1880FWL  
39.99813 N Lat, 109.33460 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 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 11/23/2008.

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #65037 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MICKENZIE THACKER Title OPERATIONS CLERK

Signature *Mickenzie Thacker* (Electronic Submission) Date 11/24/2008

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

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

Office

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

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***  
**RECEIVED**

**NOV 26 2008**

**DIV OF OIL, GAS & MINING**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU0336

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
UTU63013BF

8. Well Name and No.  
CWU 733-33

9. API Well No.  
43-047-39789-00-X1

10. Field and Pool, or Exploratory  
NATURAL BUTTES  
UNKNOWN

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: KAYLENE R GARDNER  
E-Mail: KAYLENE\_GARDNER@EOGRESOURCES.COM

3a. Address  
1060 EAST HIGHWAY 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 33 T9S R23E NENW 576FNL 1880FWL  
39.99816 N Lat, 109.33392 W Lon

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 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 it has been determined that the site is ready for final inspection.)

EOG Resources, Inc. respectfully requests authorization to plug and abandon the referenced well as follows,

1. Trip in hole with drill pipe to 1530'. Pump 120' cement plug from 1530' to 1410' across the top of the Green River @ 1462'. Lay down all drill pipe.
2. Run 1" pipe to 100'. RDMO Craigs rig. Circulate hole full of cement from 100' to surface.
3. Dig out cellar. Cut off conductor 3' below G.L. and install marker plate as per BLM regulations. TD 2290', 14" conductor was set to 60'.

Date: 1-12-2009  
Initials: KS

RECEIVED  
JAN 12 2009

DIV. OF OIL, GAS & MINING

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

**Electronic Submission #65672 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal  
Committed to AFMSS for processing by GAIL JENKINS on 12/17/2008 (09GXJ1403SE)**

Name (Printed/Typed) KAYLENE R GARDNER	Title LEAD REGULATORY ASSISTANT
Signature (Electronic Submission)	Date 12/17/2008

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By RYAN ANGUS Title PETROLEUM ENGINEER Date 12/17/2008

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.

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 any statement or representation to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Office Vernal  
Accepted by the  
High Division of  
Oil, Gas and Mining  
Federal Approval of This  
Action is Necessary

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

Date: 1/12/09  
By: [Signature]

**Additional data for EC transaction #65672 that would not fit on the form**

**32. Additional remarks, continued**

Junk in hole - drill bit, three 8" drill collars, XO sub, ten 6-1/2" drill collars, XO sub, and 1 joint of drill pipe. Top of pipe is @ 1817' G.L.

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.  
UTU0336

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

2. Name of Operator: EOG RESOURCES, INC. Contact: 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: NENW 576FNL 1880FWL 39.99813 N Lat, 109.33460 W Lon  
 At top prod interval reported below: NENW 576FNL 1880FWL 39.99813 N Lat, 109.33460 W Lon  
 At total depth: NENW 576FNL 1880FWL 39.99813 N Lat, 109.33460 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 733-33

9. API Well No.: 43-047-39789

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

11. Sec., T., R., M., or Block and Survey or Area: Sec 33 T9S R23E Mer SLB

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

14. Date Spudded: 11/23/2008  
 15. Date T.D. Reached: 12/11/2008  
 16. Date Completed:  D & A  Ready to Prod. 12/20/2008

17. Elevations (DF, KB, RT, GL)\*: 5266 KB

18. Total Depth: MD 2290, TVD \_\_\_\_\_  
 19. Plug Back T.D.: MD, TVD \_\_\_\_\_  
 20. Depth Bridge Plug Set: MD, TVD \_\_\_\_\_

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									

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

(See Instructions and spaces for additional data on reverse side)  
 ELECTRONIC SUBMISSION #66118 VERIFIED BY THE BLM WELL INFORMATION SYSTEM  
**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

DIV. OF OIL, GAS & MINING

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**JAN 12 2009**

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 as per the attached report.

33. Circle enclosed attachments:

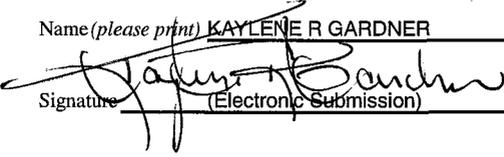
- 1. Electrical/Mechanical Logs (1 full set req'd.)
- 2. Geologic Report
- 3. DST Report
- 4. Directional Survey
- 5. Sundry Notice for plugging and cement verification
- 6. Core Analysis
- 7 Other:

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 #66118 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  (Electronic Submission)

Date 01/07/2009

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 \*\***

# WELL CHRONOLOGY REPORT

Report Generated On: 01-07-2009

<b>Well Name</b>	CWU 733-33	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA WELLS UNIT	<b>API #</b>	43-047-39789	<b>Well Class</b>	DRIL
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>		<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	6,610/ 6,610	<b>Property #</b>	061778
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	5,279/ 5,266				
<b>Location</b>	Section 33, T9S, R23E, NENW, 576 FNL & 1880 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	50.0	<b>NRI %</b>	43.5

**AFE No** 304817      **AFE Total** 1,298,700      **DHC / CWC** 694,700/ 604,000

**Rig Contr** ELENBURG      **Rig Name** ELENBURG #28      **Start Date** 11-23-2008      **Release Date**

**11-23-2008**      **Reported By** SHEILA MALLOY

**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
			576' FNL & 1880' FWL (NE/NW)
			SECTION 33, T9S, R23E
			UINTAH COUNTY, UTAH
			 LAT 39.998131, LONG 109.334600 (NAD 83)
			LAT 39.998164, LONG 109.333922 (NAD 27)
			 ELENBURG #28
			OBJECTIVE: 6610' MD/TVD, WASATCH
			DW/GAS
			OBJECTIVE: CHAPITA WELLS PROSPECT
			DD&A: NATURAL BUTTES
			NATURAL BUTTES FIELD
			 LEASE: UTU0336
			ELEVATION: 5266.4' NAT GL, 5266.4' PREP GL, (DUE TO ROUNDING PREP GL IS 5266') 5279' KB (13')
			 EOG WI 50 %, NRI 43.5 %

**11-24-2008**      **Reported By** JERRY BARNES



12-09-2008 Reported By TERRY CSERE

Daily Costs: Drilling \$0 Completion \$0 Daily Total \$0

Cum Costs: Drilling \$75,000 Completion \$0 Well Total \$75,000

MD 60 TVD 60 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description

06:00 06:00 24.0 LINE TODAY.

12-10-2008 Reported By TERRY CSERE

Daily Costs: Drilling \$0 Completion \$0 Daily Total \$0

Cum Costs: Drilling \$75,000 Completion \$0 Well Total \$75,000

MD 60 TVD 60 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description

06:00 06:00 24.0 LOCATION COMPLETE.

12-23-2008 Reported By DANNY FARNSWORTH

Daily Costs: Drilling \$111,859 Completion \$0 Daily Total \$111,859

Cum Costs: Drilling \$186,859 Completion \$0 Well Total \$186,859

MD 2,290 TVD 2,290 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: P&A SURFACE HOLE

Start End Hrs Activity Description

06:00 06:00 24.0 MIRU CRAIGS RIG 2 ON 12/11/2008. WHILE DRILLING 12 1/4" SURFACE HOLE @ 2290', CRAIGS RIG # 2 TOOK A STRAIGHT HOLE SURVEY AT 2260'. THE DRILL PIPE WOULD NOT MOVE AFTER THE SURVEY TAKEN ON 12/14/2008 @ 10:00 AM. RIG 2 WORKED THE DRILL PIPE OUT OF THE HOLE APPROXIMATELY 13' WHEN IT LOST AN OIL COOLER. CRAIGS RIG 5 REPLACED RIG 2. DRILL PIPE DID NOT MOVE AGAIN. RAN FREE POINT ON 12/16/2008, STARTING AT 11:00 AM. FOUND PIPE STUCK AT TOP OF DRILL COLLARS, HALF WAY UP WOBBLE JOINT. THE DRILL BIT, THREE 8" DRILL COLLARS, XO SUB, TEN 6 1/2" DRILL COLLARS, XO SUB. AND 1 JOINT OF DRILL PIPE WERE LEFT IN HOLE. TOP OF PIPE IS @ 1817' GL.

P&A

12/20/2008 - MIRU CRAIGS RIG # 5. RAN IN HOLE WITH DRILL PIPE AND TAG TOP OF PIPE @ 1817'. MIRU HALLIBURTON CEMENTERS.

PLUG #1: 1817' TO 1717' MIXED AND PUMPED 100 SX (20.5 BBLS) OF PREMIUM CEMENT. MIXED CEMENT AT 15.8 PPG WITH YIELD OF 1.15 CF/SX. DISPLACED CEMENT WITH 23.5 BBLS OF FRESH WATER. LAID DOWN 15 JOINTS DRILL PIPE. WOC 5 HRS. TRIPPED IN HOLE WITH DRILL PIPE TO 1817'. NO CEMENT. RU HALLIBURTON. MIXED AND PUMPED 100 SX (20.5 BBLS) PREMIUM CEMENT W/ 2% CACL2. MIXED CEMENT AT 15.8 PPG WITH YIELD OF 1.15 CF/SX. DISPLACED CEMENT WITH 23.5 BBLS FRESH WATER. LAID DOWN 15 JOINTS DRILL PIPE. WOC 4 HRS. TRIPPED IN HOLE WITH DRILL PIPE AND TAGGED CEMENT AT 1702'. LAY DRILL PIPE TO 1560'.

PLUG #2: 1562' TO 1362' RU HALLIBURTON. MIXED AND PUMPED 200 SX (41 BBLS) OF PREMIUM CEMENT WITH 2% CACL2. MIXED CEMENT AT 15.8 PPG WITH YIELD OF 1.15 CF/SX. DISPLACED CEMENT WITH 18 BBLS FRESH WATER. LAID DOWN 20 JOINTS DRILL PIPE. WOC 6 HRS. TRIPPED IN HOLE WITH DRILL PIPE.

12/21/2008 – TAGGED CEMENT AT 1510'. RU HALLIBURTON. MIXED AND PUMPED 150 SX (30.5 BBLs) OF PREMIUM CEMENT WITH 2% CaCl<sub>2</sub>. MIXED CEMENT AT 15.8 PPG WITH YIELD OF 1.15 CF/SX. DISPLACED CEMENT WITH 18 BBLs FRESH WATER. LAID DOWN 20 JOINTS DRILL PIPE. WOC 5 HRS. TRIPPED IN HOLE WITH DRILL PIPE AND TAGGED CEMENT AT 1310'. LAID DOWN ALL DRILL PIPE. RAN 100' OF 1" PIPE IN HOLE. RDMO CRAIGS RIG.

PLUG #3: 100' TO SURFACE RU HALLIBURTON TO 1" PIPE. PUMPED 100 BBLs FRESH WATER AHEAD OF CEMENT. MIXED AND PUMPED 100 SX (20.5 BBLs) OF PREMIUM CEMENT WITH 2% CaCl<sub>2</sub>. MIXED CEMENT AT 15.8 PPG WITH YIELD OF 1.15 CF/SX. NO CIRCULATION. WOC 2 HRS. RAN FLUID LEVEL AT 590'. RU HALLIBURTON TO 1" PIPE. PUMPED 100 BBLs FRESH WATER AHEAD OF CEMENT. MIXED AND PUMPED 100 SX (20.5 BBLs) OF PREMIUM CEMENT WITH 2% CaCl<sub>2</sub>. MIXED CEMENT AT 15.8 PPG WITH YIELD OF 1.15 CF/SX. BROKE CIRCULATION 83 BBLs INTO FRESH WATER. LOST CIRCULATION 16 BBLs INTO CEMENT. NO CEMENT TO SURFACE. WOC 2 HRS 30 MINUTES. RAN FLUID LEVEL AT 160'. RU HALLIBURTON TO 1" PIPE. PUMPED 30 BBLs FRESH WATER AHEAD OF CEMENT. MIXED AND PUMPED 100 SX (20.5 BBLs) OF PREMIUM CEMENT WITH 2% CaCl<sub>2</sub>. MIXED CEMENT AT 15.8 PPG WITH YIELD OF 1.15 CF/SX. BROKE CIRCULATION 25 BBLs INTO FRESH WATER. CEMENT TO SURFACE 18 BBLs INTO SLURRY. CIRCULATED 3 BBLs CEMENT TO PIT. HOLE STOOD FULL. RDMO HALLIBURTON CEMENTERS.

12/22/2008 – DIG OUT CELLAR AND CUT OFF CONDUCTOR 3' BELOW GL. INSTALL MARKER PLATE AS PER REGULATION.

ALAN WALKER, VERNAL BLM INSPECTOR, WITNESSED THIS ENTIRE P&A JOB.

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