

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

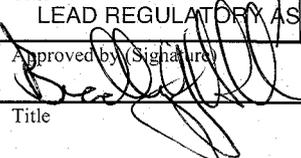
FORM APPROVED  
OMB No. 1004-0136  
Expires July 31, 2010

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

5a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU37943
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC. Contact: KAYLENE R GARDNER E-Mail: kaylene_gardner@eogresources.com		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNI
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		8. Lease Name and Well No. CWU 965-34
3b. Phone No. (include area code) Ph: 435-781-9111		9. API Well No. 43047-39806
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWSW 1927FSL 527FWL 39.99050 N Lat, 109.32062 W Lon At proposed prod. zone NWSW 1927FSL 527FWL 39.99050 N Lat, 109.32062 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE
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 34 T9S R23E Mer SLB	12. County or Parish UINTAH
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 527	13. State UT	17. Spacing Unit dedicated to this well
16. No. of Acres in Lease 600.00	18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1200	20. BLM/BIA Bond No. on file NM 2308
19. Proposed Depth 8560 MD	21. Elevations (Show whether DF, KB, RT, GL, etc.) 5297 GL	23. Estimated duration 45 DAYS
22. Approximate date work will start	24. Attachments	

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

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

25. Signature (Electronic Submission) 	Name (Printed/Typed) KAYLENE R GARDNER Ph: 435-781-9111	Date 11/29/2007
Title LEAD REGULATORY ASSISTANT		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 12-06-07
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 #57354 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal

RECEIVED

DEC 04 2007

DIV. OF OIL, GAS & MINING

Federal Approval of this  
Action is Necessary

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

643442X  
4427852Y  
39.990569  
-109.319874

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

EOG RESOURCES, INC.

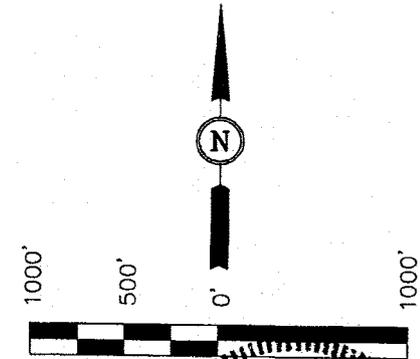
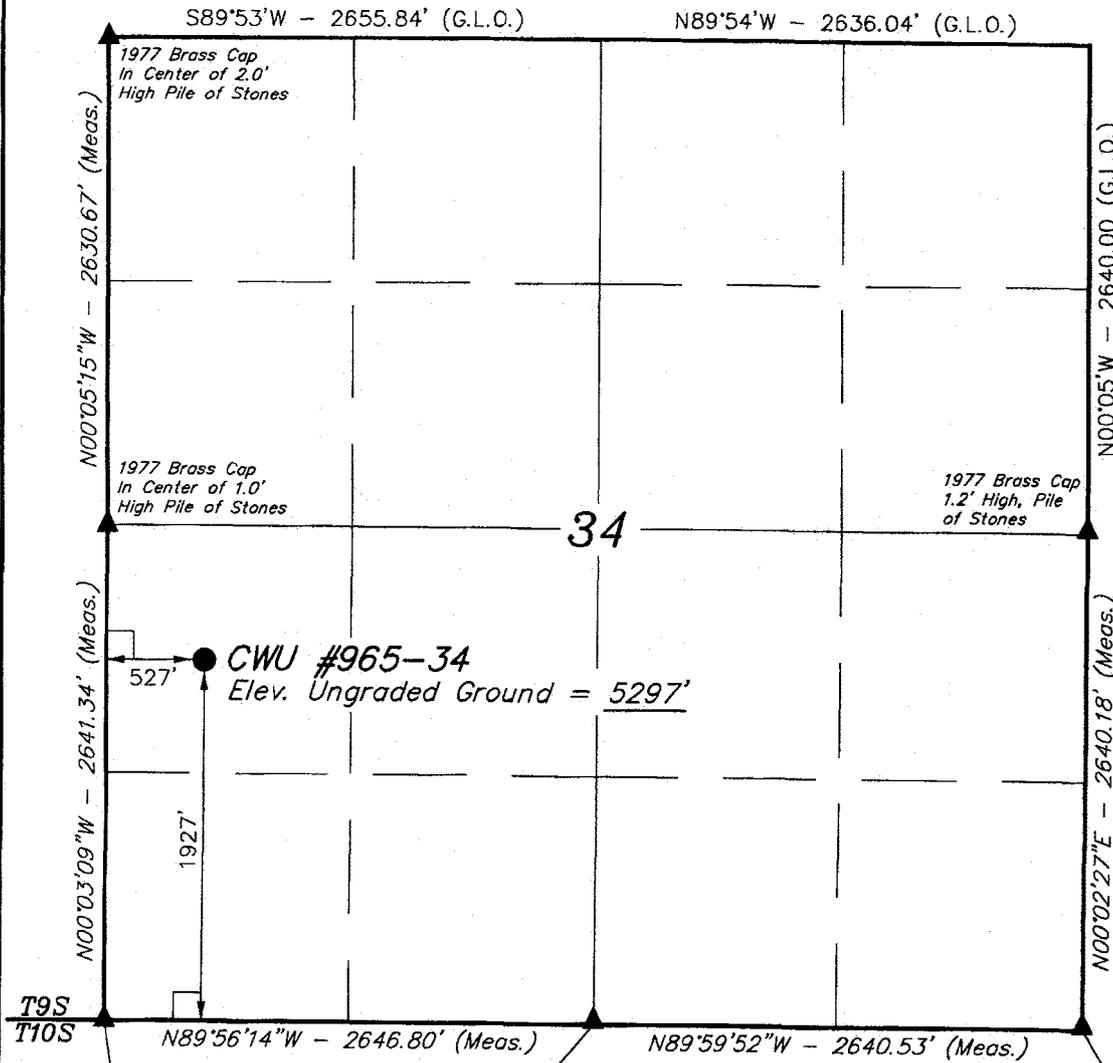
Well location, CWU #965-34, located as shown in the NW 1/4 SW 1/4 of Section 34, T9S, R23E, S.L.B.&M. Uintah County, Utah.

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, UTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

BASIS OF BEARINGS

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



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

REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH

LEGEND:

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

(AUTONOMOUS NAD 83)  
 LATITUDE = 39°59'25.80" (39.990500)  
 LONGITUDE = 109°19'14.22" (109.320617)  
 (AUTONOMOUS NAD 27)  
 LATITUDE = 39°59'25.92" (39.990533)  
 LONGITUDE = 109°19'11.78" (109.319939)

<b>UINTAH ENGINEERING &amp; LAND SURVEYING</b>		
85 SOUTH 200 EAST - VERNAL, UTAH 84078		
(435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 11-08-04	DATE DRAWN: 11-19-04
PARTY G.S. D.L. E.C.O.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 965-34**  
**NW/SW, SEC. 34, 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	1,374		Shale	
Wasatch	4,251		Sandstone	
Chapita Wells	4,798		Sandstone	
Buck Canyon	5,484		Sandstone	
North Horn	5,974		Sandstone	
KMV Price River	6,193	Primary	Sandstone	Gas
KMV Price River Middle	7,127	Primary	Sandstone	Gas
KMV Price River Lower	7,858	Primary	Sandstone	Gas
Sego	8,354		Sandstone	
<b>TD</b>	<b>8,560</b>			

Estimated TD: **8,560' or 200'± below Sego top**

**Anticipated BHP: 4,674 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>
<b>Conductor</b>	17 ½"	0 – 45'	13 ⅝"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
<b>Surface</b>	12 ¼"	0 – 2,300' KB±	9-⅝"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
<b>Production</b>	7-7/8"	Surface – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

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

**All casing will be new or inspected.**

## EIGHT POINT PLAN

### CHAPITA WELLS UNIT 965-34 NW/SW, SEC. 34, 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 965-34**  
**NW/SW, SEC. 34, 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:** 112 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:** 840 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., 5.9 gps water.

**Note:** The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

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

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 965-34**  
**NW/SW, SEC. 34, 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

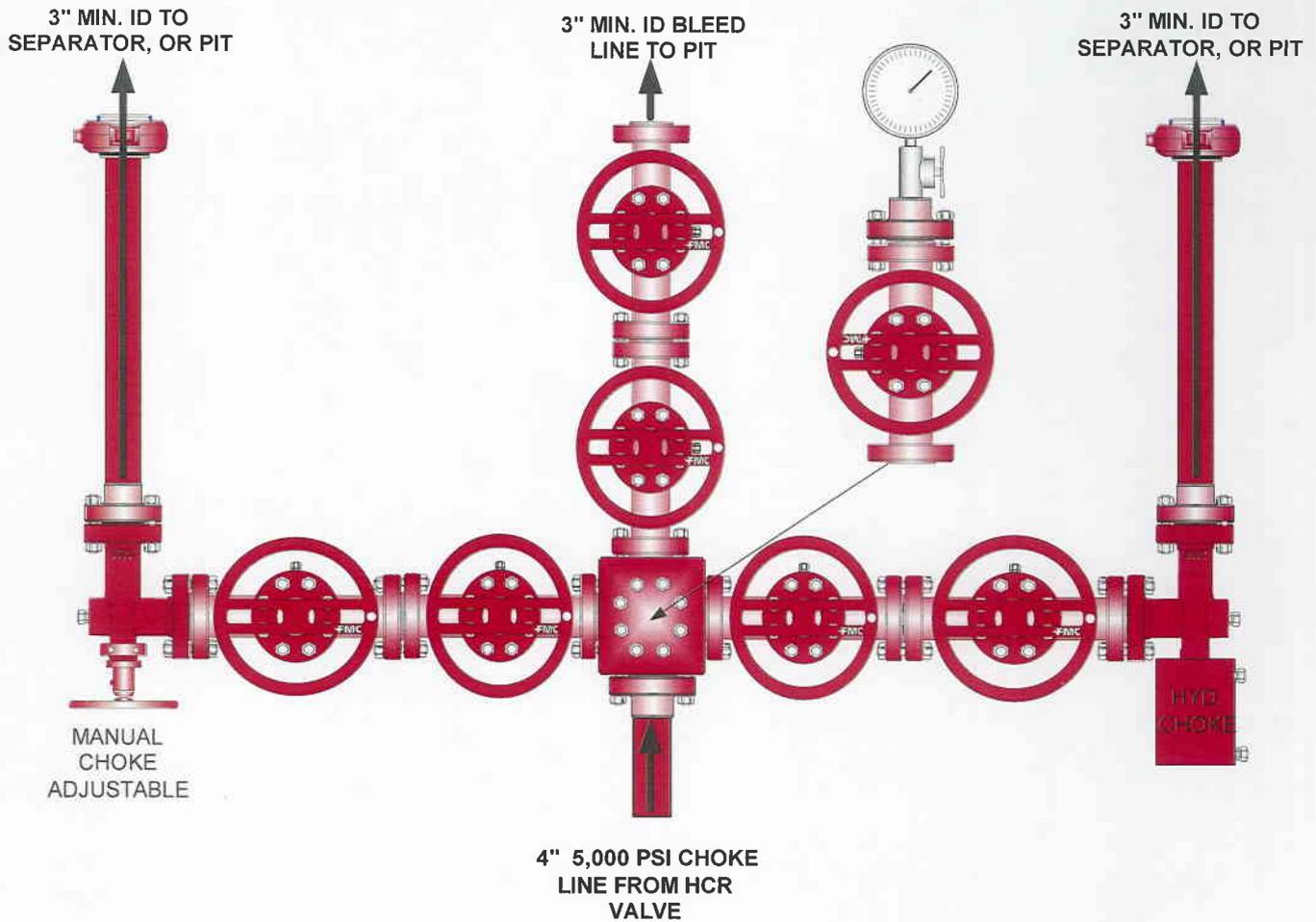
**12. HAZARDOUS CHEMICALS:**

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

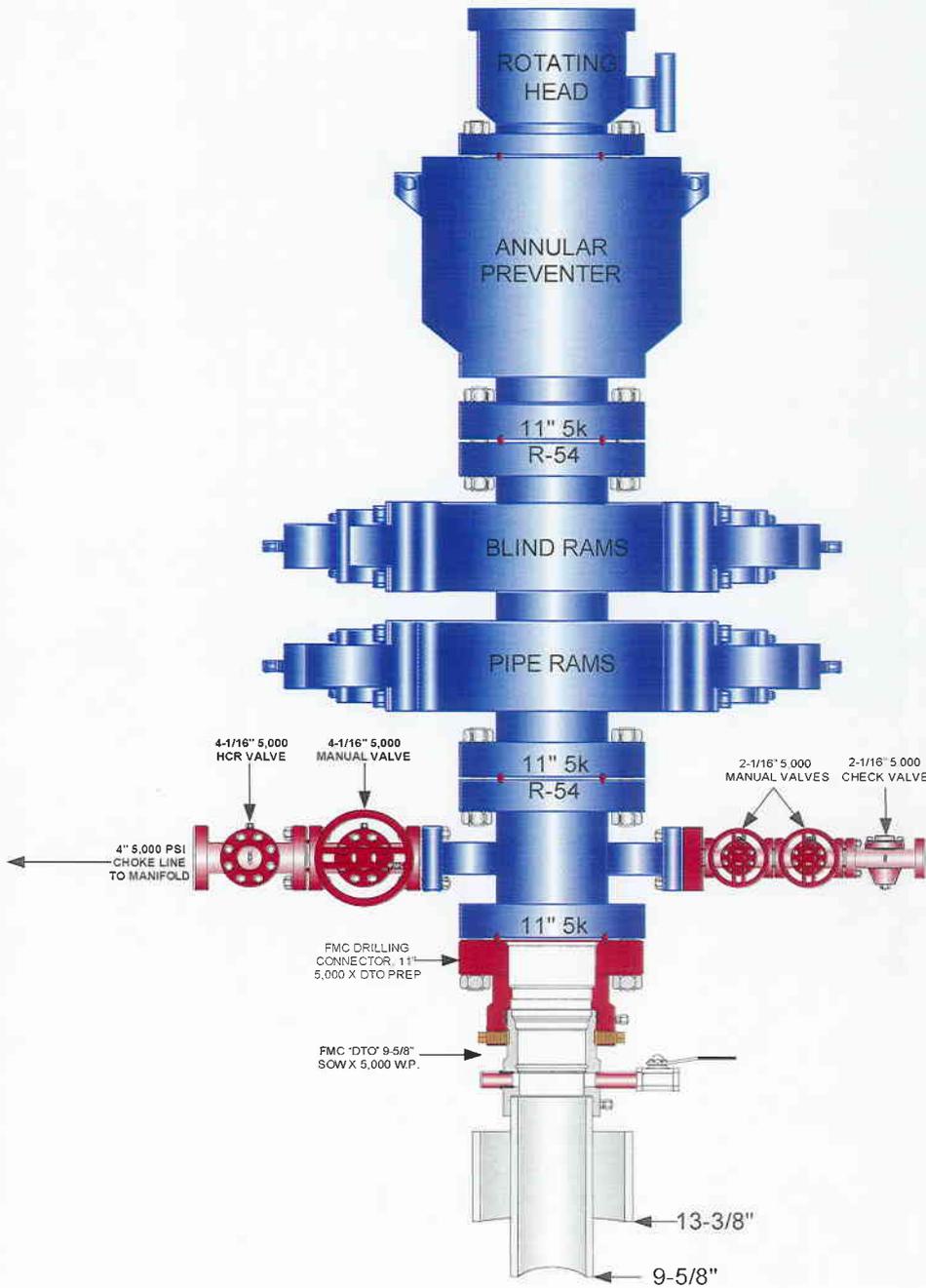
PAGE 2 OF 2



Testing Procedure:

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

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





***Chapita Wells Unit 965-34  
NWSW, Section 34, T9S, R23E  
Uintah County, Utah***

***SURFACE USE PLAN***

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 250 feet long with a 40-foot right-of-way, disturbing approximately 0.23 acres. New surface disturbance associated with the well pad and access road is estimated to be 2.07 acres. The pipeline is approximately 565 feet long with a 20-foot right-of-way disturbing approximately 0.26 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 access road will be approximately 250' in length, See attached Topo B.
- B. The access road has a 40-foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.
- I. A 40-foot permanent right-of-way is requested. No surfacing material will be used.

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

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

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

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

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

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

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

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

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

**A. On Well Pad**

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

**B. Off Well Pad**

1. Proposed pipeline will transport natural gas.
2. The pipeline will be a permanent feeder line.
3. The length of the proposed pipeline is 565' x 40'. The proposed pipeline leaves the northern edge of the well pad (Lease UTU 37943) proceeding in a southerly direction for an approximate distance of 565 to Section 34, T9S, R23E (Lease UTU 37943) tying into an existing pipeline in the NWSW of Section 34, T9S, R23E (Lease UTU 37943). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface
5. Proposed pipeline will be laid on surface.
6. A 20-foot permanent pipeline right-of-way is requested. A 40-foot temporary pipeline right-of-way for construction purposes is requested, the temporary right-of-way will be utilized for a 10-day period.
7. The proposed pipeline route begins in the NWSW of section 34, township 9S, range 23E, proceeding southerly for an approximate distance of 565' to the NWSW of section 34, township 9S, range 23E.
8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

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

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

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

**6. SOURCE OF CONSTRUCTION MATERIALS:**

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

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

**A. METHODS AND LOCATION**

- 1. Cuttings will be confined in the reserve pit.
  - 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
  - 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
  - 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD, CWU 2-29 SWD, Red Wash Evaporation ponds 1, 2, 3 or 4 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 south corner of the location. The flare pit will be located downwind of the prevailing wind direction on the west side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

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

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

Access to the well pad will be from the west.

**FENCING REQUIREMENTS:**

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

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

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

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

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

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

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

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

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

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

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

<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>
Gardner Saltbush	3.0
Shadscale	3.0
Indian Ricegrass	2.0
HyCrest Wheatgrass	1.0

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

**11. SURFACE OWNERSHIP:**

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

**Bureau of Land Management**

**12. OTHER INFORMATION:**

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

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

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

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

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

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

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

A cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants. A paleontological survey was conducted and will be submitted by Intermountain Paleo.

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

**PERMITTING AGENT**

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

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

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

**CERTIFICATION:**

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

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 965-34 Well, located in the NWSW, of Section 34, 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 29, 2007  
Date

  
\_\_\_\_\_  
Kaylene R. Gardner, Lead Regulatory Assistant

EOG RESOURCES, INC.  
CWU #965-34  
SECTION 34, T9S, R23E, S.L.B.&M.

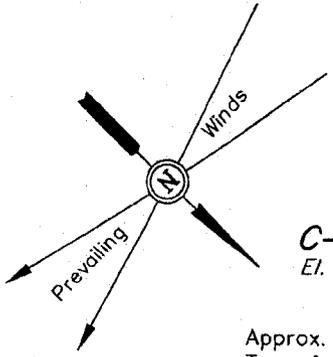
PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 4.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTELY DIRECTION APPROXIMATELY 1.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.75 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY DIRECTION APPROXIMATELY 250' TO THE PROPOSED LOCATION

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 54.5 MILES.

# EOG RESOURCES, INC.

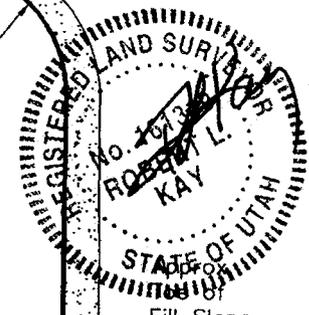
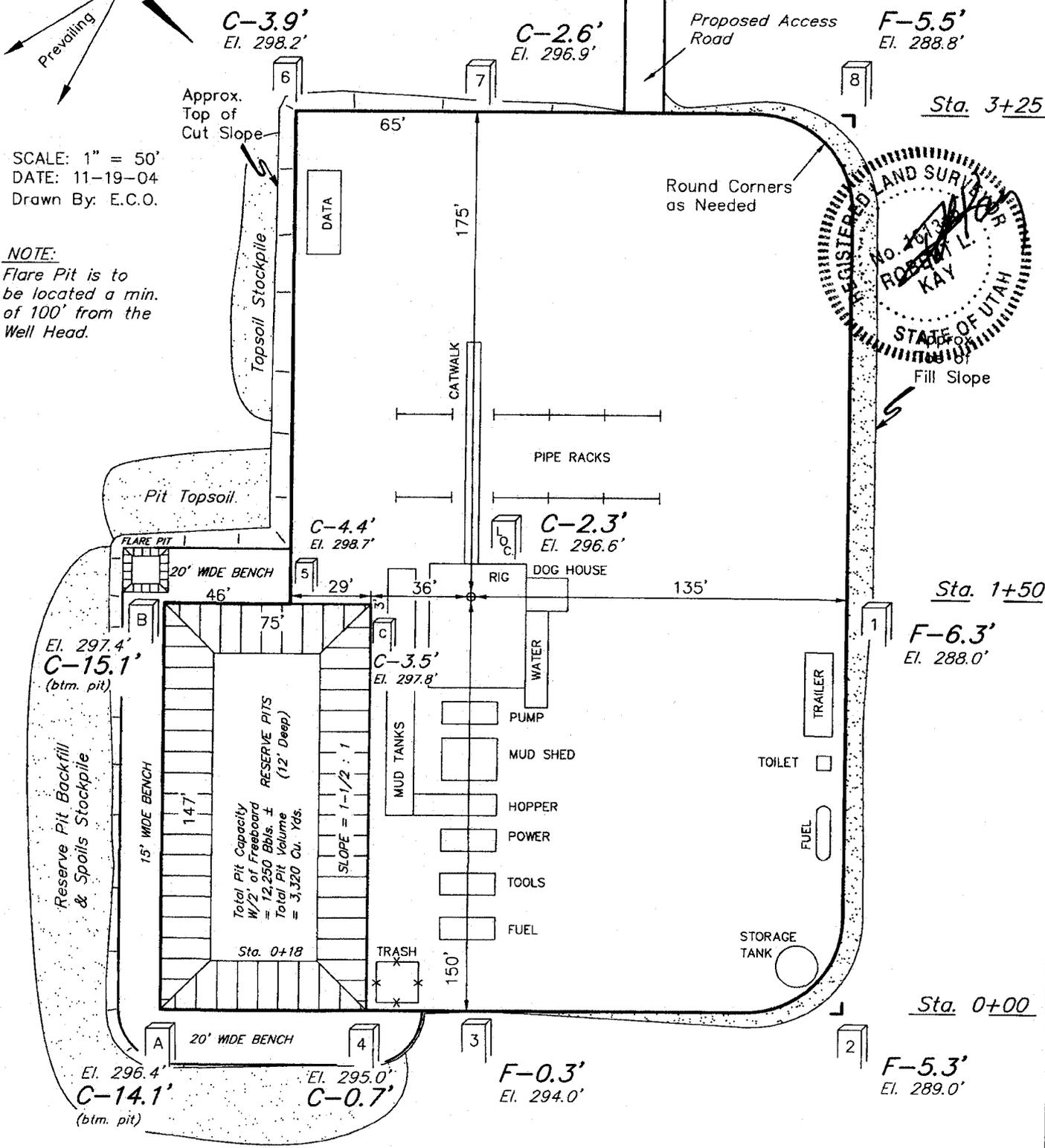
## LOCATION LAYOUT FOR

CWU #965-34  
SECTION 34, T9S, R23E, S.L.B.&M.  
1927' FSL 527' FWL



SCALE: 1" = 50'  
DATE: 11-19-04  
Drawn By: E.C.O.

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



Elev. Ungraded Ground at Location Stake = 5296.6'  
Elev. Graded Ground at Location Stake = 5294.3'

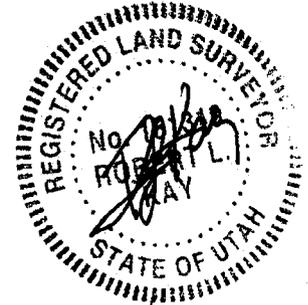
UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

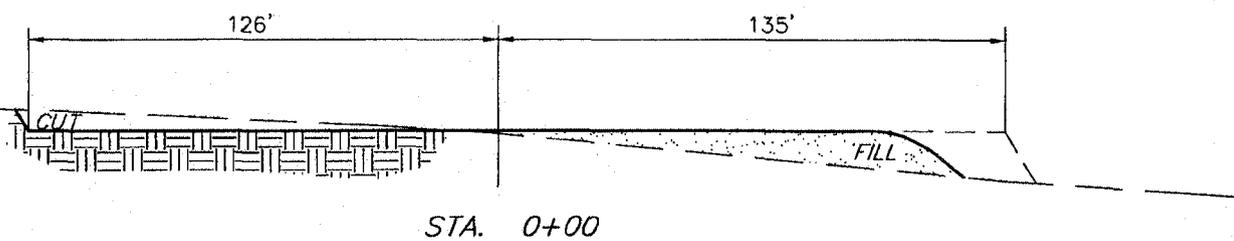
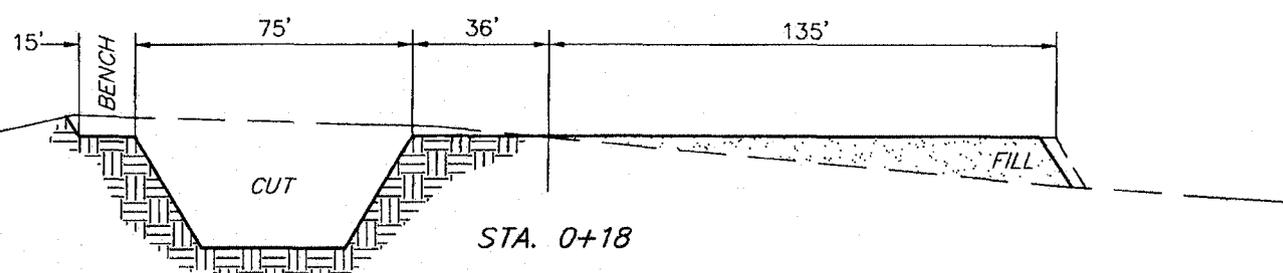
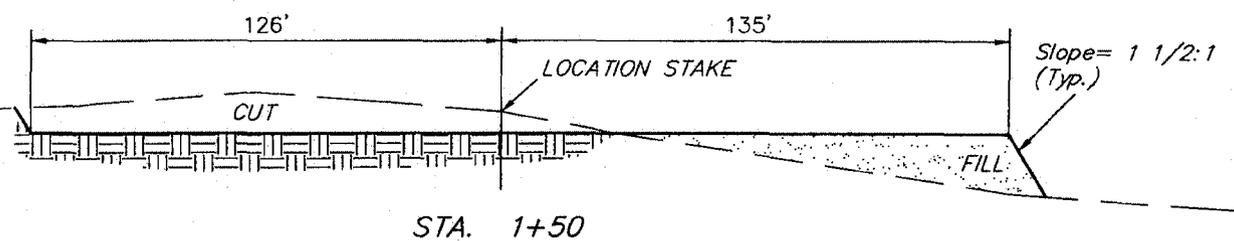
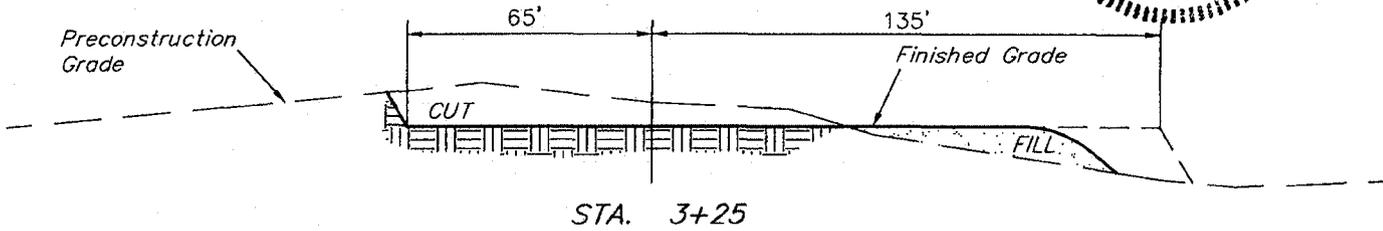
CWU #965-34

SECTION 34, T9S, R23E, S.L.B.&M.  
1927' FSL 527' FWL



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

DATE: 11-19-04  
Drawn By: E.C.O.



NOTE:

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

\* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	1,580 Cu. Yds.
Remaining Location	=	6,570 Cu. Yds.
<b>TOTAL CUT</b>	<b>=</b>	<b>8,150 CU.YDS.</b>
<b>FILL</b>	<b>=</b>	<b>4,910 CU.YDS.</b>

EXCESS MATERIAL	=	3,240 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	3,240 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	0 Cu. Yds.

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

# EOG RESOURCES, INC.

## CWU #965-34

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 34, T9S, R23E, S.L.B.&M.

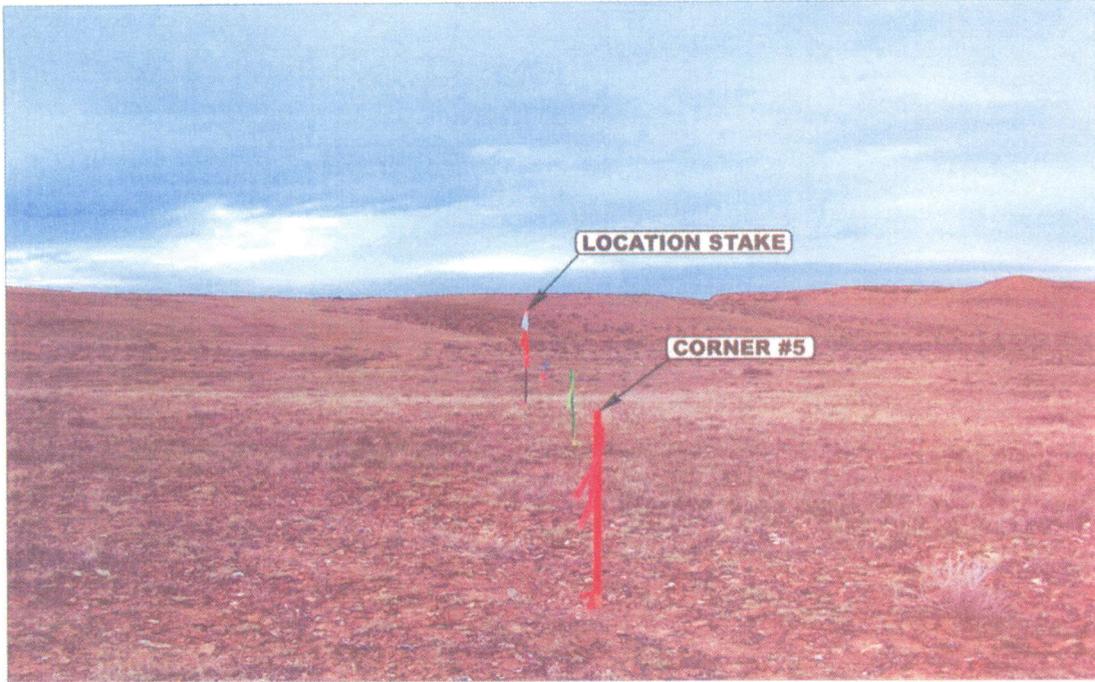


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

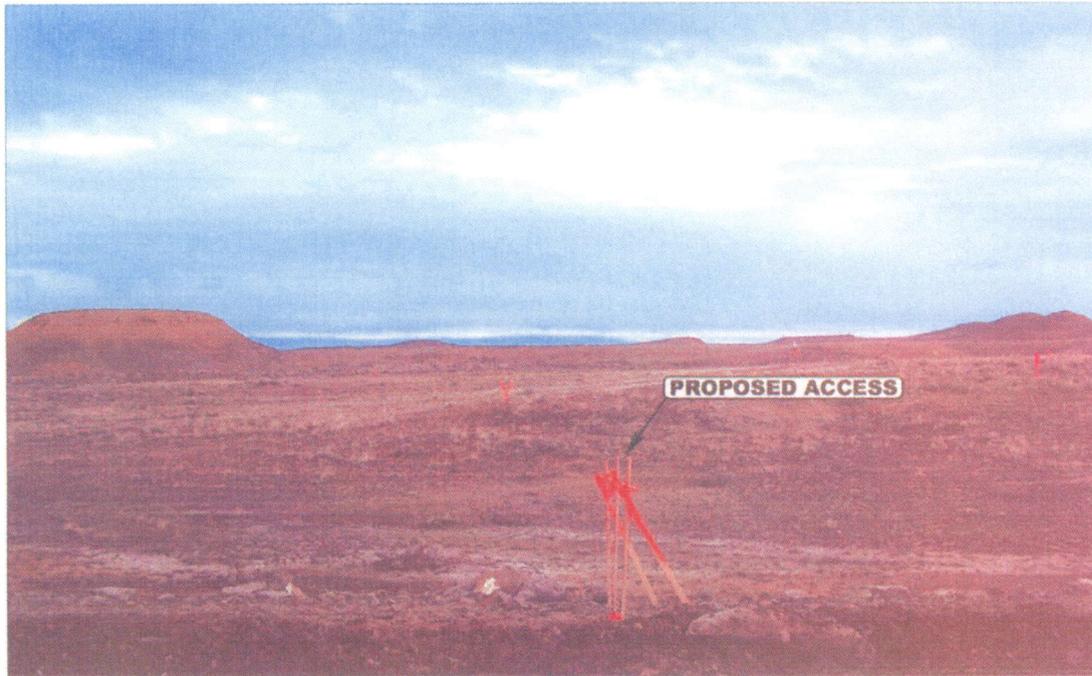


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

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

LOCATION PHOTOS

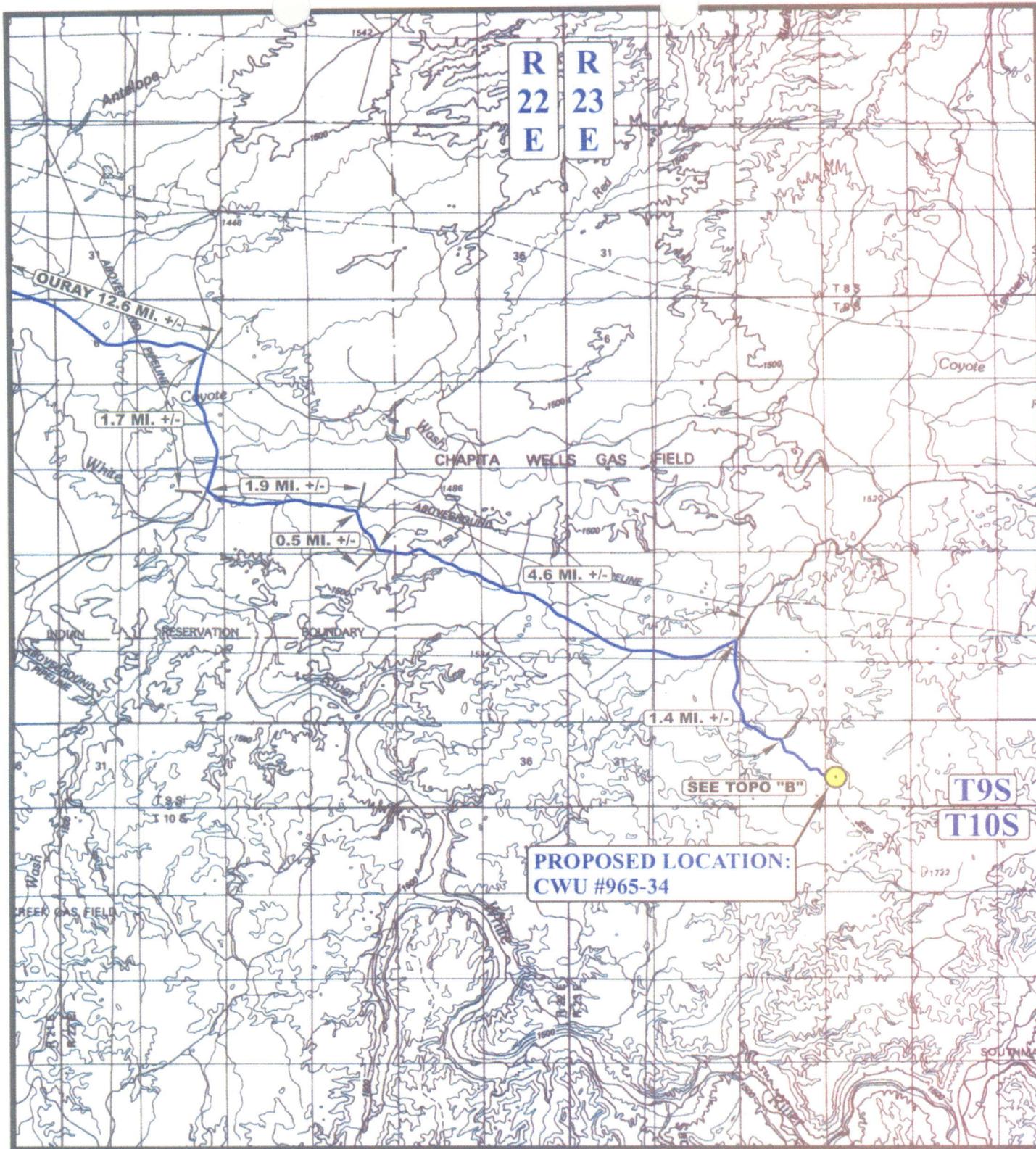
11 11 04  
MONTH DAY YEAR

PHOTO

TAKEN BY: G.S.

DRAWN BY: C.H.

REVISED: 00-00-00



**LEGEND:**

 PROPOSED LOCATION



**EOG RESOURCES, INC.**

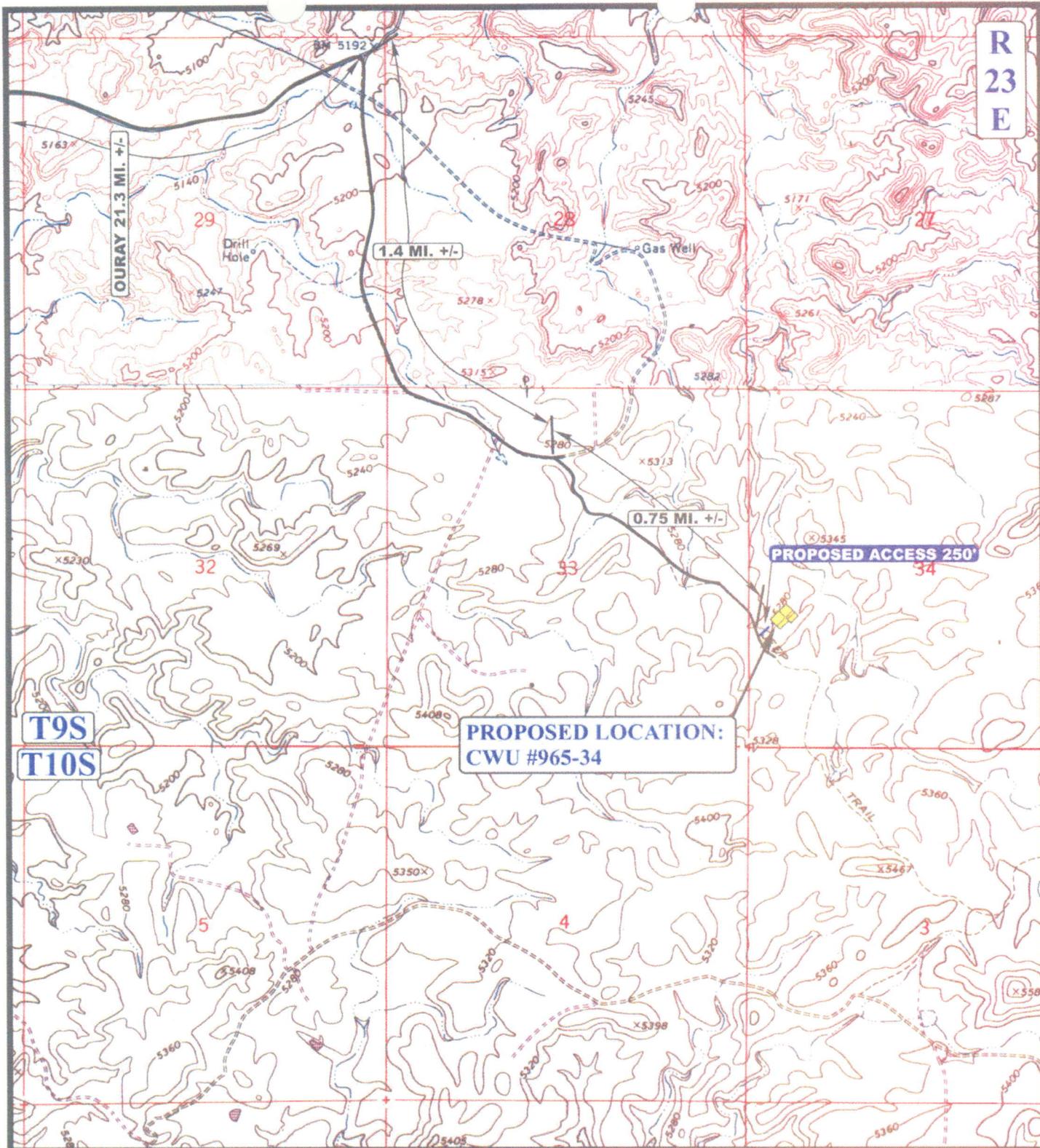
CWU #965-34  
 SECTION 34, T9S, R23E, S.L.B.&M.  
 1927' FSL 527' FWL



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

**TOPOGRAPHIC MAP** 11 11 04  
 MONTH DAY YEAR  
 SCALE: 1:100,000 DRAWN BY: C.H. REVISED: 00-00-00





R  
23  
E

T9S  
T10S

PROPOSED LOCATION:  
CWU #965-34

PROPOSED ACCESS 250'

**LEGEND:**

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD



**EOG RESOURCES, INC.**

CWU #965-34  
SECTION 34, T9S, R23E, S.L.B.&M.  
1927' FSL 527' FWL



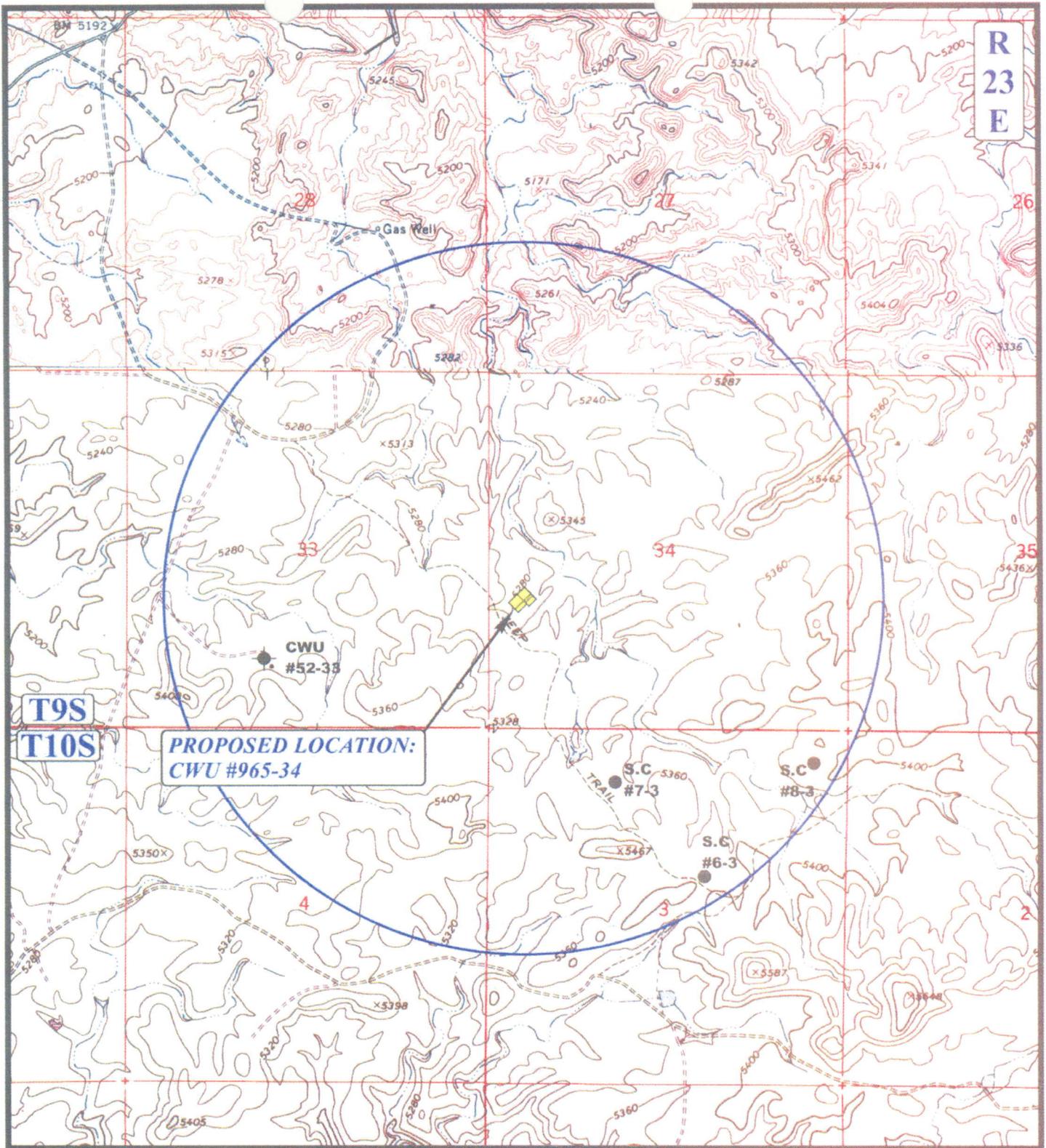
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

11	11	04
MONTH	DAY	YEAR

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





**PROPOSED LOCATION:**  
**CWU #965-34**

**LEGEND:**

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



**EOG RESOURCES, INC.**

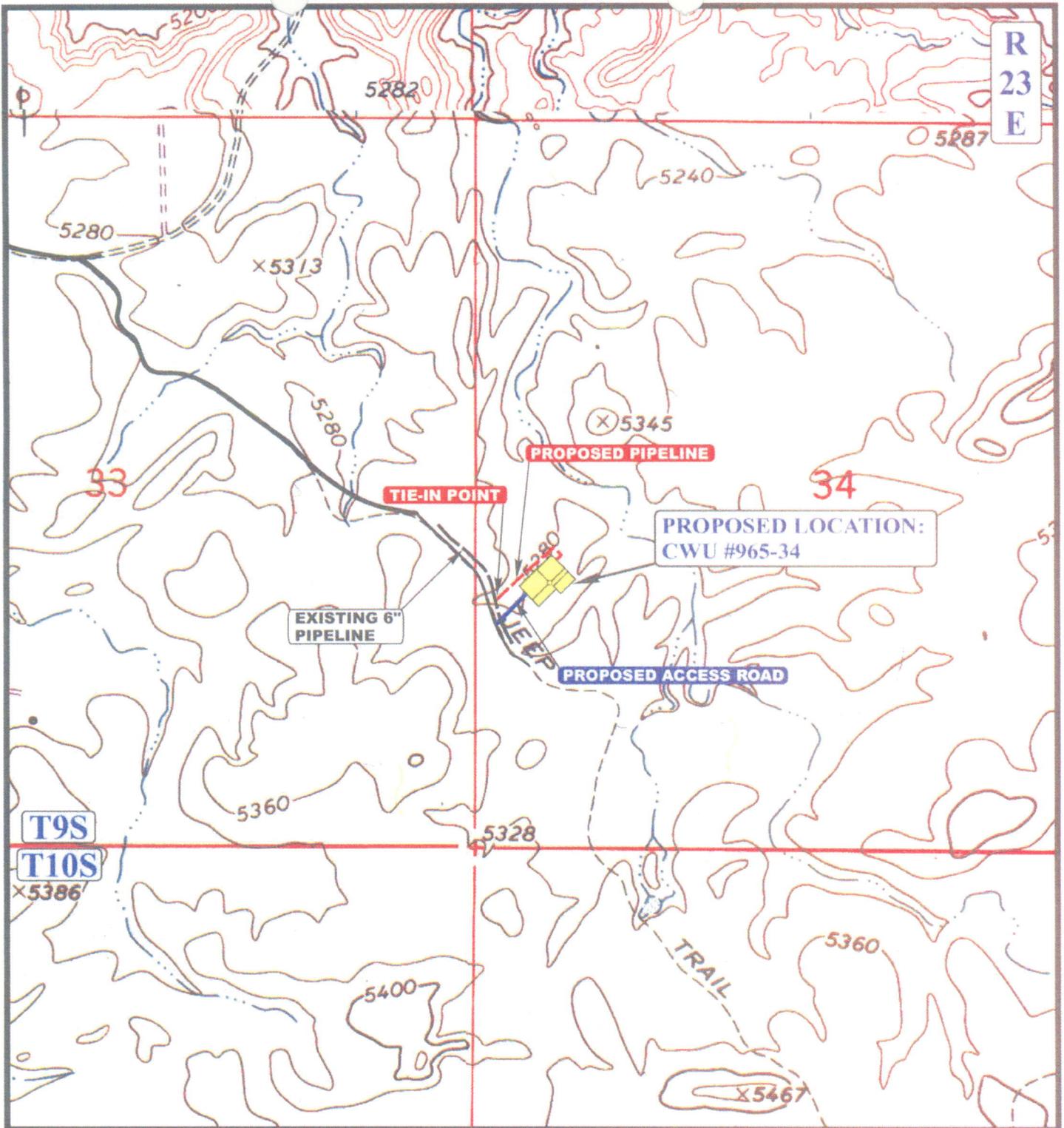
**CWU #965-34**  
**SECTION 34, T9S, R23E, S.L.B.&M.**  
**1927' FSL 527' FWL**



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

**TOPOGRAPHIC MAP** 11 11 04  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.H. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 565' +/-

**LEGEND:**

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE



**EOG RESOURCES, INC.**

CWU #965-34  
 SECTION 34, T9S, R23E, S.1.B.&M.  
 1927' FSL 527' FWL



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

**TOPOGRAPHIC  
 MAP**

**11 11 04**  
 MONTH DAY YEAR



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

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 12/04/2007

API NO. ASSIGNED: 43-047-39806

WELL NAME: CWU 965-34

OPERATOR: EOG RESOURCES, INC. ( N9550 )

PHONE NUMBER: 435-781-9111

CONTACT: KAYLENE GARDNER

PROPOSED LOCATION:

NWSW 34 090S 230E  
 SURFACE: 1927 FSL 0527 FWL  
 BOTTOM: 1927 FSL 0527 FWL  
 COUNTY: UINTAH  
 LATITUDE: 39.99057 LONGITUDE: -109.3199  
 UTM SURF EASTINGS: 643442 NORTHINGS: 4427852  
 FIELD NAME: NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU37943  
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

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

LOCATION AND SITING:

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

COMMENTS:

STIPULATIONS:

*1- Federal Approval*



# 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)

December 6, 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)

43-047-39798	CWU 962-33 Sec 33 T09S R23E 1890 FSL 1961 FEL	
43-047-39799	CWU 960-33 Sec 33 T09S R23E 2173 FNL 0579 FEL	
43-047-39806	CWU 965-34 Sec 34 T09S R23E 1927 FSL 0527 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:12-6-07



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

December 6, 2007

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

Re: CWU 965-34 Well, 1927' FSL, 527' FWL, NW SW, Sec. 34, 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 43-047-39806.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

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

Operator: EOG Resources, Inc.

Well Name & Number CWU 965-34

API Number: 43-047-39806

Lease: UTU37943

Location: NW SW                      Sec. 34                      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. UTU37943
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES INC		7. If Unit or CA Agreement, Name and No. UTU63013AI
Contact: KAYLENE R GARDNER E-Mail: KAYLENE_GARDNER@EOGRESOURCES.COM		8. Lease Name and Well No. CWU 965-34
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-9111	9. API Well No. <b>43 047 39806</b>
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWSW 1927FSL 527FWL 39.99050 N Lat, 109.32062 W Lon At proposed prod. zone NWSW 1927FSL 527FWL 39.99050 N Lat, 109.32062 W Lon		10. Field and Pool, or Exploratory 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 34 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) 527	16. No. of Acres in Lease 600.00	12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1200	19. Proposed Depth 8560 MD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5297 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:

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

25. Signature (Electronic Submission)	Name (Printed/Typed) KAYLENE R GARDNER Ph: 435-781-9111	Date 11/29/2007
Title LEAD REGULATORY ASSISTANT		
Approved by (Signature) 	Name (Printed/Typed) Tracy Kewicka	Date 4-7-2008
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.

**CONDITIONS OF APPROVAL ATTACHED**

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

Electronic Submission #57354 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal  
Committed to AFMSS for processing by CINDY SEVERSON on 11/30/2007 (08CX50059AE)

**NOTICE OF APPROVAL**

**RECEIVED**  
**APR 14 2008**  
DIV. OF OIL, GAS & MINING

\*\* BLM REVISED \*\*

**UDOGH**

NOS 10|25|07

08CX50031AE



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

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

**Company:** EOG Resources, Inc.  
**Well No:** CWU 965-34  
**API No:** 43-047-39806

**Location:** NWSW, Sec. 34, T09S, R23E  
**Lease No:** UTU-37943  
**Agreement:** Chapita Wells Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	
NRS/Enviro Scientist:		(435) 781-4476	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

**Fax: (435) 781-3420**

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

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

**NOTIFICATION REQUIREMENTS**

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

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

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

***Site Specific COAs:***

- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:
  - 9 lbs Hycrest Wheatgrass and 3 lbs Kochia
- If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.
- All the culverts will be installed according to the BLM Gold Book.
- The road and well pad will have road base on the surface.
- Bury pipeline at all low water crossings.
- Permission from an authorized BLM representative will be required if construction or other operations occur during wet conditions that will lead to excessive rutting.
- Permission to clear all wildlife stipulations will only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.
- Culverts and gravel may be installed as needed.

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

**SITE SPECIFIC DOWNHOLE COAs:**

- A formation integrity test shall be performed at the surface casing shoe before drilling more than twenty feet.
- The top of the production casing cement shall extend a minimum of 200 feet above the surface casing shoe.
- A 75 foot long blooie line is approved. All other equipment for air/gas drilling shall meet specifications in Onshore Order #2, III, Requirements, E. Special Drilling Operations.
- Logging program: Run Gamma Ray from TD to surface.

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

**DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

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

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

**OPERATING REQUIREMENT REMINDERS:**

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

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

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

**DIVISION OF OIL, GAS AND MINING**

***SPUDDING INFORMATION***

Name of Company: EOG RESOURCES INC

Well Name: CWU 965-34

Api No: 43-047-39806 Lease Type: FEDERAL

Section 34 Township 09S Range 23E County UINTAH

Drilling Contractor CRAIG' ROUSTABOUT SERV RIG # RATHOLE

**SPUDDED:**

Date 05/21/08

Time 1:00 PM

How DRY

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

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 05/21/08 Signed CHD

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

FORM 6

**ENTITY ACTION FORM**

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

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38666	Chapita Wells Unit 1023-15		NWNW	15	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
B	99999	13650	5/20/2008			5/29/08	
Comments: <u>Mesaverde well</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39806	Chapita Wells Unit 965-34		NWSW	34	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
B	99999	13650	5/21/2008			5/29/08	
Comments: <u>Mesaverde well</u>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments: <u> </u>							

**ACTION CODES:**

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

Mary A. Maestas

Name (Please Print)

Signature Mary A. Maestas

Regulatory Assistant

5/21/2008

Title

Date

**RECEIVED**

MAY 21 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.  
UTU37943

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
CHAPITA WELLS UNIT 965-34

2. Name of Operator  
EOG RESOURCES INC

Contact: MARY A. MAESTAS  
E-Mail: mary\_maestas@eogresources.com

9. API Well No.  
43-047-39806

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
  
Sec 34 T9S R23E NWSW 1927FSL 527FWL  
39.99050 N Lat, 109.32062 W Lon

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

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

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

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

The referenced well spud on 5/21/2008.

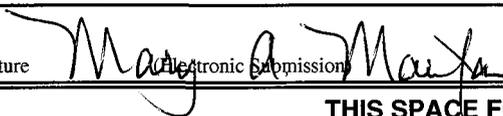
14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #60407 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature



Date 05/21/2008

**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**

**MAY 27 2008**

DIV. OF OIL, GAS & MINING

CWU 965-34

Form 3160-5  
(August 2007)

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.  
UTU67868

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
MULTIPLE MULTIPLE

9. API Well No.  
43 047 39806

10. Field and Pool, or Exploratory  
NATURAL BUTTES

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

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

9S 23E 3A

**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 type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" 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 recompletable 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 recompletable in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

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

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

This sundry covers multiple wells. Please see the attached sheet detailing the wells.

Accepted by the  
Utah Division of  
Oil, Gas and Mining  
**FOR RECORD ONLY**

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

**Electronic Submission #60540 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature

Date 06/02/2008

**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.

**RECEIVED**

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED JUN 04 2008**

DIV. OF OIL, GAS & MINING

<u>Well Name</u>	<u>SEC</u>	<u>T</u>	<u>R</u>	<u>Qtr/Qtr</u>	<u>Lease</u>	<u>API</u>
East Chapita 81-23	23	9S	23E	NESE	UTU67868	43-047-39443
CWU 1363-25H	25	9S	22E	SENE	UTU0282	43-047-50007
East Chapita 51-35	35	9S	23E	NWNW	UTU0344	43-047-39208
East Chapita 25-09	9	9S	23E	SESE	UTU67868	43-047-38145
CWU 1365-19	19	9S	23E	SWSW	UTU0337	43-047-39779
NBU 573-17E	17	10S	21E	SESE	UTU02278	43-047-38510
NBU 561-17E	17	10S	21E	SWSE	UTU02278	43-047-37512
CWU 1088-22	22	9S	22E	SWNE	UTU0284A	43-047-37502
CWU 1023-15	15	9S	22E	NWNW	UTU0283A	43-047-38666
CWU 965-34	34	9S	23E	NWSW	UTU37943	43-047-39806
NBU 567-17E	17	10S	21E	NWNE	UTU01791	43-047-38535
East Chapita 79-23	23	9S	23E	SESE	UTU67868	43-047-39442
CWU 1274-22	22	9S	22E	NENW	UTU0284A	43-047-38530
CWU 690-34	34	9S	23E	SWSE	UTU37943	43-047-37459

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.  
UTU37943

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

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

8. Well Name and No.  
CHAPITA WELLS UNIT 965-34

9. API Well No.  
43-047-39806

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
EOG RESOURCES, INC.

Contact: MARY A. MAESTAS  
E-Mail: mary\_maestas@eogresources.com

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 34 T9S R23E NWSW 1927FSL 527FWL  
39.99050 N Lat, 109.32062 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 Production Start-up
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or 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 turned to sales on 8/4/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #62038 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal**

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

Signature *Mary A. Maestas* (Electronic Submission) Date 08/06/2008

**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**

**AUG 07 2008**

## WELL CHRONOLOGY REPORT

Report Generated On: 08-06-2008

<b>Well Name</b>	CWU 965-34	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-39806	<b>Well Class</b>	1SA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	06-14-2008	<b>Class Date</b>	08-04-2008
<b>Tax Credit</b>	N	<b>TVD / MD</b>	8,560/ 8,560	<b>Property #</b>	054954
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	6,606/ 6,606
<b>KB / GL Elev</b>	5,310/ 5,294				
<b>Location</b>	Section 34, T9S, R23E, NW/SW, 1927 FSL & 527 FWL				

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

<b>AFE No</b>	302823	<b>AFE Total</b>	1,797,500	<b>DHC / CWC</b>	880,700/ 916,800
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #31	<b>Start Date</b>	02-05-2008
<b>02-05-2008</b>	<b>Reported By</b>	CYNTHIA HANSELMAN			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			1927' FSL & 527' FWL (NW/SW)
			SECTION 34, T9S, R23E
			UINTAH COUNTY, UTAH
			LAT 39.990500, LONG 109.320617 (NAD 83)
			LAT 39.990533, LONG 109.319939 (NAD 27)
			TRUE #31
			OBJECTIVE: 8560' TD, MESAVERDE
			DW/GAS
			CHAPITA WELLS DEEP PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: UTU-37943
			ELEVATION: 5296.6' NAT GL, 5294.3' PREP GL (DUE TO ROUNDING THE PREP GL IS 5294'), 5310' KB (16')
			EOG BPO WI 55.0328%, NRI 47.15451%

05-13-2008      Reported By      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

**Start**      **End**      **Hrs**      **Activity Description**  
 06:00      06:00      24.0      START LOCATION.

**05-14-2008**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

**Start**      **End**      **Hrs**      **Activity Description**  
 06:00      06:00      24.0      LOCATION 15% COMPLETE.

**05-15-2008**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

**Start**      **End**      **Hrs**      **Activity Description**  
 06:00      06:00      24.0      LOCATION 35% COMPLETE.

**05-16-2008**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

**Start**      **End**      **Hrs**      **Activity Description**  
 06:00      06:00      24.0      LOCATION 45% COMPLETE.

**05-19-2008**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

**Start**      **End**      **Hrs**      **Activity Description**  
 06:00      06:00      24.0      LOCATION 60% COMPLETE.

**05-20-2008**      **Reported By**      TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

05-21-2008      Reported By      TERRY CSERE/JERRY BARNES

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

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE. CRAIGS ROUSTABOUT SERVICE SPUD A 20" HOLE ON 05/21/08 @ 1:00 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 05/21/08 @ 12:30 PM.

06-03-2008      Reported By      JERRY BARNES

<b>Daily Costs: Drilling</b>	\$199,958	<b>Completion</b>	\$0	<b>Daily Total</b>	\$199,958
<b>Cum Costs: Drilling</b>	\$237,958	<b>Completion</b>	\$0	<b>Well Total</b>	\$237,958
<b>MD</b>	2,192	<b>TVD</b>	2,192	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU ASPEN DRILLING RIG #14 ON 5/25/2008. DRILLED 12-1/4" HOLE TO 2192' GL. LOST RETURNS @ 1647'. RAN 51 JTS (2190.11') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2206' KB. RDMO ASPEN RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1500 PSIG. PUMPED 180 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 400 SX (84 BBLs) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX.

DISPLACED CEMENT W/166.4 BBLs FRESH WATER. BUMPED PLUG W/700# @ 4:05 PM, 5/28/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB # 1: MIXED & PUMPED 100 SX (20.4 BBLs) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 24 HRS. RDMO HALLIBURTON CEMENTERS.

TOP JOB # 2: MIRU HALLIBURTON CEMENTERS. MIXED & PUMPED 150 SX (31 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS.

TOP JOB # 3: MIXED & PUMPED 100 SX (20.4 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT TO 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

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

ASPEN RIG 14 TOOK SURVEYS WHEN DRILLING HOLE @ 307' - 0.75?, 975' - 1.0?, 2165' - 1.5?.

CONDUCTOR LEVEL RECORD: PS= 90.0 OPS= 90.0 VDS= 89.9 MS= 89.9.

9 5/8 CASING LEVEL RECORD: PS= 90.0 OPS= 89.9 VDS= 89.9 MS= 89.8.

DANNY FARNSWORTH NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 5/26/2008 @ 10:00 AM.

<b>06-14-2008</b>		<b>Reported By</b>		PAT CLARK							
<b>Daily Costs: Drilling</b>	\$35,558	<b>Completion</b>	\$0	<b>Daily Total</b>	\$35,558						
<b>Cum Costs: Drilling</b>	\$273,516	<b>Completion</b>	\$0	<b>Well Total</b>	\$273,516						
<b>MD</b>	2,202	<b>TVD</b>	2,202	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	8.7	<b>Visc</b>	26.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: FIT @ SURFACE CSG SHOE</b>											

Start	End	Hrs	Activity Description
06:00	22:00	16.0	MIRURT. MOVE RIG 9 MILES TO CWU 965-34. WESTROC TRUCKING HAD 11 TRUCKS, 1 FORKLIFT, 1 CRANE. CRANE RELEASED @ 15:00, TRUCKS @ 16:00. DERRICK IN AIR @ 15:30. 5 HANDS, 16 HOURS. TRANSFER 5 JTS 4 1/2", 11.6#, P-110, LTC CSG (211.96' TOL). TRANSFER 1 P-110 MJ (9.74' TOL). TRANSFER 2000 GALS FUEL @ \$4.52/GAL. NOTIFIED JAMIE SPARGER\VERNAL BLM\BOP TEST\6-12-08\10:00.
22:00	23:00	1.0	NU BOPE. RIG ON DAYWORK @ 22:00, 6/13/08.
23:00	02:00	3.0	TESTED PIPE RAMS, BLIND RAMS, HCR, CHOKE VALVE, CHOKE LINE & MANIFOLD, KILL LINE VALVES TO 5000 PSI FOR 10 MINUTES. TESTED UPPER & LOWER KELLY COCKS, FLOOR & INSIDE BOP TO 5000 PSI FOR 10 MINUTES. TESTED ANNULAR PREVENTER TO 2500 PSI FOR 10 MINUTES. TESTED CASING TO 1500 PSI FOR 30 MINUTES. R/D TESTER. NO BLM REP ON LOCATION TO WITNESS TEST.
02:00	04:00	2.0	HSM. R/U WEATHERFORD TRS, PU BHA & TOOLS. TAG CEMENT @ 2150'. R/D TRS.
04:00	04:30	0.5	SLIP & CUT DRILL LINE.
04:30	06:00	1.5	DRILL CEMENT/FLOAT EQUIP. FC @ 2152', GS @ 2192'. DRILL 10' TO 2202'.
FULL CREWS, NO ACCIDENTS, CHECK COM. SAFETY MEETINGS - RIG MOVE , P/U BHA. FUEL - 1675 GALS, USED 325 GALS. UNMANNED ML UNIT - 1 DAY.			
06:00	06:30	0.5	SPUD 7-7/8" HOLE @ 06:30, 6/14/08

<b>06-15-2008</b>		<b>Reported By</b>		PAT CLARK							
<b>Daily Costs: Drilling</b>	\$60,856	<b>Completion</b>	\$0	<b>Daily Total</b>	\$60,856						
<b>Cum Costs: Drilling</b>	\$334,372	<b>Completion</b>	\$0	<b>Well Total</b>	\$334,372						
<b>MD</b>	5,150	<b>TVD</b>	5,150	<b>Progress</b>	2,958	<b>Days</b>	1	<b>MW</b>	8.5	<b>Visc</b>	27.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: DRILLING @ 5150'**

Start	End	Hrs	Activity Description
06:00	06:30	0.5	PERFORM FIT TO 218 PSI FOR 10.5 EMW.
06:30	08:30	2.0	DRILL 2202' - 2456'. WOB 5-12K, RPM 60/63, SPP 1000 PSI, DP 400 PSI, ROP 127 FPH.
08:30	09:00	0.5	SURVEY @ 2381' - 2 DEG.
09:00	16:30	7.5	DRILL 2456' - 3743'. SAME PARAMETERS, ROP 172 FPH.
16:30	17:30	1.0	SURVEY @ 3668' - 2 DEG. SERVICE RIG. CHECK COM, FUNCTION PIPE RAMS.
17:30	06:00	12.5	DRILL 3743' - 5150'. SAME PARAMETERS, ROP 113 FPH.

FULL CREWS, NO ACCIDENTS, BOP DRILL DAYLIGHTS.  
 SAFETY MEETINGS - SURVEYS, V-DOOR.  
 FUEL - 4694 GALS, DEL - 4500 GALS, USED - 1481 GALS.  
 UNMANNED ML UNIT - 2 DAYS.  
 CURRENT MW 8.8 PPG, VIS - 29 SPQ.  
 CURRENT FORMATION - CHAPITA WELLS.

06-16-2008 Reported By PAT CLARK

<b>Daily Costs: Drilling</b>	\$37,494	<b>Completion</b>	\$0	<b>Daily Total</b>	\$37,494						
<b>Cum Costs: Drilling</b>	\$371,867	<b>Completion</b>	\$0	<b>Well Total</b>	\$371,867						
<b>MD</b>	6,680	<b>TVD</b>	6,680	<b>Progress</b>	1,530	<b>Days</b>	2	<b>MW</b>	8.8	<b>Visc</b>	31.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

**Activity at Report Time: DRILLING @ 6680'**

Start	End	Hrs	Activity Description
06:00	13:30	7.5	DRILL 5150' - 5663'. WOB 12-18K, RPM 60/63, SPP 1300 PSI, DP 300 PSI, ROP 68 FPH.
13:30	14:00	0.5	RIG SERVICE. CHECK COM, FUNCTION ANNULAR.
14:00	06:00	16.0	DRILL 5663' - 6680'. SAME PARAMETERS, ROP 64 FPH.

FULL CREWS, NO ACCIDENTS.  
 SAFETY MEETINGS - SAFETY CABLES, ELECTRICITY.  
 CURRENT FORMATION - KMV PRICE RIVER.  
 CURRENT MW - 9.2 PPG, VIS - 32 SPQ.  
 FUEL - 3252 GALS, USED - 1442 GALS.  
 UNMANNED ML UNIT - 3 DAYS.

06-17-2008 Reported By PAT CLARK

<b>Daily Costs: Drilling</b>	\$38,317	<b>Completion</b>	\$0	<b>Daily Total</b>	\$38,317						
<b>Cum Costs: Drilling</b>	\$410,184	<b>Completion</b>	\$0	<b>Well Total</b>	\$410,184						
<b>MD</b>	7,880	<b>TVD</b>	7,880	<b>Progress</b>	1,200	<b>Days</b>	3	<b>MW</b>	9.5	<b>Visc</b>	33.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

**Activity at Report Time: DRILLING @ 7880'**

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILL 6680' - 6707'. WOB 17K, RPM 60/63, SPP 1300 PSI, DP 350 PSI, ROP 54 FPH.
06:30	07:00	0.5	RIG SERVICE. CHECK COM, FUNCTION ANNULAR.
07:00	06:00	23.0	DRILL 6707' - 7880'. SAME PARAMETERS, ROP 51 FPH.

FULL CREWS, NO ACCIDENTS, BOP DRILL MORNING TOUR.

SAFETY MEETINGS – PUMPS, HOUSEKEEPING.  
 CURRENT FORMATION – KMV PRICE RIVER LOWER.  
 CURRENT MW – 10.1 PPG, VIS 33 SPQ.  
 FUEL – 1675 GALS, USED – 1577 GALS.  
 UNMANNED ML UNIT – 4 DAYS.

<b>06-18-2008</b>		<b>Reported By</b>		<b>PAT CLARK</b>							
<b>Daily Costs: Drilling</b>	\$98,848			<b>Completion</b>	\$0			<b>Daily Total</b>	\$98,848		
<b>Cum Costs: Drilling</b>	\$509,030			<b>Completion</b>	\$0			<b>Well Total</b>	\$509,030		
<b>MD</b>	8,560	<b>TVD</b>	8,560	<b>Progress</b>	680	<b>Days</b>	4	<b>MW</b>	10.3	<b>Visc</b>	31.0
<b>Formation :</b>		<b>PBTD : 0.0</b>				<b>Perf :</b>		<b>PKR Depth : 0.0</b>			

Activity at Report Time: LD DP

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRILL 7880' – 8217'. WOB 15-20K, RPM 60-66/63, SPP 1750 PSI, DP 250 PSI, ROP 37 FPH.
15:00	15:30	0.5	RIG SERVICE. CHECK COM, FUNCTION PIPE RAMS.
15:30	00:00	8.5	DRILL 8217' – 8560' TD. SAME PARAMETERS, ROP 40 FPH. REACHED TD @ 00:00 HRS (MIDNIGHT), 6/17/08.
00:00	01:00	1.0	CIRCULATE AND CONDITION FOR SHORT TRIP.
01:00	02:30	1.5	SHORT TRIP.
02:30	04:00	1.5	CONDITION AND CIRCULATE. HSM, R/U WEATHERFORD TRS TO LDDP. PUMP PILL.
04:00	06:00	2.0	LDDP.

FULL CREWS, NO ACCIDENTS.  
 SAFETY MEETINGS – HELICOPTER LANDING ZONE, LDDP.  
 CURRENT MW – 10.6 PPG, VIS – 35 SPQ.  
 FUEL – 2434 GAL, DEL – 2000 GALS, USED – 1241 GALS.  
 UNMANNED ML UNIT – 5 DAYS; RELEASED 6-18-08.

<b>06-19-2008</b>		<b>Reported By</b>		<b>PAT CLARK</b>							
<b>Daily Costs: Drilling</b>	\$25,997			<b>Completion</b>	\$144,796			<b>Daily Total</b>	\$170,793		
<b>Cum Costs: Drilling</b>	\$535,027			<b>Completion</b>	\$144,796			<b>Well Total</b>	\$679,823		
<b>MD</b>	8,560	<b>TVD</b>	8,560	<b>Progress</b>	0	<b>Days</b>	5	<b>MW</b>	10.6	<b>Visc</b>	36.0
<b>Formation :</b>		<b>PBTD : 0.0</b>				<b>Perf :</b>		<b>PKR Depth : 0.0</b>			

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	09:00	3.0	LDDP. BREAK KELLY, PULL RUBBER, L/D BHA. PULL WEAR BUSHING.
09:00	15:00	6.0	HSM. RUN 4 1/2", 11.6#, N-80, LTC CASING AS FOLLOWS: FLOAT SHOE @ 8550', 1 JT CSG, FLOAT COLLAR @ 8506', 63 JTS CSG, MARKER JOINT @ 5778', 45 JTS CSG, MJ @ 3816', 88 JTS CSG ( 197 TOTAL), P/U JT # 198, TAG BOTTOM @ 8560'. L/D JT # 198, P/U LANDING JT, CASING HANGER AND PUP, LAND IN CASING HEAD W/ 69,000#. R/D WEATHERFORD TRS.
15:00	18:00	3.0	HSM. R/U SCHLUMBERGER. PRESSURE TEST LINES TO 5000 PSI, CEMENT WELL AS FOLLOWS: PUMP 20 BBLs MUD FLUSH, 20 BBLs FRESH WATER, MIX AND PUMP 240 SX (127 BBLs, 715 CU/FT) LEAD G CEMENT @ 11.5 PPG, 2.98 YLD, H2O 18.227 GAL/SK + 10% D020 + .2% D046 + .2% D167 + .5% D065 + .125 LB/SK D130. MIX AND PUMP 1415 SX (325 BBLs, 1825 CU/FT) TAIL 50/50 POZ G CEMENT @ 14.1 PPG, 1.29 YLD, H2O 5.963 GAL/SK + 2% D020 + .1% D046 + .2% D065 + .2% D167 + .1% D013. WASH UP TO PIT, DROP TOP PLUG AND DISPLACE W/131 BBLs H2O W/2 GALS/1000 L064. FULL RETURNS. MAX PRESSURE 2352 PSI, DID NOT BUMP PLUG (CEMENTER GOT 1 BBL OF DISPLACEMENT AHEAD OF PLUG. PUMPED 1 BBL SHORT AND LEFT CEMENT HEAD ON OVERNIGHT). R/D SCHLUMBERGER. NOTIFIED\JAMIE SPARGER\VERNAL BLM\CSG & CEM\6-17-08\09:00.

18:00 20:00 2.0 NDBOP, CLEAN MUD TANKS.

FULL CREWS, NO ACCIDENTS.  
 SAFETY MEETINGS - L/D DP, RUN CSG, CEMENTING.  
 FUEL - 1200 GALS, USED - 1234 GALS.  
 WESTROC TRUCKING TO MOVE RIG AND CAMPS 1.5 MILES TO CWU 1105-34 @ 07:00.  
 TRANSFER 5 JTS 4 1/2", 11.6#, P-110, LTC CSG (211.96' TOL) TO CWU 1105-34.  
 TRANSFER 4 JTS 4 1/2", 11.6#, N-80, LTC CSG (173.42' TOL) TO CWU 1105-34.  
 TRANSFER 1 4.5", 11.6#, HCP-110, LTC MJ (9.74' TOL) TO CWU 1105-34.  
 TRANSFER 1200 GALS DIESEL @ \$4.47/GAL TO CWU 1105-34.  
 HAULED 810 BBLs MUD TO TANK FARM.

20:00 06:00 10.0 RDRT.

06:00 06:00 24.0 RIG RELEASED @ 18:00 HRS, 6/18/08.  
 CASING POINT COST \$529,253

---

<b>06-24-2008</b>	<b>Reported By</b>	HOOLEY									
<b>Daily Costs: Drilling</b>	\$20,222	<b>Completion</b>	\$5,711	<b>Daily Total</b>	\$25,933						
<b>Cum Costs: Drilling</b>	\$555,250	<b>Completion</b>	\$150,507	<b>Well Total</b>	\$705,757						
<b>MD</b>	8,560	<b>TVD</b>	8,560	<b>Progress</b>	0	<b>Days</b>	6	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 8513.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: RUWL</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	17:30	11.5	SICP 1800 PSIG. RU EXCELL WS. BLEW WELL DOWN. ND TREE. NU BOPE. RIH W/ 3-7/8" BIT TO TAG @ 8513' KB. CIRCULATED OUT GAS. POH. SDFN.								

---

<b>06-25-2008</b>	<b>Reported By</b>	HOOLEY									
<b>Daily Costs: Drilling</b>	\$20,222	<b>Completion</b>	\$10,543	<b>Daily Total</b>	\$30,765						
<b>Cum Costs: Drilling</b>	\$575,473	<b>Completion</b>	\$161,050	<b>Well Total</b>	\$736,523						
<b>MD</b>	8,560	<b>TVD</b>	8,560	<b>Progress</b>	0	<b>Days</b>	7	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 8506.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: WO COMPLETION</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	15:00	9.0	SICP 0 PSIG. RU CUTTERS WL. SET CIBP @ 8506'. RDWL. RIH W/TBG OPEN ENDED. CIRCULATED HOLE CLEAN. NO GAS. POH, LD TBG. ND BOPE, NU FRAC TREE. RDMOSU.								

---

<b>07-03-2008</b>	<b>Reported By</b>	JOE VIGIL									
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$21,704	<b>Daily Total</b>	\$21,704						
<b>Cum Costs: Drilling</b>	\$575,473	<b>Completion</b>	\$182,754	<b>Well Total</b>	\$758,227						
<b>MD</b>	8,560	<b>TVD</b>	8,560	<b>Progress</b>	0	<b>Days</b>	8	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 8506.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: WOC.</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								

---

06:00 06:00 24.0 7/2/2006 RU SCHLUMBERGER. LOG WITH RST/CBL/VDL/CCL/GR FROM PBSD TO 1000'. CEMENT TOP EST. 850' RD SCHLUMBERGER.

NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION

<b>07-08-2008</b>		<b>Reported By</b>		CARLSON							
<b>Daily Costs: Drilling</b>	\$0			<b>Completion</b>	\$968	<b>Daily Total</b>		\$968			
<b>Cum Costs: Drilling</b>	\$575,473			<b>Completion</b>	\$183,722	<b>Well Total</b>		\$759,195			
<b>MD</b>	8,560	<b>TVD</b>	8,560	<b>Progress</b>	0	<b>Days</b>	9	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESA VERDE</b>		<b>PBSD : 8506.0</b>			<b>Perf : 6968-8305</b>			<b>PKR Depth : 0.0</b>			

**Activity at Report Time: FRAC**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PERFORATE LPR FROM 8032'-33', 8038'-40', 8051'-52', 8102'-03', 8114'-15', 8156'-57', 8162'-64', 8172'-73', 8194'-95', 8251'-52', 8264'-65', 8304'-05' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4165 WF116 LINEAR PAD, 2098 GAL YF116 ST+ PAD, 26138 GAL YF116 ST+ WITH 79600# 20/40 SAND @ 1-5 PPG. MTP 6234 PSIG. MTR 51.4 BPM. ATP 4448 PSIG. ATR 44.8 BPM. ISIP 2550 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP @ 7970' & PERFORATE L/MPR FROM 7752'-53', 7761'-62', 7769'70', 7776'-77', 7791'-92', 7806'-07', 7815'-16', 7827'-28', 7854'-55', 7894'-95', 7920'-21', 7939'-40' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2073 GAL YF116 ST+ PAD 36804 GAL YF116 ST+ WITH 121200# 20/40 SAND @ 1-5 PPG. MTP 6365 PSIG. MTR 51.8 BPM. ATP 5159 PSIG. ATR 46 BPM. ISIP 3400 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP @ 7710' & PERFORATE MPR FROM 7466'-67', 7482'-83', 7496'-97', 7513'-14', 7538'-39', 7547'-48', 7580'-81', 7597'-98', 7611'-12', 7665'-67', 7689'-90' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2071 GAL YF116 ST+ PAD, 42878 GAL YF116 ST+ WITH 146000# 20/40 SAND @ 1-5 PPG. MTP 6656 PSIG. MTR 51.5 BPM. ATP 4979 PSIG. ATR 45.7 BPM. ISIP 2600 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 7450' & PERFORATE MPR FROM 7341'-42', 7347'-48', 7368'-69', 7378'-80', 7387'-88', 7400'-01', 7416'-18', 7424'-26', 7430'-31' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2058 GAL YF116 ST+ PAD, 36955 GAL YF116 ST+ WITH 115400# 20/40 SAND @ 1-5 PPG. MTP 6483 PSIG. MTR 51.6 BPM. ATP 5252 PSIG. ATR 46.4 BPM. ISIP 2300 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 7310'. PERFORATE MPR FROM 7190'-91', 7204'-05', 7214'-15', 7226'-27', 7236'-37', 7246'-47', 7262'-63', 7268'-70', 7287'-88', 7294'-96' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2072 GAL YF116ST+ PAD, 35229 GAL YF116ST+ WITH 112800# 20/40 SAND @ 1-4 PPG. MTP 6450 PSIG. MTR 51.2 BPM. ATP 4856 PSIG. ATR 46 BPM. ISIP 3800 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP @ 7150' & PERFORATE M/UPR FROM 6968'-69', 6973'-74', 6990'-91', 6995'-96', 7015'-16', 7023'-24', 7054'-55', 7063'-64', 7070'-71', 7111'-12', 7122'-23', 7135'-36' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2068 GAL YF116 ST+ PAD 40873 GAL YF116 ST+ WITH 137600# 20/40 SAND @ 1-5 PPG. MTP 6088 PSIG. MTR 52.4 BPM. ATP 4344 PSIG. ATR 48.9 BPM. ISIP 2300 PSIG. RD SCHLUMBERGER. SDFN.

<b>07-09-2008</b>		<b>Reported By</b>		CARLSON, IVIE							
<b>Daily Costs: Drilling</b>	\$0			<b>Completion</b>	\$339,776	<b>Daily Total</b>		\$339,776			
<b>Cum Costs: Drilling</b>	\$575,473			<b>Completion</b>	\$523,498	<b>Well Total</b>		\$1,098,972			
<b>MD</b>	8,560	<b>TVD</b>	8,560	<b>Progress</b>	0	<b>Days</b>	10	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESA VERDE</b>		<b>PBSD : 8506.0</b>			<b>Perf : 6189-8305</b>			<b>PKR Depth : 0.0</b>			

**Activity at Report Time: CLEAN OUT AFTER FRAC**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 1440 PSIG. RUWL. SET 6K CFP @ 6930' & PERFORATE UPR FROM 6619'-20', 6635'-36', 6678'-79', 6683'-84', 6699'-6700', 6713'-14', 6791'-92', 6800'-01', 6819'-20', 6873'-74', 6902'-03', 6911'-12' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2084 GAL YF116 ST+ PAD, 34308 GAL YF116 ST+ WITH 11300# 20/40 SAND @ 1-5 PPG. MTP 5021 PSIG. MTR 51.4 BPM. ATP 3849 PSIG. ATR 44.2 BPM. ISIP 2200 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 6580 & PERFORATE UPR FROM 6351'-52', 6362'-63', 6374'-75', 6381'-82', 6398'-99', 6418'-19', 6444'-45', 6452'-53', 6469'-70', 6507'-08', 6531'-32', 6561'-62' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2063 GAL YF116 ST+ PAD, 55960 GAL YF116 ST+ WITH 197300# 20/40 SAND @ 1-5 PPG. MTP 5984 PSIG. MTR 52.8 BPM. ATP 3238 PSIG. ATR 49 BPM. ISIP 1520 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 6325 & PERFORATE UPR FROM 6189'-90', 6197'-98', 6204'-05', 6226'-27', 6236'-37', 6243'-44', 6254'-55', 6269'-70', 6279'-80', 6291'-92', 6304'-05', 6311'-12' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2064 GAL YF116 ST+ PAD, 39971 GAL YF116 ST+ WITH 140400# 20/40 SAND @ 1-5 PPG. MTP 4612 PSIG. MTR 51.8 BPM. ATP 3224 PSIG. ATR 47.7 BPM. ISIP 1800 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CBP AT 6108'. RDWL. MIRU ROYAL RIG # 1. ND FRAC VALVES. NU BOP. RIH W/MILL & PUMP OFF BIT SUB TO CBP @ 6108'. RU TO DRILL PLUGS. SDFN.

07-10-2008		Reported By	HAL IVIE								
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$45,164	<b>Daily Total</b>	\$45,164						
<b>Cum Costs: Drilling</b>	\$575,473	<b>Completion</b>	\$568,662	<b>Well Total</b>	\$1,144,136						
<b>MD</b>	8,560	<b>TVD</b>	8,560	<b>Progress</b>	0	<b>Days</b>	11	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESA VERDE</b>		<b>PBTD : 8506.0</b>		<b>Perf : 6189-8305</b>			<b>PKR Depth : 0.0</b>				

**Activity at Report Time: RDMOSU, FLOW TEST**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6108', 6325', 6580', 6930', 7150', 7310', 7450', 7710', 7970'. RIH. CLEANED OUT TO PBTD @ 8506'. LANDED TBG AT 6606.67' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.
			FLOWED 15 HRS. 24/64 CHOKE. FTP- 1250 PSIG, CP- 1950 PSIG. 92 BFPH. RECOVERED 1374 BBLs, 8671 BLWTR.
			TUBING DETAIL LENGTH
			PUMP OFF SUB 1.00'
			1 JT 2-3/8 4.7# N-80 TBG 32.43'
			XN NIPPLE 1.10'
			203 JTS 2-3/8 4.7# N-80 TBG 6556.14'
			BELOW KB 16.00'
			LANDED @ 6606.67' KB

07-11-2008		Reported By	HAL IVIE								
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$4,695	<b>Daily Total</b>	\$4,695						
<b>Cum Costs: Drilling</b>	\$575,473	<b>Completion</b>	\$571,227	<b>Well Total</b>	\$1,146,701						
<b>MD</b>	8,560	<b>TVD</b>	8,560	<b>Progress</b>	0	<b>Days</b>	12	<b>MW</b>	0.0	<b>Visc</b>	0.0

**Formation : MESA VERDE      PBTB : 8506.0      Perf : 6189-8305      PKR Depth : 0.0**

**Activity at Report Time: FLOW TEST**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1300 PSIG. CP 1800 PSIG. 74 BFPH. RECOVERED 1769 BLW. 6902 BLWTR.

**07-12-2008      Reported By      HAL IVIE**

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,565	<b>Daily Total</b>	\$2,565						
<b>Cum Costs: Drilling</b>	\$575,473	<b>Completion</b>	\$573,792	<b>Well Total</b>	\$1,149,266						
<b>MD</b>	8,560	<b>TVD</b>	8,560	<b>Progress</b>	0	<b>Days</b>	13	<b>MW</b>	0.0	<b>Visc</b>	0.0

**Formation : MESA VERDE      PBTB : 8506.0      Perf : 6189-8305      PKR Depth : 0.0**

**Activity at Report Time: FLOW TEST**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64 CHOKE. FTP-1250 PSIG, CP- 1700 PSIG. 60 BFPH. RECOVERED 1447 BBLS, 4269 BLWTR.

**07-13-2008      Reported By      HAL IVIE**

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,565	<b>Daily Total</b>	\$2,565						
<b>Cum Costs: Drilling</b>	\$575,473	<b>Completion</b>	\$576,357	<b>Well Total</b>	\$1,151,831						
<b>MD</b>	8,560	<b>TVD</b>	8,560	<b>Progress</b>	0	<b>Days</b>	14	<b>MW</b>	0.0	<b>Visc</b>	0.0

**Formation : MESA VERDE      PBTB : 8506.0      Perf : 6189-8305      PKR Depth : 0.0**

**Activity at Report Time: FLOW TEST**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64 CHOKE. FTP- 1150 PSIG, CP- 2050 PSIG. 49 BFPH. RECOVERED 1186 BBLS, 4269 BLWTR.

**07-14-2008      Reported By      HAL IVIE**

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,565	<b>Daily Total</b>	\$2,565						
<b>Cum Costs: Drilling</b>	\$575,473	<b>Completion</b>	\$578,922	<b>Well Total</b>	\$1,154,396						
<b>MD</b>	8,560	<b>TVD</b>	8,560	<b>Progress</b>	0	<b>Days</b>	15	<b>MW</b>	0.0	<b>Visc</b>	0.0

**Formation : MESA VERDE      PBTB : 8506.0      Perf : 6189-8305      PKR Depth : 0.0**

**Activity at Report Time: FLOW TEST**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 1150 PSIG. CP 2000 PSIG. 42 BFPH. RECOVERED 1018 BLW. 3251 BLWTR.

**07-15-2008      Reported By      HAL IVIE**

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,565	<b>Daily Total</b>	\$2,565						
<b>Cum Costs: Drilling</b>	\$575,473	<b>Completion</b>	\$581,487	<b>Well Total</b>	\$1,156,961						
<b>MD</b>	8,560	<b>TVD</b>	8,560	<b>Progress</b>	0	<b>Days</b>	16	<b>MW</b>	0.0	<b>Visc</b>	0.0

**Formation : MESA VERDE      PBTB : 8506.0      Perf : 6189-8305      PKR Depth : 0.0**

**Activity at Report Time: FLOW TEST**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64 CHOKE. FTP- 1100 PSIG, CP- 1900 PSIG. 36 BFPH. RECOVERED 874 BBLS, 2377 BLWTR.

**07-16-2008      Reported By      HAL IVIE**

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,565	<b>Daily Total</b>	\$2,565
------------------------------	-----	-------------------	---------	--------------------	---------

**Cum Costs: Drilling** \$575,473      **Completion** \$584,052      **Well Total** \$1,159,526  
**MD** 8,560    **TVD** 8,560    **Progress** 0    **Days** 17    **MW** 0.0    **Visc** 0.0  
**Formation : MESA VERDE**      **PBTD : 8506.0**      **Perf : 6189-8305**      **PKR Depth : 0.0**

**Activity at Report Time: FLOW TEST**

**Start**    **End**    **Hrs**    **Activity Description**  
 06:00    06:00    24.0 FLOWED 24 HRS. 24/64 CHOKE. FTP 1000 PSIG. CP 1800 PSIG. 30 BFPH. RECOVERED 725 BLW. 1652 BLWTR.

**07-17-2008**      **Reported By**      HAL IVIE

**Daily Costs: Drilling** \$0      **Completion** \$2,565      **Daily Total** \$2,565  
**Cum Costs: Drilling** \$575,473      **Completion** \$586,617      **Well Total** \$1,162,091  
**MD** 8,560    **TVD** 8,560    **Progress** 0    **Days** 18    **MW** 0.0    **Visc** 0.0  
**Formation : MESA VERDE**      **PBTD : 8506.0**      **Perf : 6189-8305**      **PKR Depth : 0.0**

**Activity at Report Time: FLOW TEST**

**Start**    **End**    **Hrs**    **Activity Description**  
 06:00    06:00    24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 1000 PSIG. CP 1700 PSIG. 23 BFPH. RECOVERED 557 BLW. 1095 BLWTR.

**07-18-2008**      **Reported By**      HAL IVIE

**Daily Costs: Drilling** \$0      **Completion** \$2,565      **Daily Total** \$2,565  
**Cum Costs: Drilling** \$575,473      **Completion** \$589,182      **Well Total** \$1,164,656  
**MD** 8,560    **TVD** 8,560    **Progress** 0    **Days** 19    **MW** 0.0    **Visc** 0.0  
**Formation : MESA VERDE**      **PBTD : 8506.0**      **Perf : 6189-8305**      **PKR Depth : 0.0**

**Activity at Report Time: SI. WAIT WO FACILITIES**

**Start**    **End**    **Hrs**    **Activity Description**  
 06:00    06:00    24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 900 PSIG. CP 1600 PSIG. 17 BFPH. RECOVERED 418 BLW. 677 BLWTR. SI @ 6:00 AM, 7/18/08. WO FACILITIES.

FINAL COMPLETION DATE: 7/17/08

**08-05-2008**      **Reported By**      DUANE COOK

**Daily Costs: Drilling** \$0      **Completion** \$0      **Daily Total** \$0  
**Cum Costs: Drilling** \$575,473      **Completion** \$589,182      **Well Total** \$1,164,656  
**MD** 8,560    **TVD** 8,560    **Progress** 0    **Days** 20    **MW** 0.0    **Visc** 0.0  
**Formation : MESA VERDE**      **PBTD : 8506.0**      **Perf : 6189-8305**      **PKR Depth : 0.0**

**Activity at Report Time: INITIAL PRODUCTION**

**Start**    **End**    **Hrs**    **Activity Description**  
 06:00    06:00    24.0 INITIAL PRODUCTION - OPENING PRESSURE: TP 1500 PSIG & CP 2300 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 9:30 HRS. 8/4/08. FLOWED 587 MCFD RATE ON 12/64" CHOKE. STATIC 296 QGM METER #7826.

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.  
UTU37943

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

6. If Indian, Allottee or Tribe Name

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

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

8. Lease Name and Well No.  
CHAPITA WELLS UNIT 965-34

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

9. API Well No.  
43-047-39806

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
At surface NWSW 1927FSL 527FWL 39.99050 N Lat, 109.32062 W Lon  
At top prod interval reported below NWSW 1927FSL 527FWL 39.99050 N Lat, 109.32062 W Lon  
At total depth NWSW 1927FSL 527FWL 39.99050 N Lat, 109.32062 W Lon

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

11. Sec., T., R., M., or Block and Survey  
or Area Sec 34 T9S R23E Mer SLB

12. County or Parish  
UINTAH 13. State  
UT

14. Date Spudded  
05/21/2008 15. Date T.D. Reached  
06/17/2008 16. Date Completed  
 D & A  Ready to Prod.  
08/04/2008

17. Elevations (DF, KB, RT, GL)\*  
5297 GL

18. Total Depth: MD 8560 TVD  
19. Plug Back T.D.: MD 8506 TVD  
20. Depth Bridge Plug Set: MD TVD

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

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

Hole Size	Size/Grade	Wt. (#ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2206		750			
7.875	4.500 N-80	11.6	0	8552		1655			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	6607							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	6189	8305	8032 TO 8305		3	
B)			7752 TO 7940		3	
C)			7466 TO 7690		3	
D)			7341 TO 7431		3	

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

Depth Interval	Amount and Type of Material
8032 TO 8305	32,566 GALS GELLED WATER & 79,600# 20/40 SAND
7752 TO 7940	39,042 GALS GELLED WATER & 121,200# 20/40 SAND
7466 TO 7690	45,114 GALS GELLED WATER & 146,000# 20/40 SAND
7341 TO 7431	39,178 GALS GELLED WATER & 115,400# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
08/04/2008	08/11/2008	24	→	10.0	624.0	162.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
14/64"	SI 1300	1975.0	→	10	624	162		PGW	

28a. Production - Interval B

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

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

ELECTRONIC SUBMISSION #62808 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

RECEIVED

SEP 08 2008

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
MESAVERDE	6189	8305		GREEN RIVER MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER MIDDLE PRICE RIVER	1437 2032 4148 4253 4808 5491 6185 7051

32. Additional remarks (include plugging procedure):

Please see the attached sheet for detailed perforation and additional formation marker information.

33. Circle enclosed attachments:

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

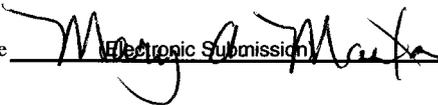
34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

**Electronic Submission #62808 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal**

Name (please print) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature



Electronic Submission

Date 09/05/2008

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

**\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\***

**Chapita Wells Unit 965-34 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

7190-7296	3/spf
6968-7136	3/spf
6619-6912	3/spf
6351-6562	3/spf
6189-6312	3/spf

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

7190-7296	37,466 GALS GELLED WATER & 112,800# 20/40 SAND
6968-7136	43,106 GALS GELLED WATER & 137,600# 20/40 SAND
6619-6912	36,557 GALS GELLED WATER & 113,000# 20/40 SAND
6351-6562	58,188 GALS GELLED WATER & 197,300# 20/40 SAND
6189-6312	42,200 GALS GELLED WATER & 140,400# 20/40 SAND

Perforated the Lower Price River from 8032-33', 8038-40', 8051-52', 8102-03', 8114-15', 8156-57', 8162-64', 8172-73', 8194-95', 8251-52', 8264-65', 8304-05' w/ 3 spf.

Perforated the Lower/Middle Price River from 7752-53', 7761-62', 7769-70', 7776-77', 7791-92', 7806-07', 7815-16', 7827-28', 7854-55', 7894-95', 7920-21', 7939-40' w/ 3 spf.

Perforated the Middle Price River from 7466-67', 7482-83', 7496-97', 7513-14', 7538-39', 7547-48', 7580-81', 7597-98', 7611-12', 7665-67', 7689-90' w/ 3 spf.

Perforated the Middle Price River from 7341-42', 7347-48', 7368-69', 7378-80', 7387-88', 7400-01', 7416-18', 7424-26', 7430-31' w/ 3 spf.

Perforated the Middle Price River from 7190-91', 7204-05', 7214-15', 7226-27', 7236-37', 7246-47', 7262-63', 7268-70', 7687-88', 7294-96' w/ 3 spf.

Perforated the Middle/Upper Price River from 6968-69', 6973-74', 6990-91', 6995-96', 7015-16', 7023-24', 7054-55', 7063-64', 7070-71', 7111-12', 7122-23', 7135-36' w/ 3 spf.

Perforated the Upper Price River from 6619-20', 6635-36', 6678-79', 6683-84', 6699-6700', 6713-14', 6791-92', 6800-01', 6819-20', 6873-74', 6902-03', 6911-12' w/ 3 spf.

Perforated the Upper Price River from 6351-52', 6362-63', 6374-75', 6381-82', 6398-99', 6418-19', 6444-45', 6452-53', 6469-70', 6507-08', 6531-32', 6561-62' w/ 3 spf.

Perforated the Upper Price River from 6189-90', 6197-98', 6204-05', 6226-27', 6236-37', 6243-44', 6254-55', 6269-70', 6279-80', 6291-92', 6304-05', 6311-12' w/ 3 spf.

**32. FORMATION (LOG) MARKERS**

Lower Price River	7835
Sego	8356

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

FORM 7

**REPORT OF WATER ENCOUNTERED DURING DRILLING**

Well name and number: CWU 965-34

API number: 4304739806

Well Location: QQ NWSW Section 34 Township 9S Range 23E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: ASPEN DRILLING

Address: 560 S. COMMERCIAL DR. UNIT #1

city GRAND JUNCTION state CO zip 81505

Phone: (970) 242-9592

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
		NO WATER	DRILLED WITH FULID

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

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

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

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A Maestas

DATE 9/5/2008

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.*

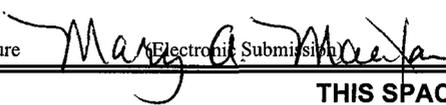
<b>SUBMIT IN TRIPLICATE - Other instructions on reverse side.</b>		5. Lease Serial No. UTU37943
		6. If Indian, Allottee or Tribe Name
		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. CHAPITA WELLS UNIT 965-34
2. Name of Operator EOG RESOURCES, INC.      Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		9. API Well No. 43-047-39806
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202	3b. Phone No. (include area code) Ph: 303-824-5526	10. Field and Pool, or Exploratory NATURAL BUTTES
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 34 T9S R23E NWSW 1927FSL 527FWL 39.99050 N Lat, 109.32062 W Lon		11. County or Parish, and State UINTAH COUNTY, UT

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

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

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

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat. Interim reclamation was completed on 12/1/2008.

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #66856 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal</b>	
Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT
Signature  Electronic Submission	Date 02/02/2009

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

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

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

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

**RECEIVED**  
**FEB 09 2009**

**DIV. OF OIL, GAS & MINING**