

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
UTU0282

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.
CHAPITA WELLS UNIT 763-14

9. API Well No.
43-047-39904

10. Field and Pool, or Exploratory
NATURAL BUTTES MESA VERDE

11. Sec., T., R., M., or Blk. and Survey or Area
Sec 14 T9S R22E Mer SLB

12. County or Parish
UINTAH

13. State
UT

1a. Type of Work: DRILL REENTER

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

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

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

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

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface SWNE 2531FNL 1649FEL 40.03629 N Lat, 109.40368 W Lon
At proposed prod. zone SWNE 2531FNL 1649FEL 40.03629 N Lat, 109.40368 W Lon

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

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
1649

16. No. of Acres in Lease
2440.00

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.
32

19. Proposed Depth
7480 MD

21. Elevations (Show whether DF, KB, RT, GL, etc.)
4923 GL

22. Approximate date work will start

17. Spacing Unit dedicated to this well

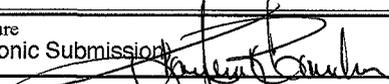
20. BLM/BIA Bond No. on file
NM 2308

23. Estimated duration
45 DAYS

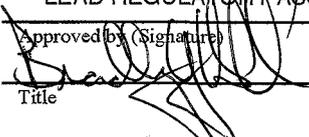
24. Attachments

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

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

25. Signature (Electronic Submission)  Name (Printed/Typed) KAYLENE R GARDNER Ph: 435-781-9111 Date 01/08/2008

Title LEAD REGULATORY ASSISTANT

Approved by (Signature)  Name (Printed/Typed) BRADLEY G. HILL Date 01-17-08

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 #57900 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal

RECEIVED

JAN 10 2008

DIV. OF OIL, GAS & MINING

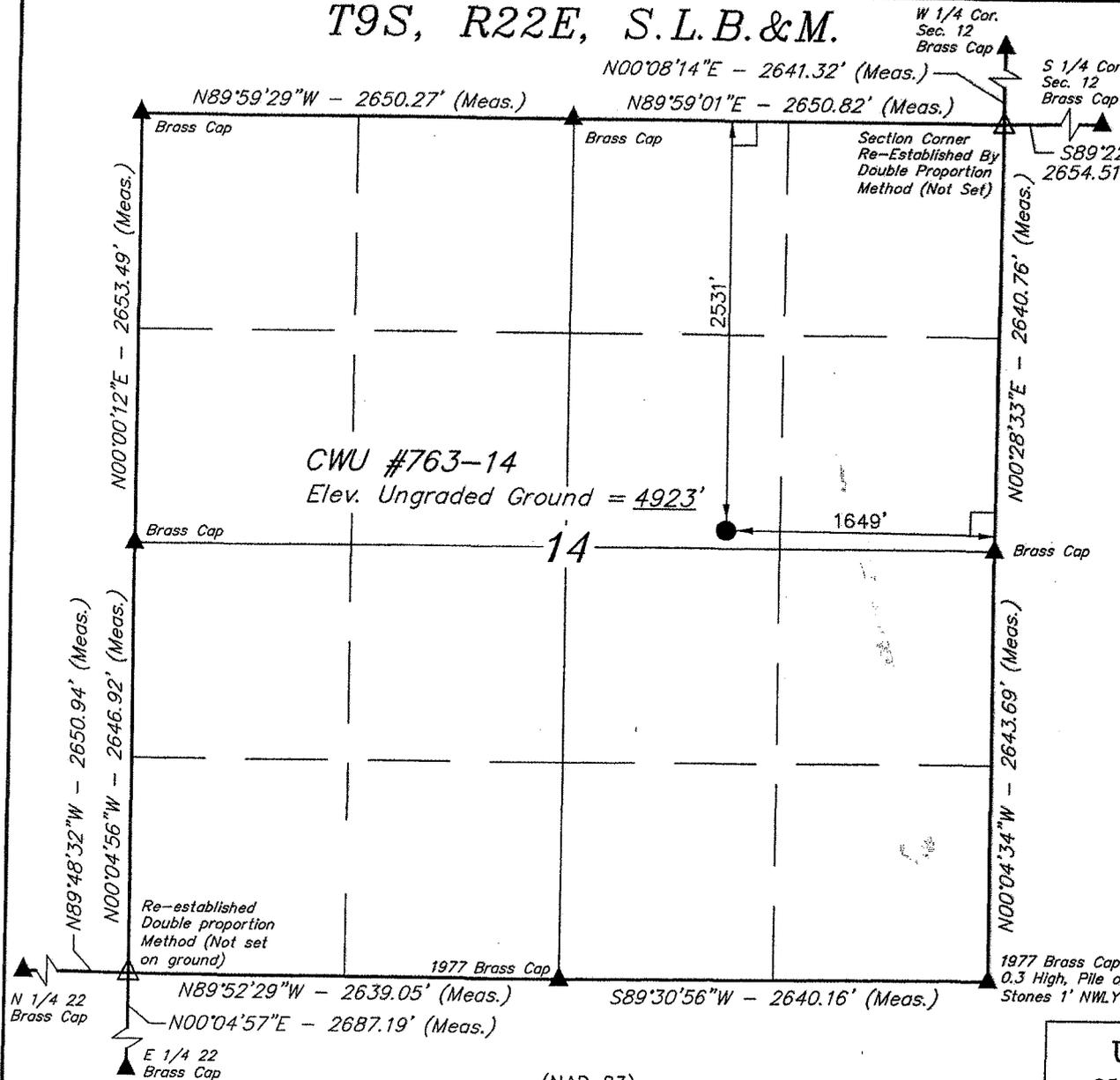
Federal Approval of this
Action is Necessary

636255X
4432803Y
40.036350
-109.402985

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

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

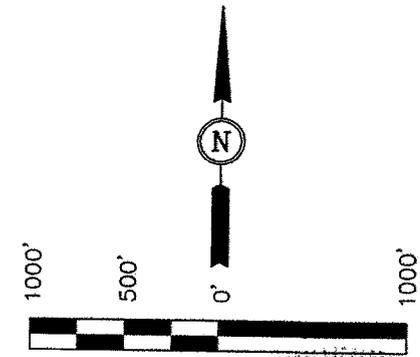
EOG RESOURCES, INC.



Well location, CWU #763-14, located as shown in the SW 1/4 NE 1/4 of Section 14, T9S, R22E, S.L.B.&M., Uintah County, Utah.

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

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



CERTIFICATE
 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.
[Signature]
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

LEGEND:

- ⊥ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED BY DOUBLE PROPORTION METHOD (Not Set On Ground)

(NAD 83)
 LATITUDE = 40°02'10.64" (40.036289)
 LONGITUDE = 109°24'13.24" (109.403678)
 (NAD 27)
 LATITUDE = 40°02'10.77" (40.036325)
 LONGITUDE = 109°24'10.78" (109.402994)

UINTAH ENGINEERING & LAND SURVEYING		
85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 11-15-07	DATE DRAWN: 12-04-07
PARTY G.S. D.H. C.H.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN

CHAPITA WELLS UNIT 763-14
SW/NE, SEC. 14, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,850		Shale	
Wasatch	4,866	Primary	Sandstone	Gas
Chapita Wells	5,464	Primary	Sandstone	Gas
Buck Canyon	6,148	Primary	Sandstone	Gas
North Horn	6,808	Primary	Sandstone	Gas
KMV Price River	7,275		Sandstone	
TD	7,480			

Estimated TD: **7,480' or 200'± below TD**

Anticipated BHP: 4,085 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
 BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 ½"	0 – 45'	13 ⅜"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0 – 2,300' KB±	9-⅝"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	233,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-⅝" 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 763-14
SW/NE, SEC. 14, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2300'± - TD):

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

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

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

7. VARIANCE REQUESTS:

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

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 763-14
SW/NE, SEC. 14, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

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

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

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

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

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

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

Production Hole Procedure (2300'± - TD)

Lead: 143 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 547 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

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

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 763-14
SW/NE, SEC. 14, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

11. STANDARD REQUIRED EQUIPMENT:

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

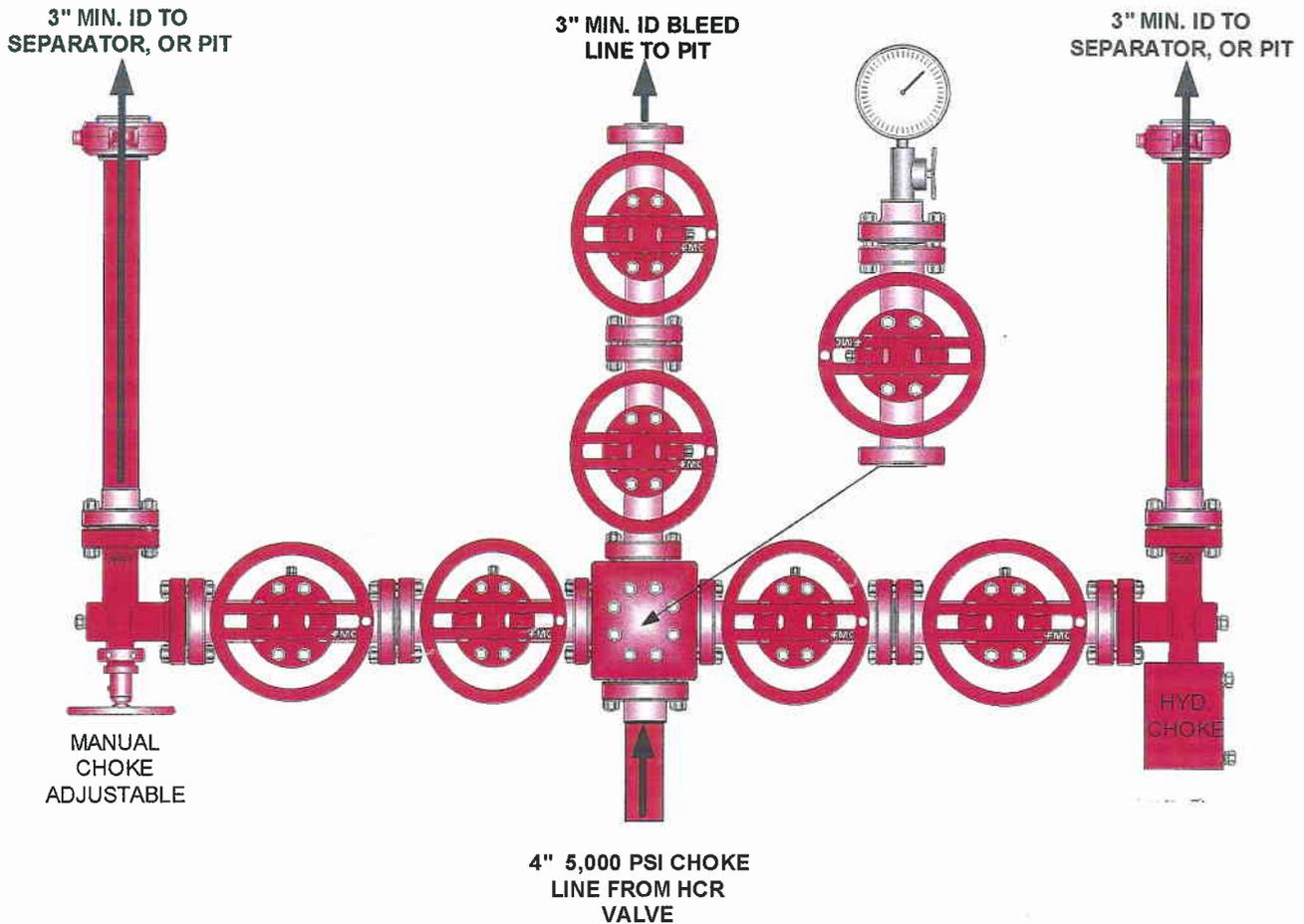
12. HAZARDOUS CHEMICALS:

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

(Attachment: BOP Schematic Diagram)

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

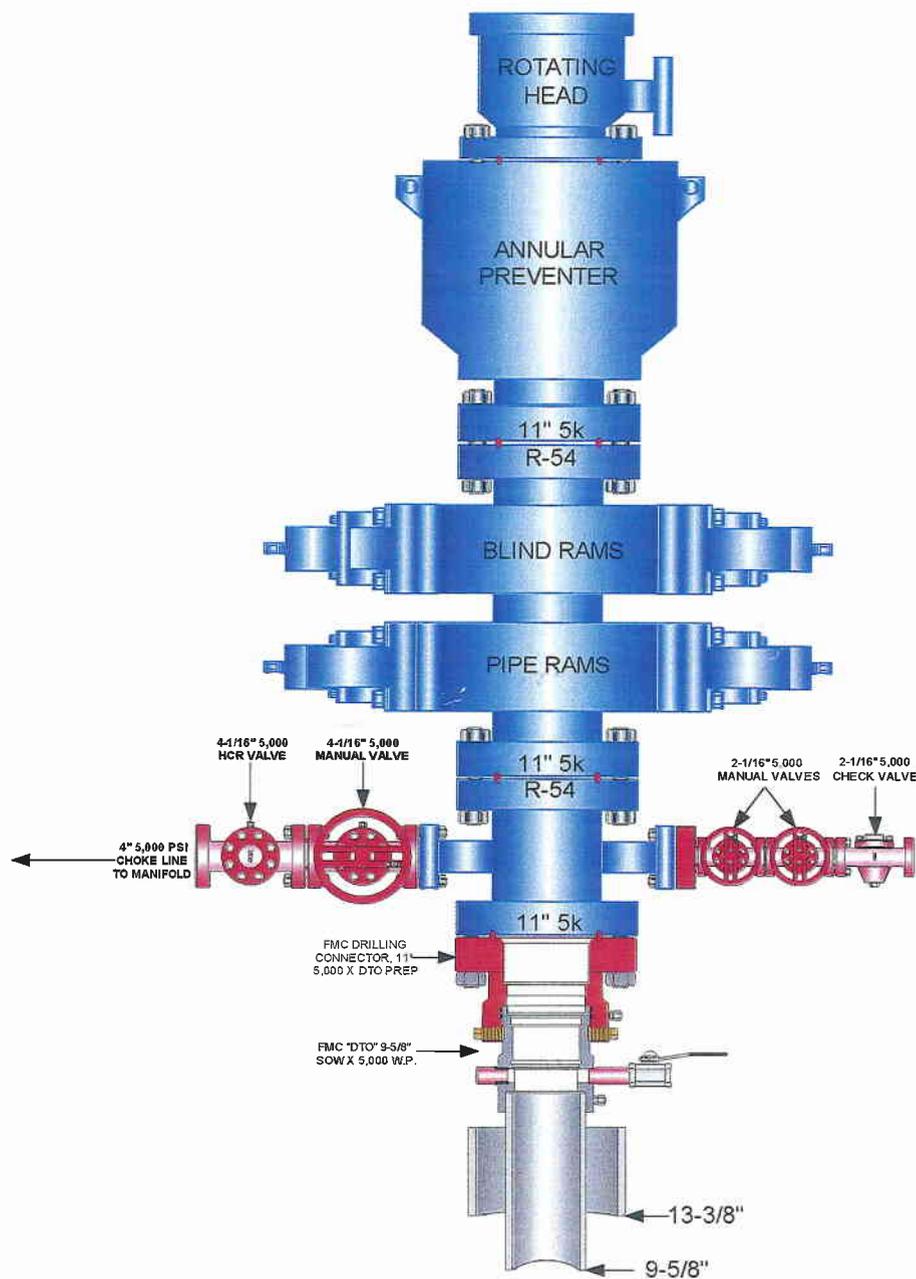
PAGE 2 OF 2



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 763-14
SWNE, Section 14, T9S, R22E
Uintah County, Utah**

SURFACE USE PLAN

The well pad is approximately 375 feet long with a 261-foot width, containing 2.25 acres more or less. New surface disturbance associated with the well pad and access road is estimated to be 2.25 acres.

1. EXISTING ROADS:

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 49.1 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:

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

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

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

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

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

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

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

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

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

A. On Well Pad

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

B. Off Well Pad

The existing pipeline for Chapita Wells Unit 628-14X will be relocated to the northside of the location for an approximate distance of 433'. See attached Topo B.

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

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

Access to the well pad will be from the north.

FENCING REQUIREMENTS:

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

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

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

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

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Interim Reclamation (Producing Location)

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

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

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

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The

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

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

Seed Mixture	Drilled Rate (lbs./acre PLS*)
HyCrest Wheatgrass	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.

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

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

11. SURFACE OWNERSHIP:

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

Bureau of Land Management

12. OTHER INFORMATION:

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

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

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

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

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

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

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

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

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.

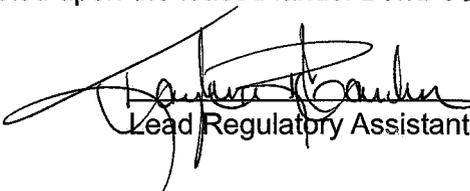
The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

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 763-14 Well, located in the SWNE, of Section 14, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

January 7, 2008 _____
Date

 _____
Lead Regulatory Assistant

EOG RESOURCES, INC.

CWU #763-14

LOCATED IN UTAH COUNTY, UTAH
SECTION 14, T9S, R22E, S.L.B.&M.

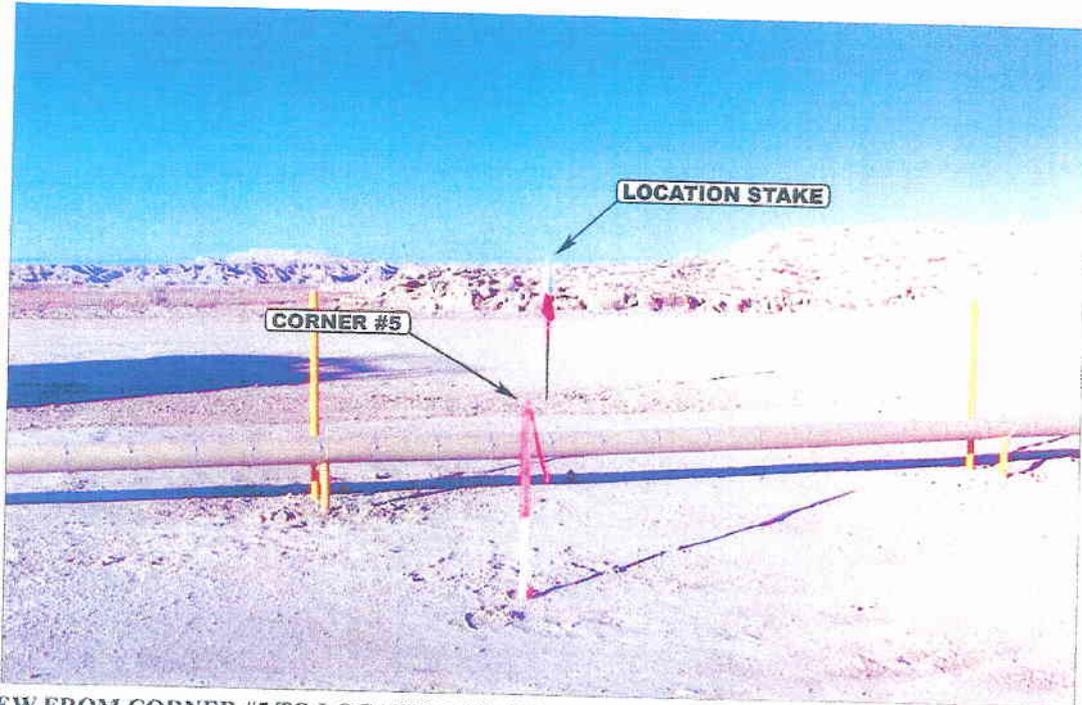


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: WESTERLY

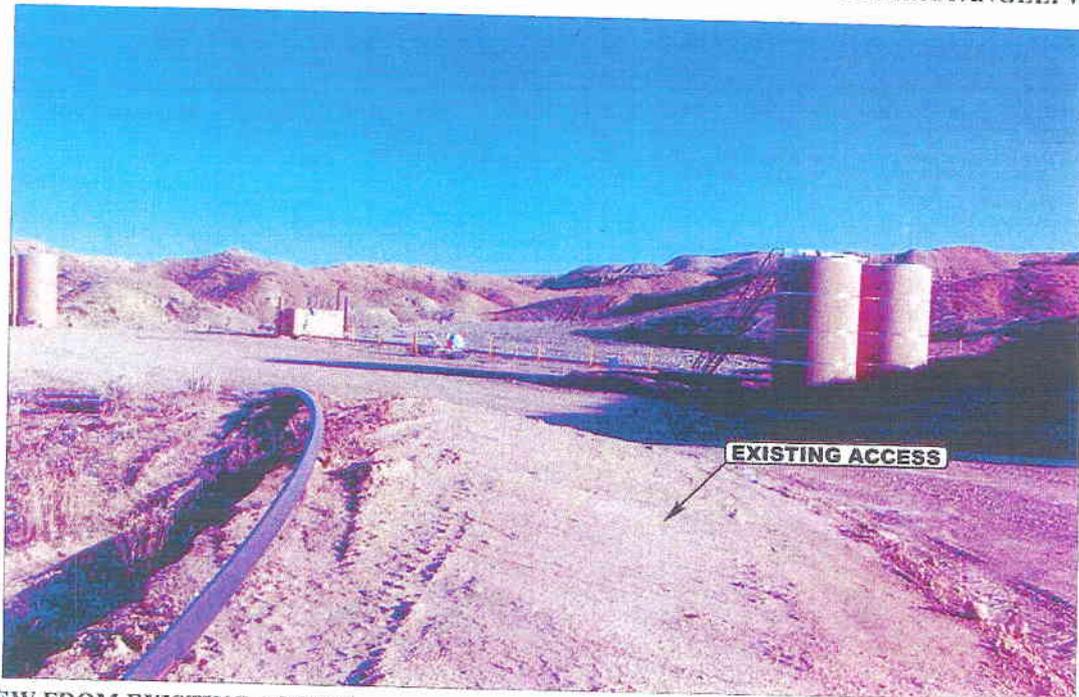


PHOTO: VIEW FROM EXISTING ACCESS

CAMERA ANGLE: SOUTHERLY



- Since 1964 -

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

LOCATION PHOTOS

12 03 07
MONTH DAY YEAR

PHOTO

TAKEN BY: GS.

DRAWN BY: LDK

REVISED: 00-00-00

EOG RESOURCES, INC.
CWU #763-14
SECTION 14, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.6 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 NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 500' TO THE EXISTING CWU #628-14 AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 49.1 MILES.

EOG RESOURCES, INC.

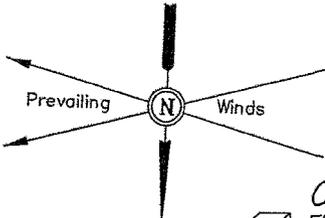
FIGURE #1

LOCATION LAYOUT FOR

CWU #763-14

SECTION 14, T9S, R22E, S.L.B.&M.

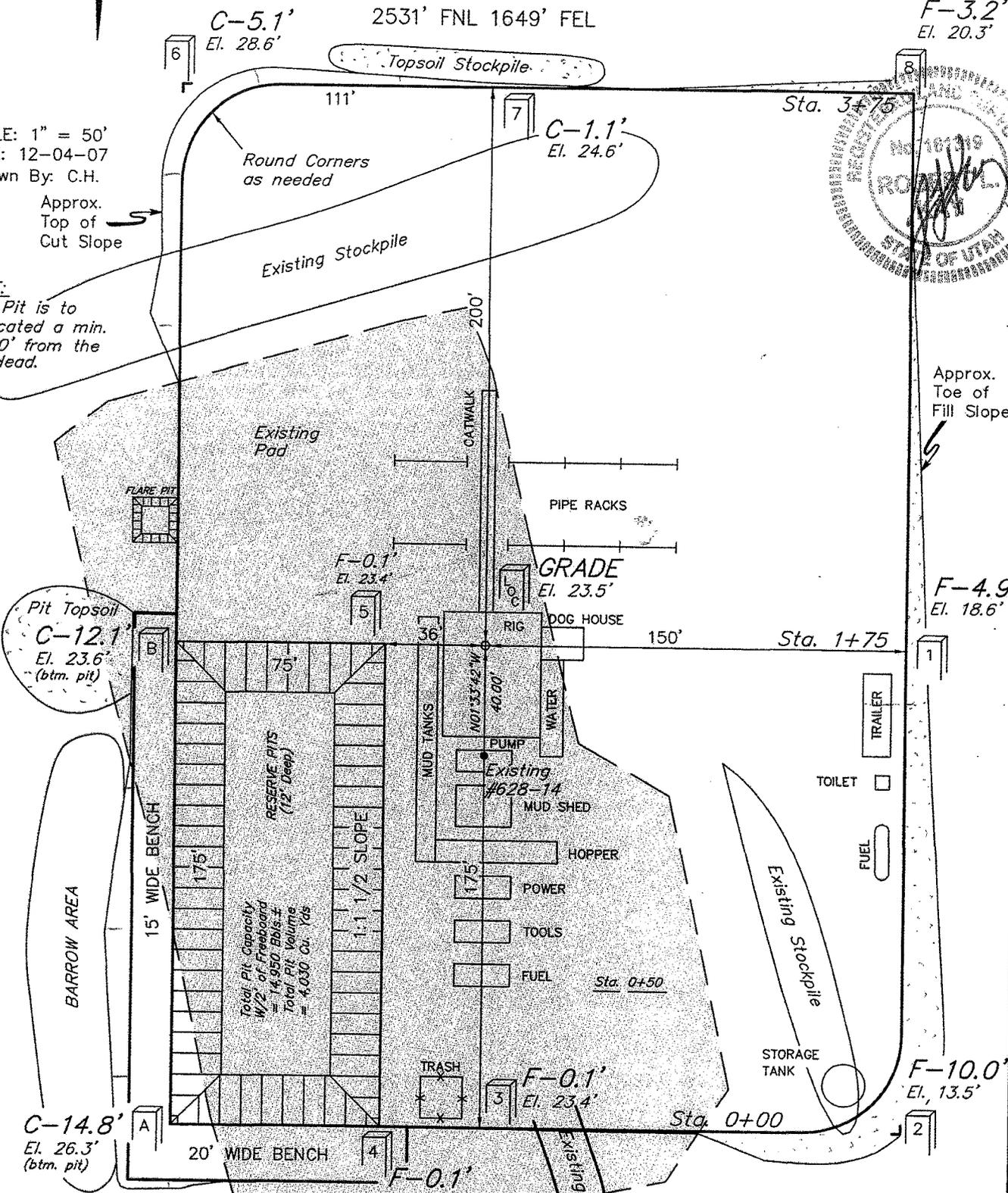
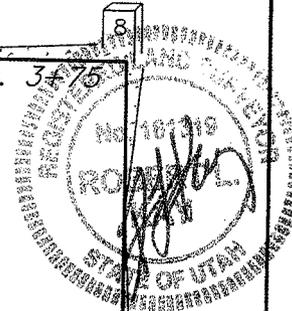
2531' FNL 1649' FEL



SCALE: 1" = 50'
DATE: 12-04-07
Drawn By: C.H.

Approx. Top of Cut Slope

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



Elev. Ungraded Ground at Location Stake = 4923.5'
Elev. Graded Ground at Location Stake = 4923.5'

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

EOG RESOURCES, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR

CWU #763-14

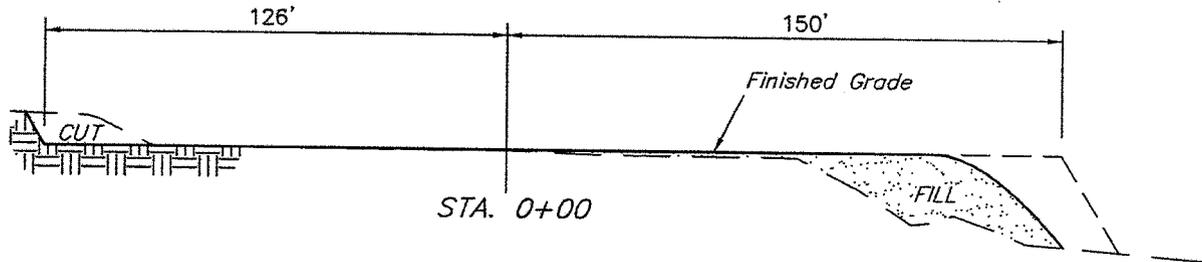
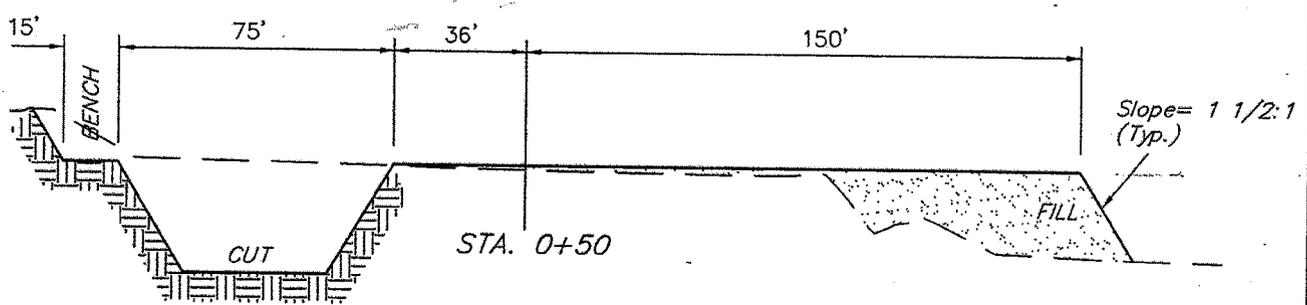
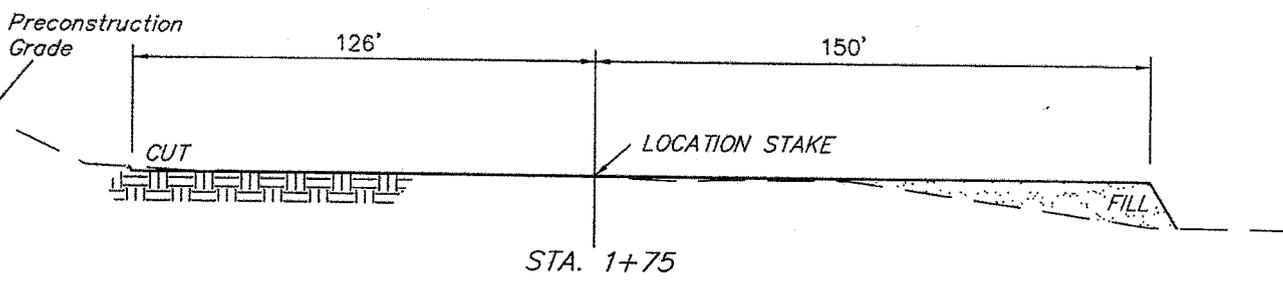
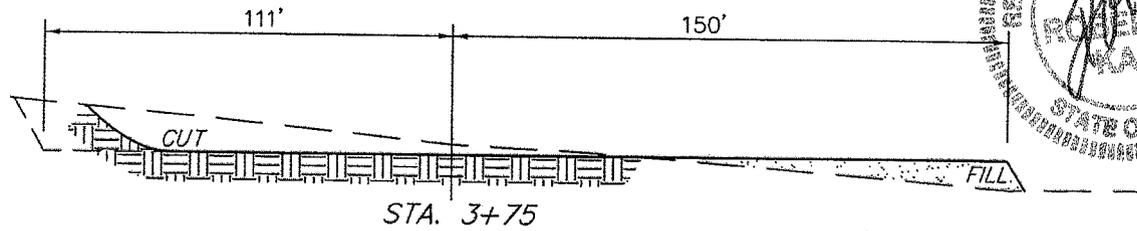
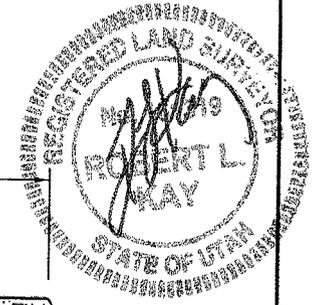
SECTION 14, T9S, R22E, S.L.B.&M.

2531' FNL 1649' FEL

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

DATE: 12-04-07

Drawn By: C.H.



(Obtain Deficit Material From Approved Barrow Area)

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping (New Construction Only)	= 1,040 Cu. Yds.
Remaining Location	= 6,110 Cu. Yds.
TOTAL CUT	= 7,150 CU.YDS.
FILL	= 4,970 CU.YDS.

EXCESS MATERIAL	= 2,180 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,060 Cu. Yds.
DEFICIT UNBALANCE (After Interim Rehabilitation)	= <880> Cu. Yds.

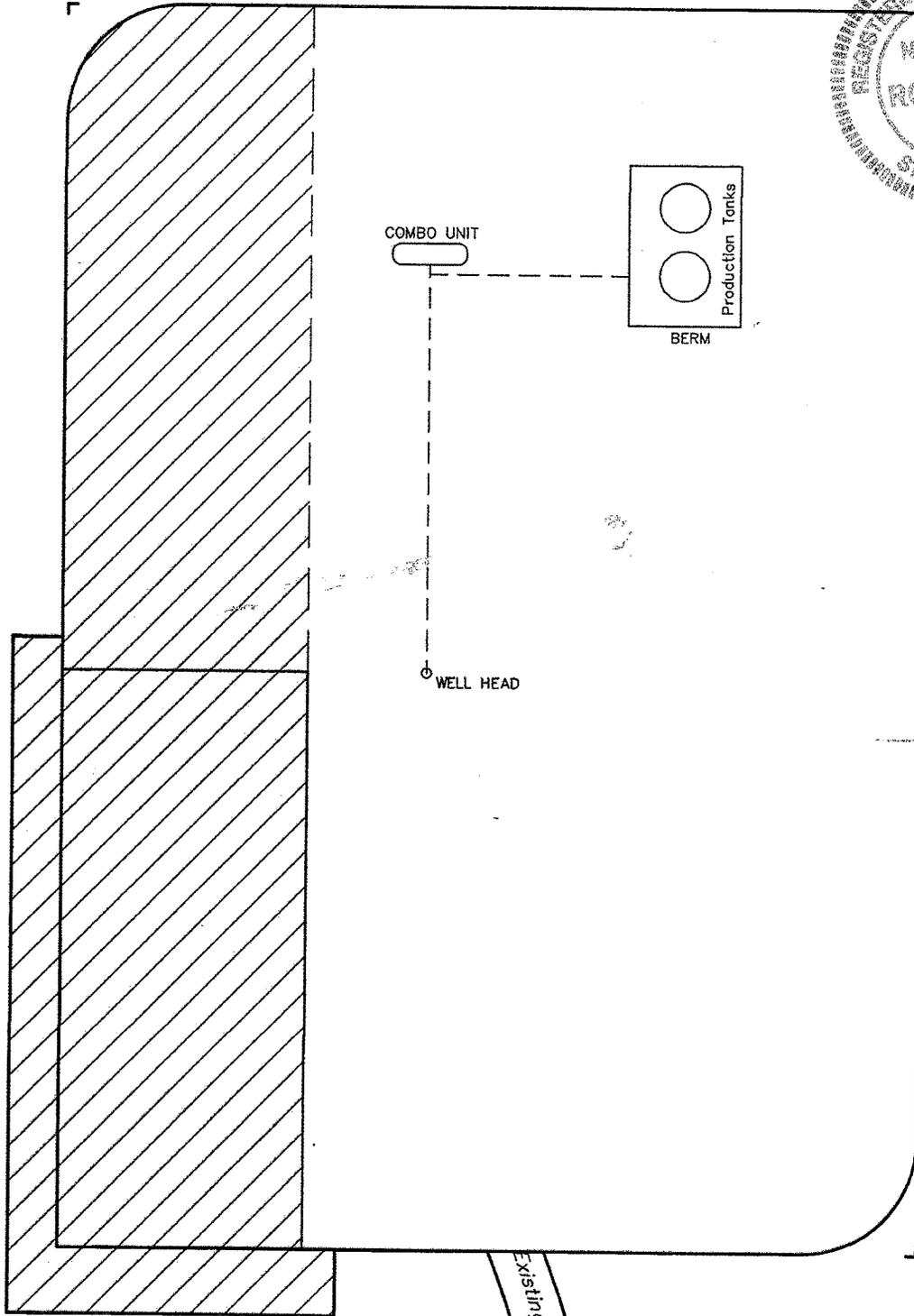
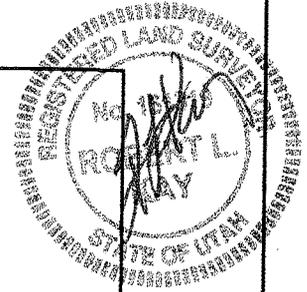
UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

EOG RESOURCES, INC.
PRODUCTION FACILITY LAYOUT FOR
CWU #763-14
SECTION 14, T9S, R22E, S.L.B.&M.
2531' FNL 1649' FEL

FIGURE #3

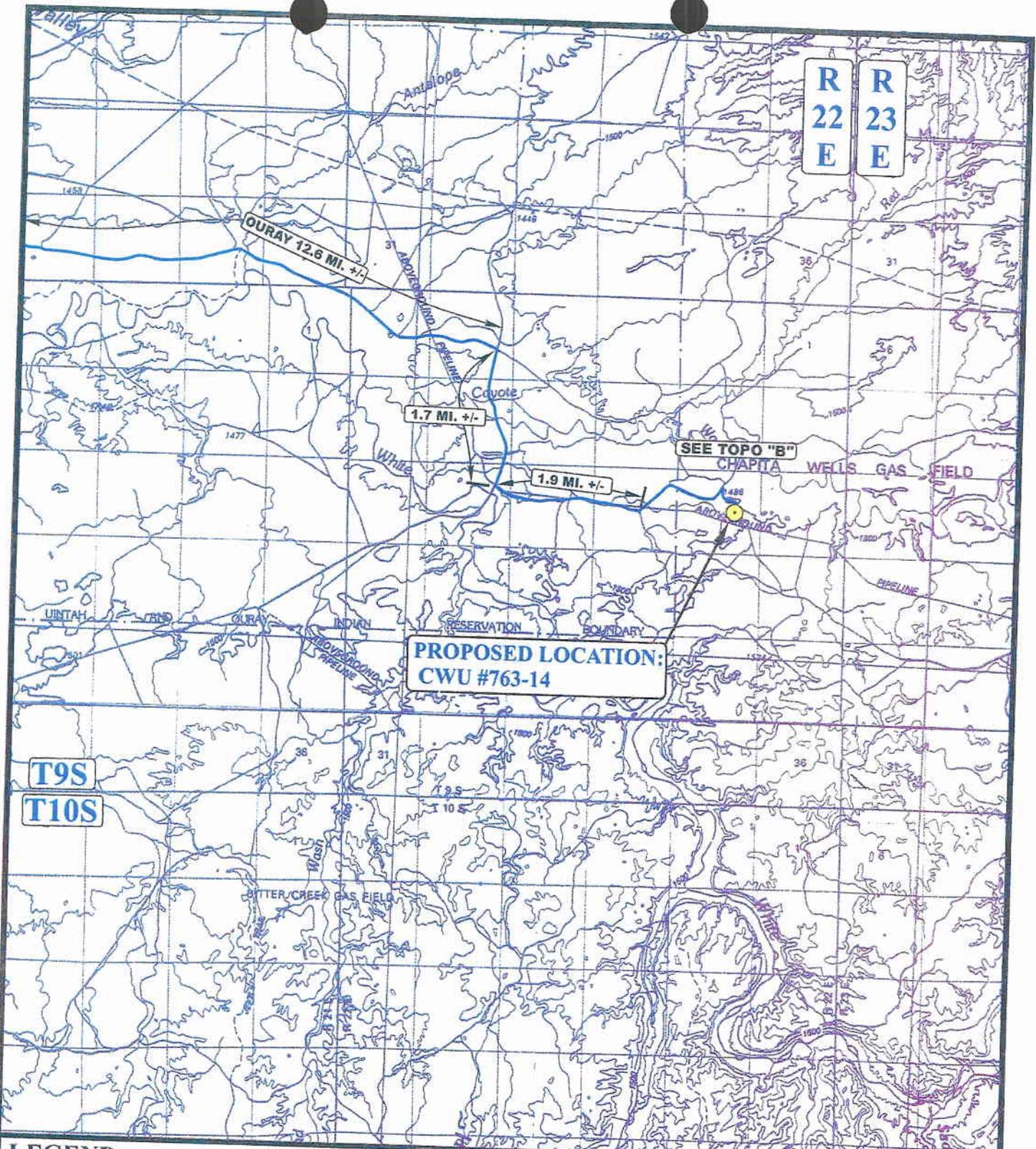


SCALE: 1" = 50'
DATE: 12-04-07
Drawn By: C.H.



 RE-HABED AREA

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



**PROPOSED LOCATION:
CWU #763-14**

**R
22
E** **R
23
E**

**T9S
T10S**

LEGEND:

 **PROPOSED LOCATION**



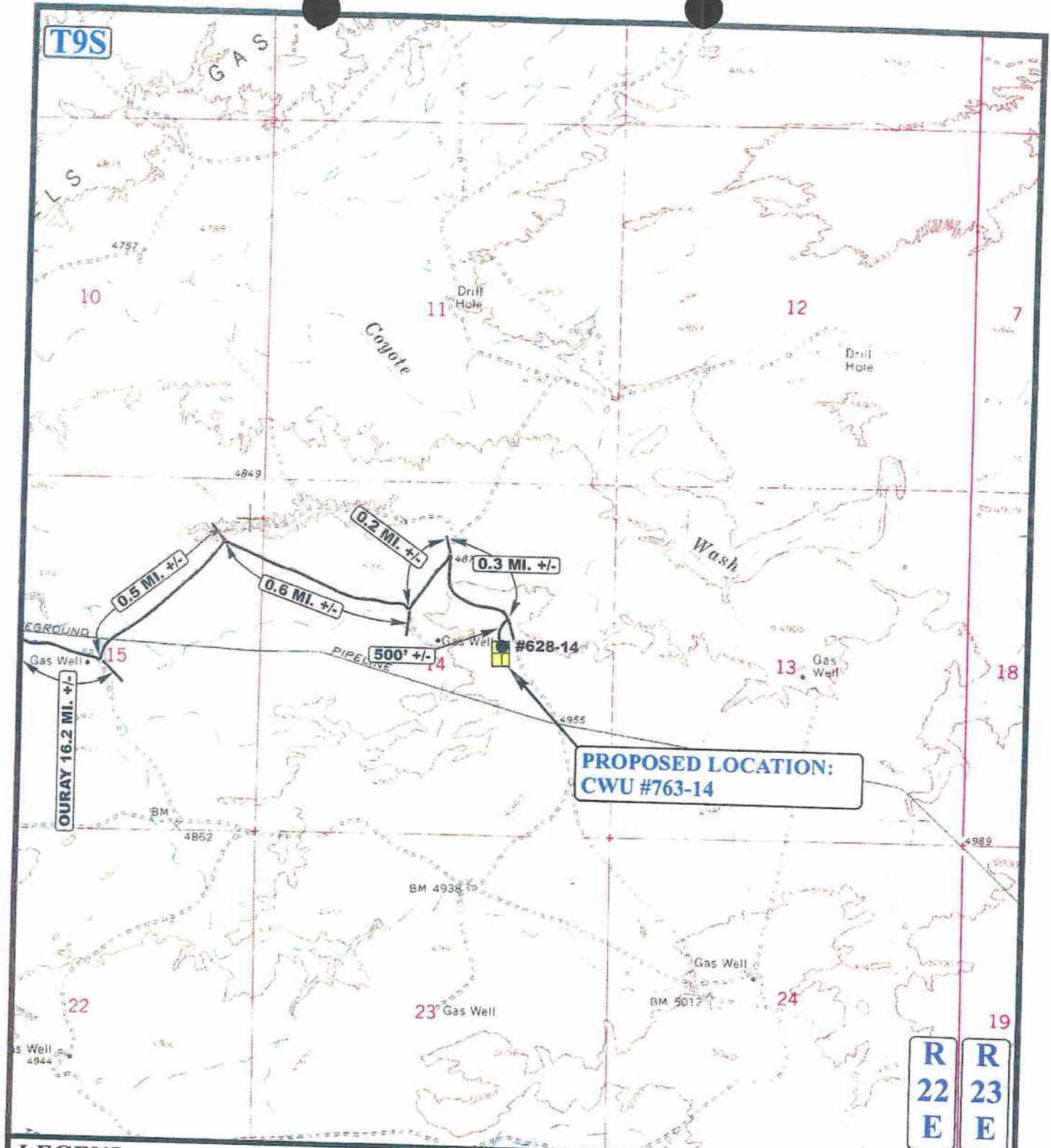
EOG RESOURCES, INC.

**CWU #763-14
SECTION 14, T9S, R22E, S.L.B.&M.
2531' FNL 1649' FEL**

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

**TOPOGRAPHIC
MAP** **12 03 07**
MONTH DAY YEAR
SCALE: 1:100,000 DRAWN BY: LDK REVISED: 00-00-00

**A
TOPO**



**PROPOSED LOCATION:
CWU #763-14**

LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



EOG RESOURCES, INC.

**CWU #763-14
SECTION 14, T9S, R22E, S.L.B.&M.
2531' FNL 1649' FEL**



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

**TOPOGRAPHIC
MAP**

12 03 07
MONTH DAY YEAR

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

**R
22
E** **R
23
E**

**B
TOPO**

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 01/10/2008

API NO. ASSIGNED: 43-047-39904

WELL NAME: CWU 763-14
 OPERATOR: EOG RESOURCES, INC. (N9550)
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

SWNE 14 090S 220E
 SURFACE: 2531 FNL 1649 FEL
 BOTTOM: 2531 FNL 1649 FEL
 COUNTY: UINTAH
 LATITUDE: 40.03635 LONGITUDE: -109.4030
 UTM SURF EASTINGS: 636255 NORTHINGS: 4432803
 FIELD NAME: NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU0282
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSTC
 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: NATURAL BUTTES
- _____ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- _____ R649-3-3. Exception
- Drilling Unit
Board Cause No: 179-8
Eff Date: 8-10-1999
Siting: Suspends General Siting
- _____ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: _____

1- Federal Approved
2- OIL SHALE

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)

January 16, 2008

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2008 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 2008 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ MesaVerde)		
43-047-39907	CWU 1208-24	Sec 24 T09S R22E 0757 FNL 2238 FEL
43-047-39908	CWU 1209-24	Sec 24 T09S R22E 2400 FNL 0672 FEL
(Proposed PZ Wasatch)		
43-047-39904	CWU 0763-14	Sec 14 T09S R22E 2531 FNL 1649 FEL
43-047-39905	CWU 0762-15	Sec 15 T09S R22E 0064 FNL 0565 FWL
43-047-39906	CWU 0761-22	Sec 22 T09S R22E 0401 FSL 1046 FWL
43-047-39909	CWU 0760-25	Sec 25 T09S R22E 1990 FNL 2009 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:1-16-08



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

January 17, 2008

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

Re: Chapita Wells Unit 763-14 Well, 2531' FNL, 1649' FEL, SW NE, Sec. 14, T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39904.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

Operator: EOG Resources, Inc
Well Name & Number Chapita Wells Unit 763-14
API Number: 43-047-39904
Lease: UTU0282

Location: SW NE Sec. 14 T. 9 South R. 22 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

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

3. Reporting Requirements

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

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JAN 08 2008

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

BLM

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU0282	
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. UTU63013A AE	
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		8. Lease Name and Well No. CWU 763-14	
3b. Phone No. (include area code) Ph: 435-781-9111		9. API Well No. 43 047 39904	
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SWNE 2531FNL 1649FEL 40.03629 N Lat, 109.40368 W Lon At proposed prod. zone SWNE 2531FNL 1649FEL 40.03629 N Lat, 109.40368 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES, Wasatch	
14. Distance in miles and direction from nearest town or post office* 49.1 MILES SOUTH OF VERNAL, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area Sec 14 T9S R22E Mer SLB SME: BLM	
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1649		12. County or Parish UINTAH	13. State UT
16. No. of Acres in Lease 2440.00		17. Spacing Unit dedicated to this well	
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 32		20. BLM/BIA Bond No. on file NM 2308	
19. Proposed Depth 7480 MD		23. Estimated duration 45 DAYS	
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4923 GL		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 01/08/2008
Title LEAD REGULATORY ASSISTANT		
Approved by (Signature) 	Name (Printed/Typed) Terry Kavzka	Date 5-2-2008
Title Assistant Field Manager Lands & Mineral Resources 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 #57900 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal
Committed to AFMSS for processing by GAIL JENKINS on 01/08/2008 (08GX-1439AE)

UDOGM

NOTICE OF APPROVAL

RECEIVED

MAY 05 2008

DIV. OF OIL, GAS & MINING

** BLM REVISED **

08MIC0155AE

NOS: 12/06/2007



**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 763-14
API No: 43-047-39904

Location: SWNE, Sec. 14, T9S, R22E
Lease No: UTU-0282
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:

- 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 would lead to excessive rutting.
- Permission to clear all wildlife stipulations will only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.
- Culverts and gravel may be installed as needed.

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

SITE SPECIFIC DOWNHOLE COAs:

- The conductor pipe shall be set and cemented in a competent formation.
- 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: Gamma Ray shall be run 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 (1/41/4, 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 763-14

Api No: 43-047-39904 Lease Type: FEDERAL

Section 14 Township 09S Range 22E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRILLING RIG # RATHOLE

SPUDDED:

Date 08/01/08

Time 12:30 PM

How DRY

Drilling will Commence: _____

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 08/01/08 Signed CHD

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

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES
Address: 1060 East Highway 40
city VERNAL
state UT zip 84078

Operator Account Number: N 9550
Phone Number: (435) 781-9145

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39652	CHAPITA WELLS UNIT 1346-22		NESE	22	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	<i>99999</i>	<i>13650</i>	8/1/2008		<i>8/14/08</i>		
Comments: <i>MVRD</i>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39904	CHAPITA WELLS UNIT 763-14		SWNE	14	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	<i>99999</i>	<i>13650</i>	8/1/2008		<i>8/14/08</i>		
Comments: <i>PRRV = MVRD</i>							

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:							

ACTION CODES:

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

Mickenzie Thacker

Name (Please Print)

Mickenzie Thacker

Signature

Operations Clerk

7/31/2008

Title

Date

(5/2000)

RECEIVED

AUG 04 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.
UTU0282

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

8. Well Name and No.
CHAPITA WELLS UNIT 763-14

9. API Well No.
43-047-39904

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG RESOURCES, INC. Contact: MICKENZIE THACKER
E-Mail: MICKENZIE_THACKER@EOGRESOURCES.COM

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 14 T9S R22E SWNE 2531FNL 1649FEL
40.03629 N Lat, 109.40368 W Lon

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

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

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

The referenced well was spud on 8/1/2008.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #61981 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal

Name (Printed/Typed) MICKENZIE THACKER Title OPERATIONS CLERK

Signature *Mickenzie Thacker* Date 08/04/2008

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 06 2008
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

5. Lease Serial No.
Multiple (See Attached)

6. If Indian, Allottee or Tribe Name

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

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

9. API Well No.
Multiple (See Attached)

10. Field and Pool, or Exploratory Area
Natural Buttes

11. County or Parish, State
Uintah County, Utah

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description) **43 047 39904**
CWU 763-1A
9S 22E 1A

Multiple (See Attached)

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

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

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

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

COPY SENT TO OPERATOR

Date: 10-14-2008

Initials: KS

RECEIVED

SEP 22 2008

DIV. OF OIL, GAS & MINING

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

Mickenzie Thacker

Title **Operations Clerk**

Signature

Mickenzie Thacker

Date

09/17/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

[Signature]

Title

Pet. Eng.

Date

10/7/08

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

Office

DOGm

Federal Approval Of This Action Is Necessary

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

(Instructions on page 2)

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

Air Drilling Operations:

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

VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1

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

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

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.
UTU0282

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CHAPITA WELLS UNIT 763-14

9. API Well No.
43-047-39904

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 14 T9S R22E SWNE 2531FNL 1649FEL
40.03629 N Lat, 109.40368 W Lon

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

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

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

The referenced well was turned to sales on 10/29/2008. 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 #64292 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 10/30/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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

Office _____

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

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

RECEIVED

NOV 03 2008

DIV. OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 10-30-2008

Well Name	CWU 763-14	Well Type	DEVG	Division	DENVER
Field	CHAPITA WELLS	API #	43-047-39904	Well Class	1SA
County, State	UINTAH, UT	Spud Date	08-13-2008	Class Date	10-29-2008
Tax Credit	N	TVD / MD	7,480/ 7,480	Property #	062705
Water Depth	0	Last CSG	0.0	Shoe TVD / MD	5,535/ 5,535
KB / GL Elev	4,937/ 4,924				
Location	Section 14, T9S, R22E, SWNE, 2531 FNL & 1649 FEL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	55.124	NRI %	46.806575

AFE No	306145	AFE Total	1,302,400	DHC / CWC	694,700/ 607,700
Rig Contr	ELENBURG	Rig Name	ELENBURG #28	Start Date	02-14-2008
02-14-2008	Reported By	CYNTHIA HANSELMAN			
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			2531' FNL & 1649' FEL (SW/NE)
			SECTION 14, T9S, R22E
			UINTAH COUNTY, UTAH
			 LAT 40.036325, LONG 109.402994 (NAD 27)
			LAT 40.015461, LONG 109.423725 (NAD 83)
			 ELENBURG #28
			OBJECTIVE: 7480' MD, WASATCH
			DW/GAS
			CHAPITA WELLS PROSPECT
			DD&A: NATURAL BUTTES
			NATURAL BUTTES FIELD
			 LEASE: UTU-0282
			ELEVATION: 4923.5' NAT GL, 4923.5' PREP GL (DUE TO ROUNDING PREP GL WILL BE 4924'), 4937' KB (13')
			 EOG WI 55.1242%, NRI 46.806575%

07-25-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	START LOCATION TODAY 7/25/08.

07-28-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

07-29-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	DRILLING ROCK

07-30-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SHOOTING TODAY

07-31-2008 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

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

08-01-2008 Reported By TERRY CSERE

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

TOOK NO SURVEY AT THIS TIME.

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

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

LESTER NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 8/7/2008 @ 6:35 AM.

08-13-2008	Reported By	D.FOREMAN / J. SCHLENKER									
Daily Costs: Drilling	\$93,829	Completion	\$0	Daily Total	\$93,829						
Cum Costs: Drilling	\$331,640	Completion	\$0	Well Total	\$331,640						
MD	3,169	TVD	3,169	Progress	746	Days	1	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: DRILLING @ 3169'											

Start	End	Hrs	Activity Description
06:00	07:00	1.0	RD & SAFETY MEETING WITH HOWCROFT AND RIG PERSONNEL.
07:00	13:30	6.5	MOVE 3 MILE & RU ON NEW LOCATION CWU 763-14 RIG UP SET BOP TEST DTO FLANGE W/ FMC & LOCK DOWN BOP. RIG ON DAY WORK @ 13:30 HRS, 8/12/2008.
13:30	17:30	4.0	NU/ BOP, FLARE LINES, FUNCION TEST BOP, LOAD PIPE RACKS WITH BHA.
17:30	22:30	5.0	RIG UP B&C QUICK TEST. TEST BOP PIPE RAMS BLIND RAMS ALL KILL LINE VALVES CHOKE LINE MANIFOLD HCR KELLY UPPER VALVES SAFETY VALVE DART VALVE ALL TO 250 PSI LOW & 5000 PSI HIGH ANNULAR 250 PSI LOW 2500 HIGH SURFACE CSG. 1500 PSI GOOD TEST. WITNESS JOHN SIDWELL B&C QUICK TEST.
22:30	01:00	2.5	MAKE UP BIT, TRIP IN W/ BHA & DRILL PIPE TAG CEMENT @2384.
01:00	01:30	0.5	DRILL CEMENT/FLOAT EQUIP F/ 2384' TO 2439' SHOE @2423.
01:30	02:00	0.5	PERFORMED FIT WITH 8.9 MUD WT. 210 PSI @ 2423', EMW 10.5, GOOD TEST.
02:00	02:30	0.5	W/L SURVEY @ 2423' 2 DEGREES.
02:30	06:00	3.5	DRILL 2423' TO 3169', 746' ROP 213', WOB 18, RPM 72/55, TQR 1900/2000 MUD LOSS LAST 24 HRS. 0 BBLs. MUD WT: 9.5, VIS 31.
ACCIDENTS NONE REPORTED.			
FUNCTION TEST CROWN-O-MATIC.			
SAFETY MEETING: TRIPPING AND INSPECT BHA CREWS FULL.			
FUEL ON HAND: 2102 GALS. USED 1607 GALS			
BG GAS 1500 U CONN 2600 U			
LITHOLOGY: SAND/ SHALE.			
MUD LOGGER UNMANED ON LOCATION SINCE 8/12/08 = 1DAYS.			
06:00	SPUD 7 7/8" HOLE @ 02:00 HRS, 8/13/08.		

08-14-2008	Reported By	D.FOREMAN / J. SCHLENKER									
Daily Costs: Drilling	\$30,717	Completion	\$0	Daily Total	\$30,717						

Cum Costs: Drilling \$362,357 **Completion** \$0 **Well Total** \$362,357
MD 5,479 **TVD** 5,479 **Progress** 2,310 **Days** 2 **MW** 8.9 **Visc** 29.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**
Activity at Report Time: DRILLING @ 5479'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRLG. F/ 3169' TO 3487',318' ROP 159 WOB 12/17 ROT.72/45 TQ. 1645/1900.
08:00	08:30	0.5	SURVEY @ 3364' 2 3/4* DEG.
08:30	15:00	6.5	DRLG. F/ 3478' TO 4483', 1005' ROP 154.6 WOB 14/16 ROT.72/45 TQ. 1675/1825.
15:00	15:30	0.5	SURVEY @ 4351' 1 3/4* DEG.
15:30	16:00	0.5	SERVICE RIG
16:00	06:00	14.0	DRLG. F/ 4483' TO 5469', 996' ROP 71.2 WOB 16/18 ROT.71/50 TQ.1995/2025. MUD LOSS LAST 24 HRS. 110 BBLS. MUD WT: 9.7 VIS 35. ACCIDENTS NONE REPORTED. FUNCTION TEST CROWN-O-MATIC. SAFETY MEETING: FORKLIFT SAFETY, HAND SIGNALS CREWS FULL. FUEL ON HAND: 1643 GALS. USED 459 GALS BG GAS 57 U CONN 61 U MAX GAS@ 5365 480 U LITHOLOGY: SAND/ SHALE. MUD LOGGER UNMANED ON LOCATION SINCE 8/12/08 = 2 DAYS.

08-15-2008 **Reported By** DAVID FOREMAN

DailyCosts: Drilling \$41,179 **Completion** \$0 **Daily Total** \$41,179
Cum Costs: Drilling \$403,536 **Completion** \$0 **Well Total** \$403,536
MD 5,977 **TVD** 5,977 **Progress** 498 **Days** 3 **MW** 9.9 **Visc** 35.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**
Activity at Report Time: DRILLING @ 5977'

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRLG. F/ 5479' TO 5796',317' ROP 48.7 WOB 18/20 ROT.72/40 TQ. 1675/1825. PLUGGED STRING / UNABLE TO PUMP THROUGH.
12:30	13:30	1.0	ATTEMPT TO UNPLUG BIT.
13:30	19:30	6.0	TRIP OUT WET STRING TO CHECK MOTOR & BIT, MOTOR LOCKED NO ROTATION.
19:30	20:30	1.0	CHG. OUT MOTOR MAKE UP BIT TEST MOTOR.
20:30	01:00	4.5	TRIP IN HOLE FILL PIPE EVERY 25 JTS. TAG FILL @ 5689'
01:00	02:30	1.5	WASH/REAM F/ 5689' TO 5796' BOTTOM.
02:30	06:00	3.5	DRLG. F/ 5796' TO 5977',181' ROP 51.7 WOB 18/20 ROT.72/40 TQ. 1550/1625.

08-16-2008 **Reported By** DAVID FOREMAN

DailyCosts: Drilling \$29,554 **Completion** \$0 **Daily Total** \$29,554
Cum Costs: Drilling \$433,091 **Completion** \$0 **Well Total** \$433,091
MD 7,335 **TVD** 7,335 **Progress** 1,358 **Days** 4 **MW** 10.1 **Visc** 40.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**
Activity at Report Time: DRILLING @ 7335'

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRLG. F/ 5977' TO 6521',544' ROP 60.4 WOB 18/20 ROT.61/45 TQ. 1235/1955.
15:00	15:30	0.5	SERVICE RIG
15:30	06:00	14.5	DRLG. F/ 6521' TO 7335',814' RPO 56.1 WOB 20/21 ROT 62/50 TQ. 1734/2175. MUD LOSS LAST 24 HRS. 130 BBLs. MUD WT: 10.3 VIS 38. ACCIDENTS NONE REPORTED. FUNCTION TEST CROWN-O-MATIC. SAFETY MEETING: TEAMWORK ,SLINGS&CABLES. CREWS FULL. FUEL ON HAND: 2463 GALS. USED 1276 GALS BG GAS 90 U CONN 185 U MAX GAS@ 2230 U BTM UP LITHOLOGY: SAND/ SHALE. MUD LOGGER UNMANED ON LOCATION SINCE 8/12/08 = 4 DAYS.

08-17-2008		Reported By	DAVID FOREMAN								
Daily Costs: Drilling	\$44,221	Completion	\$120,306	Daily Total	\$164,527						
Cum Costs: Drilling	\$477,312	Completion	\$120,306	Well Total	\$597,618						
MD	7,480	TVD	7,480	Progress	145	Days	5	MW	10.2	Visc	39.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: CEMENT 4.5" PRODUCTION CSG.

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRLG. F/ 7335' TO 7480' TD, 145' ROP 72.5 WOB 18/20 RPM 62/45 TQ 1280/2345. REACHED TD AT 08:00 HRS, 8/16/08.
08:00	09:00	1.0	CIRC. COND. F/ SHORT TRIP.
09:00	10:00	1.0	SHORT TRIP
10:00	11:30	1.5	CIRC. CLEAN PMW 10.2 / 39 VIS. SPOT 200 Bbls. 11.2 MUD EMW 10.7 TOP OF PILL @ 4938'.
11:30	18:00	6.5	DROP SURVEY LAY DOWN DRILL PIPE & BHA RETRIEVE SURVEY 2.5 DEGREES REMOVE WEAR BUSHING. CSG. POINT @ 11:30 08/16/08
18:00	19:00	1.0	SAFETY MEETING W/ ALL PERSONNEL,RIG UP CALIBER CASING.
19:00	01:30	6.5	RAN 7480' OF CASING N-80 4.5 11.6 # LTS AS FOLLOWS 186 JTS.TOTAL. FLOAT SHOE, 1 JT.CSG, FLOAT COLLAR, 73 JTS. CSG, 1 MARJER JT, 112 JTS.CSG & HANGER ASSEMBLY, FLOAT SHOE @ 7473' FLOAT COLLAR @ 7429' MARKER JT @ 4492' CENTRALIZERS 5 FT. ABOVE SHOE TOP OF JT.1&2 & EVERY 3 TH. JT. TOTAL 11.
01:30	02:00	0.5	TAG @ 7480' L/D TAG JT. SPACE OUT INSTALL ROT RUBBER LAND CSG. W/ FULL STRING WT. 70,000.
02:00	03:00	1.0	CIRCULATE BTMS UP, RD CALIBER CASING CREW, SAFETY MEETING WITH SCHLUMBERGER AND RIG PERSONNEL.
03:00	05:30	2.5	RIG UP TEST LINES TO 5000 PSI. DROP BOTTOM PLUG, PUMP 20 BBLs CHEM WASH & 20 BBLs WATER SPACER AHEAD OF LEAD AND CEMENT 7480' OF 4 1/2 N-80 11.6# CSG; LEAD 153 BBLs 380 SKS. 35/65+ ADDS D020 - 6% EXTENDER, D174 - 2% EXPANDING CE D112 - .75% FLUID LOSS D046 - .2% ANTIFOAM D013 - .3% RETARDER D065 - .2% DISPERSANT D130 - .125 LB/SK LOSS CIRCULATION YIELD 2.26 FT3/SK. H20 12.885 GAL/SK @ 12.0 PPG TAIL 209 BBLs 910 SKS 50/50 POZ G + ADDS. D020-2% EXTENDER D046 .1% ANTIFOAM D167 .2% FLUID LOSS D065 .2% DISPERSANT S001 1.0% ACCELERATOR YIELD 1.29 FT3/SK, H20 5.941 GAL/SK @ 14.1 PPG. SHUTDOWN WASH OUT PUMPS & LINES DROP TOP PLUG & DISP. TO FLOAT COLLAR W/FRESH WATER 115 BBLs. AVG. DISP. RATE 3.5 BPM. LOST RETURNS 105 BBLs. IN TO DISPLACEMENT DROPPED TOP PLUG @ 04:54 BUMPED PLUG @ 05:27 TO 3066 PSI 969 PSI OVER LIFT PSI. HOLD PRESSURE FOR 2 MIN, 1.5 BBL. BACK FLOAT HELD @05:31 CEMENT IN PLACE.

05:30 06:00 0.5 WAIT ON CEMENT & R/D SCHLUMBERGER LINES.

RIG MOVE SCHEDULED FOR 8-18-08 @ 07:00 HOLCROFT TRUCKING
RIG MOVE 1.3 MILES TO CWU 751-11

08-18-2008	Reported By	DAVID FOREMAN									
Daily Costs: Drilling	\$22,551	Completion	\$16,038	Daily Total	\$38,589						
Cum Costs: Drilling	\$499,863	Completion	\$136,344	Well Total	\$636,207						
MD	7,480	TVD	7,480	Progress	0	Days	6	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:30	0.5	W/O/CEMENT.
06:30	08:00	1.5	REMOVE CEMENT HEAD & LANDING JT.M/U & LAND PACKOFF TEST 5000 PSI. LOOSEN DTO LOCK DOWN BOLTS W/ FMC.
08:00	12:00	4.0	NIPPLE DOWN BOP CLEAN MUD TANKS.

NO TRUCKS TODAY F/ RIG MOVE.

ACCIDENTS NONE REPORTED.

SAFETY MEETING: ELECTRICAL HAZARDS & HAND TOOL SAFETY.

CREWS FULL.

FUEL ON HAND: 2102 GALS. TRANSFERRED TO CWU 751-11

12:00 06:00 18.0 RIG DOWN F/ RIG MOVE 1.3 MILES TO CWU 751-11. HOWCROFT TRUCKING TO BE ON LOCATION @ 07:00. NOTIFIED BLM VERNAL JAMIE SPARGER BY E-MAIL 8/16/08 FOR CASING RUN & CEMENTING + BOP TEST FOR NEW WELL.

06:00 RELEASE RIG @ 12:00 HRS, 8/17/2008.

CASING POINT COST \$471,607

08-23-2008	Reported By	SEARLE									
Daily Costs: Drilling	\$0	Completion	\$40,770	Daily Total	\$40,770						
Cum Costs: Drilling	\$499,863	Completion	\$177,114	Well Total	\$676,977						
MD	7,480	TVD	7,480	Progress	0	Days	7	MW	0.0	Visc	0.0
Formation :	PBTD : 7430.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 970'. EST CEMENT TOP @ 2180'. RD SCHLUMBERGER.

08-29-2008	Reported By	POWELL									
Daily Costs: Drilling	\$0	Completion	\$9,295	Daily Total	\$9,295						
Cum Costs: Drilling	\$499,863	Completion	\$186,409	Well Total	\$686,272						
MD	7,480	TVD	7,480	Progress	0	Days	8	MW	0.0	Visc	0.0
Formation :	PBTD : 7430.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: POH W/BIT & SCRAPER

Start	End	Hrs	Activity Description
07:00	18:00	11.0	MIRUSU. ND FLANGE. NU BOPE. RIH W/ BIT & SCRAPER TO PBSD @ 7428'. POH W/BIT & SCRAPER TO 3100'. SDFN.

08-30-2008 **Reported By** POWELL

DailyCosts: Drilling	\$0	Completion	\$9,495	Daily Total	\$9,495
Cum Costs: Drilling	\$499,863	Completion	\$195,904	Well Total	\$695,767

MD	7,480	TVD	7,480	Progress	0	Days	9	MW	0.0	Visc	0.0
-----------	-------	------------	-------	-----------------	---	-------------	---	-----------	-----	-------------	-----

Formation : WASATCH **PBSD :** 7430.0 **Perf :** 7234'-7122' **PKR Depth :** 0.0

Activity at Report Time: SI FORE PBU TEST

Start	End	Hrs	Activity Description
07:00	18:00	11.0	POH W/BIT & SCRAPER. MIRUWL. PERFORATE FROM 7233-34', 7228-29', 7224-25', 7222-23', 7143-44', 7135-36', 7131-32' & 7122-23' @ 3-SPF 120 DE PHASING. RDWL. RIH W/PACKER, SET PACKER @ 7190'. CIRCULATE CLEAN. PUMP DOWN TBG, BREAK DOWN LOWER PERFS @ 3800 PSIG. PUMP DOWN ANNULUS, BREAK DOWN UPPER PERFS @ 2300 PSIG. SI FORE PBU TEST. ISIP TBG 906.11 PSIG. ISIP ANNULUS 1131.4 PSIG. SI FORE PBU TEST 11 HRS. TBG 97.76 PSIG. ANNULUS 98.02 PSIG.

08-31-2008 **Reported By** POWELL

DailyCosts: Drilling	\$0	Completion	\$9,495	Daily Total	\$9,495
Cum Costs: Drilling	\$499,863	Completion	\$205,399	Well Total	\$705,262

MD	7,480	TVD	7,480	Progress	0	Days	10	MW	0.0	Visc	0.0
-----------	-------	------------	-------	-----------------	---	-------------	----	-----------	-----	-------------	-----

Formation : WASATCH **PBSD :** 7430.0 **Perf :** 7234'-7122' **PKR Depth :** 0.0

Activity at Report Time: SI FORE PBU TEST

Start	End	Hrs	Activity Description
05:00	05:00	24.0	SI FOR PBU TEST. TBG 180.10 PSIG. ANNULUS 186.65 PSIG.

09-01-2008 **Reported By** POWELL

DailyCosts: Drilling	\$0	Completion	\$2,310	Daily Total	\$2,310
Cum Costs: Drilling	\$499,863	Completion	\$207,709	Well Total	\$707,572

MD	7,480	TVD	7,480	Progress	0	Days	11	MW	0.0	Visc	0.0
-----------	-------	------------	-------	-----------------	---	-------------	----	-----------	-----	-------------	-----

Formation : WASATCH **PBSD :** 7430.0 **Perf :** 7234'-7122' **PKR Depth :** 0.0

Activity at Report Time: SI TO RECORD PRESSURES

Start	End	Hrs	Activity Description
05:00	05:00	24.0	SITP 243 PSIG. SICP 248 PSIG.

09-02-2008 **Reported By** POWELL

DailyCosts: Drilling	\$0	Completion	\$69,603	Daily Total	\$69,603
Cum Costs: Drilling	\$499,863	Completion	\$277,312	Well Total	\$777,175

MD	7,480	TVD	7,480	Progress	0	Days	12	MW	0.0	Visc	0.0
-----------	-------	------------	-------	-----------------	---	-------------	----	-----------	-----	-------------	-----

Formation : WASATCH **PBSD :** 7430.0 **Perf :** 7251'-6964' **PKR Depth :** 0.0

Activity at Report Time: RIH W/PACKER

Start	End	Hrs	Activity Description
07:00	20:00	13.0	POH W/PACKER. RUWL. PERFORATED REMAINING NH FROM 7249-51', 7184-86' & 7179-81' @ 3-SPF & 120° PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3339 GAL WATER FRAC LINEAR PAD, 56723 GAL DELTA 140 XL WITH 166400# 20/40 SAND @ 1-5 PPG. MTP 5214 PSIG. MTR 51.6 BPM. ATP 3760 PSIG. ATR 47.5 BPM. ISIP 2254 PSIG. RD

HALLIBURTON.

RUWL. SET 10K CBP @ 7090'. PERFORATED NH FROM 7043-45', 6967-68' & 6964-65' @ 3-SPF & 120° PHASING. RDWL. SDFN.

09-03-2008		Reported By		POWELL							
DailyCosts: Drilling		\$0		Completion		\$69,603		Daily Total		\$69,603	
Cum Costs: Drilling		\$499,863		Completion		\$346,915		Well Total		\$846,778	
MD	7,480	TVD	7,480	Progress	0	Days	13	MW	0.0	Visc	0.0
Formation : WASATCH		PBTD : 7430.0		Perf : 7251'-6964'		PKR Depth : 0.0					
Activity at Report Time: SI TO RECORD PRESSURES											
Start	End	Hrs	Activity Description								
07:00	15:00	8.0	RIH W/PACKER. SET @ 6994'. BROKE DOWN LOWER PERFS @ 4000 PSIG. BROKE DOWN UPPER PERFS @ 5400 PSIG. SITP 1319 PSIG. SICP 2716 PSIG.								
09-04-2008		Reported By		POWELL							
DailyCosts: Drilling		\$0		Completion		\$5,046		Daily Total		\$5,046	
Cum Costs: Drilling		\$499,863		Completion		\$351,961		Well Total		\$851,824	
MD	7,480	TVD	7,480	Progress	0	Days	14	MW	0.0	Visc	0.0
Formation : WASATCH		PBTD : 7430.0		Perf : 7251'-6964'		PKR Depth : 0.0					
Activity at Report Time: SI FORE PBU TEST											
Start	End	Hrs	Activity Description								
05:00	05:00	24.0	SI FORE PBU TEST. TBG 1057.2 PSIG. ANNULUS 36.88 PSIG.								
09-05-2008		Reported By		POWELL							
DailyCosts: Drilling		\$0		Completion		\$5,046		Daily Total		\$5,046	
Cum Costs: Drilling		\$499,863		Completion		\$357,007		Well Total		\$856,870	
MD	7,480	TVD	7,480	Progress	0	Days	15	MW	0.0	Visc	0.0
Formation : WASATCH		PBTD : 7430.0		Perf : 7251'-6964'		PKR Depth : 0.0					
Activity at Report Time: SI TO RECORD PRESSURES											
Start	End	Hrs	Activity Description								
05:00	05:00	24.0	SITP 970 PSIG. SICP 24 PSIG.								
09-06-2008		Reported By		POWELL							
DailyCosts: Drilling		\$0		Completion		\$76,657		Daily Total		\$76,657	
Cum Costs: Drilling		\$499,863		Completion		\$433,664		Well Total		\$933,527	
MD	7,480	TVD	7,480	Progress	0	Days	16	MW	0.0	Visc	0.0
Formation : WASATCH		PBTD : 7430.0		Perf : 7251'-6547'		PKR Depth : 0.0					
Activity at Report Time: SI TO RECORD PRESSURES											
Start	End	Hrs	Activity Description								
06:00	19:00	13.0	POH W/PACKER. RUWL. PERFORATE REMAINING NH FROM 7063-64', 7059-60', 7055-56', 7020-21', 6988-90', 6935-36', 6927-28' & 6902-03' @ 3 SPF & 120° PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2126 GAL WATER LINEAR PAD, 45002 GAL DELTA 140 XL WITH 138600# 20/40 SAND @ 1-4 PPG. MTP 5547 PSIG. MTR 51.1 BPM. ATP 4373 PSIG. ATR 45.5 BPM. ISIP 2750 PSIG. RD HALLIBURTON.								

RUWL. SET 10K CBP @ 6775'. PERFORATE BA FROM 6721-24' & 6547-50' @ 3 SPF & 120° PHASING, RDWL. RIH W/PACKER. SET @ 6618'. BROKE DOWN LOWER PERFS @ 3400 PSIG. BROKE DOWN UPPER PERFS @ 4400 PSIG. SITP 980 PSIG. SICP 2717 PSIG.

09-07-2008		Reported By		POWELL							
Daily Costs: Drilling		\$0		Completion		\$2,310		Daily Total		\$2,310	
Cum Costs: Drilling		\$499,863		Completion		\$435,974		Well Total		\$935,837	
MD	7,480	TVD	7,480	Progress	0	Days	17	MW	0.0	Visc	0.0
Formation : WASATCH			PBTD : 7430.0			Perf : 7251'-6547'			PKR Depth : 0.0		
Activity at Report Time: SI TO RECORD PRESSURES											
Start	End	Hrs	Activity Description								
05:00	05:00	24.0	SITP 361 PSIG. SICP 377 PSIG.								
09-08-2008		Reported By		POWELL							
Daily Costs: Drilling		\$0		Completion		\$2,310		Daily Total		\$2,310	
Cum Costs: Drilling		\$499,863		Completion		\$438,284		Well Total		\$938,147	
MD	7,480	TVD	7,480	Progress	0	Days	18	MW	0.0	Visc	0.0
Formation : WASATCH			PBTD : 7430.0			Perf : 7251'-6547'			PKR Depth : 0.0		
Activity at Report Time: SI TO RECORD PRESSURES											
Start	End	Hrs	Activity Description								
05:00	05:00	24.0	SITP 152 PSIG. SICP 154 PSIG.								
09-09-2008		Reported By		POWELL							
Daily Costs: Drilling		\$0		Completion		\$49,349		Daily Total		\$49,349	
Cum Costs: Drilling		\$499,863		Completion		\$487,633		Well Total		\$987,496	
MD	7,480	TVD	7,480	Progress	0	Days	19	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 7430.0			Perf : 7251'-5876'			PKR Depth : 0.0		
Activity at Report Time: SI TO RECORD PRESSURES											
Start	End	Hrs	Activity Description								
07:00	18:00	11.0	POH W/PACKER. RUWL. PERFORATE REMAINING BA FROM 6678-79', 6655-56', 6596-97', 6526-27', 6508-09', 6493-94', 6447-48', 6396-97' & 6357-58' @ 3 SPF & 120° PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 443 GAL WATER LINEAR PAD, 33162 GAL DELTA 140 XL WITH 85920# 20/40 SAND @ 1-4 PPG. MTP 6237 PSIG. MTR 49.1 BPM. ATP 4206 PSIG. ATR 42.1 BPM. ISIP 2011 PSIG. RD HALLIBURTON.								
RUWL. SET 10K CBP @ 6330'. PERFORATE BA/CA FROM 6199-01', 5882-83' & 5876-77' @ 3 SPF & 120° PHASING. RDWL. RIH W/PACKER. SET @ 6054'. BROKE DOWN LOWER PERFS @ 4400 PSIG. BROKE DOWN UPPER PERFS @ 4300 PSIG. SITP 1313 PSIG. SICP 2506 PSIG.											
09-10-2008		Reported By		POWELL							
Daily Costs: Drilling		\$0		Completion		\$5,075		Daily Total		\$5,075	
Cum Costs: Drilling		\$499,863		Completion		\$492,708		Well Total		\$992,571	
MD	7,480	TVD	7,480	Progress	0	Days	20	MW	0.0	Visc	0.0
Formation :			PBTD : 7430.0			Perf : 7251'-5876'			PKR Depth : 0.0		
Activity at Report Time: SI TO RECORD PRESSURES											
Start	End	Hrs	Activity Description								
05:00	05:00	24.0	SITP 559 PSIG. SICP 196 PSIG.								

09-11-2008 Reported By POWELL

DailyCosts: Drilling	\$0	Completion	\$5,075	Daily Total	\$5,075
Cum Costs: Drilling	\$499,863	Completion	\$497,783	Well Total	\$997,646

MD 7,480 TVD 7,480 Progress 0 Days 21 MW 0.0 Visc 0.0

Formation : PBTB : 7430.0 Perf : 7251'-5876' PKR Depth : 0.0

Activity at Report Time: SI TO RECORD PRESSURES

Start	End	Hrs	Activity Description
05:00	05:00	24.0	SITP 446 PSI. SICP 309 PSI.

09-12-2008 Reported By POWELL

DailyCosts: Drilling	\$0	Completion	\$5,075	Daily Total	\$5,075
Cum Costs: Drilling	\$499,863	Completion	\$502,858	Well Total	\$1,002,721

MD 7,480 TVD 7,480 Progress 0 Days 22 MW 0.0 Visc 0.0

Formation : PBTB : 7430.0 Perf : 7251'-5876' PKR Depth : 0.0

Activity at Report Time: PREP TO PERFORATE

Start	End	Hrs	Activity Description
07:00	15:00	8.0	RD TEST EQUIPMENT. POH W/PACKER. SDFN.

09-13-2008 Reported By POWELL

DailyCosts: Drilling	\$0	Completion	\$67,695	Daily Total	\$67,695
Cum Costs: Drilling	\$499,863	Completion	\$570,553	Well Total	\$1,070,416

MD 7,480 TVD 7,480 Progress 0 Days 23 MW 0.0 Visc 0.0

Formation : PBTB : 7430.0 Perf : 7251'-5584' PKR Depth : 0.0

Activity at Report Time: SI FORE PBU TEST

Start	End	Hrs	Activity Description
07:00	18:00	11.0	MIRUWL. PERFORATED REMAINING BA/CA FROM 6300-01', 6269-70', 6181-82', 6139-40', 6064-65', 6003-04', 5970-71' & 5833-34' @ 3-SPF 120 DE PHASING. RDWL. MIRU HALLIBURTON. FRAC DOWN CASING WITH 2106 GAL WATER LINEAR PAD, 23094 GAL DELTA 140 XL WITH 58538 # 20/40 SAND @ 1-4 PPG. MTP 5914 PSIG. MTR 54.3 BPM. ATP 3632 PSIG. ATR 43.7 BPM. ISIP 1365 PSIG. RD HALLIBURTON. RUWL SET 10K CBP @ 5700'. PERFORATED CA FROM 5589'-5584' @ 3-SPF 120 DE PHASING. RDWL. PUMP DOWN CASING, BREAK DOWN PERFS @ 1400 PSIG. SI FORE PBU TEST.
			ISIP CASING 558.03 PSIG.

09-14-2008 Reported By POWELL

DailyCosts: Drilling	\$0	Completion	\$2,310	Daily Total	\$2,310
Cum Costs: Drilling	\$499,863	Completion	\$572,863	Well Total	\$1,072,726

MD 7,480 TVD 7,480 Progress 0 Days 24 MW 0.0 Visc 0.0

Formation : PBTB : 7430.0 Perf : 7251'-5584' PKR Depth : 0.0

Activity at Report Time: SI FORE PBU TEST

Start	End	Hrs	Activity Description
05:00	05:00	24.0	SI FORE PBU TEST. CASING 256.55 PSIG.

09-15-2008 Reported By POWELL

DailyCosts: Drilling	\$0	Completion	\$2,310	Daily Total	\$2,310
Cum Costs: Drilling	\$499,863	Completion	\$575,173	Well Total	\$1,075,036

MD 7,480 TVD 7,480 Progress 0 Days 25 MW 0.0 Visc 0.0

Formation : PBTB : 7430.0 Perf : 7251'-5584' PKR Depth : 0.0

Activity at Report Time: PREP TO PERFORATE

Start	End	Hrs	Activity Description
05:00	05:00	24.0	SICP 27 PSIG. PREP TO PERF & FRAC.

09-16-2008 Reported By POWELL

Daily Costs: Drilling	\$0	Completion	\$49,343	Daily Total	\$49,343
Cum Costs: Drilling	\$499,863	Completion	\$624,516	Well Total	\$1,124,379

MD	7,480	TVD	7,480	Progress	0	Days	26	MW	0.0	Visc	0.0
----	-------	-----	-------	----------	---	------	----	----	-----	------	-----

Formation : WASATCH PBTB : 7430.0 Perf : 5251'-5503' PKR Depth : 0.0

Activity at Report Time: SI TO RECORD PRESSURE

Start	End	Hrs	Activity Description
07:00	17:00	10.0	RUWL. PERFORATED REMAINING CA FROM 5668-70', 5649-50', 5636-37' & 5574-79' @ 3 SPF & 120° PHASING. RDWL. RU HALLIBURTON. FRAC DOWN CASING WITH 2115 GAL WATER LINEAR PAD, 25382 GAL DELTA 140 XL WITH 74700# 20/40 SAND @ 1-4 PPG. MTP 4463 PSIG. MTR 51.1 BPM. ATP 3303 PSIG. ATR 49.5 BPM. ISIP 1777 PSIG. RD HALLIBURTON.

RUWL. SET 10K CBP @ 5540'. PERFORATED CA FROM 5503-14' @ 3 SPF & 120° PHASING. RDWL. BROKE DOWN PERFS @ 1700 PSIG. SICP 333 PSIG.

09-17-2008 Reported By POWELL

Daily Costs: Drilling	\$0	Completion	\$5,775	Daily Total	\$5,775
Cum Costs: Drilling	\$499,863	Completion	\$630,291	Well Total	\$1,130,154

MD	7,480	TVD	7,480	Progress	0	Days	27	MW	0.0	Visc	0.0
----	-------	-----	-------	----------	---	------	----	----	-----	------	-----

Formation : WASATCH PBTB : 7430.0 Perf : 7251'-5584' PKR Depth : 0.0

Activity at Report Time: SI FORE PBU TEST.

Start	End	Hrs	Activity Description
05:00	05:00	24.0	SI FOR PBU TEST. CASING 333 PSIG.

09-18-2008 Reported By POWELL

Daily Costs: Drilling	\$0	Completion	\$5,775	Daily Total	\$5,775
Cum Costs: Drilling	\$499,863	Completion	\$636,066	Well Total	\$1,135,929

MD	7,480	TVD	7,480	Progress	0	Days	28	MW	0.0	Visc	0.0
----	-------	-----	-------	----------	---	------	----	----	-----	------	-----

Formation : WASATCH PBTB : 7430.0 Perf : 7251'-5584' PKR Depth : 0.0

Activity at Report Time: SI TO RECORD PRESSURES

Start	End	Hrs	Activity Description
05:00	05:00	24.0	SICP 3 PSIG.

09-19-2008 Reported By POWELL

Daily Costs: Drilling	\$0	Completion	\$5,775	Daily Total	\$5,775
Cum Costs: Drilling	\$499,863	Completion	\$641,841	Well Total	\$1,141,704

MD	7,480	TVD	7,480	Progress	0	Days	29	MW	0.0	Visc	0.0
----	-------	-----	-------	----------	---	------	----	----	-----	------	-----

Formation : WASATCH PBTB : 7430.0 Perf : 7251'-5584' PKR Depth : 0.0

Activity at Report Time: SI TO RECORD PRESSURE

Start	End	Hrs	Activity Description
05:00	05:00	24.0	SICP 2 PSIG.

09-20-2008 Reported By POWELL

Daily Costs: Drilling \$0 Completion \$61,127 Daily Total \$61,127

Cum Costs: Drilling \$499,863 Completion \$702,968 Well Total \$1,202,831

MD 7,480 TVD 7,480 Progress 0 Days 30 MW 0.0 Visc 0.0

Formation : WASATCH PBTD : 7430.0 Perf : 7251'-5584' PKR Depth : 0.0

Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
07:00	18:00	11.0	RU HALLIBURTON. FRAC DOWN CASING WITH 2090 GAL WATER LINEAR PAD, 26573 GAL DELTA 140 XL WITH 66900# 20/40 SAND @ 1-4 PPG. MTP 4329 PSIG. MTR 49.8 BPM. ATP 2705 PSI. ATR 41.5 BPM. ISIP 1851 PSIG. RD HALLIBURTON.

RUWL. SET CBP @ 5411'. RDWL. MIRUSU. RIH W/BIT & PUMP OFF SUB TO 5400'. SDFN.

09-21-2008 Reported By POWELL

Daily Costs: Drilling \$0 Completion \$16,240 Daily Total \$16,240

Cum Costs: Drilling \$499,863 Completion \$719,208 Well Total \$1,219,071

MD 7,480 TVD 7,480 Progress 0 Days 31 MW 0.0 Visc 0.0

Formation : WASATCH PBTD : 7430.0 Perf : 7251'-5584' PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
07:00	21:00	14.0	CLEANED OUT & DRILLED OUT PLUGS @ 5411', 5540', 5700', 6330', 6775' & 7090'. RIH. CLEANED OUT TO PBTD @ 7286'. LANDED TBG AT 5535' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 8 HRS. 24/64" CHOKE. FTP 425 PSIG. CP 900 PSIG. 32 BFPH. RECOVERED 199 BLW. 5981 BLWTR.

TUBING DETAIL LENGTH:

PUMP OFF SUB 1.00'
 1 JT 2-3/8" 4.7# N-80 TBG 32.54'
 XN NIPPLE 1.10'
 170 JTS 2-3/8" 4.7# TBG 5488.90'
 BELOW KB 12.00'
 LANDED @ 5535.54' KB

09-22-2008 Reported By POWELL

Daily Costs: Drilling \$0 Completion \$4,110 Daily Total \$4,110

Cum Costs: Drilling \$499,863 Completion \$723,318 Well Total \$1,223,181

MD 7,480 TVD 7,480 Progress 0 Days 32 MW 0.0 Visc 0.0

Formation : WASATCH PBTD : 7430.0 Perf : 7251'-5584' PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 550 PSIG. CP 875 PSIG. 15 BFPH. RECOVERED 690 BLW. 5291 BLWTR.

09-23-2008 Reported By POWELL

Daily Costs: Drilling \$0 Completion \$4,110 Daily Total \$4,110

Cum Costs: Drilling \$499,863 Completion \$727,428 Well Total \$1,227,291

MD 7,480 TVD 7,480 Progress 0 Days 33 MW 0.0 Visc 0.0
 Formation : WASATCH PBTD : 7430.0 Perf : 7251'-5584' PKR Depth : 0.0

Activity at Report Time: WO FACILITIES

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 22 HRS. 32/64" CHOKE. FTP 275 PSIG. CP 650 PSIG. 5 BFPH. RECOVERED 255 BLW. 5036 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 09/22/08.

10-30-2008 Reported By DUANE COOK

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$499,863	Completion	\$727,428	Well Total	\$1,227,291

MD 7,480 TVD 7,480 Progress 0 Days 34 MW 0.0 Visc 0.0
 Formation : WASATCH PBTD : 7430.0 Perf : 7251'-5584' 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 850 PSIG & CP 1050 PSIG. TURNED WELL OVER TO QUEST STAR SALES AT 10:00 HRS, 10/29/08. FLOWED 650 MCFD RATE ON 14/64" CHOKE. 230 STATIC . QUEST STAR METER #7906.

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.
UTU0282

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

2. Name of Operator **EOG RESOURCES, INC.** Contact: MICKENZIE THACKER
 E-Mail: MICKENZIE_THACKER@EOGRESOURCES.COM

8. Lease Name and Well No.
CHAPITA WELLS UNIT 763-14

3. Address **1060 E. HWY 40
VERNAL, UT 84078** 3a. Phone No. (include area code)
Ph: 435-781-9145

9. API Well No. **43-047-39904**

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface **SWNE 2531FNL 1649FEL 40.03629 N Lat, 109.40368 W Lon**
 At top prod interval reported below **SWNE 2531FNL 1649FEL 40.03629 N Lat, 109.40368 W Lon**
 At total depth **SWNE 2531FNL 1649FEL 40.03629 N Lat, 109.40368 W Lon**

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey
or Area **Sec 14 T9S R22E Mer SLB**

12. County or Parish
UINTAH 13. State
UT

14. Date Spudded **08/01/2008** 15. Date T.D. Reached **08/16/2008** 16. Date Completed
 D & A Ready to Prod.
10/29/2008

17. Elevations (DF, KB, RT, GL)*
4924 GL

18. Total Depth: MD **7480** TVD **MD 7430** 19. Plug Back T.D.: MD **7430** TVD **MD 7430** 20. Depth Bridge Plug Set: MD **7430** TVD **MD 7430**

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
RST/CBL/CCL/VDL/GR

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		2428		600		0	
7.875	4.500 N-80	11.6		7473		1290		2180	

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	5536							

25. Producing Intervals

26. Perforation Record **5503**

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	5503	7251	7122 TO 7251		3	
B)			6902 TO 7064		3	
C)			6357 TO 6724		3	
D)			5833 TO 6301		3	

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

Depth Interval	Amount and Type of Material
7122 TO 7251	80,227 GALS OF GELLED WATER 166,400# 20/40 SAND
6902 TO 7064	47,293 GALS OF GELLED WATER 138,600# 20/40 SAND
6357 TO 6724	33,770 GALS OF GELLED WATER 85,920# 20/40 SAND
5833 TO 6301	25,200 GALS OF GELLED WATER 58,538# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
10/29/2008	11/02/2008	24	→	0.0	667.0	20.0			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	700	900.0	→	0	667	20		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	
			→						

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

ELECTRONIC SUBMISSION #65262 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

RECEIVED

DEC 08 2008

DIV. OF OIL, GAS & MINING

Chapita Wells Unit 763-14 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

5574-5670	3/spf
5503-5514	3/spf

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

5574-5670	27,497 GALS GELLED WATER & 74,700# 20/40 SAND
5503-5514	28,663 GALS GELLED WATER & 66,900# 20/40 SAND

Perforated the North Horn from 7122'-23', 7131'-32', 7135'-34', 7143'-44', 7179'-81', 7184'-86', 7222'-23', 7224'-25', 7228'-29', 7233'-34', 7249'-51' w/ 3 spf.

Perforated the North Horn from 6902'-03', 6927'-28', 6935'-36', 6964'-65', 6967'-68', 6988'-90', 7020'-21', 7043'-45', 7055'-56', 7059'-60', 7063'-64' w/ 3 spf.

Perforated the Ba from 6357'-58', 6396'-97', 6447'-48', 6493'-94', 6508'-09', 6526'-27', 6547'-50', 6596'-97', 6655'-56', 6678'-79', 6721'-24' w/ 3 spf.

Perforated the Ba/Ca from 5833'-34', 5876'-77', 5882'-83', 5970'-71', 6003'-04', 6064'-65', 6139'-40', 6181'-82', 6199'-6201', 6269'-70', 6300'-01' w/ 3 spf.

Perforated the Ca from 5574'-79', 5584'-89', 5636'-37', 5649'-50', 5668'-70' w/ 3 spf.

Perforated the Ca from 5503'-14' w/ 3 spf.

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

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 763-14

API number: _____

Well Location: QQ SWNE Section 14 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,860	1,900	NO FLOW	NOT KNOWN

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

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

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

NAME (PLEASE PRINT) Mickenzie Thacker

TITLE Operations Clerk

SIGNATURE *Mickenzie Thacker*

DATE 12/2/2008

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

FORM 6

ENTITY ACTION FORM

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

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39684	CHAPITA WELLS UNIT 735-33		SWNW	33	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	17250	12/10/2008			12/30/08	
Comments: <u>WASATCH</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39989	HOSS 91-36		NENE	36	8S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	17251	12/13/2008			12/30/08	
Comments: <u>WASATCH/MESAVERDE</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39904	CHAPITA WELLS UNIT 763-14		SWNE	14	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	13650	4905	8/1/2008			10/29/2008	
Comments: <u>WASATCH</u> 12/30/08							

ACTION CODES:

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

Mickenzie Thacker

Name (Please Print)

Signature

Operations Clerk

Title

12/16/2008

Date

RECEIVED

DEC 15 2008

DIV. OF OIL, GAS & MINING