

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU0336A
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES INC		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNI
Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		8. Lease Name and Well No. CHAPITA WELLS UNIT 1378-28
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 303-824-5526	9. API Well No. <b>43-047-39913</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SESW 25FSL 2460FWL 39.99977 N Lat, 109.33253 W Lon At proposed prod. zone SESW 25FSL 2460FWL 39.99977 N Lat, 109.33253 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE
14. Distance in miles and direction from nearest town or post office* 53.95 MILES SOUTH OF VERNAL, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area Sec 28 T9S R23E Mer SLB
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 25'	16. No. of Acres in Lease 1440.00	12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 820'	19. Proposed Depth 8840 MD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5286 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well
		20. BLM/BIA Bond No. on file NM2308
		23. Estimated duration 45 DAYS

24. Attachments

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

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

25. Signature (Electronic Submission) 	Name (Printed/Typed) MARY A. MAESTAS Ph: 303-824-5526	Date 01/10/2008
Title REGULATORY ASSISTANT		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 01-23-08
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 #57947 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal

**RECEIVED**

JAN 16 2008

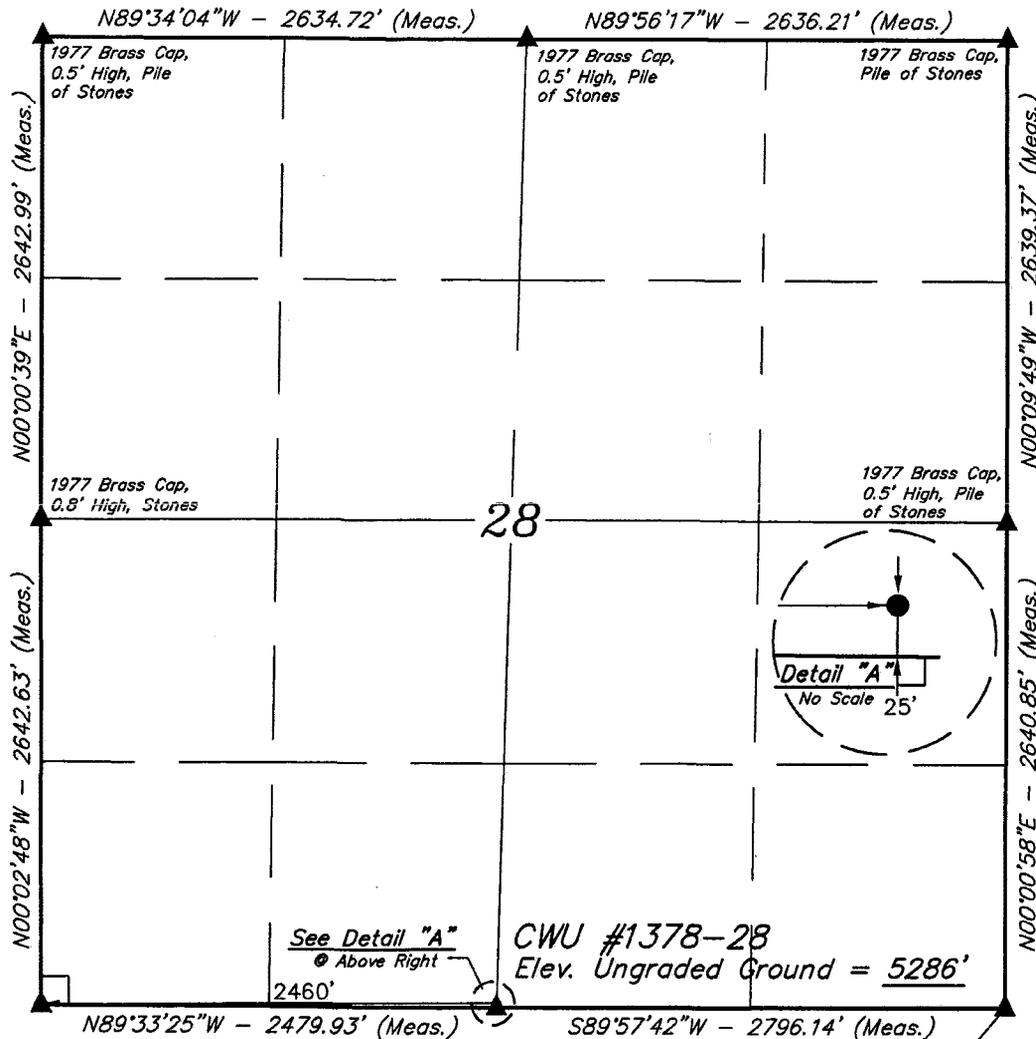
DIV. OF OIL, GAS & MINING

Federal Approval of this  
Action is Necessary

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

642400X  
44288644  
39.999855  
-109.331858

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



1977 Brass Cap,  
1.2' High, Pile  
of Stones, Steel  
Post

1977 Brass Cap,  
0.8' High, Pile  
of Stones

1977 Brass Cap,  
1.5' High, Pile  
of Stones

## LEGEND:

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

(NAD 83)  
 LATITUDE = 39°59'59.16" (39.999767)  
 LONGITUDE = 109°19'57.12" (109.332533)  
 (NAD 27)  
 LATITUDE = 39°59'59.28" (39.999800)  
 LONGITUDE = 109°19'54.68" (109.331856)

## EOG RESOURCES, INC.

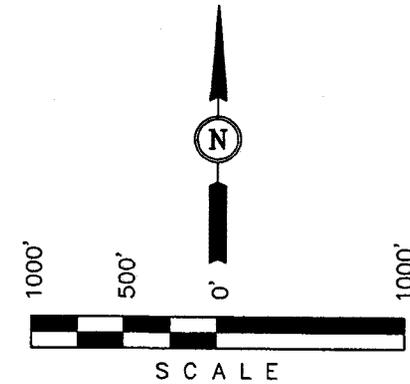
Well location, CWU #1378-28, located as shown in the SE 1/4 SW 1/4 of Section 28, T9S, R23E, S.L.B.&M., Uintah County, Utah.

### BASIS OF ELEVATION

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

### BASIS OF BEARINGS

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



### CERTIFICATE

THIS IS TO CERTIFY THAT THE 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

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

SCALE 1" = 1000'	DATE SURVEYED: 11-15-07	DATE DRAWN: 12-3-07
PARTY J.M. K.F. C.C.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1378-28**  
**SE/SW, SEC. 28, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,502		Shale	
Wasatch	4,423		Sandstone	
Chapita Wells	4,958		Sandstone	
Buck Canyon	5,662		Sandstone	
North Horn	6,205		Sandstone	
KMV Price River	6,458	Primary	Sandstone	Gas
KMV Price River Middle	7,328	Primary	Sandstone	Gas
KMV Price River Lower	8,116	Primary	Sandstone	Gas
Sego	8,634		Sandstone	
<b>TD</b>	<b>8,840</b>			

Estimated TD: 8,840' or 200'± below TD

**Anticipated BHP: 4,827 Psig**

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

**3. PRESSURE CONTROL EQUIPMENT:**      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 1/2"	0 – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 1/4"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

**Note:** 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

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

## EIGHT POINT PLAN

### CHAPITA WELLS UNIT 1378-28 SE/SW, SEC. 28, T9S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

#### **5. Float Equipment:**

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

##### **Production Hole Procedure (2300'± - TD):**

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

#### **6. MUD PROGRAM**

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

Air/air mist or aerated water.

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

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

#### **7. VARIANCE REQUESTS:**

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

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

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1378-28**  
**SE/SW, SEC. 28, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**8. EVALUATION PROGRAM:**

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

**9. CEMENT PROGRAM:**

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

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

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

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

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

**Production Hole Procedure (2300'± - TD)**

**Lead:** 117 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 864 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9 gps water.

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

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

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1378-28**  
**SE/SW, SEC. 28, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

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

**11. STANDARD REQUIRED EQUIPMENT:**

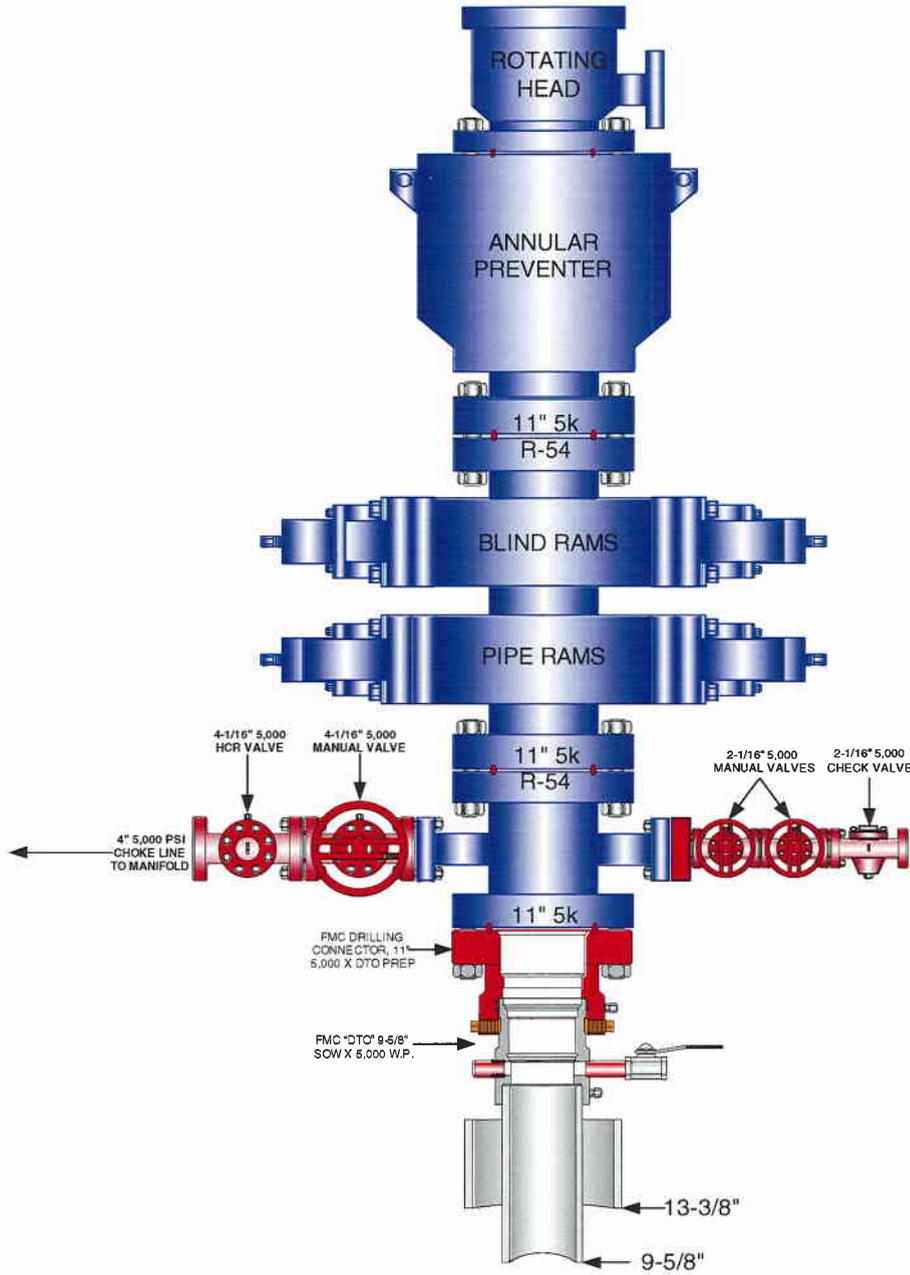
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

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

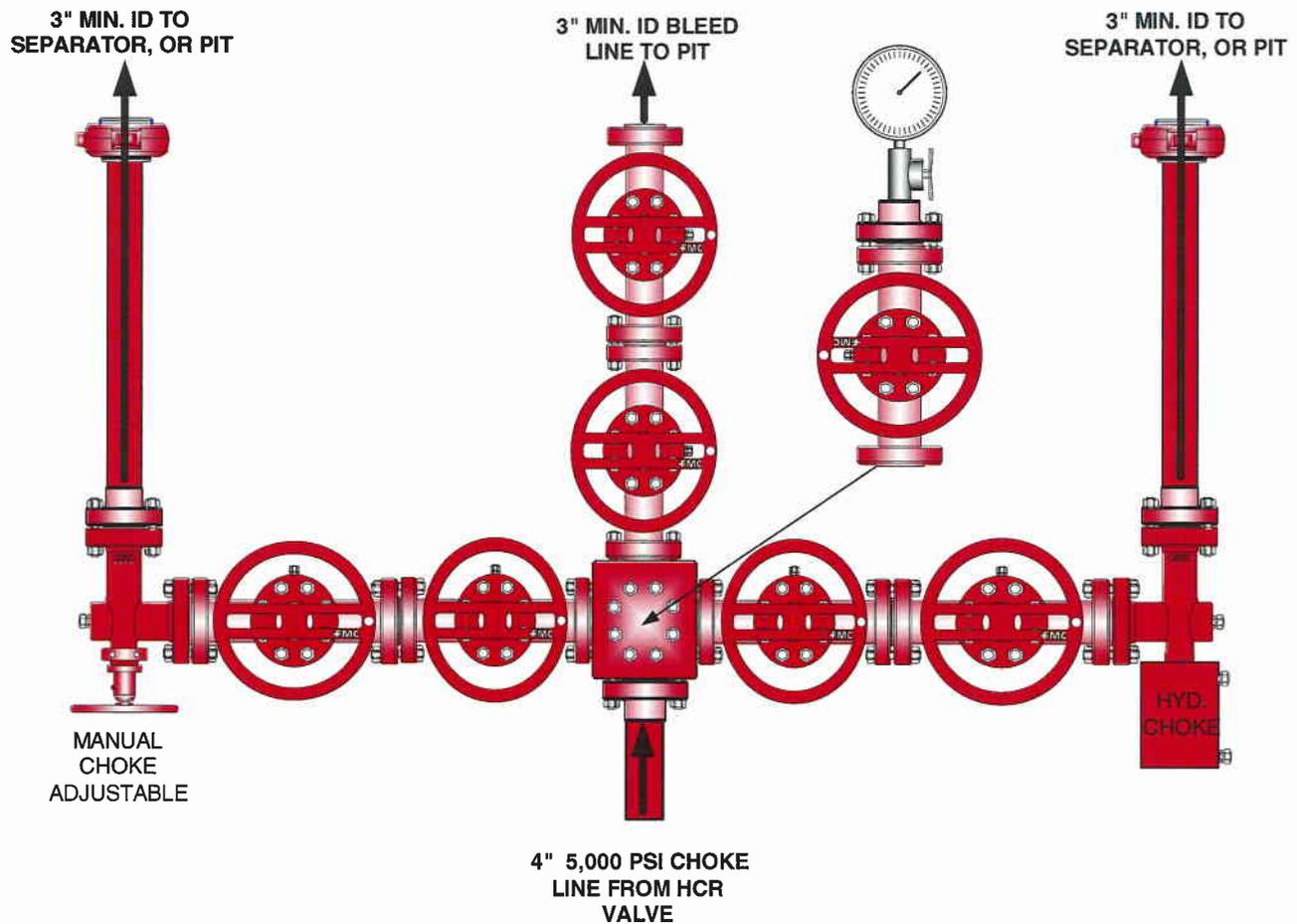
(Attachment: BOP Schematic Diagram)

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



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

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**Testing Procedure:**

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



***Chapita Wells Unit 1378-28  
SESW, Section 28, T9S, R23E  
Uintah County, Utah***

***SURFACE USE PLAN***

The well pad is approximately 375 feet long with a 261-foot width, containing 2.25 acres more or less. The well access road is approximately 1320 feet long with a 40-foot right-of-way, disturbing approximately 1.21 acres. New surface disturbance associated with the well pad and access road is estimated to be 3.46 acres. The pipeline is approximately 100 feet long with a 40-foot right-of-way disturbing approximately .09 acre.

***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 53.95 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

***2. PLANNED ACCESS ROAD:***

- A. The access road will be approximately 1320' in length, with culverts installed as construction dictates. See attached Topo B.
- B. The access road has a 40-foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.
- I. A 40-foot permanent right-of-way is requested. No surfacing material will be used.

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

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

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

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

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

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

**A portion of the proposed access road is located off-lease in Section 33, T9S, R23E (Federal Lease # U-0336), however, since this well is located within unit, an off-lease right-of-way is not required.**

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

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

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

**A. On Well Pad**

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

**B. Off Well Pad**

1. Proposed pipeline will transport natural gas.
2. The pipeline will be a permanent feeder line.
3. The length of the proposed pipeline is 100' x 40'. The proposed pipeline leaves the western edge of the well pad (Lease U-0336-A) proceeding in a northwesterly direction for an approximate distance of 100' tying into an existing pipeline in the SESW of Section 28, T9S, R23E (Lease U-0336-A). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface
5. Proposed pipeline will be laid on surface.
6. An off-lease right-of-way is not required. The entire length of the proposed pipeline is located within Federal Lease # U-0336-A.
7. The proposed pipeline route begins in the SESW of section 28, township 9S, range 23E, proceeding northwesterly for an approximate distance of 100' to the SESW of section 28, township 9S, range 23E.
8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

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

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

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

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

Access to the well pad will be from the east.

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

A portion of the well pad is located off-lease in Section 33, T9S, R23E (Federal Lease # U-0336). However, since this well is located within unit, an off-lease right-of-way is not required.

**FENCING REQUIREMENTS:**

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

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

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

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

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

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

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

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

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

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

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

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

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

***B. Dry Hole/Abandoned Location***

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

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
Wyoming Big Sage	3.0
Shadscale	3.0
Needle and Threadgrass	3.0
HyCrest Wheatgrass	1.0
Scarlet Globe Mallow	1.0

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

**11. SURFACE OWNERSHIP:**

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

**Bureau of Land Management**

**12. OTHER INFORMATION:**

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

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

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

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

- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

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

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

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

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

**Additional Surface Stipulations:**

None.

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

**PERMITTING AGENT**

Mary A. Maestas  
EOG Resources, Inc.  
1060 East Highway 40  
Vernal, UT 84078  
(435) 781-9111

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

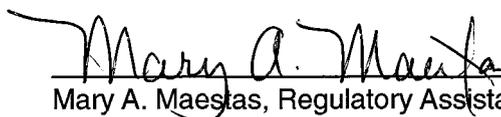
The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

**CERTIFICATION:**

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

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 1378-28 Well, located in the SESW, of Section 28, T9S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

January 10, 2008  
Date

  
Mary A. Maestas, Regulatory Assistant

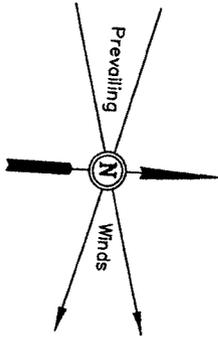
Date of onsite: December 20, 2007

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

CWU #1378-28  
SECTION 28, T9S, R23E, S.L.B.&M.  
25' FSL 2460' FWL

FIGURE #1



SCALE: 1" = 50'  
DATE: 12-3-07  
Drawn By: C.C.

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

Approx. Toe of Fill Slope

Existing Pipeline F-5.8' El. 79.7'



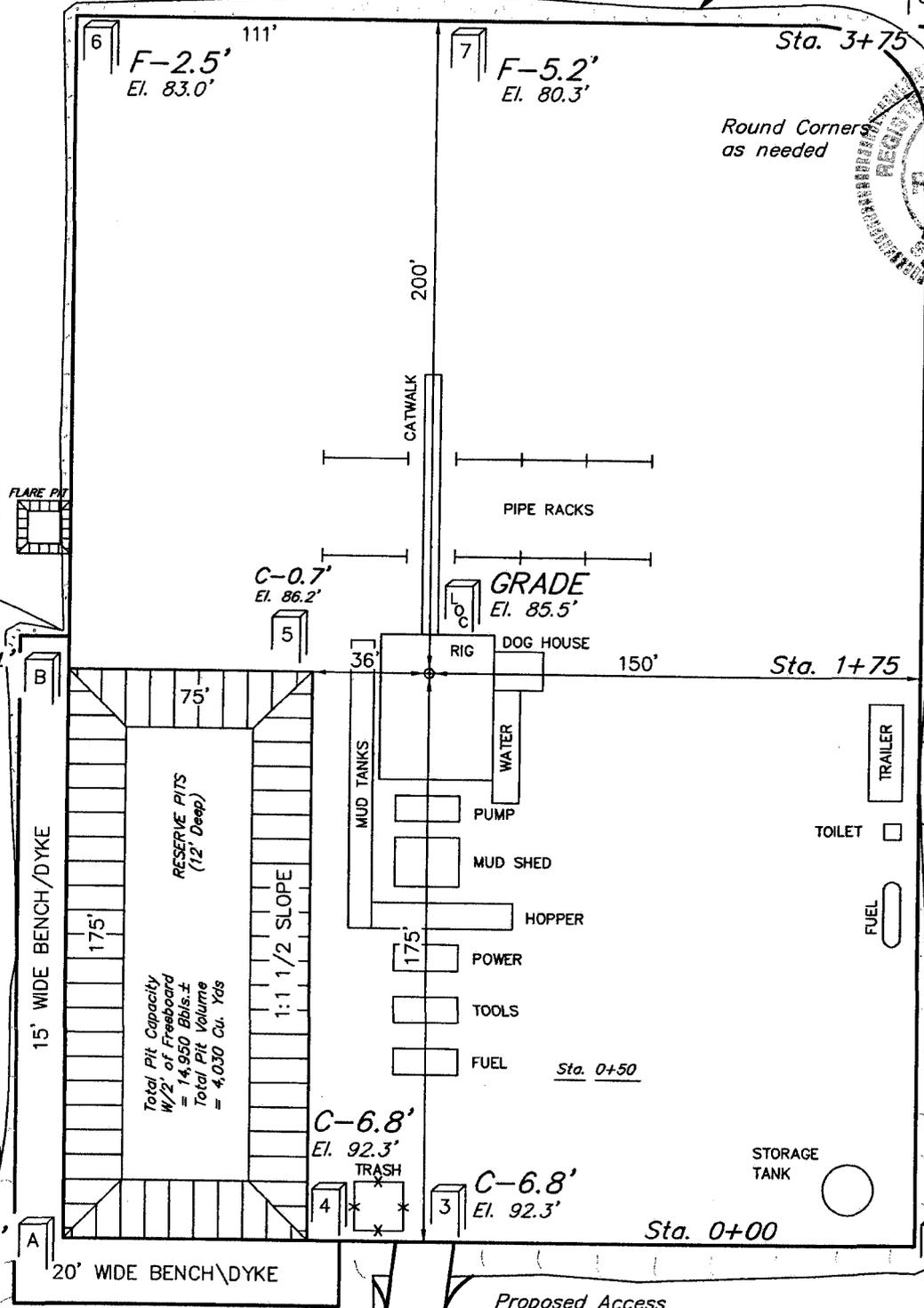
Round Corners as needed

Pit Topsoil

Reserve Pit Backfill & Spoils Stockpile

Topsoil Stockpile

Topsoil Stockpile



Approx. Top of Cut Slope

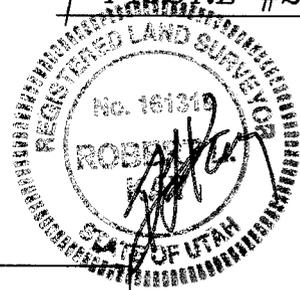
Proposed Access Road

Elev. Ungraded Ground at Location Stake = 5285.5'  
Elev. Graded Ground at Location Stake = 5285.5'

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

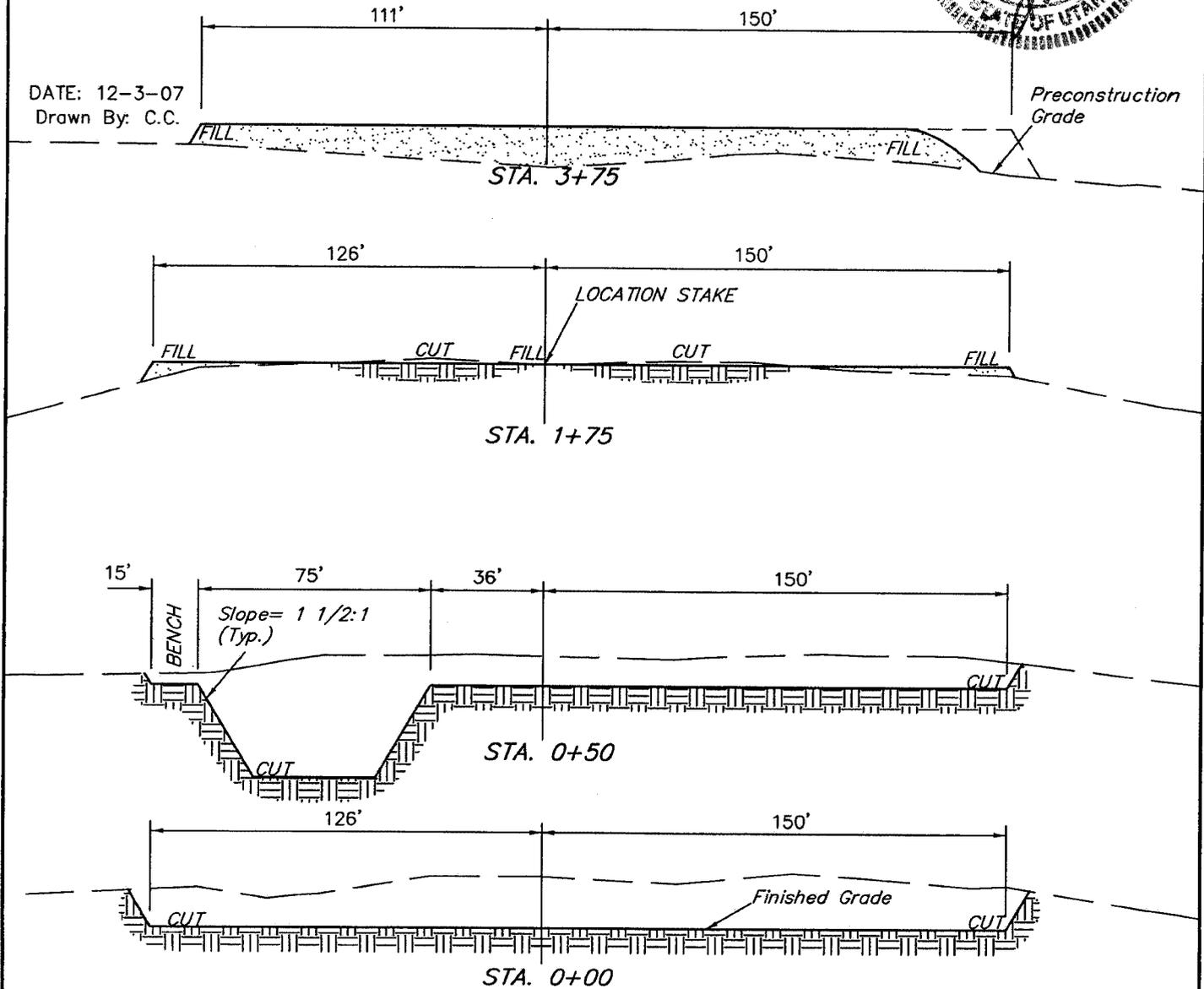
**EOG RESOURCES, INC.**  
**TYPICAL CROSS SECTIONS FOR**  
**CWU #1378-28**  
**SECTION 28, T9S, R23E, S.L.B.&M.**  
**25' FSL 2460' FWL**

**FIGURE #2**



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

DATE: 12-3-07  
 Drawn By: C.C.



**NOTE:**

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

**\* NOTE:**

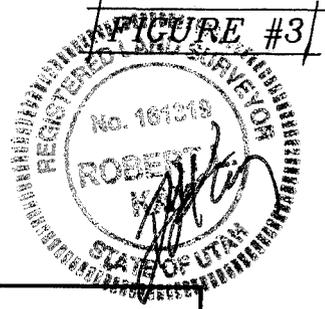
**FILL QUANTITY INCLUDES 5% FOR COMPACTION**

**APPROXIMATE YARDAGES**

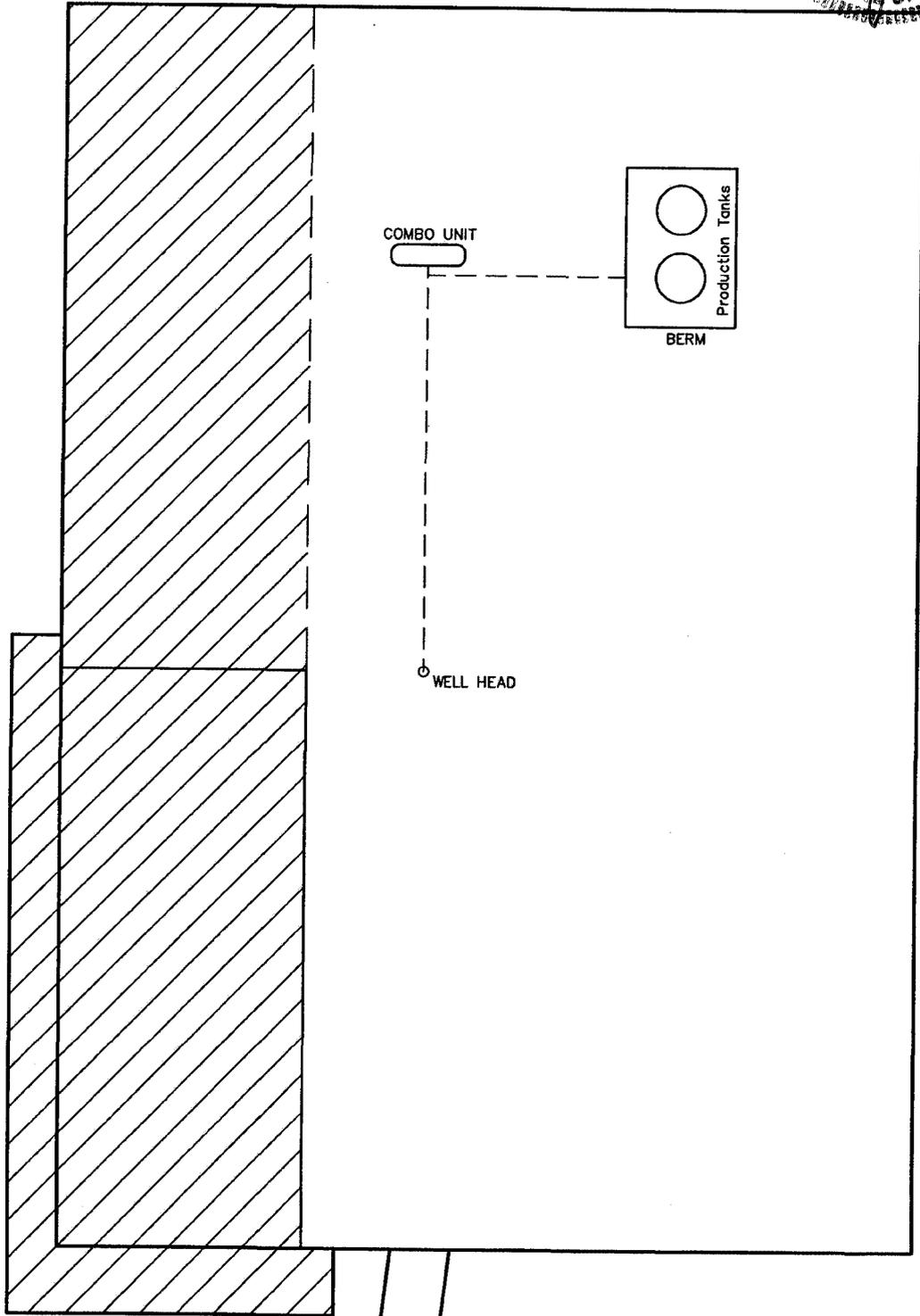
(6") Topsoil Stripping	=	2,108 Cu. Yds.
Remaining Location	=	8,752 Cu. Yds.
<b>TOTAL CUT</b>	<b>=</b>	<b>10,860 CU.YDS.</b>
<b>FILL</b>	<b>=</b>	<b>6,737 CU.YDS.</b>

EXCESS MATERIAL	=	4,123 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	4,123 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	=	0 Cu. Yds.

EOG RESOURCES, INC.  
PRODUCTION FACILITY LAYOUT FOR  
CWU #1378-28  
SECTION 28, T9S, R23E, S.L.B.&M.  
25' FSL 2460' FWL



DATE: 12-3-07  
Drawn By: C.C.



 RE-HABED AREA

# EOG RESOURCES, INC.

CWU #1378-28

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 28, T9S, R23E, S.L.B.&M.

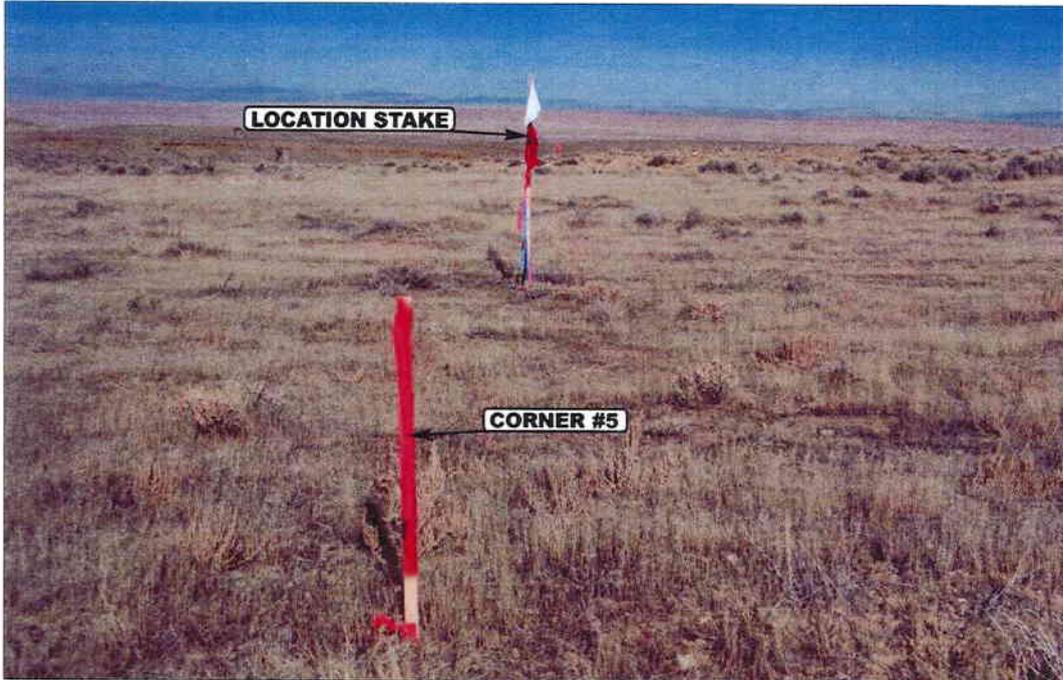


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY



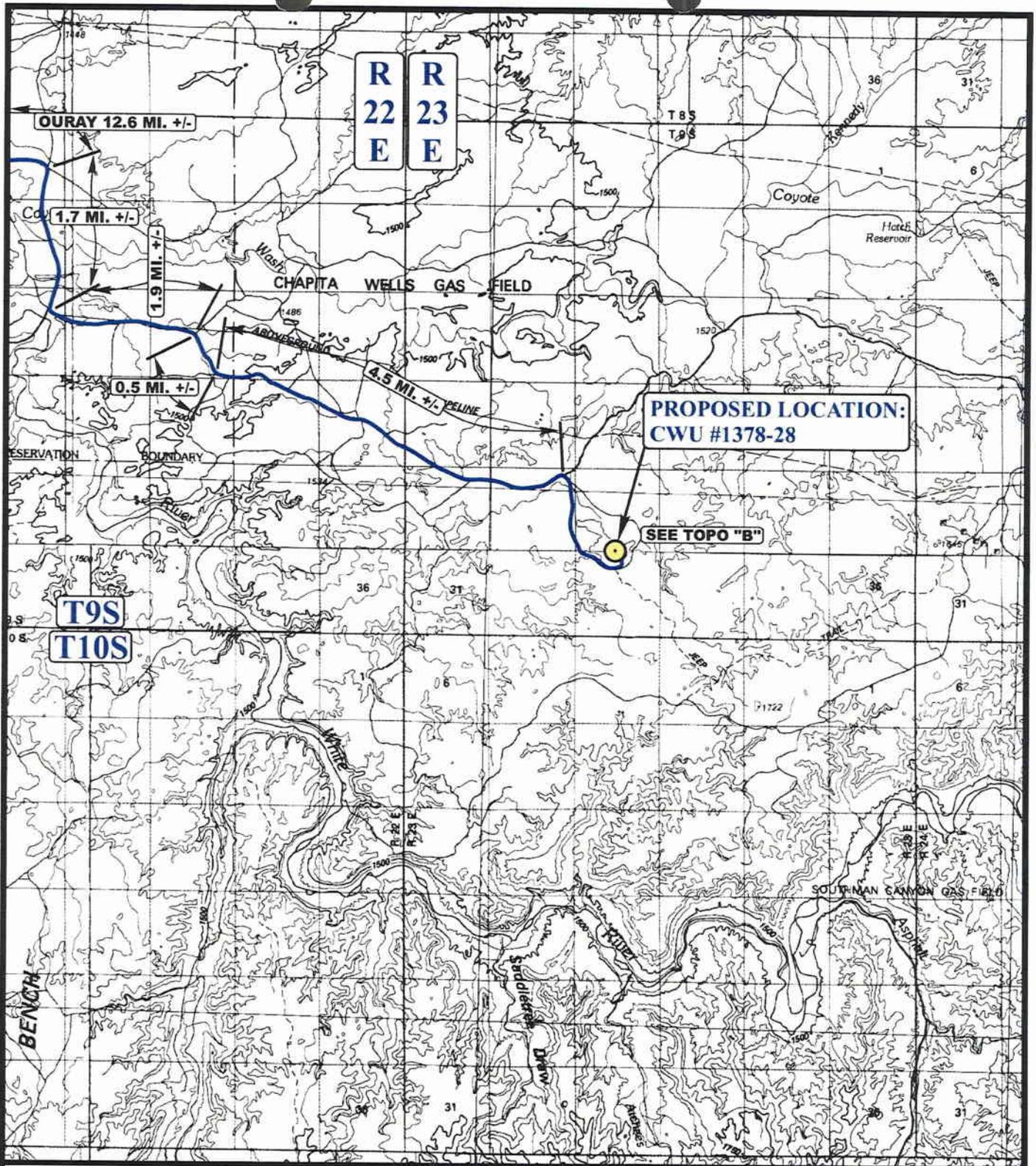
PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHERLY



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

<b>LOCATION PHOTOS</b>	<b>11</b>	<b>23</b>	<b>07</b>	<b>PHOTO</b>
	MONTH	DAY	YEAR	
TAKEN BY: J.M.	DRAWN BY: C.P.		REVISED: 00-00-00	



**LEGEND:**

PROPOSED LOCATION



**EOG RESOURCES, INC.**

**CWU #1378-28**  
**SECTION 28, T9S, R23E, S.L.B.&M.**  
**25' FSL 2460' FWL**

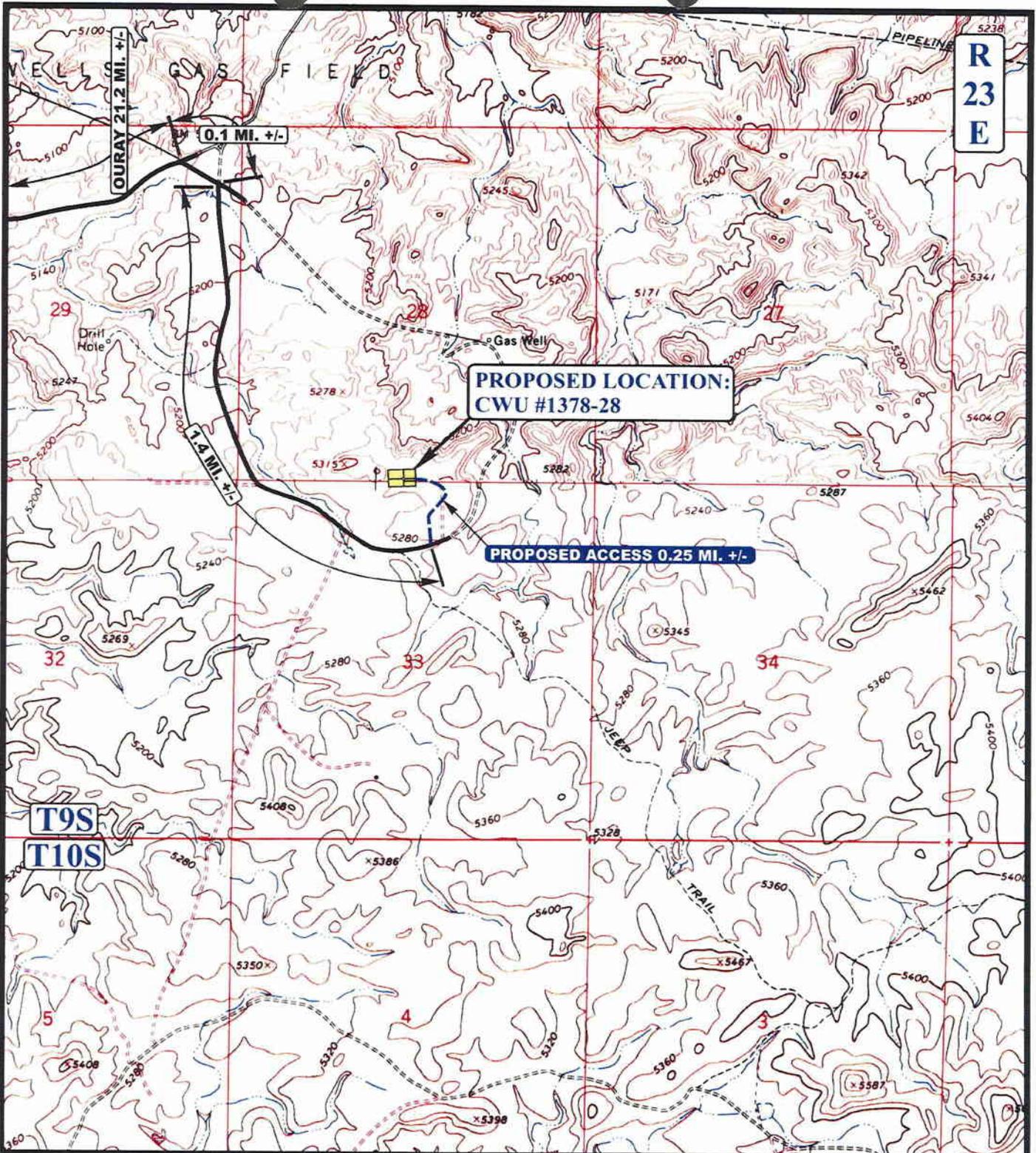


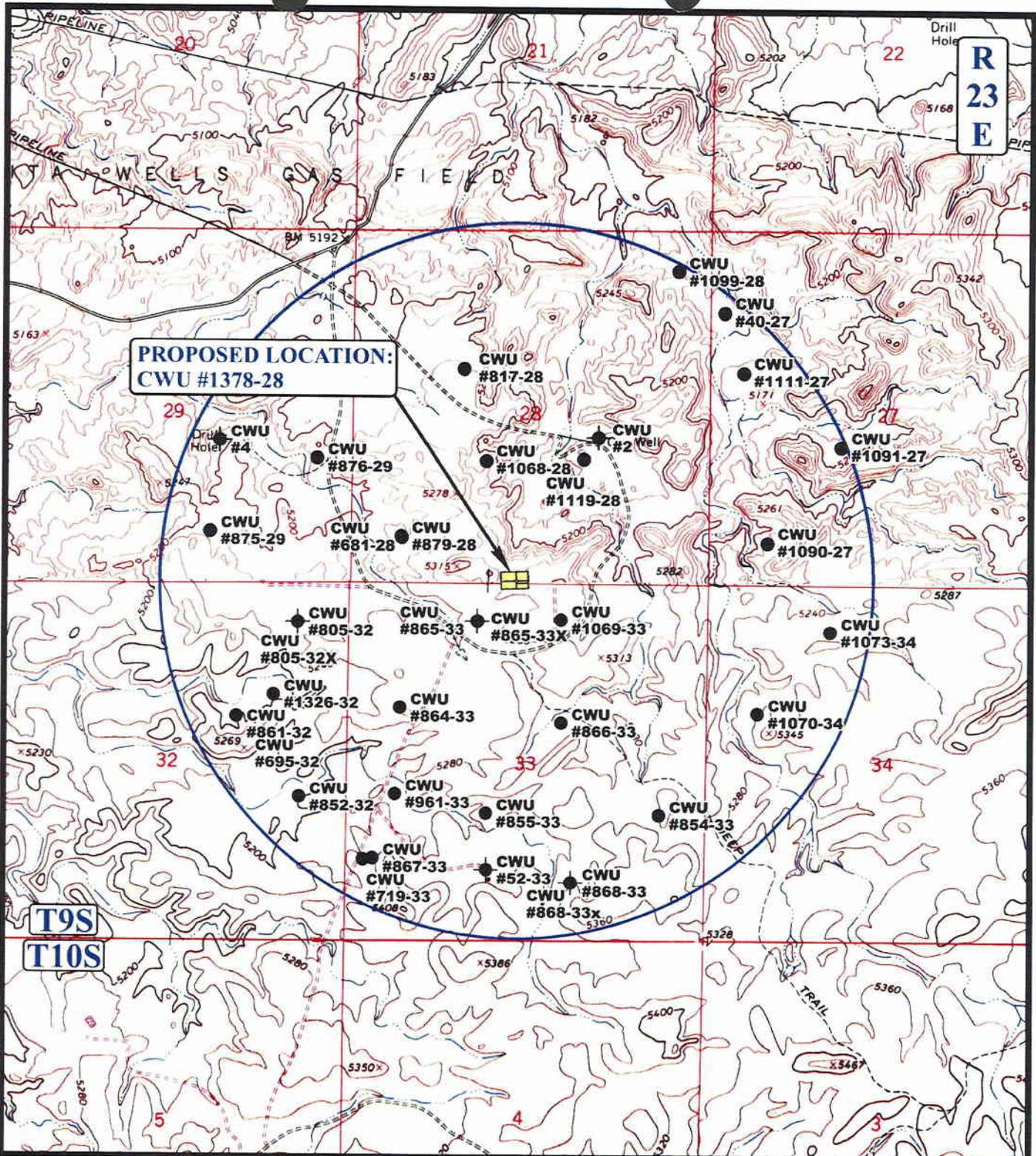
**Utah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** **11 23 07**  
**MAP** MONTH DAY YEAR

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







R  
23  
E

**PROPOSED LOCATION:  
CWU #1378-28**

**LEGEND:**

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

**EOG RESOURCES, INC.**

**CWU #1378-28**  
**SECTION 28, T9S, R23E, S.L.B.&M.**  
**25' FSL 2460' FWL**



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



**TOPOGRAPHIC  
MAP**

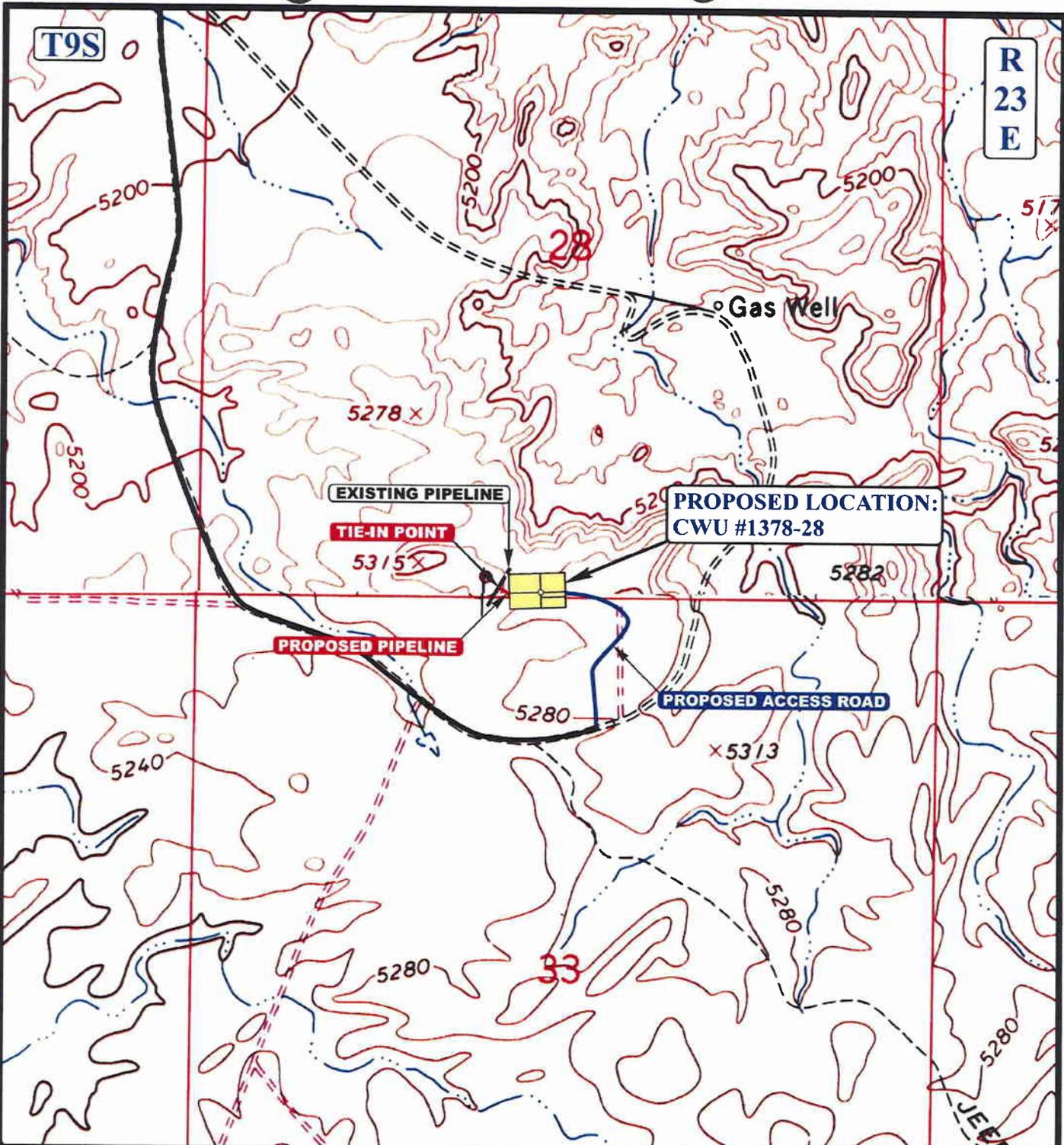
**11 23 07**  
 MONTH DAY YEAR

SCALE: 1" = 2000'

DRAWN BY: C.P.

REVISED: 00-00-00





**APPROXIMATE TOTAL PIPELINE DISTANCE = 100' +/-**

**LEGEND:**

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE

**EOG RESOURCES, INC.**

CWU #1378-28  
 SECTION 28, T9S, R23E, S.L.B.&M.  
 25' FSL 2460' FWL



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

**TOPOGRAPHIC MAP**  
 11 23 07  
 MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 00-00-00



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 01/16/2008

API NO. ASSIGNED: 43-047-39913

WELL NAME: CWU 1378-28  
 OPERATOR: EOG RESOURCES, INC. ( N9550 )  
 CONTACT: MARY MAESTAS

PHONE NUMBER: 303-824-5526

PROPOSED LOCATION:  
 SESW 28 090S 230E  
 SURFACE: 0025 FSL 2460 FWL  
 BOTTOM: 0025 FSL 2460 FWL  
 COUNTY: UINTAH  
 LATITUDE: 39.99986 LONGITUDE: -109.3319  
 UTM SURF EASTINGS: 642400 NORTHINGS: 4428864  
 FIELD NAME: NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU0336A  
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

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

LOCATION AND SITING:

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

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

STIPULATIONS: 1- Federal Approval



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

**IN REPLY REFER TO:**

3160

(UT-922)

January 23, 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)

43-047-39912	CWU 1072-28 Sec 28 T09S R23E 2165 FSL 0534 FWL	
43-047-39913	CWU 1378-28 Sec 28 T09S R23E 0025 FSL 2460 FWL	
43-047-39914	CWU 1375-29 Sec 29 T09S R23E 0154 FSL 2579 FEL	
43-047-39915	CWU 1124-29 Sec 29 T09S R23E 1960 FNL 0665 FEL	
43-047-39916	CWU 1107-34 Sec 34 T09S R23E 0578 FNL 2107 FEL	
43-047-39917	CWU 1382-34 Sec 34 T09S R23E 1298 FSL 1166 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:1-23-08



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 23, 2008

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

Re: Chapita Wells Unit 1378-28 Well, 25' FSL, 2460' FWL, SE SW, Sec. 28, T. 9 South,  
R. 23 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39913.

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 1378-28  
API Number: 43-047-39913  
Lease: UTU0336A

Location: SE SW                      Sec. 28                      T. 9 South                      R. 23 East

### Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division with 24 hours of spudding the well.

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

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

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

3. Reporting Requirements

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

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

**RECEIVED**

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

JAN 10 2008

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. UTU0336A
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES INC Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		7. If Unit or CA Agreement, Name and No. UTU63013AN E-
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 303-824-5526	8. Lease Name and Well No. CWU 1378-28
4. Location of Well (Report location clearly and in accordance with any State requirements:*) At surface SESW 25FSL 2460FWL 39.99977 N Lat, 109.33253 W Lon At proposed prod. zone SESW 25FSL 2460FWL 39.99977 N Lat, 109.33253 W Lon		9. API Well No. <b>43-047-39913</b>
14. Distance in miles and direction from nearest town or post office* 53.95 MILES SOUTH OF VERNAL, UTAH		10. Field and Pool, or Exploratory NATURAL BUTTES
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 25'	16. No. of Acres in Lease 1440.00	11. Sec., T., R., M., or Blk. and Survey or Area Sec 28 T9S R23E Mer SLB SME: BLM
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 820'	19. Proposed Depth 8840 MD	12. County or Parish UINTAH
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5286 GL	22. Approximate date work will start	13. State UT
23. Estimated duration 45 DAYS		17. Spacing Unit dedicated to this well
20. BLM/BIA Bond No. on file NM2308		24. Attachments

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

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

25. Signature (Electronic Submission)	Name (Printed/Typed) MARY A. MAESTAS Ph: 303-824-5526	Date 01/10/2008
--	--	--------------------

Title  
REGULATORY ASSISTANT

Approved by (Signature) 	Name (Printed/Typed) GAIL JENKINS	Date NOV 06 2008
Title Assistant Field Manager	Office VERNAL FIELD OFFICE	

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

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

Electronic Submission #57947 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal  
Committed to AFMSS for processing by GAIL JENKINS on 01/10/2008 (08GXJ148)

**RECEIVED**

DEC 30 2008

**NOTICE OF APPROVAL**

**CONDITIONS OF APPROVAL ATTACH**

\*\* BLM REVISED \*\*

08 MIC 0154 AE

NOS: 12/06/07



**UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE  
VERNAL, UT 84078**



170 South 500 East

(435) 781-4400

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

**Company:** EOG Resources INC  
**Well No:** Cwu 1378-28  
**API No:** 43-047-39913

**Location:** SESW, Sec. 28, T9S, R23E  
**Lease No:** UTU-0336A  
**Agreement:** Natural Buttes 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	
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	(435) 828-3546
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	(435) 828-4029
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	(435) 828-7381
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:	Nathan Packer	(435) 781-3405	(435) 828-3545

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

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

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

**NOTIFICATION REQUIREMENTS**

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

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

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

**SITE SPECIFIC CONDITIONS OF APPROVAL**

- Prevent fill and stock piles from entering drainages.
- The access road shall be crowned and ditched. Flat-bladed roads are not allowed.
- The authorized officer may prohibit surface disturbing activities during severe winter, wet, or muddy conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.
- If additional erosion occurs during the life of this project, more culverts, low water crossings, berms, wing ditches, or gravel (from a private or commercial source) etc. shall be needed to control the erosion. Low-water crossings and culverts shall be appropriately constructed to avoid sedimentation of drainage ways and other water resources.
- Bury pipelines at all low water crossings.
- The pit liner is to be cut 5 feet below ground surface or at the level of the cuttings, whichever is deeper, and the excess liner material is to be disposed of at an authorized disposal site.
- Permission to clear all wildlife stipulations would only be approved by the BLM authorized officer during the specific timing for the species potentially affected by this action.
- The ditch along the approach road will be diverted around the site.

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

**SITE SPECIFIC DOWNHOLE COAs:**

- Production casing cement shall be brought up and into the surface casing. The minimum cement top is 200 ft above the surface casing shoe.
- COA specification is consistent with operators performance standard stated in APD.
- A variance is granted for Onshore Order #2 Drilling Operations III. E. "Blooie line discharge 100 feet from well bore and securely anchored" Blooie line can be 75 feet.
- All requirements will be adhered to covering air/gas drilling operations as described in Onshore Order #2 III. E.
- Drilling Operations, Special Drilling Operations, air/gas drilling.
- Covering air/gas drilling operations, requirements will be adhered to covering air/gas drilling operations as described in Onshore Order #2 III. E. 1. Drilling Operations, Special Drilling Operations, air/gas drilling.
- A Gamma Ray well Log shall be run from the well Total Depth to the surface.  
A copy of the Gamma Ray well Log shall be submitted to the BLM Vernal Field Office.

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

**DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

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

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

## OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location ( $\frac{1}{4}$  $\frac{1}{4}$ , 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.

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

FORM 9

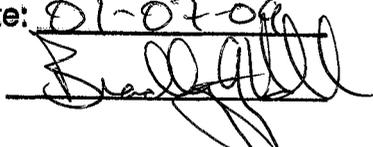
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU-0336-A</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: <b>Chapita Wells</b>
2. NAME OF OPERATOR: <b>EOG Resources, Inc.</b>		8. WELL NAME and NUMBER: <b>Chapita Wells Unit 1378-28</b>
3. ADDRESS OF OPERATOR: <b>1060 East Highway 40 Vernal UT 84078</b>		9. API NUMBER: <b>43-047-39913</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>25' FSL &amp; 2460' FWL 39.999767 LAT 109.332533 LON</b> QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SESW 28 9S 23E S.L.B. &amp; M.</b>		10. FIELD AND POOL, OR WILDCAT: <b>Natural Buttes</b>
		COUNTY: <b>Uintah</b> STATE: <b>UTAH</b>

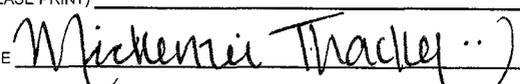
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

**Approved by the  
Utah Division of  
Oil, Gas and Mining**

Date: 01-07-09  
By: 

NAME (PLEASE PRINT) Mickenzie Thacker TITLE Operations Clerk  
SIGNATURE  DATE 12/29/2008

(This space for State use only)

COPY SENT TO OPERATOR  
Date: 1.8.2009  
Initials: KS

(See Instructions on Reverse Side)

**RECEIVED**  
**JAN 05 2009**

DIV. OF OIL, GAS & MINING



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

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

**API:** 43-047-39913  
**Well Name:** Chapita Wells Unit 1378-28  
**Location:** 25 FSL & 2460 FWL (SESW), SECTION 28, T9S, R23E S.L.B.&M  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 1/23/2008

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

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

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes  No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes  No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No
- Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes  No
- Has the approved source of water for drilling changed? Yes  No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes  No
- Is bonding still in place, which covers this proposed well? Yes  No

Michelle Thacker  
Signature

12/29/2008  
Date

Title: Operations Clerk

Representing: EOG Resources, Inc.

RECEIVED  
JAN 05 2009  
DIV. OF OIL, GAS & MINING

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU0336A
	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
	<b>7. UNIT or CA AGREEMENT NAME:</b> CHAPITA WELLS
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> CWU 1378-28
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047399130000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0025 FSL 2460 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SESW Section: 28 Township: 09.0S Range: 23.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
	<b>COUNTY:</b> UINTAH
	<b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 7/11/2009	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input checked="" type="checkbox"/> <b>CHANGE TO PREVIOUS PLANS</b>	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

EOG Resources, Inc. respectfully requests authorization to change the Drilling Plan as per the attached. Conductor size: Item 4 Logs: Item 8 Air Drilling Variance: Items 7 & 13 Please see the attached revised Drilling Plan reflecting the purposed changes.

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

Date: May 28, 2009

By: *Derek [Signature]*

<b>NAME (PLEASE PRINT)</b> Kaylene Gardner	<b>PHONE NUMBER</b> 435 781-9111	<b>TITLE</b> Regulatory Administrator
<b>SIGNATURE</b> N/A	<b>DATE</b> 5/28/2009	

#### 4. CASING PROGRAM:

<u>CASING</u>	<u>Hole Size</u>	<u>Length</u>	<u>Size</u>	<u>WEIGHT</u>	<u>Grade</u>	<u>Thread</u>	<u>Rating Collapse</u>	<u>Factor Burst</u>	<u>Tensile</u>
Conductor	20"	40 - 60'	14"	32.5#	A252			1880 PSI	10,000#

#### 7. VARIANCE REQUESTS:

**Reference:** Onshore Oil and Gas Order No. 1  
Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

- 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).
- 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.
- 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.
- 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).
- 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).

#### 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: **CBL/CCL/VDL/GR**

#### 13. 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.

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1378-28**  
**SE/SW, SEC. 28, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>TVD-RKB (ft)</b>	<b>Objective</b>	<b>Lithology</b>	
Green River	1,502		Shale	
Wasatch	4,423		Sandstone	
Chapita Wells	4,958		Sandstone	
Buck Canyon	5,662		Sandstone	
North Horn	6,205		Sandstone	
KMV Price River	6,458	Primary	Sandstone	Gas
KMV Price River Middle	7,328	Primary	Sandstone	Gas
KMV Price River Lower	8,116	Primary	Sandstone	Gas
Sego	8,634		Sandstone	
<b>TD</b>	<b>8,840</b>			

Estimated TD: **8,840' or 200'± below TD**

**Anticipated BHP: 4,827 Psig**

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

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
 BOP schematic diagrams attached.

**4. CASING PROGRAM:**

<b>CASING</b>	<b>Hole Size</b>	<b>Length</b>	<b>Size</b>	<b>WEIGHT</b>	<b>Grade</b>	<b>Thread</b>	<b>Rating Collapse</b>	<b>Factor Burst</b>	<b>Tensile</b>
Conductor	20"	40 - 60'	14"	32.5#	A252			1880 PSI	10,000#
Surface	12 ¼"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

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

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

## EIGHT POINT PLAN

### CHAPITA WELLS UNIT 1378-28 SE/SW, SEC. 28, T9S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

#### 5. Float Equipment:

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

##### Production Hole Procedure (2300'± - TD):

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

#### 6. MUD PROGRAM

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

Air/air mist or aerated water.

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

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

#### 7. VARIANCE REQUESTS:

**Reference:** Onshore Oil and Gas Order No. 1  
Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

## EIGHT POINT PLAN

### CHAPITA WELLS UNIT 1378-28 SE/SW, SEC. 28, T9S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

- 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).
- 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.
- 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.
- 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).
- 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).

#### **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:  
**CBL/CCL/VDL/GR**

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

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

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

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

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

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

##### **Production Hole Procedure (2300'± - TD)**

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1378-28**  
**SE/SW, SEC. 28, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**Lead:**           **117 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:**           **864 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

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

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

**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.

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1378-28**  
**SE/SW, SEC. 28, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**13. 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.

(Attachment: BOP Schematic Diagram)

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU0336A
---	---

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> CHAPITA WELLS
--	---

<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> CWU 1378-28
------------------------------------	--

<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047399130000
--	---

<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
--	--	--

<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 0025 FSL 2460 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SESW Section: 28 Township: 09.0S Range: 23.0E Meridian: S	<b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH
---	---

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input checked="" type="checkbox"/> <b>SPUD REPORT</b> Date of Spud: 6/16/2009	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
 The referenced well was spud on 6/16/2009.

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 June 29, 2009

<b>NAME (PLEASE PRINT)</b> Mickenzie Thacker	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 6/26/2009	

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU0336A
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> CHAPITA WELLS
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> CWU 1378-28
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047399130000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 0025 FSL 2460 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SESW Section: 28 Township: 09.0S Range: 23.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 8/21/2009	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input checked="" type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

EOG Resources, Inc. respectfully requests authorization for the disposal of produced water at the following locations: 1. NBU 20-20B SWD 2. CWU 550-30N SWD 3. CWU 2-29 SWD 4. Red Wash Evaporation Ponds 1,2,3,4,5&6 5. White River Evaporation Ponds 1&2 6. Coyote Evaporation Ponds 1&2 7. RNI Disposal

Accepted by the  
 Utah Division of  
 Oil, Gas and Mining  
**FOR RECORD ONLY**  
 August 25, 2009

<b>NAME (PLEASE PRINT)</b> Mickenzie Thacker	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 8/21/2009	

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU0336A
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> CHAPITA WELLS
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> CWU 1378-28
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047399130000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 0025 FSL 2460 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SESW Section: 28 Township: 09.0S Range: 23.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> <b>DRILLING REPORT</b> Report Date: 9/30/2009	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
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	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

**12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.**  
 Please see the attached well chronology report for the referenced well.

**Accepted by the  
 Utah Division of  
 Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 October 01, 2009

<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 9/30/2009	

# WELL CHRONOLOGY REPORT

Report Generated On: 09-30-2009

<b>Well Name</b>	CWU 1378-28	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-39913	<b>Well Class</b>	COMP
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	07-21-2009	<b>Class Date</b>	
<b>Tax Credit</b>		<b>TVD / MD</b>	8,840/ 8,840	<b>Property #</b>	062326
<b>Water Depth</b>	0	<b>Last CSG</b>	4.5	<b>Shoe TVD / MD</b>	8,840/ 8,840
<b>KB / GL Elev</b>	5,299/ 5,286				
<b>Location</b>	Section 28, T9S, R23E, SESW, 25 FSL & 2460 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	100.0	<b>NRI %</b>	82.005679

<b>AFE No</b>	304996	<b>AFE Total</b>	1,477,000	<b>DHC / CWC</b>	673,600/ 803,400
<b>Rig Contr</b>	ELENBURG	<b>Rig Name</b>	ELENBURG #29	<b>Start Date</b>	02-14-2008
<b>02-14-2008</b>	<b>Reported By</b>	CINDY VAN RANKEN			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time:** LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			25' FSL & 2460' FWL (SE/SW)
			SECTION 28, T9S, R23E
			UINTAH COUNTY, UTAH
			LAT 39.999800, LONG 109.331856 (NAD 27)
			LAT 39.999767, LONG 109.332533 (NAD 83)
			ELENBURG #29
			OBJECTIVE: 8840' MD, MESAVERDE
			DW/GAS
			CHAPITA WELLS DEEP PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: UTU-0336A
			ELEVATION: 5285.5' NAT GL, 5285.5' PREP GL (DUE TO ROUNDING PREP GL WILL BE 5286'), 5299' KB (13')
			EOG BPO WI 100%, NRI 82.005679%
			EOG APO WI 55.6504%, NRI 47.609126%

**05-29-2009**      **Reported By**      TERRY CSERE

**RECEIVED** \_\_\_\_\_

**DailyCosts: Drilling**      \$60,000                      **Completion**      \$0                      **Daily Total**      \$60,000  
**Cum Costs: Drilling**      \$60,000                      **Completion**      \$0                      **Well Total**      \$60,000  
**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 5/29/09.

**06-01-2009**      **Reported By**      TERRY CSERE

**DailyCosts: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$60,000                      **Completion**      \$0                      **Well Total**      \$60,000  
**MD**              0      **TVD**              0      **Progress**              0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 10% COMPLETE.

**06-02-2009**      **Reported By**      TERRY CSERE

**DailyCosts: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$60,000                      **Completion**      \$0                      **Well Total**      \$60,000  
**MD**              0      **TVD**              0      **Progress**              0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 20% COMPLETE.

**06-03-2009**      **Reported By**      TERRY CSERE

**DailyCosts: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$60,000                      **Completion**      \$0                      **Well Total**      \$60,000  
**MD**              0      **TVD**              0      **Progress**              0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 20% COMPLETE.

**06-04-2009**      **Reported By**      TERRY CSERE

**DailyCosts: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$60,000                      **Completion**      \$0                      **Well Total**      \$60,000  
**MD**              0      **TVD**              0      **Progress**              0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 30% COMPLETE.

**06-05-2009**      **Reported By**      TERRY CSERE



07-21-2009 Reported By JESSE TATMAN

DailyCosts: Drilling \$217,322 Completion \$0 Daily Total \$217,322

Cum Costs: Drilling \$277,322 Completion \$0 Well Total \$277,322

MD 2,394 TVD 2,394 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

Start End Hrs Activity Description

06:00 06:00 24.0 MIRU CRAIG'S AIR RIG #2 ON 7/07/2009. DRILLED 12-1/4" HOLE TO 2382' GL (2394' KB). ENCOUNTERED WATER AT 1720'. FLUID DRILLED HOLE FROM 1740' WITH NO RETURNS.

RAN 56 JTS (2375.33') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2390.33' KB. RDMO AIR RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 2000 PSIG. PUMPED 170 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT.

MIXED & PUMPED 400 SX (84 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/180 BBLs FRESH WATER. BUMPED PLUG W/602# @ 12:17 PM, 7/10/2009. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS DURING PUMPING AND DISPLACEMENT.

TOP JOB # 1: MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 16 HRS 15 MINUTES.

TOP JOB # 2: MIXED & PUMPED 200 SX (40 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 16.1 PPG W/YIELD OF 1.10 CF/SX. NO RETURNS. WOC 3 HRS 30 MINUTES.

TOP JOB # 3: MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS 20 MINUTES.

TOP JOB # 4: MIXED & PUMPED 200 SX (40 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS 30 MINUTES.

TOP JOB # 5: MIXED & PUMPED 200 SX (40 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 12 HRS 00 MINUTES.

TOP JOB # 6: MIXED & PUMPED 70 SX (14 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. RETURNED 1 BBL TO SURFACE. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

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

CRAIGS RIG 1 TOOK SURVEYS WHILE DRILLING HOLE @ 1200' = 0.50 DEGREE & 2270' = 3.5 DEGREE.

JESSE TATMAN NOTIFIED CAROL DANIELS OF THE SURFACE CASING AND CEMENT JOB ON 7/9/2009 @ 10:00 AM.

KENT DEVENPORT NOTIFIED BLM VIA ELECTRONIC FORM OF THE SURFACE CASING & CEMENT JOB ON 7/9/2009 @ 09:00 AM.

<b>07-22-2009</b>	<b>Reported By</b>	PAUL WHITE									
<b>DailyCosts: Drilling</b>	\$64,225	<b>Completion</b>	\$0	<b>Daily Total</b>	\$64,225						
<b>Cum Costs: Drilling</b>	\$341,547	<b>Completion</b>	\$0	<b>Well Total</b>	\$341,547						
<b>MD</b>	3,805	<b>TVD</b>	3,805	<b>Progress</b>	1,411	<b>Days</b>	1	<b>MW</b>	9.4	<b>Visc</b>	32.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** DRILLING @ 3805'

Start	End	Hrs	Activity Description
06:00	09:00	3.0	MOVE RIG FROM CWU 736-33 0.6 MILES, RIG UP.
09:00	11:00	2.0	RIG ACCEPTED ON DAYRATE @ 09:00 HRS, 7/21/09. NIPPLE UP BOP, PREPARE TO TEST.
11:00	14:30	3.5	TEST BOP'S W/ B&C QUICK TEST. UPPER KELLY VALVE, INSIDE BOP, SAFETY VALVE, PIPE RAMS AND INSIDE VALVES, PIPE RAMS AND OUTSIDE VALVES (HCR), OUTSIDE CHECK VALVE, CHOKELINE, ALL CHOKE MANIFOLD VALVES AND SURFACE CASING. ALL TESTS 250 LOW AND 5000 HIGH. ANNULAR 250/2500. CASING 1500 FOR 30 MIN. ONE LEAK ON KILL LINE, RETIGHTEN AND RETEST. ALL TESTS GOOD, NO LEAKS.
14:30	17:30	3.0	PICKUP BHA, TRIP IN HOLE, TAG CEMENT AT 2345'. INSTALL ROTATING HEAD RUBBER.
17:30	18:00	0.5	DRILL CEMENT/FLOAT EQUIP.
18:00	18:30	0.5	REPLACE SWIVEL PACKING.
18:30	19:30	1.0	CIRCULATE CLEAN. SPOT 40 BBLs 50 VIS PILL AND RUN FIT TO 11.9 PPG. EMW.
19:30	03:00	7.5	DRILL F/ 2394 TO 3533 1139' 152 FPH. WOB 19 RPM 55 MUD WT. 8.7 VIS 29.
03:00	03:30	0.5	SURVEY AT 3454 1.75 DEG.
03:30	06:00	2.5	DRILL F/ 3533 TO 3805' 109 FPH. WOB 19 RPM 55, MOTOR RPM 95, MUD WT. 9.4 VIS 32. DRILLING MAHOGANY OIL SHALE BED, TOP OF WASATCH AT 4423.

FULL CREW  
 NO ACCIDENTS OR INCIDENTS  
 SAFETY MEETING TOPICS: RIG MOVE W/ HOWCROFT TRUCKING AND QUICKTEST.  
 FUEL ON HAND 8869

06:00 SPUD A 7 7/8" HOLE WITH ROTARY TOOLS AT 19:30 HRS, 7/21/09.

<b>07-23-2009</b>	<b>Reported By</b>	PAUL WHITE									
<b>DailyCosts: Drilling</b>	\$32,429	<b>Completion</b>	\$0	<b>Daily Total</b>	\$32,429						
<b>Cum Costs: Drilling</b>	\$373,976	<b>Completion</b>	\$0	<b>Well Total</b>	\$373,976						
<b>MD</b>	6,118	<b>TVD</b>	6,118	<b>Progress</b>	2,313	<b>Days</b>	2	<b>MW</b>	10.3	<b>Visc</b>	35.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** DRILLING AT 6118'

Start	End	Hrs	Activity Description
06:00	08:30	2.5	DRILL F/ 3805 TO 4214 WOB 20 RPM 50, MOTOR RPM 95, MUD WT 9.5 VIS 31.
08:30	09:00	0.5	SURVEY AT 4166 2.5 DEG. (RIG SERVICE)
09:00	06:00	21.0	DRILL F/ 4214 TO 6118' 1904' 91 FPH. WOB 20 RPM 50, 10.3 VIS 35, DRILLING BUCK CANYON, TOP OF NORTH HORN AT 6205.

FULL CREW.  
 NO ACCIDENTS OR INCIDENTS.

SAFETY MEETING TOPICS: SURVEYS, INSPECT DWKS. HOUSEKEEPING LOCATION AND RIG. FUNCTION CHECK COM EACH TOUR, BOP DRILL 45 SEC.

FUEL ON HAND 7344.

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<b>07-24-2009</b>	<b>Reported By</b>	DAVID GREESON									
<b>DailyCosts: Drilling</b>	\$24,152	<b>Completion</b>	\$1,569	<b>Daily Total</b>	\$25,721						
<b>Cum Costs: Drilling</b>	\$398,129	<b>Completion</b>	\$1,569	<b>Well Total</b>	\$399,698						
<b>MD</b>	7,569	<b>TVD</b>	7,569	<b>Progress</b>	1,451	<b>Days</b>	3	<b>MW</b>	11.2	<b>Visc</b>	39.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time:</b> DRILLING @ 7,569'											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	15:30	9.5	DRILL F/ 6118 TO 6753' (635') 67'/HR. WOB 18-22K RPM 60, MOTOR RPM 47, 425 GPM #2 PUMP. MUD WT. 10.6 PPG VIS 35. DRILLING PRICE RIVER. TOP OF PRICE RIVER MIDDLE AT 7228'.								
			FULL CREW NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: SURVEYS, INSPECT DWKS. HOUSEKEEPING LOCATION AND RIG. FUNCTION CHECK COM EACH TOUR, BOP DRILL 45 SEC. FUEL ON HAND 7344.								
15:30	16:00	0.5	SERVICE RIG. FUNCTION BOP.								
16:00	01:30	9.5	DRILL F/6753' TO 7410' (657') 69'/HR. WOB 18-20K RPM 50, MOTOR RPM 93, 425 GPM #2 PUMP. MUD WT. 10.9 PPG VIS 38. DRILLING PRICE RIVER. TOP OF PRICE RIVER MIDDLE AT 7228'. TOP OF LOWER PRICE RIVER 8,116'.								
01:30	02:00	0.5	EQUIPMENT REPAIR: BOTH LIGHT PLANTS WENT DOWN. FUEL FILTER/ BAD SENSOR.								
02:00	06:00	4.0	DRILL F/7410' TO 7569' (159') 40'/HR. WOB 18-20K RPM 40/50, MOTOR RPM 93, 425 GPM #2 PUMP. MUD WT. 11.2 PPG VIS 39. DRILLING PRICE RIVER. TOP OF PRICE RIVER MIDDLE AT 7,328'. TOP OF LOWER PRICE RIVER 8,116'.								
			FULL CREW NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: CHECKING FLARE IGNITOR/ INSPECTING DRAWWORKS. FUNCTION CHECK COM EACH TOUR. BOP DRILL. FUEL ON HAND 6,181. USED 1163 GL.								

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<b>07-25-2009</b>	<b>Reported By</b>	DAVID GREESON									
<b>DailyCosts: Drilling</b>	\$26,986	<b>Completion</b>	\$0	<b>Daily Total</b>	\$26,986						
<b>Cum Costs: Drilling</b>	\$425,115	<b>Completion</b>	\$1,569	<b>Well Total</b>	\$426,684						
<b>MD</b>	7,960	<b>TVD</b>	7,960	<b>Progress</b>	391	<b>Days</b>	4	<b>MW</b>	11.5	<b>Visc</b>	39.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time:</b> TOH											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	14:00	8.0	DRILL F/7569' TO 7796' (227') 28'/HR. WOB 19-22K RPM 40, MOTOR RPM 93, 425 GPM #2 PUMP. MUD WT. 11.3 PPG VIS 37. DRILLING PRICE RIVER. TOP OF PRICE RIVER MIDDLE AT 7,328'. TOP OF LOWER PRICE RIVER 8,116'.								
14:00	14:30	0.5	SERVICE RIG. FUNCTION BOP.								
14:30	23:00	8.5	DRILL F/7796' TO 7960' (164') 19'/HR. WOB 18-24K RPM 30, MOTOR RPM 90, 408 GPM #2 PUMP. MUD WT. 11.5 PPG VIS 39. DRILLING TOP OF PRICE RIVER MIDDLE AT 7,328'. TOP OF LOWER PRICE RIVER 8,116'.								
23:00	00:00	1.0	CIRCULATE BEFORE TOOH FOR NEW BIT. SPOT 60 BBL. DRY JOB PILL WEIGHTED TO 13.0 PPG.								

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00:00 06:00 6.0 TRIP OUT OF HOLE FOR NEW BIT #2 AT 7960'. WORK TIGHT HOLE AT 6,330' AND FROM 5339' TO SHOE AT 2390'.

FULL CREW, NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: MIXING CAUSTIC/ TRIPPING OUT OF HOLE. FUNCTION BOP, CHECK COM EACH TOUR. BOP DRILL.  
FUEL ON HAND 5,211. USED 970 GL.

**07-26-2009**      **Reported By**      DAVID GREESON

<b>Daily Costs: Drilling</b>	\$42,672	<b>Completion</b>	\$0	<b>Daily Total</b>	\$42,672
<b>Cum Costs: Drilling</b>	\$467,788	<b>Completion</b>	\$1,569	<b>Well Total</b>	\$469,357

**MD**      8,647      **TVD**      8,647      **Progress**      687      **Days**      5      **MW**      12.2      **Visc**      44.0

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

**Activity at Report Time:** DRILLING @ 8,647'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	TRIP OUT OF HOLE AT 7,960' FOR BIT #2. WASH AND BACK-REAM OUT OF HOLE TO SHOE.
08:00	09:00	1.0	LD MUD MOTOR, REAMERS AND BIT. PU 0.16 MUD MOTOR AND FMHX 555 BIT W/ 4-13 AND 1-14 JET'S.
09:00	17:00	8.0	TRIP IN HOLE WITH BHA #2. WASH AND REAM LAST 800' TO BOTTOM.
17:00	06:00	13.0	DRILL F/7960' TO 8647' (687') 53'/HR. WOB 15-18K RPM 40, MOTOR RPM 65, 409 GPM #1 PUMP. MUD WT. 12.2 PPG VIS. 44. DRILLING TOP OF LOWER PRICE RIVER 8,116', SEGO AT 8,628'.

FULL CREWS, NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: TRIP IN HOLE/ ADJUST BRAKES. FUNCTION BOP, CHECK COM EACH TOUR. BOP DRILL.  
FUEL ON HAND 3998 GL. USED 1213 GL.

**07-27-2009**      **Reported By**      DAVID GREESON

<b>Daily Costs: Drilling</b>	\$33,401	<b>Completion</b>	\$4,321	<b>Daily Total</b>	\$37,723
<b>Cum Costs: Drilling</b>	\$501,189	<b>Completion</b>	\$5,890	<b>Well Total</b>	\$507,080

**MD**      8,840      **TVD**      8,840      **Progress**      193      **Days**      6      **MW**      12.3      **Visc**      44.0

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

**Activity at Report Time:** RUNNING PRODUCTION CASING

Start	End	Hrs	Activity Description
06:00	13:30	7.5	DRILL F/8647' TO 8,840' (193') 26'/HR. WOB 18-22K RPM 40, MOTOR RPM 63, 392 GPM #1 PUMP. MUD WT. 12.3 PPG VIS. 45. DRILLING TOP OF LOWER PRICE RIVER 8,116', SEGO AT 8,628'. REACHED TD AT 13:30 HRS, 7/26/09.
13:30	14:30	1.0	CIRCULATE BOTTOMS UP BEFORE WIPER TRIP. PUMPED 20 BBL OF 13.8 PPG DRYJOB SLUG.
14:30	16:00	1.5	SHORT TRIP 20 JT'S. HOLE TAKES PROPER DISPLACEMENT. NO TIGHT SPOTS, NO HOLE FILL.
16:00	18:00	2.0	CIRCULATE BOTTOMS UP BEFORE LAYING DOWN PIPE. BEGAN LOSING FLUID AND ADDED LCM. PUMPED 50 BBL OF 13.8 PPG DRYJOB SLUG.
18:00	00:00	6.0	LD DRILL PIPE AND BHA. TIGHT SPOTS AT 5200' AND 4306'. HOLE TOOK PROPER DISPLACEMENT.
00:00	00:30	0.5	PULL WEAR BUSHING.
00:30	01:00	0.5	RU FRANKS WESTATES CASING SERVICE TOOLS. HELD SAFETY MEETING WITH ALL ON LOCATION.
01:00	06:00	5.0	RUN 4.5" PRODUCTION CASING. RAN 1 JT. 4.5" 11.6 # N-80 CASING EQUIPPED W/ HALLIBURTON FLOAT SHOE AND FLOAT COLLAR. 3 TURBULIZERS PLACED 5' ABOVE SHOE, ON SECOND JT. AND THIRD JT. CENTRILIZERS PLACED ON EVERY THIRD JOINT AFTER FOR A TOTAL OF 25. RAN 160 JT'S IN HOLE AT REPORT TIME.

FULL CREWS, NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: XO BOOM DIES/RUN TRIP TANK.  
 FUNCTION BOP, CHECK COM EACH TOUR. BOP DRILL.  
 FUEL ON HAND 3278 GL. USED 720 GL.

<b>07-28-2009</b>	<b>Reported By</b>	DAVID GREESON									
<b>DailyCosts: Drilling</b>	\$32,498	<b>Completion</b>	\$167,532	<b>Daily Total</b>	\$200,030						
<b>Cum Costs: Drilling</b>	\$533,688	<b>Completion</b>	\$173,423	<b>Well Total</b>	\$707,111						
<b>MD</b>	8,840	<b>TVD</b>	8,840	<b>Progress</b>	0	<b>Days</b>	7	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	09:00	3.0	RAN 210 JTS. 4.5" 11.6 # N-80 LTC CASING AS FOLLOWS: HALLIBURTON FLOAT SHOE SET AT 8840', ONE JT. CASING AND THEN FLOAT COLLAR SET AT 8796.24'. 3 TURBULIZERS PLACED 5' ABOVE SHOE, ON SECOND JT. AND THIRD JT. CENTRALIZERS PLACED 5' ABOVE SHOE ON FIRST JT., ON SECOND CONNECTION AND ON EVERY THIRD JOINT AFTER FOR 25 TOTAL. 2- HCP-110 11.6# MARKER JT'S. SET AT 6481' AND 4040'. TAG BOTTOM W/ JT. #211 AND LAY BACK DOWN. MAKE UP FLUTED DTO CASING HANGER W/ LANDING JT. LAND W/ 85K ON HANGER.
09:00	10:00	1.0	RD FRANKS WESTATES CASERS AND RU HALLIBURTON CEMENTERS SERVICE TOOLS. HELD SAFETY MEETING WITH CREWS PRESENT OVER CEMENT JOB.
10:00	12:30	2.5	CEMENTING. LOADED BOTTOM PLUG AND TOP PLUG. HALLIBURTON MIXED AND PUMPED CEMENT AS FOLLOWS: DROP BOTTOM PLUG. PUMPED 10 BBLs WATER TO TEST PUMPS AND LINES TO 5,000 PSI. PUMPED 20 BBLs MUD FLUSH III, 8.4 PPG. 129.8 BBLs LEAD SLURRY: HIGHBOND-75, WT. 12.5 PPG, (450 SX, 1.62 YIELD). FOLLOWED W/ 303.7 BBLs. TAIL SLURRY, EXTENDACEM V1 SYSTEM, WT. 13.5 PPG. (1160 SX, 1.47 YIELD). DROPPED TOP PLUG AND DISPLACED W/ 136.3 BBLs. FRESH WATER. FULL RETURNS UNTIL LAST 7 BBL OF DISPLACEMENT. BUMPED PLUG W/ 3,500 PSI, 1000 PSI OVER LIFT PRESSURE. HELD FOR ONE MINUTE. CHECKED FLOATS OK.
12:30	13:30	1.0	RD HALLIBURTON TOOLS.
13:30	14:30	1.0	SET PACK OFF RING WITH FMC TECH. HAND PRESENT. TESTED RING TO 5000 PSI.
14:30	17:00	2.5	ND BOP AND CHOKE MANIFOLD. CLEAN PITS WITH REDI SERVICES VAC TRUCK.
			RDMO ROTARY TOOL. HOWCROFT TRUCKS ON LOCATION MOVING OUT RIG BEGINNING AT 15:00 HR'S. MOVE RIG FROM THE CWU 1378-28 TO THE CWU 724-28, 1.7 MILES. TRANSFER 3000 GL. FUEL AND 375.90' N-80 11.6# CSG. TO THE CWU 724-28. FULL CREWS, NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: RUNNING CASING/CEMENTING SAFETY. FUNCTION ANNULAR, CHECK COM EACH TOUR. FUEL ON HAND 3000 GL. USED 278 GL.
17:00			RELEASE RIG @ 17:00 HRS, 7/27/09. CASING POINT COST \$523,560

<b>08-04-2009</b>	<b>Reported By</b>	SEARLE									
<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$25,500	<b>Daily Total</b>	\$25,500						
<b>Cum Costs: Drilling</b>	\$533,688	<b>Completion</b>	\$198,923	<b>Well Total</b>	\$732,611						
<b>MD</b>	8,840	<b>TVD</b>	8,840	<b>Progress</b>	0	<b>Days</b>	8	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 8797.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** PREP FOR FRACS

Start	End	Hrs	Activity Description
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06:00      06:00      24.0 MIRU CUTTERS WIRELINE. LOG WITH CBL/CCL/VDL/GR FROM PBTD TO 50'. EST CEMENT TOP @ 1700'.  
RDWL.

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<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU0336A
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> CHAPITA WELLS
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> CWU 1378-28
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047399130000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 0025 FSL 2460 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SESW Section: 28 Township: 09.0S Range: 23.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> <b>DRILLING REPORT</b> Report Date: 10/29/2009	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

**12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.**  
 No activity has occurred since last submission on 9/30/2009 to 10/29/2009.

Accepted by the  
 Utah Division of  
 Oil, Gas and Mining  
**FOR RECORD ONLY**  
 November 03, 2009

<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A		<b>DATE</b> 10/29/2009

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU0336A
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> CHAPITA WELLS
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> CWU 1378-28
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047399130000
<b>3. ADDRESS OF OPERATOR:</b> 600 17th Street, Suite 1000 N , Denver, CO, 80202	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 0025 FSL 2460 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SESW Section: 28 Township: 09.0S Range: 23.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> <b>DRILLING REPORT</b> Report Date: 11/29/2009	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input checked="" type="checkbox"/> <b>PRODUCTION START OR RESUME</b>	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

The referenced well was turned to sales on 11/29/2009. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 November 30, 2009

<b>NAME (PLEASE PRINT)</b> Mary Maestas	<b>PHONE NUMBER</b> 303 824-5526	<b>TITLE</b> Regulatory Assistant
<b>SIGNATURE</b> N/A	<b>DATE</b> 11/30/2009	

# WELL CHRONOLOGY REPORT

Report Generated On: 11-30-2009

<b>Well Name</b>	CWU 1378-28	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-39913	<b>Well Class</b>	COMP
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	07-21-2009	<b>Class Date</b>	
<b>Tax Credit</b>		<b>TVD / MD</b>	8,840/ 8,840	<b>Property #</b>	062326
<b>Water Depth</b>	0	<b>Last CSG</b>	2.375	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	5,299/ 5,286				
<b>Location</b>	Section 28, T9S, R23E, SESW, 25 FSL & 2460 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	100.0	<b>NRI %</b>	82.006

<b>AFE No</b>	304996	<b>AFE Total</b>	1,477,000	<b>DHC / CWC</b>	673,600/ 803,400
<b>Rig Contr</b>	ELENBURG	<b>Rig Name</b>	ELENBURG #29	<b>Start Date</b>	02-14-2008
<b>02-14-2008</b>	<b>Reported By</b>	CINDY VAN RANKEN			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>		<b>PBTD :</b>	0.0	<b>Perf :</b>	
		<b>PKR Depth :</b>	0.0		

**Activity at Report Time:** LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			25' FSL & 2460' FWL (SE/SW)
			SECTION 28, T9S, R23E
			UINTAH COUNTY, UTAH
			LAT 39.999800, LONG 109.331856 (NAD 27)
			LAT 39.999767, LONG 109.332533 (NAD 83)
			ELENBURG #29
			OBJECTIVE: 8840' MD, MESAVERDE
			DW/GAS
			CHAPITA WELLS DEEP PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: UTU-0336A
			ELEVATION: 5285.5' NAT GL, 5285.5' PREP GL (DUE TO ROUNDING PREP GL WILL BE 5286'), 5299' KB (13')
			EOG BPO WI 100%, NRI 82.005679%
			EOG APO WI 55.6504%, NRI 47.609126%

**05-29-2009**      **Reported By**      TERRY CSERE

**DailyCosts: Drilling**      \$60,000                      **Completion**      \$0                      **Daily Total**      \$60,000  
**Cum Costs: Drilling**      \$60,000                      **Completion**      \$0                      **Well Total**      \$60,000  
**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 5/29/09.

**06-01-2009**      **Reported By**      TERRY CSERE

**DailyCosts: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$60,000                      **Completion**      \$0                      **Well Total**      \$60,000  
**MD**              0      **TVD**              0      **Progress**      0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 10% COMPLETE.

**06-02-2009**      **Reported By**      TERRY CSERE

**DailyCosts: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$60,000                      **Completion**      \$0                      **Well Total**      \$60,000  
**MD**              0      **TVD**              0      **Progress**      0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 20% COMPLETE.

**06-03-2009**      **Reported By**      TERRY CSERE

**DailyCosts: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$60,000                      **Completion**      \$0                      **Well Total**      \$60,000  
**MD**              0      **TVD**              0      **Progress**      0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 20% COMPLETE.

**06-04-2009**      **Reported By**      TERRY CSERE

**DailyCosts: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$60,000                      **Completion**      \$0                      **Well Total**      \$60,000  
**MD**              0      **TVD**              0      **Progress**      0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 30% COMPLETE.

**06-05-2009**      **Reported By**      TERRY CSERE



07-21-2009 Reported By JESSE TATMAN

DailyCosts: Drilling \$217,322 Completion \$0 Daily Total \$217,322

Cum Costs: Drilling \$277,322 Completion \$0 Well Total \$277,322

MD 2,394 TVD 2,394 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

Start End Hrs Activity Description

06:00 06:00 24.0 MIRU CRAIG'S AIR RIG #2 ON 7/07/2009. DRILLED 12-1/4" HOLE TO 2382' GL (2394' KB). ENCOUNTERED WATER AT 1720'. FLUID DRILLED HOLE FROM 1740' WITH NO RETURNS.

RAN 56 JTS (2375.33') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2390.33' KB. RDMO AIR RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 2000 PSIG. PUMPED 170 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT.

MIXED & PUMPED 400 SX (84 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/180 BBLs FRESH WATER. BUMPED PLUG W/602# @ 12:17 PM, 7/10/2009. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS DURING PUMPING AND DISPLACEMENT.

TOP JOB # 1: MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 16 HRS 15 MINUTES.

TOP JOB # 2: MIXED & PUMPED 200 SX (40 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 16.1 PPG W/YIELD OF 1.10 CF/SX. NO RETURNS. WOC 3 HRS 30 MINUTES.

TOP JOB # 3: MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS 20 MINUTES.

TOP JOB # 4: MIXED & PUMPED 200 SX (40 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS 30 MINUTES.

TOP JOB # 5: MIXED & PUMPED 200 SX (40 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 12 HRS 00 MINUTES.

TOP JOB # 6: MIXED & PUMPED 70 SX (14 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. RETURNED 1 BBL TO SURFACE. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

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

CRAIGS RIG 1 TOOK SURVEYS WHILE DRILLING HOLE @ 1200' = 0.50 DEGREE & 2270' = 3.5 DEGREE.

JESSE TATMAN NOTIFIED CAROL DANIELS OF THE SURFACE CASING AND CEMENT JOB ON 7/9/2009 @ 10:00 AM.

KENT DEVENPORT NOTIFIED BLM VIA ELECTRONIC FORM OF THE SURFACE CASING & CEMENT JOB ON 7/9/2009 @ 09:00 AM.

<b>07-22-2009</b>	<b>Reported By</b>	PAUL WHITE									
<b>DailyCosts: Drilling</b>	\$64,225	<b>Completion</b>	\$0	<b>Daily Total</b>	\$64,225						
<b>Cum Costs: Drilling</b>	\$341,547	<b>Completion</b>	\$0	<b>Well Total</b>	\$341,547						
<b>MD</b>	3,805	<b>TVD</b>	3,805	<b>Progress</b>	1,411	<b>Days</b>	1	<b>MW</b>	9.4	<b>Visc</b>	32.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** DRILLING @ 3805'

Start	End	Hrs	Activity Description
06:00	09:00	3.0	MOVE RIG FROM CWU 736-33 0.6 MILES, RIG UP.
09:00	11:00	2.0	RIG ACCEPTED ON DAYRATE @ 09:00 HRS, 7/21/09. NIPPLE UP BOP, PREPARE TO TEST.
11:00	14:30	3.5	TEST BOP'S W/ B&C QUICK TEST. UPPER KELLY VALVE, INSIDE BOP, SAFETY VALVE, PIPE RAMS AND INSIDE VALVES, PIPE RAMS AND OUTSIDE VALVES (HCR), OUTSIDE CHECK VALVE, CHOKELINE, ALL CHOKE MANIFOLD VALVES AND SURFACE CASING. ALL TESTS 250 LOW AND 5000 HIGH. ANNULAR 250/2500. CASING 1500 FOR 30 MIN. ONE LEAK ON KILL LINE, RETIGHTEN AND RETEST. ALL TESTS GOOD, NO LEAKS.
14:30	17:30	3.0	PICKUP BHA, TRIP IN HOLE, TAG CEMENT AT 2345'. INSTALL ROTATING HEAD RUBBER.
17:30	18:00	0.5	DRILL CEMENT/FLOAT EQUIP.
18:00	18:30	0.5	REPLACE SWIVEL PACKING.
18:30	19:30	1.0	CIRCULATE CLEAN. SPOT 40 BBLs 50 VIS PILL AND RUN FIT TO 11.9 PPG. EMW.
19:30	03:00	7.5	DRILL F/ 2394 TO 3533 1139' 152 FPH. WOB 19 RPM 55 MUD WT. 8.7 VIS 29.
03:00	03:30	0.5	SURVEY AT 3454 1.75 DEG.
03:30	06:00	2.5	DRILL F/ 3533 TO 3805' 109 FPH. WOB 19 RPM 55, MOTOR RPM 95, MUD WT. 9.4 VIS 32. DRILLING MAHOGANY OIL SHALE BED, TOP OF WASATCH AT 4423.

FULL CREW  
 NO ACCIDENTS OR INCIDENTS  
 SAFETY MEETING TOPICS: RIG MOVE W/ HOWCROFT TRUCKING AND QUICKTEST.  
 FUEL ON HAND 8869

06:00 SPUD A 7 7/8" HOLE WITH ROTARY TOOLS AT 19:30 HRS, 7/21/09.

<b>07-23-2009</b>	<b>Reported By</b>	PAUL WHITE									
<b>DailyCosts: Drilling</b>	\$32,429	<b>Completion</b>	\$0	<b>Daily Total</b>	\$32,429						
<b>Cum Costs: Drilling</b>	\$373,976	<b>Completion</b>	\$0	<b>Well Total</b>	\$373,976						
<b>MD</b>	6,118	<b>TVD</b>	6,118	<b>Progress</b>	2,313	<b>Days</b>	2	<b>MW</b>	10.3	<b>Visc</b>	35.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** DRILLING AT 6118'

Start	End	Hrs	Activity Description
06:00	08:30	2.5	DRILL F/ 3805 TO 4214 WOB 20 RPM 50, MOTOR RPM 95, MUD WT 9.5 VIS 31.
08:30	09:00	0.5	SURVEY AT 4166 2.5 DEG. (RIG SERVICE)
09:00	06:00	21.0	DRILL F/ 4214 TO 6118' 1904' 91 FPH. WOB 20 RPM 50, 10.3 VIS 35, DRILLING BUCK CANYON, TOP OF NORTH HORN AT 6205.

FULL CREW.  
 NO ACCIDENTS OR INCIDENTS.

SAFETY MEETING TOPICS: SURVEYS, INSPECT DWKS. HOUSEKEEPING LOCATION AND RIG. FUNCTION CHECK COM EACH TOUR, BOP DRILL 45 SEC.  
 FUEL ON HAND 7344.

<b>07-24-2009</b>		<b>Reported By</b>		DAVID GREESON							
<b>DailyCosts: Drilling</b>		\$24,152	<b>Completion</b>		\$1,569	<b>Daily Total</b>		\$25,721			
<b>Cum Costs: Drilling</b>		\$398,129	<b>Completion</b>		\$1,569	<b>Well Total</b>		\$399,698			
<b>MD</b>	7,569	<b>TVD</b>	7,569	<b>Progress</b>	1,451	<b>Days</b>	3	<b>MW</b>	11.2	<b>Visc</b>	39.0
<b>Formation :</b>		<b>PBTD : 0.0</b>			<b>Perf :</b>		<b>PKR Depth : 0.0</b>				
<b>Activity at Report Time:</b> DRILLING @ 7,569'											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	15:30	9.5	DRILL F/ 6118 TO 6753' (635') 67'/HR. WOB 18-22K RPM 60, MOTOR RPM 47, 425 GPM #2 PUMP. MUD WT. 10.6 PPG VIS 35. DRILLING PRICE RIVER. TOP OF PRICE RIVER MIDDLE AT 7228'.  FULL CREW NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: SURVEYS, INSPECT DWKS. HOUSEKEEPING LOCATION AND RIG. FUNCTION CHECK COM EACH TOUR, BOP DRILL 45 SEC. FUEL ON HAND 7344.								
15:30	16:00	0.5	SERVICE RIG. FUNCTION BOP.								
16:00	01:30	9.5	DRILL F/6753' TO 7410' (657') 69'/HR. WOB 18-20K RPM 50, MOTOR RPM 93, 425 GPM #2 PUMP. MUD WT. 10.9 PPG VIS 38. DRILLING PRICE RIVER. TOP OF PRICE RIVER MIDDLE AT 7228'. TOP OF LOWER PRICE RIVER 8,116'.								
01:30	02:00	0.5	EQUIPMENT REPAIR: BOTH LIGHT PLANTS WENT DOWN. FUEL FILTER/ BAD SENSOR.								
02:00	06:00	4.0	DRILL F/7410' TO 7569' (159') 40'/HR. WOB 18-20K RPM 40/50, MOTOR RPM 93, 425 GPM #2 PUMP. MUD WT. 11.2 PPG VIS 39. DRILLING PRICE RIVER. TOP OF PRICE RIVER MIDDLE AT 7,328'. TOP OF LOWER PRICE RIVER 8,116'.  FULL CREW NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: CHECKING FLARE IGNITOR/ INSPECTING DRAWWORKS. FUNCTION CHECK COM EACH TOUR. BOP DRILL. FUEL ON HAND 6,181. USED 1163 GL.								

<b>07-25-2009</b>		<b>Reported By</b>		DAVID GREESON							
<b>DailyCosts: Drilling</b>		\$26,986	<b>Completion</b>		\$0	<b>Daily Total</b>		\$26,986			
<b>Cum Costs: Drilling</b>		\$425,115	<b>Completion</b>		\$1,569	<b>Well Total</b>		\$426,684			
<b>MD</b>	7,960	<b>TVD</b>	7,960	<b>Progress</b>	391	<b>Days</b>	4	<b>MW</b>	11.5	<b>Visc</b>	39.0
<b>Formation :</b>		<b>PBTD : 0.0</b>			<b>Perf :</b>		<b>PKR Depth : 0.0</b>				
<b>Activity at Report Time:</b> TOH											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	14:00	8.0	DRILL F/7569' TO 7796' (227') 28'/HR. WOB 19-22K RPM 40, MOTOR RPM 93, 425 GPM #2 PUMP. MUD WT. 11.3 PPG VIS 37. DRILLING PRICE RIVER. TOP OF PRICE RIVER MIDDLE AT 7,328'. TOP OF LOWER PRICE RIVER 8,116'.								
14:00	14:30	0.5	SERVICE RIG. FUNCTION BOP.								
14:30	23:00	8.5	DRILL F/7796' TO 7960' (164') 19'/HR. WOB 18-24K RPM 30, MOTOR RPM 90, 408 GPM #2 PUMP. MUD WT. 11.5 PPG VIS 39. DRILLING TOP OF PRICE RIVER MIDDLE AT 7,328'. TOP OF LOWER PRICE RIVER 8,116'.								
23:00	00:00	1.0	CIRCULATE BEFORE TOOH FOR NEW BIT. SPOT 60 BBL. DRY JOB PILL WEIGHTED TO 13.0 PPG.								

00:00 06:00 6.0 TRIP OUT OF HOLE FOR NEW BIT #2 AT 7960'. WORK TIGHT HOLE AT 6,330' AND FROM 5339' TO SHOE AT 2390'.

FULL CREW, NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: MIXING CAUSTIC/ TRIPPING OUT OF HOLE. FUNCTION BOP, CHECK COM EACH TOUR. BOP DRILL.  
FUEL ON HAND 5,211. USED 970 GL.

**07-26-2009**      **Reported By**      DAVID GREESON

<b>Daily Costs: Drilling</b>	\$42,672	<b>Completion</b>	\$0	<b>Daily Total</b>	\$42,672
<b>Cum Costs: Drilling</b>	\$467,788	<b>Completion</b>	\$1,569	<b>Well Total</b>	\$469,357

**MD**      8,647      **TVD**      8,647      **Progress**      687      **Days**      5      **MW**      12.2      **Visc**      44.0

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

**Activity at Report Time:** DRILLING @ 8,647'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	TRIP OUT OF HOLE AT 7,960' FOR BIT #2. WASH AND BACK-REAM OUT OF HOLE TO SHOE.
08:00	09:00	1.0	LD MUD MOTOR, REAMERS AND BIT. PU 0.16 MUD MOTOR AND FMHX 555 BIT W/ 4-13 AND 1-14 JET'S.
09:00	17:00	8.0	TRIP IN HOLE WITH BHA #2. WASH AND REAM LAST 800' TO BOTTOM.
17:00	06:00	13.0	DRILL F/7960' TO 8647' (687') 53'/HR. WOB 15-18K RPM 40, MOTOR RPM 65, 409 GPM #1 PUMP. MUD WT. 12.2 PPG VIS. 44. DRILLING TOP OF LOWER PRICE RIVER 8,116', SEGO AT 8,628'.

FULL CREWS, NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: TRIP IN HOLE/ ADJUST BRAKES. FUNCTION BOP, CHECK COM EACH TOUR. BOP DRILL.  
FUEL ON HAND 3998 GL. USED 1213 GL.

**07-27-2009**      **Reported By**      DAVID GREESON

<b>Daily Costs: Drilling</b>	\$33,401	<b>Completion</b>	\$4,321	<b>Daily Total</b>	\$37,723
<b>Cum Costs: Drilling</b>	\$501,189	<b>Completion</b>	\$5,890	<b>Well Total</b>	\$507,080

**MD**      8,840      **TVD**      8,840      **Progress**      193      **Days**      6      **MW**      12.3      **Visc**      44.0

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

**Activity at Report Time:** RUNNING PRODUCTION CASING

Start	End	Hrs	Activity Description
06:00	13:30	7.5	DRILL F/8647' TO 8,840' (193') 26'/HR. WOB 18-22K RPM 40, MOTOR RPM 63, 392 GPM #1 PUMP. MUD WT. 12.3 PPG VIS. 45. DRILLING TOP OF LOWER PRICE RIVER 8,116', SEGO AT 8,628'. REACHED TD AT 13:30 HRS, 7/26/09.
13:30	14:30	1.0	CIRCULATE BOTTOMS UP BEFORE WIPER TRIP. PUMPED 20 BBL OF 13.8 PPG DRYJOB SLUG.
14:30	16:00	1.5	SHORT TRIP 20 JT'S. HOLE TAKES PROPER DISPLACEMENT. NO TIGHT SPOTS, NO HOLE FILL.
16:00	18:00	2.0	CIRCULATE BOTTOMS UP BEFORE LAYING DOWN PIPE. BEGAN LOSING FLUID AND ADDED LCM. PUMPED 50 BBL OF 13.8 PPG DRYJOB SLUG.
18:00	00:00	6.0	LD DRILL PIPE AND BHA. TIGHT SPOTS AT 5200' AND 4306'. HOLE TOOK PROPER DISPLACEMENT.
00:00	00:30	0.5	PULL WEAR BUSHING.
00:30	01:00	0.5	RU FRANKS WESTATES CASING SERVICE TOOLS. HELD SAFETY MEETING WITH ALL ON LOCATION.
01:00	06:00	5.0	RUN 4.5" PRODUCTION CASING. RAN 1 JT. 4.5" 11.6 # N-80 CASING EQUIPPED W/ HALLIBURTON FLOAT SHOE AND FLOAT COLLAR. 3 TURBULIZERS PLACED 5' ABOVE SHOE, ON SECOND JT. AND THIRD JT. CENTRILIZERS PLACED ON EVERY THIRD JOINT AFTER FOR A TOTAL OF 25. RAN 160 JT'S IN HOLE AT REPORT TIME.

FULL CREWS, NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: XO BOOM DIES/RUN TRIP TANK.  
 FUNCTION BOP, CHECK COM EACH TOUR. BOP DRILL.  
 FUEL ON HAND 3278 GL. USED 720 GL.

<b>07-28-2009</b>	<b>Reported By</b>	DAVID GREESON									
<b>DailyCosts: Drilling</b>	\$32,498	<b>Completion</b>	\$167,532	<b>Daily Total</b>	\$200,030						
<b>Cum Costs: Drilling</b>	\$533,688	<b>Completion</b>	\$173,423	<b>Well Total</b>	\$707,111						
<b>MD</b>	8,840	<b>TVD</b>	8,840	<b>Progress</b>	0	<b>Days</b>	7	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	09:00	3.0	RAN 210 JTS. 4.5" 11.6 # N-80 LTC CASING AS FOLLOWS: HALLIBURTON FLOAT SHOE SET AT 8840', ONE JT. CASING AND THEN FLOAT COLLAR SET AT 8796.24'. 3 TURBULIZERS PLACED 5' ABOVE SHOE, ON SECOND JT. AND THIRD JT. CENTRALIZERS PLACED 5' ABOVE SHOE ON FIRST JT., ON SECOND CONNECTION AND ON EVERY THIRD JOINT AFTER FOR 25 TOTAL. 2- HCP-110 11.6# MARKER JT'S. SET AT 6481' AND 4040'. TAG BOTTOM W/ JT. #211 AND LAY BACK DOWN. MAKE UP FLUTED DTO CASING HANGER W/ LANDING JT. LAND W/ 85K ON HANGER.
09:00	10:00	1.0	RD FRANKS WESTATES CASERS AND RU HALLIBURTON CEMENTERS SERVICE TOOLS. HELD SAFETY MEETING WITH CREWS PRESENT OVER CEMENT JOB.
10:00	12:30	2.5	CEMENTING. LOADED BOTTOM PLUG AND TOP PLUG. HALLIBURTON MIXED AND PUMPED CEMENT AS FOLLOWS: DROP BOTTOM PLUG. PUMPED 10 BBLs WATER TO TEST PUMPS AND LINES TO 5,000 PSI. PUMPED 20 BBLs MUD FLUSH III, 8.4 PPG. 129.8 BBLs LEAD SLURRY: HIGHBOND-75, WT. 12.5 PPG, (450 SX, 1.62 YIELD). FOLLOWED W/ 303.7 BBLs. TAIL SLURRY, EXTENDACEM V1 SYSTEM, WT. 13.5 PPG. (1160 SX, 1.47 YIELD). DROPPED TOP PLUG AND DISPLACED W/ 136.3 BBLs. FRESH WATER. FULL RETURNS UNTIL LAST 7 BBL OF DISPLACEMENT. BUMPED PLUG W/ 3,500 PSI, 1000 PSI OVER LIFT PRESSURE. HELD FOR ONE MINUTE. CHECKED FLOATS OK.
12:30	13:30	1.0	RD HALLIBURTON TOOLS.
13:30	14:30	1.0	SET PACK OFF RING WITH FMC TECH. HAND PRESENT. TESTED RING TO 5000 PSI.
14:30	17:00	2.5	ND BOP AND CHOKE MANIFOLD. CLEAN PITS WITH REDI SERVICES VAC TRUCK.
			RDMO ROTARY TOOL. HOWCROFT TRUCKS ON LOCATION MOVING OUT RIG BEGINNING AT 15:00 HR'S. MOVE RIG FROM THE CWU 1378-28 TO THE CWU 724-28, 1.7 MILES. TRANSFER 3000 GL. FUEL AND 375.90' N-80 11.6# CSG. TO THE CWU 724-28. FULL CREWS, NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: RUNNING CASING/CEMENTING SAFETY. FUNCTION ANNULAR, CHECK COM EACH TOUR. FUEL ON HAND 3000 GL. USED 278 GL.
17:00			RELEASE RIG @ 17:00 HRS, 7/27/09. CASING POINT COST \$523,560

<b>08-04-2009</b>	<b>Reported By</b>	SEARLE									
<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$25,500	<b>Daily Total</b>	\$25,500						
<b>Cum Costs: Drilling</b>	\$533,688	<b>Completion</b>	\$198,923	<b>Well Total</b>	\$732,611						
<b>MD</b>	8,840	<b>TVD</b>	8,840	<b>Progress</b>	0	<b>Days</b>	8	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 8797.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** PREP FOR FRACS

Start	End	Hrs	Activity Description
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06:00 06:00 24.0 MIRU CUTTERS WIRELINE. LOG WITH CBL/CCL/VDL/GR FROM PBDT TO 50'. EST CEMENT TOP @ 1700'. RDWL.

**11-14-2009** Reported By MCCURDY

**DailyCosts: Drilling** \$0 **Completion** \$1,068 **Daily Total** \$1,068  
**Cum Costs: Drilling** \$533,688 **Completion** \$199,991 **Well Total** \$733,679

**MD** 8,840 **TVD** 8,840 **Progress** 0 **Days** 9 **MW** 0.0 **Visc** 0.0  
**Formation :** PBDT : 8797.0 **Perf :** **PKR Depth :** 0.0

**Activity at Report Time:** WO COMPLETION

**Start End Hrs Activity Description**

06:00 06:00 24.0 NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

**11-25-2009** Reported By MCCURDY

**DailyCosts: Drilling** \$0 **Completion** \$11,453 **Daily Total** \$11,453  
**Cum Costs: Drilling** \$533,688 **Completion** \$211,444 **Well Total** \$745,132

**MD** 8,840 **TVD** 8,840 **Progress** 0 **Days** 10 **MW** 0.0 **Visc** 0.0  
**Formation :** MESAVERDE **PBDT :** 8797.0 **Perf :** 8002'-8606' **PKR Depth :** 0.0

**Activity at Report Time:** FRAC

**Start End Hrs Activity Description**

06:00 06:00 24.0 RU CUTTERS WIRELINE & PERFORATE LPR FROM 8374'-75', 8382'-83', 8387'-88', 8394'-95', 8413'-14', 8418'-19', 8424'-25', 8458'-59', 8462'-63', 8512'-13', 8516'-17', 8575'-76', 8599'-600', 8605'-06' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/110 GAL K-87 MICROBIOCIDE, 165 GAL T-106, 7705 GAL 16# LINEAR W/9900# 20/40 SAND @ 1-1.5 PPG, 27134 GAL 16# DELTA 200 W/96100# 20/40 SAND @ 2-5 PPG. MTP 6237 PSIG. MTR 50.6 BPM. ATP 4683 PSIG. ATR 47.8 BPM. ISIP 2567 PSIG. RD HALLIBURTON.

SET 6K CFP AT 8300'. PERFORATE LPR/MPR FROM 8002'-03', 8025'-26', 8035'-36', 8051'-52', 8059'-60', 8068'-69', 8086'-87', 8108'-09', 8128'-29', 8159'-60', 8175'-76', 8191'-92', 8226'-27', 8266'-67' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/110 GAL K-87 MICROBIOCIDE, 165 GAL T-106, 51500 GAL 16# DELTA 200 W/164800# 20/40 SAND @ 1-5 PPG. MTP 6523 PSIG. MTR 50.1 BPM. ATP 5459 PSIG. ATR 39.2 BPM. ISIP 2816 PSIG. RD HALLIBURTON. SDFN.

**11-26-2009** Reported By MCCURDY

**DailyCosts: Drilling** \$0 **Completion** \$249,949 **Daily Total** \$249,949  
**Cum Costs: Drilling** \$533,688 **Completion** \$461,393 **Well Total** \$995,081

**MD** 8,840 **TVD** 8,840 **Progress** 0 **Days** 11 **MW** 0.0 **Visc** 0.0  
**Formation :** MESAVERDE **PBDT :** 8797.0 **Perf :** 6450'-8606' **PKR Depth :** 0.0

**Activity at Report Time:** PREP TO MIRUSU

**Start End Hrs Activity Description**

06:00 06:00 24.0 SICP 1540 PSIG. SET 6K CFP AT 7982'. PERFORATE MPR FROM 7750'-51', 7780'-81', 7789'-90', 7801'-02', 7825'-26', 7830'-31', 7843'-44', 7848'-49', 7862'-63', 7909'-10', 7915'-16', 7939'-40', 7959'-60', 7962'-63' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/110 GAL K-87 MICROBIOCIDE, 165 GAL T-106, 7375 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 23610 GAL 16# DELTA 200 W/67500# 20/40 SAND @ 2-4 PPG. MTP 6455 PSIG. MTR 50.1 BPM. ATP 5523 PSIG. ATR 45.8 BPM. ISIP 3075 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 7723'. PERFORATE MPR FROM 7466'-67', 7478'-79', 7494'-95', 7520'-21', 7572'-73', 7588'-89', 7596'-97', 7623'-24', 7633'-34', 7641'-42', 7672'-73', 7679'-80', 7688'-89', 7706'-07' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/110 GAL K-87 MICROBIOCIDE, 165 GAL T-106, 7375 GAL 16# LINEAR W/9500 # 20/40 SAND @ 1-1.5 PPG, 47548 GAL 16# DELTA 200 W/166300# 20/40 SAND @ 2-5 PPG. MTP 6202 PSIG. MTR 52.4 BPM. ATP 4648 PSIG. ATR 49.9 BPM. ISIP 2310 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 7410'. PERFORATE MPR/UPR FROM 7102'-03', 7145'-46', 7153'-54', 7158'-59', 7198'-99', 7236'-37', 7240'-41', 7258'-59', 7273'-74', 7319'-20', 7325'-26', 7362'-63', 7369'-70', 7378'-79' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/110 GAL K-87 MICROBIOCIDE, 165 GAL T-106, 7428 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 39124 GAL 16# DELTA 200 W/136500# 20/40 SAND @ 2-5 PPG. MTP 4747 PSIG. MTR 50.6 BPM. ATP 3796 PSIG. ATR 48.9 BPM. ISIP 2250 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 6940'. PERFORATE UPR FROM 6746'-47', 6761'-62', 6783'-84', 6788'-89', 6806'-07', 6811'-12', 6823'-24', 6830'-31', 6835'-36', 6845'-46', 6872'-73', 6877'-78', 6893'-94', 6898'-99' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/110 GAL K-87 MICROBIOCIDE, 165 GAL T-106, 7304 GAL 16# LINEAR W/9400# 20/40 SAND @ 1-1.5 PPG, 34316 GAL 16# DELTA 200 W/112600# 20/40 SAND @ 2-5 PPG. MTP 3810 PSIG. MTR 51.8 BPM. ATP 2722 PSIG. ATR 39.9 BPM. ISIP 1975 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 6715'. PERFORATE UPR FROM 6450'-51', 6457'-58', 6465'-66', 6484'-85', 6491'-92', 6505'-06', 6535'-36', 6540'-41', 6584'-85', 6590'-91', 6600'-01', 6645'-46', 6664'-65', 6692'-93' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/110 GAL K-87 MICROBIOCIDE, 165 GAL T-106, 7357 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 40946 GAL 16# DELTA 200 W/143500# 20/40 SAND @ 2-5 PPG. MTP 3823 PSIG. MTR 50.7 BPM. ATP 3038 PSIG. ATR 48.9 BPM. ISIP 1750 PSIG. RD HALLIBURTON.

RUWL. SET 6K CBP AT 6378'. RDMO CUTTERS WIRELINE.

<b>11-28-2009</b>		<b>Reported By</b>		BAUSCH							
<b>DailyCosts: Drilling</b>		\$0		<b>Completion</b>		\$72,306		<b>Daily Total</b>		\$72,306	
<b>Cum Costs: Drilling</b>		\$533,688		<b>Completion</b>		\$533,699		<b>Well Total</b>		\$1,067,387	
<b>MD</b>	8,840	<b>TVD</b>	8,840	<b>Progress</b>	0	<b>Days</b>	12	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>			<b>PBTD : 8797.0</b>			<b>Perf : 6450'-8606'</b>			<b>PKR Depth : 0.0</b>		
<b>Activity at Report Time: CLEAN OUT AFTER FRAC</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
07:00	15:00	8.0	MIRUSU. ND FRAC VALVES. NU BOP. RIH W/3-7/8" BIT & POBS TO TAG @ 6378'. RU TO DRILL OUT PLUGS. SDFN.								

<b>11-29-2009</b>		<b>Reported By</b>		BAUSCH							
<b>DailyCosts: Drilling</b>		\$0		<b>Completion</b>		\$6,588		<b>Daily Total</b>		\$6,588	
<b>Cum Costs: Drilling</b>		\$533,688		<b>Completion</b>		\$540,287		<b>Well Total</b>		\$1,073,975	
<b>MD</b>	8,840	<b>TVD</b>	8,840	<b>Progress</b>	0	<b>Days</b>	13	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>			<b>PBTD : 8680.0</b>			<b>Perf : 6450'-8606'</b>			<b>PKR Depth : 0.0</b>		
<b>Activity at Report Time: FLOW TEST</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
07:00	06:00	23.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6378', 6715', 6940', 7410', 7723', 7982' & 8300'. RIH. CLEANED OUT TO 8680'. LANDED TBG AT 7296' KB. ND BOPE & NU TREE. PUMPED OFF BIT & SUB. RDMOSU.								

FLOWED 16 HRS. 24/64 CHOKE. FTP 1450 PSIG. CP 1450 PSIG. 81 BFPH. RECOVERED 1214 BLW. 7083 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'  
 1 JT 2-3/8 4.7# N-80 TBG 32.51'  
 XN NIPPLE 1.30'  
 224 JTS 2-3/8 4.7# N-80 TBG 7248.52'  
 BELOW KB 13.00'  
 LANDED @ 7296.33' KB

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<b>11-30-2009</b>	<b>Reported By</b>	BAUSCH									
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$3,810	<b>Daily Total</b>	\$3,810						
<b>Cum Costs: Drilling</b>	\$533,688	<b>Completion</b>	\$544,097	<b>Well Total</b>	\$1,077,785						
<b>MD</b>	8,840	<b>TVD</b>	8,840	<b>Progress</b>	0	<b>Days</b>	14	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b> MESAVERDE		<b>PBTD :</b> 8680.0		<b>Perf :</b> 6450'-8606'		<b>PKR Depth :</b> 0.0					

**Activity at Report Time:** FLOW TEST TO SALES.

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	FLOWED THROUGH TEST UNIT TO SALES 24 HRS. 24/64 CHOKE. FTP 1350 PSIG. CP 1500 PSIG. 56 BFPH. RECOVERED 1232 BLW. 5851 BLWTR. 1800 MCFD RATE.

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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.  
UTU0336A

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

8. Lease Name and Well No.  
CHAPITA WELLS UNIT 1378-28

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

9. API Well No. **43-047-39913**

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
 At surface **SESW 25FSL 2460FWL 39.99977 N Lat, 109.33253 W Lon**  
 At top prod interval reported below **SESW 25FSL 2460FWL 39.99977 N Lat, 109.33253 W Lon**  
 At total depth **SESW 25FSL 2460FWL 39.99977 N Lat, 109.33253 W Lon**

10. Field and Pool, or Exploratory  
NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey  
or Area **Sec 28 T9S R23E Mer SLB**

12. County or Parish  
UINTAH

13. State  
UT

14. Date Spudded  
**06/16/2009**

15. Date T.D. Reached  
**07/26/2009**

16. Date Completed  
 D & A  Ready to Prod.  
**11/29/2009**

17. Elevations (DF, KB, RT, GL)\*  
**5286 GL**

18. Total Depth: MD **8840** TVD \_\_\_\_\_ 19. Plug Back T.D.: MD **8680** TVD \_\_\_\_\_ 20. Depth Bridge Plug Set: MD \_\_\_\_\_ TVD \_\_\_\_\_

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
**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	0	2390		1270		0	
7.875	4.500 N-80	11.6	0	8840		1610		1700	

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	7296							

25. Producing Intervals

26. Perforation Record **1450**

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	6450	8606	8374 TO 8606		2	
B)			8002 TO 8267		2	
C)			7750 TO 7963		2	
D)			7466 TO 7707		2	

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

Depth Interval	Amount and Type of Material
8374 TO 8606	35,114 GALS GELLED WATER & 106,000# 20/40 SAND
8002 TO 8267	51,775 GALS GELLED WATER & 164,800# 20/40 SAND
7750 TO 7963	31,260 GALS GELLED WATER & 77,000# 20/40 SAND
7466 TO 7707	55,198 GALS GELLED WATER & 175,800# 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
11/29/2009	12/03/2009	24	→	0.0	1752.0	788.0			FLows FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
24/64"	SI	2000.0	→	0	1752	788		PGW	

28a. Production - Interval B

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

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

ELECTRONIC SUBMISSION #78370 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

RECEIVED

DEC 08 2009

28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
MESAVERDE	6450	8606		GREEN RIVER BIRDS NEST MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER	1280 1585 2179 4322 4431 5034 5721 6449

32. Additional remarks (include plugging procedure):

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

Casing and liner note: Two HCP-110 marker joints were set at 6481' and 4040'.

33. Circle enclosed attachments:

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

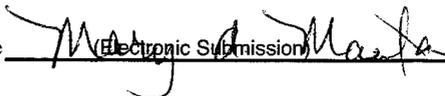
34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

**Electronic Submission #78370 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal**

Name (please print) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature



Date 12/04/2009

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

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

**Chapita Wells Unit 1378-28 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

7102-7379	2/spf
6746-6899	2/spf
6450-6693	2/spf

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

7102-7379	46,827 GALS GELLED WATER & 146,100# 20/40 SAND
6746-6899	41,895 GALS GELLED WATER & 122,000# 20/40 SAND
6450-6693	48,578 GALS GELLED WATER & 153,000# 20/40 SAND

Perforated the Lower Price River from 8374-75', 8382-83', 8387-88', 8394-95', 8413-14', 8418-19', 8424-25', 8458-59', 8462-63', 8512-13', 8516-17', 8575-76', 8599-8600', 8605-06' w/ 2 spf.

Perforated the Lower/Middle Price River from 8002-03', 8025-26', 8035-36', 8051-52', 8059-60', 8068-69', 8086-87', 8108-09', 8128-29', 8159-60', 8175-76', 8191-92', 8226-27', 8266-67' w/ 2 spf.

Perforated the Middle Price River from 7750-51', 7780-81', 7789-90', 7801-02', 7825-26', 7830-31', 7843-44', 7848-49', 7862-63', 7909-10', 7915-16', 7939-40', 7959-60', 7962-63' w/ 2 spf.

Perforated the Middle Price River from 7466-67', 7478-79', 7494-95', 7520-21', 7572-73', 7588-89', 7596-97', 7623-24', 7633-34', 7641-42', 7672-73', 7679-80', 7688-89', 7706-07' w/ 2 spf.

Perforated the Middle/Upper Price River from 7102-03', 7145-46', 7153-54', 7158-59', 7198-99', 7236-37', 7240-41', 7258-59', 7273-74', 7319-20', 7325-26', 7362-63', 7369-70', 7378-79' w/ 2 spf.

Perforated the Upper Price River from 6746-47', 6761-62', 6783-84', 6788-89', 6806-07', 6811-12', 6823-24', 6830-31', 6835-36', 6845-46', 6872-73', 6877-78', 6893-94', 6898-99' w/ 2 spf.

Perforated the Upper Price River from 6450-51', 6457-58', 6465-66', 6484-85', 6491-92', 6505-06', 6535-36', 6540-41', 6584-85', 6590-91', 6600-01', 6645-46', 6664-65', 6692-93 w/ 2 spf.

**32. FORMATION (LOG) MARKERS**

Middle Price River	7315
Lower Price River	8115
Sego	8658