

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU0281
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input 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. CHAPITA WELLS UNI
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202		8. Lease Name and Well No. CHAPITA WELLS UNIT 753-10
3b. Phone No. (include area code) Ph: 303-824-5526		9. API Well No. 43-047-39930
4. Location of Well (Report location clearly and in accordance with any State requirements.*) At surface SWSE 533FSL 1825FEL 40.04473 N Lat, 109.42314 W Lon At proposed prod. zone SWSE 533FSL 1825FEL 40.04473 N Lat, 109.42314 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES/WASATCH
14. Distance in miles and direction from nearest town or post office* 48.2 MILES SOUTH OF VERNAL, UT		11. Sec., T., R., M., or Blk. and Survey or Area Sec 10 T9S R22E Mer SLB
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 533'	16. No. of Acres in Lease 2558.00	12. County or Parish UINTAH COUNTY
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 65'	19. Proposed Depth 7640 MD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL., etc.) 4823 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 01/25/2008
Title REGULATORY ASSISTANT		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 01-31-08
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.

Additional Operator Remarks (see next page)

Electronic Submission #58277 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal

RECEIVED

JAN 28 2008

DIV. OF OIL, GAS & MINING

Federal Approval of this
Action is Necessary

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

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40.044773
-109.422504

EIGHT POINT PLAN

CHAPITA WELLS UNIT 753-10
SW/SE, SEC. 10, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,865		Shale	
Wasatch	4,922	Primary	Sandstone	Gas
Chapita Wells	5,520	Primary	Sandstone	Gas
Buck Canyon	6,208	Primary	Sandstone	Gas
North Horn	6,786	Primary	Sandstone	Gas
KMV Price River	7,434		Sandstone	
TD	7,640			

Estimated TD: 7,640 or 200'± below Segó top

Anticipated BHP: 4,172 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
 BOP schematic diagrams attached.

4. CASING PROGRAM:

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

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

All casing will be new or inspected.

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SW/SE, SEC. 10, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 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 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

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

7. VARIANCE REQUESTS:

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

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

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SW/SE, SEC. 10, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

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

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

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

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

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

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

Production Hole Procedure (2300'± - TD)

Lead: 151 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 561 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

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

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 753-10
SW/SE, SEC. 10, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

11. STANDARD REQUIRED EQUIPMENT:

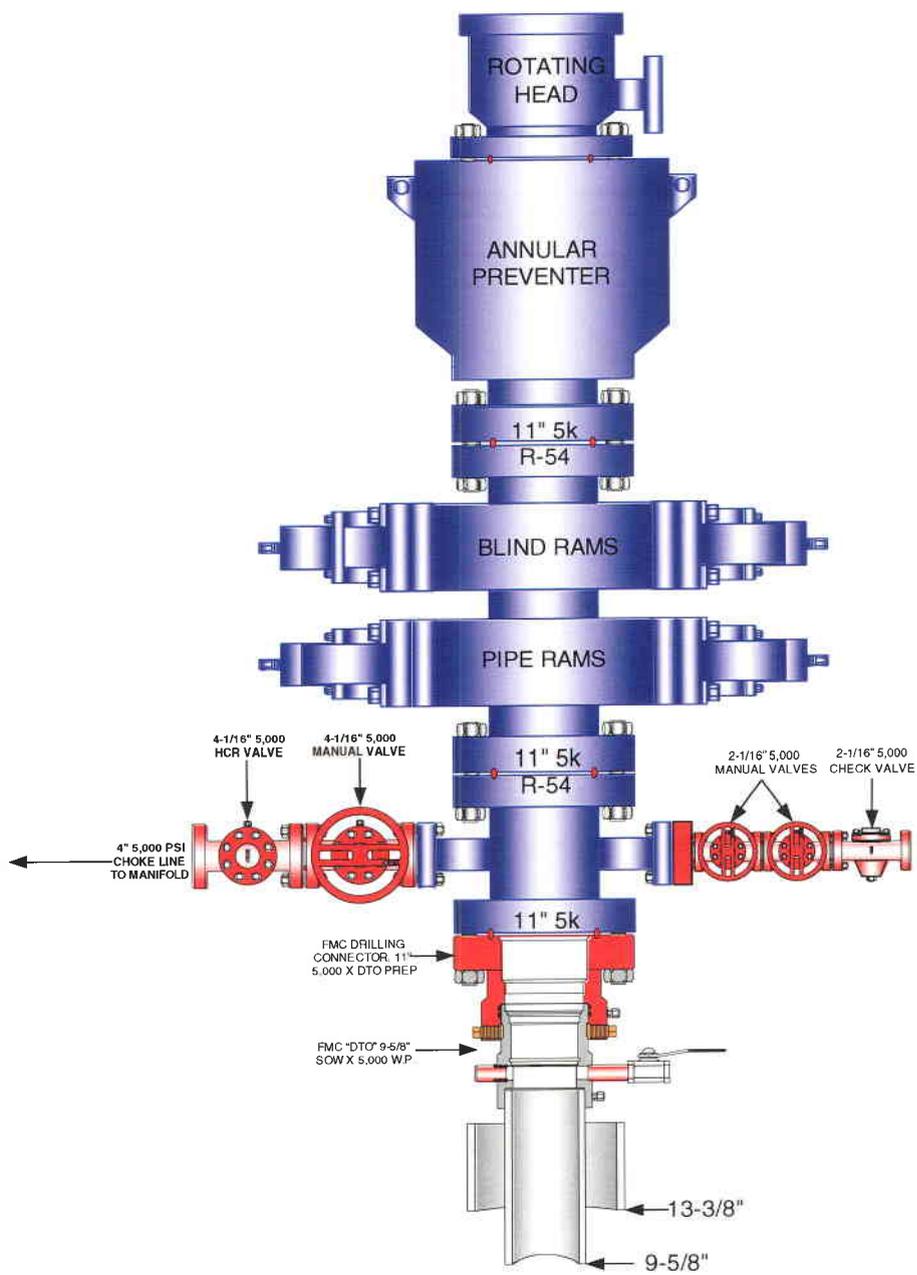
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

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

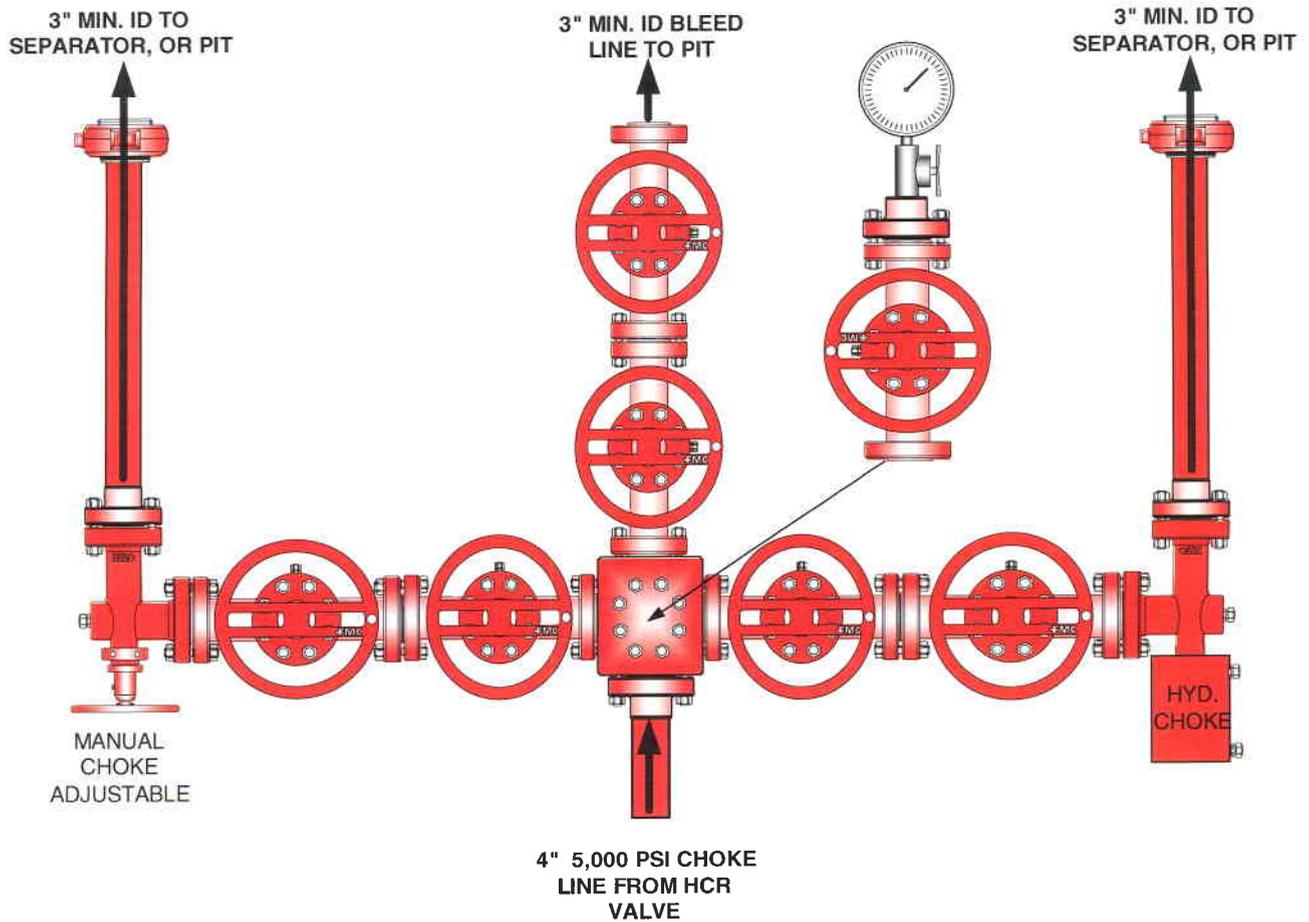
(Attachment: BOP Schematic Diagram)

EOG RESOURCES 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 753-10
SWSE, Section 10, T9S, R22E
Uintah County, Utah**

SURFACE USE PLAN

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

1. EXISTING ROADS:

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 48.2 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

- A. The existing access road for the Chapita Wells Unit 834-10 will be used to access the proposed location.
- B. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

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

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

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

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

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

A. On Well Pad

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

B. Off Well Pad

1. No new off-pad facilities will be required. The existing pipeline for the Chapita Wells Unit 834-10 will be used to transport gas from the proposed location.

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

5. LOCATION AND TYPE OF WATER SUPPLY:

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

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil south 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 north.

A diversion ditch shall be constructed on the southeast side of the location.

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

FENCING REQUIREMENTS:

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

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.

- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

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

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

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Interim Reclamation (Producing Location)

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

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

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

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

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

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

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

B. Dry Hole/Abandoned Location

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

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

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

11. SURFACE OWNERSHIP:

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

Bureau of Land Management

12. OTHER INFORMATION:

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

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.

- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

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

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application 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.

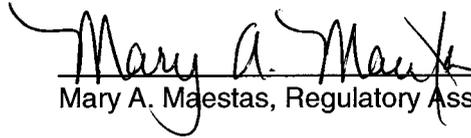
The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

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 753-10 Well, located in the SWSE, of Section 10, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

January 25, 2008
Date



Mary A. Maestas, Regulatory Assistant

EOG RESOURCES, INC.
CWU #753-10
SECTION 10, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN LEFT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 150' TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 300' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 48.2 MILES.

EOG RESOURCES, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR

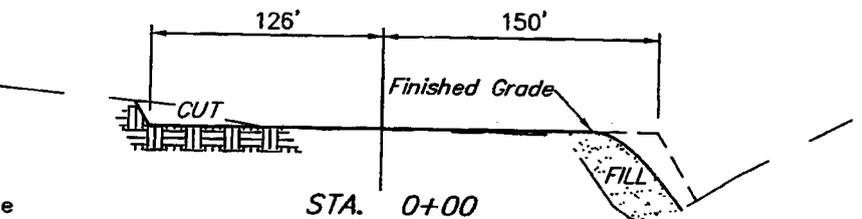
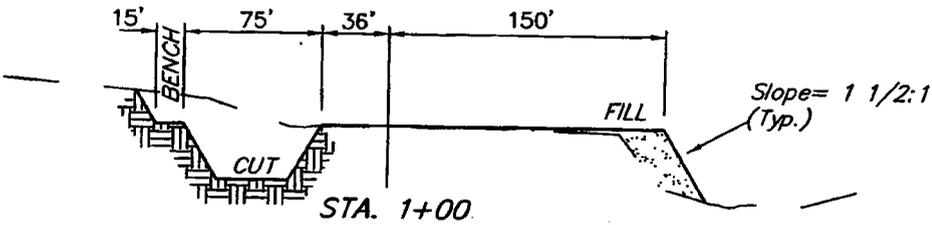
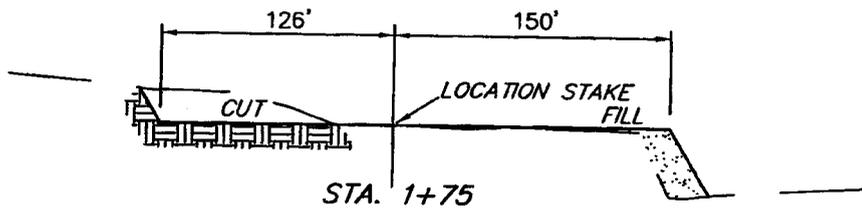
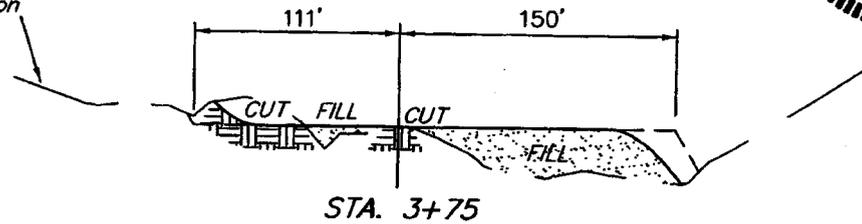
CWU #753-10
SECTION 10, T9S, R22E, S.L.B.&M.
533' FSL 1825' FEL

1" = 40'
X-Section
Scale
1" = 100'

DATE: 12-07-07
DRAWN BY: L.K.



Preconstruction
Grade



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

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,160 Cu. Yds.
(New Construction Only)	
Remaining Location	= 9,240 Cu. Yds.
TOTAL CUT	= 10,400 CU.YDS.
FILL	= 9,320 CU.YDS.

* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

EXCESS MATERIAL	= 1,080 Cu. Yds.
Topsoil & Pit Backfill	= 3,180 Cu. Yds.
(1/2 Pit Vol.)	
DEFICIT UNBALANCE	= <2,100> Cu. Yds.
(After Interim Rehabilitation)	

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

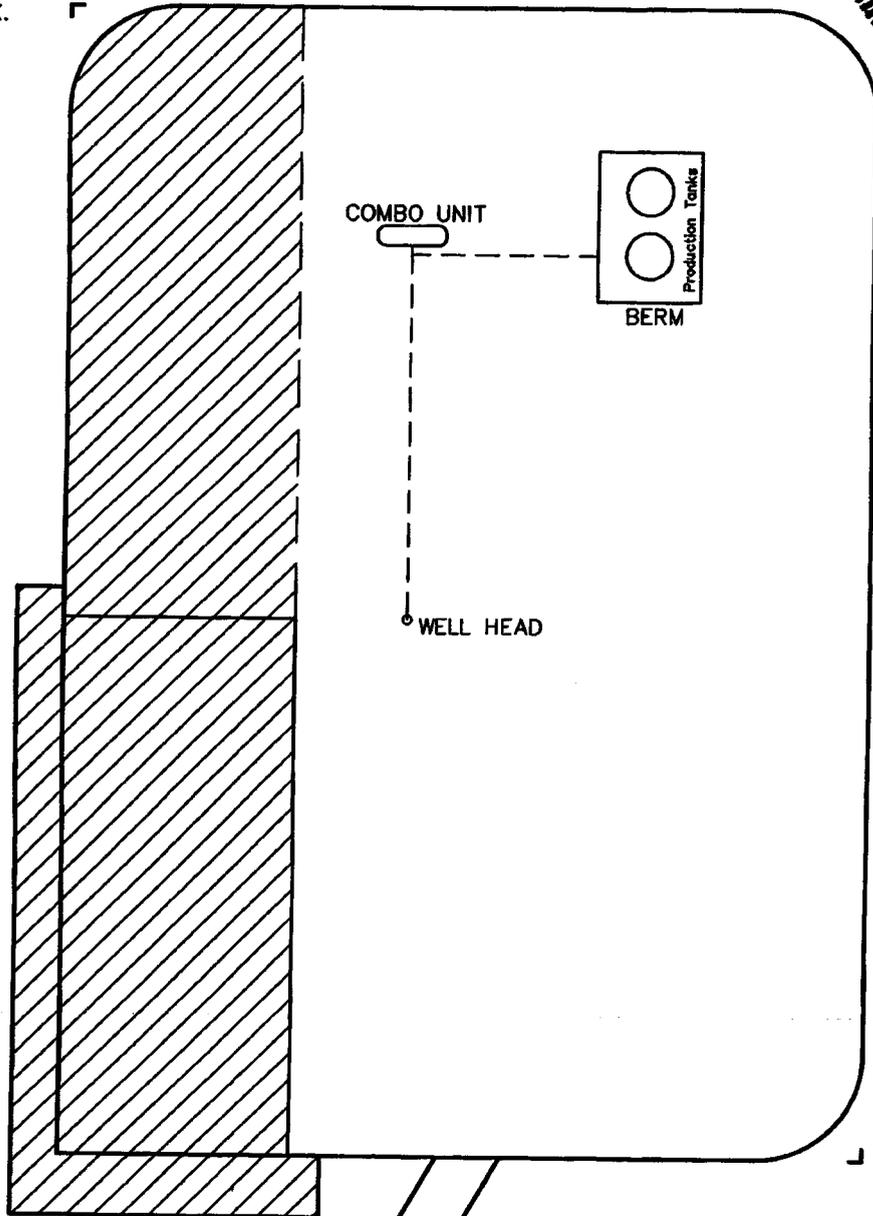
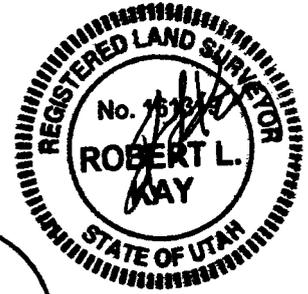
EOG RESOURCES, INC.
PRODUCTION FACILITY LAYOUT FOR

FIGURE #3

CWU #753-10
SECTION 10, T9S, R22E, S.L.B.&M.
533' FSL - 1825' FEL



SCALE: 1" = 60'
DATE: 12-07-07
DRAWN BY: L.K.



Access Road

 RE-HABED AREA

EOG RESOURCES, INC.

CWU #753-10

LOCATED IN UINTAH COUNTY, UTAH
SECTION 10, T9S, R22E, S.1.B.&M.

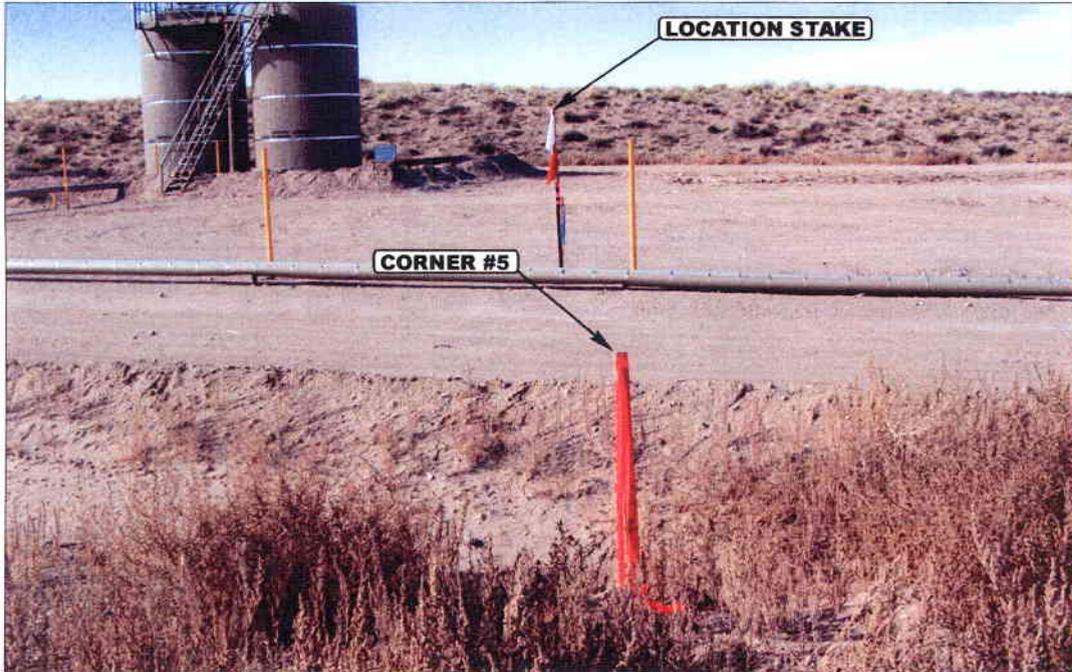


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

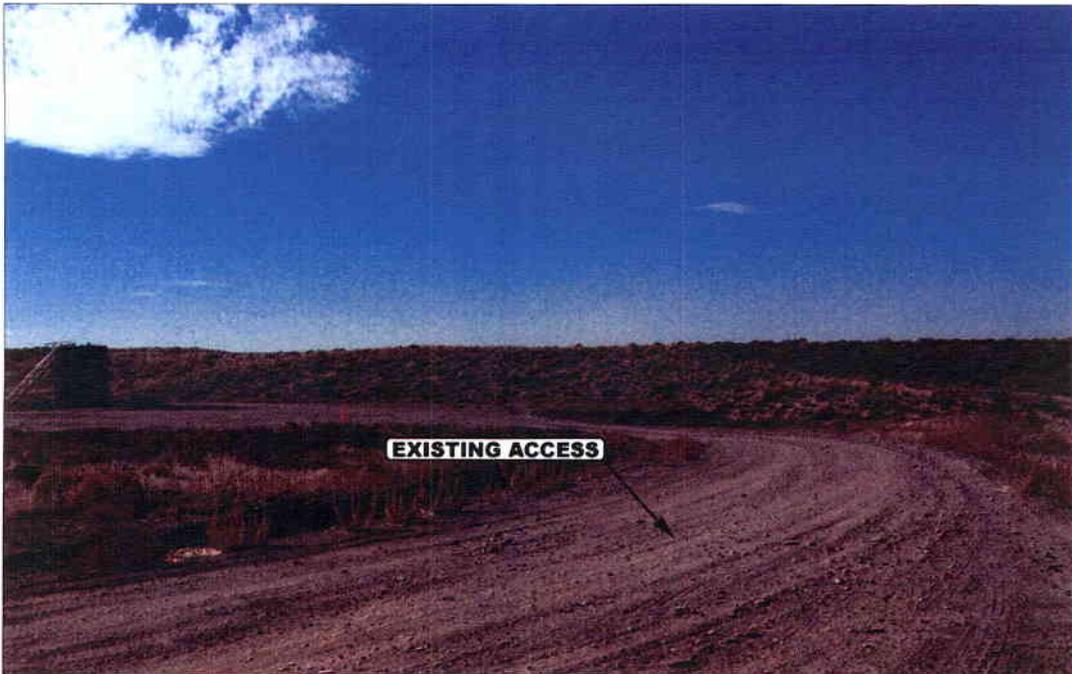


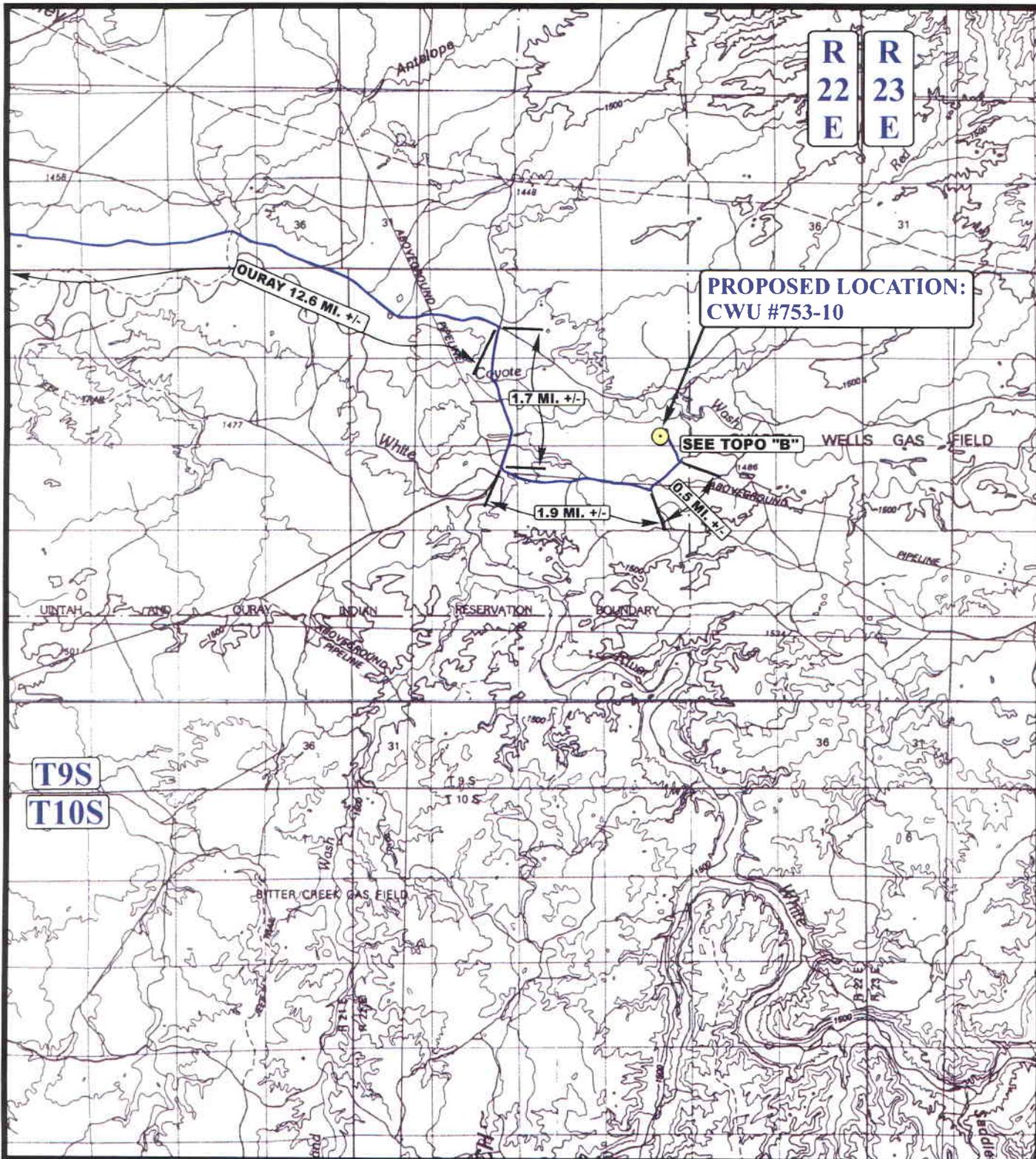
PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: SOUTHWESTERLY



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

LOCATION PHOTOS	11	08	07	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: C.R.	DRAWN BY: Z.L.	REVISED: 00-00-00		



R
22
E

R
23
E

**PROPOSED LOCATION:
CWU #753-10**

SEE TOPO "B" WELLS GAS FIELD

T9S
T10S

LEGEND:

● PROPOSED LOCATION



EOG RESOURCES, INC.

CWU #753-10
SECTION 10, T9S, R22E, S.L.B.&M.
533' FSL 1825' FEL

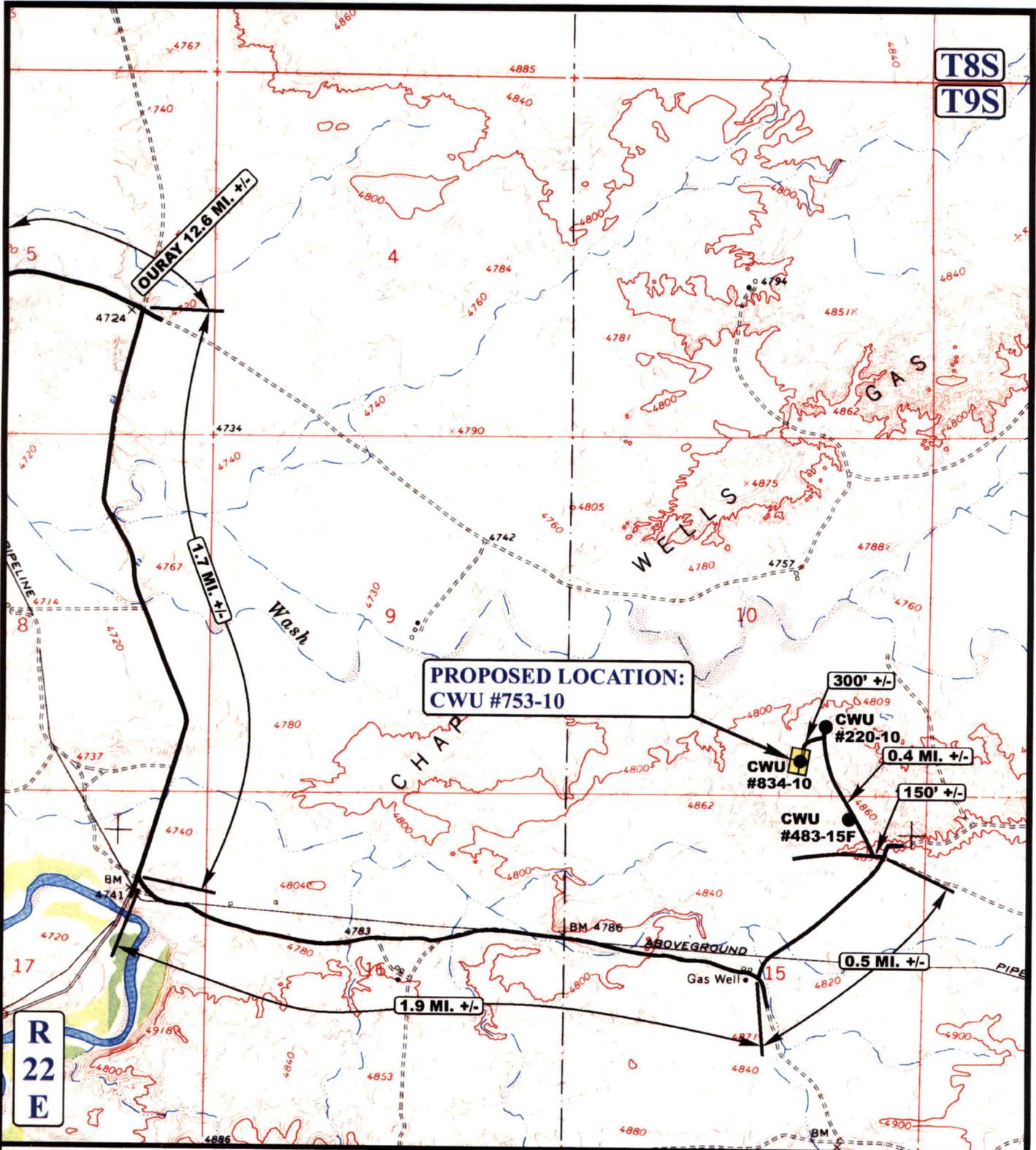


Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 11 08 07
MAP MONTH DAY YEAR
SCALE: 1:100,000 DRAWN BY: Z.L. REVISED: 00-00-00



T8S
T9S



LEGEND:

— EXISTING ROAD

EOG RESOURCES, INC.

CWU #753-10
SECTION 10, T9S, R22E, S.L.B.&M.
533' FSL 1825' FEL



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



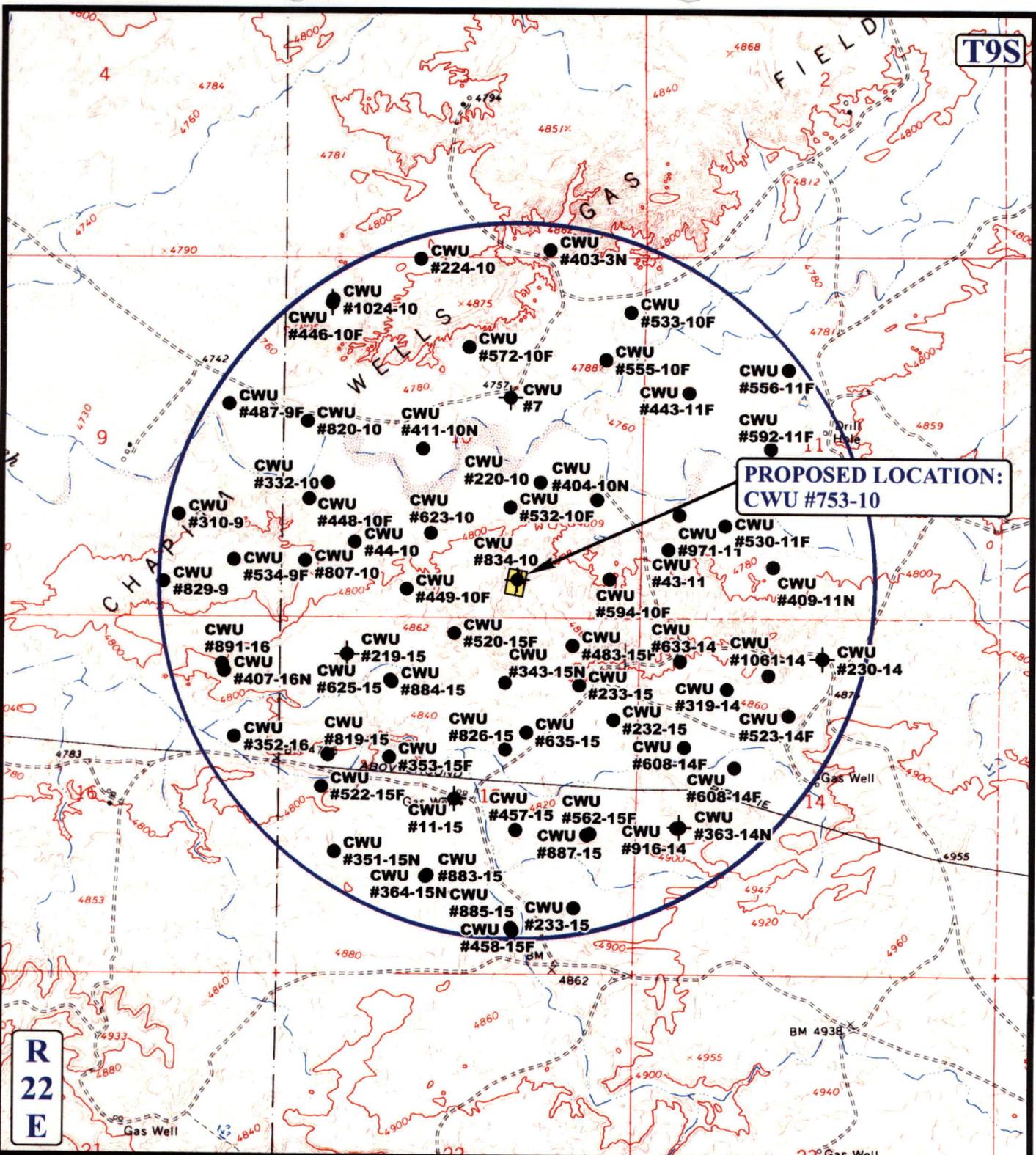
TOPOGRAPHIC
MAP

11 08 07
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: Z.L. REVISED: 00-00-00

B
TOPO

T9S



**PROPOSED LOCATION:
CWU #753-10**

**R
22
E**

LEGEND:

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



EOG RESOURCES, INC.

CWU #753-10
SECTION 10, T9S, R22E, S.L.B.&M.
533' FSL 1825' FEL



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

TOPOGRAPHIC MAP	11	08	07
	MONTH	DAY	YEAR
SCALE: 1" = 2000'	DRAWN BY: Z.L.		REVISED: 00-00-00



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 01/28/2008

API NO. ASSIGNED: 43-047-39930

WELL NAME: CWU 753-10

OPERATOR: EOG RESOURCES, INC. (N9550)

PHONE NUMBER: 303-824-5526

CONTACT: MARY MAESTAS

PROPOSED LOCATION:

SWSE 10 090S 220E
 SURFACE: 0533 FSL 1825 FEL
 BOTTOM: 0533 FSL 1825 FEL
 COUNTY: UINTAH
 LATITUDE: 40.04477 LONGITUDE: -109.4225
 UTM SURF EASTINGS: 634573 NORTHINGS: 4433709
 FIELD NAME: NATURAL BUTTES (630)

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

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

PROPOSED FORMATION: WSTC
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

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

LOCATION AND SITING:

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

COMMENTS:

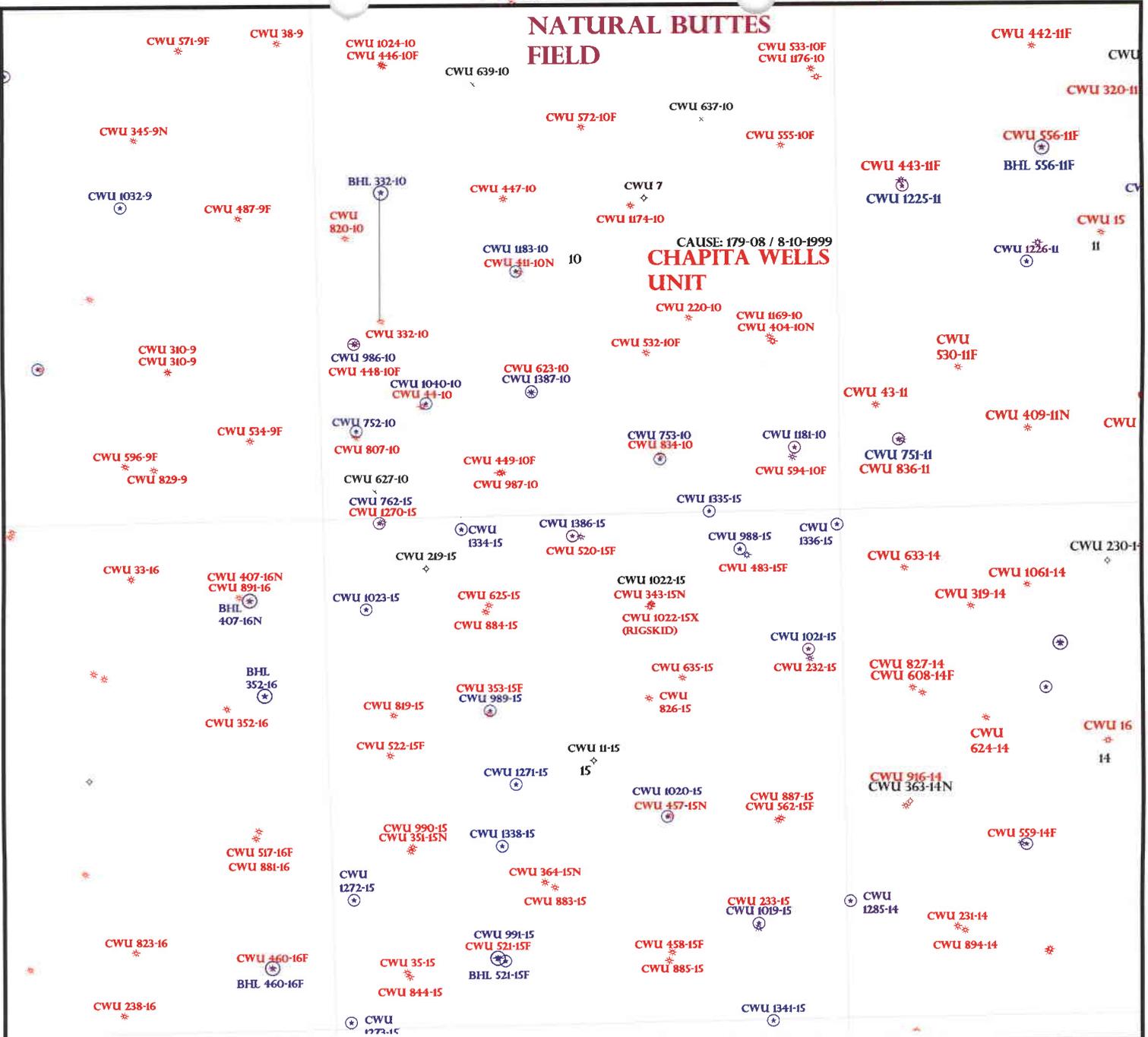
STIPULATIONS:

Handwritten:
 Federal Agreement
 Z-OIL SHALE

NATURAL BUTTES FIELD

CHAPITA WELLS UNIT

CAUSE: 179-08 / 8-10-1999



OPERATOR: EOG RESOURCES INC (N9550)
 SEC: 10,15 T.9S R. 22E
 FIELD: NATURAL BUTTES (630)
 COUNTY: UINTAH
 CAUSE: 179-08 / 8-10-1999

Field Status	Unit Status
ABANDONED	EXPLORATORY
ACTIVE	GAS STORAGE
COMBINED	NF PP OIL
INACTIVE	NF SECONDARY
PROPOSED	PENDING
STORAGE	PI OIL
TERMINATED	PP GAS
	PP GEOTHERML
	PP OIL
	SECONDARY
	TERMINATED

- Wells Status**
- GAS INJECTION
 - GAS STORAGE
 - LOCATION ABANDONED
 - NEW LOCATION
 - PLUGGED & ABANDONED
 - PRODUCING GAS
 - PRODUCING OIL
 - SHUT-IN GAS
 - SHUT-IN OIL
 - TEMP. ABANDONED
 - TEST WELL
 - WATER INJECTION
 - WATER SUPPLY
 - WATER DISPOSAL
 - DRILLING



OIL, GAS & MINING



PREPARED BY: DIANA MASON
 DATE: 29-JANUARY-2008

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 30, 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 Wasatch)		
43-047-39925	CWU 751-11 Sec 11 T09S R22E 0690 FSL 0615 FWL	
43-047-39926	CWU 750-12 Sec 12 T09S R22E 0686 FSL 1040 FWL	
43-047-39931	CWU 749-12 Sec 12 T09S R22E 1699 FSL 0821 FEL	
43-047-39924	CWU 752-10 Sec 10 T09S R22E 0882 FSL 0350 FWL	
43-047-39930	CWU 753-10 Sec 10 T09S R22E 0533 FSL 1825 FEL	
43-047-39932	CWU 764-22 Sec 22 T09S R22E 0445 FSL 1971 FEL	
43-047-39933	CWU 758-25 Sec 25 T09S R22E 2075 FNL 0534 FEL	

(Proposed PZ MesaVerde)

43-047-39928	CWU 1351-27 Sec 27 T09S R22E 1356 FNL 0201 FEL	
43-047-39927	CWU 1386-15 Sec 15 T09S R22E 0238 FNL 2537 FWL	
43-047-39929	CWU 1387-10 Sec 10 T09S R22E 1248 FSL 2157 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:1-30-08



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 31, 2008

EOG Resources, Inc.
600 17th St., Ste. 1000N
Denver, CO 80202

Re: Chapita Wells Unit 753-10 Well, 533' FSL, 1825' FEL, SW SE, Sec. 10, T. 9 South,
R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39930.

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 753-10
API Number: 43-047-39930
Lease: UTU0281
Location: SW SE Sec. 10 T. 9 South R. 22 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

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

3. Reporting Requirements

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

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

JAN 25 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. UTU0281	
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. UTU63013AE	
Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		8. Lease Name and Well No. CWU 753-10	
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		9. API Well No. 43 047 39930	
3b. Phone No. (include area code) Ph: 303-824-5526		10. Field and Pool, or Exploratory NATURAL BUTTES	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWSE 533FSL 1825FEL 40.04473 N Lat, 109.42311 W Lon At proposed prod. zone SWSE 533FSL 1825FEL 40.04473 N Lat, 109.42311 W Lon		11. Sec., T., R., M., or Blk. and Survey or Area Sec 10 T9S R22E Mer SLB SME: BLM	
14. Distance in miles and direction from nearest town or post office* 48.2 MILES SOUTH OF VERNAL, UT		12. County or Parish UINTAH	13. State UT
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 533'	16. No. of Acres in Lease 2557.84	17. Spacing Unit dedicated to this well	
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 65'	19. Proposed Depth 7640 MD	20. BLM/BIA Bond No. on file NM2308	
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4823 GL	22. Approximate date work will start	23. Estimated duration 45 DAYS	

24. Attachments

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

- | | |
|--|--|
| <ul style="list-style-type: none"> 1. Well plat certified by a registered surveyor. 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | <ul style="list-style-type: none"> 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). 5. Operator certification 6. Such other site specific information and/or plans as may be required by the authorized officer. |
|--|--|

25. Signature (Electronic Submission)		Name (Printed/Typed) MARY A. MAESTAS Ph: 303-824-5526		Date 01/25/2008	
Title REGULATORY ASSISTANT					
Approved by (Signature) <i>Jerry Jenkins</i>		Name (Printed/Typed) JERRY JENKINS		Date 4-11-2008	
Title Assistant Field Manager Lands & Mineral Resources		Office VERNAL FIELD OFFICE			

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached. **CONDITIONS OF APPROVAL ATTACHED**

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

Additional Operator Remarks (see next page)

Electronic Submission #58277 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal
Committed to AFMSS for processing by GAIL JENKINS on 01/25/2008 (08GXJ109AE)

NOTICE OF APPROVAL

UDOGM

RECEIVED

APR 18 2008

** BLM REVISED ** DIV OF OIL, GAS & MINING

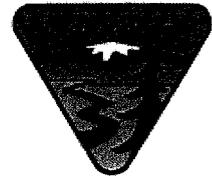


**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE**

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: EOG Resources, Inc.
Well No: CWU 753-10
API No: 43-047-39930

Location: SWSE, Sec. 10, T9S, R22E
Lease No: UTU-0281
Agreement: Chapita Wells Unit

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

Fax: (435) 781-3420

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

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

NOTIFICATION REQUIREMENTS

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

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

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

Site Specific COAs:

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

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

SITE SPECIFIC DOWNHOLE COAs:

- 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. 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.

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.

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

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

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

- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

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

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

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

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 753-10

Api No: 43-047-39930 Lease Type: FEDERAL

Section 10 Township 09S Range 22E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRILLING RIG # RATHOLE

SPUDDED:

Date 07/17/08

Time 3:30 PM

How DRY

Drilling will Commence: _____

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 07/18//08 Signed CHD

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

FORM 6

ENTITY ACTION FORM

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

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39274	East Chapita 72-04		SWNE	4	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	16978	7/17/2008		7/30/08		
Comments: <u>Wasatch/Mesaverde well</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39930	Chapita Wells Unit 753-10		SWSE	10	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	4905	7/17/2008		7/30/08		
Comments: <u>Wasatch well</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38534	Natural Buttes Unit 569-17E		SWNE	17	10S	21E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
B	99999	2900	7/18/2008		7/30/08		
Comments: <u>Wasatch/Mesaverde well</u> <u>PRRI = MVRD = WSMVD</u>							

ACTION CODES:

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

Mary A. Maestas

Name (Please Print)

Signature

Regulatory Assistant

Title

7/21/2008

Date

RECEIVED

JUL 21 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU0281

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CHAPITA WELLS UNIT 753-10

9. API Well No.
43-047-39930

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

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 10 T9S R22E SWSE 533FSL 1825FEL
40.04473 N Lat, 109.42314 W Lon

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

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

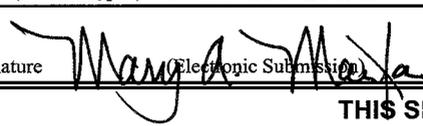
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths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

The referenced well spud on 7/17/2008.

RECEIVED
JUL 25 2008
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #61599 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal

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

Signature  (Electronic Submission) Date 07/21/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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

Office _____

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

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UTJ0281

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CHAPITA WELLS UNIT 753-10

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43-047-39930

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
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40.04473 N Lat, 109.42314 W Lon

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

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The referenced well was turned to sales on 9/22/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #63365 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal

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

Signature *Mary A. Maestas* (Electronic Submission) Date 09/25/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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

Office _____

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

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

RECEIVED

OCT 01 2008

DIV. OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 09-25-2008

Well Name	CWU 753-10	Well Type	DEVG	Division	DENVER
Field	NATURAL BUTTES	API #	43-047-39930	Well Class	ISA
County, State	UINTAH, UT	Spud Date	07-29-2008	Class Date	09-22-2008
Tax Credit	N	TVD / MD	7,640/ 7,640	Property #	062297
Water Depth	0	Last CSG	2.375	Shoe TVD / MD	6,792/ 6,792
KB / GL Elev	4,836/ 4,823				
Location	Section 10, T9S, R22E, SWSE, 533 FSL & 1825 FEL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	55.124	NRI %	46.807

AFE No	304967	AFE Total	1,307,400	DHC / CWC	694,700/ 612,700
Rig Contr	ELENBURG	Rig Name	ELENBURG #28	Start Date	02-14-2008
		Reported By	CINDY VAN RANKEN	Release Date	08-02-2008
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0
MD	0	TVD	0	Progress	0
		Days	0	MW	0.0
		Visc	0.0		
Formation :		PBTD : 0.0		Perf :	PKR Depth : 0.0

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			533' FSL & 1825' FEL (SW/SE)
			SECTION 10, T9S, R22E
			UINTAH COUNTY, UTAH
			 LAT 40.044764, LONG 109.422461 (NAD 27)
			LAT 40.044728, LONG 109.423144 (NAD 83)
			 ELENBURG #28
			OBJECTIVE: 7640' MD, WASATCH
			DW/GAS
			CHAPITA WELLS PROSPECT
			DD&A: NATURAL BUTTES
			NATURAL BUTTES FIELD
			 LEASE: UTU-0281
			ELEVATION: 4823.2' NAT GL, 4822.4' PREP GL (DUE TO ROUNDING PREP GL WILL BE 4823'), 4836' KB (13')
			 EOG WI 55.1242%, NRI 46.806575%

07-15-2008 Reported By TERRY CSERE

DailyCosts: Drilling \$50,830 **Completion** \$0 **Daily Total** \$50,830
Cum Costs: Drilling \$50,830 **Completion** \$0 **Well Total** \$50,830
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 07/15/08.

07-16-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$50,830 **Completion** \$0 **Well Total** \$50,830
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 80% COMPLETE.

07-17-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$50,830 **Completion** \$0 **Well Total** \$50,830
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

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

07-18-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$50,830 **Completion** \$0 **Well Total** \$50,830
MD 60 **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: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE. ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 07/17/08 @ 3:30 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 07/17/08 @ 2:15 PM.

07-24-2008 **Reported By** KYLAN COOK

DailyCosts: Drilling \$212,944 **Completion** \$0 **Daily Total** \$212,944
Cum Costs: Drilling \$263,774 **Completion** \$0 **Well Total** \$263,774
MD 2,402 **TVD** 2,402 **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 # 3 ON 7/20/2008. DRILLED 12-1/4" HOLE TO 2402' GL. FLUID DRILLED HOLE FROM 1200 WITH NO LOSS CIRCULATION ENCOUNTERED. RAN 56 JTS (2397.70') 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 @ 2410' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO CRAIG'S RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 2800 PSIG. PUMPED 186 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (146 BBLs) OF PREMIUM LEAD CEMENT W/0.2% VARASET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/YIELD OF 4.1 CF/SX.

TAILED IN W/300 SX (63 BBLs) OF PREMIUM CEMENT W/2 % CACL2. MIXED TAIL CEMENT TO 15.6 W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/183 BBLs FRESH WATER. BUMP PLUG W/788# @ 8:05 AM, 7/23/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 176 BBLs INTO FRESH WATER FLUSH. LOST CIRCULATION 148 BBLs INTO DISPLACEMENT. NO CEMENT TO SURFACE.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX. NO RETURNS. WOC 3 HRS 20 MIN.

TOP JOB # 2: MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX. HOLE FILLED AND STOOD FULL.

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

NO SURVEY AT THIS TIME.

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

9 5/8 CASING LEVEL RECORD: PS= 89.6 OPS= 89.7 VDS= 89.9 MS= 90.0.

DALL COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 7/21/2008 @ 11:48 AM.

07-29-2008		Reported By		MATT WILLIAMS							
Daily Costs: Drilling		\$62,826		Completion		\$0		Daily Total		\$62,826	
Cum Costs: Drilling		\$326,600		Completion		\$0		Well Total		\$326,600	
MD	2,540	TVD	2,540	Progress	130	Days	1	MW	0.0	Visc	0.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		
Activity at Report Time: DRILLING @ 2540'											
Start	End	Hrs	Activity Description								
06:00	06:30	0.5	RIG DOWN.								
06:30	07:00	0.5	SAFETY MEETING W/ HOWCROFT TRUCKING & RIG CREWS.								
07:00	12:00	5.0	RIG DOWN & MOVE TO CWU 753-10 CLEAR LOCATION @ 1000.								
12:00	15:00	3.0	SET BOP TEST DTO HEAD TO 5000 PSI. W/ FMC, RAISE DERRICK @ 09:00 SPOT TANKS,PUMPS,GROUND SUPPORT, CONT TO RIG UP TRUCKS OFF LOCATION @ 13:00.								
15:00	18:00	3.0	NIPPLE UP BOP, ROT.HEAD, CHOKE LINE, KILL LINE VALVES, HYD. HOSES, FUNCTION TEST BOP. RIG ON DAY WORK @ 15:00 HRS, 7/28/08.								
18:00	23:00	5.0	TEST BOPE AS PER PROGRAM. NOTIFIED BLM REP, JAIME SPARGER VERNAL OFFICE ON 7/28/08 @ 06:00 HRS FOR BOP TEST.								
INSIDE BOP, SAFETY VALVE, UPPER KELLY COCK 250/5000 PSI 5/10 MIN.											

HCR, CHOKE LINE, KILL LINE, 250/5000 PSI 5/10 MIN.
 CHOKE MANIFOLD, 250/5000 PSI 5/10 MIN.
 PIPE RAMS, BLIND RAMS, 250/5000 PSI 5/10 MIN.
 ANNULAR, 250/2500 PSI 5/10 MIN.
 TEST 9 5/8" CASING TO 1500 PSI 30 MIN.
 WITNESS: BRAD BIRD & RON GILES.

23:00 02:00 3.0 P/U BHA, TRIP IN HOLE, TAG CEMENT @ 2324.
 02:00 03:00 1.0 DRILL CEMENT/FLOAT EQUIP TO 2410' + 10' OF NEW HOLE.
 03:00 04:00 1.0 PERFORM FIT TEST. MWT 8.8, 215 PSI @ 2400' = 10.5 EMW. TAKE WIRELINE SURVEY 1 DEGREE.
 04:00 06:00 2.0 DRILLING FROM 2420' TO 2540', ROP 60, WOB 10/12, RPM 50, TQ 1200/1600, MWT 8.8 VIS 28.

MUD LOSS LAST 24 HRS. 0 BBLs.
 MUD WT: 8.8, VIS 28.
 ACCIDENTS NONE REPORTED.
 FUNCTION TEST CROWN-O-MATIC.
 SAFETY MEETING: MOVING RIG, TESTING BOPE.
 CREWS FULL.
 FUEL ON HAND: 2102 GALS. USED 119 GALS, 0 GAL RECIEVED.
 FORMATION TOP : MAHOGONY.
 GAS BG.20 U, CONN. 60 U.
 LITHOLOGY, SAND/ SHALE.
 MUD LOGGER UNMANED ON LOCATION F/ 7/28/08 = 1 DAY.

06:00 06:00 24.0 SPUD 7 7/8" HOLE @ 04:00 ON 7/29/08.

07-30-2008	Reported By	MATT WILLIAMS									
Daily Costs: Drilling	\$51,546	Completion	\$0	Daily Total	\$51,546						
Cum Costs: Drilling	\$378,147	Completion	\$0	Well Total	\$378,147						
MD	4,895	TVD	4,895	Progress	2,355	Days	2	MW	8.4	Visc	28.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING AT 4895'

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILLING FROM 2540' TO 3311', ROP 110, WOB 12/16, RPM 50, TQ 1200/1800.
13:00	13:30	0.5	SERVICE RIG
13:30	06:00	16.5	DRILLING FROM 3311' TO 4895', ROP 96, WOB 12/20, RPM 40/50, TQ 1200/2200, MWT 9.2, VIS 30. MUD LOSS LAST 24 HRS. 0 BBLs. MUD WT: 9.2, VIS 30. ACCIDENTS NONE REPORTED. FUNCTION TEST CROWN-O-MATIC. SAFETY MEETING: MAKING CONNECTIONS,INSPECTING DRAWWORKS. CREWS FULL. FUEL ON HAND: 5345 GALS. USED 1257 GALS, 4500 GAL RECIEVED. FORMATION TOP : WASATCH. GAS BG.50 U, CONN. 450 U. LITHOLOGY, SAND/ SHALE. MUD LOGGER UNMANED ON LOCATION F/ 7/28/08 = 2 DAYS.

06:00 18.0

07-31-2008 **Reported By** MATT WILLIAMS

DailyCosts: Drilling	\$33,204	Completion	\$0	Daily Total	\$33,204						
Cum Costs: Drilling	\$406,802	Completion	\$0	Well Total	\$406,802						
MD	6,117	TVD	6,117	Progress	1,222	Days	3	MW	9.4	Visc	30.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: DRILLING @ 6117'

Start End Hrs Activity Description

06:00	13:30	7.5	DRILLING FROM 4895' TO 5305', ROP 55, WOB 15/22, RPM 40/50, TQ 1200/2100.
13:30	14:00	0.5	SERVICE RIG.
14:00	06:00	16.0	DRILLING FROM 5305' TO 6117', ROP 51, WOB 10/24, RPM 40/60, TQ1200/2400, MWT 9.5 VIS 32. MUD LOSS LAST 24 HRS. 0 BBLS. MUD WT: 9.5, VIS 32.
ACCIDENTS NONE REPORTED.			
FUNCTION TEST CROWN-O-MATIC.			
SAFETY MEETING: UNLOADIG CASING, MIXING CHEMICAL.			
CREWS FULL.			
FUEL ON HAND: 4404 GALS. USED 941 GALS, GAL RECIEVED.			
FORMATION TOP : BUCK CANYON.			
GAS BG.50 U, CONN. 200 U.			
LITHOLOGY, SAND/ SHALE.			
MUD LOGGER UNMANED ON LOCATION F/ 7/28/08 = 3 DAYS.			

08-01-2008 **Reported By** MATT WILLIAMS

DailyCosts: Drilling	\$30,280	Completion	\$0	Daily Total	\$30,280						
Cum Costs: Drilling	\$437,083	Completion	\$0	Well Total	\$437,083						
MD	7,340	TVD	7,340	Progress	1,223	Days	4	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: DRILLING @ 7340'

Start End Hrs Activity Description

06:00	12:00	6.0	DRILLING FROM 6117 TO 6525', ROP 68, WOB 12/22, RPM 40/50, TQ 1500/2200.
12:00	12:30	0.5	SERVICE RIG
12:30	06:00	17.5	DRILLING FROM 6525' TO 7340' ROP 47, WOB 12/22, RPM 40/50, TQ 1500/2200, MWT 9.6 VIS 32. MUD LOSS LAST 24 HRS. 0 BBLS. MUD WT: 9.6, VIS 32.
ACCIDENTS NONE REPORTED.			
FUNCTION TEST CROWN-O-MATIC.			
SAFETY MEETING: PROPER PPE.			
CREWS FULL.			
FUEL ON HAND: 3218 GALS. USED 1186 GALS, GAL RECIEVED.			
FORMATION TOP : KMV PRICE RIVER.			
GAS BG.80 U, CONN. 200 U.			

LITHOLOGY, SAND/ SHALE.

MUD LOGGER UNMANED ON LOCATION F/ 7/28/08 = 4 DAYS.

08-02-2008	Reported By	MATT WILLIAMS									
DailyCosts: Drilling	\$29,972	Completion	\$0	Daily Total	\$29,972						
Cum Costs: Drilling	\$467,055	Completion	\$0	Well Total	\$467,055						
MD	7,640	TVD	7,640	Progress	300	Days	5	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: RUNNING PRODUCTION CSG

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILLING FROM 7340' TO 7640', ROP 54, WOB 18/20, RPM 45, TQ 1500/2100, MWT 9.7 VIS 32. REACHED TD @ 11:30 HRS, 8/01/08.
11:30	12:30	1.0	CIRC AND COND MUD FOR SHORT TRIP.
12:30	13:30	1.0	WIPER TRIP.
13:30	15:00	1.5	CIRCULATE AND COND, DROP SURVEY, SPOT 200 BBL, 11.2 ppg PILL. EMW = 10.2.
15:00	00:00	9.0	TRIP OUT OF HOLE LAYING DOWN DRILL PIPE AND BHA.SURVEY 2.25 DEGREES.
00:00	02:00	2.0	PULL WEAR BUSHING, HOLD PJSM W/ CSG CREW AND RIG HANDS, R/U TO RUN CSG.
02:00	06:00	4.0	RUNNING 4 1/2 PRODUCTION STRING. MUD LOSS LAST 24 HRS. 0 BBLs. MUD WT: 9.6, VIS 32. ACCIDENTS NONE REPORTED. FUNCTION TEST CROWN-O-MATIC. SAFETY MEETING: TOOH, RUNNING CSG. CREWS FULL. FUEL ON HAND: 2586 GALS. USED 632 GALS, GAL RECIEVED. TD: 7640' GAS BG.80 U, CONN. 200 U. LITHOLOGY, SAND/ SHALE. MUD LOGGER UNMANED ON LOCATION F/ 7/28/08 = 5 DAYS.

08-03-2008	Reported By	MATT WILLIAMS									
DailyCosts: Drilling	\$46,984	Completion	\$132,255	Daily Total	\$179,239						
Cum Costs: Drilling	\$514,040	Completion	\$132,255	Well Total	\$646,295						
MD	7,640	TVD	7,640	Progress	0	Days	6	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	11:30	5.5	RUN 4.5 11.6# N-80 CASING 176 JTS. + 1 MARKER JT. AS FOLLOWS FLOAT SHOE, 1 JT.CSG, FLOAT COLLAR, 71 JTS. CSG, 1 MARJER JT, 104 JTS.CSG & HANGER ASSEMBLY. FLOAT SHOE @ 7640', FLOAT COLLAR @ 7594', MARKER JT @ 4516', CENTRALIZERS 5 FT. ABOVE SHOE JT, TOP OF JT.#2 & EVERY 3 RD. JT. TOTAL 10. TAG @ 7640' CIRC. TO LAY DOWN TAG JT.
11:30	12:00	0.5	CIRCULATE & LD TAG JT. PU DOT HANGER, LAND CSG WITH 70,000#.
12:00	12:30	0.5	SAFETY MTG W/SCHLUMBERGER & RIG PERSONNEL, RU CEMENTING EQUIP.

12:30 14:00 1.5 RIG UP TEST LINES TO 5000 PSI. DROP BOTTOM PLUG PUMP 20 BBLS CHEM WASH & 20 BBLS WATER SPACER AHEAD OF LEAD AND CEMENT 7640' 4 1/2 N-80 11.6# CSG. LEAD 159 BBLS 300 SKS. G + ADDS. D020 10%EXTENDER D167 .2% FLUID LOSS D046.2% ANTIFOAM D013 .5% RATARDER D065 .5% DISPERSANT D130 .125LB/SK BLEND LOST CIRC. YIELD 2.98 FT3/SK H2O 18.2 GAL/SK@ 11.5.PPG TAIL. 216 BBLS 940 SKS 50/50 POZ G + ADDS. D020 2% EXTENDER D046 .1% ANTIFOAM D167 .2% FLUID LOSS D065 .2% DISPERSANT S001 1% ACCELERATOR. YIELD 1.29 FT3/SK H2O 5.94 GAL/SK @ 14.1 PPG. SHUTDOWN WASH OUT PUMPS & LINES DROP TOP PLUG & DISP. TO FLOAT COLLAR W/FRESH WATER.117 BBLS. AVG. DISP. RATE 8 BPM, FULL RETURNS THROUGH OUT JOB. DROP PLUG @ 13:24 BUMPED PLUG @ 13:48 TO 27000 PSI 1000 PSI OVER LIFT PSI HOLD PRESSURE FOR 1 MIN. 1. BBL. BACK, FLOAT HELD @ 13:49 CEMENT IN PLACE.

14:00 15:00 1.0 W/O CEMENT & RIG DOWN SCHLUMBERGER.

15:00 16:00 1.0 REMOVE CEMENT HEAD. LAY DOWN LANDING JT. LAND PACKOFF TEST 5000 PSI. LOOSEN DTO LOCK DOWN BOLTS W/ FMC.

16:00 20:00 4.0 NIPPLE DOWN BOPE AND CLEAN TANKS.

20:00 06:00 10.0 R/D PREPEARE FOR RIG MOVE. RIG MOVE @ 0700, 8/03/08 3 MILES TO CWU 761-22.

CCIDENTS NONE REPORTED.
 FUNCTION TEST CROWN-O-MATIC.
 SAFETY MEETING: RUN CSG, RIG MOVE.
 CREWS FULL.
 FUEL ON HAND: 1985 GALS. USED 601 GALS, 0 GAL RECIEVED.
 MUD LOGGER UNMANED ON LOCATION F/ 7/28/08 TO 8/02/08 = 6 DAYS. OFF LOCATION 8/02/08.
 RIG RELEASED AT 20:00 HRS, 8/02/08.
 CASING POINT COST \$492,766

08-06-2008		Reported By		SEARLES							
DailyCosts: Drilling		\$0		Completion		\$40,873		Daily Total		\$40,873	
Cum Costs: Drilling		\$514,040		Completion		\$173,128		Well Total		\$687,168	
MD	7,640	TVD	7,640	Progress	0	Days	7	MW	0.0	Visc	0.0
Formation :			PBTD : 7594.0			Perf :			PKR Depth : 0.0		
Activity at Report Time: PREP FOR FRACS											
Start	End	Hrs	Activity Description								
06:00		18.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 840'. EST CEMENT TOP @ 1020'. RD SCHLUMBERGER.								

08-09-2008		Reported By		MCCURDY							
DailyCosts: Drilling		\$0		Completion		\$1,724		Daily Total		\$1,724	
Cum Costs: Drilling		\$514,040		Completion		\$174,852		Well Total		\$688,892	
MD	7,640	TVD	7,640	Progress	0	Days	7	MW	0.0	Visc	0.0
Formation :			PBTD : 0.0			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.								

08-14-2008		Reported By		CARLSON							
DailyCosts: Drilling		\$0		Completion		\$1,075		Daily Total		\$1,075	
Cum Costs: Drilling		\$514,040		Completion		\$175,927		Well Total		\$689,968	
MD	7,640	TVD	7,640	Progress	0	Days	8	MW	0.0	Visc	0.0

Formation : NH, WASATCH **PBTD :** 0.0 **Perf :** 6822-7378 **PKR Depth :** 0.0

Activity at Report Time: FRAC WELL

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PERFORATE NH FROM 7203'-04', 7209'-10', 7214'-15', 7221'-22', 7289'-90', 7294'-95', 7300'-01', 7306'-07', 7370'-72', 7376'-78' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, , 2071 GAL WF120 LINEAR PAD, 4212 GAL WF120 LINEAR 1# & 1.5# SAND, 43892 GAL YF116 ST+ WITH 152400 # 20/40 SAND @ 1-4 PPG. MTP 6089 PSIG. MTR 51.5 BPM. ATP 4898 PSIG. ATR 48.9 BPM. ISIP 3400 PSIG. RD SCHLUMBERGER.
			RUWL SET 6K CFP @ 7140' & PERFORATE NH FROM 6822'-23', 6880'-81', 6885'-86', 6935'-36', 6958'-59', 6969'-70', 7024'-25', 7042'-43', 7067'-68', 7100'-01', 7115'-16', 7120'-21' @ 3 SPF @ 120° PHASING. RDWL.RU SCHLUMBERGER, FRAC DOWN CASING WITH, 165 GAL GYPTRON T-106, 0 GAL WF120 LINEAR PAD, 6308 GAL WF120 LINEAR 1# & 1.5# SAND 38477 GAL YF116 ST+ WITH 135300 # 20/40 SAND @ 1-4 PPG. MTP 6244 PSIG. MTR 50.7 BPM. ATP 4692 PSIG. ATR 47.6 BPM. ISIP 2400 PSIG. RD SCHLUMBERGER. SWIFN

08-15-2008		Reported By	CARLSON	
Daily Costs: Drilling	\$0	Completion	\$237,924	Daily Total \$237,924
Cum Costs: Drilling	\$514,040	Completion	\$413,852	Well Total \$927,892
MD	7,640	TVD	7,640	Progress 0 Days 9 MW 0.0 Visc 0.0
Formation : NH, WASATCH	PBTD : 0.0	Perf : 5539-7378	PKR Depth : 0.0	

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 1070 PSIG. RUWL. SET 6K CFP @ 6725' & PERFORATE Ba FROM 6429'-30', 6450'-51', 6471'-72', 6495'-96', 6558'-59', 6584'-85', 6604'-05', 6610'-11', 6616'-17', 6633'-34', 6670'-71', 6705'- 06' @ 3 SPF @ 120° PHASING. RDWL,RU SCHLUMBERGER, FRAC DOWN CASING WITH 6350 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND 29769 GAL YF116 ST+ WITH 103000 # 20/40 SAND @ 1-4 PPG. MTP 6074 PSIG. MTR 51.2 BPM. ATP 3416 PSIG. ATR 45.8 BPM. ISIP 1500 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 6370' & PERFORATE Ba/Ca FROM 6101'-02', 6165'-66', 6180'-81', 6195'-96', 6227'-28', 6231'-32', 6251'-52', 6273'-75', 6278'-79', 6330'-31', 6349'-50' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 8405 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND 20662 GAL YF116 ST+ WITH 77800 # 20/40 SAND @ 1-4 PPG. MTP 6662 PSIG. MTR 52.8 BPM. ATP 4062 PSIG. ATR 45.6 BPM. ISIP 1300 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 5940'. PERFORATE Ca FROM 5790'-91', 5805'-06', 5814'-15', 5833'-34', 5878'-79', 5882'-83', 5888'-89', 5896'-98', 5902'-04', 5909'-10' @ 3 SPF @ 120° PHASING RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH, 4234 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 21397 GAL YF116 ST+ WITH 75500 # 20/40 SAND @ 1-4 PPG. MTP 5525 PSIG. MTR 50.6 BPM. ATP 3302 PSIG. ATR 44.4 BPM. ISIP 1350 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 5705'. PERFORATE Ca FROM 5666'-72', 5678'-84' @ 3 SPF @ 120° PHASING. RDWL. . RU SCHLUMBERGER, FRAC DOWN CASING WITH 4222 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 21549 GAL YF116 ST+ WITH 75400 # 20/40 SAND @ 1-4 PPG. MTP 5133 PSIG. MTR 52.9 BPM. ATP 3119 PSIG. ATR 43.6 BPM. ISIP 1800 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 5590'. PERFORATE Ca FROM 5532'-34'(MIS FIRE), 5539'-41', 5544'-45', 5551'-53', 5555'-56', 5561'-63', 5568'-70' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 4212 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 39906 GAL YF116ST+ WITH 134100 # 20/40 SAND @ 1-4 PPG. MTP 4707 PSIG. MTR 53 BPM. ATP 2792 PSIG. ATR 48.1 BPM. ISIP 1740 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CBP AT 5421'. RDWL. SDFN.

08-22-2008		Reported By	HISLOP	
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FLOWED 24 HRS. 32/64" CHOKE. FTP 200 PSIG. CP 850. 17 BFPH. RECOVERED 570 BLW. 6077 BLWTR.

08-28-2008 **Reported By** CARLSON

Daily Costs: Drilling \$0 **Completion** \$2,025 **Daily Total** \$2,025

Cum Costs: Drilling \$514,040 **Completion** \$494,592 **Well Total** \$1,008,632

MD 7,640 **TVD** 7,640 **Progress** 0 **Days** 12 **MW** 0.0 **Visc** 0.0

Formation : NH, WASATCH **PBTD :** 0.0 **Perf :** 5539-7378 **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST WELL

Start **End** **Hrs** **Activity Description**

06:00 06:00 24.0 FLOWED 24 HRS. 32/64" CHOKE. FTP 170 PSIG. CP 700 PSIG. 17 BFPH. RECOVERED 328 BLW. 5749 BLWTR.

08-29-2008 **Reported By** CARLSON

Daily Costs: Drilling \$0 **Completion** \$2,025 **Daily Total** \$2,025

Cum Costs: Drilling \$514,040 **Completion** \$496,617 **Well Total** \$1,010,657

MD 7,640 **TVD** 7,640 **Progress** 0 **Days** 13 **MW** 0.0 **Visc** 0.0

Formation : NH, WASATCH **PBTD :** 0.0 **Perf :** 5539-7378 **PKR Depth :** 0.0

Activity at Report Time: WO FACILITIES

Start **End** **Hrs** **Activity Description**

06:00 06:00 24.0 FLOWED 24 HRS. 32/64" CHOKE. FTP 200 PSIG. CP 600 PSIG. 9 BFPH. RECOVERED 221 BLW. 5528 BLWTR. SI @ 6:00 AM. WO FACILITIES.

FINAL COMPLETION DATE: 08/28/08

09-23-2008 **Reported By** DUANE COOK

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

Cum Costs: Drilling \$514,040 **Completion** \$496,617 **Well Total** \$1,010,657

MD 7,640 **TVD** 7,640 **Progress** 0 **Days** 14 **MW** 0.0 **Visc** 0.0

Formation : NH, WASATCH **PBTD :** 0.0 **Perf :** 5539-7378 **PKR Depth :** 0.0

Activity at Report Time: INITIAL PRODUCTION

Start **End** **Hrs** **Activity Description**

06:00 06:00 24.0 INITIAL PRODUCTION - OPENING PRESSURE: TP 800 PSIG & CP 1000 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 11:30 AM HRS, 9/22/08. FLOWED 510 MCFD RATE ON 16/64" CHOKE. STATIC 283. QGM METER #7867.

09-24-2008 **Reported By** DUANE COOK

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

Cum Costs: Drilling \$514,040 **Completion** \$496,617 **Well Total** \$1,010,657

MD 7,640 **TVD** 7,640 **Progress** 0 **Days** 15 **MW** 0.0 **Visc** 0.0

Formation : NH, WASATCH **PBTD :** 0.0 **Perf :** 5539-7378 **PKR Depth :** 0.0

Activity at Report Time: ON SALES

Start **End** **Hrs** **Activity Description**

06:00 06:00 24.0 FLOWED 403 MCF, 10 BC & 25 BW IN 24 HRS ON 16/64 CHOKE, TP 600 PSIG, CP 1000 PSIG.

09-25-2008 **Reported By** ROGER DART

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

Cum Costs: Drilling \$514,040 **Completion** \$496,617 **Well Total** \$1,010,657

MD 7,640 **TVD** 7,640 **Progress** 0 **Days** 16 **MW** 0.0 **Visc** 0.0

Formation : NH, WASATCH **PBTD :** 0.0 **Perf :** 5539-7378 **PKR Depth :** 0.0

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 474 MCF, 0 BC & 25 BW IN 24 HRS ON 16/64" CHOKE, FTP 650 PSIG, CP 900 PSIG.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU0281

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

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

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

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface **SWSE 533FSL 1825FEL 40.04473 N Lat, 109.42314 W Lon**
 At top prod interval reported below **SWSE 533FSL 1825FEL 40.04473 N Lat, 109.42314 W Lon**
 At total depth **SWSE 533FSL 1825FEL 40.04473 N Lat, 109.42314 W Lon**

6. If Indian, Allottee or Tribe Name _____

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

8. Lease Name and Well No.
CHAPITA WELLS UNIT 753-10

9. API Well No. **43-047-39930**

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey
 or Area **Sec 10 T9S R22E Mer SLB**

12. County or Parish
UINTAH 13. State
UT

14. Date Spudded **07/17/2008** 15. Date T.D. Reached **08/01/2008** 16. Date Completed
 D & A Ready to Prod.
09/22/2008

17. Elevations (DF, KB, RT, GL)*
4823 GL

18. Total Depth: **MD 7640** 19. Plug Back T.D.: **MD 7594** 20. Depth Bridge Plug Set: **MD TVD**

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

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	2410		700		0	
7.875	4.500 N-80	11.6	0	7640		1240		1020	

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	6792							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	5539	7378	7203 TO 7378		3	
B)			6822 TO 7121		3	
C)			6429 TO 6706		3	
D)			6101 TO 6350		3	

26. Perforation Record **5539**

Depth Interval	Amount and Type of Material
7203 TO 7378	50,340 GALS GELLED WATER & 152,400# 20/40 SAND
6822 TO 7121	44,950 GALS GELLED WATER & 135,300# 20/40 SAND
6429 TO 6706	36,119 GALS GELLED WATER & 103,000# 20/40 SAND
6101 TO 6350	29,067 GALS GELLED WATER & 77,800# 20/40 SAND

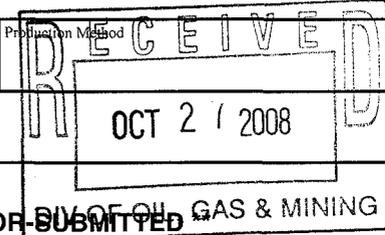
27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
09/22/2008	09/29/2008	24	→	15.0	435.0	60.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
14/64	550	900.0	→	15	435	60		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. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

(See Instructions and spaces for additional data on reverse side)
 ELECTRONIC SUBMISSION #64067 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED**



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
WASATCH	5539	7378		GREEN RIVER MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE ROVER	1907 2531 4784 4918 5521 6200 7432

32. Additional remarks (include plugging procedure):

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 #64067 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal**

Name (please print) MICKENZIE THACKER Title OPERATIONS CLERK

Signature  Date 10/22/2008

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

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

Chapita Wells Unit 753-10 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

5790-5910	3/SPF
5666-5684	3/SPF
5539-5570	3/SPF

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

5790-5910	25,631 GALS GELLED WATER & 75,500# 20/40 SAND
5666-5684	25,771 GALS GELLED WATER & 75,400# 20/40 SAND
5539-5570	44,118 GALS GELLED WATER & 134,100# 20/40 SAND

Perforated the North Horn from 7203-04', 7209-10', 7214-15', 7221-22', 7289-90', 7294-95', 7300-01', 7306-07', 7370-72', 7376-78' w/ 3 spf.

Perforated the North Horn from 6822-23', 6880-81', 6885-86', 6935-36', 6958-59', 6969-70', 7024-25', 7042-43', 7067-68', 7100-01', 7115-16', 7120-21' w/ 3 spf.

Perforated the Ba from 6429-30', 6450-51', 6471-72', 6495-96', 6558-59', 6584-85', 6604-05', 6610-11', 6616-17', 6633-34', 6670-71', 6705-06' w/ 3 spf.

Perforated the Ba/Ca from 6101-02', 6165-66', 6180-81', 6195-96', 6227-28', 6231-32', 6251-52', 6273-75', 6278-79', 6330-31', 6349-50' w/ 3 spf.

Perforated the Ca from 5790-91', 5805-06', 5814-15', 5833-34', 5878-79', 5882-83', 5888-89', 5896-98', 5902-04', 5909-10' w/ 3 spf.

Perforated the Ca from 5666-72', 5678-84' w/ 3 spf.

Perforated the Ca from 5539-41', 5544-45', 5551-53', 5555-56', 5561-63', 5568-70' w/ 3 spf.

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

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 753-10

API number: 4304739930

Well Location: QQ SWSE Section 10 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

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

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

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

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

NAME (PLEASE PRINT) Mickenzie Thacker

TITLE Operations Clerk

SIGNATURE *Mickenzie Thacker*

DATE 10/21/2008

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU0281

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CHAPITA WELLS UNIT 753-10

9. API Well No.
43-047-39930

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

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

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

3b. Phone No. (include area code)
Ph: 303-824-5526
Fx: 303-824-5527

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 10 T9S R22E SWSE 533FSL 1825FEL
40.04473 N Lat, 109.42314 W Lon

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

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

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

The reserve pit on the referenced location was closed as per the APD procedure.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #69749 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal

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

Signature *Mary A. Maestas* Date 05/05/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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

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

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

RECEIVED

MAY 07 2009