

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. UTU01458
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 744-01
3b. Phone No. (include area code) Ph: 303-824-5526		9. API Well No. 43047-39935
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface NESW 1941FSL 1776FWL 40.06316 N Lat, 109.39147 W Lon At proposed prod. zone NESW 1941FSL 1776FWL 40.06316 N Lat, 109.39147 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES/WASATCH
14. Distance in miles and direction from nearest town or post office* 37.6 MILES SOUTH OF VERNAL, UT		11. Sec., T., R., M., or Blk. and Survey or Area Sec 1 T9S R22E Mer SLB
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 699'	16. No. of Acres in Lease 320.00	12. County or Parish UINTAH COUNTY
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1470'	19. Proposed Depth 7670 MD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4806 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) <i>Mary A. Maestas</i>	Name (Printed/Typed) MARY A. MAESTAS Ph: 303-824-5526	Date 02/01/2008
Title REGULATORY ASSISTANT		
Approved by (Signature) <i>Bradley G. Hill</i>	Name (Printed/Typed) BRADLEY G. HILL	Date 02-11-08
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 #58390 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal

Federal Approval of this  
Action is Necessary

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44357964  
40.063143  
- 109.390815

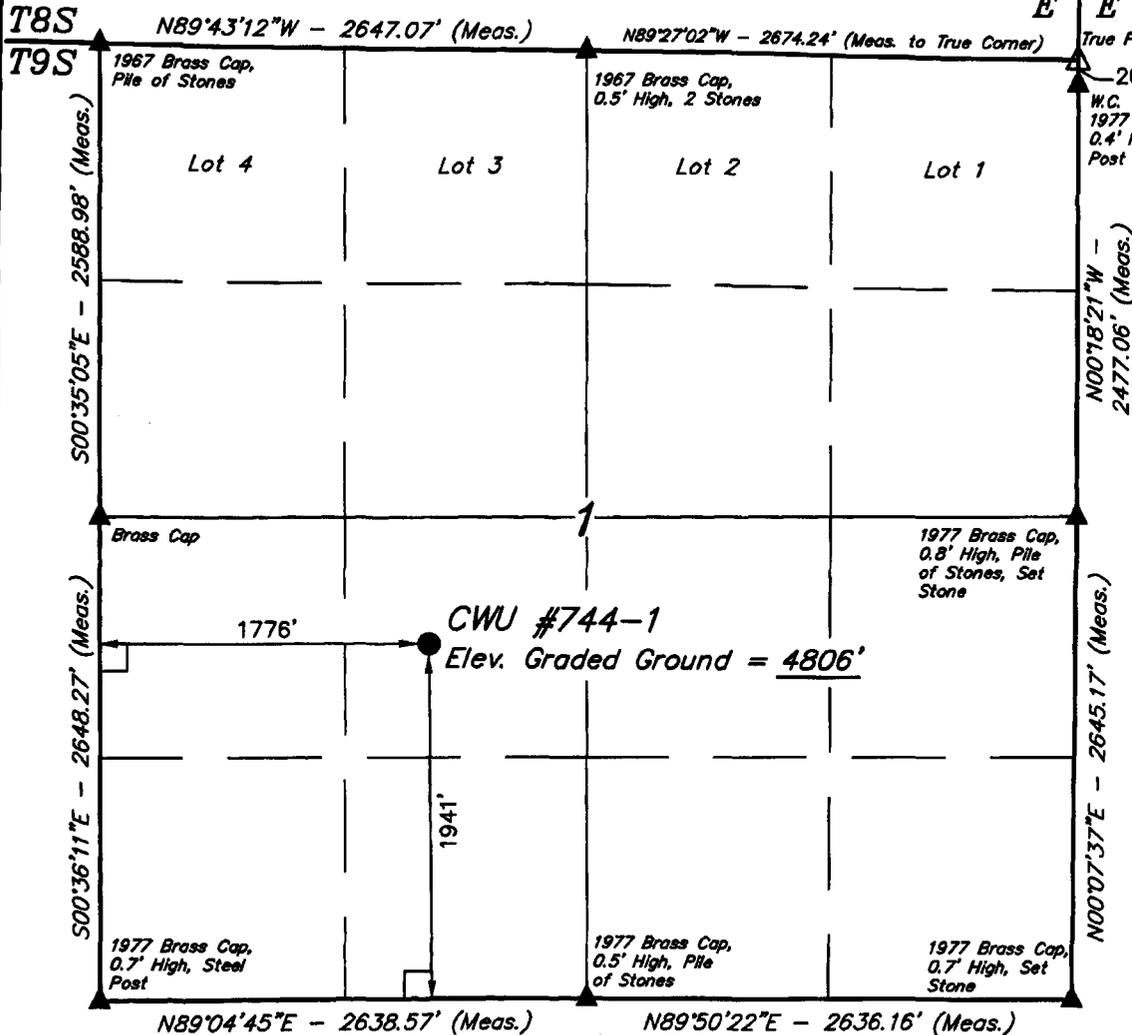
\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

RECEIVED  
FEB 04 2008  
DIV. OF OIL, GAS & MINING

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

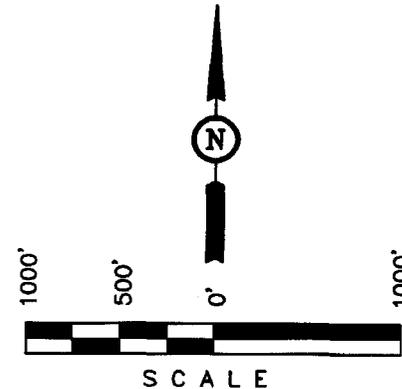
EOG RESOURCES, INC.

Well location, CWU #744-1, located as shown in the NE 1/4 SW 1/4 of Section 1, T9S, R22E, S.L.B.&M. Uintah County, Utah.



**BASIS OF ELEVATION**

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



CERTIFIED  
 REGISTERED LAND SURVEYOR  
 STATE OF UTAH  
 REGISTRATION NO. 16510  
 ROBERT L. KAY

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

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

(NAD 83)  
 LATITUDE = 40°03'47.36" (40.063156)  
 LONGITUDE = 109°23'29.30" (109.391472)  
 (NAD 27)  
 LATITUDE = 40°03'47.49" (40.063192)  
 LONGITUDE = 109°23'26.84" (109.390789)

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

<b>UINTAH ENGINEERING &amp; LAND SURVEYING</b> 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 10-25-07	DATE DRAWN: 12-11-07
PARTY C.R. C.P. L.K.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 744-01**  
**NE/SW, SEC. 1, T9S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>TVD-RKB (ft)</b>	<b>Objective</b>	<b>Lithology</b>	
Green River	1,958		Shale	
Wasatch	4,970	Primary	Sandstone	Gas
Chapita Wells	5,571	Primary	Sandstone	Gas
Buck Canyon	6,230	Primary	Sandstone	Gas
North Horn	6,926	Primary	Sandstone	Gas
KMV Price River	7,469		Sandstone	
<b>TD</b>	<b>7,670</b>			

Estimated TD: 7,670' or 200'± TD

**Anticipated BHP: 4,188 Psig**

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

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
 BOP schematic diagrams attached.

**4. CASING PROGRAM:**

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

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

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

## **EIGHT POINT PLAN**

### **CHAPITA WELLS UNIT 744-01** **NE/SW, SEC. 1, 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 5<sup>th</sup> joint to surface. (15 total)

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

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

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

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

Air/air mist or aerated water.

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

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

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

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

## EIGHT POINT PLAN

### CHAPITA WELLS UNIT 744-01 NE/SW, SEC. 1, T9S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

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

#### 8. EVALUATION PROGRAM:

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

#### 9. CEMENT PROGRAM:

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

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

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

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

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

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

## **EIGHT POINT PLAN**

### **CHAPITA WELLS UNIT 744-01** **NE/SW, SEC. 1, T9S, R22E, S.L.B.&M..** **UINTAH COUNTY, UTAH**

**Lead:** 153 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 560 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

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

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

#### **10. ABNORMAL CONDITIONS:**

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

Lost circulation

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

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

#### **11. STANDARD REQUIRED EQUIPMENT:**

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

#### **12. HAZARDOUS CHEMICALS:**

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

#### **13. AIR DRILLING OPERATIONS:**

- Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.

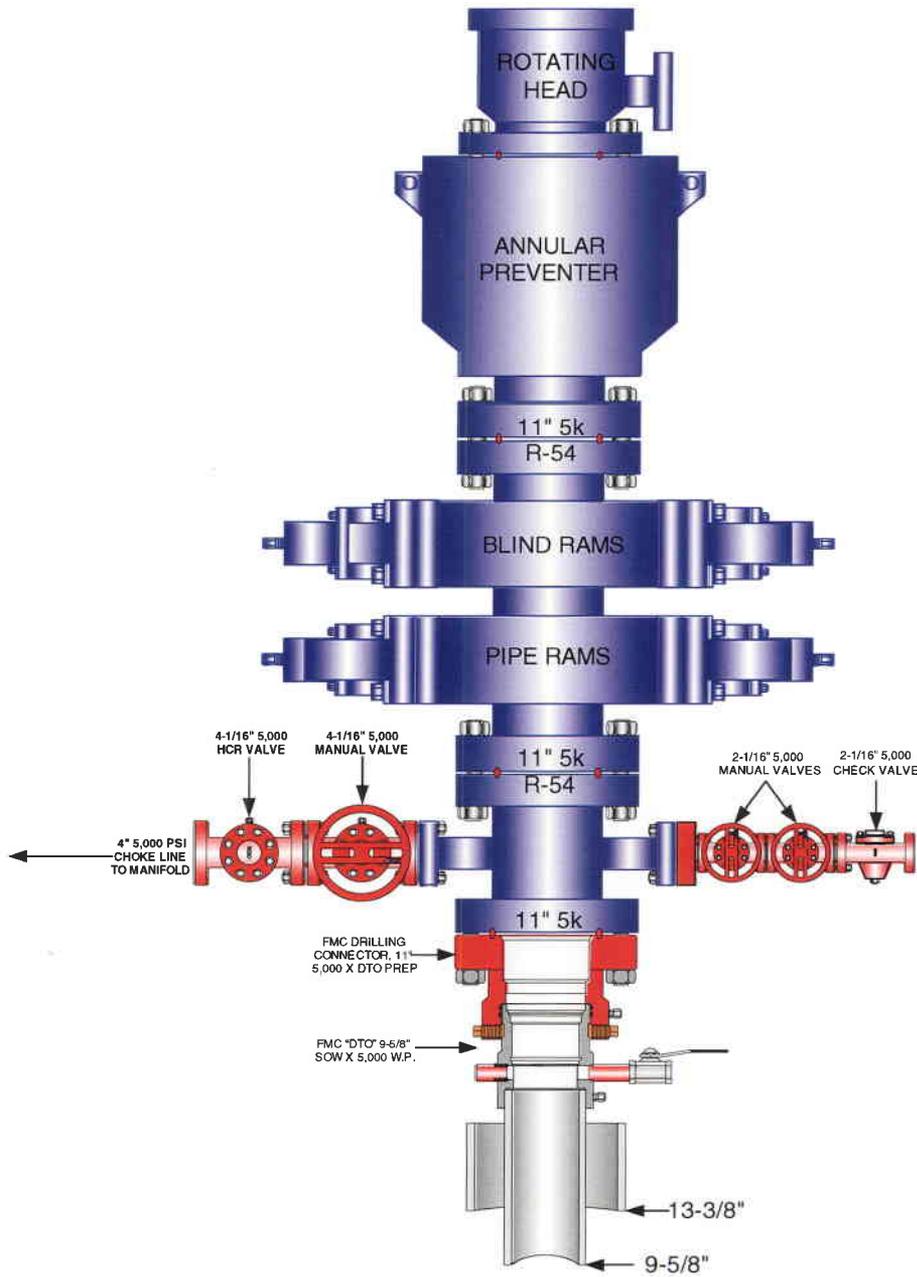
## **EIGHT POINT PLAN**

### **CHAPITA WELLS UNIT 744-01** **NE/SW, SEC. 1, T9S, R22E, S.L.B.&M..** **UINTAH COUNTY, UTAH**

- Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
- The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
- Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
- EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

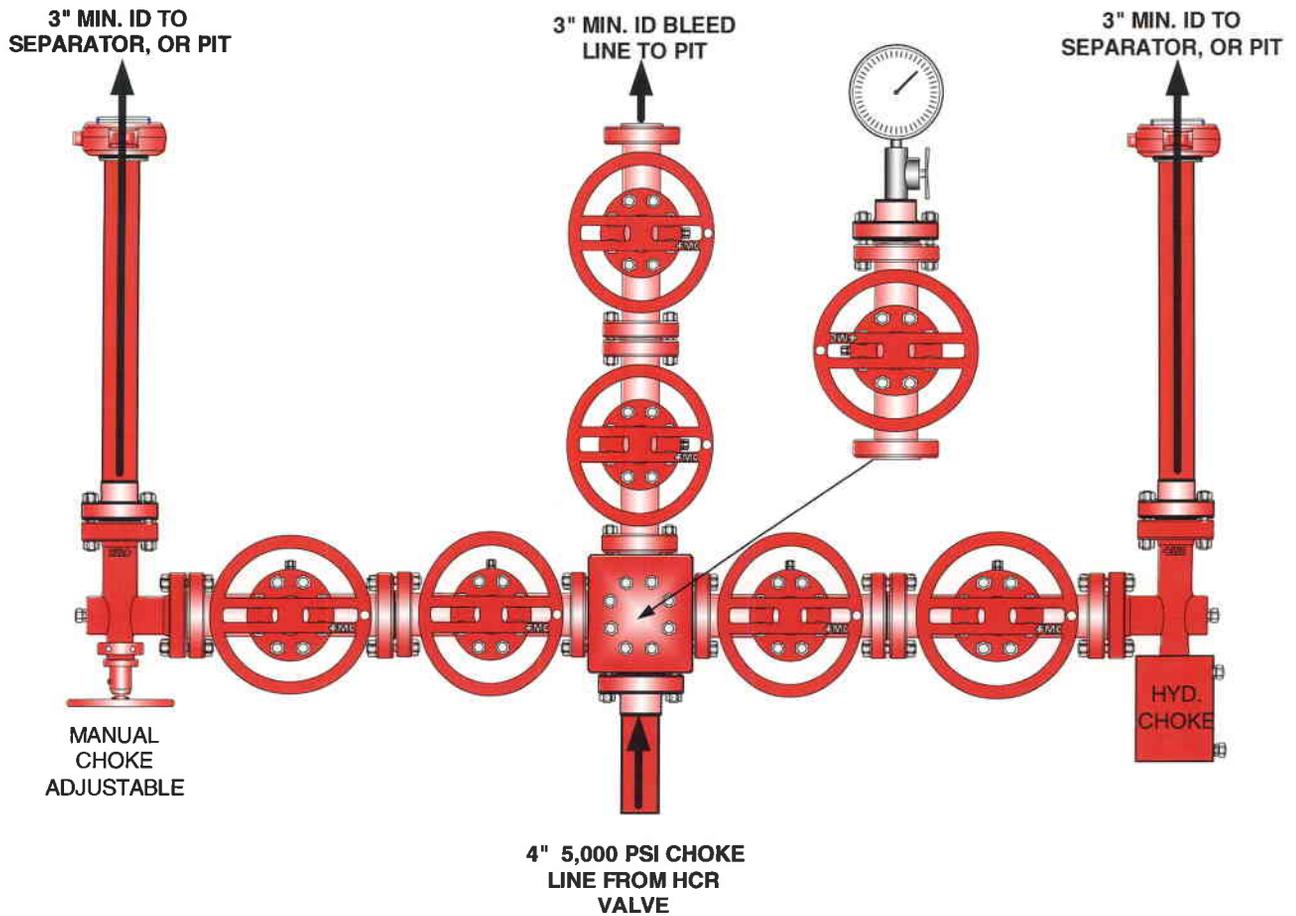
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF 2



**Testing Procedure:**

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



**Chapita Wells Unit 744-01  
NESW, Section 1, 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 37.6 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 672-01 will be used to access the proposed location. No new road will be required.
- B. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

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

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

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

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

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

**A. On Well Pad**

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

**B. Off Well Pad**

1. No new off-pad pipeline will be required. The existing pipeline for the Chapita Wells Unit 672-01 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 felt, and a 16-millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) will be used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

**8. ANCILLARY FACILITIES:**

None anticipated.

**9. WELL SITE LAYOUT:**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the east corner of the location. The flare pit will be located downwind of the prevailing wind direction on the southeast 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 northeast.

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

**The location will be narrowed between Corners #1 and #2 to protect the existing road.**

**FENCING REQUIREMENTS:**

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

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

E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

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

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

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

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

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

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

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

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

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

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

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

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

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

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
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 paleontology survey was conducted and will be submitted by Intermountain Paleo.

**Additional Surface Stipulations:**

None.

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

**PERMITTING AGENT**

Mary A. Maestas  
EOG Resources, Inc.  
P.O. Box 1815  
Vernal, UT 84078  
(435) 781-9111

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

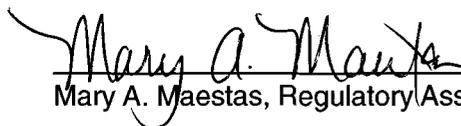
The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

**CERTIFICATION:**

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

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 744-01 Well, located in the NESW, of Section 1, 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.

February 1, 2008  
Date

  
\_\_\_\_\_  
Mary A. Maestas, Regulatory Assistant

Date of onsite: January 24, 2008

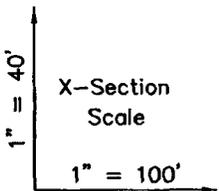


**EOG RESOURCES, INC.**

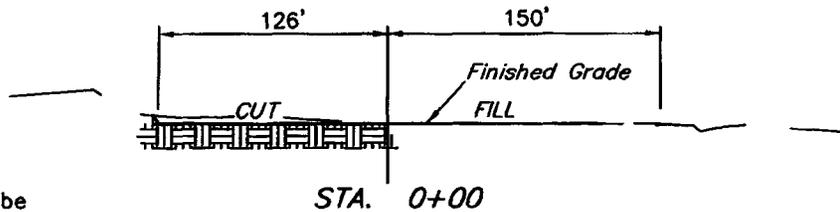
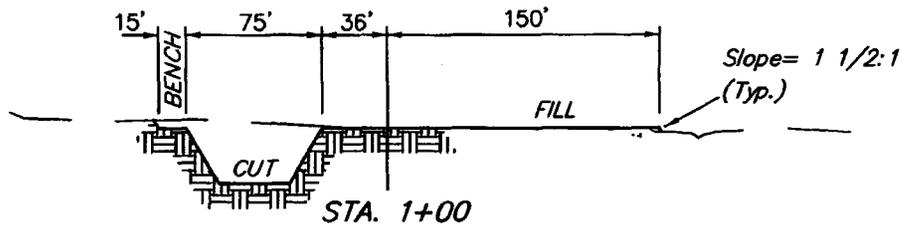
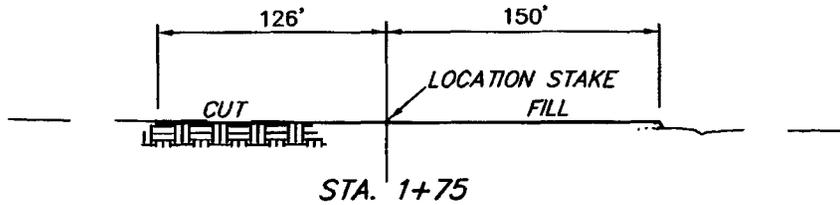
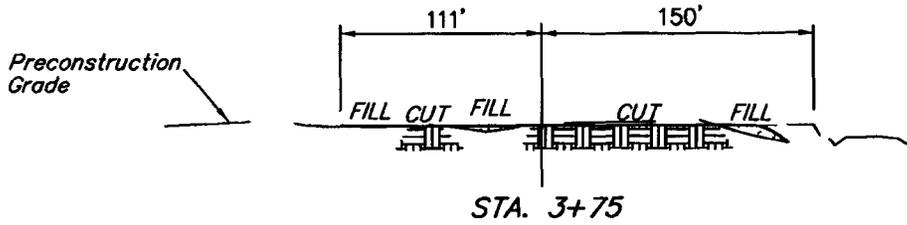
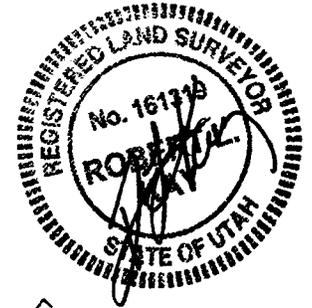
**FIGURE #2**

**TYPICAL CROSS SECTIONS FOR**

**CWU #744-1  
SECTION 1, T9S, R22E, S.L.B.&M.  
1941' FSL 1776' FWL**



DATE: 12-11-07  
DRAWN BY: L.K.



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

**APPROXIMATE YARDAGES**

<b>CUT</b>	
(6") Topsoil Stripping	= 1,140 Cu. Yds.
(New Construction Only)	
Remaining Location	= 5,000 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 6,140 CU.YDS.</b>
<b>FILL</b>	<b>= 2,320 CU.YDS.</b>

**\* NOTE:**  
FILL QUANTITY INCLUDES 5% FOR COMPACTION

EXCESS MATERIAL	= 3,820	Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,160	Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 660	Cu. Yds.

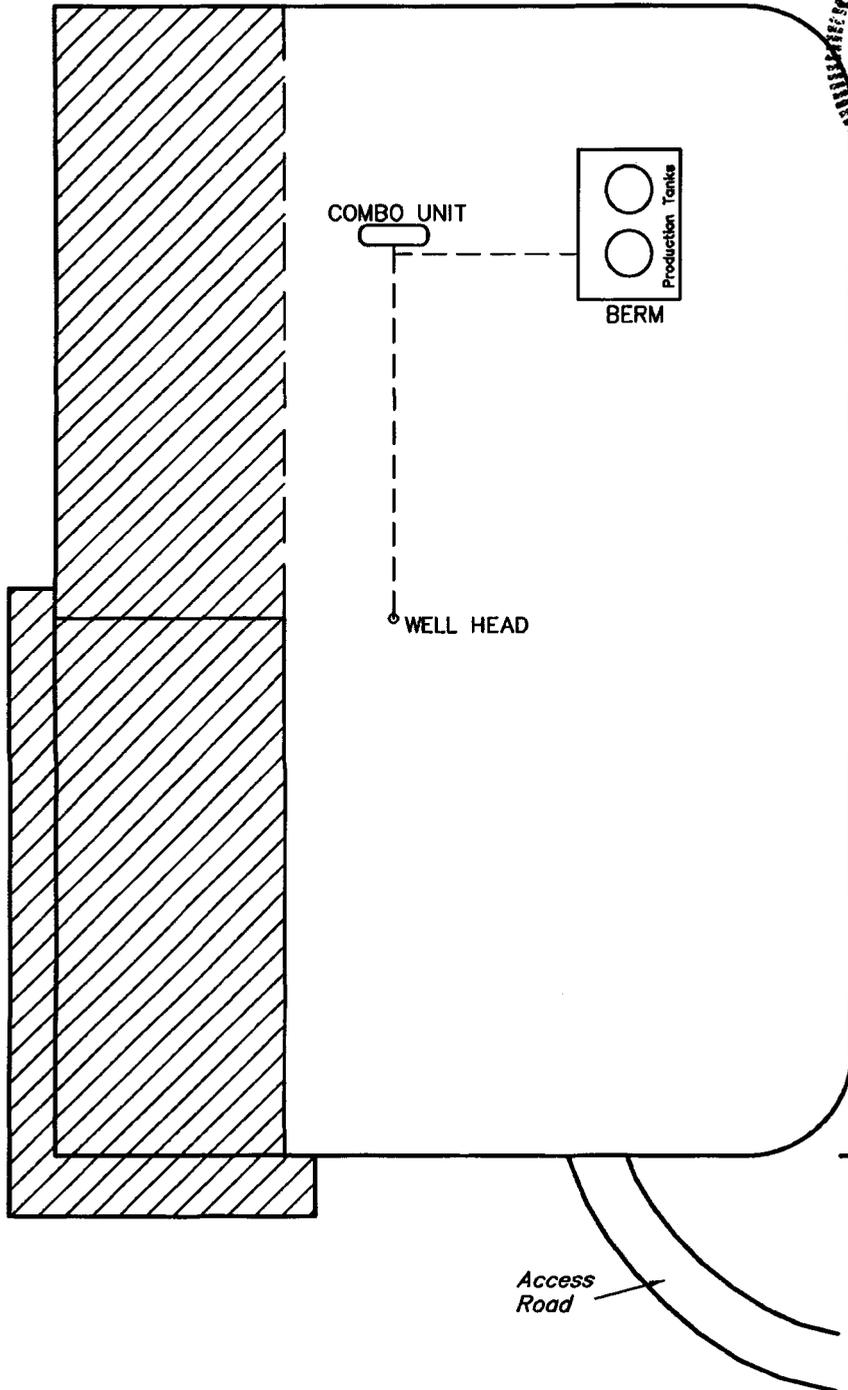
**UINTAH ENGINEERING & LAND SURVEYING**  
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

**EOG RESOURCES, INC.**  
**PRODUCTION FACILITY LAYOUT FOR**

CWU #744-1  
SECTION 1, T9S, R22E, S.L.B.&M.  
1941' FSL 1776' FWL

**FIGURE #3**

SCALE: 1" = 60'  
DATE: 12-11-07  
DRAWN BY: L.K.



 RE-HABED AREA

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

# EOG RESOURCES, INC.

CWU #744-1

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

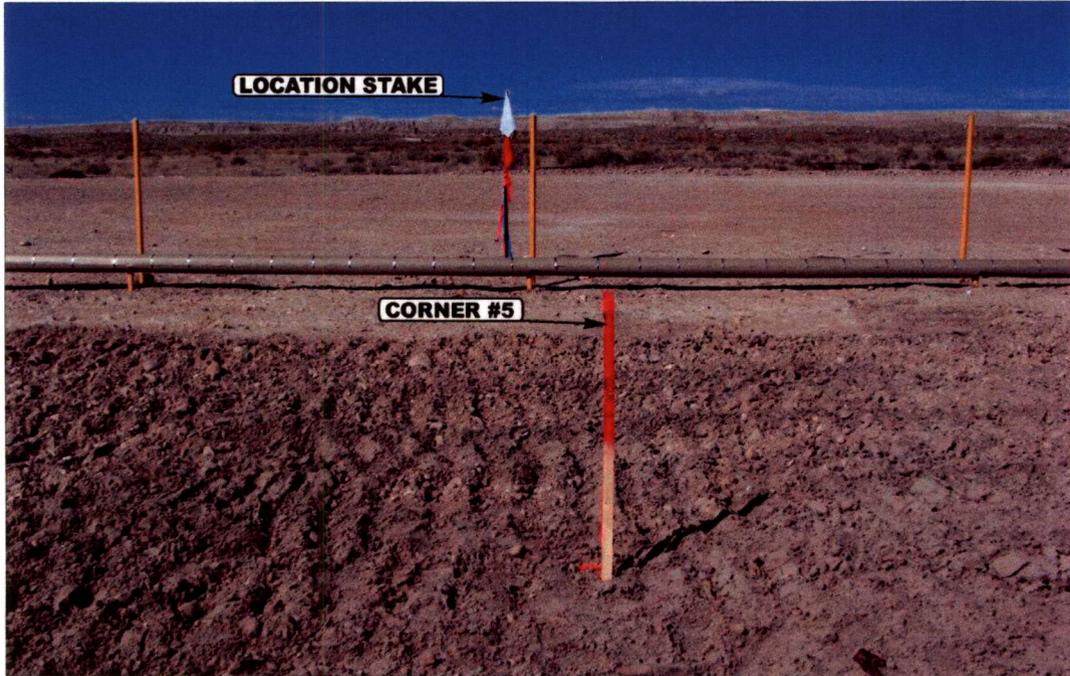


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

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**

**10 26 07**  
MONTH DAY YEAR

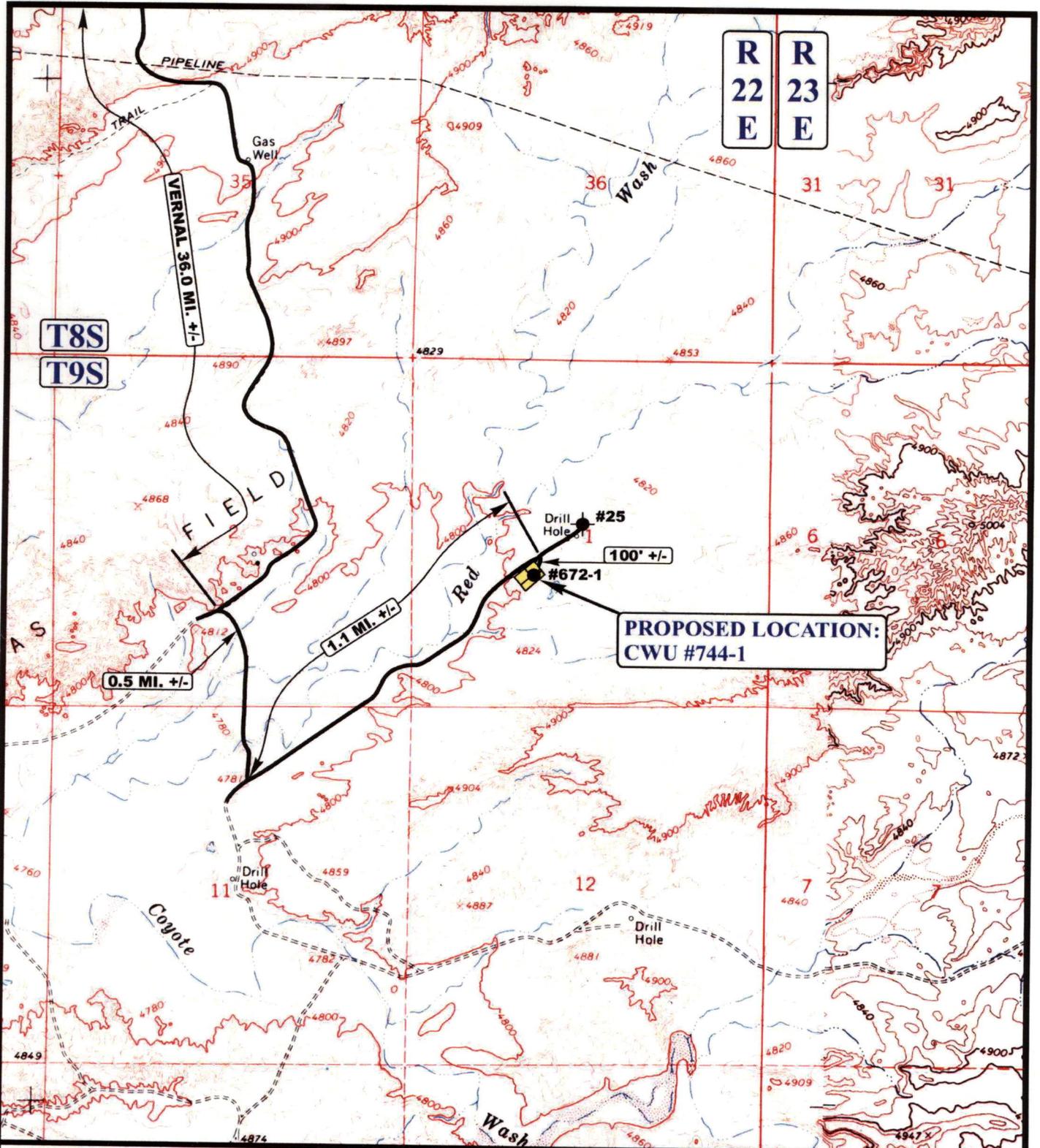
**PHOTO**

TAKEN BY: C.R.

DRAWN BY: C.P.

REVISED: 00-00-00





**LEGEND:**

— EXISTING ROAD



**EOG RESOURCES, INC.**

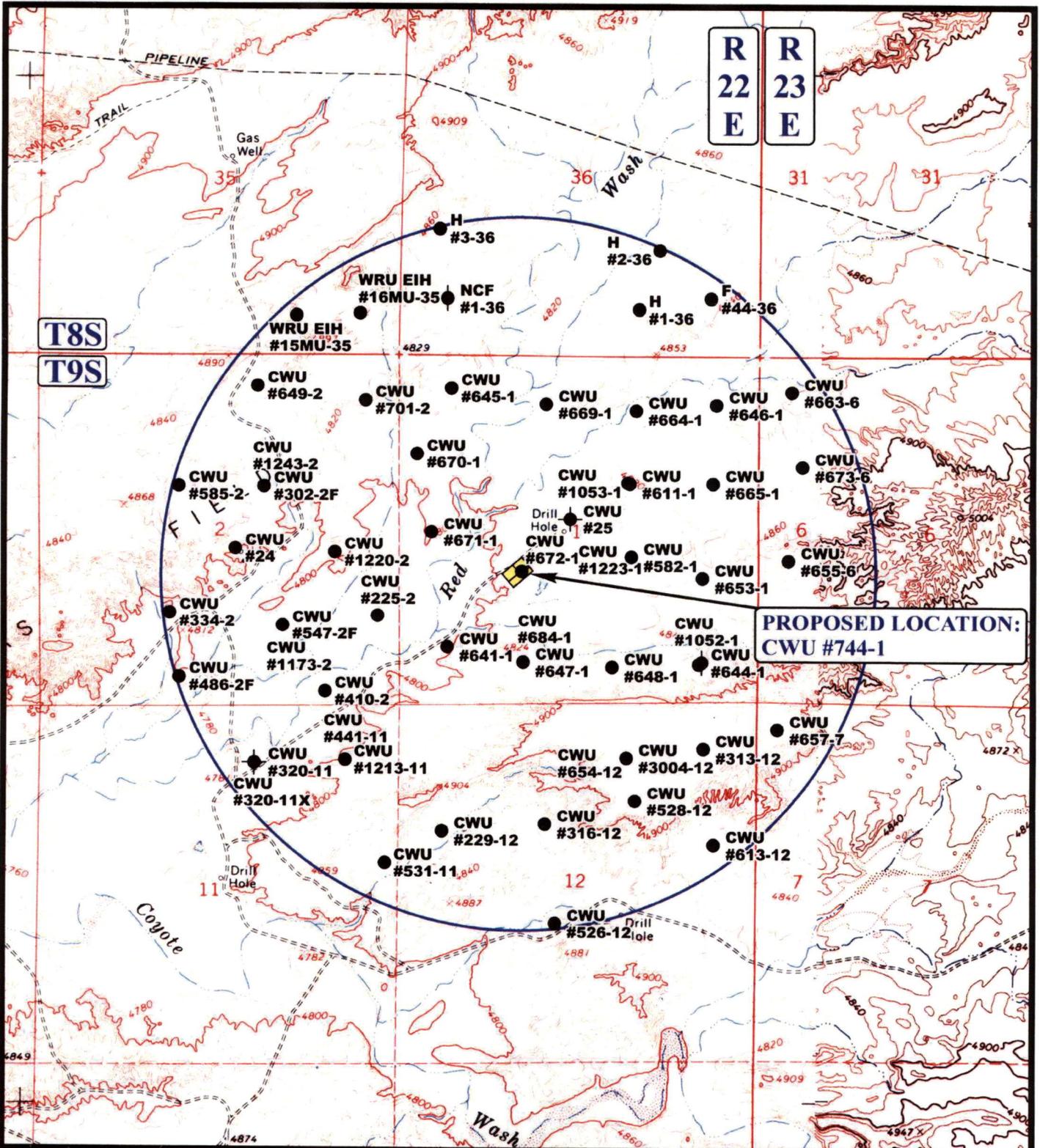
CWU #744-1  
 SECTION 1, T9S, R22E, S.L.B.&M.  
 1941' FSL 1776' FWL



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

**TOPOGRAPHIC MAP**  
 10 26 07  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





**LEGEND:**

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

**EOG RESOURCES, INC.**

CWU #744-1  
SECTION 1, T9S, R22E, S.L.B.&M.  
1941' FSL 1776' FWL

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

**TOPOGRAPHIC MAP** 10 26 07  
MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 02/04/2008

API NO. ASSIGNED: 43-047-39935

WELL NAME: CWU 744-01  
 OPERATOR: EOG RESOURCES, INC. ( N9550 )  
 CONTACT: MARY MAESTAS

PHONE NUMBER: 303-824-5526

PROPOSED LOCATION:

NESW 01 090S 220E  
 SURFACE: 1941 FSL 1776 FWL  
 BOTTOM: 1941 FSL 1776 FWL  
 COUNTY: UINTAH  
 LATITUDE: 40.06314 LONGITUDE: -109.3908  
 UTM SURF EASTINGS: 637240 NORTHINGS: 4435796  
 FIELD NAME: NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU01458  
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSTC  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

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

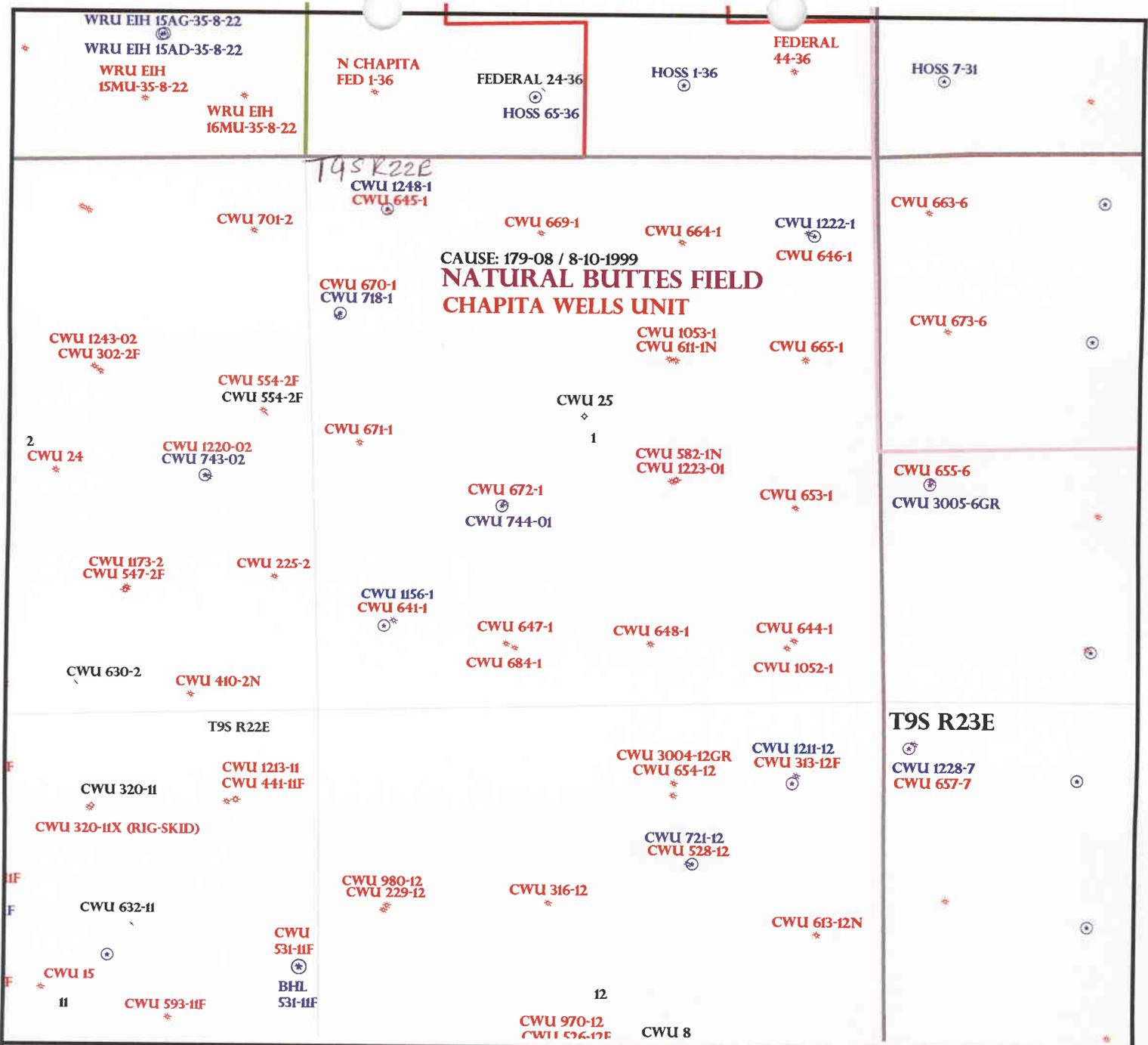
LOCATION AND SITING:

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

COMMENTS:

STIPULATIONS:

1- Fed. Op. Approval  
2- OIL SHALE



OPERATOR: EOG RESOURCES INC (N9550)  
 SEC: 1 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: 07-FEBRUARY-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)

February 8, 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)		
43-047-39936	CWU 740-03 Sec 03	T09S R22E 0589 FNL 2072 FWL
43-047-39937	CWU 741-03 Sec 03	T09S R22E 0868 FSL 0503 FWL
43-047-39938	CWU 754-10 Sec 10	T09S R22E 2414 FNL 0308 FWL
43-047-39935	CWU 744-01 Sec 01	T09S R22E 1941 FSL 1776 FWL
43-047-39934	CWU 759-25 Sec 25	T09S R22E 0650 FNL 1834 FEL
43-047-39939	CWU 745-06 Sec 06	T09S R23E 0490 FSL 1959 FWL
43-047-39940	CWU 748-07 Sec 07	T09S R23E 1960 FSL 0702 FEL
43-047-39941	CWU 747-07 Sec 07	T09S R23E 0604 FSL 1866 FEL

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:2-8-08



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*

February 11, 2008

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

Re: Chapita Wells Unit 744-01 Well, 1941' FSL, 1776' FWL, NE SW, Sec. 1, 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 43-047-39935.

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 744-01

**API Number:** 43-047-39935

**Lease:** UTU01458

**Location:** NE SW                      **Sec. 1**                      **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

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. UTU01458
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. UTU63013X AE
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 303-824-5526	8. Lease Name and Well No. CWU 744-01
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NESW 1941FSL 1776FWL 40.06316 N Lat, 109.39147 W Lon At proposed prod. zone NESW 1941FSL 1776FWL 40.06316 N Lat, 109.39147 W Lon		9. API Well No. 43 047 39935
14. Distance in miles and direction from nearest town or post office* 37.6 MILES SOUTH OF VERNAL, UT		10. Field and Pool, or Exploratory NATURAL BUTTES
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 699'	16. No. of Acres in Lease 320.00	11. Sec., T., R., M., or Blk. and Survey or Area Sec 1 T9S R22E Mer SLB SME: BLM
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1470'	19. Proposed Depth 7670 MD	12. County or Parish UINTAH
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4806 GL	22. Approximate date work will start	13. State UT
23. Estimated duration 45 DAYS		17. Spacing Unit dedicated to this well
20. BLM/BIA Bond No. on file NM2308		

24. Attachments

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

- |   |  |
|---|--|
| 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 02/01/2008
Title REGULATORY ASSISTANT		
Approved by (Signature) <i>Matt Baker</i>	Name (Printed/Typed) MATT BAKER	Date MAY 22 2008
Title Acting Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

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

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

Additional Operator Remarks (see next page)

Electronic Submission #58390 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal  
Committed to AFMSS for processing by CINDY SEVERSON on 02/01/2008 (08CX50089AE)

RECEIVED

JUN 16 2008

DIV. OF OIL, GAS & MINING

UDDG M

\*\* BLM REVISED \*\*

NOS 12/13/2007

08MIC0157AE

Posted 12/14/07



**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 744-01  
**API No:** 43-047-39935

**Location:** NESW, Sec. 1, T9S, R22E  
**Lease No:** UTU-01458  
**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/Enviro Scientist:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:		(435) 781-4475	(435) 828-4029
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:		(435) 781-4476	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7482
NRS/Enviro Scientist:		(435) 781-3400	(435) 828-3544
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	(435) 828-4029
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

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

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

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

**NOTIFICATION REQUIREMENTS**

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

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

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.
- Bury pipeline at all low water crossings.
- Permission from an authorized BLM representative would be required if construction or other operations occur during wet conditions that would lead to excessive rutting.
- Permission to clear all wildlife stipulations will only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.
- Culverts and gravel may be installed as needed.

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

**SITE SPECIFIC DOWNHOLE COAs:**

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

Onshore Order no. #2 Drilling Operations III. E. 1.

- 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.  
variance(s) to Onshore Order #2 Drilling Operations III. E.
  - requirement for deduster equipment
    - requirement waived for deduster equipment  
Deduster equipment capabilities described by operator as function performed by continuous sprayer water mist
  - automatic ignitor or continuous pilot light on the blooie line
    - requirement waived for ignitor and pilot light  
operators blooie line output fluid stream is an incombustible aerated water system  
blooie line fire prevention and suppression function operation achieved thru continuous aerated water fluid stream flow
  - compressors located in opposite direction from the blooie line a minimum of 100 feet
    - Compressors are truck mounted. Operators standard practice is to rig up with truck mounted compressors oriented ninety degrees to blooie line. Compressors are truck mounted with spark arresters.
- Conductor casing shall be set into competent formation at a depth of 60 ft, plus or minus 10 ft.  
COA specification is consistent with operators performance standard (operators shallow surface operations covered in part 13 Air Drilling Operations) stated in APD.

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

**DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.

- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

## OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location ( $\frac{1}{4}$  Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or

data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
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.  
UTU01458

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 744-01

9. API Well No.  
43-047-39935

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 1 T9S R22E NESW 1941FSL 1776FWL  
40.06319 N Lat, 109.39079 W Lon

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

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

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

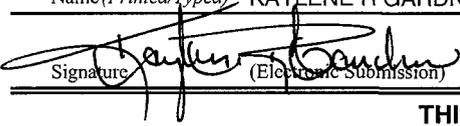
The referenced well spud on 8/23/2008.

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

**Electronic Submission #62616 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) KAYLENE R GARDNER

Title REGULATORY ADMINISTRATOR

Signature  (Electronic Submission)

Date 08/28/2008

**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**

**SEP 02 2008**

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

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

FORM 6

**ENTITY ACTION FORM**

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

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39935	CHAPITA WELLS UNIT 744-01		NESW	1	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	99999	<i>4905</i>	8/23/2008		<i>9/22/08</i>		
Comments: <u>WASATCH WELL</u>							

**Well 2**

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

**Well 3**

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

**ACTION CODES:**

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

Mickenzie Thacker

Name (Please Print)

*Mickenzie Thacker*

Signature

Operations Clerk

8/29/2008

Title

Date

**RECEIVED**

SEP 02 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.  
UTU01458

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 744-01

9. API Well No.  
43-047-39935

10. Field and Pool, or Exploratory  
NATURAL BUTTES

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 1 T9S R22E NESW 1941FSL 1776FWL  
40.06316 N Lat, 109.39147 W Lon

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

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

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

The referenced well was turned to sales on 11/17/2008. 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 #64900 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 11/19/2008

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

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

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

Office \_\_\_\_\_

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

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

**RECEIVED**  
NOV 24 2008

DIV OF OIL, GAS & MINING

**WELL CHRONOLOGY  
REPORT**

**Report Generated On: 11-18-2008**

<b>Well Name</b>	CWU 744-01	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-39935	<b>Well Class</b>	1SA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	09-23-2008	<b>Class Date</b>	11-17-2008
<b>Tax Credit</b>	N	<b>TVD / MD</b>	7,670/ 7,670	<b>Property #</b>	062288
<b>Water Depth</b>	0	<b>Last CSG</b>	2.375	<b>Shoe TVD / MD</b>	5,685/ 5,685
<b>KB / GL Elev</b>	4,819/ 4,806				
<b>Location</b>	Section 1, T9S, R22E, NESW, 1941 FSL & 1776 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	55.0659	<b>NRI %</b>	46.768891

<b>AFE No</b>	304958	<b>AFE Total</b>	1,307,600	<b>DHC / CWC</b>	694,700/ 612,900
<b>Rig Contr</b>	ELENBURG	<b>Rig Name</b>	ELENBURG #28	<b>Start Date</b>	02-28-2008
<b>02-28-2008</b>	<b>Reported By</b>	CINDY VAN RANKEN			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time: LOCATION DATA**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			1941' FSL & 1776' FWL (NE/SW)
			SECTION 1, T9S, R22E
			UINTAH COUNTY, UTAH
			LAT 40.063156, LONG 109.391472 (NAD 83)
			LAT 40.063192, LONG 109.390789 (NAD 27)
			ELENBURG #28
			OBJECTIVE: 7670' TD, WASATCH
			DW/GAS
			OBJECTIVE: CHAPITA WELLS PROSPECT
			DD&A: NATURAL BUTTES
			NATURAL BUTTES FIELD
			LEASE: UTU-01458
			ELEVATION: 4805.6' NAT GL, 4805.5' PREP GL (DUE TO ROUNDING PREP GL IS 4806'), 4819' KB (13')
			EOG WI 55.0659%, NRI 46.768891%

**08-15-2008**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** LOCATION DATA

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

**08-18-2008**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 50% COMPLETE.

**08-19-2008**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

**08-20-2008**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

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

**08-21-2008**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

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

**08-22-2008**      **Reported By**      TERRY CSERE



TOP JOB # 3: MIXED & PUMPED 200 SX (41 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

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

MIRU GLENN'S WIRELINE SERVICE. RAN IN HOLE WITH STRAIGHT HOLE SURVEY. TAGGED CEMENT AT 2491' G.L. PICKED UP TO 2471' AND TOOK SURVEY — BULLS EYE.

CONDUCTOR LEVEL RECORD: PS= 89.8 OPS= 89.9 VDS= 89.8 MS= 89.7.

9 5/8 CASING LEVEL RECORD: PS= 89.8 OPS= 89.7 VDS= 89.7 MS= 89.8.

JERRY BARNES EMAILED NOTIFICATION TO BLM OF THE SURFACE CASING & CEMENT JOB ON 8/27/2008 @ 12:17 PM.

<b>09-23-2008</b>		<b>Reported By</b>		<b>MATT WILLIAMS</b>							
<b>Daily Costs: Drilling</b>		\$80,472		<b>Completion</b>		\$0		<b>Daily Total</b>		\$80,472	
<b>Cum Costs: Drilling</b>		\$404,467		<b>Completion</b>		\$0		<b>Well Total</b>		\$404,467	
<b>MD</b>	3,124	<b>TVD</b>	3,124	<b>Progress</b>	579	<b>Days</b>	1	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>			<b>PBTD : 0.0</b>			<b>Perf :</b>			<b>PKR Depth : 0.0</b>		
<b>Activity at Report Time: DRILLING @ 3124'</b>											

Start	End	Hrs	Activity Description
06:00	06:30	0.5	RIG DOWN.
06:30	07:00	0.5	HOLD PJSM WITH HOWCROFT AND RIG CREW.
07:00	11:00	4.0	RIG DOWN & MOVE TO CWU 744-01 CLEAR LOCATION @ 1000. RIG MOVE 3.5 MILES.
11:00	13:00	2.0	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 @ 12:00. RIG ON DAY WORK @ 13:00 HRS, 9/22/08.
13:00	16:00	3.0	NIPPLE UP BOP, ROT.HEAD, CHOKE LINE, KILL LINE VALVES, HYD. HOSES, FUNCTION TEST BOP.
16:00	20:00	4.0	TEST BOPE AS PER PROGRAM. NOTIFIED BLM REP, JAIME SPARGER VERNAL OFFICE ON 9/21/08 @ 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: JOHN SIDWELL.
20:00	22:30	2.5	P/U BHA, TRIP IN HOLE, TAG CEMENT @ 2515.
22:30	23:00	0.5	DRILL CEMENT/FLOAT EQUIP TO 2545' + 10' OF NEW HOLE.
23:00	00:00	1.0	PERFORM FIT TEST. MWT 8.7, 240 PSI @ 2555' = 10.5 EMW. TAKE WIRELINE SURVEY 1.5 DEGREE.
00:00	06:00	6.0	***SPUD AT 00:00 ON 9/23***DRLG F/ 2555' TO 3124', ROP 96.5, WOB 10/16, RPM 40/50, TQ 2200/2700, 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: RIG MOVE, TESTING BOPE .  
 CREWS FULL.  
 BOP DRILL, 1.  
 FUEL ON HAND: 6015 GALS. USED 587 GALS, 4500 GAL RECIEVED .  
 GAS BG.1200 U, CONN. 2500 U.  
 LITHOLOGY, SAND/ SHALE.  
 MUD LOGGER UNMANED ON LOCATION F/ 9/22/08 = 1 DAY.

06:00 SPUD 7 7/8" HOLE AT 00:00 HRS, 9/23/2008.

<b>09-24-2008</b>	<b>Reported By</b>	MATT WILLIAMS									
<b>DailyCosts: Drilling</b>	\$33,469	<b>Completion</b>	\$0	<b>Daily Total</b>	\$33,469						
<b>Cum Costs: Drilling</b>	\$437,937	<b>Completion</b>	\$0	<b>Well Total</b>	\$437,937						
<b>MD</b>	5,705	<b>TVD</b>	5,705	<b>Progress</b>	2,581	<b>Days</b>	2	<b>MW</b>	9.1	<b>Visc</b>	28.0
<b>Formation :</b>	<b>PBTD : 0.0</b>					<b>Perf :</b>	<b>PKR Depth : 0.0</b>				

Activity at Report Time: DRILLING @ 5705'.

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRLG F/ 3124' TO 4075', ROP 158.5, RPM 40/50, TQ 1500/2400.
12:00	12:30	0.5	SERVICE RIG.
12:30	18:00	5.5	DRLG F/ 4075' TO 4755', ROP 124, RPM 40/50, TQ 1500/2400.
18:00	18:30	0.5	WIRELINE SURVEY @ 4700'. 1.25 DEGREES.
18:30	06:00	11.5	DRLG F/ 4755' TO 5705', ROP 82, WOB 12/20, RPM 40/50, TQ 1500/2200, MWT 9.4, VIS 30. MUD LOSS LAST 24 HRS. 0 BBLs. MUD WT: 9.4, VIS 30.

ACCIDENTS NONE REPORTED.  
 FUNCTION TEST CROWN-O-MATIC.  
 SAFETY MEETING: HIGH PRESSURE, WORK ON BRAKES .  
 CREWS FULL.  
 BOP DRILL, 1.  
 FUEL ON HAND: 4538 GALS. USED 1477 GALS, 0 GAL RECIEVED .  
 GAS BG.25 U, CONN. 150 U.  
 LITHOLOGY, SAND/ SHALE.  
 MUD LOGGER UNMANED ON LOCATION F/ 9/22/08 = 2 DAYS.

<b>09-25-2008</b>	<b>Reported By</b>	MATT WILLIAMS									
<b>DailyCosts: Drilling</b>	\$36,757	<b>Completion</b>	\$0	<b>Daily Total</b>	\$36,757						
<b>Cum Costs: Drilling</b>	\$470,804	<b>Completion</b>	\$0	<b>Well Total</b>	\$470,804						
<b>MD</b>	7,245	<b>TVD</b>	7,245	<b>Progress</b>	1,540	<b>Days</b>	3	<b>MW</b>	9.3	<b>Visc</b>	33.0
<b>Formation :</b>	<b>PBTD : 0.0</b>					<b>Perf :</b>	<b>PKR Depth : 0.0</b>				

Activity at Report Time: DRILLING @ 7245'.

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRLG F/ 5705' TO 6294', ROP 91, WOB 15/20, RPM 40/55, TQ 1500/2400.
12:30	13:00	0.5	SERVICE RIG
13:00	06:00	17.0	DRLG F/ 6294' TO 7245', ROP 56, WOB 15/21, RPM 40/55, TQ 1200/2400, 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: RIG SERVICE, BOP DRILLS .  
CREWS FULL.  
BOP DRILL, 1.  
FUEL ON HAND: 2711 GALS. USED 1827 GALS, 0 GAL RECIEVED .  
GAS BG.200 U, CONN. 800 U.  
LITHOLOGY, SAND/ SHALE.  
MUD LOGGER UNMANED ON LOCATION F/ 9/22/08 = 3 DAYS.

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<b>09-26-2008</b>	<b>Reported By</b>	MATT WILLIAMS									
<b>Daily Costs: Drilling</b>	\$44,225	<b>Completion</b>	\$0	<b>Daily Total</b>	\$44,225						
<b>Cum Costs: Drilling</b>	\$515,030	<b>Completion</b>	\$0	<b>Well Total</b>	\$515,030						
<b>MD</b>	7,670	<b>TVD</b>	7,670	<b>Progress</b>	425	<b>Days</b>	4	<b>MW</b>	9.2	<b>Visc</b>	38.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time:</b> RUNNING PROD CSG											

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRLG F/ 7245' TO 7670', ROP 47, WOB 15/22, RPM 45, TQ 1500/2400, MWT 9.5, VIS 36. REACHED TD @ 15:00 HRS, 9/25/08.
15:00	16:30	1.5	PUMP SWEEP, CIRC CLEAN FOR SHORT TRIP.
16:30	18:00	1.5	MAKE 700' SHORT TRIP.
18:00	20:00	2.0	DROP SURVEY, PUMP SWEEP, CIRC CLEAN, SPOT 200 BBL, 11.4 PPG PILL = 10.2 EMW.
20:00	03:00	7.0	TRIP OUT OF HOLE LAYING DOWN DRILL PIPE AND BHA. SURVEY 2 DEGREES.
03:00	04:00	1.0	PULL WEAR BUSHING, HOLD PJSM W/ CSG CREW AND RIG HANDS, R/U TO RUN CSG.
04:00	06:00	2.0	START RUNNING 4 1/2 PRODUCTION STRING. MUD LOSS LAST 24 HRS. 0 BBLs. MUD WT: 9.5, VIS 36.

ACCIDENTS NONE REPORTED.  
FUNCTION TEST CROWN-O-MATIC.  
SAFETY MEETING: SWAPPING LIGHT PLANTS, TRIPPING PIPE .  
CREWS FULL.  
BOP DRILL, 1.  
FUEL ON HAND: 1318 GALS. USED 1393 GALS, 0 GAL RECIEVED .  
GAS BG.50 U, CONN. 100 U.  
LITHOLOGY, SAND/ SHALE.  
MUD LOGGER UNMANED ON LOCATION F/ 9/22/08 = 4 DAYS.

06:00

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<b>09-27-2008</b>	<b>Reported By</b>	MATT WILLIAMS							
<b>Daily Costs: Drilling</b>	\$63,324	<b>Completion</b>	\$171,299	<b>Daily Total</b>	\$234,623				
<b>Cum Costs: Drilling</b>	\$578,354	<b>Completion</b>	\$171,299	<b>Well Total</b>	\$749,653				

MD 7,670 TVD 7,670 Progress 0 Days 5 MW 9.6 Visc 43.0  
 Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	12:00	6.0	RUN 4.5 11.6# P-110 CASING 168 JTS. + 1 MARKER JT. AS FOLLOWS FLOAT SHOE, 1 JT.CSG, FLOAT COLLAR, 67 JTS. CSG, 1 MARJER JT, 100 JTS.CSG & HANGER ASSEMBLY. FLOAT SHOE @ 7668', FLOAT COLLAR @ 7621, MARKER JT @ 4567'. CENTRILIZERS, 5 FT ABOVE SHOE JT, TOP OF JT 2 & EVERY 3 RD JT. TOTAL OF 12. TAG @ 7670', CIRC TO LAY DOWN TAG JT.
12:00	12:30	0.5	CIRCULATE & LD TAG JT. PU DOT HANGER, LAND CSG WITH 65,000#. R/D CSG EQUIP.
12:30	14:30	2.0	HOLD PJSM W/ SCHLUMBERGER AND RIG CREWS. RIG UP TEST LINES TO 5000 PSI. DROP BOTTOM PLUG PUMP 20 BBLs CHEM WASH & 20 BBLs WATER SPACER AHEAD OF LEAD AND CEMENT 7790' 4 1/2 N-80 11.6 # CSG. LEAD 148 BBLs 280 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 H20 18.2 GAL/SK @ 11.5 PPG TAIL. 218 BBLs 950 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 H20 5.94 GAL/SK @ 14.1 PPG. SHUTDOWN WASH OUT PUMPS & LINES DROP TOP PLUG & DISP. TO FLOAT COLLAR W/FRESH WATER. 118 BBLs. AVG. DISP. RATE 8 BPM, FULL RETURNS THROUGH OUT JOB. DROP PLUG @ 14:09 BUMPED PLUG @ 14:37 TO 2900 PSI 1000 PSI OVER LIFT PSI HOLD PRESSURE FOR 1 MIN. 1. BBL. BACK, FLOAT HELD @ 14:37 CEMENT IN PLACE.
14:30	15:30	1.0	W/O CEMENT & RIG DOWN SCHLUMBERGER.
15:30	16:00	0.5	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, 9/27/08 3 MILES TO CWU 745-06.

ACCIDENTS NONE REPORTED.  
 FUNCTION TEST CROWN-O-MATIC.  
 SAFETY MEETING: RUN CSG, RIG MOVE.  
 CREWS FULL.  
 FUEL ON HAND: 1000 GALS. USED 318 GALS, 0 GAL RECIEVED.  
 MUD LOGGER UNMANED ON LOCATION F/ 9/22/08 TO 9/26/08 = 5 DAYS. OFF LOCATION 9/26/08.

06:00 RIG RELEASED @ 20:00 HRS, 9/26/08.  
 CASING POINT COST \$546,368

10-02-2008	Reported By	SEARLE
Daily Costs: Drilling	\$0	Completion \$40,948
Cum Costs: Drilling	\$578,354	Completion \$212,247
Daily Total		\$40,948
Well Total		\$790,601

MD 7,670 TVD 7,670 Progress 0 Days 6 MW 0.0 Visc 0.0  
 Formation : PBTBTD : 7622.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTBTD TO 550'. EST CEMENT TOP @ 700'. RD SCHLUMBERGER.

10-11-2008	Reported By	MCCURDY
Daily Costs: Drilling	\$0	Completion \$1,723
Cum Costs: Drilling	\$578,354	Completion \$213,970
Daily Total		\$1,723
Well Total		\$792,324

MD 7,670 TVD 7,670 Progress 0 Days 7 MW 0.0 Visc 0.0  
 Formation : PBTB : 7622.0 Perf : PKR Depth : 0.0

Activity at Report Time:

Start	End	Hrs	Activity Description
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 8500 PSIG. WO COMPLETION.

10-16-2008 Reported By WHITEHEAD

DailyCosts: Drilling \$0 Completion \$186,857 Daily Total \$186,857  
 Cum Costs: Drilling \$578,354 Completion \$400,827 Well Total \$979,182

MD 7,670 TVD 7,670 Progress 0 Days 8 MW 0.0 Visc 0.0  
 Formation : PBTB : 7622.0 Perf : 5718'-7416' PKR Depth : 0.0  
 MESAVERDE/WASATCH

Activity at Report Time: WAIT FOR SERVICE RIG TO DRILL PLUGS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CUTTERS WIRELINE & PERFORATE NH FROM 7157'-58', 7164'-65', 7182'-83', 7194'-95', 7208'-09', 7226'-27', 7232'-33', 7284'-85', 7331'-32', 7376'-77', 7383'-84', 7415'-16' @ 3 SPF @ 120° PHASING. RDWL. MIRU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 2083 GAL WF120 LINEAR PAD, 8415 GAL WF120 LINEAR 1# & 1.5# SAND, 39944 GAL YF116ST+ W/ 148900 # 20/40 SAND @ 1-4 PPG. MTP 6080 PSIG. MTR 52.1 BPM. ATP 4025 PSIG. ATR 45 BPM. ISIP 2650 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 7100'. PERFORATE NH/Ba FROM 6621'-22', 6631'-32', 6697'-98', 6756'-57', 6788'-89', 6815'-16', 6839'-40', 6872'-73', 6910'-11', 6968'-69', 7040'-41', 7066'-67' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 9654 GAL WF120 LINEAR 1# & 1.5# SAND, 30490 GAL YF116ST+ W/ 115700 # 20/40 SAND @ 1-4 PPG. MTP 7457 PSIG. MTR 50.5 BPM. ATP 4635 PSIG. ATR 43.4 BPM. ISIP 1650 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 6570'. PERFORATE Ba FROM 6211'-12', 6235'-36', 6279'-80', 6309'-10', 6352'-53', 6371'-72', 6396'-97', 6426'-27', 6440'-41', 6463'-64', 6516'-17', 6546'-47' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 10515 GAL WF120 LINEAR 1# & 1.5# SAND, 22321 GAL YF116ST+ W/ 81400 # 20/40 SAND @ 1-4 PPG. MTP 7251 PSIG. MTR 50.6 BPM. ATP 4259 PSIG. ATR 46.2 BPM. ISIP 1450 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 6150'. PERFORATE Ca FROM 6097'-03', 6110'-11', 6125'-30' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 4217 GAL WF120 LINEAR 1# & 1.5# SAND, 15748 GAL YF116ST+ W/ 55200 # 20/40 SAND @ 1-4 PPG. MTP 5218 PSIG. MTR 51.8 BPM. ATP 3243 PSIG. ATR 42.9 BPM. ISIP 1450 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 6065'. PERFORATE Ca FROM 5985'-88', 6024'-27', 6039'-45' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 4219 GAL WF120 LINEAR 1# & 1.5 SAND, 25323 GAL YF116ST+ W/ 92700 # 20/40 SAND @ 1-4 PPG. MTP 6942 PSIG. MTR 51.9 BPM. ATP 3842 PSIG. ATR 47.3 BPM. ISIP 1700 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 5905'. PERFORATE Ca FROM 5718'-19', 5719'-20', 5725'-26', 5726'-27', 5727'-28', 5769'-70', 5770'-71', 5771'-72', 5778'-79', 5779'-80', 5856'-57', 5857'-58' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 4209 GAL WF120 LINEAR 1# & 1.5 SAND, 23421 GAL YF116ST+ W/ 84300 # 20/40 SAND @ 1-4 PPG. MTP 6219 PSIG. MTR 51.8 BPM. ATP 3775 PSIG. ATR 46.3 BPM. ISIP 2200 PSIG. RDMO SCHLUMBERGER.

RUWL. SET 6K CBP AT 5645'. RDMO WIRELINE.

10-28-2008 Reported By HACKING

DailyCosts: Drilling \$0 Completion \$7,625 Daily Total \$7,625

**Cum Costs: Drilling** \$578,354      **Completion** \$408,452      **Well Total** \$986,807  
**MD** 7,670    **TVD** 7,670    **Progress** 0    **Days** 9    **MW** 0.0    **Visc** 0.0  
**Formation : WASATCH**      **PBTD : 7622.0**      **Perf : 5718'-7416'**      **PKR Depth : 0.0**  
**Activity at Report Time:** CLEAN OUT AFTER FRAC

**Start**    **End**    **Hrs**    **Activity Description**  
 06:00    06:00    24.0    SICP 0 PSIG. MIRUSU. ND TREE. NU BOP RIH W/BIT & PUMP OFF SUB TO 5645'. SDFN.

**10-29-2008**      **Reported By**      HACKING/HISLOP

**DailyCosts: Drilling** \$0      **Completion** \$13,526      **Daily Total** \$13,526  
**Cum Costs: Drilling** \$578,354      **Completion** \$421,978      **Well Total** \$1,000,333  
**MD** 7,670    **TVD** 7,670    **Progress** 0    **Days** 10    **MW** 0.0    **Visc** 0.0  
**Formation : WASATCH**      **PBTD : 7622.0**      **Perf : 5718'-7416'**      **PKR Depth : 0.0**

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

**Start**    **End**    **Hrs**    **Activity Description**  
 06:00    06:00    24.0    SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5645', 5905', 6065', 6150', 6570' & 7100'. SD FOR RIG REPAIR (BRAKE DRUM). POH TO 5615'. SDFN.

**10-30-2008**      **Reported By**      HACKING/HISLOP

**DailyCosts: Drilling** \$0      **Completion** \$12,680      **Daily Total** \$12,680  
**Cum Costs: Drilling** \$578,354      **Completion** \$434,658      **Well Total** \$1,013,013  
**MD** 7,670    **TVD** 7,670    **Progress** 0    **Days** 11    **MW** 0.0    **Visc** 0.0  
**Formation : WASATCH**      **PBTD : 7622.0**      **Perf : 5718'-7416'**      **PKR Depth : 0.0**

**Activity at Report Time:** SWAB/FLOW TEST

**Start**    **End**    **Hrs**    **Activity Description**  
 06:00    06:00    24.0    SICP 0 PSIG. RIH. CLEANED OUT TO 7524'. LANDED TUBING @ 5686' KB. ND BOP. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

RU TO SWAB. IFL @ SURFACE. MADE 7 RUNS. RECOVERED 56 BLW. FINAL FLUID LEVEL @ 1000'. CP 0 PSIG. SDFN.

TUBING DETAIL    LENGTH

PUMP OFF BIT SUB    0.91'  
 1 JT 2-3/8" 4.7# N-80 TBG    32.52'  
 XN NIPPLE    1.30'  
 174 JTS 2-3/8" 4.7# N-80 TBG    5637.79'  
 BELOW KB    13.00'  
 LANDED @    5685.52' KB

**10-31-2008**      **Reported By**      HACKING

**DailyCosts: Drilling** \$0      **Completion** \$5,620      **Daily Total** \$5,620  
**Cum Costs: Drilling** \$578,354      **Completion** \$440,278      **Well Total** \$1,018,633  
**MD** 7,670    **TVD** 7,670    **Progress** 0    **Days** 12    **MW** 0.0    **Visc** 0.0  
**Formation : WASATCH**      **PBTD : 7622.0**      **Perf : 5718'-7416'**      **PKR Depth : 0.0**

**Activity at Report Time:** FLOW TEST

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

06:00 06:00 24.0 FLOWED 24 HRS. 32/64" CHOKE. FTP 500 PSIG. CP 1050 PSIG 20 BFPH. RECOVERED 705 BLW. 4237 BLWTR.

**11-01-2008** Reported By HACKING

**DailyCosts: Drilling** \$0 **Completion** \$2,720 **Daily Total** \$2,720  
**Cum Costs: Drilling** \$578,354 **Completion** \$442,998 **Well Total** \$1,021,353

**MD** 7,670 **TVD** 7,670 **Progress** 0 **Days** 13 **MW** 0.0 **Visc** 0.0

**Formation : WASATCH** **PBTD : 7622.0** **Perf : 5718'-7416'** **PKR Depth : 0.0**

**Activity at Report Time:** FLOW TEST

**Start End Hrs Activity Description**

06:00 06:00 24.0 FLOWED 24 HRS 32/64" CHOKE. FTP 450 PSIG. CP 850PSIG 8FPH. RECOVERED 705 BLW. 4009 BLWTRt

**11-02-2008** Reported By HACKING

**DailyCosts: Drilling** \$0 **Completion** \$2,720 **Daily Total** \$2,720  
**Cum Costs: Drilling** \$578,354 **Completion** \$445,718 **Well Total** \$1,024,073

**MD** 7,670 **TVD** 7,670 **Progress** 0 **Days** 14 **MW** 0.0 **Visc** 0.0

**Formation : WASATCH** **PBTD : 7622.0** **Perf : 5718'-7416'** **PKR Depth : 0.0**

**Activity at Report Time:** WAITING ON PRODUCTION FACILITIES

**Start End Hrs Activity Description**

06:00 06:00 24.0 FLOWED 24 HRS 32/64" CHOKE. FTP 300 PSIG. CP 850PSIG 4 FPH. RECOVERED 128 BLW. 3849 BLWTRt SWI @ 6:00 AM. WO FACILITIES.

FINAL COMPLETION DATE: 11/01/08

**11-14-2008** Reported By RITA THOMAS

**DailyCosts: Drilling** \$0 **Completion** \$138,500 **Daily Total** \$138,500  
**Cum Costs: Drilling** \$578,354 **Completion** \$584,218 **Well Total** \$1,162,573

**MD** 7,670 **TVD** 7,670 **Progress** 0 **Days** 15 **MW** 0.0 **Visc** 0.0

**Formation : WASATCH** **PBTD : 7622.0** **Perf : 5718'-7416'** **PKR Depth : 0.0**

**Activity at Report Time:** FACILITY COST

**Start End Hrs Activity Description**

06:00 06:00 24.0 FACILITY COST \$138,500

**11-18-2008** Reported By DUANE COOK

**DailyCosts: Drilling** \$0 **Completion** \$0 **Daily Total** \$0  
**Cum Costs: Drilling** \$578,354 **Completion** \$584,218 **Well Total** \$1,162,573

**MD** 7,670 **TVD** 7,670 **Progress** 0 **Days** 16 **MW** 0.0 **Visc** 0.0

**Formation : WASATCH** **PBTD : 7622.0** **Perf : 5718'-7416'** **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 1625 & CP 1700 PSI. TURNED WELL TO QUESTAR SALES AT 12:00 PM, 11/17/08. FLOWED 1738 MCFD RATE ON 14/64" POS CHOKE. QUESTAR GAS METER #7945. STATIC 449.

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.  
UTU01458

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 744-01

9. API Well No.  
43-047-39935

10. Field and Pool, or Exploratory  
NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey  
or Area Sec 1 T9S R22E Mer SLB

12. County or Parish  
UINTAH

13. State  
UT

17. Elevations (DF, KB, RT, GL)\*  
4806 GL

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: MICKENZIE\_THACKER@EOGRESOURCES.COM

3. Address 1060 E. HWY 40 VERNAL, UT 84078 3a. Phone No. (include area code)  
Ph: 453-781-9145

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
At surface NESW 1941FSL 1776FWL 40.06316 N Lat, 109.39147 W Lon  
At top prod interval reported below NESW 1941FSL 1776FWL 40.06316 N Lat, 109.39147 W Lon  
At total depth NESW 1941FSL 1776FWL 40.06316 N Lat, 109.39147 W Lon

14. Date Spudded 08/23/2008 15. Date T.D. Reached 09/25/2008 16. Date Completed  
 D & A  Ready to Prod.  
11/17/2008

18. Total Depth: MD 7670 TVD 19. Plug Back T.D.: MD 7622 TVD 20. Depth Bridge Plug Set: MD TVD

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

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

Hole Size	Size/Grade	Wt. (#ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0		2553		900		0	
7.875	4.500 P-110	11.6		7668		1230		700	

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	5686							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	5718	7416	7157 TO 7416		3	
B)			6621 TO 7067		3	
C)			6211 TO 6547		3	
D)			6097 TO 6130		3	

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

Depth Interval	Amount and Type of Material
7157 TO 7416	50,607 GALS GELLED WATER & 148,900# 20/40 SAND
6621 TO 7067	40,309 GALS GELLED WATER & 115,700# 20/40 SAND
6211 TO 6547	32,836 GALS GELLED WATER & 81,400# 20/40 SAND
6097 TO 6130	19,965 GALS GELLED WATER & 55,200# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
11/17/2008	11/23/2008	24	→	7.0	1378.0	90.0			FLows FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
16/64	SI 1100	1275.0	→	7	1378	90		PGW	

28a. Production - Interval B

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

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

ELECTRONIC SUBMISSION #65692 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

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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	5718	7416		GREEN RIVER MAHOGNAY UTELAND BUTTES WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER	1984 2627 4830 4975 5596 6240 7469

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 #65692 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 12/17/2008

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** RECEIVED  
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**Chapita Wells Unit 744-01 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

5985-6045	3/spf
5718-5858	3/spf

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

5985-6045	29,542 GALS GELLED WATER & 92,700# 20/40 SAND
5718-5858	27,630 GALS GELLED WATER & 84,300# 20/40 SAND

Perforated the North Horn from 7157'-58', 7164'-65', 7182'-83', 7194'-95', 7208'-09', 7226'-27', 7232'-33', 7284'-85', 7331'-32', 7376'-77', 7383'-84', 7415'-16' w/ 3 spf.

Perforated the North Horn/Ba from 6621'-22', 6631'-32', 6697'-98', 6756'-57', 6788'-89', 6815'-16', 6839'-40', 6872'-73', 6910'-11', 6968'-69', 7040'-41', 7066'-67' w/ 3 spf.

Perforated the Ba from 6211'-12', 6235'-36', 6279'-80', 6309'-10', 6352'-53', 6371'-72', 6396'-97', 6426'-27', 6440'-41', 6463'-64', 6516'-17', 6546'-47' w/ 3 spf.

Perforated the Ca from 6097'-6103', 6110'-11', 6125'-30' w/ 3 spf.

Perforated the Ca from 5985'-88', 6124'-27', 6039'-45' w/ 3 spf.

Perforated the Ca from 5718'-19', 5719'-20', 5725'-26', 5726'-27', 5727'-28', 5769'-70', 5770'-71', 5771'-72', 5778'-79', 5779'-80', 5856'-57', 5857'-58' w/ 3 spf.

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

FORM 7

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**REPORT OF WATER ENCOUNTERED DURING DRILLING**

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Well name and number: CWU 744-01

API number: 4304739935

Well Location: QQ NESW Section 1 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	FLUID DRILLED HOLE

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

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

---

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

NAME (PLEASE PRINT) Mickenzie Thacker

TITLE Operations Clerk

SIGNATURE *Mickenzie Thacker*

DATE 12/10/2008

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