

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. UTSL071861
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 1060 EAST HIGHWAY 40 VERNAL, UT 84078		8. Lease Name and Well No. CHAPITA WELLS UNIT 1359-24
3b. Phone No. (include area code) Ph: 303-824-5526		9. API Well No. 4304739981
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface NESW 1345FSL 2630FWL 40.01796 N Lat, 109.38838 W Lon At proposed prod. zone NESW 1345FSL 2630FWL 40.01796 N Lat, 109.38838 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE
14. Distance in miles and direction from nearest town or post office* 49.75 MILES SOUTH OF VERNAL, UT		11. Sec., T., R., M., or Blk. and Survey or Area Sec 24 T9S R22E Mer SLB
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 12'	16. No. of Acres in Lease 40.00	12. County or Parish UINTAH COUNTY
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 820'	19. Proposed Depth 9380 MD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5078 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 03/18/2008
Title REGULATORY ASSISTANT		
Approved by (Signature) <i>Bradley G Hill</i>	Name (Printed/Typed) BRADLEY G. HILL	Date 03-25-08
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 #59145 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal

RECEIVED

MAR 20 2008

DIV. OF OIL, GAS & MINING

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

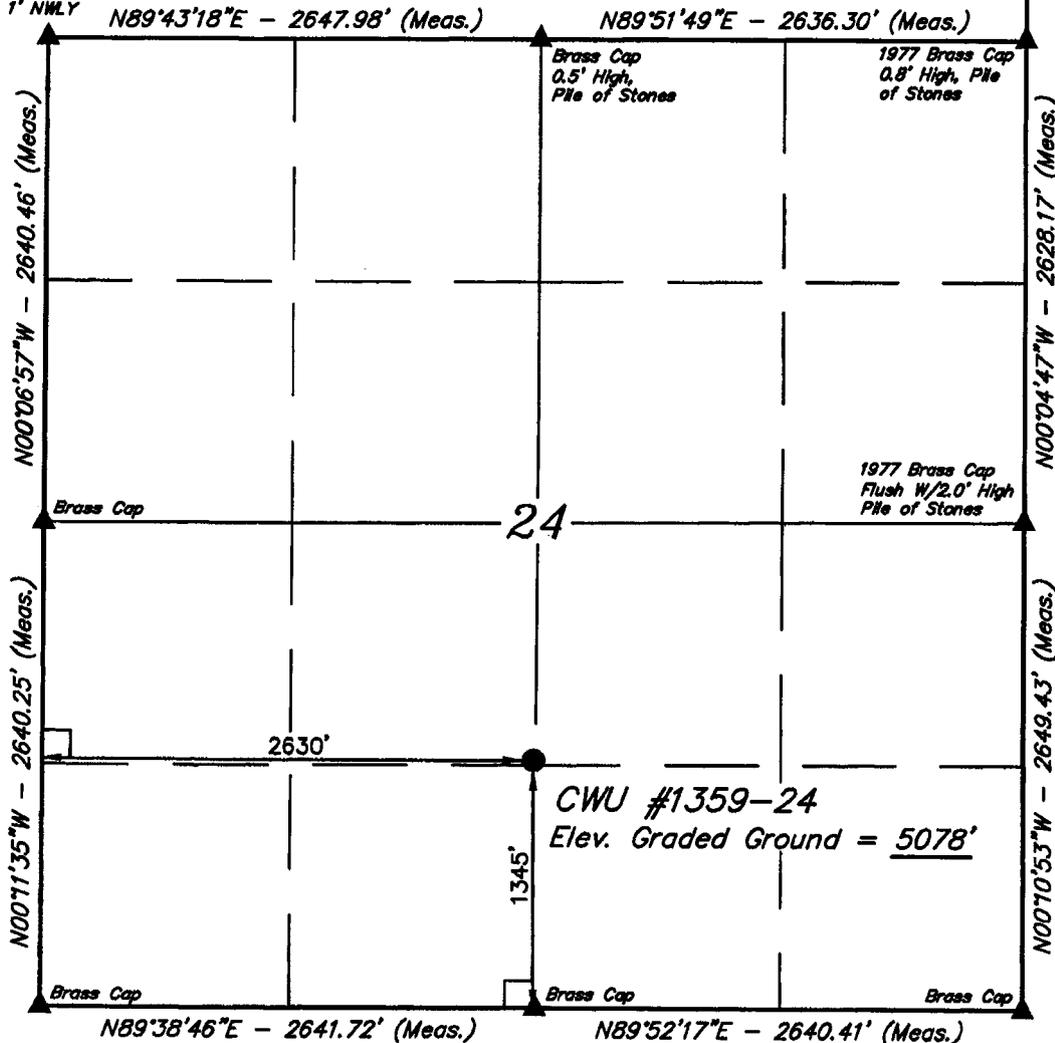
Federal Approval of this
Action is Necessary

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44307924
40.018018
-109.387640

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

R
22
E
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23
E

1977 Brass Cap
0.3' High, Pile of
Stones 1' NMLY



EOG RESOURCES, INC.

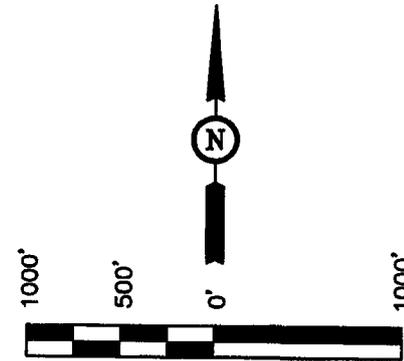
Well location, CWU #1359-24, located as shown in the NE 1/4 SW 1/4 of Section 24, T9S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

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

BASIS OF BEARINGS

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



SCALE

CERTIFIED SURVEYOR

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



LEGEND:

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

(NAD 83)
 LATITUDE = 40°01'04.67" (40.017963)
 LONGITUDE = 109°23'18.18" (109.388383)
 (NAD 27)
 LATITUDE = 40°01'04.79" (40.017997)
 LONGITUDE = 109°23'15.73" (109.387702)

UINTAH ENGINEERING & LAND SURVEYING		
85 SOUTH 200 EAST - VERNAL, UTAH 84078		
(435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 10-25-07	DATE DRAWN: 12-4-07
PARTY C.R. C.P. C.R.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1359-24
NE/SW, SEC. 24, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,732		Shale	
Wasatch	4,731		Sandstone	
Chapita Wells	5,301		Sandstone	
Buck Canyon	5,984		Sandstone	
North Horn	6,708		Sandstone	
KMV Price River	7,018	Primary	Sandstone	Gas
KMV Price River Middle	7,885	Primary	Sandstone	Gas
KMV Price River Lower	8,676	Primary	Sandstone	Gas
Sego	9,179		Sandstone	
TD	9,380			

Estimated TD: 9,380' or 200' ± TD

Anticipated BHP: 5,122 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
 BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 1/2"	0 – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 1/4"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1359-24 NE/SW, SEC. 24, T9S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2300'± - TD):

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

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

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

7. VARIANCE REQUESTS:

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1359-24 NE/SW, SEC. 24, 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% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

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

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

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

Production Hole Procedure (2300'± - TD)

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1359-24
NE/SW, SEC. 24, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

Lead: 140 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 905 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

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

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

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

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

EIGHT POINT PLAN

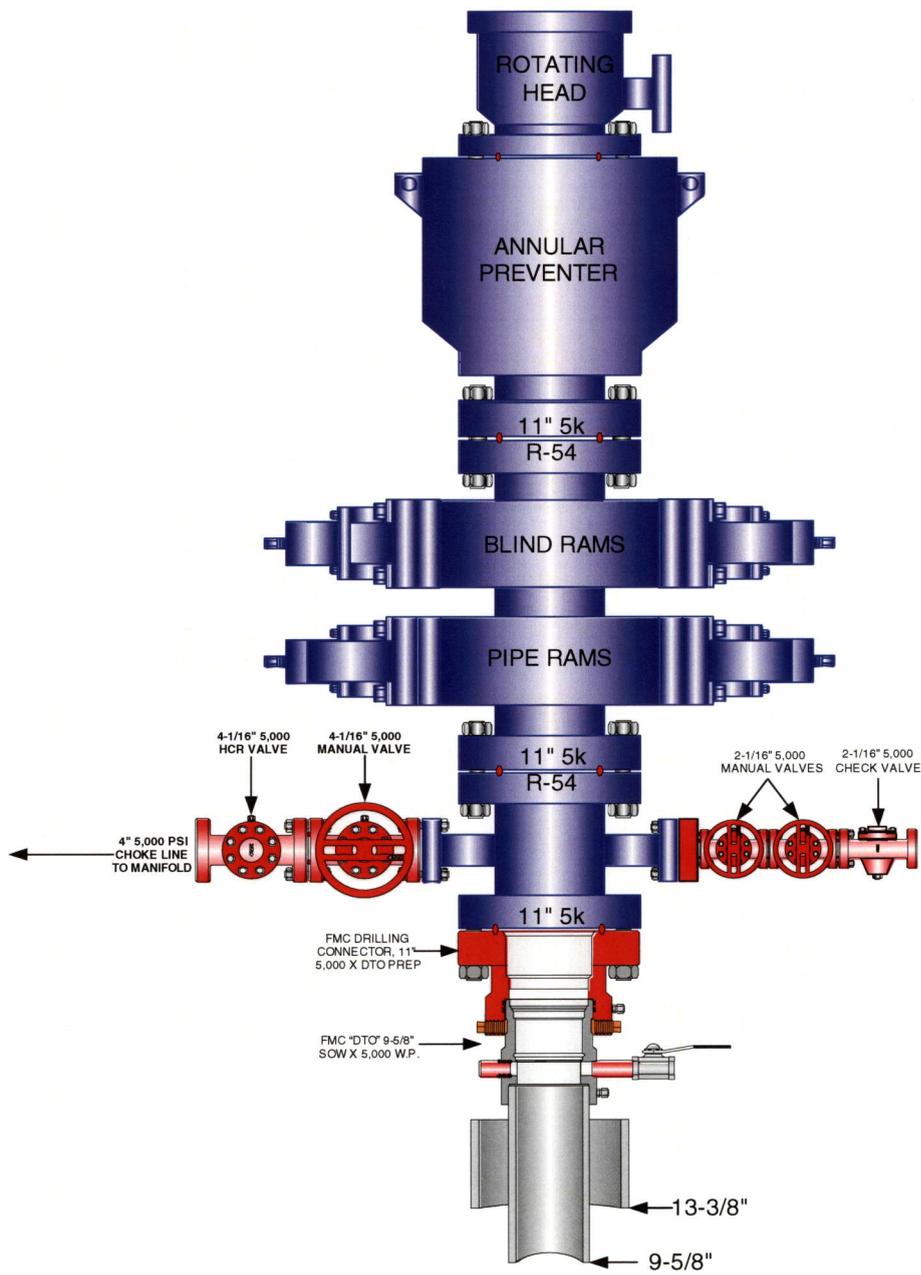
CHAPITA WELLS UNIT 1359-24
NE/SW, SEC. 24, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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.
- 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.

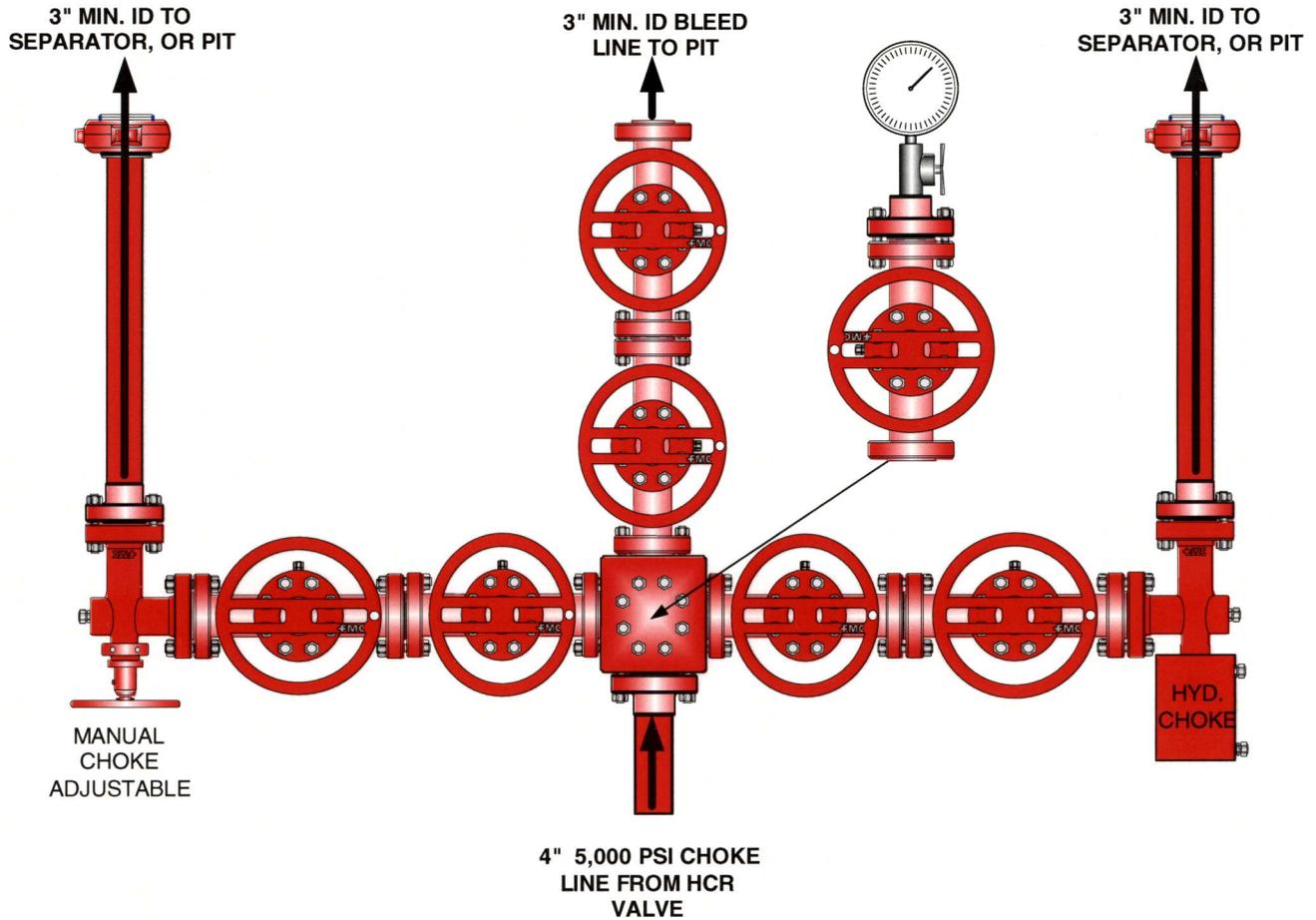
EOG Resources, Inc. will use a properly maintained and lubricated stripper head.
(Attachment: BOP Schematic Diagram)

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 1359-24
NESW, Section 24, 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. The well access road is approximately 240 feet long with a 40-foot right-of-way, disturbing approximately .22 acre. New surface disturbance associated with the well pad and access road is estimated to be 2.47 acres. The pipeline is approximately 2208 feet long with a 40-foot right-of-way disturbing approximately 2.03 acres.

1. *EXISTING ROADS:*

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 49.75 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. *PLANNED ACCESS ROAD:*

- A. The access road will be approximately 240' in length, with culverts installed as construction dictates. See attached Topo B.
- B. The access road has a 40-foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.
- I. A 40-foot permanent right-of-way is requested. No surfacing material will be used.

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

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

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

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

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

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

An off-lease right-of-way is not required. The entire length of the proposed access road is located within Federal Lease # SL-071861.

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

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

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

A. On Well Pad

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

B. Off Well Pad

1. Proposed pipeline will transport natural gas.
2. The pipeline will be a permanent feeder line.
3. The length of the proposed pipeline is 2208' x 40'. The proposed pipeline leaves the eastern edge of the well pad (Lease SL-071756) proceeding in a northwesterly, then southwesterly direction for an approximate distance of 2208' tying into an existing pipeline in the SWSW of Section 24, T9S, R22E (Lease U-0282). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface
5. Proposed pipeline will be laid on surface.
6. Approximately 500' of the proposed pipeline is located off-lease in the SWSW of Section 24, R9S, T22E (Federal Lease U-0282), and another 400' located off-lease in the NWSE of Section 24, T9S, R22E (Federal Lease SL-071756). However, since this well is located within unit, an off-lease right-of-way is not required.
7. The proposed pipeline route begins in the NWSE of Section 24, Township 9S, Range 11E, proceeding westerly, then southwesterly for an approximate distance of 2208' to the SWSW of Section 24, Township 9S, Range 22E.
8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

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

5. LOCATION AND TYPE OF WATER SUPPLY:

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

6. SOURCE OF CONSTRUCTION MATERIALS:

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

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
 - 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
 - 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
 - 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD, CWU 2-29 SWD, Red Wash Evaporation ponds 1, 2, 3 or 4 or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
 - 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

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

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

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

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

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

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

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

Access to the well pad will be from the west.

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

A portion of the well pad is located off-lease in the E/2 of the SW/4 (Federal Lease SL-071756) and the SESW (Federal Lease U-0282) of Sec. 24, T9S, R22E. However, since this well is located within unit, an off-lease right-of-way is not required.

FENCING REQUIREMENTS:

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

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

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

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

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Interim Reclamation (Producing Location)

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

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

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

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

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

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

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

B. Dry Hole/Abandoned Location

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

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

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

11. SURFACE OWNERSHIP:

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

Bureau of Land Management

12. OTHER INFORMATION:

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

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

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

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

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

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

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

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

A block cultural resources survey for Section 24, T9S, R22E was conducted and submitted by Montgomery Archaeological Consultants on March 26, 2007. A paleontological survey was conducted and will be submitted by Intermountain Paleo.

Additional Surface Stipulations:

None.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

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

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

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

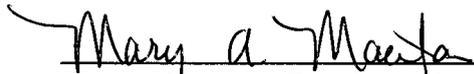
CERTIFICATION:

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

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 1359-24 Well, located in the NESW, of Section 24, 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.

March 18, 2008

Date



Mary A. Maestas, Regulatory Assistant

Date of onsite: March 12, 2008

EOG RESOURCES, INC.

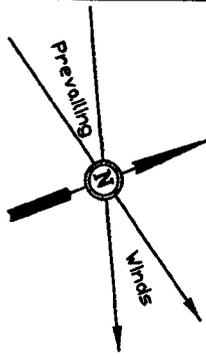
FIGURE #1

LOCATION LAYOUT FOR

CWU #1359-24

NE/SW SECTION 24, T9S, R22E, S.L.B.&M.
1345' FSL, 2630' FWL,

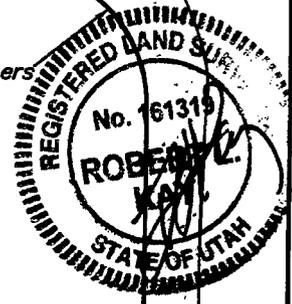
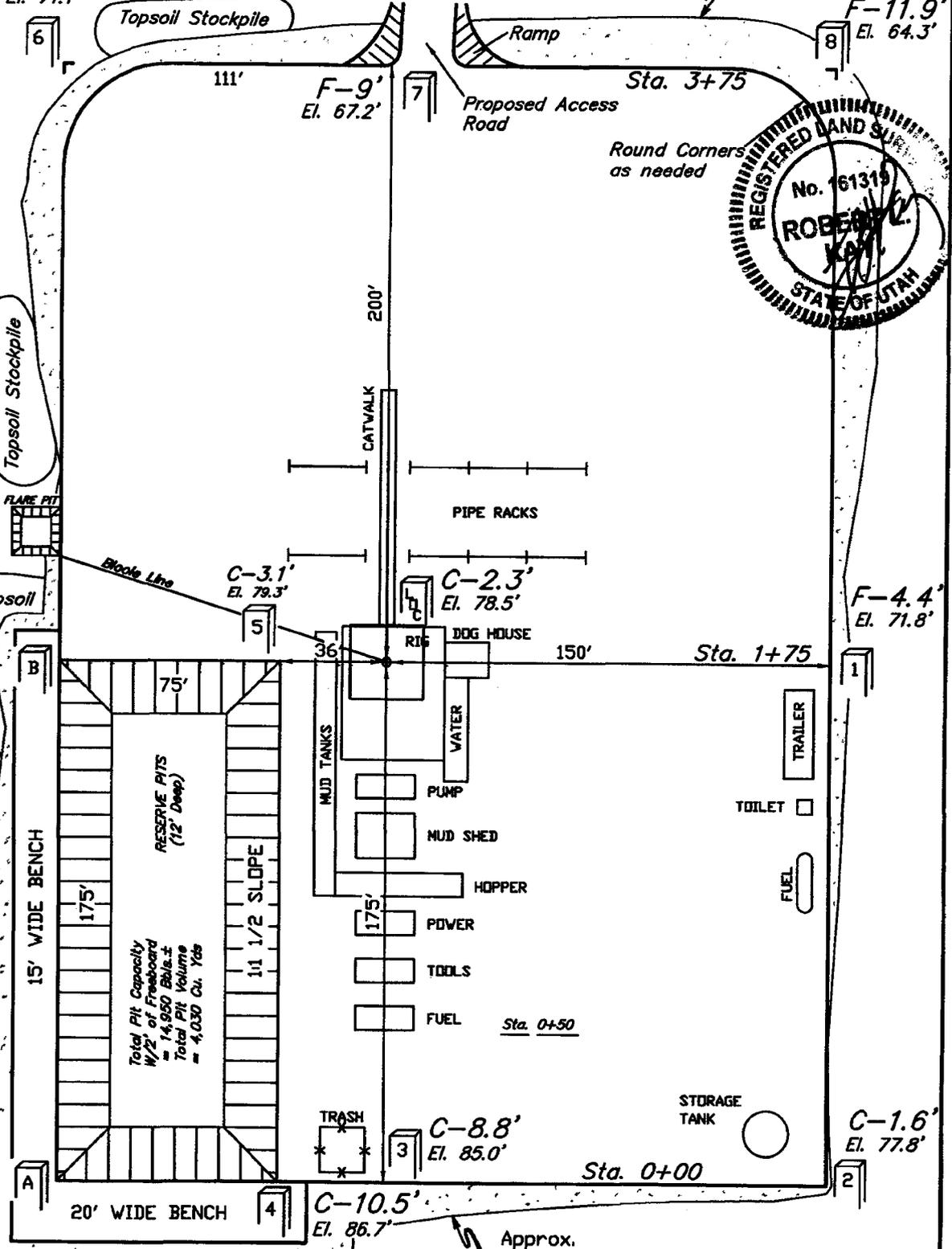
Approx. Toe of Fill Slope



F-5.1' El. 71.1'

F-11.9' El. 64.3'

SCALE: 1" = 50'
DATE: 12-4-07
DRAWN BY: C.R.



Elev. Ungraded Ground at Location Stake = 5078.5'
Elev. Graded Ground at Location Stake = 5076.2'

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

EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

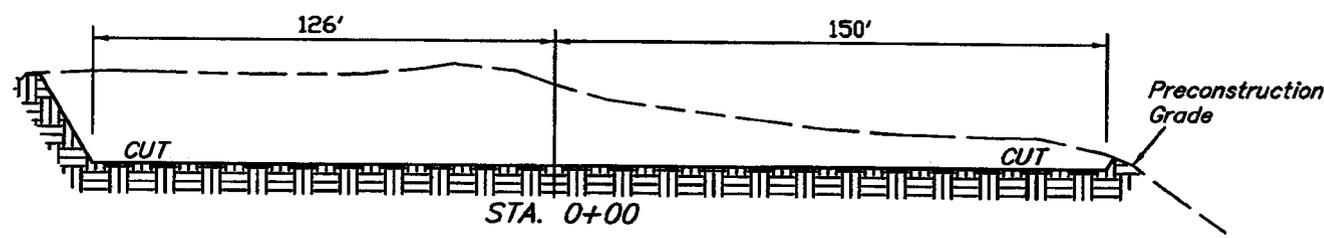
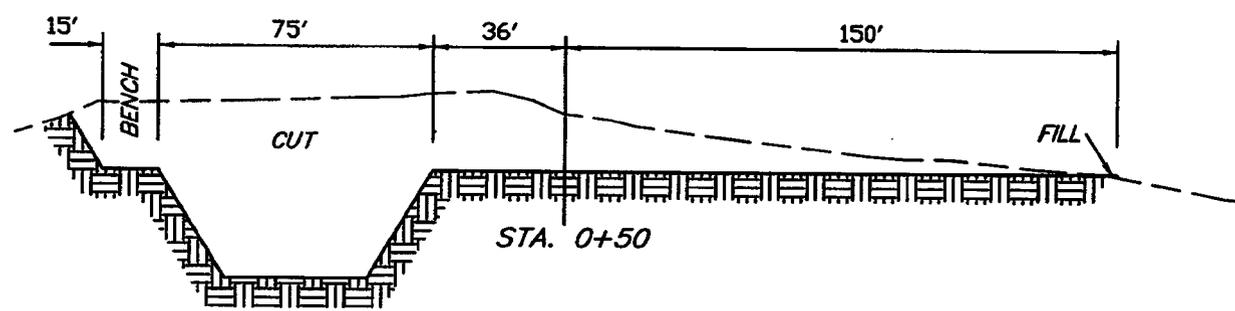
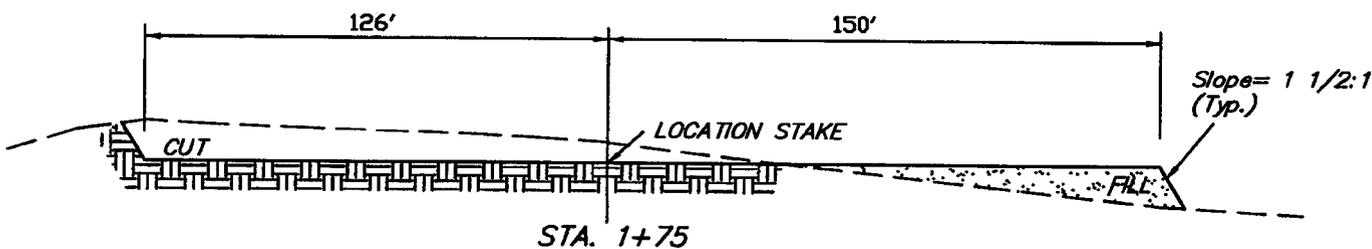
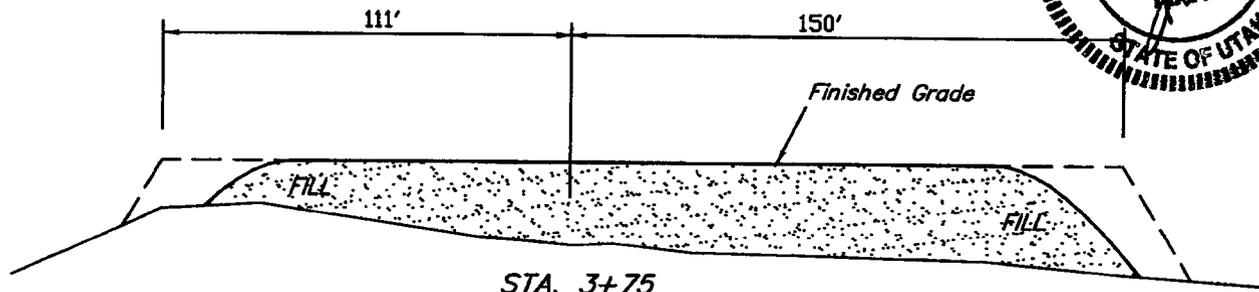
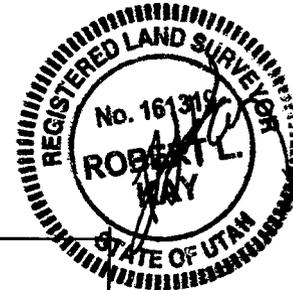
CWU #1359-24

NE/SW SECTION 24, T9S, R22E, S.L.B.&M.
1345' FSL, 2630' FWL,

FIGURE #2

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

DATE: 12-4-07
DRAWN BY: C.R.



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	2227 Cu. Yds.
Remaining Location	=	12535 Cu. Yds.
TOTAL CUT	=	14762 CU.YDS.
FILL	=	10520 CU.YDS.

EXCESS MATERIAL	=	4242 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	4242 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	=	0 Cu. Yds.

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

EOG RESOURCES, INC.

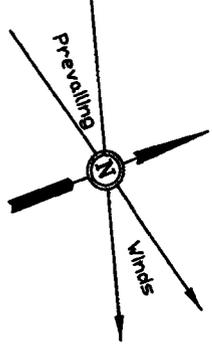
PRODUCTION FACILITY LAYOUT FOR

CWU #1359-24

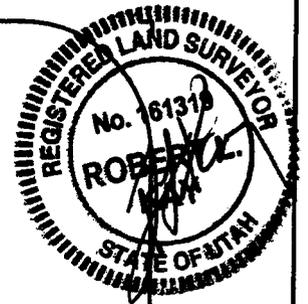
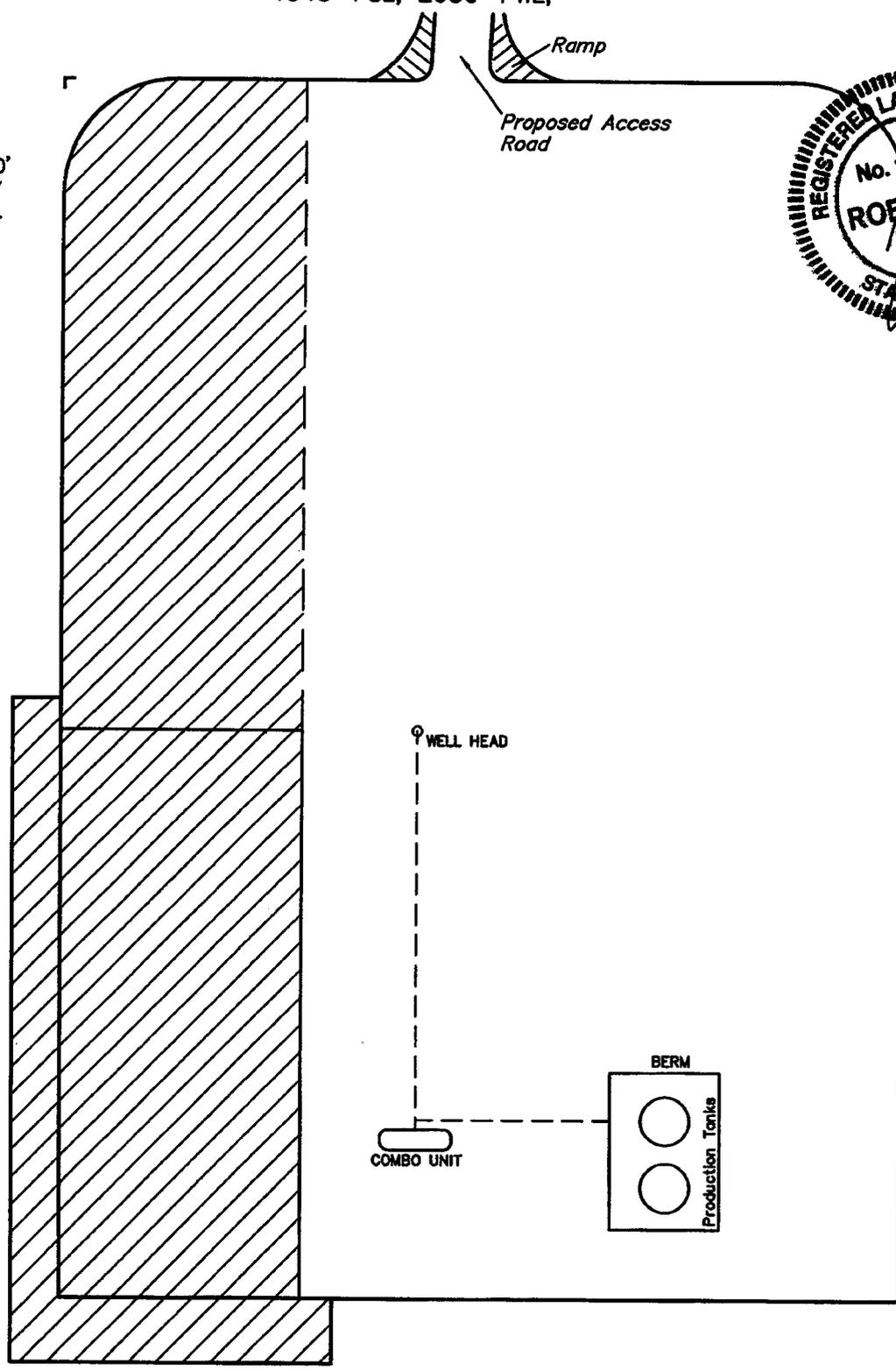
NE/SW SECTION 24, T9S, R22E, S.L.B.&M.

1345' FSL, 2630' FWL,

FIGURE #3



SCALE: 1" = 50'
DATE: 12-4-07
DRAWN BY: C.R.



 RE-HABED AREA

EOG RESOURCES, INC.

CWU #1359-24

LOCATED IN UINTAH COUNTY, UTAH
SECTION 24, T9S, R22E, S.L.B.&M.

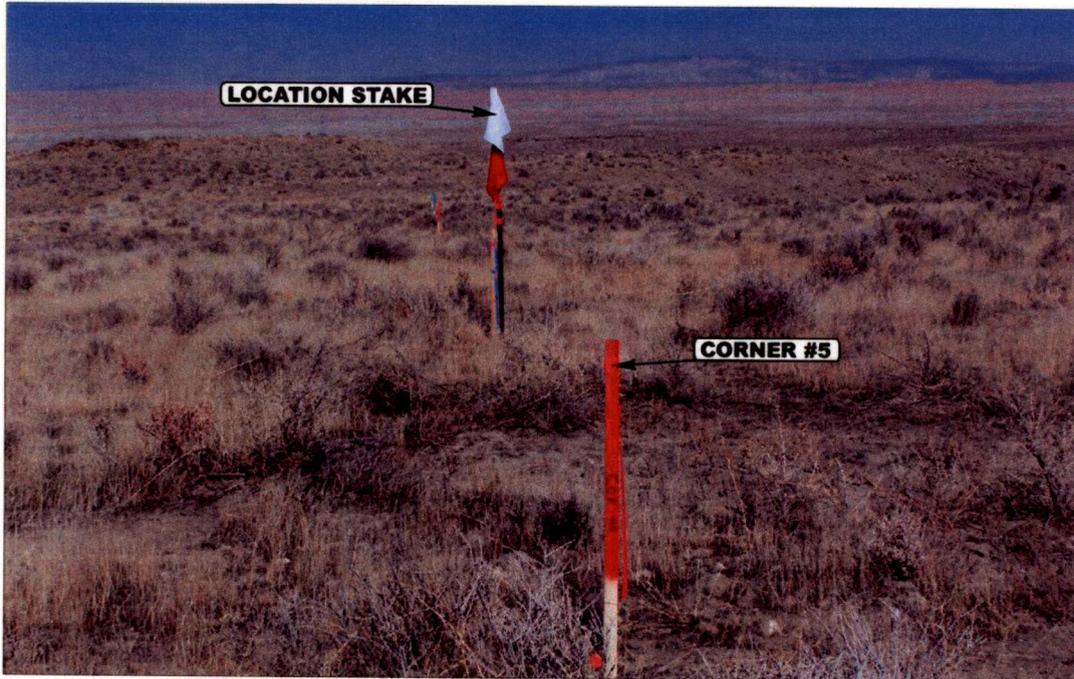


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY

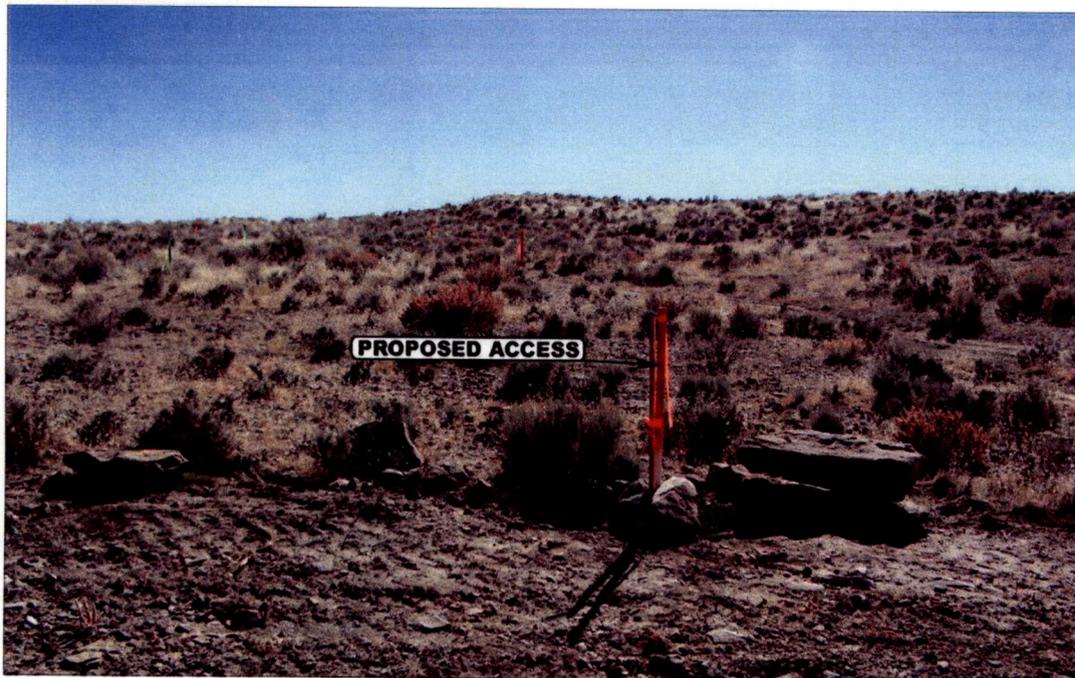


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

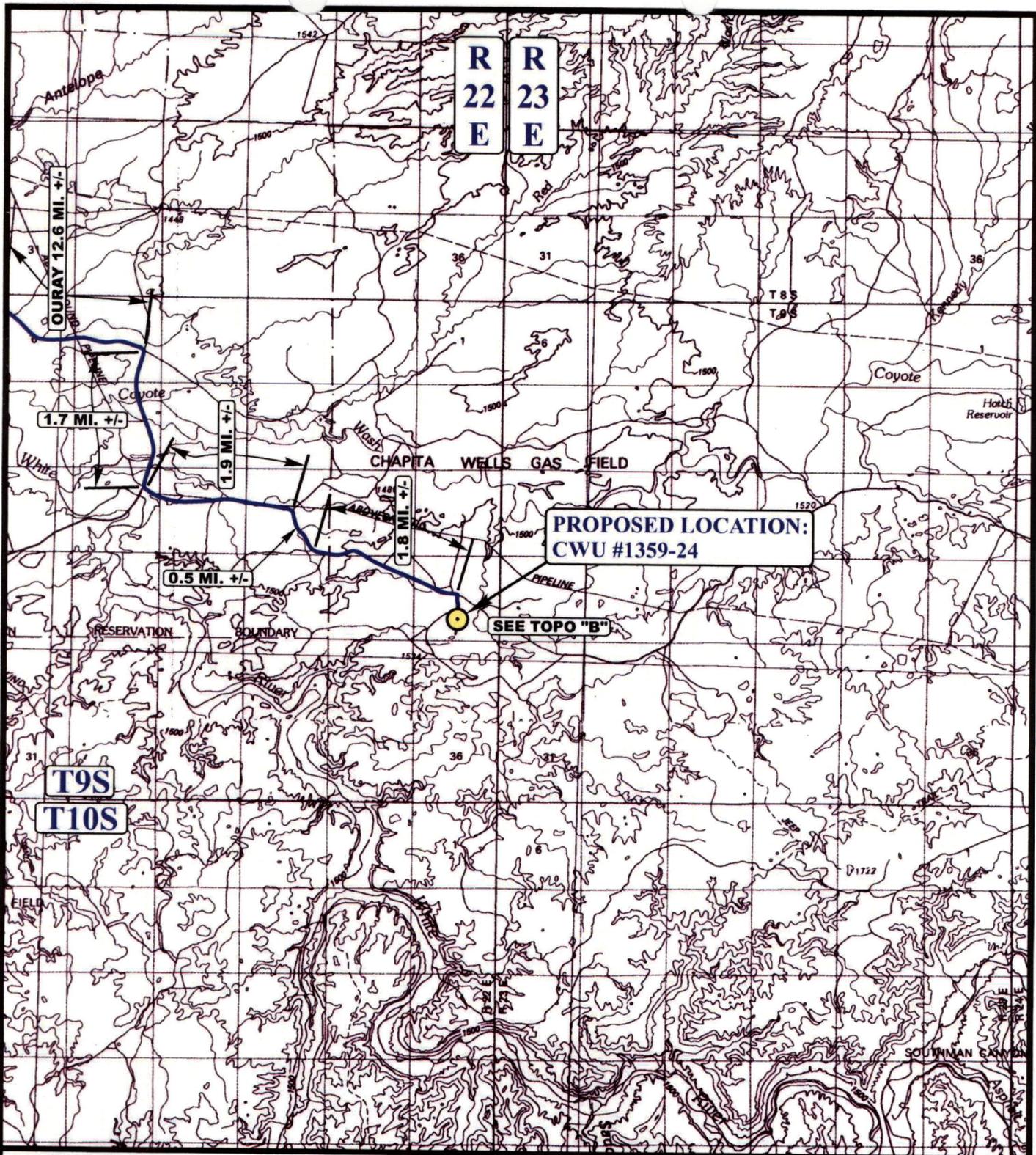
CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

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

LOCATION PHOTOS	11	02	07	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: C.R.	DRAWN BY: C.P.		REVISED: 00-00-00	



LEGEND:

 PROPOSED LOCATION



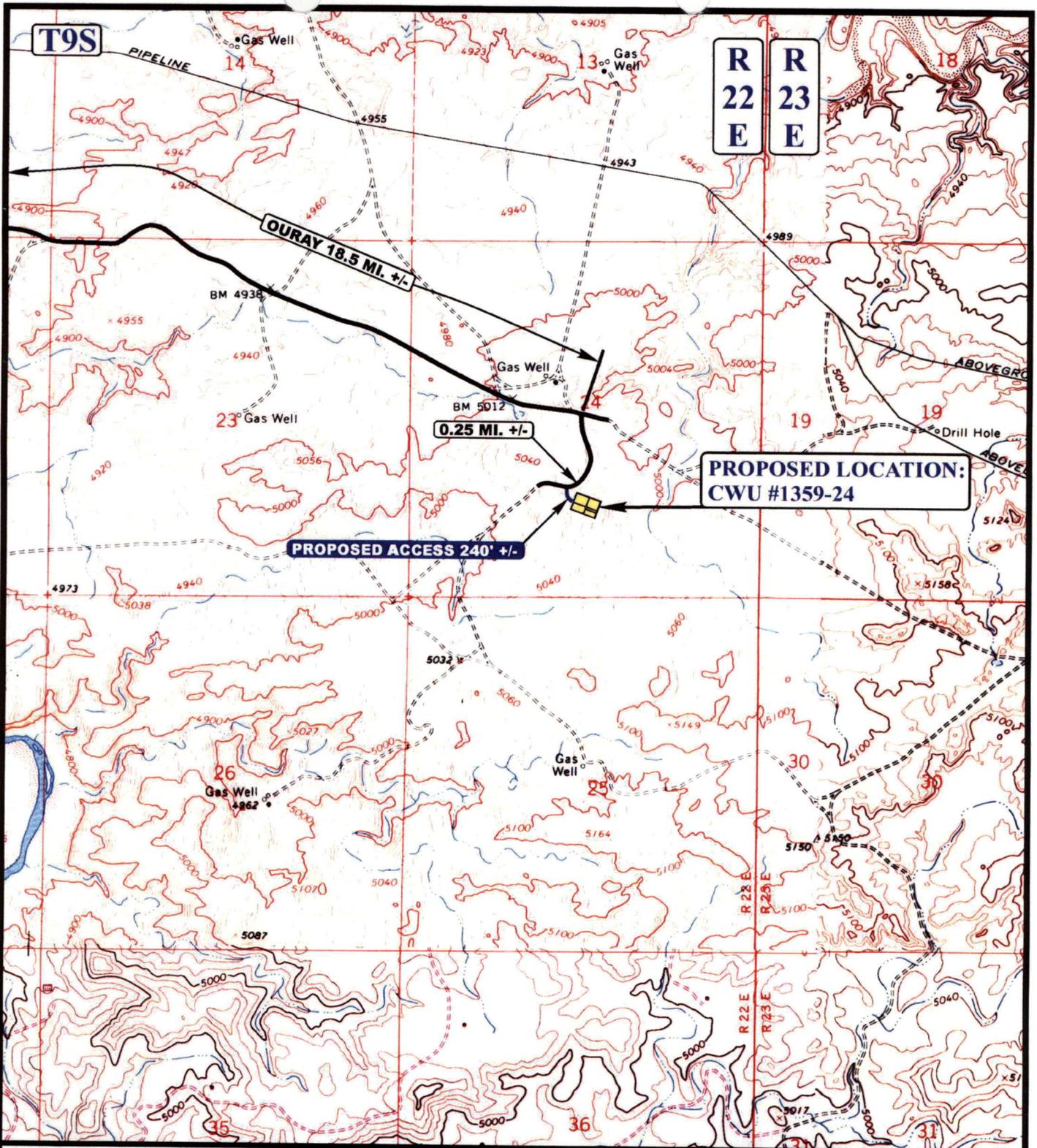
EOG RESOURCES, INC.

CWU #1359-24
 SECTION 24, T9S, R22E, S.L.B.&M.
 1345' FSL 2630' FWL

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

TOPOGRAPHIC MAP **11 02 07**
 MONTH DAY YEAR
 SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00





LEGEND:

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD



EOG RESOURCES, INC.

CWU #1359-24
 SECTION 24, T9S, R22E, S.L.B.&M.
 1345' FSL 2630' FWL



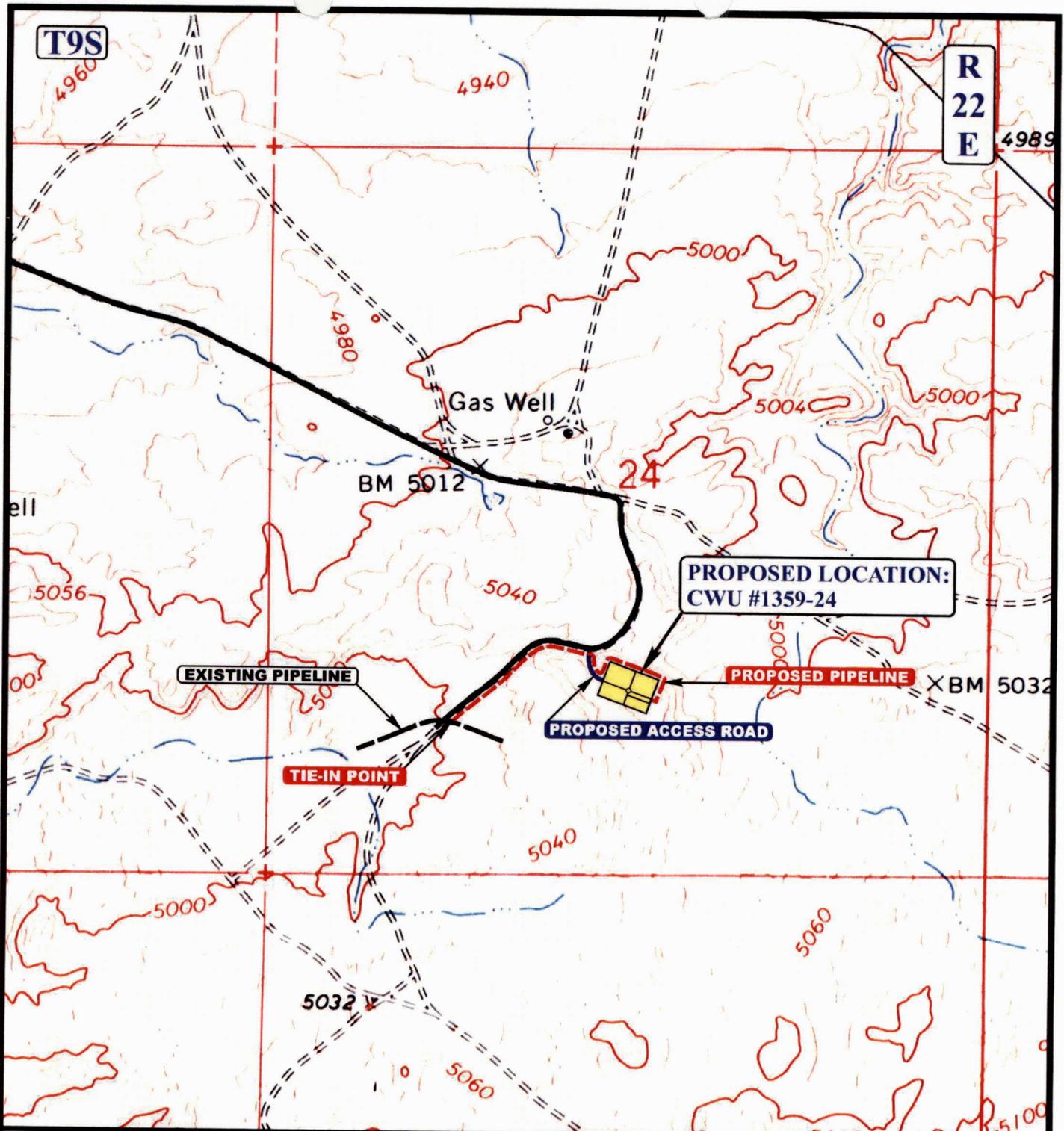
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
 MAP**

11	02	07
MONTH	DAY	YEAR

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





APPROXIMATE TOTAL PIPELINE DISTANCE = 2,208' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE

EOG RESOURCES, INC.

CWU #1359-24
 SECTION 24, T9S, R22E, S.L.B.&M.
 1345' FSL 2630' FWL



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

TOPOGRAPHIC MAP 11 02 07
 MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 00-00-00



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 03/20/2008

API NO. ASSIGNED: 43-047-39981

WELL NAME: CWU 1359-24
 OPERATOR: EOG RESOURCES, INC. (N9550)
 CONTACT: MARY MAESTAS

PHONE NUMBER: 303-824-5526

PROPOSED LOCATION:

NESW 24 090S 220E
 SURFACE: 1345 FSL 2630 FWL
 BOTTOM: 1345 FSL 2630 FWL
 COUNTY: UINTAH
 LATITUDE: 40.01802 LONGITUDE: -109.3876
 UTM SURF EASTINGS: 637601 NORTHINGS: 4430792
 FIELD NAME: NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTSL071861
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

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

LOCATION AND SITING:

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

COMMENTS: _____

STIPULATIONS: _____

1- Federal Approval
2- OIL SHALE

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

March 25, 2008

Memorandum

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

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2008 within the Chapita Wells Unit, Uintah County, Utah.

API#	WELL NAME	LOCATION
(Proposed PZ MesaVerde)		
43-047-39981	CWU 1359-24 Sec 24	T09S R22E 1345 FSL 2630 FWL
43-047-39980	CWU 1186-14 Sec 14	T09S R22E 1673 FSL 2026 FEL
43-047-39979	CWU 1190-14 Sec 14	T09S R22E 0626 FNL 0654 FWL
43-047-39978	CWU 1392-33 Sec 33	T09S R23E 1275 FNL 1178 FWL
43-047-39975	CWU 1372-29 Sec 29	T09S R23E 1413 FSL 0025 FWL
43-047-39976	CWU 1369-30 Sec 30	T09S R23E 1252 FSL 1160 FWL
43-047-39977	CWU 1367-30 Sec 30	T09S R23E 2630 FSL 0025 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:3-25-08



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

March 25, 2008

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

Re: Chapita Wells Unit 1359-24 Well, 1345' FSL, 2630' FWL, NE SW, Sec. 24, 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 43-047-39981.

Sincerely,

for 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 1359-24
API Number: 43-047-39981
Lease: UTSL071861

Location: NE SW **Sec.** 24 **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.

RECEIVED

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAR 18 2008

APPLICATION FOR PERMIT TO DRILL OR REENTER **BLM**

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTSL071861
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES INC		7. If Unit or CA Agreement, Name and No. UTU63013AV
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		8. Lease Name and Well No. CWU 1359-24
3b. Phone No. (include area code) Ph: 303-824-5526		9. API Well No. 43 047 39981
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface NESW 1345FSL 2630FWL 40.01796 N Lat, 109.38838 W Lon At proposed prod. zone NESW 1345FSL 2630FWL 40.01796 N Lat, 109.38838 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 49.75 MILES SOUTH OF VERNAL, UT		11. Sec., T., R., M., or Blk. and Survey or Area Sec 24 T9S R22E Mer SLB SME: BLM
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 12'	16. No. of Acres in Lease 40.00	12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 820'	17. Spacing Unit dedicated to this well	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5078 GL	19. Proposed Depth 9380 MD	20. BLM/BIA Bond No. on file NM2308
	22. Approximate date work will start	23. Estimated duration 45 DAYS

24. Attachments

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

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

25. Signature (Electronic Submission)	Name (Printed/Typed) MARY A. MAESTAS Ph: 303-824-5526	Date 03/18/2008
Title REGULATORY ASSISTANT		
Approved by (Signature) 	Name (Printed/Typed) Steve Kewala	Date SEP 26 2008
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

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

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

Additional Operator Remarks (see next page)

Electronic Submission #59145 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal
Committed to AFMSS for processing by GAIL JENKINS on 03/19/2008 (08GXJ2748AE)

NOTICE OF APPROVAL

RECEIVED

OCT 1 2008

DIV. OF OIL, GAS & MINING

UDOGM

** BLM REVISED **

08GXJ1088 AE

NOS. 12/17/2007



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

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: EOG Resources, Inc.
Well No: CWU 1359-24
API No: 43-047-39981

Location: NESW, Sec. 24, T9S, R22E
Lease No: UTSL-071861
Agreement: Chapita Wells Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	
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:	Nathan Packer	(435) 781-3405	(435) 828-3545

Fax: (435) 781-3420

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

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

NOTIFICATION REQUIREMENTS

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

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

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

SITE SPECIFIC COAs:

- Bury pipeline at all low water crossings.
- Permission from an authorized BLM representative will be required if construction or other operations occur during wet conditions that will lead to excessive rutting.
- Permission to clear all wildlife stipulations will only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.
- Culverts and gravel may be installed as needed.

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

SITE SPECIFIC DOWNHOLE COAs:

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

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 igniter 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.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.

- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

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

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

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



FLYING J OIL & GAS INC.

333 WEST CENTER STREET • NORTH SALT LAKE, UTAH 84054
PHONE (801) 296-7700 • FAX (801) 296-7888

October 24, 2008

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, UT 84114-5801

RE: **43 047 39981**
Bisel Gurr 4-11A1
NENW Sec. 11, T1S, R1W
Well Completion Report
Bluebell Field, Uintah County

To Whom It May Concern:

Enclosed please find a well completion report of the referenced well. Copies of the logs should have been sent to the state directly from the service companies. If you have any questions or are in need of further information please call me at (801) 296-7772.

Sincerely,

Jordan R. Nelson
Petroleum Engineer

RECEIVED

OCT 27 2008

DIV. OF OIL, GAS & MINING

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG				
5. LEASE DESIGNATION AND SERIAL NO. Fee				
6. IF INDIAN, ALLOTTEE OR TRIBE NAME NA				
7. UNIT or CA AGREEMENT NAME NA				
8. WELL NAME and NUMBER Bisel Gurr 4-11A1				
9. API NUMBER 43-047-39961				
10. FIELD AND POOL, OR WILDCAT Bluebell				
11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW Sec 11 T1S R1W				
12. COUNTY Uintah				13. STATE Utah
14. DATE SPURRED 4/22/2008	15. DATE T.D. REACHED 5/17/2008	16. DATE COMPLETED 10/3/2008 ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/>		17. ELEVATIONS (DF, RKB, RT, GL): 5760' KB
18. TOTAL DEPTH MD 10,858' TVD		19. PLUG BACK T.D.: MD 10,812' TVD		20. IF MULTIPLE COMPLETIONS, HOW MANY?*" NA
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) Three Detector LithoDensity Mud Log Compensated Neutron Cement Bond Log Array Induction Gamma Ray			23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)	
24. CASING AND LINER RECORD (Report all strings set in well)				

HOLE SIZE	SIZE/GRADE	WEIGHT (#ft)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO	SLURRY VOLUME (BBL)	CEMENT TOP	AMOUNT PULLED
30"	20" Cond.		Surface	112'		450 sks G	92 bbls	Surface (Cir)	
12 1/4"	9 5/8" J55	36#	Surface	2416'	300 sks Hi-Fill Type 5	450 sks G	204 bbls	Surface (Top Off)	
7 7/8"	5 1/2"	20#	Surface	10,858'	915 sks EconoCem		624 bbls	2300' (CBL)	
	HCL-80				375 sks ExtendaCem		94 bbls		

25 TUBING RECORD								
SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8"	10,797'	NA						

26. PRODUCING INTERVALS				27. PERFORATION RECORD				
FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot-MD)	SIZE	NO HOLES	PERFORATION STATUS
(A) Green River	10,039'	10,791'			See Attached Perf Record		240	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.	
DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
10,039' - 10,410'	Acidized with 5400 gal 15% HCl acid plus additives, diverted with 125 1.3 SG balls
10,543' - 10,791'	Acidized with 10,600 gal 15% HCl acid plus additives, diverted with 275 1.3 SG balls

29. ENCLOSED ATTACHMENTS: <input type="checkbox"/> ELECTRICAL/MECHANICAL LOGS <input type="checkbox"/> GEOLOGIC REPORT <input type="checkbox"/> DST REPORT <input type="checkbox"/> DIRECTIONAL SURVEY <input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION <input type="checkbox"/> CORE ANALYSIS <input type="checkbox"/> OTHER _____	30. WELL STATUS Producing
--	------------------------------

INTERVAL A (As shown in item #26)											
DATE FIRST PRODUCED: 10/3/2008	TEST DATE 10/13/2008	HOURS TESTED 24				TEST PRODUCTION RATES →	OIL - BBLS: 298	GAS - MCF: 106	WATER - BBLS: 2	PROD METHOD: Rods	
CHOKE SIZE —	TBG PRESS 45	CSG PRESS —	API GRAVITY 31.6	BTU-GAS NA	GAS/OIL RATIO 356	24 HR PRODUCTION RATES →	OIL - BBLS: 298	GAS - MCF: 106	WATER - BBLS: 2	INTERVAL STATUS: Open	

INTERVAL B (As shown in item #26)											
DATE FIRST PRODUCED:	TEST DATE	HOURS TESTED				TEST PRODUCTION RATES →	OIL - BBLS:	GAS - MCF:	WATER - BBLS	PROD METHOD:	
CHOKE SIZE	TBG PRESS	CSG PRESS	API GRAVITY	BTU-GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES →	OIL - BBLS:	GAS - MCF:	WATER - BBLS	INTERVAL STATUS:	

INTERVAL C (As shown in item #26)											
DATE FIRST PRODUCED:	TEST DATE	HOURS TESTED				TEST PRODUCTION RATES →	OIL - BBLS:	GAS - MCF:	WATER - BBLS	PROD METHOD:	
CHOKE SIZE	TBG PRESS	CSG PRESS	API GRAVITY	BTU-GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES →	OIL - BBLS:	GAS - MCF:	WATER - BBLS	INTERVAL STATUS:	

INTERVAL D (As shown in item #26)											
DATE FIRST PRODUCED:	TEST DATE	HOURS TESTED				TEST PRODUCTION RATES →	OIL - BBLS:	GAS - MCF:	WATER - BBLS	PROD METHOD:	
CHOKE SIZE	TBG PRESS	CSG PRESS	API GRAVITY	BTU-GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES →	OIL - BBLS:	GAS - MCF:	WATER - BBLS	INTERVAL STATUS:	

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

Sold

33. 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

34. FORMATION (Log) MARKERS:

FORMATION	TOP (MD)	BOTTOM (MD)	DESCRIPTION, CONTENTS, ETC.	NAME	TOP (Measured Depth)
				Green River Tgr3 Marker Wasatch	6900' 9626' 10,813'

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Jordan R. Nelson TITLE Petroleum Engineer

SIGNATURE  DATE October 24, 2008

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

*ITEM 20: Show the number of completions if production is measured separately from two or more formations

**ITEM 24: Cement Top - Show how report top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS))

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340
Fax: 801-359-3940

Flying J Oil & Gas Inc.
Perforation Record
Bisel Gurr 4-11A1

Perforated the Green River in the following intervals using 3 3/8" expendable casing guns, premium charges, 3 SPF, 120° phasing. Correlated depths to Schlumberger Array Induction log dated 5/28/08.

Green River: 240 perforations, 80 net feet, 26 intervals

10,788 – 10,791 (3')	10,626 – 10,628 (2')	10,286 – 10,288 (2')
10,781 – 10,784 (3')	10,580 – 10,583 (3')	10,280 – 10,282 (2')
10,769 – 10,774 (5')	10,574 – 10,578 (4')	10,239 – 10,241 (2')
10,763 – 10,766 (3')	10,561 – 10,564 (3')	10,136 – 10,140 (4')
10,719 – 10,724 (5')	10,543 – 10,550 (7')	10,126 – 10,128 (2')
10,708 – 10,711 (3')	10,346 – 10,348 (2')	10,088 – 10,090 (2')
10,670 – 10,678 (8')	10,335 – 10,337 (2')	10,057 – 10,060 (3')
10,650 – 10,652 (2')	10,323 – 10,325 (2')	10,039 – 10,041 (2')
10,632 – 10,634 (2')	10,309 – 10,311 (2')	

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTSL-071861
2. NAME OF OPERATOR: EOG Resources, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1060 East Highway 40 Vernal UT 84078		7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1345' FSL & 2630' FWL 40.017963 LAT 109.388383 LON		8. WELL NAME and NUMBER: Chapita Wells Unit 1359-24
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 24 9S 22E S.L.B. & M.		9. API NUMBER: 43-047-39981
COUNTY: Uintah		10. FIELD AND POOL, OR WLDLOCAT: Natural Buttes
STATE: UTAH		

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

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

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

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

COPY SENT TO OPERATOR

Date: 3.12.2009
Initials: KS

Date: 03-11-09
By: [Signature]

NAME (PLEASE PRINT) Mickenzie Thacker TITLE Operations Clerk
SIGNATURE [Signature] DATE 2/23/2009

(This space for State use only)

RECEIVED
MAR 02 2009

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

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

API: 43-047-39981
Well Name: Chapita Wells Unit 1359-24
Location: 1345 FSL & 2630 FWL (NESW), SECTION 24, T9S, R22E S.L.B.&M
Company Permit Issued to: EOG Resources, Inc.
Date Original Permit Issued: 3/25/2008

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

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

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No

Mickenna Thacker
Signature

2/23/2009
Date

Title: Operations Clerk

Representing: EOG Resources, Inc.

RECEIVED
MAR 02 2009
DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTSL071861
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: CWU 1359-24
2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047399810000
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1345 FSL 2630 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 24 Township: 09.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input checked="" type="checkbox"/> SPUD REPORT Date of Spud: 5/29/2009	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

The referenced well was spud on 5/29/2009.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 June 02, 2009

NAME (PLEASE PRINT) Kaylene Gardner	PHONE NUMBER 435 781-9111	TITLE Regulatory Administrator
SIGNATURE N/A	DATE 6/1/2009	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTSL071861
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: CWU 1359-24
2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047399810000
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1345 FSL 2630 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 24 Township: 09.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

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

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

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

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

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

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTSL071861
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: CWU 1359-24
2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047399810000
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1345 FSL 2630 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 24 Township: 09.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

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

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

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

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

WELL CHRONOLOGY REPORT

Report Generated On: 09-30-2009

Well Name	CWU 1359-24	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API #	43-047-39981	Well Class	COMP
County, State	UINTAH, UT	Spud Date	07-15-2009	Class Date	
Tax Credit	N	TVD / MD	9,380/ 9,380	Property #	062307
Water Depth	0	Last CSG	4.5	Shoe TVD / MD	9,375/ 9,375
KB / GL Elev	5,095/ 5,076				
Location	Section 24, T9S, R22E, NESW, 1345 FSL & 2630 FWL				

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

AFE No	304977	AFE Total	1,472,000	DHC / CWC	673,600/ 798,400
Rig Contr	TRUE	Rig Name	TRUE #34	Start Date	04-03-2008
04-03-2008	Reported By	CYNTHIA HANSELMAN			
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			1345' FSL & 2630' FWL (NE/SW)
			SECTION 24, T9S, R22E
			UINTAH COUNTY, UTAH
			LAT 40.017997, LONG 109.387702 (NAD 27)
			LAT 40.017963, LONG 109.388383 (NAD 83)
			TRUE #34
			OBJECTIVE: 9380' TD, MESAVERDE
			DW/GAS
			CHAPITA WELLS DEEP PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: UTSL071861
			ELEVATION: 5078.5' NAT GL, 5076.2' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 5076'), 5095' KB (19')
			EOG WI 100%, NRI 82.005679%
			APO WI 55.6504%, NRI 47.609126%

05-15-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 40% COMPLETE.

05-18-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

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 BUILD

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

05-19-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

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 BUILD

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT. DRILLING ROCK.

05-20-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

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 BUILD

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT. DRILLING ROCK.

05-21-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

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 BUILD

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SHOOT LOCATION TOMORROW.

05-22-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

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 BUILD

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

05-26-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

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 LOCATION AND PIT.

05-27-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

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 LOCATION AND PIT.

05-28-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

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 LOCATION AND PIT.

05-29-2009 **Reported By** TERRY CSERE/KENT DEVENPORT

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

MD 60 **TVD** 60 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: WO/AIR RIG

Start	End	Hrs	Activity Description
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06:00 06:00 24.0 PUSHING OUT LOCATION AND PIT. CRAIGS ROUSTABOUT SERVICE SPUD A 26" HOLE ON 5/29/09 @ 11:00 AM. SET 960' OF 16" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE MESSAGE AND BLM WAS NOTIFIED BY EMAIL OF SPUD ON 5/28/09 @ 10:55 AM.

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

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

MD 60 **TVD** 60 **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 TUESDAY.

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

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

MD 60 **TVD** 60 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: BUILD LOCATION

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

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

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

MD 60 **TVD** 60 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: WO AIR RIG

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

06-17-2009 **Reported By** DAVID FOREMAN

DailyCosts: Drilling \$207,005 **Completion** \$0 **Daily Total** \$207,005
Cum Costs: Drilling \$257,005 **Completion** \$0 **Well Total** \$257,005

MD 2,399 **TVD** 2,399 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG #2 ON 6/05/2009. DRILLED 12-1/4" HOLE TO 2380' GL (2399' RKB). ENCOUNTERED WATER @ 1810'. FLUID DRILLED FROM 1810' TO TD WITH PARTIAL LOSSES. SPOTTED DRILLING MUD ON BOTTOM. RAN 55 JTS (2363.35') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2382.35 KB. RDMO CRAIGS RIG #2. RAN 200' OF 1" PIPE FOR TOP OUTS.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 3000 PSIG. PUMPED 20 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. EAD: MIXED & PUMPED 250SX (182.5 BBLs) OF PREMIUM CEMENT W 0.2% VARSET & 2% CALSEAL & 2% EX-1. MIXED CEMENT @ 10.5 PPG W/YIELD OF 4.1 CF/SX. TAIL: MIXED AND PUMPED 300 SACKS (63 BBLs) OF PREMIUM CEMENT W/ 2% CACL MIXED CEMENT @ 15.6 PPG W/ YIELD OF 1.18 CF/SX.

DISPLACED CEMENT W/179 BBLs FRESH WATER. BUMPED PLUG W/850 PSI @ 18:40, 6/11/2009 FLOATS HELD. 40 BBLs CEMENT TO SURFACE. CEMENT FELL BACK FROM SURFACE. WAITING 2 HOURS TO START TOP JOB AFTER FLUSHING DOWN 1" PIPE TO SURFACE.

TOP JOB # 1: DOWN 200' OF 1" PIPE, MIXED & PUMPED 150 SX (31 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. GOOD RETURNS, CEMENT STOOD AT SURFACE. RELEASE HALLIBURTON.

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

CRAIGS RIG 3 TOOK 2 EACH SURVEYS WHILE DRILLING HOLE @ 1210' =0.50 DEGREE & 2350' = 3.5 DEGREE.

KENT DEVENPORT NOTIFIED BLM VIA ELECTRONIC FORM OF THE SURFACE CASING & CEMENT JOB ON 6/10/2009 @ 08:00:00 AM.

DAVID FOREMAN NOTIFIED CAROL DANIELS WITH UDOGM OF THE SURFACE CASING & CEMENT JOB ON 6/10/2009 @ 09:00 AM.

DAVID FOREMAN CONTACTED JOHNN BOWEN WITH BLM FOR WITNESSING OF SURFACE CASING RUN AND CEMENT JOB. JOHNNY ATTENDED THE WITNESS.

07-15-2009		Reported By		BRIAN DUTTON							
Daily Costs: Drilling		\$52,578	Completion		\$0	Daily Total		\$52,578			
Cum Costs: Drilling		\$309,583	Completion		\$0	Well Total		\$309,583			
MD	2,399	TVD	2,399	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0			Perf :		PKR Depth : 0.0				

Activity at Report Time: TESTING BOPE

Start	End	Hrs	Activity Description
06:00	04:00	22.0	HELD SAFETY MEETING W/RIG CREWS & RIG MOVERS. MOVED RIG FROM CWU 1336-15, MOVE WAS 3.5 MILE. RURT. RAISED DERRICK @ 1730 HRS 7/14/09. RELEASED TRUCKS @ 1800 HRS. CONTINUED RURT. NO ACCIDENTS. 15 MEN, 120 MAN-HOURS. OLD LOCATION CWU 1336-15 CLEARED AND CLEANED. TRANSFERRED 2 MARKER JT(16.58') 4.5" 11.6# HCP-110 LTC CASING FROM CWU 1336-15. TRANSFERRED 17 JTS(734.88') 4.5" 11.6# HCP-110 LTC CASING FROM CWU 1336-15. TRANSFERRED 1596 GALS DIESEL FROM CWU 1336-15.
04:00	06:00	2.0	RIG ACCEPTED FOR DAYWORK @ 0400 HRS 7/15/09. TESTED BOPE(PIPE RAMS, VALVES, & MANIFOLD 250/5000 PSI, ANNULAR 250/2500 PSI). NOTIFIED BLM VIA EMAIL @ 0130 HRS 7/14/09 OF BOP TEST TO BE PERFORMED @ 0200 HRS 7/15/09. NO BLM WITNESS. DIESEL 1482 GALS(USED 114 GALS).

NO ACCIDENTS. FULL CREWS. SAFETY TOPIC- TEST ON TESTING BOP.

07-16-2009	Reported By	BRIAN DUTTON
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DailyCosts: Drilling \$72,156 **Completion** \$0 **Daily Total** \$72,156
Cum Costs: Drilling \$381,740 **Completion** \$0 **Well Total** \$381,740
MD 3,944 **TVD** 3,944 **Progress** 1,545 **Days** 1 **MW** 9.5 **Visc** 30.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING @ 3,944'

Start	End	Hrs	Activity Description
06:00	09:00	3.0	FINISH TESTING BOPE (PIPE RAMS, VALVES, & MANIFOLD 250/5000 PSI, ANNULAR 250/2500 PSI, CASING 1500 FOR 30 MINS).
09:00	08:30	23.5	INSTALL WEAR BUSHING.
08:30	13:00	4.5	RU WEATHER LD MACHINE AND PICK UP B.H.A. HELD SAFETY MEETING PRIOR TO JOB. (TAG AT 2,325').
13:00	13:30	0.5	TORQUE KELLY, INSTALL KELLY SPINNERS AND INSTALL ROTATING HEAD AND DRIVE BUSHING.
13:30	15:00	1.5	DRILL CEMENT/FLOAT EQUIP. F/2,325' TO 2,399', DRILL 13' OF NEW HOLE TO 2,412'.
15:00	15:30	0.5	PERFORMED F.I.T. @ 2,412' TO 10.5 PPG EMW(165 PSI W/9.2 PPG MUD).
15:30	17:30	2.0	DRILLED 2,412' TO 2,508' (96' @ 48.0 FPH), WOB 15-20K, GPM 450, RPM 35-55/MOTOR 68, SPP 1560, DIFF. PRESS. 230/260 PSI, MUD 9.2, VIS 31, NO FLARE.
17:30	18:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST PIPE RAMS.
18:00	18:30	0.5	SURVEY DEPTH @ 2,428' 3.3 DEGREES.
18:30	02:30	8.0	DRILLED 2,508' TO 3,568' (1060' @ 132.5 FPH), WOB 15-20K, GPM 450, RPM 35-55/MOTOR 68, SPP 1868, DIFF. PRESS. 500/600 PSI, MUD 9.2, VIS 31, NO FLARE.
02:30	03:00	0.5	SURVEY DEPTH @ 3486' 2.06 DEGREES.
03:00	06:00	3.0	DRILLED 3,568' TO 3,944' (368' @ 125.3 FPH), WOB 15-20K, GPM 450, RPM 35-55/MOTOR 68, SPP 1968, DIFF. PRESS. 500/600 PSI, MUD 9.2, VIS 31, NO FLARE. DIESEL 8550 GALS(USED 932).

NO ACCIDENTS. FULL CREWS. SAFETY MEETING TOPIC - RUNNING WIRE LINE SURVEYS.
 FUNCTION COM FIRST CONN ON TOUR, ALL CREWS.

06:00 SPUD A 7 7/8" PRODUCTION HOLE @ 15:30 HRS, 7/15/09.

07-17-2009 Reported By BRIAN DUTTON

DailyCosts: Drilling \$71,673 **Completion** \$0 **Daily Total** \$71,673
Cum Costs: Drilling \$453,413 **Completion** \$0 **Well Total** \$453,413
MD 6,025 **TVD** 6,025 **Progress** 2,081 **Days** 2 **MW** 9.9 **Visc** 35.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING @ 6025'

Start	End	Hrs	Activity Description
06:00	14:30	8.5	DRILLED 3,944' TO 4,941' (997' @ 124.6 FPH), WOB 15-20K, GPM 450, RPM 35-55/MOTOR 68, SPP 2100, DIFF. PRESS. 300/400 PSI, MUD 9.8, VIS 35, NO FLARE.
14:30	15:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST ANNULAR.
15:00	06:00	15.0	DRILLED 4,941' TO 6,025' (1084' @ 17.2 FPH), WOB 15-20K, GPM 450, RPM 35-55/MOTOR 68, SPP 2285, DIFF. PRESS. 300/400 PSI, MUD 10.0, VIS 37, NO FLARE. (LOST 150 BBLs MUD @ 5,476'). DIESEL 7182 GALS(USED 1368).

NO ACCIDENTS. FULL CREWS. SAFETY MEETING TOPIC - RIG SERVICE.

FUNCTION COM FIRST CONN ON TOUR, ALL CREWS.

07-18-2009	Reported By	BRIAN DUTTON									
DailyCosts: Drilling	\$33,456	Completion	\$1,515	Daily Total	\$34,971						
Cum Costs: Drilling	\$486,870	Completion	\$1,515	Well Total	\$488,385						
MD	6,965	TVD	6,965	Progress	940	Days	3	MW	0.0	Visc	39.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING @ 6,965'

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRILLED 6,025' TO 6,440' (415' @ 46.1 FPH), WOB 15-20K, GPM 450, RPM 35-55/MOTOR 68, SPP 2285, DIFF. PRESS. 300/400 PSI, MUD 10.1, VIS 39, NO FLARE.
15:00	15:30	0.5	SERVICE RIG. COMP. DRAW TOOL. T.B.A. FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST PIPE RAMS.
15:30	06:00	14.5	DRILLED 6,440' TO 6,965' (525' @ 36.2 FPH), WOB 15-20K, GPM 443, RPM 35-55/MOTOR 66, SPP 2300, DIFF. PRESS. 300/400 PSI, MUD 10.4, VIS 38, NO FLARE.

DIESEL 5700 GALS(USED 1482).

NO ACCIDENTS.

FULL CREWS.

SAFETY MEETING TOPIC - LOCK OUT TAG OUT EQUIPMENT PRIOR TO WORKING ON IT.

FUNCTION COM FIRST CONN ON TOUR, ALL CREWS.

07-19-2009	Reported By	BRIAN DUTTON									
DailyCosts: Drilling	\$27,893	Completion	\$0	Daily Total	\$27,893						
Cum Costs: Drilling	\$514,764	Completion	\$1,515	Well Total	\$516,279						
MD	8,188	TVD	8,188	Progress	1,223	Days	4	MW	11.2	Visc	38.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING @ 8,188'

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILLED 6,965' TO 7,192' (227' @ 64.8 FPH), WOB 15-20K, GPM 435, RPM 35-55/MOTOR 65, SPP 2300, DIFF. PRESS. 171/400 PSI, MUD 10.6+, VIS 37, NO FLARE.
09:30	10:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST ANNULAR.
10:00	10:30	0.5	CHANGE OUT SWIVEL PACKING.
10:30	06:00	19.5	DRILLED 7,192' TO 8,188' (996' @ 51.0 FPH), WOB 15-20K, GPM 396, RPM 35-55/MOTOR 59, SPP 2390, DIFF. PRESS. 150/350 PSI, MUD 11.2, VIS 38, NO FLARE.

DIESEL 4389 GALS (USED 1311).

NO ACCIDENTS.

FULL CREWS.

SAFETY MEETING TOPIC - WORKING IN HOT WEATHER CONDITIONS.

FUNCTION COM FIRST CONN ON TOUR, ALL CREWS.

07-20-2009	Reported By	BRIAN DUTTON									
DailyCosts: Drilling	\$58,543	Completion	\$0	Daily Total	\$58,543						
Cum Costs: Drilling	\$573,308	Completion	\$1,515	Well Total	\$574,823						
MD	8,808	TVD	8,808	Progress	620	Days	5	MW	11.5	Visc	38.0

Formation : PBTB : 0.0 **Perf :** PKR Depth : 0.0

Activity at Report Time: Drilling @ 8808'

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRILLED 8,188' TO 8,372' (184' @ 23.0 FPH), WOB 15-20K, GPM 396, RPM 35-55/MOTOR 59, SPP 2390, DIFF. PRESS. 150/350 PSI, MUD 11.4, VIS 38, NO FLARE.
14:00	14:30	0.5	SURVEY DEPTH @ 8,292' 3.00 DEGREES.
14:30	17:30	3.0	TRIP OUT OF THE HOLE WITH BIT #1 @ 8,372'.
17:30	18:00	0.5	LD ROLLER REAMER AND CHANGE BIT.
18:00	22:00	4.0	TRIP IN HOLE WITH BIT #2, FILL PIPE @ 2,367' AND 4,500'.
22:00	23:00	1.0	WASH/REAM F/8,337' TO 8,372', 5' OF FILL.
23:00	06:00	7.0	DRILLED 8,372' TO 8,808' (436' @ 62.2 FPH), WOB 15-20K, GPM 403, RPM 35-55/MOTOR 60, SPP 2400, DIFF. PRESS. 150/400 PSI, MUD 11.5, VIS 39, NO FLARE.
DIESEL 3192 GALS(USED 1197).			
NO ACCIDENTS.			
FULL CREWS.			
SAFETY MEETING TOPIC - JSA BREAKING PIPE IN MOUSE HOLE.			
FUNCTION COM FIRST CONN ON TOUR, ALL CREWS.			

06:00

07-21-2009 **Reported By** BRIAN DUTTON

DailyCosts: Drilling	\$27,923	Completion	\$849	Daily Total	\$28,772						
Cum Costs: Drilling	\$601,231	Completion	\$2,364	Well Total	\$603,595						
MD	9,380	TVD	9,380	Progress	572	Days	6	MW	11.5	Visc	38.0

Formation : PBTB : 0.0 **Perf :** PKR Depth : 0.0

Activity at Report Time: RUN PROD CASING

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILLED 8,808' TO 8,839' (31' @ 62.0 FPH), WOB 15-20K, GPM 403, RPM 35-55/MOTOR 60, SPP 2400, DIFF. PRESS. 150/400 PSI, MUD 11.5, VIS 39, NO FLARE.
06:30	07:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST PIPE RAMS.
07:00	17:30	10.5	DRILLED 8,839' TO 9,380' (541' @ 51.2 FPH), WOB 15-20K, GPM 403, RPM 35-55/MOTOR 60, SPP 2500, DIFF. PRESS. 150/400 PSI, MUD 11.5+, VIS 39, NO FLARE. REACHED TD @ 17:30 HRS, 07/21/09.
17:30	19:30	2.0	CIRCULATE AND CONDITION PRIOR TO SHORT TRIP.
19:30	20:30	1.0	SHORT TRIP 11 STANDS TO 8,866'.
20:30	22:00	1.5	CIRCULATE AND CONDITON, R/U FRANKS WESTATES L/D MACHINE. HELD SAFETY MEETING PRIOR TO R/U.
22:00	22:30	0.5	DROP SURVEY DEPTH 9,300' 3.03 DEGREES.
22:30	23:00	0.5	CIRCULATE AND PUMP PILL.
23:00	03:00	4.0	LDDP.
03:00	04:00	1.0	BREAK KELLY AND LD BHA.
04:00	04:30	0.5	PULL WEAR RING.
04:30	05:30	1.0	RU FRANKS WESTATES CSG CREW. HELD SAFETY MEETING.
05:30	06:00	0.5	START RUNNING 4.5" 11.6# N-80 LTC PRODUCTION CASING.

DIESEL 2508 GALS(USED 1184).

NO ACCIDENTS.
 FULL CREWS.
 SAFETY MEETING TOPIC – LDDP AND RUNNING CASING.
 FUNCTION COM FIRST CONN ON TOUR, ALL CREWS.

07-22-2009	Reported By	BRIAN DUTTON									
DailyCosts: Drilling	\$68,554	Completion	\$154,606	Daily Total	\$223,161						
Cum Costs: Drilling	\$669,786	Completion	\$156,970	Well Total	\$826,756						
MD	9,380	TVD	9,380	Progress	0	Days	7	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	11:30	5.5	RAN 223 JTS OF 4.5" 11.6# N-80 LTC CASING (FS, 1 JT, FC, 222 JTS & 2 MARKERS) & TAG JT. RAN 27 CENTRALIZERS(RIGID- JTS 1-3, BOWSPRING-EVERY 3 RD JT TO 6262). TAGGED @ 9380. LD TAG JT. PU LANDING JT W/FLUTED CSG HANGER. LANDED CSG @ 9375.83(FC @ 9331.97, MARKERS @ 6596-28 & 4323-12). NOTIFIED BLM VIA EMAIL @ 0800 HRS 7/20/09 OF CSG & CMT JOB.
11:30	13:00	1.5	CIRCULATED W/RIG PUMP. RD FRANKS WESTATES CSG CREW & LD MACHINE. RU HALLIBURTON CEMENTER. HELD SAFETY MEETING.
13:00	15:00	2.0	CEMENTED CSG AS FOLLOWS: PUMPED BOTTOM PLUG, 20 BBLS MUDFLUSH III, 10 BBLS FW SPACER, 490 SX HIGHBOND 75(160.6 BBLS @ 12.0 PPG, 1.84 CFS) & 1340 SX EXTENDACEM VI(350.8 BBLS @ 13.5 PPG, 1.47 CFS). DROPPED TOP PLUG. DISP W/145 BTW. FINAL LIFT PRESSURE 2500 PSI, BUMPED PLUG TO 3500 PSI. BLED OFF, FLOATS HELD. CIRCULATED 5 BBLS CEMENT BACK TO RESERVE PIT.
15:00	16:00	1.0	WAIT ON CEMENT. HAULED 1,010 BBLS MUD TO STORAGE. CLEANED MUD TANKS. RDRT.
16:00	19:00	3.0	REMOVED LANDING JT. RAN CSG HANGER PACKOFF AND LOCKED IN POSITION. TESTED HANGER TO 5000 PSI. FINISHED CLEANING MUD TANKS. RDRT.
			TRANSFERRED 3 MARKER JT(38.13') 4.5" 11.6# HCP-110 LTC CASING TO CWU 1360-24. TRANSFERRED 5 JTS(208.45') 4.5" 11.6# N-80 LTC CASING TO CWU 1360-24. TRANSFERRED 2125 GALS DIESEL TO CWU 1360-24.
19:00	06:00	11.0	RDRT AND PREPARE RIG FOR TRUCKS. 5 MEN, 55 MAN-HOURS. NO ACCIDENTS. TRUCKS SCHEDULED FOR 07:00 HRS,7/21/09. MOVE TO CWU 1360-24 IS APPROXIMATELY 1.0 MILES.
06:00			RIG RELEASED @ 19:00 HRS, 7/21/09. CASING POINT COST: \$653,786

07-29-2009	Reported By	SEARLE									
DailyCosts: Drilling	\$0	Completion	\$25,500	Daily Total	\$25,500						
Cum Costs: Drilling	\$669,786	Completion	\$182,470	Well Total	\$852,256						
MD	9,380	TVD	9,380	Progress	0	Days	8	MW	0.0	Visc	0.0
Formation :	PBTD : 9332.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00			MIRU CUTTERS WIRELINE. LOG WITH CBL/CCL/VDL/GR FROM PBTD TO 50'. EST CEMENT TOP @ 700'. RDWL.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: UTSL071861
	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: CWU 1359-24
2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047399810000
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1345 FSL 2630 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 24 Township: 09.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
	COUNTY: UINTAH
	STATE: UTAH

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

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

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

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

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

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTSL071861
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: CWU 1359-24
2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047399810000
3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1000 N , Denver, CO, 80202	PHONE NUMBER: 435 781-9111 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1345 FSL 2630 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 24 Township: 09.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 11/24/2009	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input checked="" type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

The referenced well was turned to sales on 11/24/2009. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

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

NAME (PLEASE PRINT) Mary Maestas	PHONE NUMBER 303 824-5526	TITLE Regulatory Assistant
SIGNATURE N/A		DATE 11/25/2009

WELL CHRONOLOGY REPORT

Report Generated On: 11-25-2009

Well Name	CWU 1359-24	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API #	43-047-39981	Well Class	COMP
County, State	UINTAH, UT	Spud Date	07-15-2009	Class Date	
Tax Credit	N	TVD / MD	9,380/ 9,380	Property #	062307
Water Depth	0	Last CSG	2.375	Shoe TVD / MD	0/ 0
KB / GL Elev	5,095/ 5,076				
Location	Section 24, T9S, R22E, NESW, 1345 FSL & 2630 FWL				

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

AFE No	304977	AFE Total	1,472,000	DHC / CWC	673,600/ 798,400
Rig Contr	TRUE	Rig Name	TRUE #34	Start Date	04-03-2008
04-03-2008	Reported By	CYNTHIA HANSELMAN			
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			1345' FSL & 2630' FWL (NE/SW)
			SECTION 24, T9S, R22E
			UINTAH COUNTY, UTAH
			LAT 40.017997, LONG 109.387702 (NAD 27)
			LAT 40.017963, LONG 109.388383 (NAD 83)
			TRUE #34
			OBJECTIVE: 9380' TD, MESAVERDE
			DW/GAS
			CHAPITA WELLS DEEP PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: UTSL071861
			ELEVATION: 5078.5' NAT GL, 5076.2' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 5076'), 5095' KB (19')
			EOG WI 100%, NRI 82.005679%
			APO WI 55.6504%, NRI 47.609126%

05-08-2009 **Reported By** TERRY CSERE

DailyCosts: Drilling \$50,000 **Completion** \$0 **Daily Total** \$50,000

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	START LOCATION TODAY 5/8/09.

05-11-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: BUILD LOCATION

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

05-12-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 25% COMPLETE.

05-13-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: BUILD LOCATION

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

05-14-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: BUILD LOCATION

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

05-15-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 40% COMPLETE.

05-18-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

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 BUILD

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

05-19-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

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 BUILD

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT. DRILLING ROCK.

05-20-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

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 BUILD

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT. DRILLING ROCK.

05-21-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

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 BUILD

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SHOOT LOCATION TOMORROW.

05-22-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

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 BUILD

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

05-26-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

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 LOCATION AND PIT.

05-27-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

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 LOCATION AND PIT.

05-28-2009 **Reported By** TERRY CSERE

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

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 LOCATION AND PIT.

05-29-2009 **Reported By** TERRY CSERE/KENT DEVENPORT

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

Cum Costs: Drilling \$50,000 **Completion** \$0 **Well Total** \$50,000

MD 60 **TVD** 60 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: WO/AIR RIG

Start	End	Hrs	Activity Description
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06:00 06:00 24.0 PUSHING OUT LOCATION AND PIT. CRAIGS ROUSTABOUT SERVICE SPUD A 26" HOLE ON 5/29/09 @ 11:00 AM. SET 960' OF 16" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE MESSAGE AND BLM WAS NOTIFIED BY EMAIL OF SPUD ON 5/28/09 @ 10:55 AM.

06-01-2009	Reported By	TERRY CSERE									
DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0						
Cum Costs: Drilling	\$50,000	Completion	\$0	Well Total	\$50,000						
MD	60	TVD	60	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 TUESDAY.								

06-02-2009	Reported By	TERRY CSERE									
DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0						
Cum Costs: Drilling	\$50,000	Completion	\$0	Well Total	\$50,000						
MD	60	TVD	60	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: BUILD LOCATION											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	LINE TODAY.								

06-03-2009	Reported By	TERRY CSERE									
DailyCosts: Drilling	\$0	Completion	\$0	Daily Total	\$0						
Cum Costs: Drilling	\$50,000	Completion	\$0	Well Total	\$50,000						
MD	60	TVD	60	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: WO AIR RIG											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	LOCATION IS COMPLETE.								

06-17-2009	Reported By	DAVID FOREMAN									
DailyCosts: Drilling	\$207,005	Completion	\$0	Daily Total	\$207,005						
Cum Costs: Drilling	\$257,005	Completion	\$0	Well Total	\$257,005						
MD	2,399	TVD	2,399	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: WORT											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG #2 ON 6/05/2009. DRILLED 12-1/4" HOLE TO 2380' GL (2399' RKB). ENCOUNTERED WATER @ 1810'. FLUID DRILLED FROM 1810' TO TD WITH PARTIAL LOSSES. SPOTTED DRILLING MUD ON BOTTOM. RAN 55 JTS (2363.35') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2382.35 KB. RDMO CRAIGS RIG #2. RAN 200' OF 1" PIPE FOR TOP OUTS.								

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 3000 PSIG. PUMPED 20 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. EAD: MIXED & PUMPED 250SX (182.5 BBLs) OF PREMIUM CEMENT W 0.2% VARSET & 2% CALSEAL & 2% EX-1. MIXED CEMENT @ 10.5 PPG W/YIELD OF 4.1 CF/SX. TAIL: MIXED AND PUMPED 300 SACKS (63 BBLs) OF PREMIUM CEMENT W/ 2% CACL MIXED CEMENT @ 15.6 PPG W/ YIELD OF 1.18 CF/SX.

DISPLACED CEMENT W/179 BBLs FRESH WATER. BUMPED PLUG W/850 PSI @ 18:40, 6/11/2009 FLOATS HELD. 40 BBLs CEMENT TO SURFACE. CEMENT FELL BACK FROM SURFACE. WAITING 2 HOURS TO START TOP JOB AFTER FLUSHING DOWN 1" PIPE TO SURFACE.

TOP JOB # 1: DOWN 200' OF 1" PIPE, MIXED & PUMPED 150 SX (31 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. GOOD RETURNS, CEMENT STOOD AT SURFACE. RELEASE HALLIBURTON.

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

CRAIGS RIG 3 TOOK 2 EACH SURVEYS WHILE DRILLING HOLE @ 1210' =0.50 DEGREE & 2350' = 3.5 DEGREE.

KENT DEVENPORT NOTIFIED BLM VIA ELECTRONIC FORM OF THE SURFACE CASING & CEMENT JOB ON 6/10/2009 @ 08:00:00 AM.

DAVID FOREMAN NOTIFIED CAROL DANIELS WITH UDOGM OF THE SURFACE CASING & CEMENT JOB ON 6/10/2009 @ 09:00 AM.

DAVID FOREMAN CONTACTED JOHNN BOWEN WITH BLM FOR WITNESSING OF SURFACE CASING RUN AND CEMENT JOB. JOHNNY ATTENDED THE WITNESS.

07-15-2009		Reported By		BRIAN DUTTON							
Daily Costs: Drilling		\$52,578	Completion		\$0	Daily Total		\$52,578			
Cum Costs: Drilling		\$309,583	Completion		\$0	Well Total		\$309,583			
MD	2,399	TVD	2,399	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0			Perf :		PKR Depth : 0.0				

Activity at Report Time: TESTING BOPE

Start	End	Hrs	Activity Description
06:00	04:00	22.0	HELD SAFETY MEETING W/RIG CREWS & RIG MOVERS. MOVED RIG FROM CWU 1336-15, MOVE WAS 3.5 MILE. RURT. RAISED DERRICK @ 1730 HRS 7/14/09. RELEASED TRUCKS @ 1800 HRS. CONTINUED RURT. NO ACCIDENTS. 15 MEN, 120 MAN-HOURS. OLD LOCATION CWU 1336-15 CLEARED AND CLEANED. TRANSFERRED 2 MARKER JT(16.58') 4.5" 11.6# HCP-110 LTC CASING FROM CWU 1336-15. TRANSFERRED 17 JTS(734.88') 4.5" 11.6# HCP-110 LTC CASING FROM CWU 1336-15. TRANSFERRED 1596 GALS DIESEL FROM CWU 1336-15.
04:00	06:00	2.0	RIG ACCEPTED FOR DAYWORK @ 0400 HRS 7/15/09. TESTED BOPE(PIPE RAMS, VALVES, & MANIFOLD 250/5000 PSI, ANNULAR 250/2500 PSI). NOTIFIED BLM VIA EMAIL @ 0130 HRS 7/14/09 OF BOP TEST TO BE PERFORMED @ 0200 HRS 7/15/09. NO BLM WITNESS. DIESEL 1482 GALS(USED 114 GALS).

NO ACCIDENTS. FULL CREWS. SAFETY TOPIC- TEST ON TESTING BOP.

07-16-2009	Reported By	BRIAN DUTTON
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DailyCosts: Drilling \$72,156 **Completion** \$0 **Daily Total** \$72,156
Cum Costs: Drilling \$381,740 **Completion** \$0 **Well Total** \$381,740
MD 3,944 **TVD** 3,944 **Progress** 1,545 **Days** 1 **MW** 9.5 **Visc** 30.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING @ 3,944'

Start	End	Hrs	Activity Description
06:00	09:00	3.0	FINISH TESTING BOPE (PIPE RAMS, VALVES, & MANIFOLD 250/5000 PSI, ANNULAR 250/2500 PSI, CASING 1500 FOR 30 MINS).
09:00	08:30	23.5	INSTALL WEAR BUSHING.
08:30	13:00	4.5	RU WEATHER LD MACHINE AND PICK UP B.H.A. HELD SAFETY MEETING PRIOR TO JOB. (TAG AT 2,325').
13:00	13:30	0.5	TORQUE KELLY, INSTALL KELLY SPINNERS AND INSTALL ROTATING HEAD AND DRIVE BUSHING.
13:30	15:00	1.5	DRILL CEMENT/FLOAT EQUIP. F/2,325' TO 2,399', DRILL 13' OF NEW HOLE TO 2,412'.
15:00	15:30	0.5	PERFORMED F.I.T. @ 2,412' TO 10.5 PPG EMW(165 PSI W/9.2 PPG MUD).
15:30	17:30	2.0	DRILLED 2,412' TO 2,508' (96' @ 48.0 FPH), WOB 15-20K, GPM 450, RPM 35-55/MOTOR 68, SPP 1560, DIFF. PRESS. 230/260 PSI, MUD 9.2, VIS 31, NO FLARE.
17:30	18:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST PIPE RAMS.
18:00	18:30	0.5	SURVEY DEPTH @ 2,428' 3.3 DEGREES.
18:30	02:30	8.0	DRILLED 2,508' TO 3,568' (1060' @ 132.5 FPH), WOB 15-20K, GPM 450, RPM 35-55/MOTOR 68, SPP 1868, DIFF. PRESS. 500/600 PSI, MUD 9.2, VIS 31, NO FLARE.
02:30	03:00	0.5	SURVEY DEPTH @ 3486' 2.06 DEGREES.
03:00	06:00	3.0	DRILLED 3,568' TO 3,944' (368' @ 125.3 FPH), WOB 15-20K, GPM 450, RPM 35-55/MOTOR 68, SPP 1968, DIFF. PRESS. 500/600 PSI, MUD 9.2, VIS 31, NO FLARE. DIESEL 8550 GALS(USED 932).

NO ACCIDENTS. FULL CREWS. SAFETY MEETING TOPIC - RUNNING WIRE LINE SURVEYS.
 FUNCTION COM FIRST CONN ON TOUR, ALL CREWS.

06:00 SPUD A 7 7/8" PRODUCTION HOLE @ 15:30 HRS, 7/15/09.

07-17-2009 **Reported By** BRIAN DUTTON

DailyCosts: Drilling \$71,673 **Completion** \$0 **Daily Total** \$71,673
Cum Costs: Drilling \$453,413 **Completion** \$0 **Well Total** \$453,413
MD 6,025 **TVD** 6,025 **Progress** 2,081 **Days** 2 **MW** 9.9 **Visc** 35.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING @ 6025'

Start	End	Hrs	Activity Description
06:00	14:30	8.5	DRILLED 3,944' TO 4,941' (997' @ 124.6 FPH), WOB 15-20K, GPM 450, RPM 35-55/MOTOR 68, SPP 2100, DIFF. PRESS. 300/400 PSI, MUD 9.8, VIS 35, NO FLARE.
14:30	15:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST ANNULAR.
15:00	06:00	15.0	DRILLED 4,941' TO 6,025' (1084' @ 17.2 FPH), WOB 15-20K, GPM 450, RPM 35-55/MOTOR 68, SPP 2285, DIFF. PRESS. 300/400 PSI, MUD 10.0, VIS 37, NO FLARE. (LOST 150 BBLs MUD @ 5,476'). DIESEL 7182 GALS(USED 1368).

NO ACCIDENTS. FULL CREWS. SAFETY MEETING TOPIC - RIG SERVICE.

FUNCTION COM FIRST CONN ON TOUR, ALL CREWS.

07-18-2009	Reported By	BRIAN DUTTON									
DailyCosts: Drilling	\$33,456	Completion	\$1,515	Daily Total	\$34,971						
Cum Costs: Drilling	\$486,870	Completion	\$1,515	Well Total	\$488,385						
MD	6,965	TVD	6,965	Progress	940	Days	3	MW	0.0	Visc	39.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING @ 6,965'

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRILLED 6,025' TO 6,440' (415' @ 46.1 FPH), WOB 15-20K, GPM 450, RPM 35-55/MOTOR 68, SPP 2285, DIFF. PRESS. 300/400 PSI, MUD 10.1, VIS 39, NO FLARE.
15:00	15:30	0.5	SERVICE RIG. COMP. DRAW TOOL. T.B.A. FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST PIPE RAMS.
15:30	06:00	14.5	DRILLED 6,440' TO 6,965' (525' @ 36.2 FPH), WOB 15-20K, GPM 443, RPM 35-55/MOTOR 66, SPP 2300, DIFF. PRESS. 300/400 PSI, MUD 10.4, VIS 38, NO FLARE.

DIESEL 5700 GALS(USED 1482).

NO ACCIDENTS.

FULL CREWS.

SAFETY MEETING TOPIC - LOCK OUT TAG OUT EQUIPMENT PRIOR TO WORKING ON IT.

FUNCTION COM FIRST CONN ON TOUR, ALL CREWS.

07-19-2009	Reported By	BRIAN DUTTON									
DailyCosts: Drilling	\$27,893	Completion	\$0	Daily Total	\$27,893						
Cum Costs: Drilling	\$514,764	Completion	\$1,515	Well Total	\$516,279						
MD	8,188	TVD	8,188	Progress	1,223	Days	4	MW	11.2	Visc	38.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING @ 8,188'

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILLED 6,965' TO 7,192' (227' @ 64.8 FPH), WOB 15-20K, GPM 435, RPM 35-55/MOTOR 65, SPP 2300, DIFF. PRESS. 171/400 PSI, MUD 10.6+, VIS 37, NO FLARE.
09:30	10:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST ANNULAR.
10:00	10:30	0.5	CHANGE OUT SWIVEL PACKING.
10:30	06:00	19.5	DRILLED 7,192' TO 8,188' (996' @ 51.0 FPH), WOB 15-20K, GPM 396, RPM 35-55/MOTOR 59, SPP 2390, DIFF. PRESS. 150/350 PSI, MUD 11.2, VIS 38, NO FLARE.

DIESEL 4389 GALS (USED 1311).

NO ACCIDENTS.

FULL CREWS.

SAFETY MEETING TOPIC - WORKING IN HOT WEATHER CONDITIONS.

FUNCTION COM FIRST CONN ON TOUR, ALL CREWS.

07-20-2009	Reported By	BRIAN DUTTON									
DailyCosts: Drilling	\$58,543	Completion	\$0	Daily Total	\$58,543						
Cum Costs: Drilling	\$573,308	Completion	\$1,515	Well Total	\$574,823						
MD	8,808	TVD	8,808	Progress	620	Days	5	MW	11.5	Visc	38.0

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

Activity at Report Time: Drilling @ 8808'

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRILLED 8,188' TO 8,372' (184' @ 23.0 FPH), WOB 15-20K, GPM 396, RPM 35-55/MOTOR 59, SPP 2390, DIFF. PRESS. 150/350 PSI, MUD 11.4, VIS 38, NO FLARE.
14:00	14:30	0.5	SURVEY DEPTH @ 8,292' 3.00 DEGREES.
14:30	17:30	3.0	TRIP OUT OF THE HOLE WITH BIT #1 @ 8,372'.
17:30	18:00	0.5	LD ROLLER REAMER AND CHANGE BIT.
18:00	22:00	4.0	TRIP IN HOLE WITH BIT #2, FILL PIPE @ 2,367' AND 4,500'.
22:00	23:00	1.0	WASH/REAM F/8,337' TO 8,372', 5' OF FILL.
23:00	06:00	7.0	DRILLED 8,372' TO 8,808' (436' @ 62.2 FPH), WOB 15-20K, GPM 403, RPM 35-55/MOTOR 60, SPP 2400, DIFF. PRESS. 150/400 PSI, MUD 11.5, VIS 39, NO FLARE.

DIESEL 3192 GALS(USED 1197).

NO ACCIDENTS.

FULL CREWS.

SAFETY MEETING TOPIC - JSA BREAKING PIPE IN MOUSE HOLE.

FUNCTION COM FIRST CONN ON TOUR, ALL CREWS.

06:00

07-21-2009 **Reported By** BRIAN DUTTON

DailyCosts: Drilling	\$27,923	Completion	\$849	Daily Total	\$28,772						
Cum Costs: Drilling	\$601,231	Completion	\$2,364	Well Total	\$603,595						
MD	9,380	TVD	9,380	Progress	572	Days	6	MW	11.5	Visc	38.0

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

Activity at Report Time: RUN PROD CASING

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILLED 8,808' TO 8,839' (31' @ 62.0 FPH), WOB 15-20K, GPM 403, RPM 35-55/MOTOR 60, SPP 2400, DIFF. PRESS. 150/400 PSI, MUD 11.5, VIS 39, NO FLARE.
06:30	07:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST PIPE RAMS.
07:00	17:30	10.5	DRILLED 8,839' TO 9,380' (541' @ 51.2 FPH), WOB 15-20K, GPM 403, RPM 35-55/MOTOR 60, SPP 2500, DIFF. PRESS. 150/400 PSI, MUD 11.5+, VIS 39, NO FLARE. REACHED TD @ 17:30 HRS, 07/21/09.
17:30	19:30	2.0	CIRCULATE AND CONDITION PRIOR TO SHORT TRIP.
19:30	20:30	1.0	SHORT TRIP 11 STANDS TO 8,866'.
20:30	22:00	1.5	CIRCULATE AND CONDITON, R/U FRANKS WESTATES L/D MACHINE. HELD SAFETY MEETING PRIOR TO R/U.
22:00	22:30	0.5	DROP SURVEY DEPTH 9,300' 3.03 DEGREES.
22:30	23:00	0.5	CIRCULATE AND PUMP PILL.
23:00	03:00	4.0	LDDP.
03:00	04:00	1.0	BREAK KELLY AND LD BHA.
04:00	04:30	0.5	PULL WEAR RING.
04:30	05:30	1.0	RU FRANKS WESTATES CSG CREW. HELD SAFETY MEETING.
05:30	06:00	0.5	START RUNNING 4.5" 11.6# N-80 LTC PRODUCTION CASING.

DIESEL 2508 GALS(USED 1184).

NO ACCIDENTS.
 FULL CREWS.
 SAFETY MEETING TOPIC – LDDP AND RUNNING CASING.
 FUNCTION COM FIRST CONN ON TOUR, ALL CREWS.

07-22-2009	Reported By	BRIAN DUTTON									
DailyCosts: Drilling	\$68,554	Completion	\$154,606	Daily Total	\$223,161						
Cum Costs: Drilling	\$669,786	Completion	\$156,970	Well Total	\$826,756						
MD	9,380	TVD	9,380	Progress	0	Days	7	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	11:30	5.5	RAN 223 JTS OF 4.5" 11.6# N-80 LTC CASING (FS, 1 JT, FC, 222 JTS & 2 MARKERS) & TAG JT. RAN 27 CENTRALIZERS(RIGID- JTS 1-3, BOWSPRING-EVERY 3 RD JT TO 6262). TAGGED @ 9380. LD TAG JT. PU LANDING JT W/FLUTED CSG HANGER. LANDED CSG @ 9375.83(FC @ 9331.97, MARKERS @ 6596-28 & 4323-12). NOTIFIED BLM VIA EMAIL @ 0800 HRS 7/20/09 OF CSG & CMT JOB.
11:30	13:00	1.5	CIRCULATED W/RIG PUMP. RD FRANKS WESTATES CSG CREW & LD MACHINE. RU HALLIBURTON CEMENTER. HELD SAFETY MEETING.
13:00	15:00	2.0	CEMENTED CSG AS FOLLOWS: PUMPED BOTTOM PLUG, 20 BBLS MUDFLUSH III, 10 BBLS FW SPACER, 490 SX HIGHBOND 75(160.6 BBLS @ 12.0 PPG, 1.84 CFS) & 1340 SX EXTENDACEM VI(350.8 BBLS @ 13.5 PPG, 1.47 CFS). DROPPED TOP PLUG. DISP W/145 BTW. FINAL LIFT PRESSURE 2500 PSI, BUMPED PLUG TO 3500 PSI. BLEED OFF, FLOATS HELD. CIRCULATED 5 BBLS CEMENT BACK TO RESERVE PIT.
15:00	16:00	1.0	WAIT ON CEMENT. HAULED 1,010 BBLS MUD TO STORAGE. CLEANED MUD TANKS. RDRT.
16:00	19:00	3.0	REMOVED LANDING JT. RAN CSG HANGER PACKOFF AND LOCKED IN POSITION. TESTED HANGER TO 5000 PSI. FINISHED CLEANING MUD TANKS. RDRT.
			TRANSFERRED 3 MARKER JT(38.13') 4.5" 11.6# HCP-110 LTC CASING TO CWU 1360-24.
			TRANSFERRED 5 JTS(208.45') 4.5" 11.6# N-80 LTC CASING TO CWU 1360-24.
			TRANSFERRED 2125 GALS DIESEL TO CWU 1360-24.
19:00	06:00	11.0	RDRT AND PREPARE RIG FOR TRUCKS.
			5 MEN, 55 MAN-HOURS.
			NO ACCIDENTS.
			TRUCKS SCHEDULED FOR 07:00 HRS,7/21/09. MOVE TO CWU 1360-24 IS APPROXIMATELY 1.0 MILES.
06:00			RIG RELEASED @ 19:00 HRS, 7/21/09.
			CASING POINT COST: \$653,786

07-29-2009	Reported By	SEARLE									
DailyCosts: Drilling	\$0	Completion	\$25,500	Daily Total	\$25,500						
Cum Costs: Drilling	\$669,786	Completion	\$182,470	Well Total	\$852,256						
MD	9,380	TVD	9,380	Progress	0	Days	8	MW	0.0	Visc	0.0
Formation :	PBTD : 9332.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CUTTERS WIRELINE. LOG WITH CBL/CCL/VDL/GR FROM PBTD TO 50'. EST CEMENT TOP @ 700'. RDWL.

11-14-2009 Reported By MCCURDY

DailyCosts: Drilling \$0 Completion \$1,000 Daily Total \$1,000
 Cum Costs: Drilling \$669,786 Completion \$183,470 Well Total \$853,256

MD 9,380 TVD 9,380 Progress 0 Days 9 MW 0.0 Visc 0.0

Formation : PBTB : 9332.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

11-19-2009 Reported By MCCURDY

DailyCosts: Drilling \$0 Completion \$943 Daily Total \$943
 Cum Costs: Drilling \$669,786 Completion \$184,413 Well Total \$854,199

MD 9,380 TVD 9,380 Progress 0 Days 10 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTB : 9332.0 Perf : 8923'-9145' PKR Depth : 0.0

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU CUTTERS WIRELINE & PERFORATE LPR FROM 8923'-24', 8938'-39', 8945'-46', 8966'-67', 8971'-72', 8986'-87', 8997'-98', 9010'-11', 9049'-50', 9075'-76', 9113'-14', 9134'-35', 9138'-39', 9144'-45' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON. PUMP 110 GAL K-87 MICROBIOCIDE & 165 GAL T-106 DOWN CSG.

11-20-2009 Reported By MCCURDY

DailyCosts: Drilling \$0 Completion \$1,168 Daily Total \$1,168
 Cum Costs: Drilling \$669,786 Completion \$185,581 Well Total \$855,367

MD 9,380 TVD 9,380 Progress 0 Days 11 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTB : 9332.0 Perf : 8320'-9145' PKR Depth : 0.0

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 1670 PSIG. FRAC DOWN CSG W/7486 GAL 16# LINEAR W/9600 # 20/40 SAND @ 1-1.5 PPG , 31,452 GAL 16# DELTA 200 W/108200# 20/40 SAND @ 2-4 PPG. MTP 7136 PSIG. MTR 50.9 BPM. ATP 4962 PSIG. ATR 45.6 BPM. SCREENED OUT 13 BBLS SHORT OF FLUSH. RD HALLIBURTON. WAITED 30 MIN FOR SAND TO SETTLE.

RUWL. PERFORATE LPR/MPR FROM 8604'-05', 8618'-19', 8625'-26', 8632'-33', 8659'-60', 8680'-81', 8691'-92', 8704'-05', 8745'-46', 8756'-57', 8767'-68', 8776'-77', 8862'-63', 8877'-78' @ 2 SPF & 180 DEGREE PHASING. RDWL. RIH WITH 6K FRAC PLUG TO TAG @ 8780'. POH W/FRAC PLUG. RU HALLIBURTON, FRAC DOWN CASING W/110 GAL K-87 MICROBIOCIDE W/165 GAL T-106, 7723 GAL 16# LINEAR W/ 9900 # 20/40 SAND @ 1-1.5 PPG , 48408 GAL 16# DELTA 200 W/ 165100# 20/40 SAND @ 2-5 PPG. MTP 6633 PSIG. MTR 50.5 BPM . ATP 5264 PSIG. ATR 5264 BPM. ISIP 4196 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 8570'. PERFORATE MPR FROM 8320'-21', 8354'-55', 8364'-65', 8386'-87', 8403'-04', 8407'-08', 8452'-53', 8466'-67', 8474'-75', 8489'-90', 8494'-95', 8507'-08', 8526'-27', 8548'-49' @ 2 SPF 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 110 GAL K-87 MICROBIOCIDE, W/ 165 GAL T-106, 7435 GAL 16# LINEAR W/ 9600 # 20/40 SAND @ 1-1.5 PPG , 49075 GAL 16# DELTA 200 W/ 170100# 20/40 SAND @ 2-5 PPG. MTP 6332 PSIG. MTR 50.6 BPM. ATP 5342 PSIG. ATR 49 BPM. ISIP 2973 PSIG. RD HALLIBURTON BLENDER & SEND INTO TOWN FOR REPAIRS. SWIFN.

11-21-2009 Reported By MCCURDY

DailyCosts: Drilling \$0 Completion \$303,797 Daily Total \$303,797
 Cum Costs: Drilling \$669,786 Completion \$489,379 Well Total \$1,159,165

MD 9,380 TVD 9,380 Progress 0 Days 12 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTB : 9332.0 Perf : 7057'-9145' PKR Depth : 0.0

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 2160 PSIG. RUWL. SET 6K CFP AT 8291'. PERFORATE MPR FROM 8075'-8076', 8081'-82', 8099'-8100', 8125'-26', 8134'-35', 8148'-49', 8185'-86', 8190'-91', 8215'-16', 8235'-36', 8242'-43', 8257'-58', 8269'-70', 8274'-75' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/110 GAL K-87 MICROBIOCIDE, 165 GAL T-106, 7433 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 43426 GAL 16# DELTA 200 W/150200# 20/40 SAND @ 2-5 PPG. MTP 5956 PSIG. MTR 51.1 BPM. ATP 4880 PSIG. ATR 49.3 BPM. ISIP 2544 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 8054'. PERFORATE UPR/MPR FROM 7862'-63', 7867'-68', 7909'-10', 7924'-25', 7929'-30', 7935'-36', 7948'-49', 7955'-56', 7964'-65', 8008'-09', 8016'-17', 8022'-23', 8027'-28' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/110 GAL K-87 MICROBIOCIDE & 165 GAL T-106, 7361 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 32882 GAL 16# DELTA 200 W/117000# 20/40 SAND @ 2-5 PPG. MTP 5275 PSIG. MTR 50.8 BPM. ATP 4626 PSIG. ATR 48.8 BPM. ISIP 2585 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 7820'. PERFORATE UPR FROM 7544'-45', 7550'-51', 7640'-41', 7654'-55', 7692'-93', 7701'-02', 7732'-33', 7736'-37', 7749'-50', 7753'-54', 7765'-66', 7772'-73', 7794'-95', 7799'-800' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/110 GAL K-87 MICROBIOCIDE & 165 GAL T-106, 7383 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 32399 GAL 16# DELTA 200 W/116700# 20/40 SAND @ 2-5 PPG. MTP 6244 PSIG. MTR 50.7 BPM. ATP 4800 PSIG. ATR 47.5 BPM. ISIP 2657 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 7490'. PERFORATE UPR FROM 7284'-85', 7289'-90', 7318'-19', 7325'-26', 7331'-32', 7338'-39', 7390'-91', 7395'-96', 7403'-04', 7440'-41', 7445'-46', 7452'-53', 7463'-64', 7467'-68' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/110 GAL K-87 MICROBIOCIDE, 165 GAL T-106, 7335 GAL 16# LINEAR W/9400 # 20/40 SAND @ 1-1.5 PPG, 29807 GAL 16# DELTA 200 W/96800# 20/40 SAND @ 2-4 PPG. MTP 5221 PSIG. MTR 50.4 BPM. ATP 3775 PSIG. ATR 48.2 BPM. ISIP 1900 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 7264'. PERFORATE UPR FROM 7057'-58', 7062'-63', 7068'-69', 7092'-93', 7096'-97', 7102'-03', 7176'-77', 7182'-83', 7196'-97', 7213'-14', 7228'-29', 7233'-34', 7238'-39', 7243'-44' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/110 GAL K-87 MICROBIOCIDE, 165 GAL T-106, 14281 GAL 16# LINEAR W/9500 # 20/40 SAND @ 1-1.5 PPG, 34905 GAL 16# DELTA 200 W/119500# 20/40 SAND @ 2-5 PPG. MTP 6495 PSIG. MTR 50.3 BPM. ATP 4181 PSIG. ATR 43.3 BPM. ISIP 2376 PSIG. RD HALLIBURTON.

RUWL. SET 6K CBP AT 6968'. RDMO CUTTERS WIRELINE.

11-22-2009 Reported By BAUSCH

DailyCosts: Drilling	\$0	Completion	\$17,390	Daily Total	\$17,390
Cum Costs: Drilling	\$669,786	Completion	\$506,769	Well Total	\$1,176,555

MD 9,380 TVD 9,380 Progress 0 Days 13 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTB : 9332.0 Perf : 7057'-9145' PKR Depth : 0.0

Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
07:00	15:00	8.0	MIRUSU. ND FRAC VALVES. NU BOP. RIH W/3-7/8" MILL & POBS TO 6400'. SDFW.

11-24-2009 Reported By BAUSCH

DailyCosts: Drilling	\$0	Completion	\$45,280	Daily Total	\$45,280
Cum Costs: Drilling	\$669,786	Completion	\$552,049	Well Total	\$1,221,835

MD 9,380 **TVD** 9,380 **Progress** 0 **Days** 14 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 9216.0 **Perf :** 7057'-9145' **PKR Depth :** 0.0

Activity at Report Time: LAND TBG. RDMOSU. FLOW TEST.

Start	End	Hrs	Activity Description
07:00	06:00	23.0	HELD SAFETY MTG. SITP 0 PSIG. CP 0 PSIG. TALLIED AND PU 20 JTS. TAGGED PLUG @ 6968'. SICP 0 PSIG. RU TO DO PLUGS. PRESSURE TESTED FLOW LINES & POBS TO 2500 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6968', 7264', 7490', 7820', 8054', 8291' & 8570'. RIH. CLEANED OUT TO 9216'. LANDED TBG AT 7917.26' KB. ND BOPE & NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'
 1 JT 2-3/8 4.7# N-80 TBG 32.62'
 XN NIPPLE 1.30'
 242 JTS 2-3/8 4.7# N-80 TBG 7863.34'
 BELOW KB 19.00'
 LANDED @ 7917.26' KB

FLOWED 14 HRS. 24/64" CHOKE. FTP 1225 PSIG, CP 1250 PSIG. 64 BFPH. RECOVERED 956 BBLS, 9127 BLWTR.

11-25-2009	Reported By	BAUSCH			
Daily Costs: Drilling	\$0	Completion	\$3,035	Daily Total	\$3,035
Cum Costs: Drilling	\$669,786	Completion	\$555,084	Well Total	\$1,224,870

MD 9,380 **TVD** 9,380 **Progress** 0 **Days** 15 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 9216.0 **Perf :** 7057'-9145' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION. OPENING PRESSURE: TP 1260 & CP 1400 PSI. TURNED WELL TO QUESTAR SALES AT 10:45 AM, 11/24/09. FLOWED 1100 MCFD RATE ON 24/64" POS CHOKE. STATIC 241. QUESTAR METER # 8182.

FLOWED 24 HRS. 24/64 CHOKE. FTP 1200 PSIG, CP 1700 PSIG. 44 BFPH. RECOVERED 1172 BLW. 7975 BLWTR. 1000 MCFD. FLOWED THROUGH TEST UNIT TO SALES.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTSL071861
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: CWU 1359-24
2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047399810000
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1345 FSL 2630 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 24 Township: 09.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 5/28/2010	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: Pit Closure

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

The reserve pit on the referenced location was closed on May 28, 2010 per the the APD procedure.

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

FOR RECORD ONLY
July 01, 2010

NAME (PLEASE PRINT) Michelle Robles	PHONE NUMBER 307 276-4842	TITLE Regulatory Assistant
SIGNATURE N/A	DATE 6/22/2010	