

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. UTU0337 |
| 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 1132-19 |
| 3b. Phone No. (include area code) Ph: 303-824-5526 | | 9. API Well No. 43-047-39988 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SENW 2020FNL 2000FWL 40.02321 N Lat, 109.37179 W Lon At proposed prod. zone SENW 2020FNL 2000FWL 40.02321 N Lat, 109.37179 W Lon | | 10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE |
| 11. Sec., T., R., M., or Blk. and Survey or Area Sec 19 T9S R23E Mer SLB | | 12. County or Parish UINTAH COUNTY |
| 13. State UT | | 14. Distance in miles and direction from nearest town or post office* 50.9 MILES SOUTH OF VERNAL, UT |
| 15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 2000' | 16. No. of Acres in Lease 2344.00 | 17. Spacing Unit dedicated to this well |
| 18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1100' | 19. Proposed Depth 9290 MD | 20. BLM/BIA Bond No. on file NM2308 |
| 21. Elevations (Show whether DF, KB, RT, GL, etc.) 5035 GL | 22. Approximate date work will start | 23. Estimated duration 45 DAYS |

24. Attachments

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

- | | |
|---|--|
| 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 03/28/2008 |
| Title REGULATORY ASSISTANT | | |
| Approved by (Signature) <i>Bradley G. Hill</i> | Name (Printed/Typed) BRADLEY G. HILL | Date 04-03-08 |
| 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 #59317 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal

RECEIVED

APR 02 2008

DIV. OF OIL, GAS & MINING

Federal Approval of this
Action is necessary

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

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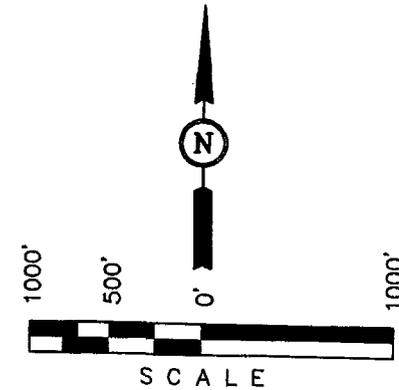
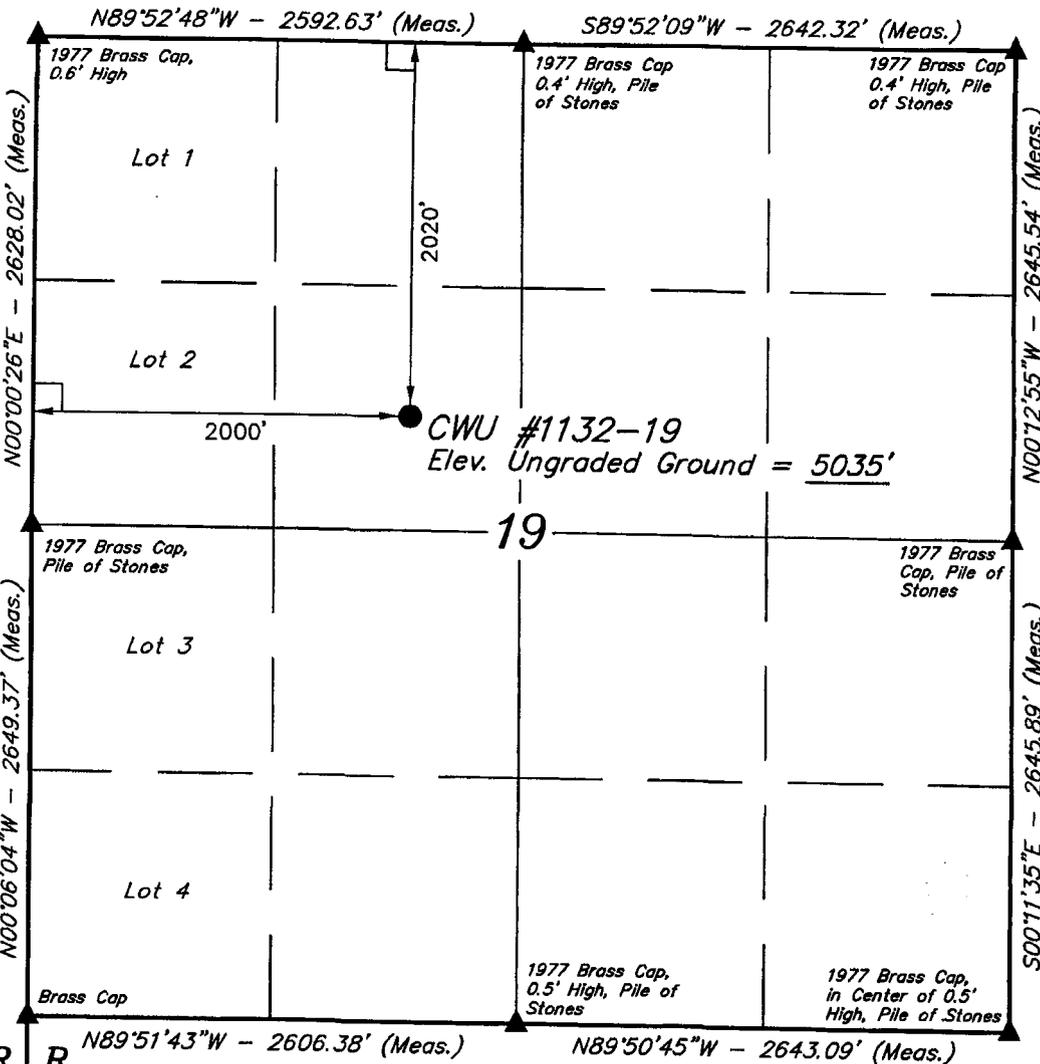
T9S, R23E, S.L.B.&M.

EOG RESOURCES, INC.

Well location, CWU #1132-19, located as shown in the SE 1/4 NW 1/4 of Section 19, T9S, R23E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

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



CERTIFICATE

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

Robert J. Kelly
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 761319
 STATE OF UTAH

R
22
E

R
23
E

BASIS OF BEARINGS

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

(NAD 83)
 LATITUDE = 40°01'23.56" (40.023211)
 LONGITUDE = 109°22'18.43" (109.371786)
 (NAD 27)
 LATITUDE = 40°01'23.68" (40.023244)
 LONGITUDE = 109°22'15.98" (109.371106)

LEGEND:

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

| | | |
|--|-----------------------------|-------------------------|
| UINTAH ENGINEERING & LAND SURVEYING | | |
| 85 SOUTH 200 EAST - VERNAL, UTAH 84078 | | |
| (435) 789-1017 | | |
| SCALE 1" = 1000' | DATE SURVEYED: 11-21-05 | DATE DRAWN: 11-23-05 |
| PARTY G.S. T.B. K.G. | REFERENCES G.L.O. PLAT | |
| WEATHER COOL | FILE EOG RESOURCES, INC. | |

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1132-19
SE/NW, SEC. 19, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

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

| FORMATION | TVD-RKB (ft) | Objective | Lithology | |
|------------------------|--------------|-----------|-----------|-----|
| Green River | 1,705 | | Shale | |
| Mahogany Oil Shale Bed | 2,377 | | Shale | |
| Wasatch | 4,700 | | Sandstone | |
| Chapita Wells | 5,280 | | Sandstone | |
| Buck Canyon | 5,937 | | Sandstone | |
| North Horn | 6,627 | | Sandstone | |
| KMV Price River | 6,956 | Primary | Sandstone | Gas |
| KMV Price River Middle | 7,815 | Primary | Sandstone | Gas |
| KMV Price River Lower | 8,612 | Primary | Sandstone | Gas |
| Sego | 9,085 | | Sandstone | |
| TD | 9,290 | | | |

Estimated TD: 9,290' or 200' ± below TD

Anticipated BHP: 5,072 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 – 60' | 13 3/8" | 48.0# | H-40 | STC | 770 PSI | 1730 PSI | 322,000# |
| Surface | 12 1/4" | 0' – 2,300' KB± | 9-5/8" | 36.0# | J-55 | STC | 2020 PSI | 3520 Psi | 394,000# |
| Production | 7-7/8" | Surface – TD | 4-1/2" | 11.6# | N-80 | LTC | 6350 PSI | 7780 Psi | 223,000# |
| | | | | | | | | | |

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

All casing will be new or inspected.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1132-19 SE/NW, SEC. 19, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2300'± - TD):

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

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1132-19
SE/NW, SEC. 19, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

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

- EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, requiring during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by waster 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

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1132-19
SE/NW, SEC. 19, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

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

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

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

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

Production Hole Procedure (2300'± - TD)

Lead: 133 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: 895 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.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1132-19
SE/NW, SEC. 19, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

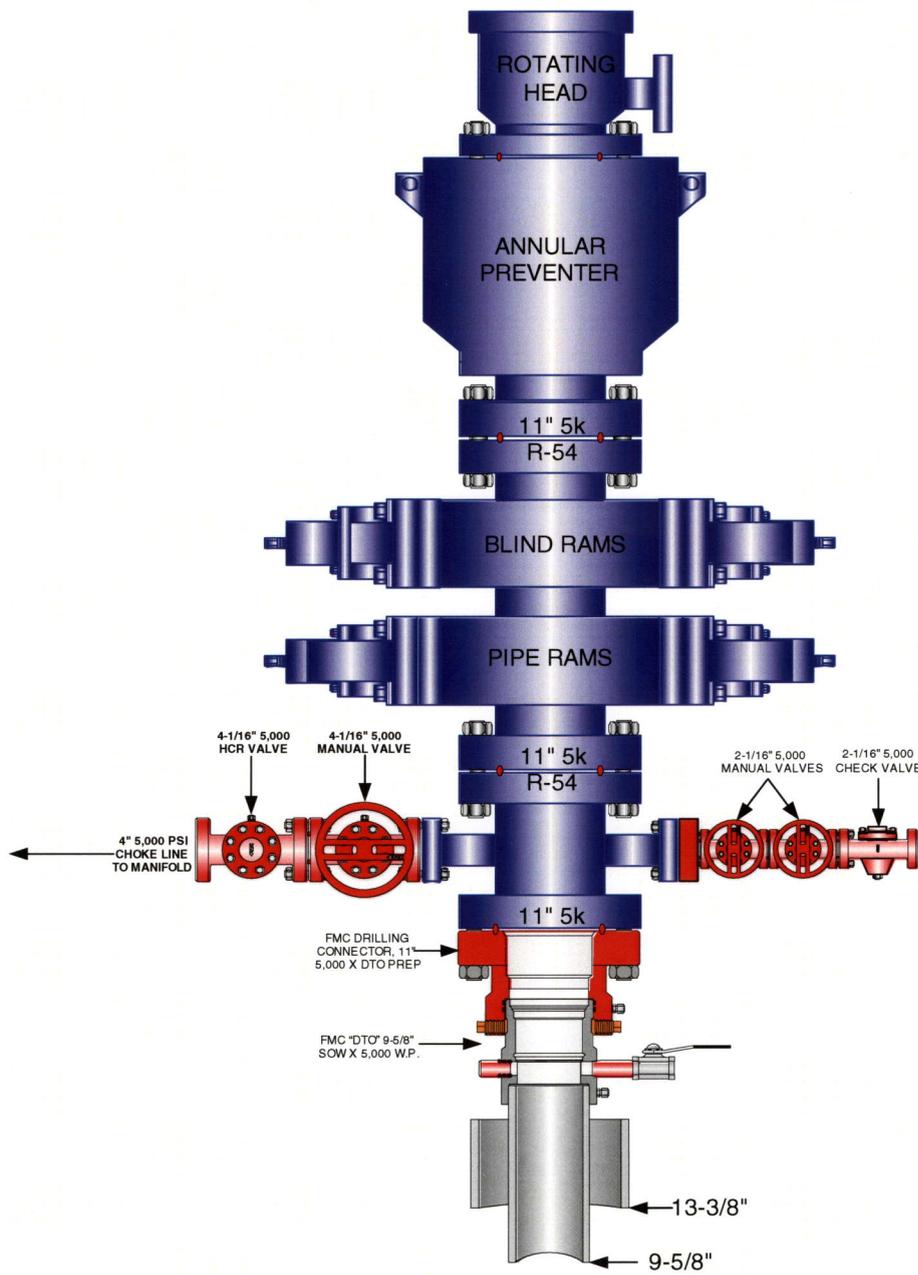
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold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

13. Air Drilling Operations:

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

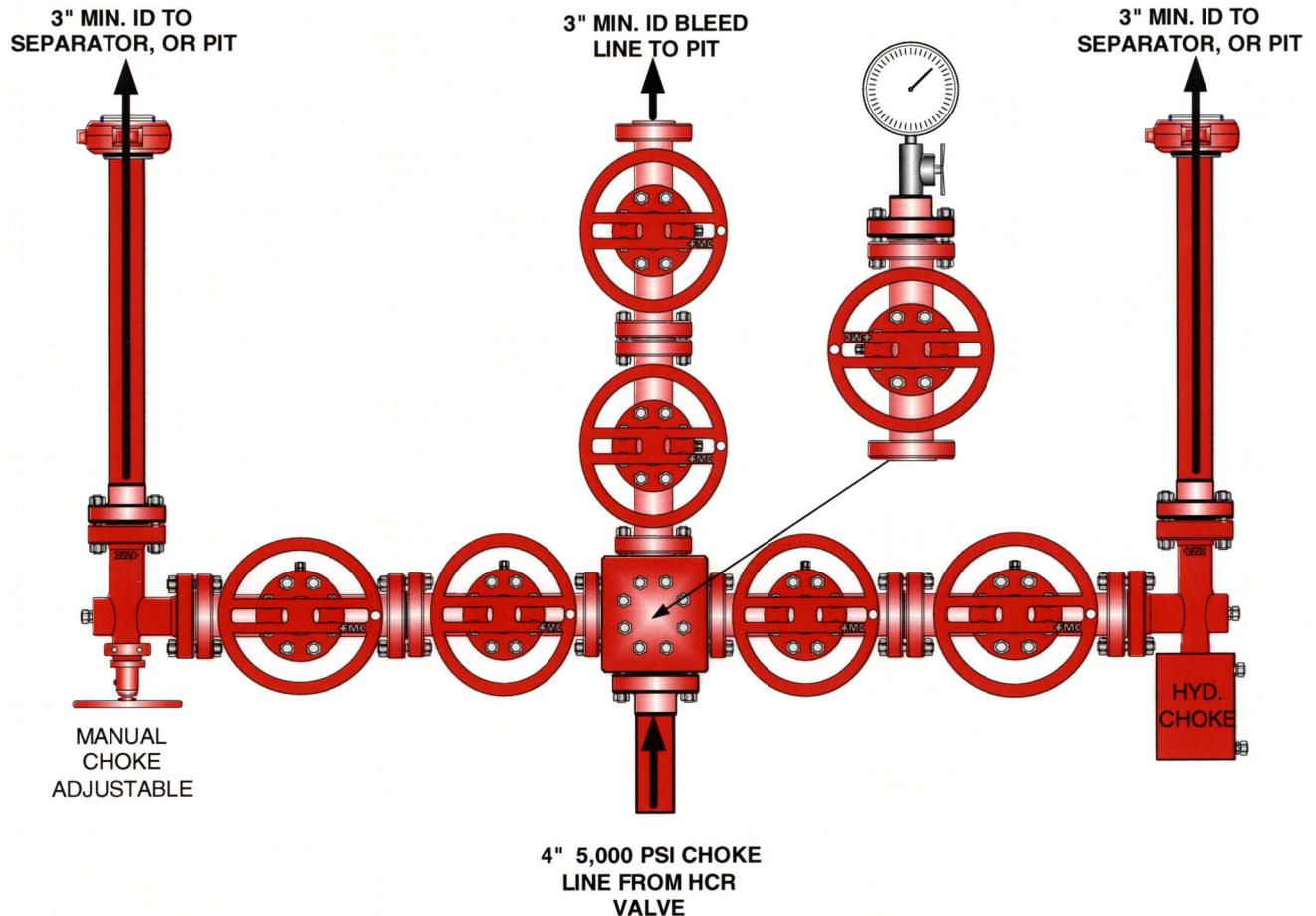
(Attachment: BOP Schematic Diagram)

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



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

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Testing Procedure:

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



***Chapita Wells Unit 1132-19
SEW, Section 19, T9S, R23E
Uintah County, Utah***

SURFACE USE PLAN

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 1056 feet long with a 40-foot right-of-way, disturbing approximately .97 acre. New surface disturbance associated with the well pad and access road is estimated to be 2.81 acres. The pipeline is approximately 165' feet long with a 40-foot right-of-way disturbing approximately .15 acre.

1. EXISTING ROADS:

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 50.9 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 1056' 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 #U-0337.

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 165' x 40'. The proposed pipeline leaves the southwestern edge of the well pad (Lease U-0337) proceeding in a southwesterly direction for an approximate distance of 165' tying into an existing pipeline in the SENW of Section 19, T9S, R23E (Lease U-0337). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface
5. Proposed pipeline will be laid on surface.
6. An off-lease right-of-way is not required. The entire length of the proposed pipeline is located within Federal Lease # U-0337.
7. The proposed pipeline route begins in the SENW of Section 19, Township 9S, Range 23E, proceeding southwesterly for an approximate distance of 165' to the SENW of Section 19, Township 9S, Range 23E.
8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

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

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water supply will be Bonanza Power Plant water source in Sec 26, T8S, R23E, Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.

- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIALS:

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

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

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

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

The reserve pit shall be lined with **double felt**, and a 16-millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) will be used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be

disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

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

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

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

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

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

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil south of corner #5. The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protection of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the north.

A ditch shall be constructed on the edge of the location from corner #5 around corner #6 to corner #8.

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

FENCING REQUIREMENTS:

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

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

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

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

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Interim Reclamation (Producing Location)

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

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

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

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

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

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

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

B. Dry Hole/Abandoned Location

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

| Seed Mixture | Drilled Rate (lbs./acre PLS*) |
|------------------------|--|
| Wyoming Big Sage | 3.0 |
| Indian Ricegrass | 3.0 |
| Needle and Threadgrass | 3.0 |
| HyCrest Wheatgrass | 1.0 |

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

11. SURFACE OWNERSHIP:

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

Bureau of Land Management

12. OTHER INFORMATION:

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

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

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

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

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for

the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

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

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

A cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants. A paleontological survey was conducted and submitted by Intermountain Paleo on June 6, 2005.

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 1132-19 Well, located in the SENW, of Section 19, T9S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

March 28, 2008
Date


Mary A. Maestas, Regulatory Assistant

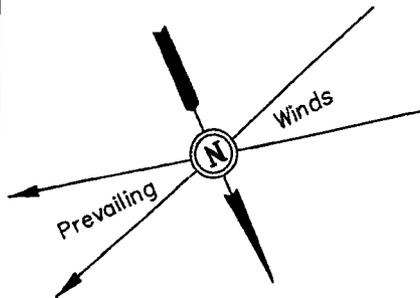
Date of onsite: March 27, 2008

EOG RESOURCES, INC.

FIGURE #1

LOCATION LAYOUT FOR

CWU #1132-19
SECTION 19, T9S, R23E, S.L.B.&M.
2020' FNL 2000' FWL



SCALE: 1" = 50'
DATE: 11-23-05
Drawn By: K.G.

F-2.0'
El. 32.5'

Sta. 3+25

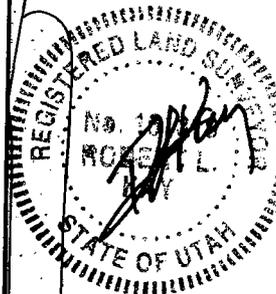
Approx. Top of Cut Slope

Topsoil Stockpile

Round Corners as needed

C-5.8'
El. 40.3'

C-3.5'
El. 38.0'



NOTE:

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

PIPE RACKS

FLARE PIT

C-2.3'
El. 36.8'

C-0.6'
El. 35.1'

Sta. 1+50

El. 39.0'
C-16.5'
(btm. pit)

20' WIDE BENCH

29'

DOG HOUSE

135'

C-2.0'
El. 36.5'

Reserve Pit Backfill & Spoils Stockpile

15' WIDE BENCH

Total Pit Capacity
W/2' Of Freeboard
= 12,250 Bbls. ±
Total Pit Volume
= 3,320 Cu. Yds.

RESERVE PITS
(12' Deep)

SLOPE = 1-1/2 : 1

C-1.3'
El. 35.8'

RIG

WATER

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

Sta. 0+50

TRAILER

TOILET

FUEL

STORAGE TANK

Approx. Toe of Fill Slope

Sta. 0+00

El. 35.9'
C-13.4'
(btm. pit)

20' WIDE BENCH

C-0.6'
El. 35.1'

C-1.5'
El. 36.0'

F-4.8'
El. 29.7'

Proposed Access Road

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5035.1'
FINISHED GRADE ELEV. AT LOC. STAKE = 5034.5'

EOG RESOURCES, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR

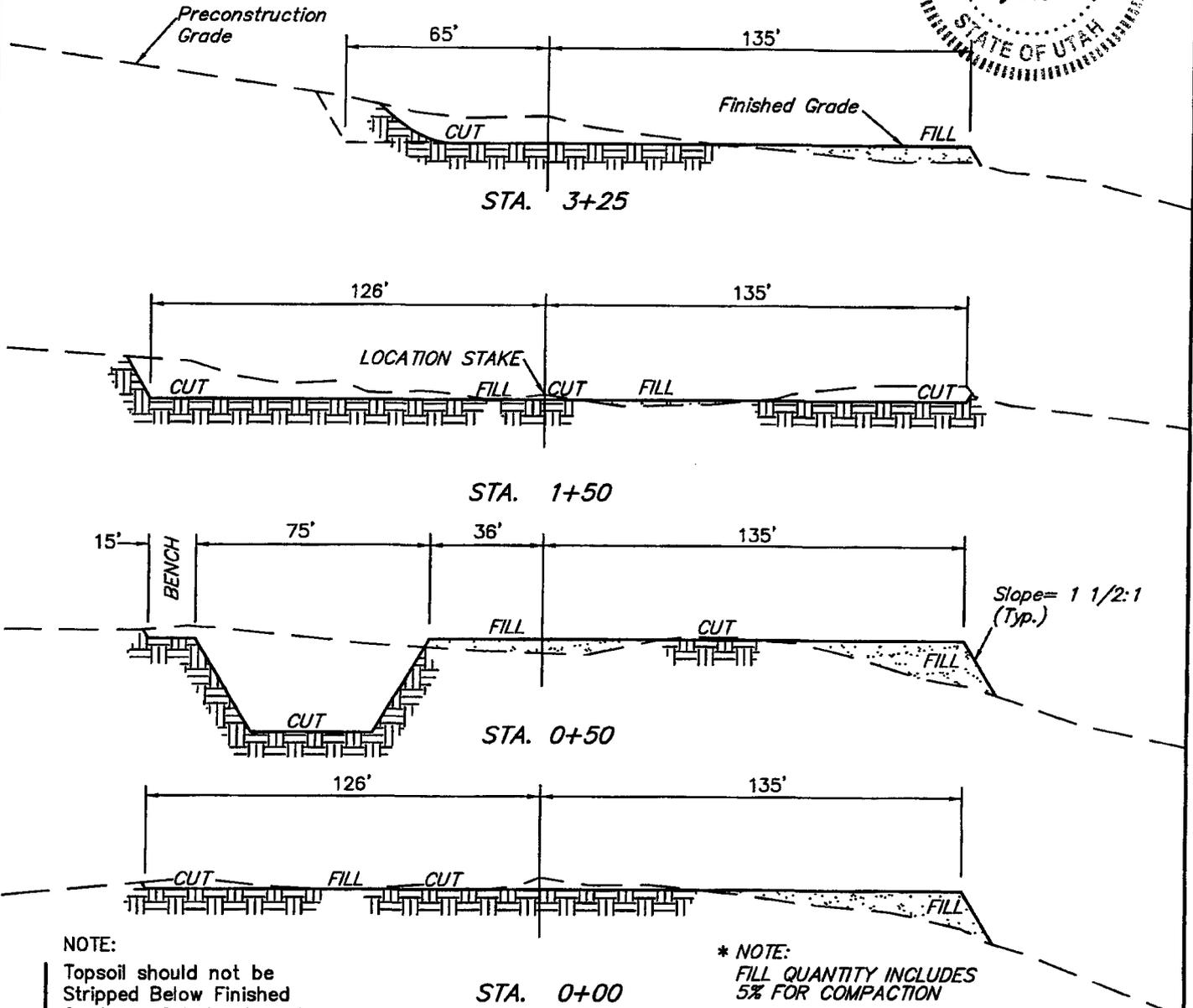
CWU #1132-19

SECTION 19, T9S, R23E, S.L.B.&M.

2020' FNL 2000' FWL

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

DATE: 11-23-05
Drawn By: K.G.



APPROXIMATE YARDAGES

| | |
|------------------------|------------------------|
| CUT | |
| (6") Topsoil Stripping | = 1,550 Cu. Yds. |
| Remaining Location | = 4,500 Cu. Yds. |
| TOTAL CUT | = 6,050 CU.YDS. |
| FILL | = 2,840 CU.YDS. |

| | |
|--|------------------|
| EXCESS MATERIAL | = 3,210 Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.) | = 3,210 Cu. Yds. |
| EXCESS UNBALANCE (After Rehabilitation) | = 0 Cu. Yds. |

EOG RESOURCES, INC.

CWU #1132-19

LOCATED IN UINTAH COUNTY, UTAH
SECTION 19, T9S, R23E, S.L.B.&M.

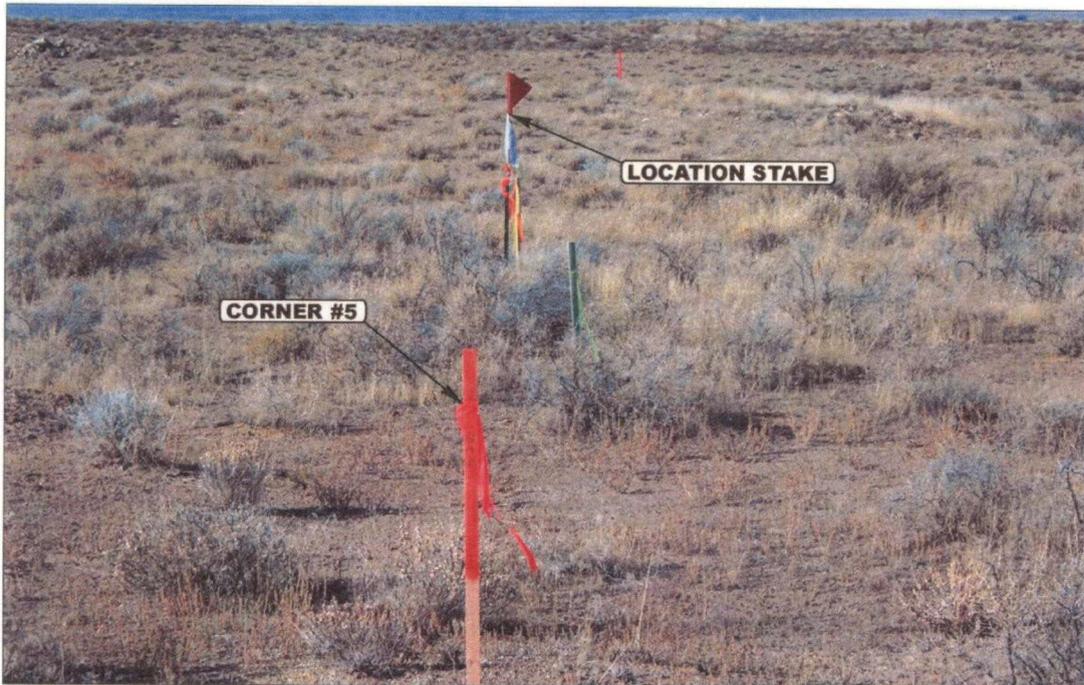


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

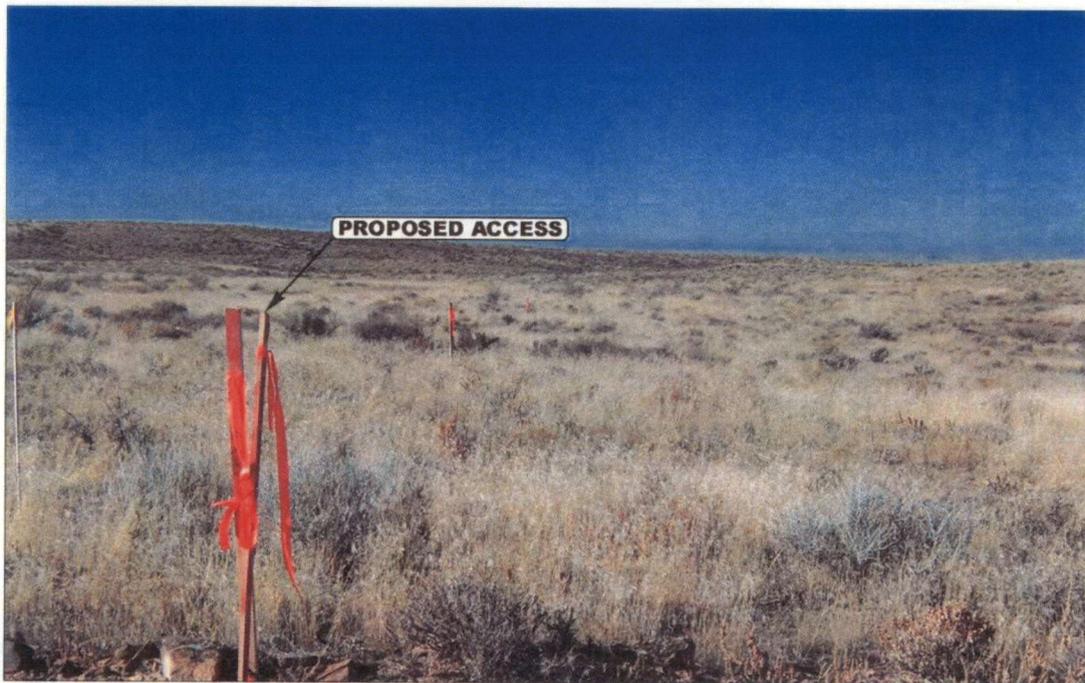


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY



- Since 1964 -

UELS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

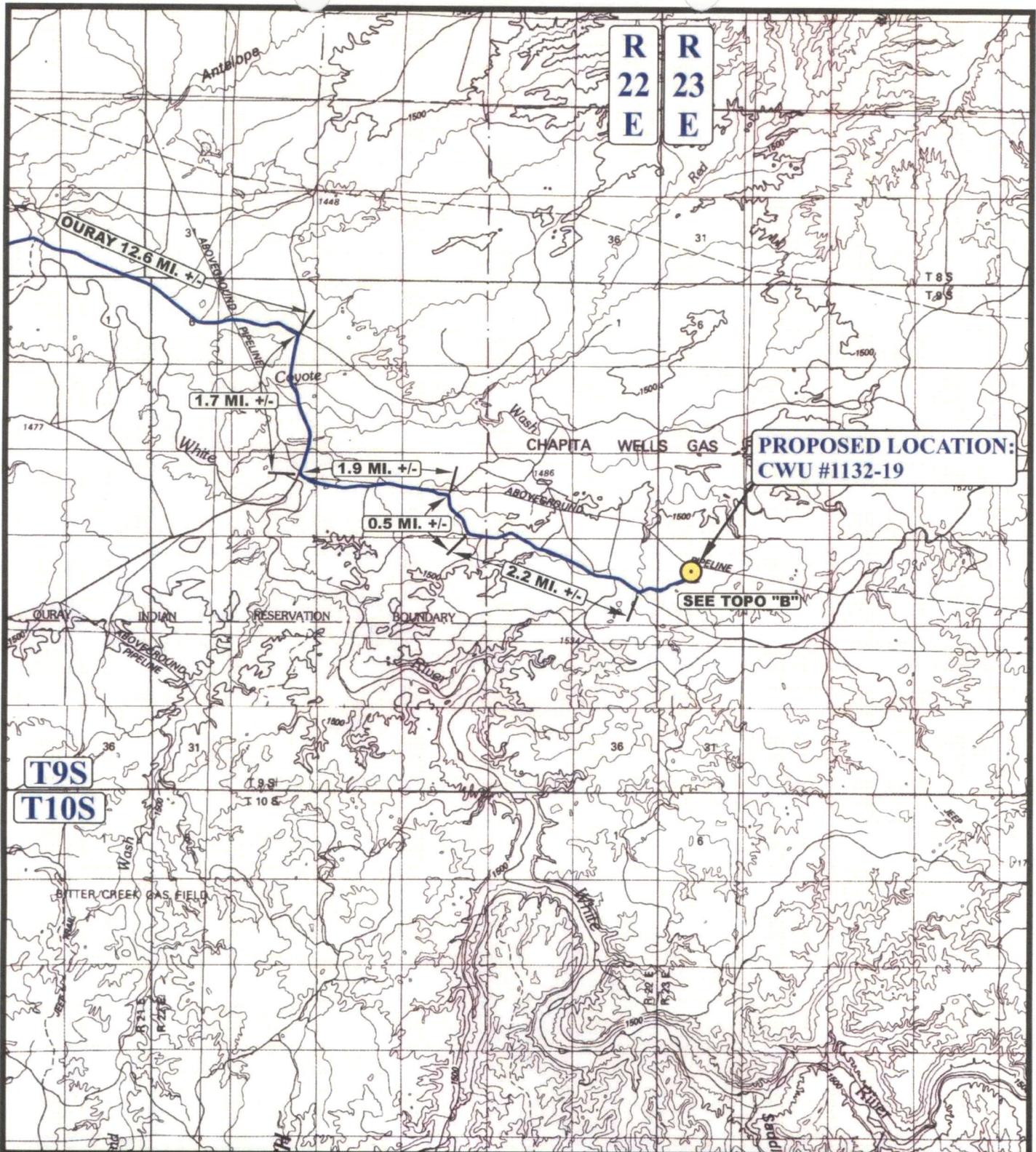
11 23 05
MONTH DAY YEAR

PHOTO

TAKEN BY: T.B.

DRAWN BY: B.C.

REVISED: 00-00-00



**PROPOSED LOCATION:
CWU #1132-19**

SEE TOPO "B"

**T9S
T10S**

**R 22 E
R 23 E**

LEGEND:

PROPOSED LOCATION



EOG RESOURCES, INC.

**CWU #1132-19
SECTION 19, T9S, R23E, S.L.B.&M.
2020' FNL 2000' FWL**

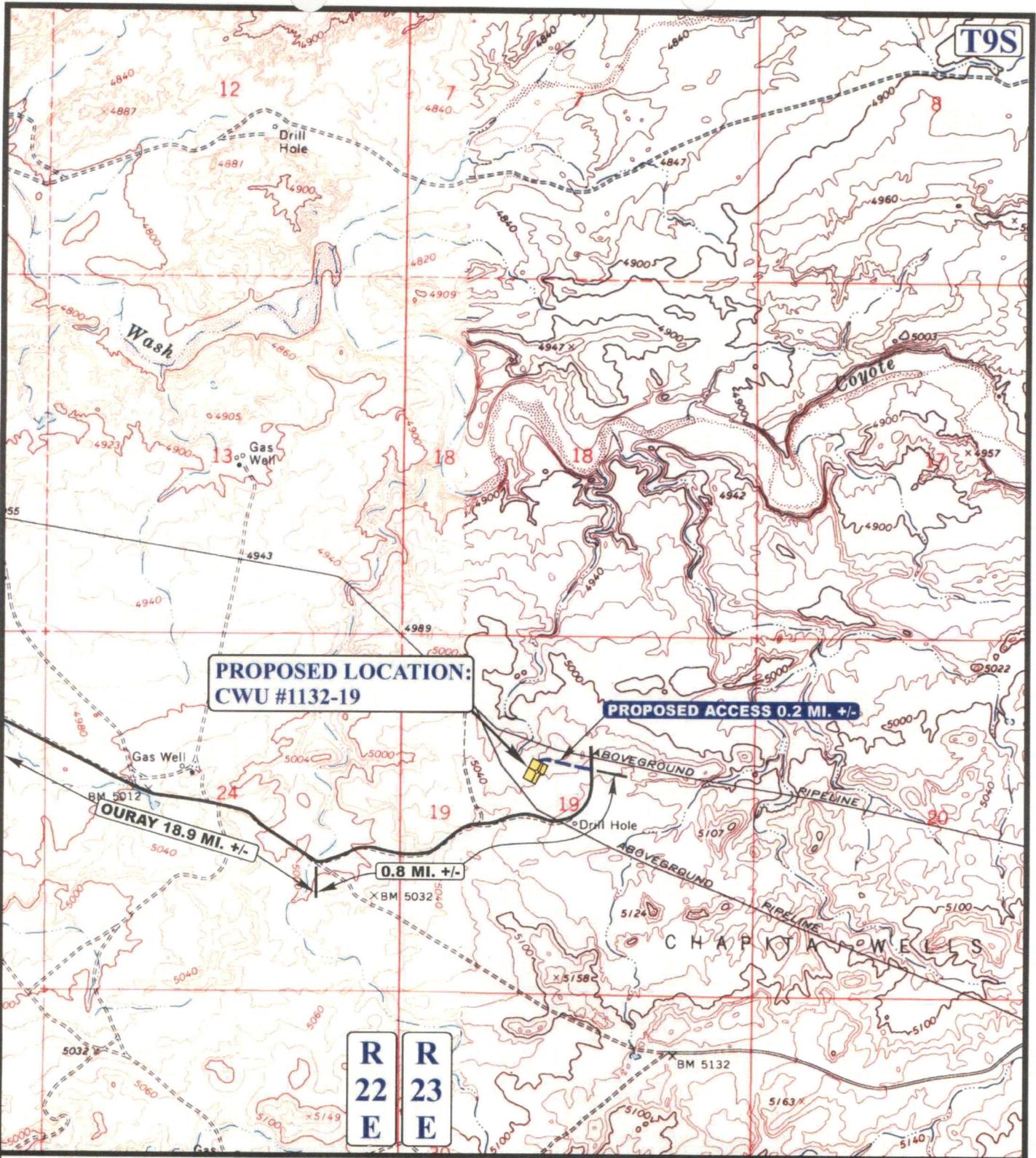


Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP
SCALE: 1:100,000 DRAWN BY: B.C. REVISED: 00-00-00

11 23 05
MONTH DAY YEAR

A
TOPO



**PROPOSED LOCATION:
CWU #1132-19**

PROPOSED ACCESS 0.2 MI. +/-

OURAY 18.9 MI. +/-

0.8 MI. +/-

R 22 E
R 23 E

LEGEND:

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD



EOG RESOURCES, INC.

CWU #1132-19
SECTION 19, T9S, R23E, S.L.B.&M.
2020' FNL 2000' FWL



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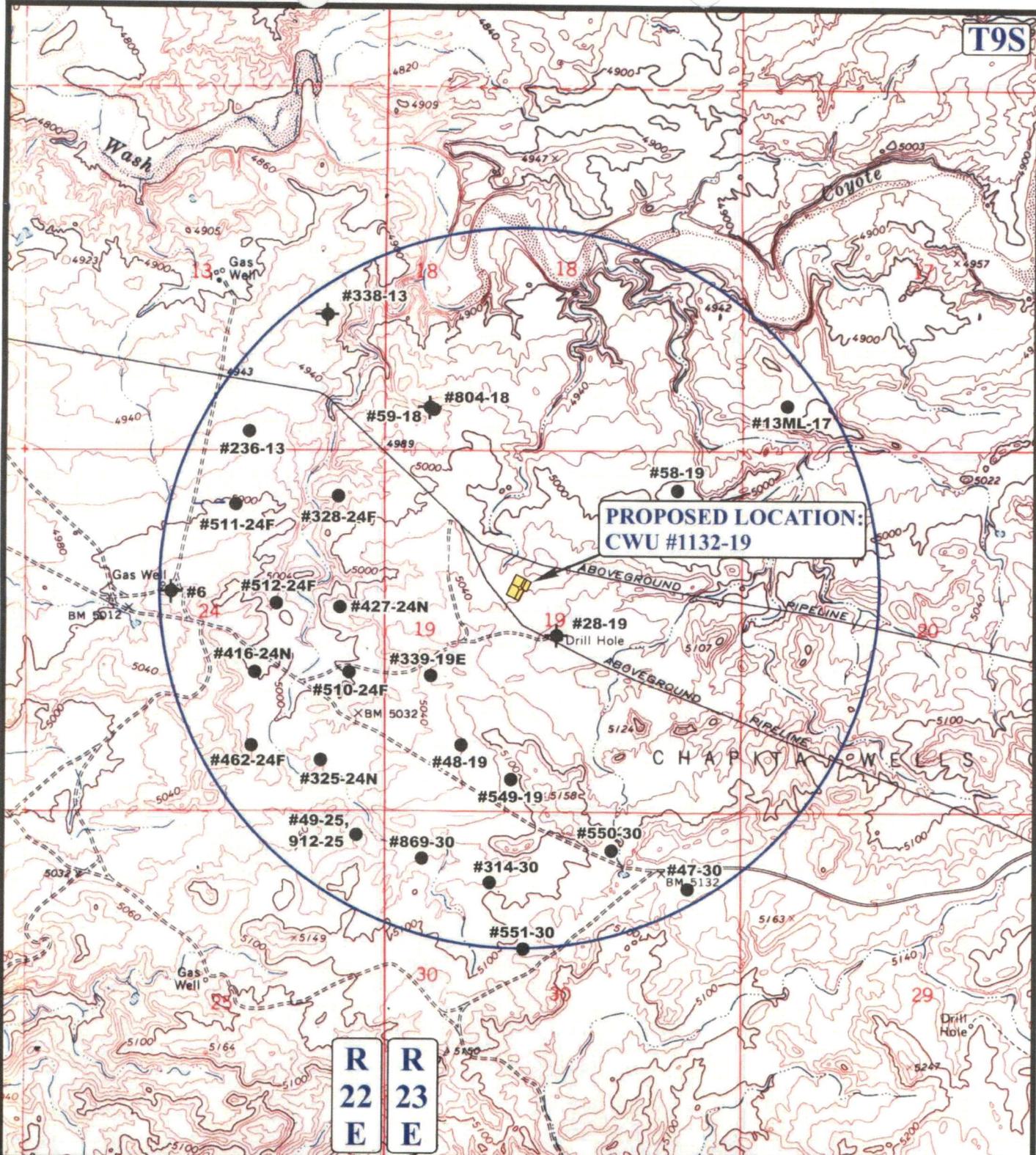
TOPOGRAPHIC
MAP

11 23 05
MONTH DAY YEAR

B
TOPO

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

T9S



**PROPOSED LOCATION:
CWU #1132-19**

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

LEGEND:

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



EOG RESOURCES, INC.

**CWU #1132-19
SECTION 19, T9S, R23E, S.L.B.&M.
2020' FNL 2000' FWL**



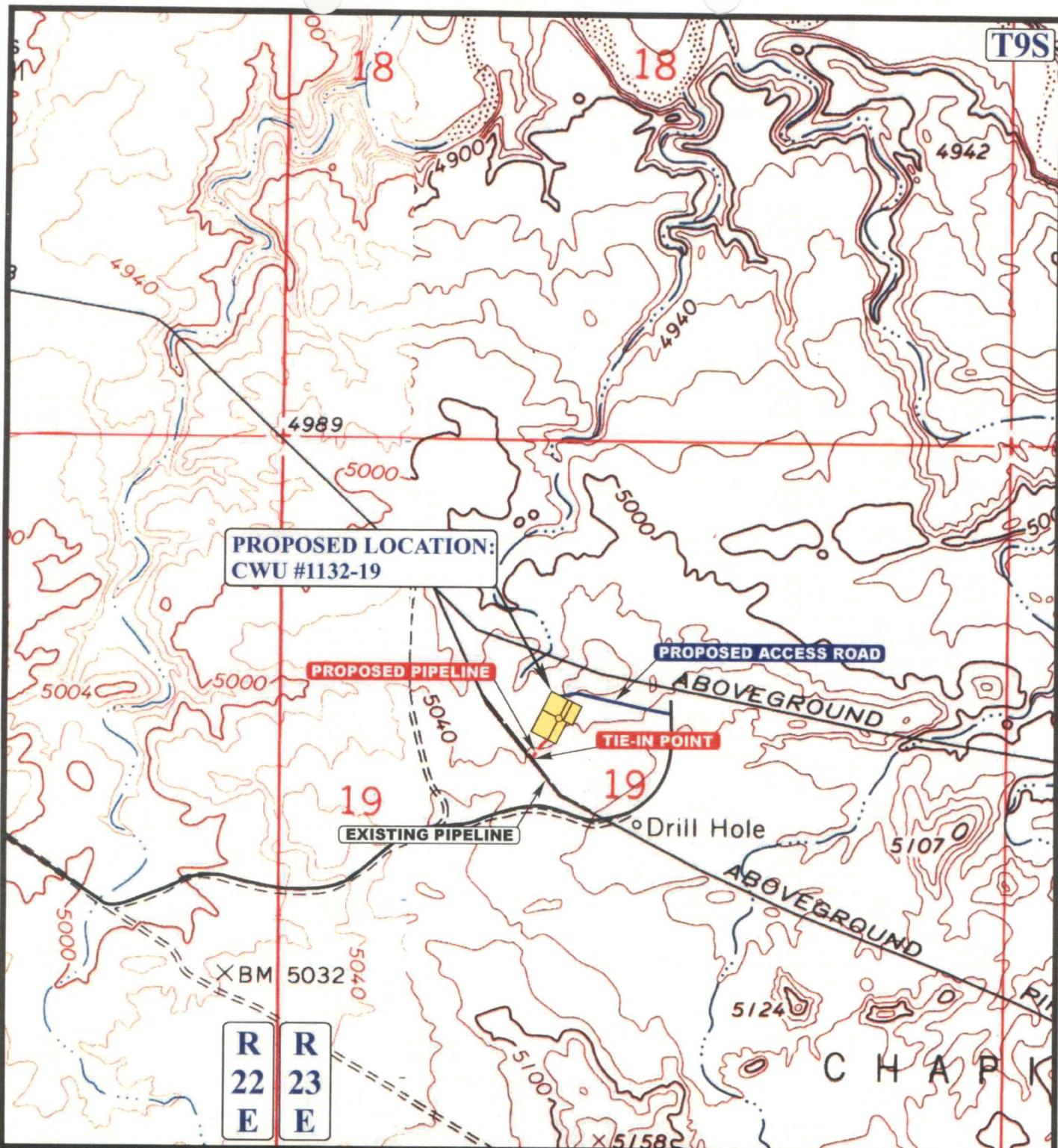
Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

11 23 05
MONTH DAY YEAR

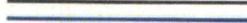
SCALE: 1" = 2000' DRAWN BY: B.C. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 165' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE

EOG RESOURCES, INC.

CWU #1132-19
SECTION 19, T9S, R23E, S.L.B.&M.
2020' FNL 2000' FWL



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



TOPOGRAPHIC MAP **11 23 05**
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: B.C. REVISED: 00-00-00

D
TOPO

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 04/02/2008

API NO. ASSIGNED: 43-047-39988

WELL NAME: CWU 1132-19
 OPERATOR: EOG RESOURCES, INC. (N9550)
 CONTACT: MARY MAESTAS

PHONE NUMBER: 303-824-5526

PROPOSED LOCATION:
 SENW 19 090S 230E
 SURFACE: 2020 FNL 2000 FWL
 BOTTOM: 2020 FNL 2000 FWL
 COUNTY: UINTAH
 LATITUDE: 40.02328 LONGITUDE: -109.3712
 UTM SURF EASTINGS: 638995 NORTHINGS: 4431402
 FIELD NAME: NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU0337
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

Plat

Bond: Fed[1] Ind[] Sta[] Fee[]
 (No. NM2308)

Potash (Y/N)

Oil Shale 190-5 (B) or 190-3 or 190-13

Water Permit
 (No. 49-225)

RDCC Review (Y/N)
 (Date: _____)

Fee Surf Agreement (Y/N)

Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit: CHAPITA WELLS

___ R649-3-2. General
 Siting: 460 From Qtr/Qtr & 920' Between Wells

___ R649-3-3. Exception

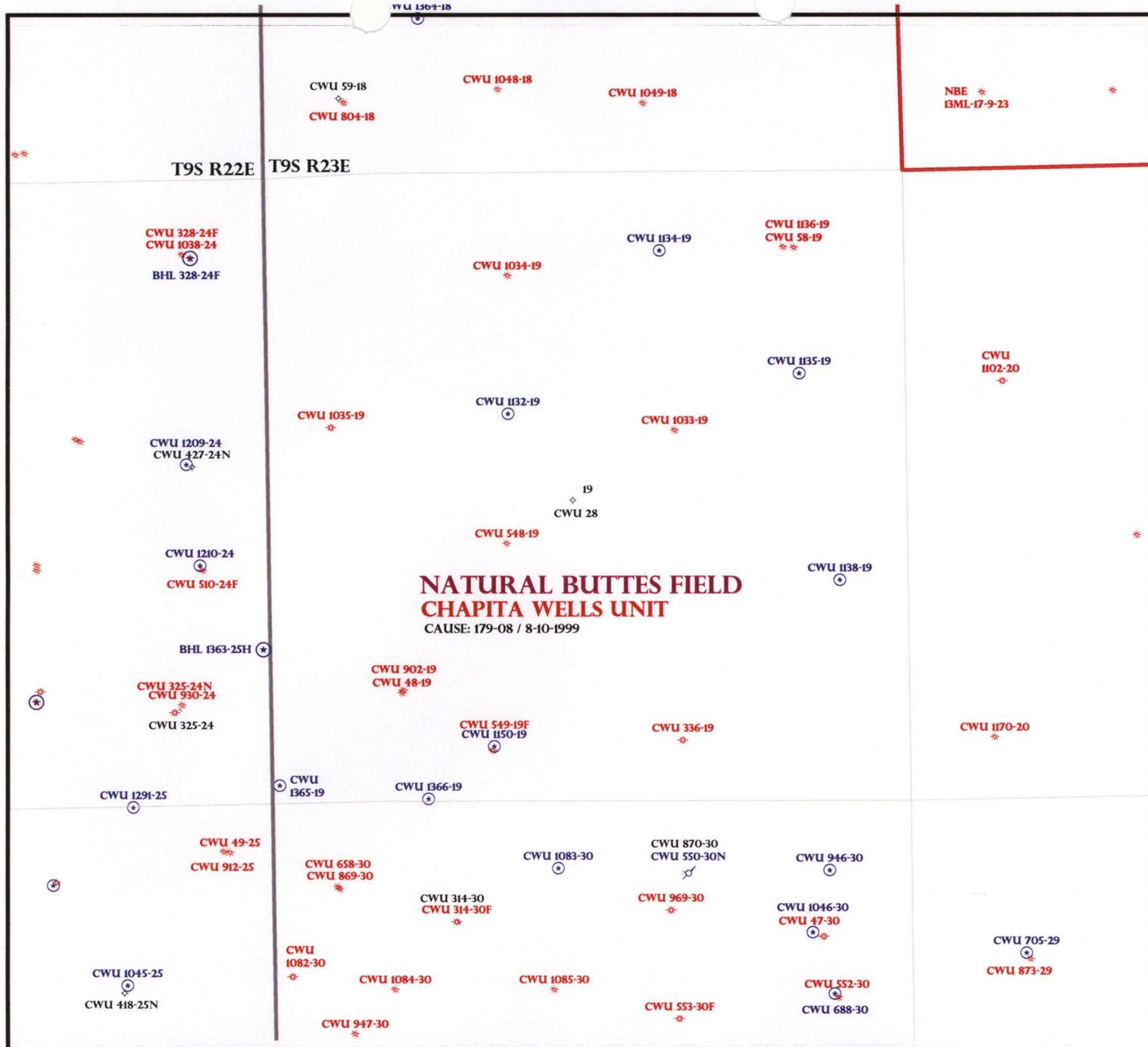
Drilling Unit
 Board Cause No: 1798
 Eff Date: 8-10-1997
 Siting: Suspends General Siting

___ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1. EOG Approval

YU 156+18



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 19 T.9S R. 23E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 179-08 / 8-10-1999

- Field Status**
- ABANDONED
 - ACTIVE
 - COMBINED
 - INACTIVE
 - PROPOSED
 - STORAGE
 - TERMINATED

- Unit Status**
- EXPLORATORY
 - GAS STORAGE
 - NF PP OIL
 - NF SECONDARY
 - PENDING
 - PI OIL
 - PP GAS
 - PP GEOTHERML
 - PP OIL
 - SECONDARY
 - TERMINATED

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



OIL, GAS & MINING



PREPARED BY: DIANA MASON
DATE: 3-APRIL-2008

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:
3160
(UT-922)

April 3, 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)

| | | |
|--------------|--|--|
| 43-047-39985 | CWU 1366-19 Sec 19 T09S R23E 0020 FSL 1280 FWL | |
| 43-047-39986 | CWU 1134-19 Sec 19 T09S R23E 0665 FNL 1999 FEL | |
| 43-047-39987 | CWU 1135-19 Sec 19 T09S R23E 1718 FNL 0849 FEL | |
| 43-047-39988 | CWU 1132-19 Sec 19 T09S R23E 2020 FNL 2000 FWL | |
| 43-047-39984 | CWU 1361-25 Sec 25 T09S R22E 2523 FSL 0489 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:4-3-08



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

April 3, 2008

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

Re: Chapita Wells Unit 1132-19 Well, 2020' FNL, 2000' FWL, SE NW, Sec. 19, T. 9 South, R. 23 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39988.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

Operator: EOG Resources, Inc.

Well Name & Number Chapita Wells Unit 1132-19

API Number: 43-047-39988

Lease: UTU0337

Location: SE NW Sec. 19 T. 9 South R. 23 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division with 24 hours of spudding the well.

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

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

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

3. Reporting Requirements

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

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

MAR 28 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. UTU0337 |
| 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. UTU63013AV |
| 3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078 | | 8. Lease Name and Well No. CWU 1132-19 |
| 3b. Phone No. (include area code) Ph: 303-824-5526 | | 9. API Well No. 43 047 39988 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.*) At surface SENW 2020FNL 2000FWL 40.02321 N Lat, 109.37179 W Lon At proposed prod. zone SENW 2020FNL 2000FWL 40.02321 N Lat, 109.37179 W Lon | | 10. Field and Pool, or Exploratory NATURAL BUTTES |
| 14. Distance in miles and direction from nearest town or post office* 50.9 MILES SOUTH OF VERNAL, UT | | 11. Sec., T., R., M., or Blk. and Survey or Area Sec 19 T9S R23E Mer SLB SME: BLM |
| 15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 2000' | 16. No. of Acres in Lease | 12. County or Parish UINTAH |
| 18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1100' | 19. Proposed Depth 9290 MD | 13. State UT |
| 21. Elevations (Show whether DF, KB, RT, GL, etc.) 5035 GL | 22. Approximate date work will start | 17. Spacing Unit dedicated to this well |
| 23. Estimated duration 45 DAYS | | 20. BLM/BIA Bond No. on file NM2308 |

24. Attachments

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

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

| | | |
|---|--|--------------------|
| 25. Signature (Electronic Submission) | Name (Printed/Typed) MARY A. MAESTAS Ph: 303-824-5526 | Date 03/28/2008 |
| Title REGULATORY ASSISTANT | | |
| Approved by (Signature) | Name (Printed/Typed) Jenny Nevada | Date 6-10-2008 |
| 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 #59317 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal
Committed to AFMSS for processing by GAIL JENKINS on 03/28/2008 (08GXJ2977AE)

NOTICE OF APPROVAL
RECEIVED

JUN 11 2008

DIV. OF OIL, GAS & MINING

** BLM REVISED **

08GXJ2150AE

NOS. 02-11-2008





**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. | Location: | SENW, Sec. 19, T9S, R23E |
| Well No: | Chapita Wells Unit 1132-19 | Lease No: | UTU-0337 |
| API No: | 43-047-39988 | Agreement: | Chapita Wells Unit |

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

Fax: (435) 781-3420

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

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

NOTIFICATION REQUIREMENTS

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

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

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

Site Specific COAs:

- Bury pipeline at all low water crossings.
- Permission from an authorized BLM representative will be required if construction or other operations occur during wet conditions that would lead to excessive rutting.
- Permission to clear all wildlife stipulations will only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.
- Culverts and gravel may be installed as needed.
- In order to protect pronghorn antelope habitat no construction, drilling or fracing will occur from 5/15 to 6/20.
- In order to protect burrowing owl habitat no construction, drilling or fracing will occur from 4/1 to 7/15.

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

SITE SPECIFIC DOWNHOLE COAs:

- The conductor pipe shall be set and cemented in a competent formation.
- A surface casing shoe integrity test shall be performed.
- Variances are granted for Onshore Order #2-Drilling Operations III. E. Bloopie line can be 75 feet. Deduster and ignitor, drilling with mist system, OK. Rig mounted compressors less the 100' away, OK. All other requirements in O.O. #2 III. E. Special Drilling Operations are applicable.
- Production casing cement shall be at a minimum 200 feet inside the surface casing. A CBL shall be run from TD to top of cement and a field copy shall be sent to this field office.
- The Gamma ray log shall be run from TD to surface.

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

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

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

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

OPERATING REQUIREMENT REMINDERS:

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

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

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

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 1132-19

Api No: 43-047-39988 Lease Type: FEDERAL

Section 19 Township 09S Range 23E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # RATHOLE

SPUDDED:

Date 09/26/08

Time 11:00 AM

How DRY

Drilling will Commence: _____

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 09/29//08 Signed CHD

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

FORM 6

ENTITY ACTION FORM

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

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

Well 1

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|--------------------------------|----------------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 43-047-39988 | CHAPITA WELLS UNIT 1132-19 | | SENW | 19 | 9S | 23E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| <i>AB</i> | 99999 | <i>13650</i> | 9/26/2008 | | <i>9/30/08</i> | | |
| Comments: <u>MESAVERD WELL</u> | | | | | | | |

Well 2

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|--------------------------------|----------------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 43-047-39689 | CHAPITA WELLS UNIT 1080-25 | | SESW | 25 | 9S | 22E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| <i>AB</i> | 99999 | <i>13650</i> | 9/28/2008 | | <i>9/30/08</i> | | |
| Comments: <u>MESAVERD WELL</u> | | | | | | | |

Well 3

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|--------------------------------|----------------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 43-047-39899 | CHAPITA WELLS UNIT 1207-24 | | NWNW | 24 | 9S | 22E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| <i>AB</i> | 99999 | <i>13650</i> | 9/28/2008 | | <i>9/30/08</i> | | |
| Comments: <u>MESAVERD WELL</u> | | | | | | | |

ACTION CODES:

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

Mickenzie Thacker

Name (Please Print)

Mickenzie Thacker

Signature

Operations Clerk

9/29/2008

Title

Date

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SEP 29 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU0337

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

8. Well Name and No.
CHAPITA WELLS UNIT 1132-19

9. API Well No.
43-047-39988

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG RESOURCES, INC.

Contact: MICKENZIE THACKER
E-Mail: MICKENZIE_THACKER@EOGRESOURCES.COM

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

3b. Phone No. (include area code)
Ph: 453-781-9145

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 19 T9S R23E SENW 2020FNL 2000FWL
40.02321 N Lat, 109.37179 W Lon

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

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

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

The referenced well was spud on 9/26/2008.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #63456 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal

Name (Printed/Typed) MICKENZIE THACKER Title OPERATIONS CLERK

Signature *Mickenzie Thacker* Date 09/29/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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

Office _____

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

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

RECEIVED

OCT 01 2008

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS
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5. Lease Serial No.
UTU0337

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

8. Well Name and No.
CHAPITA WELLS UNIT 1132-19

9. API Well No.
43-047-39988

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

1. Type of Well
 Oil Well Gas Well Other

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

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

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

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Sec 19 T9S R23E SENW 2020FNL 2000FWL
40.02321 N Lat, 109.37179 W Lon

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

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

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

The referenced well was turned to sales on 12/19/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

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DEC 23 2008

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.
**Electronic Submission #65780 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MICKENZIE THACKER

Title OPERATIONS CLERK

Signature



Date 12/22/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____

Title

Date

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

Office

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

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

WELL CHRONOLOGY REPORT

Report Generated On: 12-22-2008

| | | | | | |
|----------------------|--|------------------|--------------|----------------------|------------|
| Well Name | CWU 1132-19 | Well Type | DEVG | Division | DENVER |
| Field | CHAPITA DEEP | API # | 43-047-39988 | Well Class | 1SA |
| County, State | UINTAH, UT | Spud Date | 11-06-2008 | Class Date | 12-19-2008 |
| Tax Credit | N | TVD / MD | 9,290/ 9,290 | Property # | 057833 |
| Water Depth | 0 | Last CSG | 2.375 | Shoe TVD / MD | 0/ 0 |
| KB / GL Elev | 5,048/ 5,035 | | | | |
| Location | Section 19, T9S, R23E, SENW, 2020 FNL & 2000 FWL | | | | |

| | | | | | |
|-----------------|--------------------|--------------------|------------------|--------------|--------|
| Event No | 1.0 | Description | DRILL & COMPLETE | | |
| Operator | EOG RESOURCES, INC | WI % | 55.686 | NRI % | 47.671 |

| | | | | | |
|------------------------------|--------------------|-------------------|---------------|------------------------|------------------|
| AFE No | 303684 | AFE Total | 1,744,200 | DHC / CWC | 880,700/ 863,500 |
| Rig Contr | ELENBURG | Rig Name | ELENBURG #29 | 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 2020' FNL & 2000' FWL (SE/NW) SECTION 19, T9S, R23E UINTAH COUNTY, UTAH LAT 40.023211, LONG 109.371786 (NAD 83) LAT 40.023244, LONG 109.371106 (NAD 27) ELENBURG #29 OBJECTIVE: 9290' TD, MESAVERDE DW/GAS CHAPITA WELLS DEEP PROSPECT DD&A: CHAPITA DEEP NATURAL BUTTES FIELD LEASE: UTU-0337 ELEVATION: 5035.1' NAT GL, 5034.5' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 5035') 5048' KB (13') EOG GWI 55.6856%, NRI 47.67131% |

09-22-2008 Reported By TERRY CSERE

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DEC 29 2008

DIV. OF OIL, GAS & MINING

DailyCosts: Drilling \$75,000 **Completion** \$0 **Daily Total** \$75,000
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
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 STARTED.

09-23-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
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 20% COMPLETE.

09-24-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
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 30% COMPLETE.

09-25-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

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

09-26-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

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

09-29-2008 **Reported By** JERRY BARNES

11-06-2008 Reported By JESSE RICHEY

Daily Costs: Drilling \$104,604 Completion \$0 Daily Total \$104,604

Cum Costs: Drilling \$436,556 Completion \$0 Well Total \$436,556

MD 2,513 TVD 2,513 Progress 93 Days 1 MW 0.0 Visc 0.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 2513'

Start End Hrs Activity Description

07:30 14:00 6.5 MOVE RIG .4 MILES AND RIG UP.

14:00 18:00 4.0 NIPPLE UP BOPE, START
DAYWORK ON CWU 1132-19 @ 14:00 HRS, 11/5/08.18:00 22:00 4.0 RIG UP TEST EQUIPMENT & TEST BOPS, AS FOLLOWS; ALL VALVES ON CHOKE MANIFOLD, CHOKE LINE
AND KILL LINE TESTED RAMS AND HYDRIL AND CASING, ALL 5K EQUIPMENT TO 5,000 HIGH AND 250
LOW, HYDRIL 2,500 HIGH AND 250 LOW, CASING TO 1,500, ALL TESTED.

22:00 22:30 0.5 INSTALL WEAR BUSHING.

22:30 23:30 1.0 MAKE UP BIT # 1 (SMITH MASI513).

23:30 01:30 2.0 TRIP IN HOLE WITH BIT # 1 TAG CEMENT @ 2238', BHA WT 55,000.

01:30 04:00 2.5 DRILLED FLOAT COLLAR, CEMENT, FLOAT SHOE AND 15' OF NEW FORMATION FROM 2238' TO 2405', WOB
2/4K, RPM 40, GPM 399, PSI 876. M/W 8.5, VIS 30

04:00 04:30 0.5 SPOT HIGH VIS PILL, FIT TEST, PRESSURE WITH WATER TO 265 PSIG, EMW 10.5 PPG.

04:30 05:00 0.5 DEVIATION SURVEY 2375' @ .75 DEGREE.

05:00 06:00 1.0 DRILL 2420' TO 2513' (93') ROP 93, WOB 10/16, RPM 45/64, 1125 PSI, GPM 426, DIF PSI 200/300, MW 8.4, VIS 29.

NO LOSS/GAIN.

NO ACCIDENTS / INCIDENTS, NO RIG REPAIRS,

FULL CREWS,

SAFETY MEETING. # 1: ON RIGGING UP # 2: TESTING BOP'S.

FUEL RECEIVED 6000 GALS, FUEL ON HAND 10101 GLS, USED 408 GLS,

CHECK CROWN-O-MATIC.

UNMANNED LOGGING UNIT 1 DAY. STARTED 11/5/08.

06:00 SPUD A 7 7/8" HOLE @ 05:00 HRS, 11/06/08.

11-07-2008 Reported By JESSE RICHEY

Daily Costs: Drilling \$36,807 Completion \$0 Daily Total \$36,807

Cum Costs: Drilling \$473,364 Completion \$0 Well Total \$473,364

MD 4,821 TVD 4,821 Progress 2,308 Days 2 MW 8.6 Visc 31.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 4821'

Start End Hrs Activity Description

06:00 13:00 7.0 DRILL 2513' TO 3460' (947') ROP 126, WOB 16/18, RPM 45/64, 1323 PSI, GPM 426, DIF PSI 200/300, MW 8.7, VIS
32.

13:00 14:00 1.0 SERVICE RIG

14:00 14:30 0.5 DRILL 3460' TO 3506' (46') ROP 92, WOB 16/18, RPM 45/64, 1323 PSI, GPM 426, DIF PSI 200/300, MW 8.7, VIS 32.

| | | |
|-------|-------|--|
| 14:30 | 15:00 | 0.5 DEVIATION SURVEY @ 3428, 2.25 DEGREE |
| 15:00 | 00:30 | 9.5 DRILL 3506' TO 4503' (997') ROP 105, WOB 16/18, RPM 45/64, 1362 PSI, GPM 426, DIF PSI 100/250, MW 9.5, VIS 33. |
| 00:30 | 01:00 | 0.5 DEVIATION SURVEY @ 4458, 3 DEGREE |
| 01:00 | 06:00 | 5.0 DRILL 4503' TO 4821' (318') ROP 63, WOB 16/18, RPM 45/64, 1362 PSI, GPM 429, DIF PSI 100/250, MW 9.7, VIS 34. |

NO ACCIDENTS.
 NO RIG REPAIR.
 SAFETY MEETING #1 ON PROPER PPE, #2 ON MAKING CONNECTIONS.
 FULL CREWS ON BOTH TOURS.
 FUEL ON HAND 9060 GALLONS. FUEL USED 1046 GALLONS
 FORMATION TOPS; MAHOGANY OIL SHALE, WASATCH.
 FUNCTION TEST CROWN-O-MATIC.
 UNMANNED LOGGING ON LOCATION 2 DAYS.

| | | | | | | | | | | | |
|-----------------------------|--------------------|----------------------------|-------|--------------------|------------------------|-------------|---|-----------|-----|-------------|------|
| 11-08-2008 | Reported By | JESSE RICHEY/KELLY SPOONTS | | | | | | | | | |
| DailyCosts: Drilling | \$45,362 | Completion | \$0 | Daily Total | \$45,362 | | | | | | |
| Cum Costs: Drilling | \$518,726 | Completion | \$0 | Well Total | \$518,726 | | | | | | |
| MD | 5,525 | TVD | 5,525 | Progress | 704 | Days | 3 | MW | 9.7 | Visc | 34.0 |
| Formation : | PBTD : 0.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: TRIPING IN HOLE

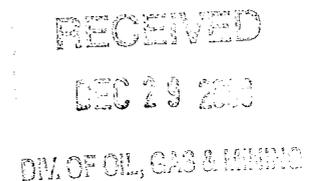
| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 16:30 | 10.5 | DRILL 4821' TO 5365' (544') ROP 52, WOB 18/20, RPM 45/64, 1670 PSI, GPM 433, DIF PSI 200/300, MW 9.7, VIS 35. |
| 16:30 | 17:00 | 0.5 | SERVICE RIG |
| 17:00 | 23:00 | 6.0 | DRILL 5365' TO 5525' (160') ROP 27, WOB 18/20, RPM 45/64, 1670 PSI, GPM 433, DIF PSI 200/300, MW 9.7, VIS 35. |
| 23:00 | 23:30 | 0.5 | PUMP PILL |
| 23:30 | 03:30 | 4.0 | TRIP OUT OF HOLE FOR BIT/MOTOR |
| 03:30 | 06:00 | 2.5 | TRIP IN HOLE W/NEW BIT & MTR |

NO ACCIDENTS.
 NO RIG REPAIR.
 SAFETY MEETING #1 ON BOILER, #2 ON TOO. H.
 FULL CREWS ON BOTH TOURS.
 FUEL ON HAND 7855 GALLONS. FUEL USED 1205 GALLONS
 FORMATION TOPS; MIDDLE OF CHAPITA WELLS.
 FUNCTION TEST CROWN-O-MATIC.
 UNMANNED LOGGING ON LOCATION 3 DAYS.

| | | | | | | | | | | | |
|-----------------------------|--------------------|-------------------|-------|--------------------|------------------------|-------------|---|-----------|-----|-------------|------|
| 11-09-2008 | Reported By | KELLY SPOONTS | | | | | | | | | |
| DailyCosts: Drilling | \$46,474 | Completion | \$0 | Daily Total | \$46,474 | | | | | | |
| Cum Costs: Drilling | \$565,201 | Completion | \$0 | Well Total | \$565,201 | | | | | | |
| MD | 6,439 | TVD | 6,439 | Progress | 914 | Days | 4 | MW | 9.7 | Visc | 35.0 |
| Formation : | PBTD : 0.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: DRILLING @ 6439'

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 07:00 | 1.0 | INSTALL ROT RUBBER/SLIP & CUT DRILL LINE |



07:00 09:00 2.0 TRIP IN HOLE
 09:00 09:30 0.5 WASH/REAM LAST THREE JOINTS TO BOTTOM
 09:30 15:00 5.5 DRILL 5525' TO 5850' (325') ROP 59, WOB 18/20, RPM 45/64, 1650 PSI, GPM 433, DIF PSI 100/270, MW 9.8, VIS 35.
 15:00 15:30 0.5 SERVICE RIG
 15:30 06:00 14.5 DRILL 5850' TO 6439' (589') ROP 41, WOB 18/20, RPM 45/64, 1650 PSI, GPM 433, DIF PSI 100/270, MW 10.1, VIS 37.

NO ACCIDENTS.
 NO RIG REPAIR.
 SAFETY MEETING #1 ON TRIPPING I.H, #2 ON MAKING CONN.
 FULL CREWS ON BOTH TOURS.
 FUEL ON HAND 10208 GALLONS. FUEL USED 2047 GALLONS—(FILLED DAY TANK)
 FORMATION TOPS; LOWER END OF BUCK CANYON.
 FUNCTION TEST CROWN-O-MATIC.
 UNMANNED LOGGING ON LOCATION 4 DAYS.

| | | | | | | | | | | | |
|------------------------------|--------------------|-------------------|-------|--------------------|------------------------|-------------|---|-----------|------|-------------|------|
| 11-10-2008 | Reported By | KELLY SPOONTS | | | | | | | | | |
| Daily Costs: Drilling | \$29,253 | Completion | \$0 | Daily Total | \$29,253 | | | | | | |
| Cum Costs: Drilling | \$594,454 | Completion | \$0 | Well Total | \$594,454 | | | | | | |
| MD | 7,210 | TVD | 7,210 | Progress | 771 | Days | 5 | MW | 10.2 | Visc | 36.0 |
| Formation : | PBTD : 0.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: DRILLING @ 7210'

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 13:00 | 7.0 | DRILL 6439' TO 6575' (136') ROP 19, WOB 18/20, RPM 45/64, 1650 PSI, GPM 433, DIF PSI 100/270, MW 10.2, VIS 36. |
| 13:00 | 13:30 | 0.5 | SERVICE RIG |
| 13:30 | 06:00 | 16.5 | DRILL 6575' TO 7210' (635') ROP 38, WOB 18/20, RPM 45/64, 1650 PSI, GPM 433, DIF PSI 100/270, MW 10.9, VIS 37. |

NO ACCIDENTS.
 NO RIG REPAIR.
 SAFETY MEETING #1 ON HORSE PLAY I.H, #2 ON PPE.
 FULL CREWS ON BOTH TOURS.
 FUEL ON HAND 8815 GALLONS. FUEL USED 1393 GALLONS
 FUNCTION TEST CROWN-O-MATIC.
 UNMANNED LOGGING ON LOCATION 5 DAYS.

| | | | | | | | | | | | |
|------------------------------|--------------------|-------------------|---------|--------------------|------------------------|-------------|---|-----------|------|-------------|------|
| 11-11-2008 | Reported By | KELLY SPOONTS | | | | | | | | | |
| Daily Costs: Drilling | \$32,239 | Completion | \$6,552 | Daily Total | \$38,791 | | | | | | |
| Cum Costs: Drilling | \$626,693 | Completion | \$6,552 | Well Total | \$633,245 | | | | | | |
| MD | 8,117 | TVD | 8,117 | Progress | 907 | Days | 6 | MW | 10.9 | Visc | 36.0 |
| Formation : | PBTD : 0.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: DRILLING @ 8117'

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 14:30 | 8.5 | DRILL 7210' TO 7573' (363') ROP 43, WOB 18/20, RPM 45/64, 1650 PSI, GPM 433, DIF PSI 100/270, MW 10.9, VIS 37. |
| 14:30 | 15:00 | 0.5 | SERVICE RIG |

15:00 06:00 15.0 DRILL 7573' TO 8117' (544') ROP 37, WOB 18/20, RPM 45/64, 1650 PSI, GPM 433, DIF PSI 100/270, MW 11.2, VIS 38.

NO ACCIDENTS.
 NO RIG REPAIR.
 SAFETY MEETING #1 ON BLOWING DOWN BOILER, #2 ON MIXING HAZARDS.
 FULL CREWS ON BOTH TOURS.
 FUEL ON HAND 7562 GALLONS. FUEL USED 1253 GALLONS
 FORMATION TOPS; MIDDLE PRICE RIVER.
 FUNCTION TEST CROWN-O-MATIC.
 UNMANNED LOGGING ON LOCATION 6 DAYS.

| | | | | | | | | | | | |
|---|--------------------|-------------------|---------|--------------------|------------------------|-------------|---|-----------|------|-------------|------|
| 11-12-2008 | Reported By | KELLY SPOONTS | | | | | | | | | |
| Daily Costs: Drilling | \$30,971 | Completion | \$2,437 | Daily Total | \$33,408 | | | | | | |
| Cum Costs: Drilling | \$657,665 | Completion | \$8,989 | Well Total | \$666,654 | | | | | | |
| MD | 8,300 | TVD | 8,300 | Progress | 183 | Days | 7 | MW | 11.1 | Visc | 39.0 |
| Formation : | PBTD : 0.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |
| Activity at Report Time: TIH W/NEW BIT | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 06:00 | 10:30 | 4.5 | DRILL 8117' TO 8253' (136') ROP 30, WOB 18/20, RPM 45/64, 1650 PSI, GPM 433, DIF PSI 100/270, MW 11.2, VIS 38. |
| 10:30 | 13:30 | 3.0 | CIRC. OUT KICK ON CHOKE INCREASE MUD WT. 11.5 PPG |
| 13:30 | 14:30 | 1.0 | OPEN ANNULAR / CONDITION MUD & CIRC |
| 14:30 | 16:30 | 2.0 | DRILL 8253' TO 8300' (47') ROP 23, WOB 18/20, RPM 45/64, 1650 PSI, GPM 433, DIF PSI 100/270, MW 11.4, VIS 37. P-RATE DROPPED. |
| 16:30 | 17:00 | 0.5 | SURVEY/PUMP PILL |
| 17:00 | 21:30 | 4.5 | TRIP FOR NEW BIT #3 |
| 21:30 | 22:00 | 0.5 | PULL ROT. HEAD RUBBER |
| 22:00 | 22:30 | 0.5 | LAY DOWN BHA /MUD MTR |
| 22:30 | 23:30 | 1.0 | PU NEW BIT AND MTR |
| 23:30 | 00:30 | 1.0 | TRIP IN HOLE |
| 00:30 | 01:00 | 0.5 | INSTALL ROT. HEAD RUBBER |
| 01:00 | 06:00 | 5.0 | TFNB#3 |

NO ACCIDENTS.
 NO RIG REPAIR.
 SAFETY MEETING #1 ON CIRC OUT GAS KICKS, #2 ON TRIPPING.
 FULL CREWS ON BOTH TOURS.
 FUEL ON HAND 6482 GALLONS. FUEL USED 1080 GALLONS
 FORMATION TOPS; MIDDLE PRICE RIVER.
 FUNCTION TEST CROWN-O-MATIC.
 UNMANNED LOGGING ON LOCATION 7 DAYS.

| | | | | | | | | | |
|------------------------------|--------------------|------------------------------|----------|--------------------|-----------|--|--|--|--|
| 11-13-2008 | Reported By | CARLOS ARRIETA KELLY SPOONTS | | | | | | | |
| Daily Costs: Drilling | \$45,820 | Completion | \$2,437 | Daily Total | \$48,257 | | | | |
| Cum Costs: Drilling | \$703,485 | Completion | \$11,426 | Well Total | \$714,911 | | | | |

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MD 9,160 **TVD** 9,160 **Progress** 860 **Days** 8 **MW** 11.6 **Visc** 38.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING @ 9160'

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 07:00 | 1.0 | WASH & REAM 220' TO BTM. |
| 07:00 | 13:00 | 6.0 | DRILL ROTATE F/ 8300' - 8570 (270') WOB 15/18, RPM 45/64, 2200 PSI, GPM 433, DIF PSI 100/310, MW 11.5, VISC 40. |
| 13:00 | 13:30 | 0.5 | SERVICE RIG |
| 13:30 | 06:00 | 16.5 | DRILL ROTATE 8570 - 9160' (590') WOB 15/18, RPM 45/64, 2200 PSI, GPM 433, DIF PSI 100/310, MW 11.5, VISC 43. |

ONE ACCIDENT, DAVID THORMAHLEN

SAFETY MEETING #1 BOILER, #2 BOILER.
 FULL CREWS ON BOTH TOURS.
 FUEL ON HAND 5378 GALLONS. FUEL USED 1104 GALLONS
 FORMATION TOPS; SEGO.
 FUNCTION TEST CROWN-O-MATIC.
 NO FLARE.

| | | |
|------------------------------|--------------------|----------------------------|
| 11-14-2008 | Reported By | CARLOS ARRIETA |
| Daily Costs: Drilling | \$32,336 | Completion \$0 |
| Cum Costs: Drilling | \$735,822 | Completion \$11,426 |
| Daily Total | | \$32,336 |
| Well Total | | \$747,248 |

MD 9,290 **TVD** 9,290 **Progress** 130 **Days** 9 **MW** 11.6 **Visc** 43.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: RUNNING PROD CSG

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 06:00 | 10:30 | 4.5 | DRILL ROTATE 9160' - 9290' (130' TD). TD REACHED @ 10:30 HRS, 11/13/08. WOB 15/18, RPM 45/64, 2200 PSI, GPM 433, DIF PSI 100/310, MW 11.5, VISC 43. |
| 10:30 | 11:00 | 0.5 | SERVICE RIG. |
| 11:00 | 11:30 | 0.5 | CIRCULATE PUMP HI-VIS SWEEP & 30 BBLs. PILL |
| 11:30 | 12:00 | 0.5 | SHORT TRIP TO 8578' OK |
| 12:00 | 13:30 | 1.5 | CIRCULATE, PUMP 300 BBLs. PILL, 13 PPG MUD, EMW MUD WT = 12.1 PPG |
| 13:30 | 22:00 | 8.5 | TRIP OUT HOLE LD/DRILL PIPE & BHA TO RUN CSG. CASING POINT AT 13:30 HRS. 11/13/2008 |
| 22:00 | 23:00 | 1.0 | PULL WEAR BUSHING, HOLD SAFETY MEETING W/ CALIBER CASING CREW & RIG CREW. RIG UP CSG EQUIPMENT. |
| 23:00 | 06:00 | 7.0 | RUN CASING A TOTAL OF 154 JTS 4 1/2" X 11.6 # N80 LTC, AS FOLLOWS FLOAT SHOE @ 9271', 1 JT. CSG, FLOAT COLLAR @ 9225.08', 63 JTS. CSG, MARKER JOINT @ 6500.22' & 52 JTS. CSG MARKER JOINT @ 4293.31', 34 JTS. CSG, 25 CENTRALIZE. |

BOILER 24 HRS.
 SAFETY MEETING: MOVING PIPE WITH FORKLIFT & TRIPING .

NO INCIDENTS / ACCIDENTS REPORTED
 FULL CREWS ON BOTH TOURS.

FUEL ON HAND 4470 GALLONS. FUEL USED 908 GALLONS.
 FORMATION TOPS; SEGO.
 FUNCTION TEST CROWN-O-MATIC.
 4 FT. FLARE ON SHORT TRIP.

| | | | | | | | | | | | |
|------------------------------|--------------------|-------------------|-----------|--------------------|------------------------|-------------|----|-----------|-----|-------------|-----|
| 11-15-2008 | Reported By | CARLOS ARRIETA | | | | | | | | | |
| Daily Costs: Drilling | \$39,950 | Completion | \$187,767 | Daily Total | \$227,717 | | | | | | |
| Cum Costs: Drilling | \$775,772 | Completion | \$199,193 | Well Total | \$974,965 | | | | | | |
| MD | 9,290 | TVD | 9,290 | Progress | 0 | Days | 10 | 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 | 10:30 | 4.5 | RUN CASING A TOTAL OF 215 JTS 4 1/2" X 11.6 # N80 LTC, AS FOLLOWS FLOAT SHOE @ 9269', 1 JT. CSG, FLOAT COLLAR @ 9225.08', 63 JTS. CSG, 1 MARKER JOINT @ 6500. & 52 JTS. CSG 1 MARKER JOINT @ 4293.31', 100 JTS. CSG, HANGER ASS. 25 CENTRALIZE |
| 10:30 | 11:30 | 1.0 | TAG @ 9290', LANDING CSG HANGER W/ 75K., FILL PIPE , CIRCULATE CSG, L/DN CALILBER CSG EQUIPMENT, RIG UP SCHLUMBERGER CEMENTING EQUIPMENT, HELD SAFETY MEETING. |
| 11:30 | 15:00 | 3.5 | CEMENT W/ SCHLUMBERGER, TEST LINES TO 5000 PSI, DROP BOTTOM PLUG, PUMP 20 BBLS CHEMICAL WASH AND 20 BBLS WATER SPACER, MIXED AND PUMPED 405 SKS 35:65 POZ G, (142.8 BBLS) W/ 5% D020 (EXTENDER), 2% D174 (EXPANDING CE), .75% D112 (FLUID LOSS), .2% D046 (ANTIFOAM), .3% D013 (RETARDER), .2% D065 (DISPERSANT), .125 lb/sk D130 (LOST CIRC). (YIELD 1.98) AT 12.5 PPG WITH 10.948 GPS H2O. PUMPED TAIL 1500 SKS 50:50 POZ G (344.6 BBLS) W/ 2% D020 (EXTENDER), .1% D046(ANTIFOAM), .2% D167 (FLUID LOSS), .2% D065 (DISPERSANT) (YIELD 1.29) AT 14.1 PPG WITH 5.985 GPS H2O DROPPED TOP PLUG, DISPLACED TO FLOAT COLLAR WITH 143.8 BBL OF FRESH WATER, AVG MIX AND DISPLACEMENT RATE 6 BPM. FINAL PUMP PRESSURE 2295 PSI, BUMPED PLUG @ 14:45 WITH 3462 PSI BLEED OFF PRESSURE, 2 BBL FLOW BACK, FLOATS HELD. 150 BBLS CEMENT ON SURFACE |
| 15:00 | 16:30 | 1.5 | SET HANGER PACKING & TEST W/ 5000 PSI OK .CASING POINT \$ 676.694. |
| 16:30 | 18:30 | 2.0 | NIPPLE DOWN & CLEAN MUD TANKS. RIG RELEASED @ 18:30 HRS, 11/14/2008. |
| 18:30 | 06:00 | 11.5 | RIG DOWN, CAMP 100% MOVED ON 11/14/08. SET F/ TRUCKSTO BE ON LOCATION @ 07:00 AM 11/15/08, MOVE TO CWU 1366-19, 1.6 MILES TRANSFER FROM CWU 1132-19 TO CWU 1366-19 3870 GLS. FUEL, 7 JTS CSG 4.5 # 11.6 N-80 LTC. SEND 550 BBLS. LIQUID MUD TO EOG YARD. SAFETY MEETINGS: LAY DOWN PIPE & RUN CSG NO ACCIDENTS / INCIDENTS REPORTED FULL CREW ON BOTH TOURS FUEL ON HAND 3870 GLS. USED TODAY 600 GAL. NO FLARE 150 BBLS. OF CEMENT ON SURFACE. |
| 06:00 | | | RIG RELEASED @ 18:30 HRS, 11/14/2008. CASING POINT COST \$ 765,272. |

11-22-2008 **Reported By** MCCURDY

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| | | | | | |
|------------------------------|-------------------|-------------------|-----------|------------------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$45,644 | Daily Total | \$45,644 |
| Cum Costs: Drilling | \$775,772 | Completion | \$244,837 | Well Total | \$1,020,609 |
| MD | 9,290 | TVD | 9,290 | Progress | 0 |
| | | Days | 11 | MW | 0.0 |
| Formation : | PBTD : 0.0 | Perf : | | PKR Depth : 0.0 | |

Activity at Report Time: WO COMPLETION

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | 11/19/08 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 50'. EST CEMENT TOP @ 150'. RD SCHLUMBERGER. |

NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

| | | | | | |
|------------------------------|----------------------|---------------------------|-----------|------------------------|-------------|
| 12-02-2008 | Reported By | WHITEHEAD | | | |
| Daily Costs: Drilling | \$0 | Completion | \$7,972 | Daily Total | \$7,972 |
| Cum Costs: Drilling | \$775,772 | Completion | \$252,809 | Well Total | \$1,028,581 |
| MD | 9,290 | TVD | 9,290 | Progress | 0 |
| | | Days | 12 | MW | 0.0 |
| Formation : MESAVERDE | PBTD : 9225.0 | Perf : 7960'-8979' | | PKR Depth : 0.0 | |

Activity at Report Time: FRAC MESAVERDE

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | RU CUTTERS WIRELINE & PERFORATE LPR FROM 8641'-42', 8662'-63', 8685'-86', 8709'-10', 8732'-33', 8755'-56', 8782'-83', 8788'-89', 8811'-12', 8855'-56', 8871'-72', 8877'-78', 8903'-04', 8978'-79' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 7336 GAL WF116 LINEAR PREPAD, 2097 GAL YF116ST+ PAD, 36684 GAL YF116ST+ W/120200# 20/40 SAND @ .5-5 PPG. MTP 5131 PSIG. MTR 54.1 BPM. ATP 4144 PSIG. ATR 40.6 BPM. ISIP 2800 PSIG. RD SCHLUMBERGER. |

RUWL. SET 6K CFP AT 8600'. PERFORATE MPR FROM 8399'-00', 8416'-17', 8421'-22', 8439'-40', 8445'-46', 8476'-77', 8483'-84', 8497'-98', 8526'-27', 8535'-36', 8573'-74', 8583'-84' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 2070 GAL YF120ST+ PAD, 33109 GAL YF116ST+ W/105500# 20/40 SAND @ .5-5 PPG. MTP 6328 PSIG. MTR 51.6 BPM. ATP 5070 PSIG. ATR 46.7 BPM. ISIP 3300 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 8310'. PERFORATE MPR FROM 8108'-09', 8113'-14', 8133'-34', 8142'-43', 8156'-57', 8170'-71', 8181'-82', 8190'-91', 8197'-98', 8218'-19', 8296'-97', 8300'-01' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 2900 GAL YF120 ST+ PAD, 47421 GAL YF116ST+ W/137900# 20/40 SAND @ .5-5 PPG. MTP 6259 PSIG. MTR 51.6 BPM. ATP 4943 PSIG. ATR 47.9 BPM. ISIP 2790 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 8075'. PERFORATE MPR FROM 7960'-61', 7967'-68', 7973'-74', 7974'-75', 7980'-81', 7981'-82', 8014'-15', 8038'-39', 8039'-40', 8049'-50', 8050'-51', 8056'-57' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 3162 GAL YF116ST+ PAD, 20894 GAL YF116ST+ W/107400# 20/40 SAND @ .5-5 PPG. MTP 6360 PSIG. MTR 51.2 BPM. ATP 4962 PSIG. ATR 46.9 BPM. ISIP 3670 PSIG. RD SCHLUMBERGER. SDFN.

| | | | | | |
|------------------------------|----------------------|---------------------------|-----------|------------------------|-------------|
| 12-03-2008 | Reported By | WHITEHEAD | | | |
| Daily Costs: Drilling | \$0 | Completion | \$354,761 | Daily Total | \$354,761 |
| Cum Costs: Drilling | \$775,772 | Completion | \$607,570 | Well Total | \$1,383,342 |
| MD | 9,290 | TVD | 9,290 | Progress | 0 |
| | | Days | 13 | MW | 0.0 |
| Formation : MESAVERDE | PBTD : 9225.0 | Perf : 6935'-8979' | | PKR Depth : 0.0 | |

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

| Start | End | Hrs | Activity Description |
|-------|-----|-----|----------------------|
|-------|-----|-----|----------------------|

06:00 06:00 24.0 RUWL SET 6K CFP AT 7925'. PERFORATE MPR FROM 7819'-20', 7825'-26', 7840'-41', 7848'-49', 7849'-50', 7854'-55', 7862'-63', 7881'-82', 7902'-03', 7907'-08', 7908'-09', 7913'-14' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 3279 GAL YF116ST+ PAD, 38740 GAL YF116ST+ W/ 128200 # 20/40 SAND @ .5-5 PPG. MTP 5887 PSIG. MTR 51.6 BPM. ATP 4005 PSIG. ATR 46.7 BPM. ISIP 2470 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 7790'. PERFORATE UPR FROM 7651'-52', 7673'-74', 7682'-83', 7704'-05', 7710'-11', 7711'-12', 7720'-21', 7732'-33', 7737'-38', 7766'-67', 7772'-73', 7773'-74' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 3985 GAL YF116ST+ PAD, 33478 GAL YF116ST+ W/ 107000 # 20/40 SAND @ .5-5 PPG. MTP 6423 PSIG. MTR 52.9BPM. ATP 4462 PSIG. ATR 47.6 BPM. ISIP 3150 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 7600'. PERFORATE UPR FROM 7341'-42', 7351'-52', 7352'-53', 7452'-53', 7464'-65', 7470'-71', 7486'-87', 7508'-09', 7523'-24', 7524'-25', 7527'-28', 7582'-83' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 2866 GAL YF116ST+ PAD 33909 GAL YF116ST+ W/ 109000 # 20/40 SAND @ .5-5 PPG. MTP 6378 PSIG. MTR 52 BPM. ATP 4397 PSIG. ATR 47.9 BPM. ISIP 2600 PSIG. RD. SCHLUMBERGER.

RUWL SET 6K CFP AT 7295'. PERFORATE UPR FROM 7111'-12', 7126'-27', 7139'-40', 7157'-58', 7169'-70', 7178'-79', 7191'-92', 7198'-99', 7212'-13', 7222'-23', 7244'-45', 7274'-75' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 2902 GAL YF116ST+ PAD 43097 GAL YF116ST+ W/ 145500 # 20/40 SAND @ .5-5 PPG. MTP 6293 PSIG. MTR 52 BPM. ATP 4011 PSIG. ATR 48.4 BPM. ISIP 2420 PSIG. RD.SCHLUMBERGER.

RUWL SET 6K CFP AT 7060'. PERFORATE UPR FROM 6935'-36', 6948'-49', 6954'-55', 6965'-66', 6973'-74', 6974'-75', 6980'-81', 7000'-01', 7007'-08', 7008'-09', 7020'-21', 7041'-42' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 2909 GAL YF116ST+ PAD 44797 GAL YF116ST+ W/ 155300 # 20/40 SAND @ .5-5 PPG. MTP 5061 PSIG. MTR 52 BPM. ATP 3382 PSIG. ATR 48.6 BPM. ISIP 1980 PSIG. RDMO.SCHLUMBERGER.

RUWL. SET 10K CBP AT 6880'. RDMO WIRELINE.

| 12-04-2008 | | Reported By | | HOOLEY | | | | | | | |
|--|------------|----------------------|--|---------------------------|-------------|------------------------|----|-----------|-----|-------------|-----|
| Daily Costs: Drilling | \$0 | Completion | \$8,073 | Daily Total | \$8,073 | | | | | | |
| Cum Costs: Drilling | \$775,772 | Completion | \$615,643 | Well Total | \$1,391,415 | | | | | | |
| MD | 9,290 | TVD | 9,290 | Progress | 0 | Days | 14 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | PBTD : 9225.0 | | Perf : 6935'-8979' | | PKR Depth : 0.0 | | | | | |
| Activity at Report Time: CLEAN OUT AFTER FRACS. | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 15:00 | 9.0 | SICP-0 PSIG. MIRU ROYAL SERVICE UNIT. ND FRAC TREE. NU BOPE. RIH W/ BIT AND SUB TO CBP @ 6880'. PREP'D TO DRILL AND CLEAN OUT. SDFN. | | | | | | | | |

| 12-05-2008 | | Reported By | | | | | | | | | |
|---|------------|----------------------|---|---------------------------|-------------|------------------------|----|-----------|-----|-------------|-----|
| Daily Costs: Drilling | \$0 | Completion | \$11,823 | Daily Total | \$11,823 | | | | | | |
| Cum Costs: Drilling | \$775,772 | Completion | \$627,466 | Well Total | \$1,403,238 | | | | | | |
| MD | 9,290 | TVD | 9,290 | Progress | 0 | Days | 15 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | PBTD : 9225.0 | | Perf : 6935'-8979' | | PKR Depth : 0.0 | | | | | |
| Activity at Report Time: FLOW TEST | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6880', 7060', 7295', 7600', 7790', 7925', 8075', 8310' AND 8600'. RIH. CLEANED OUT TO 9100'. LANDED TBG AT 7781' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU. | | | | | | | | |

FLOWED 14 HRS. 24/64" CHOKE. FTP 1450 PSIG. CP 1150 PSIG. 82 BFPH. RECOVERED 1070 BLW. 8900 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 0.91'
 1 JT 2-3/8 4.7# L-80 TBG 31.15'
 XN NIPPLE 1.10'
 251 JTS 2-3/8 4.7# L-80 TBG 7734.66'
 BELOW KB 13.00'
 LANDED @ 7780.82' KB

| 12-08-2008 Reported By | | | | | | | | | | | |
|---|------------|----------------------|---|-----------------|---------------------------|--------------------|------------------------|-------------|-----|-------------|-----|
| Daily Costs: Drilling | | \$0 | Completion | | \$2,300 | Daily Total | | \$2,300 | | | |
| Cum Costs: Drilling | | \$775,772 | Completion | | \$629,766 | Well Total | | \$1,405,538 | | | |
| MD | 9,290 | TVD | 9,290 | Progress | 0 | Days | 18 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | PBTD : 9225.0 | | | Perf : 6935'-8979' | | PKR Depth : 0.0 | | | | |
| Activity at Report Time: FLOW TEST | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | FLOWED 24 HRS, 24/64 CHOKE, FTP 1400 PSIG, CP 1000 PSIG, 47 BFPH. RECOVERED 1131 BLW, 5171 BLWTR. | | | | | | | | |

| 12-09-2008 Reported By | | | | | | | | | | | |
|---|------------|----------------------|---|-----------------|---------------------------|--------------------|------------------------|-------------|-----|-------------|-----|
| Daily Costs: Drilling | | \$0 | Completion | | \$2,300 | Daily Total | | \$2,300 | | | |
| Cum Costs: Drilling | | \$775,772 | Completion | | \$632,066 | Well Total | | \$1,407,838 | | | |
| MD | 9,290 | TVD | 9,290 | Progress | 0 | Days | 19 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | PBTD : 9225.0 | | | Perf : 6935'-8979' | | PKR Depth : 0.0 | | | | |
| Activity at Report Time: FLOW TEST | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | FLOWED 24 HRS ON A 24/64 CHOKE, FTP 1400 PSIG, CP 1000 PSIG, 43 BFPH. RECOVERED 1031 BLW, 4140 BLWTR. | | | | | | | | |

| 12-10-2008 Reported By | | | | | | | | | | | |
|---|------------|----------------------|--|-----------------|---------------------------|--------------------|------------------------|-------------|-----|-------------|-----|
| Daily Costs: Drilling | | \$0 | Completion | | \$2,300 | Daily Total | | \$2,300 | | | |
| Cum Costs: Drilling | | \$775,772 | Completion | | \$634,366 | Well Total | | \$1,410,138 | | | |
| MD | 9,290 | TVD | 9,290 | Progress | 0 | Days | 20 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | PBTD : 9225.0 | | | Perf : 6935'-8979' | | PKR Depth : 0.0 | | | | |
| Activity at Report Time: FLOW TEST | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | FLOWED 24 HRS THROUGH TEST UNIT TO FLARE. 24/64" CHOKE. FTP 1300 PSIG. CP 1850 PSIG. 35 BFPH. RECOVERED 908 BLW. 3232 BLWTR. | | | | | | | | |

| 12-11-2008 Reported By | | | | | | | | | | | |
|------------------------------|-------|----------------------|-------------------|-----------------|---------------------------|--------------------|------------------------|-------------|-----|-------------|-----|
| Daily Costs: Drilling | | \$0 | Completion | | \$2,300 | Daily Total | | \$2,300 | | | |
| Cum Costs: Drilling | | \$775,772 | Completion | | \$636,666 | Well Total | | \$1,412,438 | | | |
| MD | 9,290 | TVD | 9,290 | Progress | 0 | Days | 21 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | PBTD : 9225.0 | | | Perf : 6935'-8979' | | PKR Depth : 0.0 | | | | |

Activity at Report Time: FLOW TEST TO FLARE.

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | FLOWED 24 HRS. 24/64 CHOKE. FTP 1250 PSIG. CP 1750 PSIG. 34 BFPH. RECOVERED 827 BLW. 2405 BLWTR. SI WELL. WO FACILITIES. |

FINAL COMPLETION DATE: 12/10/08

| 12-16-2008 | | Reported By | | RITA THOMAS | | | | | | | |
|------------------------------|-----------|----------------------|-----------|---------------------------|-------------|------------------------|----|-----------|-----|-------------|-----|
| Daily Costs: Drilling | \$0 | Completion | \$157,645 | Daily Total | \$157,645 | | | | | | |
| Cum Costs: Drilling | \$775,772 | Completion | \$794,311 | Well Total | \$1,570,083 | | | | | | |
| MD | 9,290 | TVD | 9,290 | Progress | 0 | Days | 22 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | PBTD : 9225.0 | | Perf : 6935'-8979' | | PKR Depth : 0.0 | | | | | |

Activity at Report Time: FACILITY COST

| Start | End | Hrs | Activity Description |
|-------|-------|------|-------------------------|
| 06:00 | 06:00 | 24.0 | FACILITY COST \$157,645 |

| 12-22-2008 | | Reported By | | DUANE COOK | | | | | | | |
|------------------------------|-----------|----------------------|-----------|---------------------------|-------------|------------------------|----|-----------|-----|-------------|-----|
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 | | | | | | |
| Cum Costs: Drilling | \$775,772 | Completion | \$794,311 | Well Total | \$1,570,083 | | | | | | |
| MD | 9,290 | TVD | 9,290 | Progress | 0 | Days | 23 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | PBTD : 9225.0 | | Perf : 6935'-8979' | | PKR Depth : 0.0 | | | | | |

Activity at Report Time: INITIAL PRODUCTION

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | INITIAL PRODUCTION: TURNED TO GAS SALES. SITP 900 & SICP 2175 PSIG. TURNED WELL TO QUESTAR SALES AT 8:30 AM, 12/19/08. FLOWING 500 MCFD RATE ON 14/64" POS CK. STATIC 290. QGM METER #7991. |

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DEC 29 2008

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU0337

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

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

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

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface SENW 2020FNL 2000FWL 40.02321 N Lat, 109.37179 W Lon
 At top prod interval reported below SENW 2020FNL 2000FWL 40.02321 N Lat, 109.37179 W Lon
 At total depth SENW 2020FNL 2000FWL 40.02321 N Lat, 109.37179 W Lon

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.
CHAPITA WELLS UNIT 1132-19

9. API Well No. 43-047-39988

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey or Area Sec 19 T9S R23E Mer SLB

12. County or Parish UINTAH 13. State UT

14. Date Spudded 09/26/2008 15. Date T.D. Reached 11/13/2008 16. Date Completed D & A Ready to Prod. 12/19/2008 17. Elevations (DF, KB, RT, GL)* 5035 GL

18. Total Depth: MD 9290 TVD 19. Plug Back T.D.: MD 9225 TVD 20. Depth Bridge Plug Set: MD TVD

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

22. Was well cored? No Yes (Submit analysis)
 Was DST run? No Yes (Submit analysis)
 Directional Survey? No Yes (Submit analysis)

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

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 12.250 | 9.625 J-55 | 36.0 | 0 | 2408 | | 700 | | 0 | |
| 7.875 | 4.500 N-80 | 11.6 | 0 | 9269 | | 1905 | | 150 | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|-------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 2.375 | 7781 | | | | | | | |

25. Producing Intervals 26. Perforation Record

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|--------------|------|--------|---------------------|------|-----------|--------------|
| A) MESAVERDE | 6935 | 8979 | 8641 TO 8979 | | 3 | |
| B) | | | 8399 TO 8584 | | 3 | |
| C) | | | 8108 TO 8301 | | 3 | |
| D) | | | 7960 TO 8057 | | 3 | |

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

| Depth Interval | Amount and Type of Material |
|----------------|--|
| 8641 TO 8979 | 46,282 GALS GELLED WATER & 120,200# 20/40 SAND |
| 8399 TO 8584 | 35,344 GALS GELLED WATER & 105,500# 20/40 SAND |
| 8108 TO 8301 | 50,486 GALS GELLED WATER & 137,900# 20/40 SAND |
| 7960 TO 8057 | 24,221 GALS GELLED WATER & 107,400# 20/40 SAND |

28. Production - Interval A

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| 12/19/2008 | 12/28/2008 | 24 | → | 60.0 | 1098.0 | 160.0 | | | FLOWS FROM WELL |
| Choke Size | Tbg. Press. Flwg. | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| 14/64" | 1450 SI | 1850.0 | → | 60 | 1098 | 160 | | PGW | |

28a. Production - Interval B

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

(See Instructions and spaces for additional data on reverse side)
 ELECTRONIC SUBMISSION #66807 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

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FEB 02 2009

28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top |
|-----------|------|--------|------------------------------|--|--|
| | | | | | Meas. Depth |
| MESAVERDE | 6935 | 8979 | | GREEN RIVER BIRDS NEST MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER | 1685 1860 2374 4571 4692 5270 5949 6933 |

32. Additional remarks (include plugging procedure):
Please see the attached page for detailed perforation and additional formation marker information.

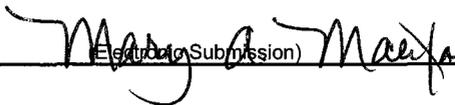
33. Circle enclosed attachments:

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

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

**Electronic Submission #66807 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal**

Name (please print) MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature  Date 01/30/2009

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

Chapita Wells Unit 1132-19 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

| | |
|-----------|-------|
| 7819-7914 | 3/spf |
| 7651-7774 | 3/spf |
| 7341-7583 | 3/spf |
| 7111-7275 | 3/spf |
| 6935-7042 | 3/spf |

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

| | |
|-----------|--|
| 7819-7914 | 42,184 GALS GELLED WATER & 128,200# 20/40 SAND |
| 7651-7774 | 37,628 GALS GELLED WATER & 107,000# 20/40 SAND |
| 7341-7583 | 36,940 GALS GELLED WATER & 109,000# 20/40 SAND |
| 7111-7275 | 46,164 GALS GELLED WATER & 145,500# 20/40 SAND |
| 6935-7042 | 47,871 GALS GELLED WATER & 155,300# 20/40 SAND |

Perforated the Lower Price River from 8641-42', 8662-63', 8685-86', 8709-10', 8732-33', 8755-56', 8782-83', 8788-89', 8811-12', 8855-56', 8871-72', 8877-78', 8903-04', 8978-79' w/ 3 spf.

Perforated the Middle Price River from 8399-8400', 8416-17', 8421-22', 8439-40', 8445-46', 8476-77', 8483-84', 8497-98', 8526-27', 8535-36', 8573-74', 8583-84' w/ 3 spf.

Perforated the Middle Price River from 8108-09', 8113-14', 8133-34', 8142-43', 8156-57', 8170-71', 8181-82', 8190-91', 8197-98', 8218-19', 8296-97', 8300-01' w/ 3 spf.

Perforated the Middle Price River from 7960-61', 7967-68', 7973-74', 7974-75', 7980-81', 7981-82', 8014-15', 8038-39', 8039-40', 8049-50', 8050-51', 8056-57' w/ 3 spf.

Perforated the Middle Price River from 7819-20', 7825-26', 7840-41', 7848-49', 7849-50', 7854-55', 7862-63', 7881-82', 7902-03', 7907-08', 7908-09', 7913-14' w/ 3 spf.

Perforated the Upper Price River from 7651-52', 7673-74', 7682-83', 7704-05', 7710-11', 7711-12', 7720-21', 7732-33', 7737-38', 7766-67', 7772-73', 7773-74' w/ 3 spf.

Perforated the Upper Price River from 7341-42', 7351-52', 7352-53', 7452-53', 7464-65', 7470-71', 7486-87', 7508-09', 7523-24', 7524-25', 7527-28', 7582-83' w/ 3 spf.

Perforated the Upper Price River from 7111-12', 7126-27', 7139-40', 7157-58', 7169-70', 7178-79', 7191-92', 7198-99', 7212-13', 7222-23', 7244-45', 7274-75' w/ 3 spf.

Perforated the Upper Price River from 6935-36', 6948-49', 6954-55', 6965-66', 6973-74', 6974-75', 6980-81', 7000-01', 7007-08', 7008-09', 7020-21', 7041-42' w/ 3 spf.

32. FORMATION (LOG) MARKERS

| | |
|--------------------|------|
| Middle Price River | 7784 |
| Lower Price River | 8595 |
| Sego | 9109 |

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU0337

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CHAPITA WELLS UNIT 1132-19

9. API Well No.
43-047-39988

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 19 T9S R23E SENW 2020FNL 2000FWL
40.02321 N Lat, 109.37179 W Lon

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

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

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

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

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #69750 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal

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

Signature *Mary A. Maestas* (Electronic Submission) Date 05/05/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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

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

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

MAY 07 2009