

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 type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU0336A
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC. Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNI
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		8. Lease Name and Well No. CHAPITA WELLS UNIT 1120-28
3b. Phone No. (include area code) Ph: 303-824-5526		9. API Well No. 43-047-40043
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NESE 1784FSL 850FEL 40.00459 N Lat, 109.32551 W Lon At proposed prod. zone NESE 1784FSL 850FEL 40.00459 N Lat, 109.32551 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE
14. Distance in miles and direction from nearest town or post office* 54.4 MILES SOUTH OF VERNAL, UT		11. Sec., T., R., M., or Blk. and Survey or Area Sec 28 T9S R23E Mer SLB
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 850'	16. No. of Acres in Lease 1440.00	12. County or Parish UINTAH COUNTY
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 690'	19. Proposed Depth 8760 MD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5184 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well
		20. BLM/BIA Bond No. on file NM2308
		23. Estimated duration 45 DAYS

24. Attachments

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

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

25. Signature (Electronic Submission) <i>Mary A. Maestas</i>	Name (Printed/Typed) MARY A. MAESTAS Ph: 303-824-5526	Date 05/05/2008
Title REGULATORY ASSISTANT		
Approved by (Signature) <i>Bradley G. Hill</i>	Name (Printed/Typed) BRADLEY G. HILL	Date 05-14-08
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 #60084 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal

RECEIVED

MAY 07 2008

DIV. OF OIL, GAS & MINING

Federal Approval of this  
Action is Necessary

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

642 990X  
4429 408Y  
40,004 657  
-109.324830

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

EOG RESOURCES, INC.

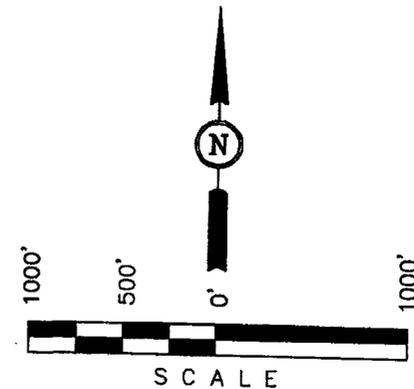
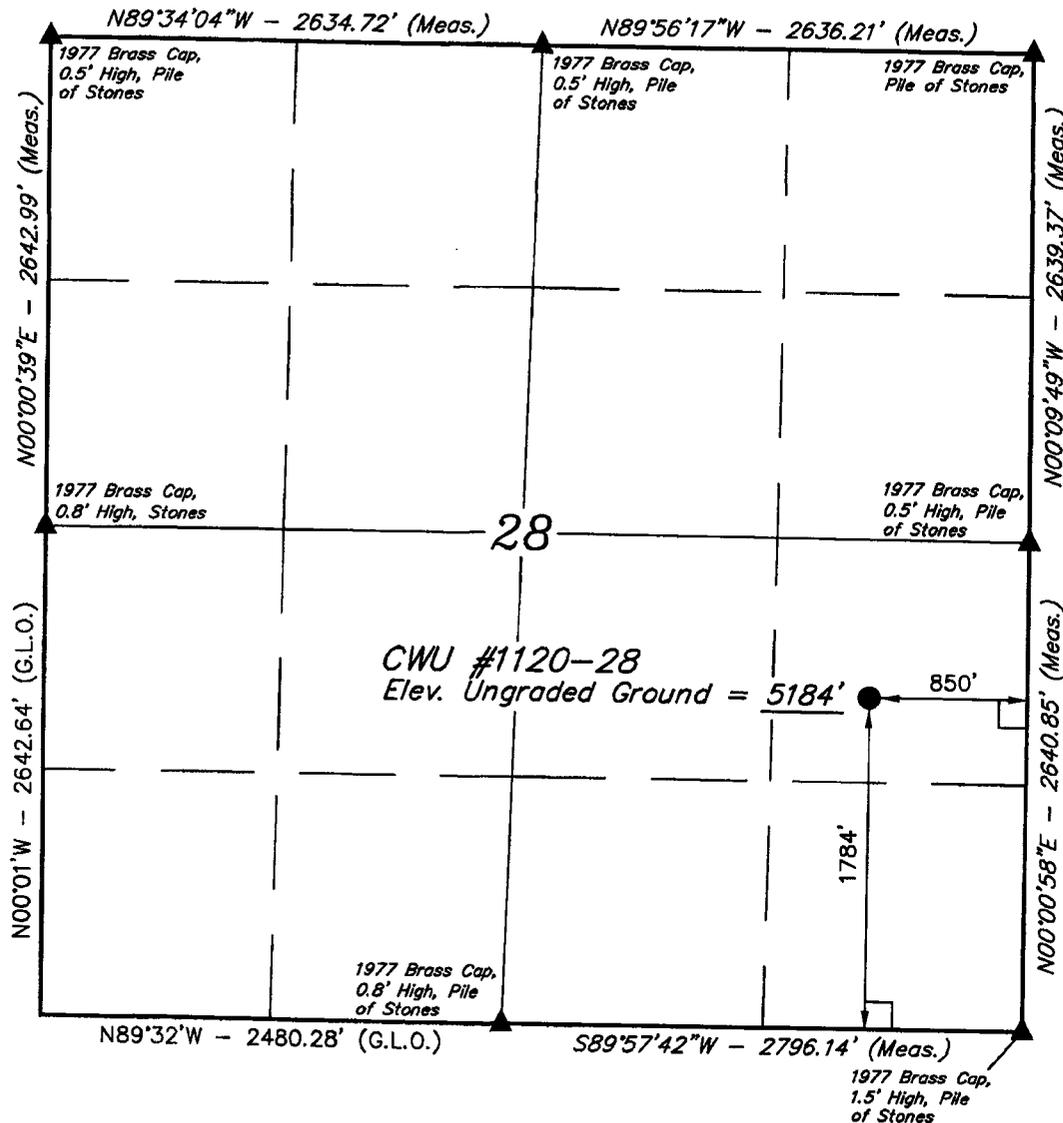
Well location, CWU #1120-28, located as shown in the NE 1/4 SE 1/4 of Section 28, T9S, R23E, S.L.B.&M. Uintah County, Utah.

**BASIS OF ELEVATION**

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

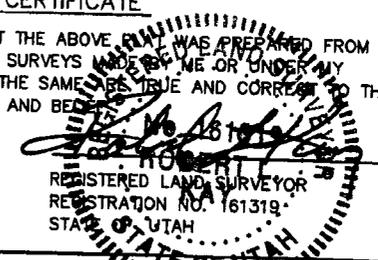
**BASIS OF BEARINGS**

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



**CERTIFICATE**

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



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

**LEGEND:**

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

(NAD 83)  
 LATITUDE = 40°00'16.54" (40.004594)  
 LONGITUDE = 109°19'31.84" (109.325511)  
 (NAD 27)  
 LATITUDE = 40°00'16.66" (40.004628)  
 LONGITUDE = 109°19'29.40" (109.324833)

SCALE 1" = 1000'	DATE SURVEYED: 12-13-05	DATE DRAWN: 12-22-05
PARTY J.R. N.G. L.K.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1120-28**  
**NE/SE, SEC. 28, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>TVD-RKB (ft)</b>	<b>Objective</b>	<b>Lithology</b>	
Green River	1,400		Shale	
Mahogany Oil Shale Bed	2,123		Shale	
Wasatch	4,356		Sandstone	
Chapita Wells	4,908		Sandstone	
Buck Canyon	5,572		Sandstone	
North Horn	6,136		Sandstone	
KMV Price River	6,418	Primary	Sandstone	Gas
KMV Price River Middle	7,253	Primary	Sandstone	Gas
KMV Price River Lower	8,045	Primary	Sandstone	Gas
Sego	8,555		Sandstone	
<b>TD</b>	<b>8,760</b>			

Estimated TD: 8,760' or 200'± below TD

**Anticipated BHP: 4,783 Psig**

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

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
 BOP schematic diagrams attached.

**4. CASING PROGRAM:**

<b>CASING</b>	<b>Hole Size</b>	<b>Length</b>	<b>Size</b>	<b>WEIGHT</b>	<b>Grade</b>	<b>Thread</b>	<b>Rating Collapse</b>	<b>Factor Burst</b>	<b>Tensile</b>
<b>Conductor</b>	17 1/2"	0 – 60'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
<b>Surface</b>	12 1/4"	0' – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
<b>Production</b>	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 1120-28 NE/SE, SEC. 28, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 5. Float Equipment:

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

Guide Shoe

Insert Float Collar (PDC drillable)

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

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

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

#### 6. MUD PROGRAM

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

Air/air mist or aerated water.

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

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

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1120-28**  
**NE/SE, SEC. 28, 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 1120-28**  
**NE/SE, SEC. 28, 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% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

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

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

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

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

**Lead:** 113 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 862 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9 gps water.

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

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

**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 1120-28**  
**NE/SE, SEC. 28, 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:**

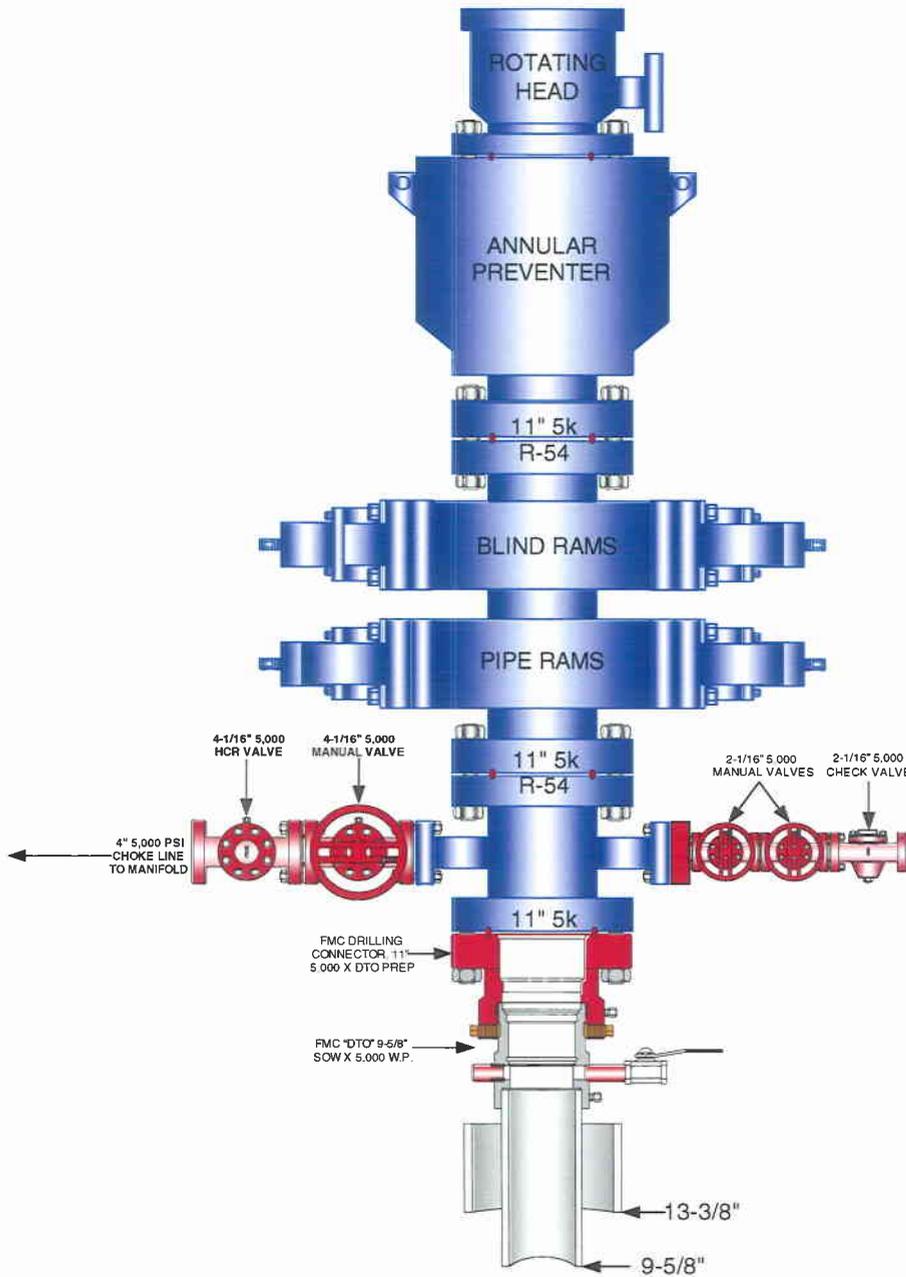
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold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

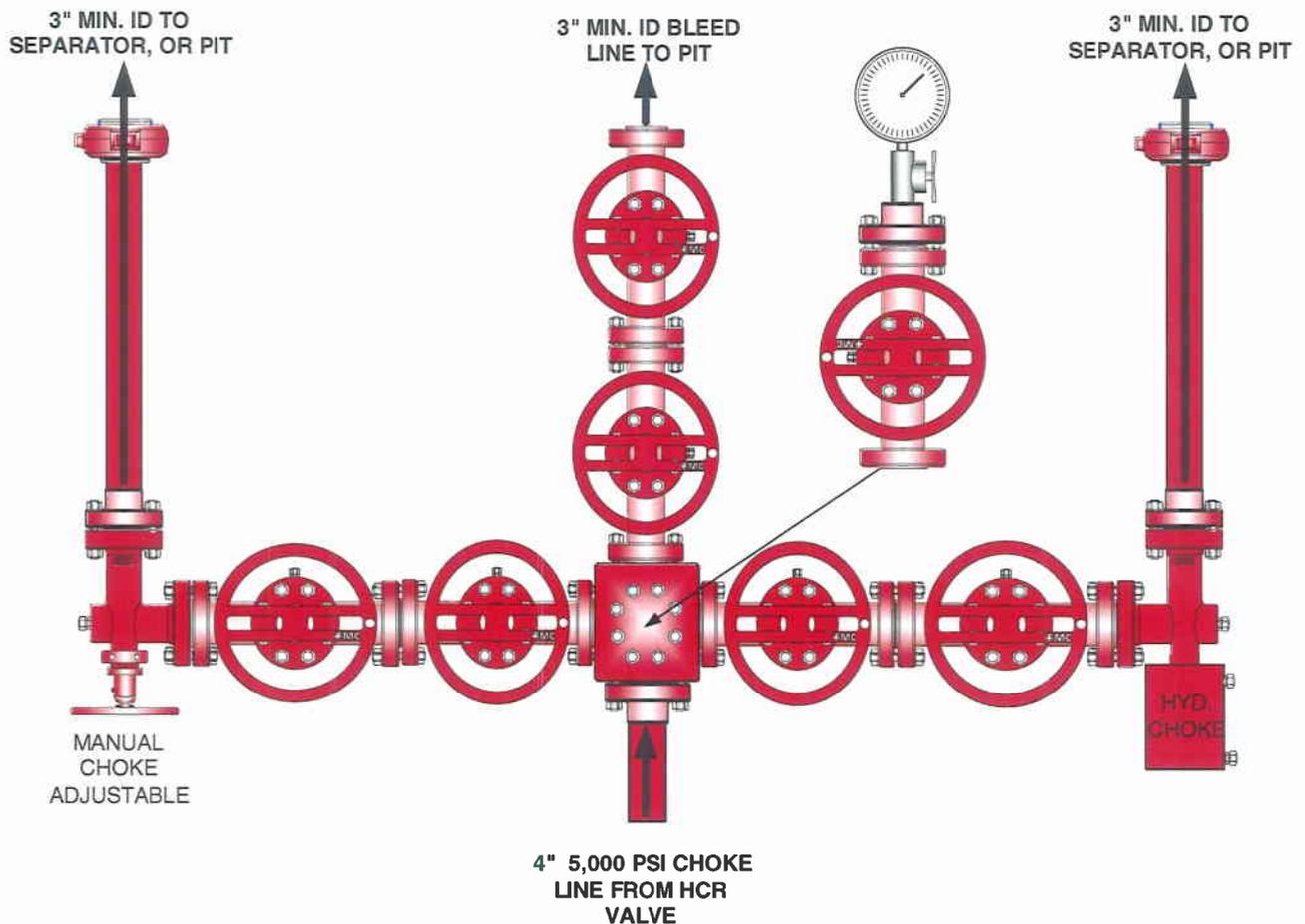
**(Attachment: BOP Schematic Diagram)**

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



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

PAGE 2 OF 2



Testing Procedure:

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



***Chapita Wells Unit 1120-28  
NESE, Section 28, 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 528 feet long with a 40-foot right-of-way, disturbing approximately .48 acre. An existing 2-track approximately 4224 feet long with a 40-foot width will need to be upgraded, disturbing an additional 3.88 acres. New surface disturbance associated with the well pad, access road, and 2-track upgrade is estimated to be 6.2 acres. The pipeline is approximately 893 feet long with a 40-foot right-of-way disturbing approximately .82 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 54.4 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 528' 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-0336-A. A portion of the 2-track upgrade is located off-lease in Section 33, T9S, R23E (Lease U-0336). However, since this well is located within unit, an off-lease right-of-way is not required.

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

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

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

**A. On Well Pad**

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

**B. Off Well Pad**

1. Proposed pipeline will transport natural gas.
2. The pipeline will be a permanent feeder line.
3. The length of the proposed pipeline is 893’ x 40’. The proposed pipeline leaves the northern edge of the well pad (Lease U-0336-A) proceeding in a southerly, then southwesterly direction for an approximate distance of 893’ tying into an existing pipeline in the NESE of Section 28, T9S, R23E (Lease U-0336-A). Pipe will be 4” NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
4. Proposed pipeline will be a 4” OD steel, zap-lok line laid on the surface
5. Proposed pipeline will be laid on surface.
6. An off-lease right-of-way is not required. The entire length of the proposed pipeline is located within Federal Lease U-0336-A.
7. The proposed pipeline route begins in the NESE of Section 28, Township 9S, Range 23E, proceeding southerly, then southwesterly for an approximate distance of 893’ to the NESE of Section 28, Township 9S, Range 23E.
8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

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

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

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

**6. SOURCE OF CONSTRUCTION MATERIALS:**

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

**7. METHODS OF HANDLING WASTE DISPOSAL:**

**A. METHODS AND LOCATION**

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

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

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

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

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

**8. ANCILLARY FACILITIES:**

None anticipated.

**9. WELL SITE LAYOUT:**

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

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

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

**A diversion ditch shall be constructed on the southeast side of the location from corner #5 to corner #6. The north side of the location will also be ditched to divert wash past corner #2.**

**FENCING REQUIREMENTS:**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**11. SURFACE OWNERSHIP:**

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

**Bureau of Land Management**

**12. OTHER INFORMATION:**

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

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

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

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

C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

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

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

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

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

A cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants on 4/24/2006. A paleontological survey was conducted and submitted by Intermountain Paleo on 4/3/2006.

**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 1120-28 Well, located in the NESE, of Section 28, T9S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

May 5, 2008  
Date

  
Mary A. Maestas, Regulatory Assistant

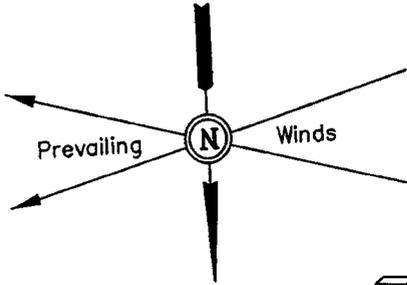
Date of onsite: April 17, 2008

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

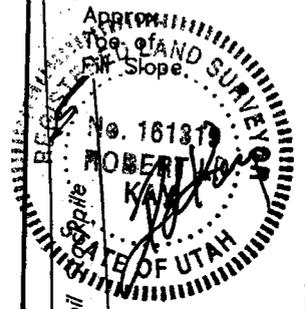
CWU #1120-28  
SECTION 28, T9S, R23E, S.L.B.&M.  
1784' FSL 850' FEL

Proposed Access Road

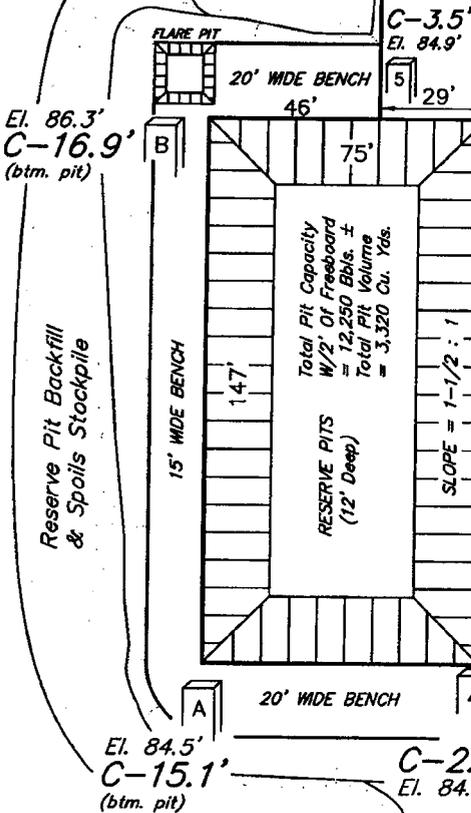


SCALE: 1" = 50'  
DATE: 12-22-05  
Drawn By: L.K.

F-1.9'  
El. 79.5'  
Sta. 3+25



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



Sta. 1+50

F-5.1'  
El. 76.3'

Sta. 0+50

Sta. 0+00

C-2.5'  
El. 83.9'

Approx.  
Top of  
Cut Slope

**NOTES:**

Elev. Ungraded Ground At Loc. Stake = 5184.4'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5181.4'

**FIGURE #1**

EOG RESOURCES, INC.

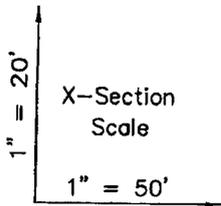
FIGURE #2

TYPICAL CROSS SECTIONS FOR

CWU #1120-28

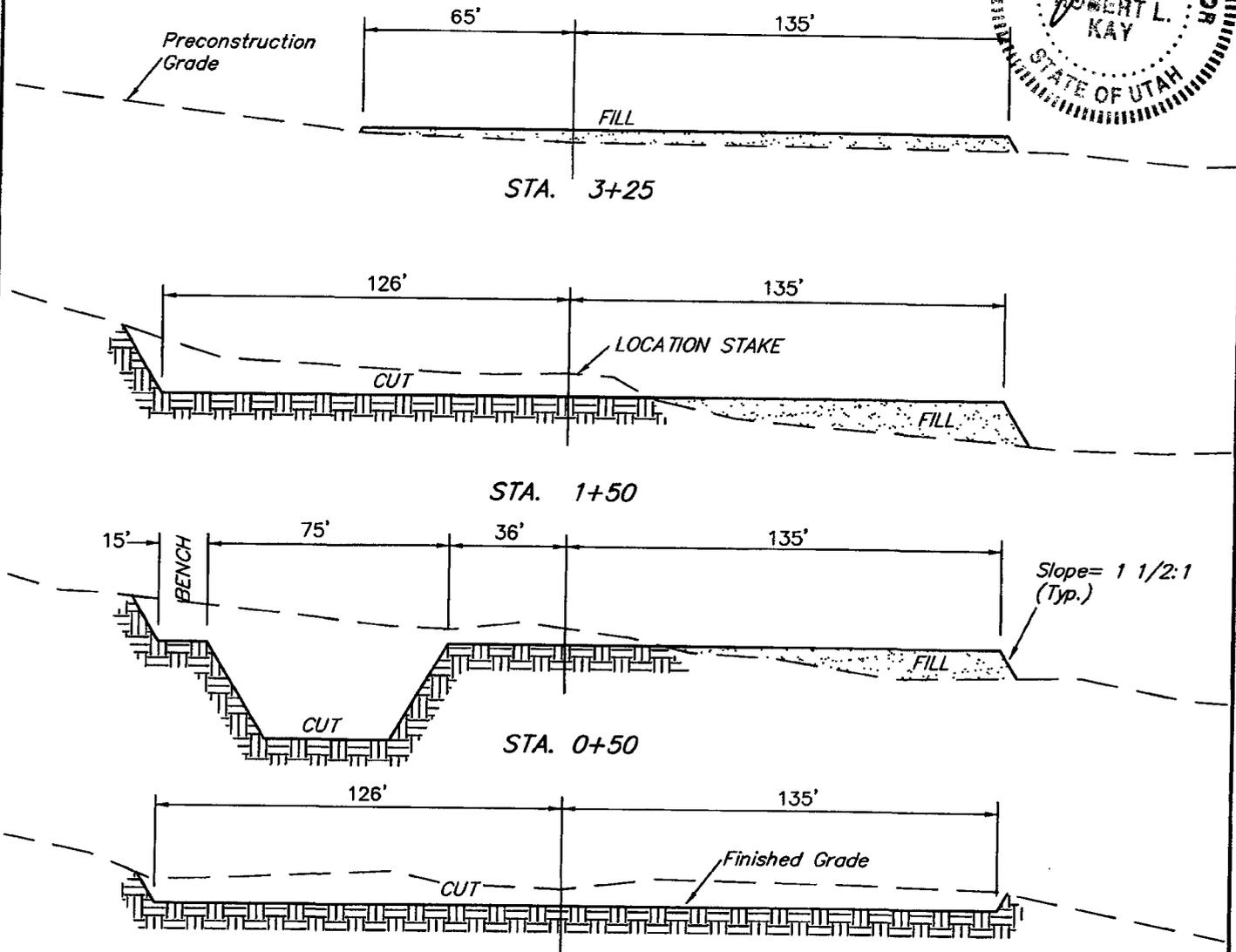
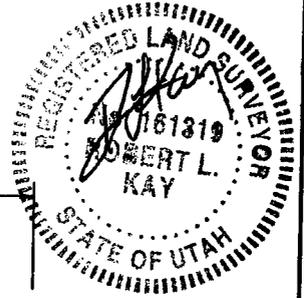
SECTION 28, T9S, R23E, S.L.B.&M.

1784' FSL 850' FEL



DATE: 12-22-05

Drawn By: L.K.



NOTE:

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

\* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

<b>CUT</b>	
(6") Topsoil Stripping	= 1,610 Cu. Yds.
Remaining Location	= 6,690 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 8,300 CU.YDS.</b>
<b>FILL</b>	<b>= 5,030 CU.YDS.</b>

EXCESS MATERIAL	= 3,270 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,270 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

# EOG RESOURCES, INC.

## CWU #1120-28

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

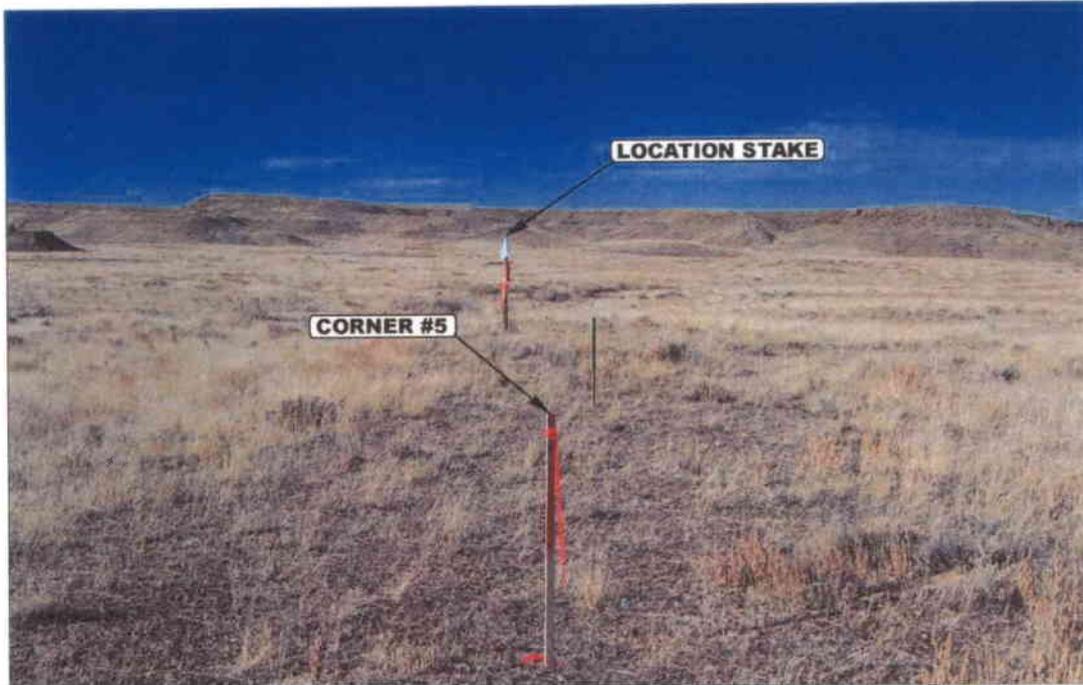


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: WESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

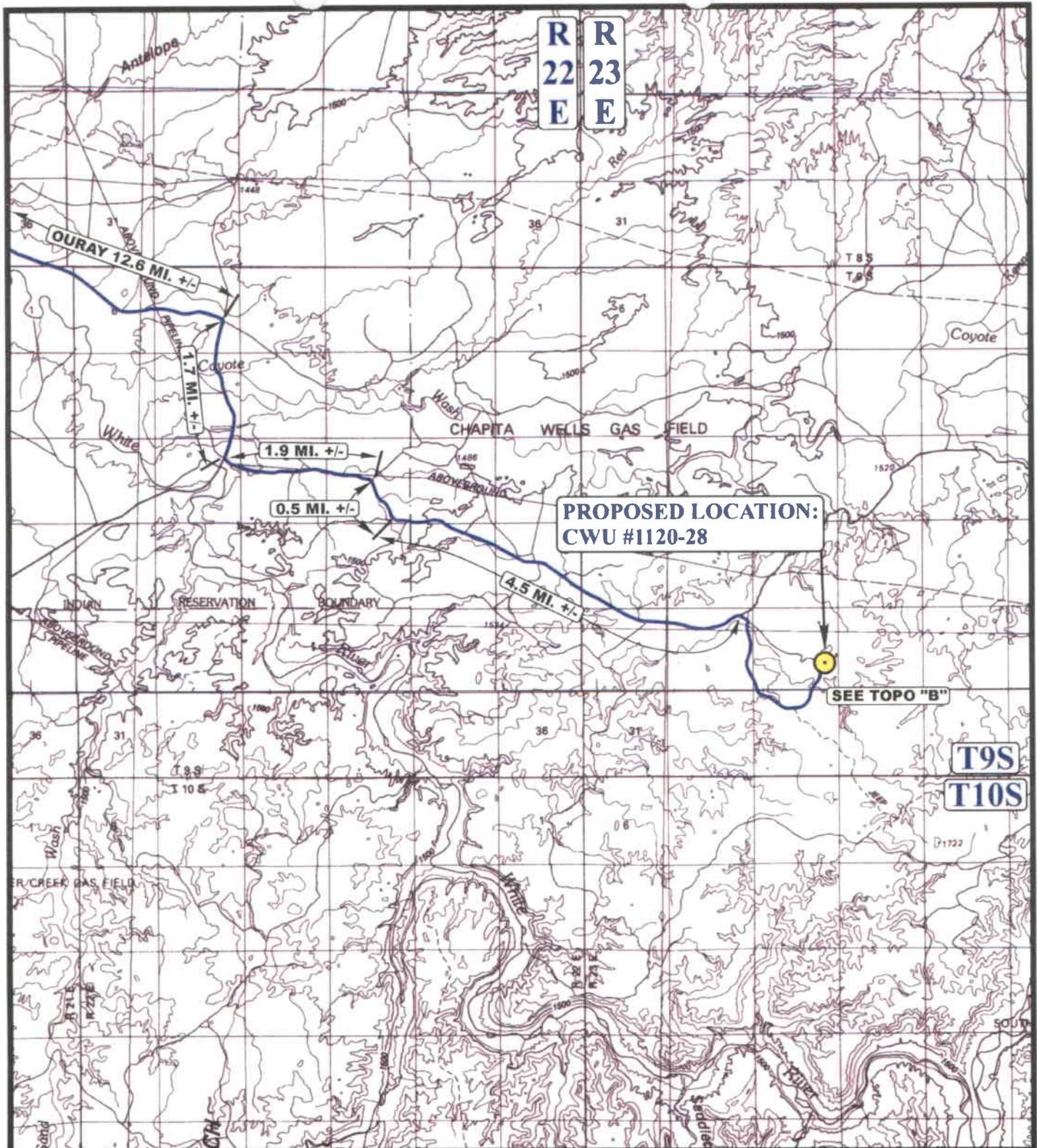
**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

12 22 05  
MONTH DAY YEAR

PHOTO

TAKEN BY: J.R. | DRAWN BY: B.C. | REVISED: 00-00-00



**LEGEND:**

 PROPOSED LOCATION



**EOG RESOURCES, INC.**

**CWU #1120-28  
SECTION 28, T9S, R23E, S.L.B.&M.  
1784' FSL 850' FEL**



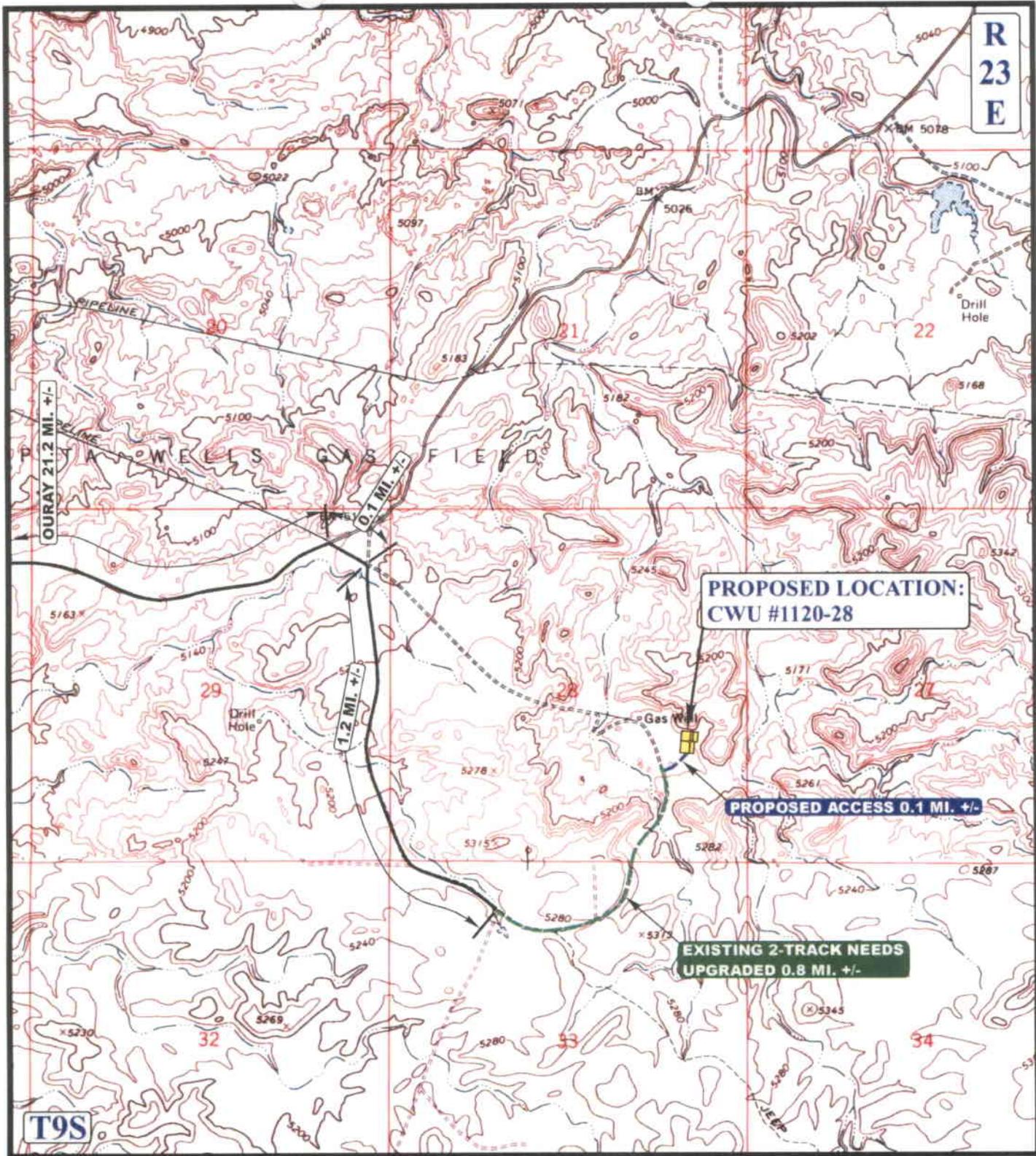
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

**12 22 05**  
MONTH DAY YEAR



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



**R  
23  
E**

**PROPOSED LOCATION:  
CWU #1120-28**

**PROPOSED ACCESS 0.1 MI. +/-**

**EXISTING 2-TRACK NEEDS  
UPGRADED 0.8 MI. +/-**

**T9S**

**LEGEND:**

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD
-  EXISTING 2-TRACK NEEDS UPGRADED

**EOG RESOURCES, INC.**

**CWU #1120-28  
SECTION 28, T9S, R23E, S.L.B.&M.  
1784' FSL 850' FEL**



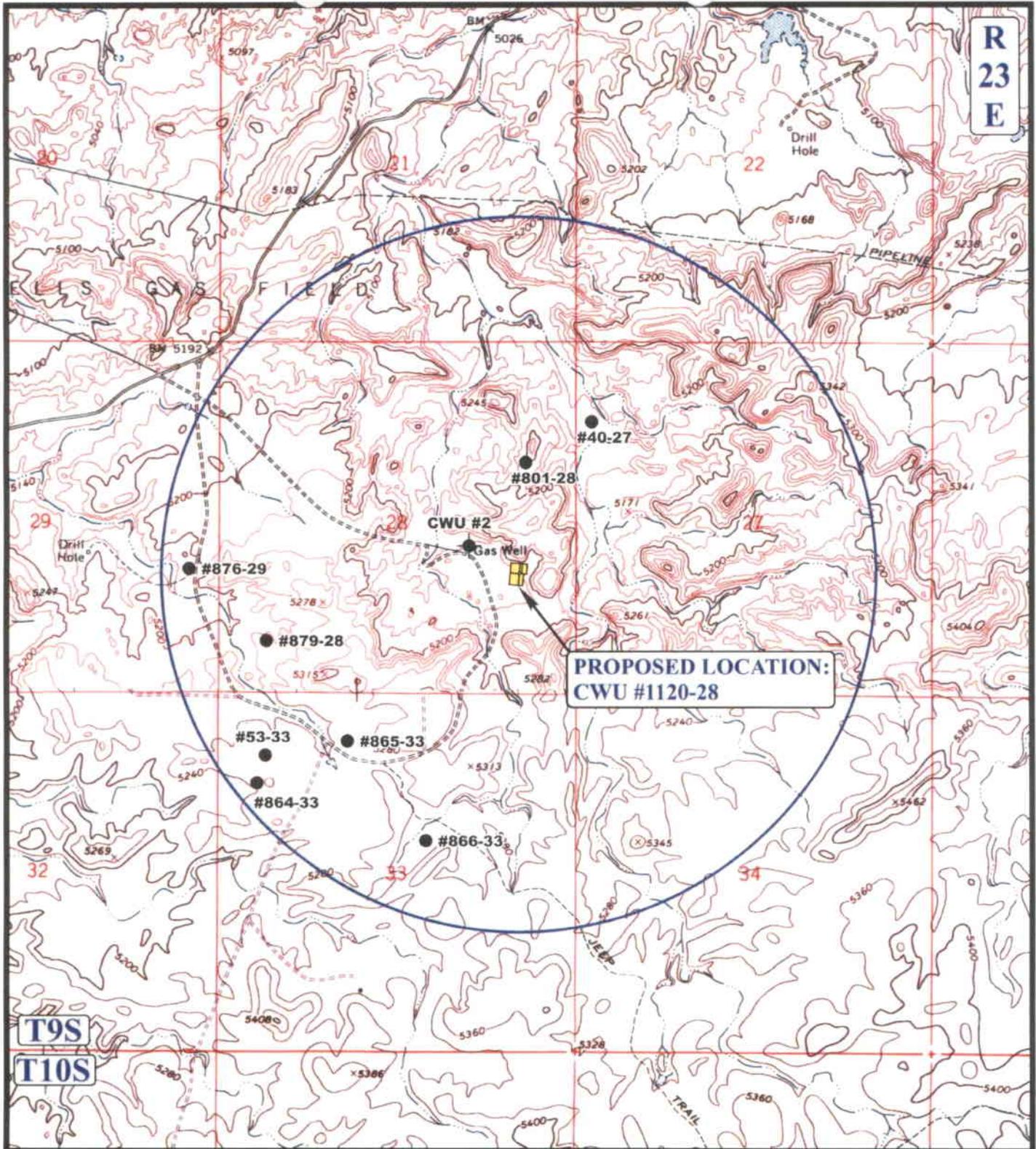
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



<b>TOPOGRAPHIC MAP</b>	<b>12</b> MONTH	<b>22</b> DAY	<b>05</b> YEAR
SCALE: 1" = 2000'	DRAWN BY: B.C.		REVISED: 00-00-00



R  
23  
E



T9S  
T10S

**LEGEND:**

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

**EOG RESOURCES, INC.**

**CWU #1120-28**  
**SECTION 28, T9S, R23E, S.L.B.&M.**  
**1784' FSL 850' FEL**



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

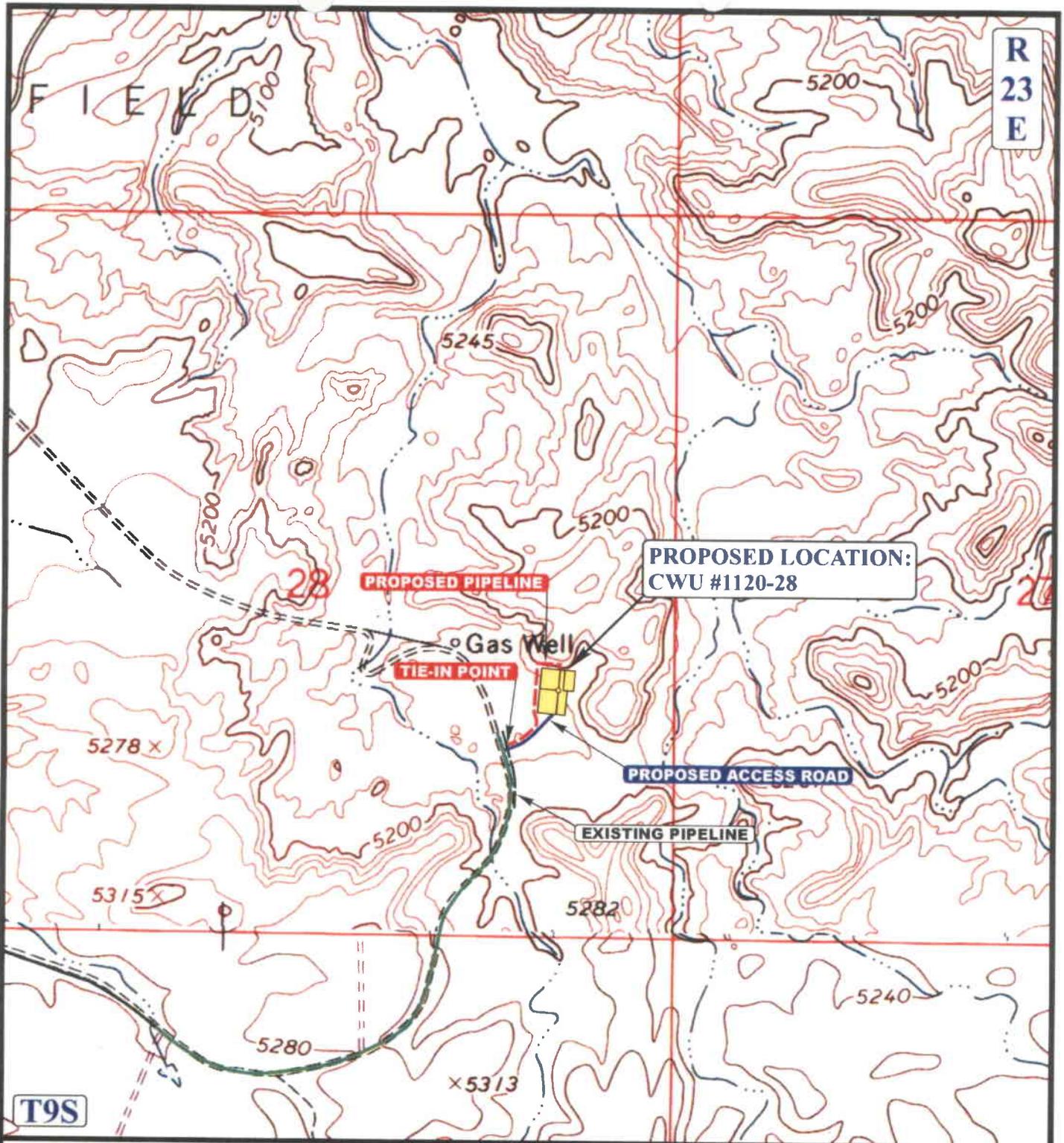
**TOPOGRAPHIC  
MAP**

**12 22 05**  
 MONTH DAY YEAR

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

REVISED: 00-00-00





**APPROXIMATE TOTAL PIPELINE DISTANCE = 893' +/-**

**LEGEND:**

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE



**EOG RESOURCES, INC.**

**CWU #1120-28  
SECTION 28, T9S, R23E, S.L.B.&M.  
1784' FSL 850' FEL**



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

**TOPOGRAPHIC  
MAP**

<b>12</b>	<b>22</b>	<b>05</b>
MONTH	DAY	YEAR



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

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/07/2008

API NO. ASSIGNED: 43-047-40043

WELL NAME: CWU 1120-28

OPERATOR: EOG RESOURCES, INC. ( N9550 )

CONTACT: MARY MAESTAS

PHONE NUMBER: 303-824-5526

PROPOSED LOCATION:

NESE 28 090S 230E  
 SURFACE: 1784 FSL 0850 FEL  
 BOTTOM: 1784 FSL 0850 FEL  
 COUNTY: UINTAH  
 LATITUDE: 40.00466 LONGITUDE: -109.3248  
 UTM SURF EASTINGS: 642990 NORTHINGS: 4429408  
 FIELD NAME: NATURAL BUTTES ( 630 )

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

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

PROPOSED FORMATION: MVRD  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

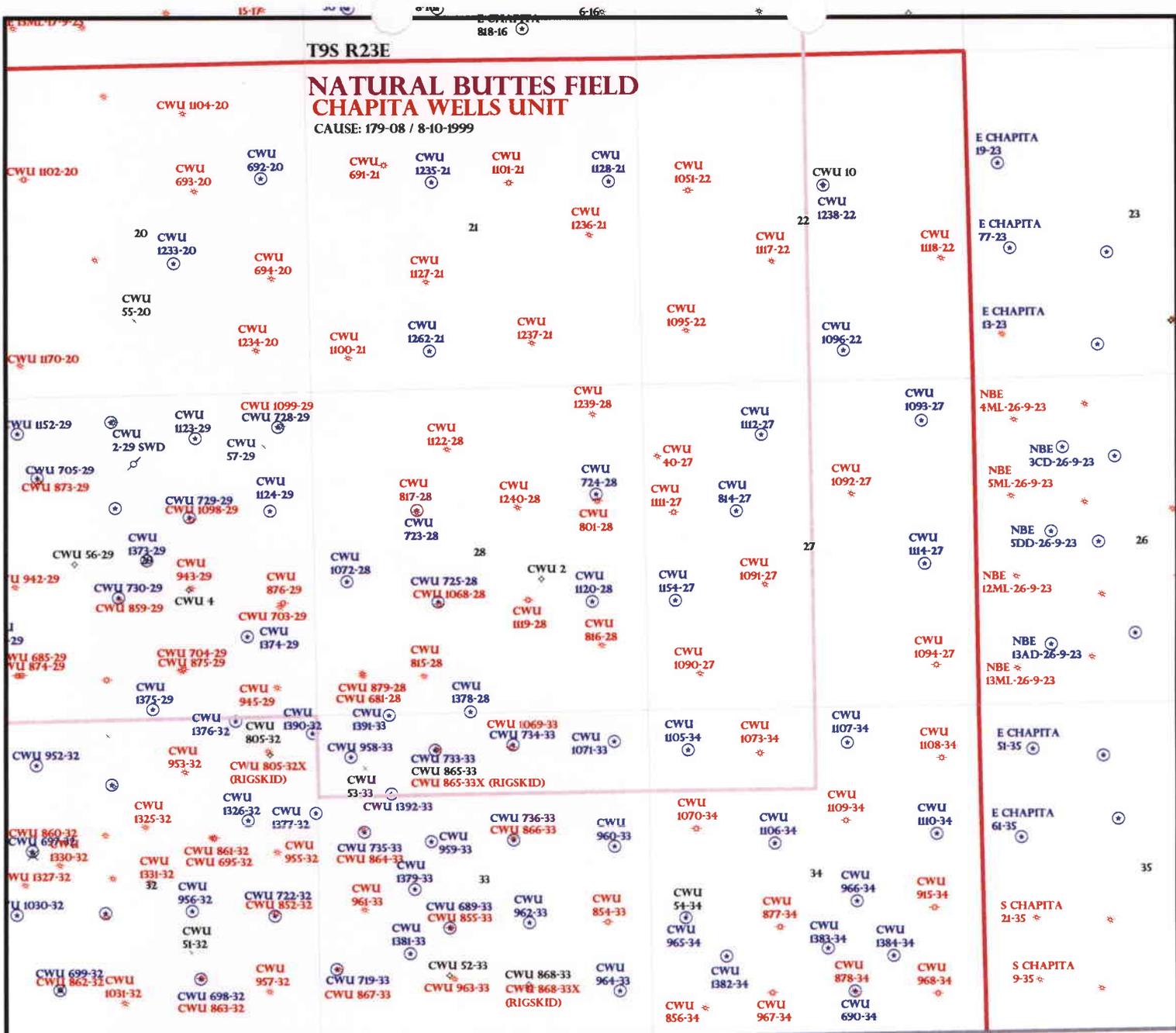
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. NM2308 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 49-225 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- \_\_\_\_\_ R649-2-3.
- Unit: CHAPITA WELLS
- \_\_\_\_\_ R649-3-2. General
- Siting: 460 From Qtr/Qtr & 920' Between Wells
- \_\_\_\_\_ R649-3-3. Exception
- Drilling Unit
- Board Cause No: 179-8
- Eff Date: 8-16-1999
- Siting: Suspends General Siting
- \_\_\_\_\_ R649-3-11. Directional Drill

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

STIPULATIONS: 1- Federal Approval



T9S R23E

OPERATOR: EOG RESOURCES INC (N9550)  
 SEC: 21,27,28,33,34 T.9S R. 23E  
 FIELD: NATURAL BUTTES (630)  
 COUNTY: UINTAH  
 CAUSE: 179-8 / 8-10-1999

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

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



PREPARED BY: DIANA MASON  
 DATE: 12-MAY-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)

May 14, 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)

43-047-40054	CWU 1262-21	Sec 21 T09S R23E 0588 FSL 1905 FWL
43-047-40041	CWU 0814-27	Sec 27 T09S R23E 2087 FNL 1490 FWL
43-047-40042	CWU 1154-27	Sec 27 T09S R23E 1781 FSL 0470 FWL
43-047-40043	CWU 1120-28	Sec 28 T09S R23E 1784 FSL 0850 FEL
43-047-40055	CWU 1379-33	Sec 33 T09S R23E 2464 FSL 1514 FWL
43-047-40056	CWU 1071-33	Sec 33 T09S R23E 0484 FNL 0545 FEL
43-047-40057	CWU 0966-34	Sec 34 T09S R23E 2151 FSL 2007 FEL
43-047-40044	CWU 1384-34	Sec 34 T09S R23E 1260 FSL 1438 FEL
43-047-40045	CWU 1383-34	Sec 34 T09S R23E 1399 FSL 2479 FEL
43-047-40046	CWU 1106-34	Sec 34 T09S R23E 2174 FNL 1982 FWL
43-047-40047	CWU 1110-34	Sec 34 T09S R23E 2070 FNL 0713 FEL

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

/s/ Michael L. Coulthard

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

MCoulthard:mc:5-14-08



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

May 14, 2008

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

Re: Chapita Wells Unit 1120-28 Well, 1784' FSL, 850' FEL, NE SE, Sec. 28, T. 9 South,  
R. 23 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40043.

Sincerely,

(for) Gil Hunt  
Associate Director

pab  
Enclosures

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

**Operator:** EOG Resources, Inc.

**Well Name & Number** Chapita Wells Unit 1120-28

**API Number:** 43-047-40043

**Lease:** UTU0336A

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

### **Conditions of Approval**

1. General

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

2. Notification Requirements

Notify the division within 24 hours of spudding the well.

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

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

- Contact Dustin Doucet at (801) 538-5281    (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

MAY 05 2008

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

**BLM**

1a. Type of Work: <input type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU0336A
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES INC Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		7. If Unit or CA Agreement, Name and No. UTU63013AV
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 303-824-5526	8. Lease Name and Well No. CWU 1120-28
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NESE 1784FSL 850FEL 40.00459 N Lat, 109.32551 W Lon At proposed prod. zone NESE 1784FSL 850FEL 40.00459 N Lat, 109.32551 W Lon		9. API Well No. 43-047-90043
14. Distance in miles and direction from nearest town or post office* 54.4 MILES SOUTH OF VERNAL, UT		10. Field and Pool, or Exploratory NATURAL BUTTES
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 850'	16. No. of Acres in Lease 1440.00	11. Sec., T., R., M., or Blk. and Survey or Area Sec 28 T9S R23E Mer SLB SME: BLM
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 690'	19. Proposed Depth 8760 MD	12. County or Parish UINTAH
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5184 GL	22. Approximate date work will start	13. State UT
23. Estimated duration 45 DAYS		17. Spacing Unit dedicated to this well
20. BLM/BIA Bond No. on file NM2308		

24. Attachments

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

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

25. Signature (Electronic Submission)	Name (Printed/Typed) MARY A. MAESTAS Ph: 303-824-5526	Date 05/05/2008
--	--	--------------------

Title REGULATORY ASSISTANT		
-------------------------------	--	--

Approved by (Signature) <i>[Signature]</i>	Name (Printed/Typed) JERRY KENNEL	Date 7-29-2008
---	--------------------------------------	-------------------

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.

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.

**RECEIVED**

Additional Operator Remarks (see next page)

AUG 05 2008

Electronic Submission #60084 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal  
Committed to AFMSS for processing by GAIL JENKINS on 05/05/2008 (08GXJ3780AE) DIV. OF OIL, GAS & MINING

**NOTICE OF APPROVAL**

**CONDITIONS OF APPROVAL ATTACHED**

\*\* BLM REVISED \*\*

UDDGM

213145

005 02 11 2008

Posted 2/12/08



**UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE  
170 South 500 East VERNAL, UT 84078**



**(435) 781-4400**

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

**Company:** EOG Resources Inc.  
**Well No:** CWU 1120-28  
**API No:** 43-047-40043

**Location:** NESE, Sec. 28, T9S, R23E  
**Lease No:** UTU-0336A  
**Agreement:** Chapita Wells Unit

<b>Title</b>	<b>Name</b>	<b>Office Phone Number</b>	<b>Cell Phone Number</b>
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	(435) 828-4029
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

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

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

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

**NOTIFICATION REQUIREMENTS**

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

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

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

**SITE SPECIFIC CONDITIONS OF APPROVAL**

- If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.
- Bury pipeline at all low water crossings.
- Permission from an authorized BLM representative would be required if construction or other operations occur during wet conditions that would lead to excessive rutting.
- Permission to clear all wildlife stipulations would only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.
- Culverts and gravel may be installed as needed.

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

**SITE SPECIFIC DOWNHOLE COAs:**

- The conductor pipe shall be set and cemented in a competent formation.
- A surface casing shoe integrity test shall be performed.
- A variances are granted for Onshore Order #2-Drilling Operations III. E. Blooie 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.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.

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

## OPERATING REQUIREMENT REMINDERS:

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

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

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

**CONDITIONS OF APPROVAL**  
**FOR THE SURFACE USE PROGRAM OF THE**  
**APPLICATION FOR PERMIT TO DRILL**

Company/Operator: EOG Resources, Inc.

Well Name & Number: CWU 1120-28

Lease number: UTU- 0336A

Location: NESE Sec, 28 T.9 S. R.23 E.

Surface Ownership: BLM

Date NOS Received: 2/11/08

Date APD Received: 5/5/08

1. If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.
2. Bury pipeline at all low water crossings.
3. Permission from an authorized BLM representative would be required if construction or other operations occur during wet conditions that would lead to excessive rutting.
4. Permission to clear all wildlife stipulations would only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.
5. Culverts and gravel may be installed as needed.

# DIVISION OF OIL, GAS AND MINING

## SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 1120-28

Api No: 43-047-40043 Lease Type: FEDERAL

Section 28 Township 09S Range 23E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # RATHOLE

## SPUDDED:

Date 11/20/2008

Time 4:30 PM

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 10/20/08 Signed CHD

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

FORM 6

**ENTITY ACTION FORM**

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

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39624	CHAPITA WELLS UNIT 1343-22		NWNE	22	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>AB</u>	99999	<u>13650</u>	11/19/2008		<u>11/25/08</u>		
Comments: <u>MESAVERDE</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-40043	CHAPITA WELLS UNIT 1120-28		NESE	28	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>AB</u>	99999	<u>13650</u>	11/20/2008		<u>11/25/08</u>		
Comments: <u>MESAVERDE</u>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39453	CHAPITA WELLS UNIT 1288-26		NWSE	26	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>AB</u>	99999	<u>13650</u>	11/20/2008		<u>11/25/08</u>		
Comments: <u>MESAVERDE</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

11/21/2008

Title

Date

**RECEIVED**

**NOV 24 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.  
UTU0336A

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 1120-28

9. API Well No.  
43-047-40043

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 28 T9S R23E NESE 1784FSL 850FEL  
40.00459 N Lat, 109.32551 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 reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was spud on 11/20/2008.

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

**Electronic Submission #64988 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MICKENZIE THACKER	Title OPERATIONS CLERK
Signature <i>Mickenzie Thacker</i>	Date 11/21/2008

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

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

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

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

**RECEIVED**

**NOV 26 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.  
UTU0336A

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
CHAPITA WELLS UNIT 1120-28

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

9. API Well No.  
43-047-40043

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

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

10. Field and Pool, or Exploratory  
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 28 T9S R23E NESE 1784FSL 850FEL  
40.00459 N Lat, 109.32551 W Lon

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

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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	Change to Original APD
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

EOG Resources, Inc. requests authorization to change the logging program on the referenced well as follows:

CBL/CCL/VDL/GR

**COPY SENT TO OPERATOR**

Date: 3.5.2009

Initials: KS

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

Electronic Submission #67621 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature

*Mary A. Maestas*

Date 02/26/2009

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

Approved By

*[Signature]*

Title

*Pet-Eng.*

Date

*3/4/09*

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

*DOG*

Federal Approval of This Action Is Necessary

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.

**RECEIVED**

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED** MAR 03 2009

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.*

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

1 Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5 Lease Serial No UTU0336A
2 Name of Operator EOG RESOURCES, INC		6 If Indian, Allottee or Tribe Name
3a Address 600 17TH STREET SUITE 1000N DENVER, CO 80202		7 If Unit or CA/Agreement, Name and/or No CHAPITA WELLS
3b Phone No (include area code) Ph 303-824-5526		8 Well Name and No CHAPITA WELLS UNIT 1120-28
4 Location of Well (Footage, Sec, T, R, M, or Survey Description) Sec 28 T9S R23E NESE 1784FSL 850FEL 40 00459 N Lat, 109 32551 W Lon		9 API Well No 43-047-40043
		10 Field and Pool, or Exploratory NATURAL BUTTES
		11 County or Parish, and State UINTAH COUNTY, UT

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 type="checkbox"/> Subsequent Report	<input checked="" 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 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.)

EOG Resources, Inc requests authorization to change the conductor casing on the referenced well as follows

Hole Size 26"  
Length 40-60'  
Size 16"  
Weight 65 0#  
Grade H-40  
Thread STC  
Rating Collapse 670 PSI  
Factor Burst 1640 PSI  
Tensile 736#

**COPY SENT TO OPERATOR**

Date: 3.5.2009  
Initials: KS

14 I hereby certify that the foregoing is true and correct

**Electronic Submission #67622 verified by the BLM Well Information System  
For EOG RESOURCES, INC, sent to the Vernal**

Name (Printed/Typed) MARY A MAESTAS

Title REGULATORY ASSISTANT

Signature

*Mary A Maestas*

Date 02/26/2009

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

Approved By

*D. M. M. M.*

Title

*Pet-Eng.*

Date

*3/4/09*

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

*DOGM*

Federal Approval Of This  
Action Is Necessary

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

**RECEIVED**

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***  
**MAR 03 2009**

**Additional data for EC transaction #67622 that would not fit on the form**

**32. Additional remarks, continued**

Cement volumes will be adjusted accordingly.

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.  
UTU0336A

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
CHAPITA WELLS UNIT 1120-28

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

9. API Well No.  
43-047-40043

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

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

10. Field and Pool, or Exploratory  
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 28 T9S R23E NESE 1784FSL 850FEL  
40.00459 N Lat, 109.32551 W Lon

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

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 Drilling Operations
	<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 recompletable 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 recompletable 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.)

Drilling Operations are scheduled to begin on or about 4/17/2009.

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

**Electronic Submission #68189 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 03/18/2009

**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**

**MAR 23 2009**

**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.*

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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0336A
2. Name of Operator EOG RESOURCES, INC.		6. If Indian, Allottee or Tribe Name
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS
3b. Phone No. (include area code) Ph: 303-824-5526 Fx: 303-824-5527		8. Well Name and No. CHAPITA WELLS UNIT 1120-28
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 28 T9S R23E NESE 1784FSL 850FEL 40.00459 N Lat, 109.32551 W Lon		9. API Well No. 43-047-40043
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

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

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

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

The referenced well was turned to sales on 5/22/2009. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #70234 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal</b>	
Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT
Signature <i>Mary A. Maestas</i> (Electronic Submission)	Date 05/26/2009

**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 28 2009

## WELL CHRONOLOGY REPORT

Report Generated On: 05-26-2009

<b>Well Name</b>	CWU 1120-28	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-40043	<b>Well Class</b>	1SA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	04-22-2009	<b>Class Date</b>	05-22-2009
<b>Tax Credit</b>	N	<b>TVD / MD</b>	8,760/ 8,760	<b>Property #</b>	057821
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	5,194/ 5,181				
<b>Location</b>	Section 28, T9S, R23E, NESE, 1784 FSL & 850 FEL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	55.357	<b>NRI %</b>	47.395

<b>AFE No</b>	303672	<b>AFE Total</b>	1,529,100	<b>DHC / CWC</b>	640,400/ 888,700						
<b>Rig Contr</b>	ELENBURG	<b>Rig Name</b>	ELENBURG #29	<b>Start Date</b>	08-15-2008	<b>Release Date</b>	04-25-2009				
<b>08-15-2008</b>	<b>Reported By</b>	SHEILA MALLOY									
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0						
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0						
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

**Activity at Report Time:** LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA 1784' FSL & 850' FEL (NE/SE) SECTION 28, T9S, R23E UINTAH COUNTY, UTAH  LAT 40.004594, LONG 109.325511 (NAD 83) LAT 40.004628, LONG 109.324833 (NAD 27)  TRUE #26 OBJECTIVE: 8760' TD, MESAVERDE DW/GAS CHAPITA WELLS DEEP PROSPECT DD&A: CHAPITA DEEP NATURAL BUTTES FIELD  LEASE: UTU-0336A ELEVATION: 5184.4' NAT GL, 5181.4' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 5181') 5194' KB (13')  EOG BPO WI 55.3572%, NRI 47.39476%

11-17-2008      **Reported By**      TERRY CSERE

**Daily Costs: Drilling**      \$60,927                      **Completion**      \$0                      **Daily Total**      \$60,927  
**Cum Costs: Drilling**      \$60,927                      **Completion**      \$0                      **Well Total**      \$60,927  
**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	CONSTRUCTION OF LOCATION STARTED.

**11-18-2008**      **Reported By**      TERRY CSERE

**Daily Costs: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$60,927                      **Completion**      \$0                      **Well Total**      \$60,927  
**MD**              0      **TVD**              0      **Progress**              0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

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

**11-19-2008**      **Reported By**      TERRY CSERE

**Daily Costs: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$60,927                      **Completion**      \$0                      **Well Total**      \$60,927  
**MD**              0      **TVD**              0      **Progress**              0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

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

**11-20-2008**      **Reported By**      TERRY CSERE

**Daily Costs: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$60,927                      **Completion**      \$0                      **Well Total**      \$60,927  
**MD**              0      **TVD**              0      **Progress**              0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

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

**11-21-2008**      **Reported By**      TERRY CSERE/JERRY BARNES

**Daily Costs: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$60,927                      **Completion**      \$0                      **Well Total**      \$60,927  
**MD**              60      **TVD**              60      **Progress**              0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE. CRAIGS ROUSTABOUT SERVICE SPUD A 20" HOLE ON 11/20/08 @ 4:30 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 11/20/08 @ 3:15 PM.

01-12-2009 Reported By KYLAN COOK

Daily Costs: Drilling \$32,276 Completion \$0 Daily Total \$32,276

Cum Costs: Drilling \$93,203 Completion \$0 Well Total \$93,203

MD 263 TVD 263 Progress 0 Days 0 MW 0.0 Visc 0.0

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

Activity at Report Time: WORT

Start End Hrs Activity Description
06:00 06:00 24.0 MIRU CRAIG'S RIG # 2 ON 1/9/2009. DRILLED 12 1/4" HOLE TO 250' GL (263' KB). ENCOUNTERED NO WATER. RDMO CRAIG'S RIG.

TRUE RIG # 27 WILL FINISH DRILLING 12 1/4" HOLE AND RUN 9 5/8" CASING.

PREPARE LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTILL FURTHER ACTIVITY.

NO SURVEY AT THIS TIME.

04-05-2009 Reported By PETE COMEAU

Daily Costs: Drilling \$239,735 Completion \$0 Daily Total \$239,735

Cum Costs: Drilling \$332,938 Completion \$0 Well Total \$332,938

MD 2,353 TVD 2,353 Progress 0 Days 0 MW 0.0 Visc 0.0

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

Activity at Report Time: WORT

Start End Hrs Activity Description
06:00 06:00 24.0 MIRU CRAIG'S AIR RIG #3 ON 4/01/2009. DRILLED 12-1/4" HOLE TO 2340' GL (2343' KB). ENCOUNTERED WATER @ 1510'. DRILLED WITH AIR AND FOAM TO TD AND DISPLACED WITH PRODUCTION WATER.

RAN 53 JTS (2325.03') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2338' KB. RDMO CRAIGS RIG #3.

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

TAIL: MIXED AND PUMPED 400 SACKS (84 BBLs) OF PREMIUM CEMENT W/ 2% CACL MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX.

DISPLACED CEMENT W/176 BBLs FRESH WATER. BUMPED PLUG W/650# @ 19.10, 4/4/2009 FLOATS HELD. NO RETURNS OF CEMENT TO SURFACE.

TOP JOB # 1: DOWN 200' OF 1' PIPE, MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS DURING ANY PART OF THE OPERATION. WAIT ON CEMENT 4 HOURS.

TOP JOB # 2: MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 4 HOURS.

TOP JOB # 3: MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. GOOD RETURNS, CEMENT STOOD AT SURFACE. RELEASE HALLIBURTON.

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

CRAIGS RIG 3 TOOK SURVEYS WHILE DRILLING HOLE @ 1510' = 1.00 DEGREE & 2310' = 1.5 DEGREE.

KENT DEVENPORT NOTIFIED JAMIE SPARGER W/ BLM OF THE SURFACE CASING & CEMENT JOB ON 4/3/2009 @ 12:00 NOON AM.

<b>04-22-2009</b>	<b>Reported By</b>	MATT WILLIAMS									
<b>Daily Costs: Drilling</b>	\$76,598	<b>Completion</b>	\$0	<b>Daily Total</b>	\$76,598						
<b>Cum Costs: Drilling</b>	\$409,536	<b>Completion</b>	\$0	<b>Well Total</b>	\$409,536						
<b>MD</b>	3,400	<b>TVD</b>	3,400	<b>Progress</b>	1,047	<b>Days</b>	1	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: DRILLING @ 3400'

Start	End	Hrs	Activity Description
06:00	11:30	5.5	HOLD PJSM WITH HOWCROFT AND RIG CREWS.MOVE FROM CWU 1294-30 TO CWU 1120-28. 4.5 MILES. RIG UP.
11:30	15:30	4.0	NIPPLE UP BOP FUNCTION TEST SAME. RIG ON DAY WORK @ 15:30 HRS, 4/21/09.
15:30	19:30	4.0	RIG UP B&C QUICK TEST AND TEST BOP, PIPE RAMS,BLIND RAMS, CHOKE MANIFOLD, CHOKE LINE AND VALVES, UPPER AND LOWER KELLY VALVES, ALL FLOOR VALVES TO 5000 PSI FOR 10 MINS. HIGH AND 250 PSI LOW FOR 5 MINS.TEST ANNULAR TO 2500 PSI FOR 10 MINS. HIGH AND 250 PSI FOR 5 MINS LOW. SURFACE CASING 1500 PSI 30 MINS.WITNESS JERRY B&C QUICK TEST.
19:30	20:00	0.5	INSTALL WEAR BUSHING.
20:00	21:30	1.5	P/U AND M/U BHA.
21:30	00:00	2.5	TRIP IN HOLE TO 2236', TAG CEMENT.
00:00	00:30	0.5	DRILL CEMENT FROM 2236' TO 2343 + 10' OF NEW HOLE. FIT TEST WITH 9.1 MWT, 180 PSI, @ 2353 = 10.5 EMW.
00:30	06:00	5.5	DRLG F/ 2353' TO 3400', ROP 190, WOB 12/18, RPM 40/60, TQ 2000/2600, MWT 9.1, VIS 28. MUD LOSS: 0 BBLs. MUD WT. 9.1 VIS 28.

ACCIDENTS OR INCIDENTS NONE REPORTED.

FUNCTION TEST CROWN-O-MATIC.

CREWS FULL.

DRILLS BOP X 2.

SAFETY MEETING: NIPPLE UP, TESTING BOP'S .

FUEL 6718 GALS. USED 982 GALS.

06:00 SPUD A 7 7/8" PRODUCTION HOLE @ 00:30 HRS, 4/22/08.

<b>04-23-2009</b>	<b>Reported By</b>	MATT WILLIAMS							
<b>Daily Costs: Drilling</b>	\$23,401	<b>Completion</b>	\$0	<b>Daily Total</b>	\$23,401				
<b>Cum Costs: Drilling</b>	\$432,937	<b>Completion</b>	\$0	<b>Well Total</b>	\$432,937				

**MD** 6,301 **TVD** 6,301 **Progress** 2,901 **Days** 2 **MW** 10.1 **Visc** 36.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING @ 6301'

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRLG F/ 3400' TO 4216', ROP 125, WOB 15/19, RPM 40/50, TQ 2000/3000.
12:30	13:00	0.5	TAKE WIRELINE SURVEY @ 4138 = 2 DEGREES.
13:00	06:00	17.0	DRLG F/ 4216' TO 6301', ROP 123, WOB 15/20, RPM 40/55, TQ 2000/3000, MWT 10.1, VIS 36. MUD LOSS: 0 BBLS. MUD WT. 10.1 VIS 36.

ACCIDENTS OR INCIDENTS NONE REPORTED.  
 FUNCTION TEST CROWN-O-MATIC.  
 CREWS FULL.  
 DRILLS BOP X 2.  
 SAFETY MEETING: BOOM OP'S, MIXING CHEMICALS .  
 FUEL 5300 GALS. USED 1418 GALS.

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<b>04-24-2009</b>	<b>Reported By</b>	MATT WILLIAMS
<b>Daily Costs: Drilling</b>	\$27,399	<b>Completion</b> \$0
<b>Cum Costs: Drilling</b>	\$460,337	<b>Completion</b> \$0
<b>Daily Total</b>		\$27,399
<b>Well Total</b>		\$460,337

**MD** 8,433 **TVD** 8,433 **Progress** 2,132 **Days** 3 **MW** 10.7 **Visc** 38.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING @ 8433'.

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRLG F/ 6301' TO 7118', ROP 90, WOB 18/21, RPM 40/50, TQ 2100/2800, MWT 10.3, VIS 39.
15:00	15:30	0.5	RIG SERVICE.
15:30	06:00	14.5	DRLG F/ 7118' TO 8433', ROP 90, WOB 17/21, RPM 40/50, TQ 2100/3000, MWT 10.7, VIS 38. MUD LOSS: 0 BBLS. MUD WT. 10.7 VIS 38.

ACCIDENTS OR INCIDENTS NONE REPORTED.  
 FUNCTION TEST CROWN-O-MATIC.  
 CREWS FULL.  
 DRILLS BOP X 2.  
 SAFETY MEETING: BRAKE INSPECTION.  
 FUEL 5300 GALS. USED 2100 GALS.

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<b>04-25-2009</b>	<b>Reported By</b>	PAUL WHITE
<b>Daily Costs: Drilling</b>	\$38,683	<b>Completion</b> \$164,728
<b>Cum Costs: Drilling</b>	\$499,021	<b>Completion</b> \$164,728
<b>Daily Total</b>		\$203,411
<b>Well Total</b>		\$663,749

**MD** 8,760 **TVD** 8,760 **Progress** 327 **Days** 4 **MW** 10.9 **Visc** 42.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

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

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRLG F/ 8433' TO 8760' 327' 59 FPH. REACHED TD AT 11:30 HRS, 4/24/09.

11:30 12:00 0.5 CIRCULATE FOR SHORT TRIP. MUD WT. 10.9  
 12:00 13:00 1.0 WIPER TRIP/SHORT TRIP 700'.  
 13:00 15:00 2.0 CIRCULATE CLEAN, SPOT 300 BBL. 12.5 PPG PILL ON BOTTOM.  
 15:00 22:00 7.0 LAY DOWN DRILL PIPE AND BHA. PULL WEAR BUSHING.  
 22:00 23:00 1.0 RIG UP TO RUN CASING, HOLD PJSM W/ RIG CREW AND CASING CREW.  
 23:00 06:00 7.0 RUNNING 4.5" PRODUCTION CASING.

NO ACCIDENTS OR INCIDENTS. SAFETY MEETINGS HELD W/ ALL THIRD PARTY CONTRACTORS.  
 FUNCTION TEST COM PIPE RAM AND ANNULAR.  
 FUEL ON HAND 8200 RECEIVED 6000.

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<b>04-26-2009</b>	<b>Reported By</b>	PAUL WHITE									
<b>Daily Costs: Drilling</b>	\$49,781	<b>Completion</b>	\$49,927	<b>Daily Total</b>	\$99,708						
<b>Cum Costs: Drilling</b>	\$548,802	<b>Completion</b>	\$214,655	<b>Well Total</b>	\$763,457						
<b>MD</b>	8,760	<b>TVD</b>	8,760	<b>Progress</b>	0	<b>Days</b>	5	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

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

Start	End	Hrs	Activity Description
06:00	07:00	1.0	RAN 216 JTS. 4.5" 11.6 # P-110 CASING EQUIPED W/ HOWCO FLOAT SHOE AND FLOAT COLLAR. POSITIVE TURBULIZER CENTRILIZERS PLACED ON FIRST THREE JOINTS AND BOWSPRING CENTRILIZERS PLACED ON EVERY THIRD JOINT AFTER FOR A TOTAL OF 25. SHOE AT 8760, FLOAT COLLAR AT 8718'. MARKER JT AT 5997' AND 3958'. TAGGED BOTTOM AND PICKED UP FMC FLUTED MANDREL HANGER. LANDED IN DTO HEAD. R/D CASING EQUIPMENT.
07:00	07:30	0.5	RIG DOWN CASING CREW, RIG UP HOWCO AND HOLD PJSM.
07:30	10:30	3.0	CEMENTING. SCHLUMBER MIXED AND PUMPED CEMENT AS FOLLOWS: 20 BBLS CHEM WASH, 20 BBLS WATER, 205 BBLS LEAD SLURRY: 35/65 POZ G, SLURRY WT. 12 PPG. (625 SX). FOLLOWED W/ 332 BBLS. TAIL SLURRY, 50/50 POZ "G" SLURRY WT. 13.8 PPG. 1270 SX), DISPLACED W/ 135 BBLS. WATER. BUMPED PLUG W/ 3,350 PSI, CHECKED FLOATS OK. MAINTAINED FULL CIRCULATION DURING JOB, CIRCULATED 50 BBLS CEMENT BACK TO SURFACE.
10:30	11:30	1.0	RIG DOWN HOWCO, MONITOR FLOATS.
11:30	12:00	0.5	REMOVE LANDING JOINT, INSTALL AND TEST PACKOFF TO 5,000 PSI.
12:00	15:30	3.5	CLEAN PITS AND NIPPLE DOWN BOP.

NO ACCIDENTS OR INCIDENTS. SAFETY MEETINGS HELD W/ ALL THIRD PARTY CONTRACTORS AND SERVICE COMPANIES.  
 TRUCKS SCHEDULED FOR 3.1 MILE MOVE TO CWU 1262-21 AT 15:00 HRS. FOR PARTIAL MOVE. RIG MAINTENANCE SCHEDULED FOR PM. REMAINDER OF MOVE 4/26/09. BLM AND UDOG NOTIFIED OF BOP TEST ON CWU 1262-21 (SUNDAY NOON)  
 TRANSFERED 6 JTS OF 4.5" HCP-110 AND 2 JTS OF 4.5" N-80, AND 8200 GAL DIESEL FUEL TO CWU 1262-21.

15:30 RIG RELEASED AT 15:30 HRS, 4/25/09.  
 CASING POINT COST \$525,122

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<b>04-29-2009</b>	<b>Reported By</b>	SEARLE							
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$26,500	<b>Daily Total</b>	\$26,500				
<b>Cum Costs: Drilling</b>	\$548,802	<b>Completion</b>	\$241,155	<b>Well Total</b>	\$789,957				

MD 8,760 TVD 8,760 Progress 0 Days 6 MW 0.0 Visc 0.0

Formation : PBTBTD : 8718.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU LONE WOLF. LOG WITH CBL/CCL/VDL/GR FROM PBTBTD TO 40'. EST CEMENT TOP @ 970'. RD LONE WOLF.

05-08-2009 Reported By WHITEHEAD

DailyCosts: Drilling	\$0	Completion	\$1,075	Daily Total	\$1,075
Cum Costs: Drilling	\$548,802	Completion	\$242,230	Well Total	\$791,032

MD 8,760 TVD 8,760 Progress 0 Days 7 MW 0.0 Visc 0.0

Formation : PBTBTD : 8718.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP FOR COMPLETION

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

05-14-2009 Reported By MCCURDY

DailyCosts: Drilling	\$0	Completion	\$3,573	Daily Total	\$3,573
Cum Costs: Drilling	\$548,802	Completion	\$245,803	Well Total	\$794,605

MD 8,760 TVD 8,760 Progress 0 Days 7 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTBTD : 8718.0 Perf : 7371'-8516' PKR Depth : 0.0

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU CUTTERS WIRELINE & PERFORATE LPR FROM 8264'-65', 8276'-77', 8286'-87', 8292'-93', 8297'-98', 8330'-31', 8335'-36', 8340'-41', 8437'-38', 8454'-55', 8490'-91', 8515'-16' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 7567 GAL 16# LINEAR W/1-1.5# 20/40 SAND, 32484 GAL 16# DELTA 200 W/122500# 20/40 SAND @ 2-5 PPG. MTP 5342 PSIG. MTR 51.7 BPM. ATP 4387 PSIG. ATR 50.6 BPM. ISIP 3173 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 8220'. PERFORATE LPR/MPR FROM 7954'-55', 7958'-59', 7980'-81', 7988'-89', 7998'-99', 8060'-61', 8067'-68', 8108'-09', 8117'-18', 8125'-26', 8172'-73', 8193'-94' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 8020 GAL 16# LINEAR W/1-1.5 # 20/40 SAND, 41194 GAL 16# DELTA 200 W/153700# 20/40 SAND @ 2-5 PPG. MTP 6275 PSIG. MTR 50.7 BPM. ATP 4756 PSIG. ATR 47.8 BPM. ISIP 3457 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 7914'. PERFORATE MPR FROM 7678'-79', 7686'-87', 7693'-94', 7704'-05', 7727'-28', 7745'-46', 7779'-80', 7790'-91', 7854'-55', 7858'-59', 7887'-88', 7893'-94' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 9038 GAL 16# LINEAR W/1-1.5# 20/40 SAND, 48614 GAL 16# DELTA 200 W/178400# 20/40 SAND @ 2-5 PPG. MTP 5954 PSIG. MTR 51.9 BPM. ATP 50.7 PSIG. ATR 50.7 BPM. ISIP 2640 PSIG. RD HALLIBURTON.

RUWL. SET 6K CFP AT 7648'. PERFORATE MPR FROM 7371'-72', 7382'-83', 7429'-30', 7441'-42', 7458'-59', 7506'-07', 7551'-52', 7566'-67', 7584'-85', 7600'-01', 7610'-11', 7628'-29' @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 9256 GAL 16# LINEAR W/1-1.5# 20/40 SAND, 53868 GAL 16# DELTA 200 W/197700# 20/40 SAND @ 2-5 PPG. MTP 7368 PSIG. MTR 50.8 BPM. ATP 4892 PSIG. ATR 50.5 BPM. ISIP 2770 PSIG. RD HALLIBURTON. SDFN.

05-15-2009 Reported By MCCURDY

DailyCosts: Drilling	\$0	Completion	\$235,762	Daily Total	\$235,762
Cum Costs: Drilling	\$548,802	Completion	\$481,565	Well Total	\$1,030,367

MD 8,760 TVD 8,760 Progress 0 Days 8 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTB : 8718.0 Perf : 6419'-8516' PKR Depth : 0.0

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 1648 PSIG. RUWL. SET 6K CFP AT 7290'. PERFORATE UPR/MPR FROM 6951'-52', 6961'-62', 6976'-77', 6979'-80', 7006'-07', 7031'-32', 7047'-48', 7205'-06', 7224'-25', 7234'-35', 7247'-48', 7271'-72' @ @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 8237 GAL 16# LINEAR W/1-1.5@ 20/40 SAND, 35878 GAL 16# DELTA 200 W/133600# 20/40 SAND @ 2-5 PPG. MTP 4796 PSIG. MTR 50.8 BPM. ATP 3570 PSIG. ATR 49.4 BPM. ISIP 2277 PSIG. RD HALLIBURTON.
			RUWL. SET 6K CFP AT 6926'. PERFORATE UPR FROM 6702'-03', 6721'-22', 6754'-55', 6758'-59', 6794'-95', 6833'-34', 6854'-56', 6859'-60', 6871'-72', 6897'-98', 6906'-07' @ @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 7918 GAL 16# LINEAR W/1-1.5# 20/40 SAND, 20659 GAL 16# DELTA 200 W/70800# 20/40 SAND @ 2-4 PPG. MTP 7734 PSIG. MTR 50.8 BPM. ATP 4834 PSIG. ATR 47.6 BPM. ISIP 2003 PSIG. RD HALLIBURTON.
			RUWL. SET 6K CFP AT 6676'. PERFORATE UPR FROM 6419'-20', 6432'-33', 6451'-52', 6508'-09', 6530'-31', 6536'-37', 6577'-78', 6611'-12', 6617'-18', 6638'-39', 6653'-54', 6657'-58' @ @ 3 SPF @ 120° PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 7990 GAL 16# LINEAR W/1-1.5# 20/40 SAND, 23308 GAL 16# DELTA 200 W/72900# 20/40 SAND @ 2-3 PPG. MTP 5591 PSIG. MTR 51.5 BPM. ATP 4320 PSIG. ATR 50.9 BPM. ISIP 2274 PSIG. RD HALLIBURTON.
			RUWL. SET 6K CBP AT 6348'. RDWL.

05-21-2009		Reported By	MCCURDY	
Daily Costs: Drilling	\$0	Completion	\$6,993	Daily Total \$6,993
Cum Costs: Drilling	\$548,802	Completion	\$488,558	Well Total \$1,037,360
MD 8,760 TVD 8,760 Progress 0 Days 9 MW 0.0 Visc 0.0				
Formation : MESAVERDE	PBTB : 8718.0	Perf : 7371'-8516'		PKR Depth : 0.0

Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU ROYAL RIG 2. ND FRAC TREE. NU BOP. RIH W/ BIT & PUMP OFF SUB TO 6320'. RU TO DRILL OUT PLUGS. SDFN.

05-22-2009		Reported By	MCCURDY	
Daily Costs: Drilling	\$0	Completion	\$71,315	Daily Total \$71,315
Cum Costs: Drilling	\$548,802	Completion	\$559,874	Well Total \$1,108,676
MD 8,760 TVD 8,760 Progress 0 Days 10 MW 0.0 Visc 0.0				
Formation : MESAVERDE	PBTB : 8718.0	Perf : 7371'-8516'		PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	CLEANED OUT & DRILLED OUT PLUGS @ 6348', 6676', 6926', 7290', 7648', 7914' & 8220'. RIH. CLEANED OUT TO PBTB @ 8626'. LANDED @ 7206' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FINAL REPORT DATE: 05/21/09.

FLOWED 14 HRS. 24/64 CHOKE. FTP- 1450 PSIG, CP- 1950 PSIG. 65 BFPH. RECOVERED 1208 BBLs, 7207 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.30'  
 1 JT 2-3/8 4.7# N-80 TBG 31.07'  
 XN NIPPLE 1.10'  
 223 JTS 2-3/8 4.7# N-80 TBG 7159.73'  
 BELOW KB 13.00'  
 LANDED @ 7206.20' KB

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<b>05-23-2009</b>	<b>Reported By</b>	MCCURDY									
<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$3,643	<b>Daily Total</b>	\$3,643						
<b>Cum Costs: Drilling</b>	\$548,802	<b>Completion</b>	\$563,517	<b>Well Total</b>	\$1,112,319						
<b>MD</b>	8,760	<b>TVD</b>	8,760	<b>Progress</b>	0	<b>Days</b>	15	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 8718.0</b>		<b>Perf : 7371'-8516'</b>		<b>PKR Depth : 0.0</b>					
<b>Activity at Report Time: FLOW TEST</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	06:00	24.0	INITIAL PRODUCTION. OPENING PRESSURE: TP 1500 PSIG & CP 1900 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 10:30 AM, 5/22/09. FLOWED 964 MCFD RATE ON 24/64" POS CHOKE. STATIC 270. QUESTAR METER #8137.								
FLOWED 24 HRS. 24/64 CHOKE. FTP 1400 PSIG, CP 1750 PSIG. 50 BFPH. RECOVERED 1217 BBLS, 5990 BLWTR, 1000 MCF.											

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<b>05-24-2009</b>	<b>Reported By</b>	MCCURDY									
<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$3,643	<b>Daily Total</b>	\$3,643						
<b>Cum Costs: Drilling</b>	\$548,802	<b>Completion</b>	\$567,160	<b>Well Total</b>	\$1,115,962						
<b>MD</b>	8,760	<b>TVD</b>	8,760	<b>Progress</b>	0	<b>Days</b>	15	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 8718.0</b>		<b>Perf : 7371'-8516'</b>		<b>PKR Depth : 0.0</b>					
<b>Activity at Report Time: FLOW TEST</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	06:00	24.0	FLOWED 24 HRS. 24/64 CHOKE. FTP 1255 PSIG, CP 1650 PSIG. 40 BFPH. RECOVERED 1025 BBLS, 4965 BLWTR, 1200 MCF.								
FLOWED 1021 MCF, 0 BC & 1217 BW IN 24 HRS ON 24/64" CHOKE, TP 1250 PSIG & CP 1400 PSIG.											

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<b>05-25-2009</b>	<b>Reported By</b>	MCCURDY									
<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$2,943	<b>Daily Total</b>	\$2,943						
<b>Cum Costs: Drilling</b>	\$548,802	<b>Completion</b>	\$570,103	<b>Well Total</b>	\$1,118,905						
<b>MD</b>	8,760	<b>TVD</b>	8,760	<b>Progress</b>	0	<b>Days</b>	13	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 8718.0</b>		<b>Perf : 7371'-8516'</b>		<b>PKR Depth : 0.0</b>					
<b>Activity at Report Time: FLOWBACK</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	06:00	24.0	FLOWED 24 HRS. 24/64 CHOKE. FTP 1175 PSIG, CP 1900 PSIG. 34 BFPH. RECOVERED 851 BBLS, 4114 BLWTR, 1400 MCF.								
FLOWED 1285 MCF, 10 BC & 1025 BW IN 24 HRS ON 24/64" CHOKE, TP 1200 PSIG & CP 1750 PSIG.											

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<b>05-26-2009</b>	<b>Reported By</b>	MCCURDY									
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<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$3,643	<b>Daily Total</b>	\$3,643
<b>Cum Costs: Drilling</b>	\$548,802	<b>Completion</b>	\$573,746	<b>Well Total</b>	\$1,122,548
<b>MD</b>	8,760	<b>TVD</b>	8,760	<b>Progress</b>	0
				<b>Days</b>	14
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 8718.0</b>		<b>Perf : 7371'-8516'</b>	
				<b>PKR Depth : 0.0</b>	

**Activity at Report Time: ON SALES**

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	FLOWED 24 HRS. 24/64 CHOKE. FTP 1100 PSIG. CP 1800 PSIG. 21 BFPH. RECOVERED 642 BLW. 3472 BLWTR. 1500 MCFD RATE. RD BRECO TEST UNIT & RETURNED TO SALES.

FLOWED 1423 MCF, 0 BC & 851 BW IN 24 HRS ON 24/64" CHOKE, TP 1130 PSIG & CP 1850 PSIG.

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

5. Lease Serial No.  
UTU0336A

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

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 **NESE 1784FSL 850FEL 40.00459 N Lat, 109.32551 W Lon**  
 At top prod interval reported below **NESE 1784FSL 850FEL 40.00459 N Lat, 109.32551 W Lon**  
 At total depth **NESE 1784FSL 850FEL 40.00459 N Lat, 109.32551 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 1120-28**  
 9. API Well No. **43-047-40043**  
 10. Field and Pool, or Exploratory **NATURAL BUTTES**  
 11. Sec., T., R., M., or Block and Survey or Area **Sec 28 T9S R23E Mer SLB**  
 12. County or Parish **UINTAH** 13. State **UT**  
 14. Date Spudded **11/20/2008** 15. Date T.D. Reached **04/24/2009** 16. Date Completed  D & A  Ready to Prod. **05/22/2009**  
 17. Elevations (DF, KB, RT, GL)\* **5184 GL**  
 18. Total Depth: **MD 8760** 19. Plug Back T.D.: **MD 8718** 20. Depth Bridge Plug Set: **MD TVD**  
 21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  CBL/CCL/VDL/GR 22. Was well cored?  No  Yes (Submit analysis)  
 Was DST run?  No  Yes (Submit analysis)  
 Directional Survey?  No  Yes (Submit analysis)

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2338		700		0	
7.875	4.500 P-110	11.6	0	8760		1895		970	

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	7206							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	6419	8516	8264 TO 8516		3	
B)			7954 TO 8194		3	
C)			7678 TO 7894		3	
D)			7371 TO 7629		3	

26. Perforation Record

Depth Interval	Amount and Type of Material
8264 TO 8516	40,216 GALS GELLED WATER & 122,500# 20/40 SAND
7954 TO 8194	49,379 GALS GELLED WATER & 153,700# 20/40 SAND
7678 TO 7894	57,817 GALS GELLED WATER & 178,400# 20/40 SAND
7371 TO 7629	63,289 GALS GELLED WATER & 197,700# 20/40 SAND

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

Depth Interval	Amount and Type of Material
8264 TO 8516	40,216 GALS GELLED WATER & 122,500# 20/40 SAND
7954 TO 8194	49,379 GALS GELLED WATER & 153,700# 20/40 SAND
7678 TO 7894	57,817 GALS GELLED WATER & 178,400# 20/40 SAND
7371 TO 7629	63,289 GALS GELLED WATER & 197,700# 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
05/22/2009	05/27/2009	24	▶	0.0	1584.0	584.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
24/64"	SI 1400	1930.0	▶	0	1584	584		PGW	

28a. Production - Interval B

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

**RECEIVED**  
**JUN 09 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	6419	8516		GREEN RIVER BIRDS NEST MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER	1211 1519 2111 4235 4346 4908 5582 6406

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 #70584 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

*Mary A. Maestas*  
(Electronic Submission)

Date 06/05/2009

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

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

**Chapita Wells Unit 1120-28 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

6951-7272	3/spf
6702-6907	3/spf
6419-6658	3/spf

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

6951-7272	44,280 GALS GELLED WATER & 133,600# 20/40 SAND
6702-6907	28,742 GALS GELLED WATER & 70,800# 20/40 SAND
6419-6658	31,463 GALS GELLED WATER & 72,900# 20/40 SAND

Perforated the Lower Price River from 8264-65', 8276-77', 8286-87', 8292-93', 8297-98', 8330-31', 8335-36', 8340-41', 8437-38', 8454-55', 8490-91', 8515-16' w/ 3 spf.

Perforated the Lower/Middle Price River from 7954-55', 7958-59', 7980-81', 7988-89', 7998-99', 8060-61', 8067-68', 8108-09', 8117-18', 8125-26', 8172-73', 8193-94' w/ 3 spf.

Perforated the Middle Price River from 7678-79', 7686-87', 7693-94', 7704-05', 7727-28', 7745-46', 7779-80', 7790-91', 7854-55', 7858-59', 7887-88', 7893-94' w/ 3 spf.

Perforated the Middle Price River from 7371-72', 7382-83', 7429-30', 7441-42', 7458-59', 7506-07', 7551-52', 7566-67', 7584-85', 7600-01', 7610-11', 7628-29' w/ 3 spf.

Perforated the Upper/Middle Price River from 6951-52', 6961-62', 6976-77', 6979-80', 7006-07', 7031-32', 7047-48', 7205-06', 7224-25', 7234-35', 7247-48', 7271-72' w/ 3 spf.

Perforated the Upper Price River from 6702-03', 6721-22', 6754-55', 6758-59', 6794-95', 6833-34', 6854-56', 6859-60', 6871-72', 6897-98', 6906-07' w/ 3 spf.

Perforated the Upper Price River from 6419-20', 6432-33', 6451-52', 6508-09', 6530-31', 6536-37', 6577-78', 6611-12', 6617-18', 6638-39', 6653-54', 6657-58' w/ 3 spf.

**32. FORMATION (LOG) MARKERS**

Middle Price River	7233
Lower Price River	8005
Sego	8563

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

FORM 7

**REPORT OF WATER ENCOUNTERED DURING DRILLING**

Well name and number: CWU 1120-28

API number: 4304740043

Well Location: QQ NESE Section 28 Township 9S Range 23E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

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

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

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

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

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 6/5/2009

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU0336A
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b> CHAPITA WELLS
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> CWU 1120-28
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047400430000
<b>3. ADDRESS OF OPERATOR:</b> 600 17th Street, Suite 1000 N , Denver, CO, 80202	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 1784 FSL 0850 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NESE Section: 28 Township: 09.0S Range: 23.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: Evaporation unit
<input checked="" type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion: 6/8/2009			
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:			
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:			

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

As per verbal approval with Nate Packer, Vernal BLM, a small evaporation unit was placed in the reserve pit on the referenced location. The unit will be in place until the pit is fully evaporated. Upon completion of evaporation, the pit will be reclaimed.

Accepted by the  
 Utah Division of  
 Oil, Gas and Mining  
**FOR RECORD ONLY**  
 June 10, 2009

<b>NAME (PLEASE PRINT)</b> Mary Maestas	<b>PHONE NUMBER</b> 303 824-5526	<b>TITLE</b> Regulatory Assistant
<b>SIGNATURE</b> N/A		<b>DATE</b> 6/10/2009