

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

FORM 3

AMENDED REPORT   
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>			5. MINERAL LEASE NO: <b>ML-47045</b>	6. SURFACE: <b>State</b>
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: <b>EOG RESOURCES, INC.</b>			9. WELL NAME and NUMBER: <b>East Chapita 99-16</b>	
3. ADDRESS OF OPERATOR: <b>1060 East Highway 40</b> CITY <b>VERNAL</b> STATE <b>UT</b> ZIP <b>84078</b>		PHONE NUMBER: <b>(435) 789-0790</b>	10. FIELD AND POOL, OR WILDCAT: <b>Natural Buttes</b>	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: <b>2453 FSL - 1550 FWL 40.035436 Lat 109.335808 Lon -109.335058</b> AT PROPOSED PRODUCING ZONE: <b>2453 FSL - 1550 FWL 40.035436 Lat 109.335808 Lon</b>			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NESW 16 9S 23E S</b>	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: <b>54.9 Miles south of Vernal, UT</b>			12. COUNTY: <b>Uintah</b>	13. STATE: <b>UTAH</b>
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) <b>1550</b>	16. NUMBER OF ACRES IN LEASE: <b>640</b>	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) <b>610</b>	19. PROPOSED DEPTH: <b>9,110</b>	20. BOND DESCRIPTION: <b>6196017</b>		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): <b>4957 GL</b>	22. APPROXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION: <b>45 Days</b>		

24. **PROPOSED CASING AND CEMENTING PROGRAM**

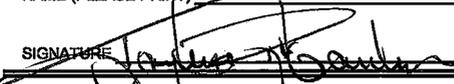
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
<b>26</b>	<b>16</b>	<b>H-40</b>	<b>62.6#</b>	<b>60</b>	<b>SEE ATTACHED EIGHT POINT PLAN</b>
<b>12-1/4</b>	<b>9-5/8</b>	<b>J-55</b>	<b>36#</b>	<b>2,300</b>	<b>SEE ATTACHED EIGHT POINT PLAN</b>
<b>7-7/8</b>	<b>4-1/2</b>	<b>N-80</b>	<b>11.6#</b>	<b>7,274</b>	<b>SEE ATTACHED EIGHT POINT PLAN</b>

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) **Kaylene R. Gardner** TITLE **Regulatory Administrator**

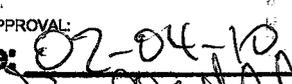
SIGNATURE  DATE **12/23/2008**

(This space for State use only)

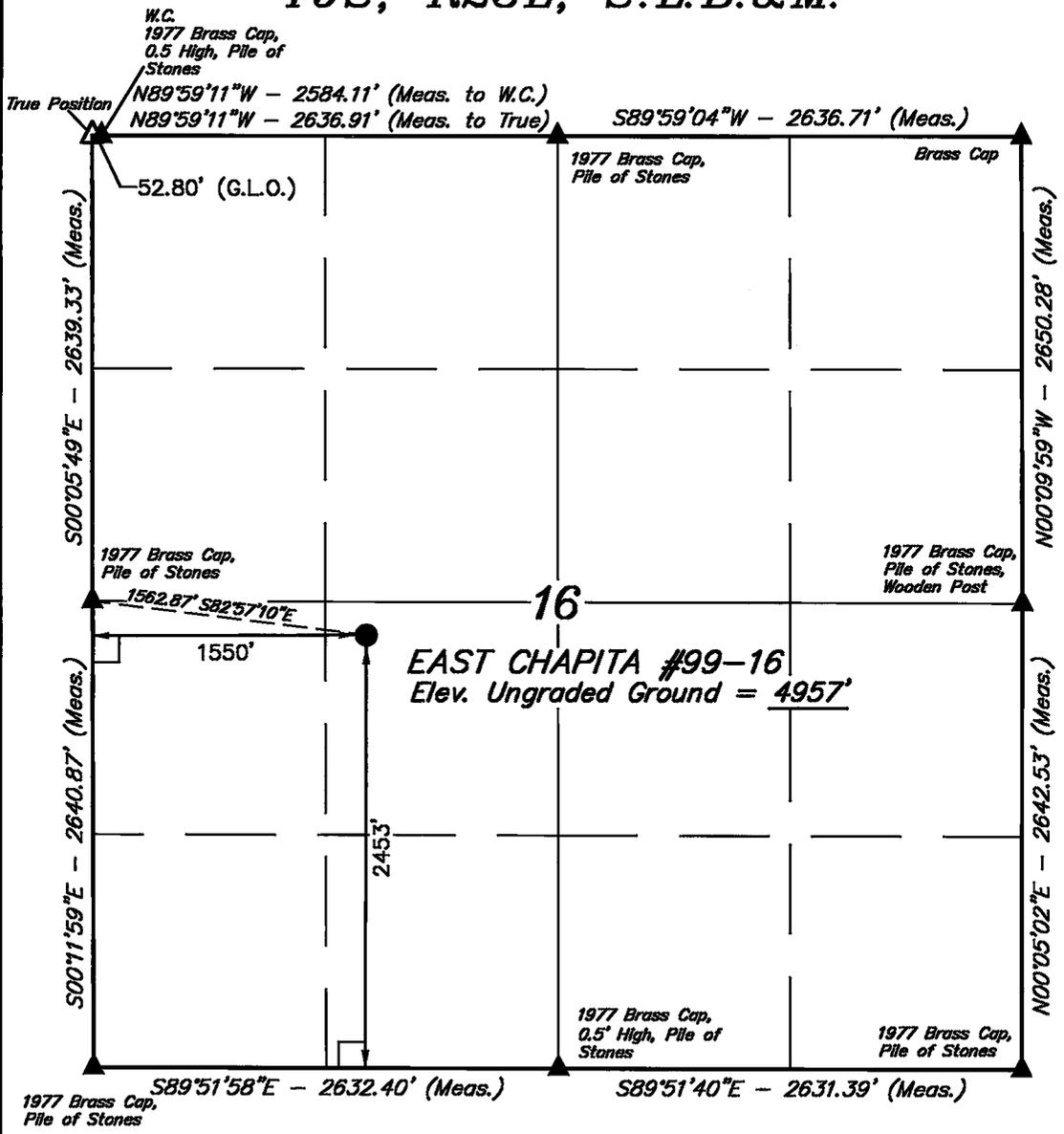
API NUMBER ASSIGNED: **43047-40466**

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

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DEC 29 2008

APPROVAL:   
Date: **02-04-10**  
By:  DIV OF OIL, GAS & MINING

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



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

(NAD 83)  
 LATITUDE = 40°02'07.57" (40.035436)  
 LONGITUDE = 109°20'08.91" (109.335808)  
 (NAD 27)  
 LATITUDE = 40°02'07.69" (40.035469)  
 LONGITUDE = 109°20'06.46" (109.335128)

## EOG RESOURCES, INC.

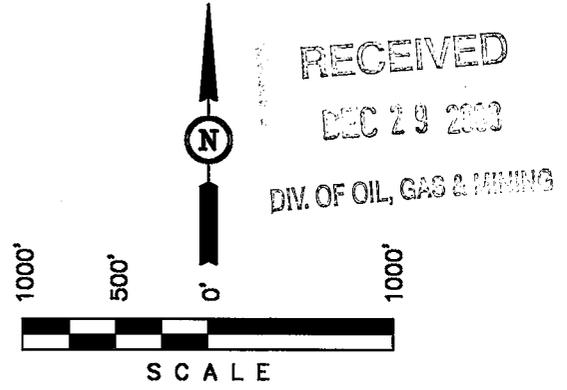
Well location, EAST CHAPITA #99-16, located as shown in NE 1/4 SW 1/4 of Section 16, T9S, R23E, S.L.B.&M., Uintah County, Utah.

### BASIS OF ELEVATION

BENCH MARK 58EAM(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.

*Robert J. Kay*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161318  
 STATE OF UTAH

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

SCALE 1" = 1000'	DATE SURVEYED: 10-30-08	DATE DRAWN: 11-10-08
PARTY J.M. E.D. E.M.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

**From:** Jim Davis  
**To:** Bonner, Ed; Mason, Diana  
**CC:** Garrison, LaVonne; Hunt, Gil  
**Date:** 2/3/2010 4:51 PM  
**Subject:** Well approval (1)

The following well has been approved by SITLA including arch and paleo clearance.

EOG Resources' East Chapita 99-16 [API #4304740466]

-Jim

Jim Davis  
Utah Trust Lands Administration  
jimdavis1@utah.gov  
Phone: (801) 538-5156

**EIGHT POINT PLAN**

**EAST CHAPITA 99-16**  
**NE/SW, SEC. 16, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,719		Shale	
Birdsnest Zone	1,840		Dolomite	
Mahogany Oil Bed Shale	2,365		Shale	
Wasatch	4,633	Primary	Sandstone	Gas
Chapita Wells	5,224	Primary	Sandstone	Gas
Buck Canyon	5,872	Primary	Sandstone	Gas
North Horn	6,442	Primary	Sandstone	Gas
KMV Price River	6,838	Primary	Sandstone	Gas
KMV Price River Middle	7,610	Primary	Sandstone	Gas
KMV Price River Lower	8,381	Primary	Sandstone	Gas
Sego	8,902		Sandstone	
<b>TD</b>	<b>9,110</b>			

Estimated TD: 9,110' or 200'± below TD

**Anticipated BHP: 4,975 Psig**

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

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
 BOP schematic diagrams attached.

**4. CASING PROGRAM:**

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	26"	0 – 60'	16"						
Surface	12 1/4"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

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

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

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**EIGHT POINT PLAN**

**EAST CHAPITA 99-16**  
**NE/SW, SEC. 16, 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. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

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

Air/air mist or aerated water.

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

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

**7. VARIANCE REQUESTS:**

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

- o 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).

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**EIGHT POINT PLAN**

**EAST CHAPITA 99-16**  
**NE/SW, SEC. 16, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

- 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**

**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.

**EIGHT POINT PLAN**

**EAST CHAPITA 99-16**  
**NE/SW, SEC. 16, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

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

**Lead:** 129 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:** 875 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

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

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

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

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

**11. STANDARD REQUIRED EQUIPMENT:**

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

**12. HAZARDOUS CHEMICALS:**

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

**EIGHT POINT PLAN**

**EAST CHAPITA 99-16**  
**NE/SW, SEC. 16, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**13. Air Drilling Operations:**

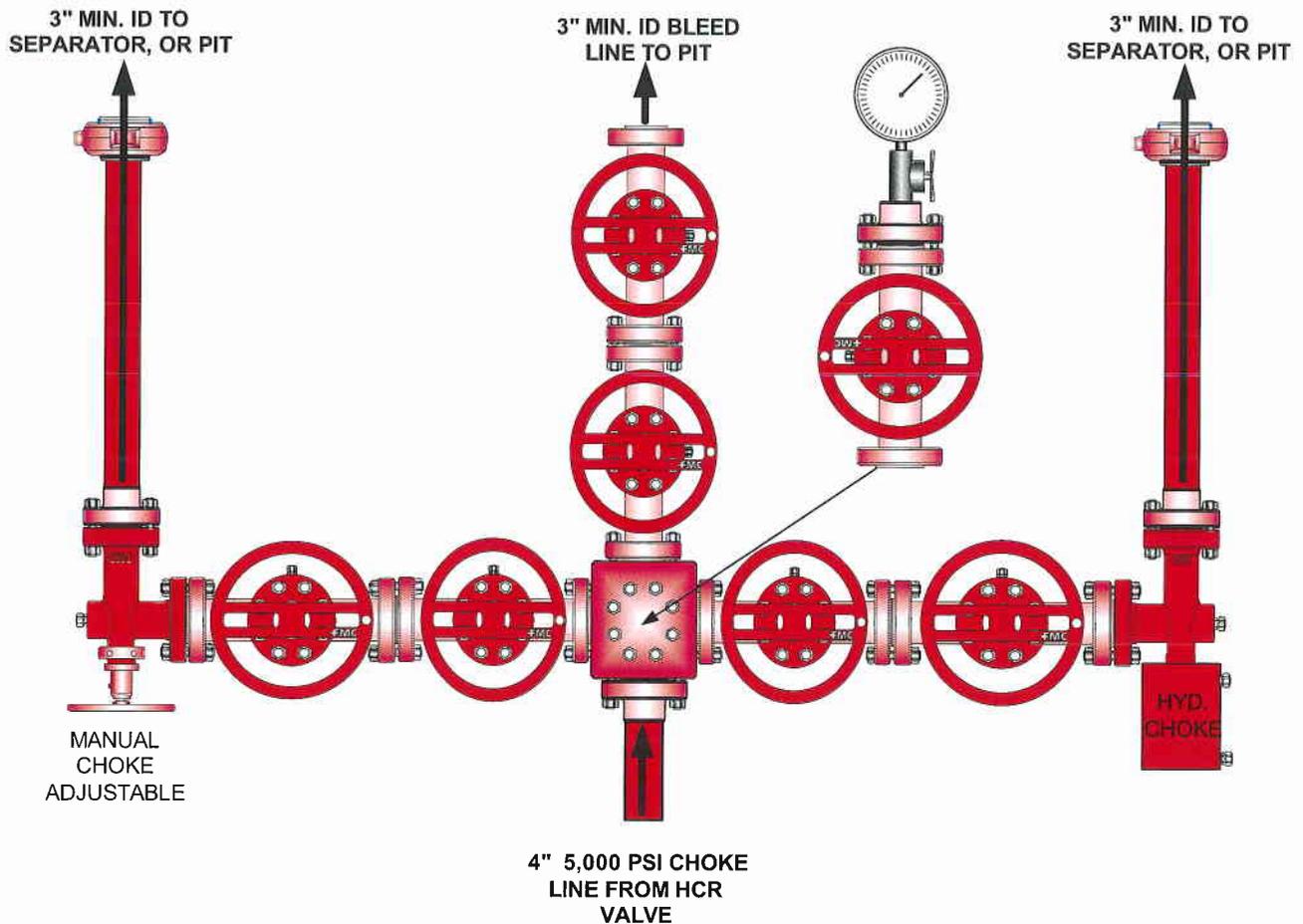
1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as 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)**

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

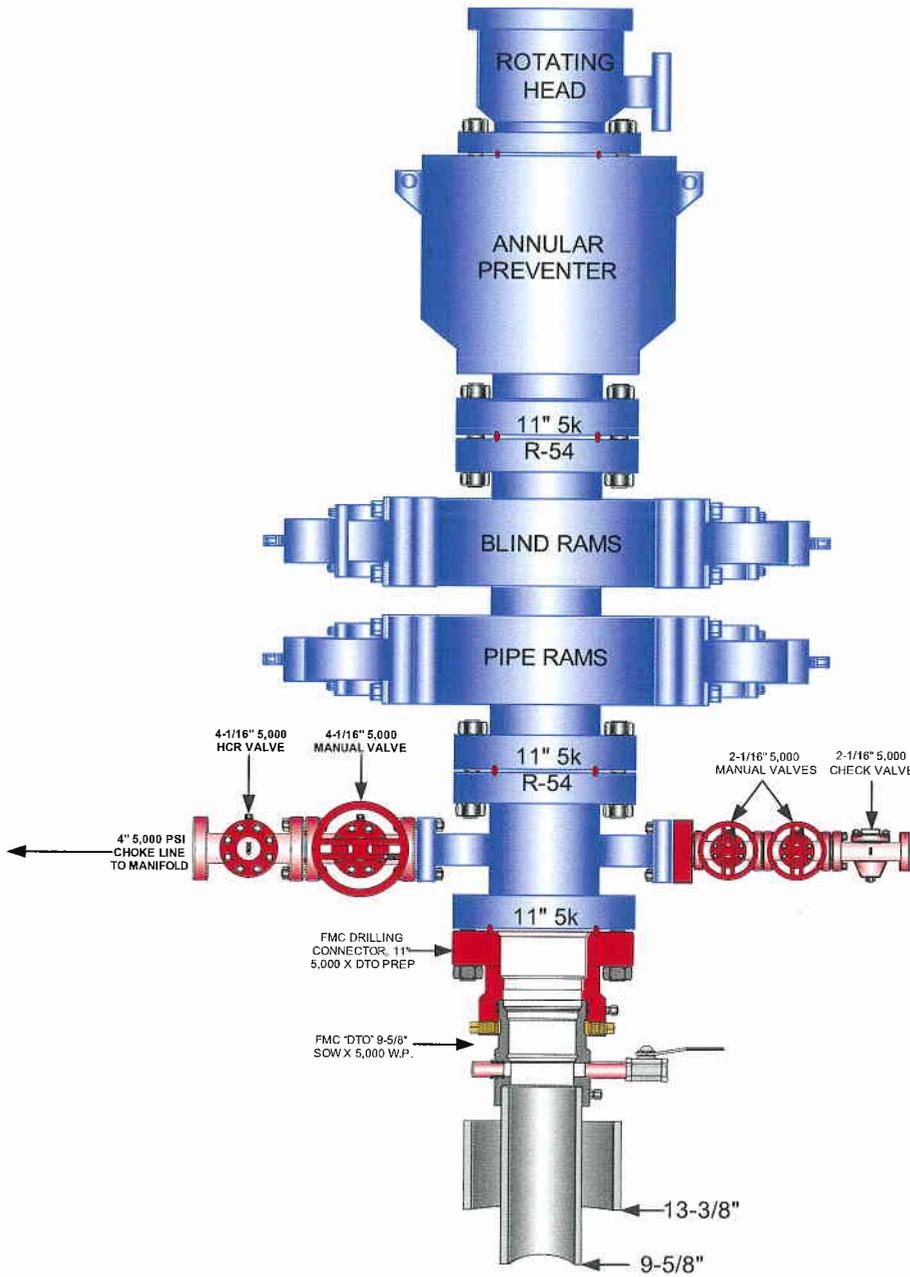
PAGE 2 OF 2



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.

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



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**East Chapita 99-16  
NESW, Section 16, T9S, R23E  
Uintah County, Utah**

***SURFACE USE PLAN***

The well pad is approximately 375 feet long with a 261-foot width, containing 2.25 acres more or less. The well access road is approximately 528 feet long with a 30-foot right-of-way, disturbing approximately 0.36 acres. New surface disturbance associated with the well pad and access road is estimated to be 2.61 acres. The pipeline is approximately 348 feet long with a 40-foot temporary right-of-way and an 8-foot permanent right-of-way disturbing approximately 0.06 acres.

**1. EXISTING ROADS:**

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 54.9 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

**2. PLANNED ACCESS ROAD:**

- A. The access road will be approximately 528' in length, culvert's will be installed on an as needed basis. See attached Topo B.
- B. The access road has a 30-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.

PREPARED BY  
DATE  
BY OFCS, CIGARILLA

- I. A 30-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 30-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 30-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

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

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

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**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 associated pipe.
2. Gas gathering lines – A 4" gathering line will be buried from the dehy unit 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 right-of-way is 348' x 40'. The proposed pipeline leaves the eastern edge of the well pad (Lease ML 47045) proceeding in a northerly direction for an approximate distance of 348' tying into an existing pipeline in the NESW of Section 16, T9S, R23E (Lease ML47045. 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. A 20-foot permanent pipeline right-of-way is requested. A 40-foot temporary pipeline right-of-way for construction purposes is requested, the temporary right-of-way will be utilized for a 10-day period.
7. 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.** 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)).
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

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**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, 4, 5 or 6, Coyote 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 Authorized Officer (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

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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.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the northwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the west 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 east of corner #4. 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.

**FENCING REQUIREMENTS:**

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

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LUCAS  
MCCORMICK, C. B. & COMPANY

- 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. 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 reseeded during interim reclamation. The reserve pit will be reclaimed within 6 months from the date of the well completion, or as soon as

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BY OFCL, 01031010

weather allows. 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. Dry Hole/Abandoned Location**

At such time as the well is plugged and abandoned, the operator will reclaim the location with the authorized seed mixture provided within the approved subsequent report of abandonment.

**11. SURFACE OWNERSHIP:**

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

**State of Utah**

**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.

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- B. As operator, EOG Resources, Inc. will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities.
- 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.
- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

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

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

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

A cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants. A paleontological survey was conducted and submitted by Intermountain Paleo.

**Additional Surface Stipulations:**

**None**

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

**PERMITTING AGENT**

Kaylene R. Gardner  
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.

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BLM OFFICE, VERNAL, UT

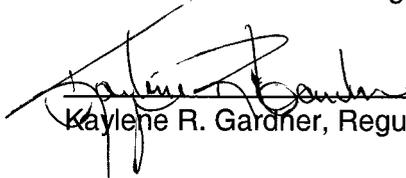
**CERTIFICATION:**

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 East Chapita 99-16 Well, located in the NESW, of Section 16, 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.

12/22/2008 \_\_\_\_\_

Date

  
\_\_\_\_\_  
Kaylene R. Gardner, Regulatory Administrator

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U.S. DEPARTMENT OF THE INTERIOR

**EOG RESOURCES, INC.**  
**EAST CHAPITA #99-16**  
 LOCATED IN UINTAH COUNTY, UTAH  
 SECTION 16, T9S, R23E, S.L.B.&M.

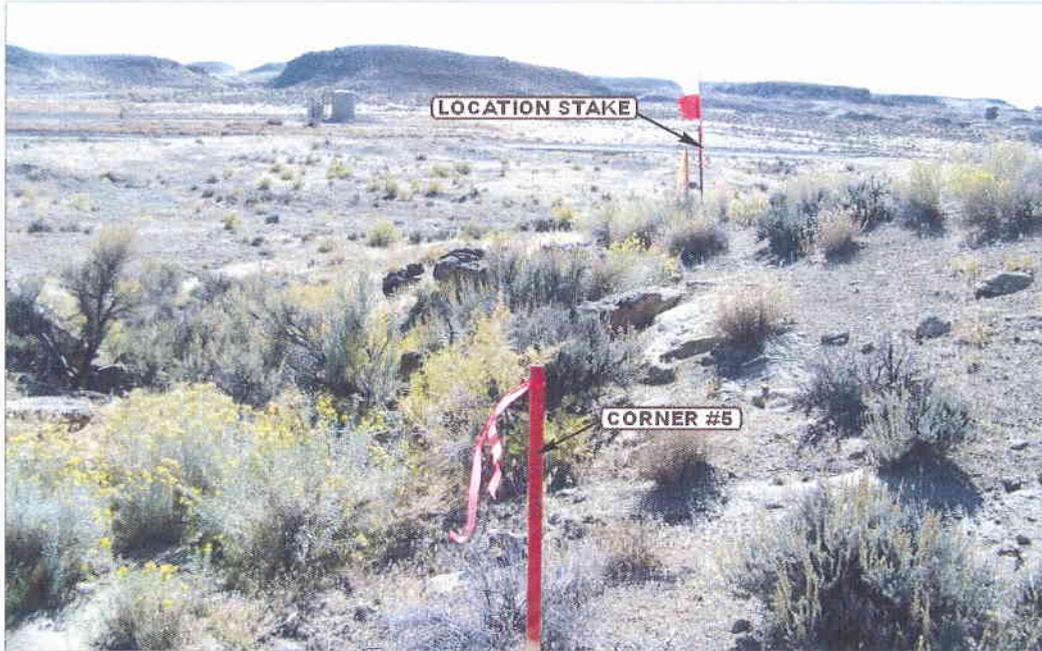


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



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

<b>LOCATION PHOTOS</b>	<b>11</b>	<b>07</b>	<b>08</b>	<b>PHOTO</b>
	MONTH	DAY	YEAR	
TAKEN BY: J.M.	DRAWN BY: J.H.		REVISED: 00-00-00	

11/07/08  
 EOG OF OIL, GAS & MIN.

**EOG RESOURCES, INC.**

**FIGURE #1**

**LOCATION LAYOUT FOR**

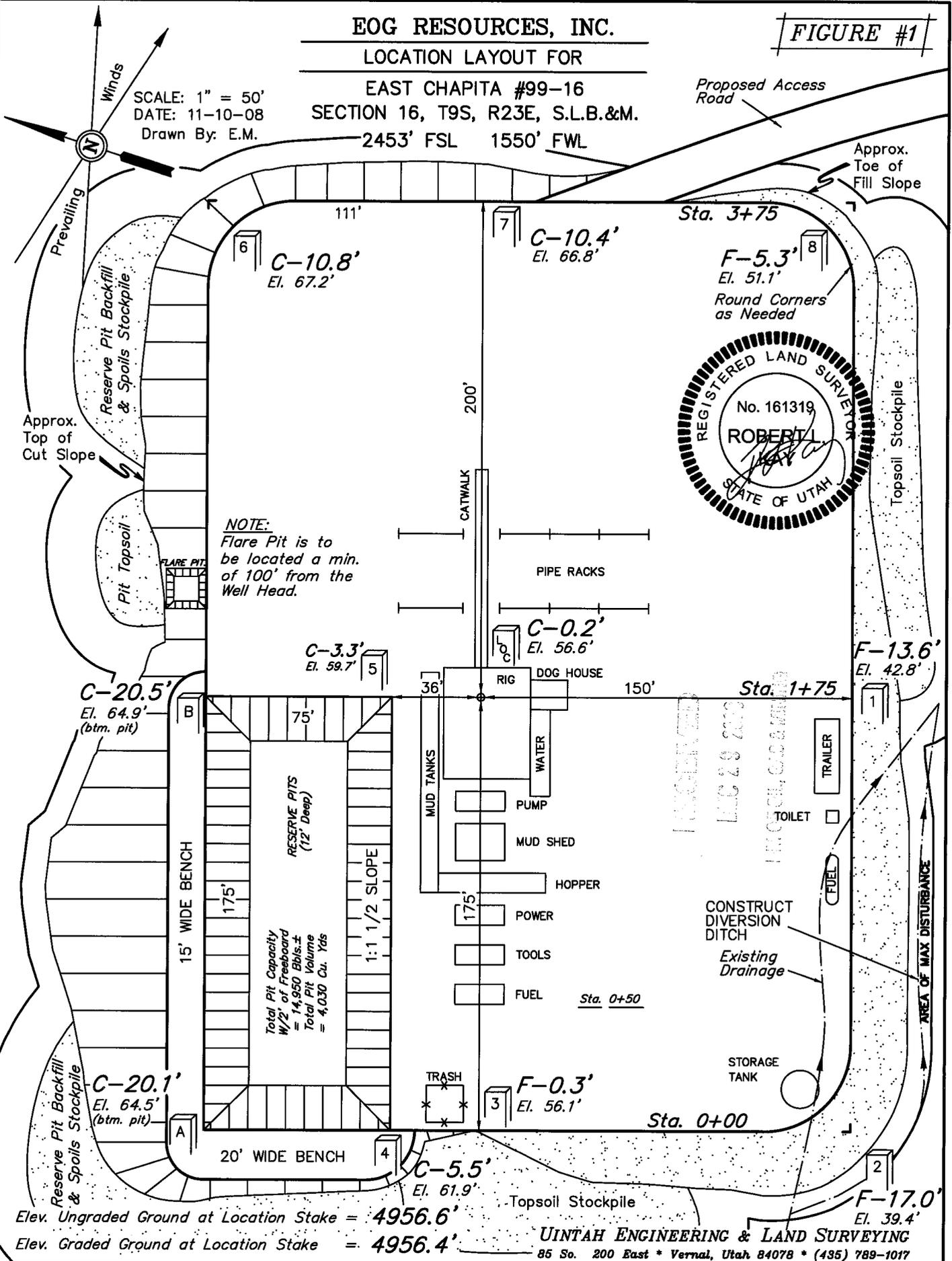
**EAST CHAPITA #99-16  
SECTION 16, T9S, R23E, S.L.B.&M.**

SCALE: 1" = 50'  
DATE: 11-10-08  
Drawn By: E.M.

2453' FSL 1550' FWL

Proposed Access Road

Approx. Toe of Fill Slope



Elev. Ungraded Ground at Location Stake = 4956.6'

Elev. Graded Ground at Location Stake = 4956.4'

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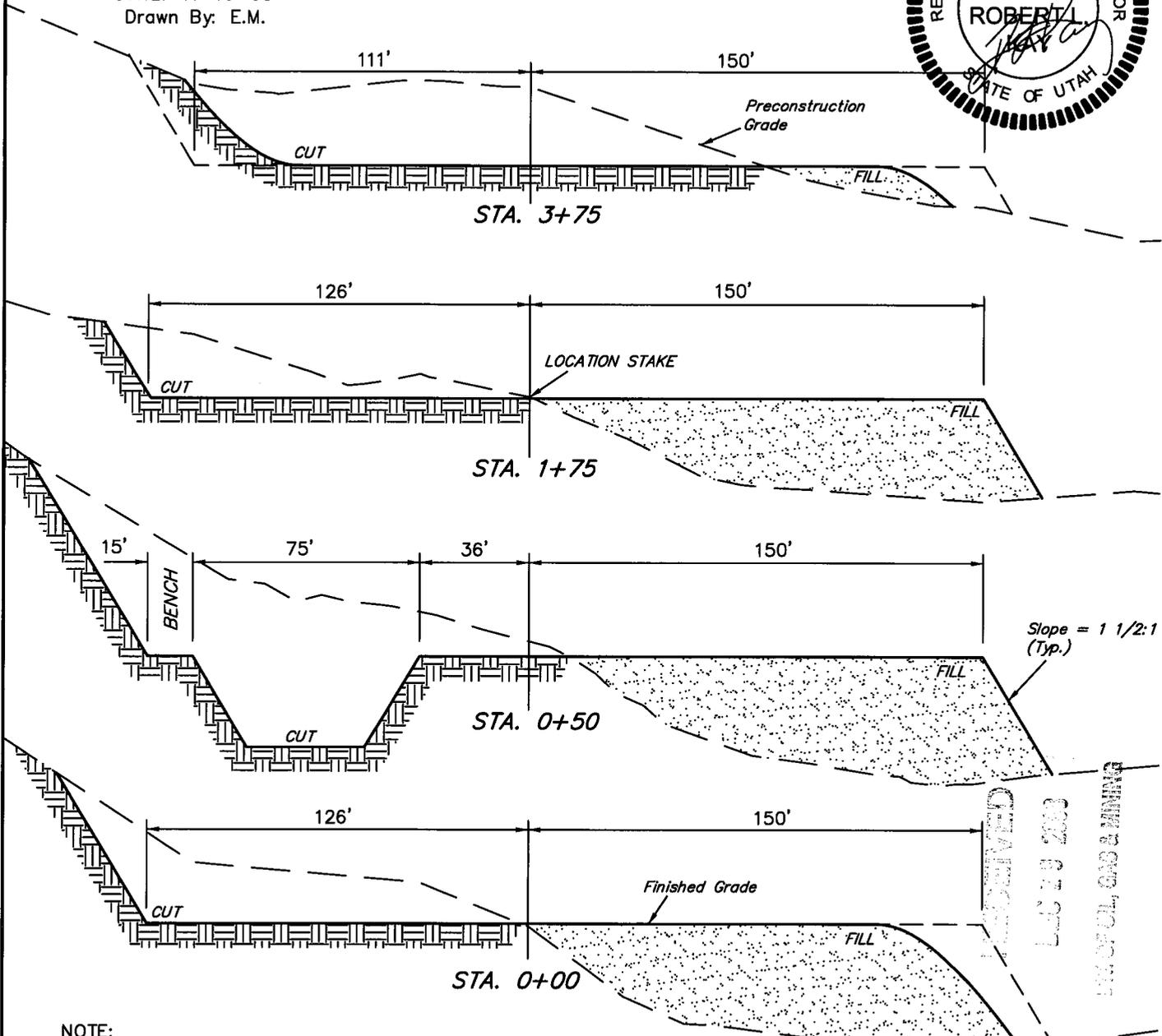
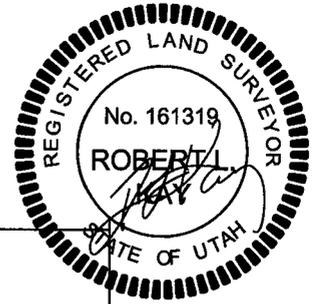
**EOG RESOURCES, INC.**

**TYPICAL CROSS SECTIONS FOR**

**EAST CHAPITA #99-16  
SECTION 16, T9S, R23E, S.L.B.&M.  
2453' FSL 1550' FWL**

**FIGURE #2**

1" = 20'  
X-Section Scale  
1" = 50'  
DATE: 11-10-08  
Drawn By: E.M.



**NOTE:**

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

**APPROXIMATE ACREAGES**

WELL SITE DISTURBANCE = ±3.684 ACRES  
ACCESS ROAD DISTURBANCE = ±0.301 ACRES  
PIPELINE DISTURBANCE = ±0.240 ACRES  
TOTAL = ±4.225 ACRES

**\* NOTE:**

FILL QUANTITY INCLUDES 5% FOR COMPACTION

**APPROXIMATE YARDAGES**

(6") Topsoil Stripping = 2,480 Cu. Yds.  
Remaining Location = 21,040 Cu. Yds.  
**TOTAL CUT = 23,520 CU.YDS.**  
**FILL = 19,020 CU.YDS.**

EXCESS MATERIAL = 4,500 Cu. Yds.  
Topsoil & Pit Backfill (1/2 Pit Vol.) = 4,500 Cu. Yds.  
EXCESS UNBALANCE = 0 Cu. Yds. (After Interim Rehabilitation)

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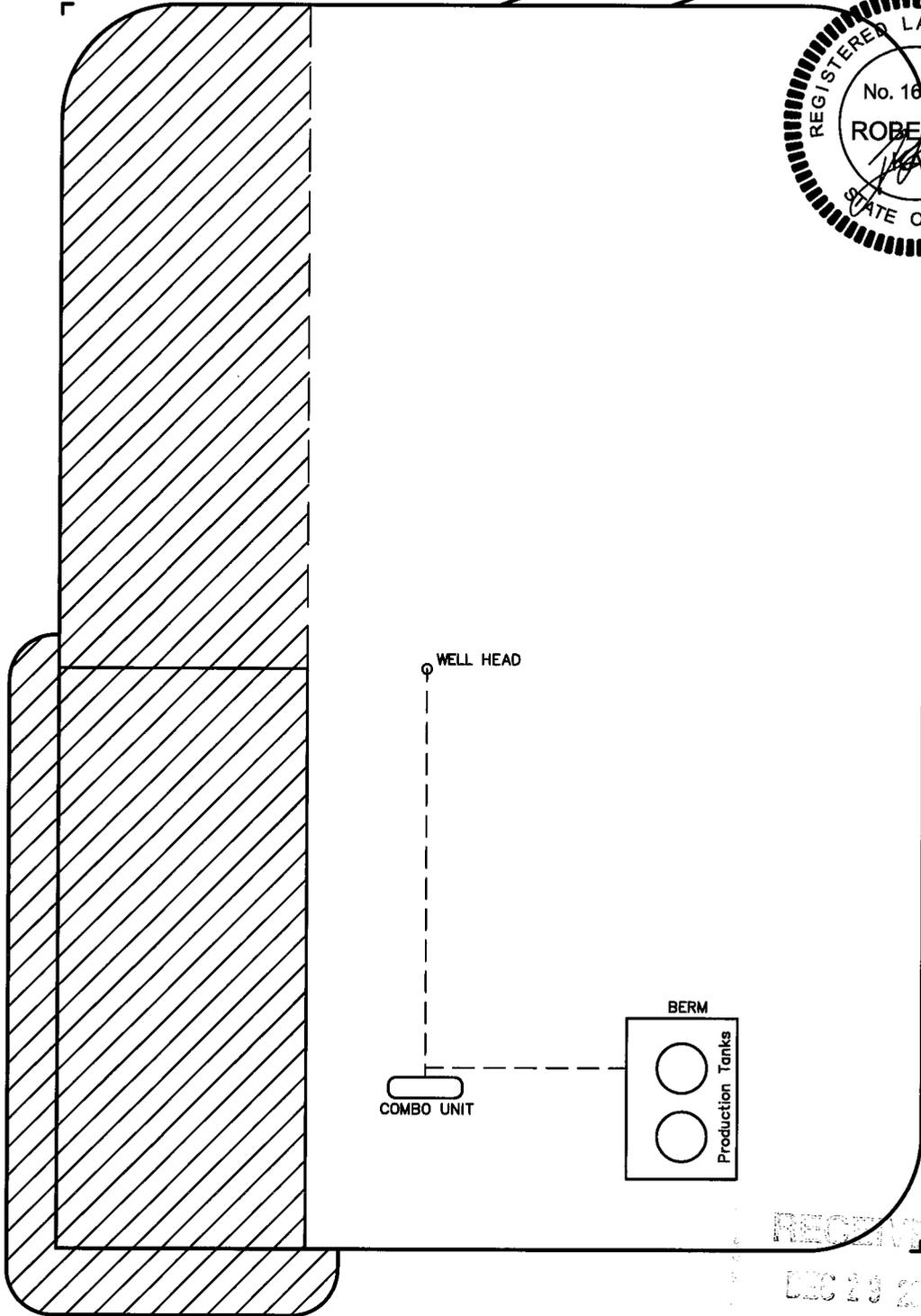
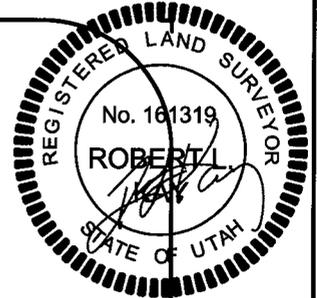
**EOG RESOURCES, INC.**  
**PRODUCTION FACILITY LAYOUT FOR**  
EAST CHAPITA #99-16  
SECTION 16, T9S, R23E, S.L.B.&M.  
2453' FSL 1550' FWL

**FIGURE #3**



SCALE: 1" = 50'  
DATE: 11-10-08  
Drawn By: E.M.

Proposed Access Road



 RE-HABED AREA

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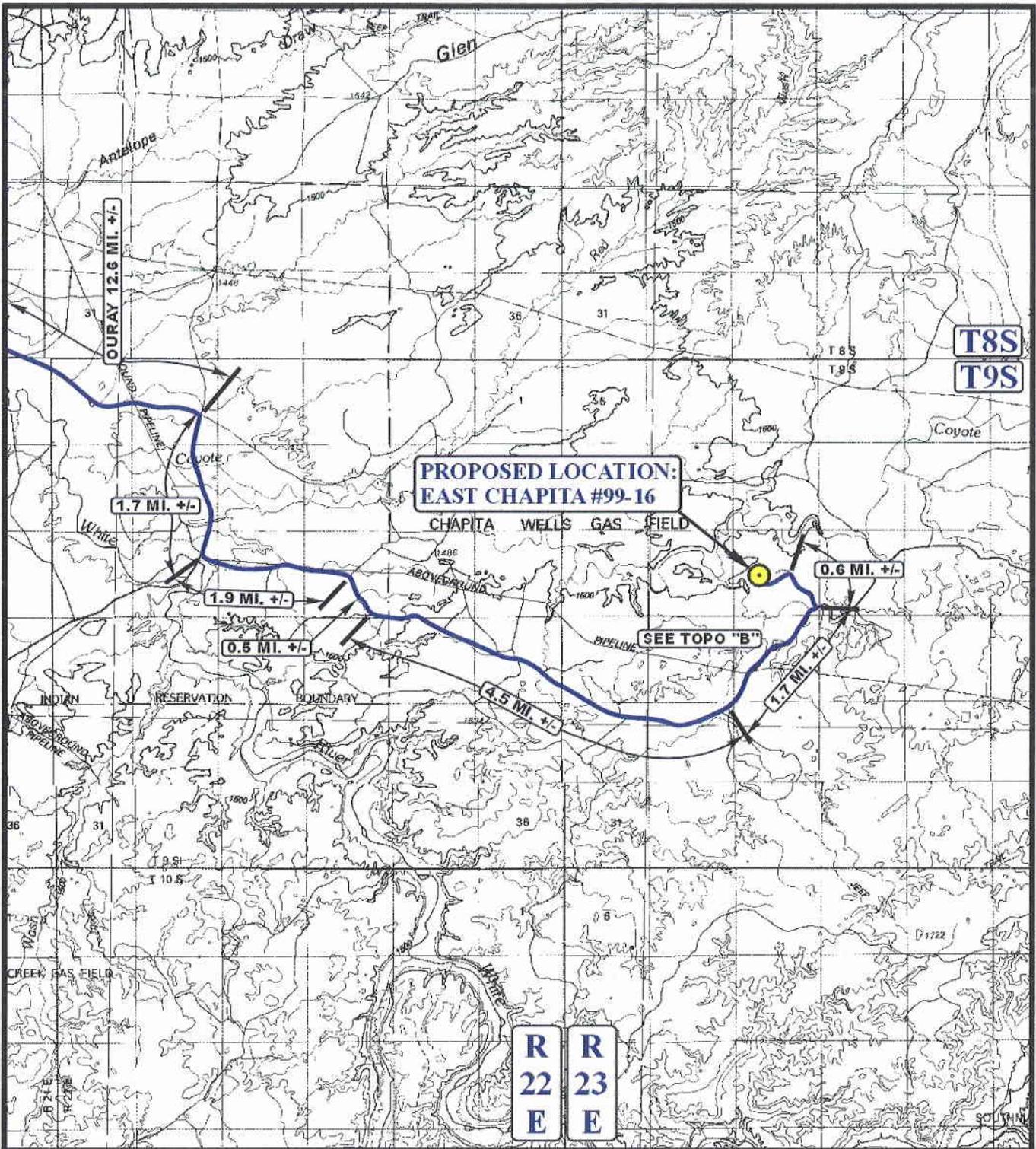
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EOG RESOURCES, INC.  
EAST CHAPITA #99-16  
SECTION 16, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRCTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY THEN EASTERLY DIRECTION APPROXIMATELY 4.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 54.9 MILES.

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**PROPOSED LOCATION:  
EAST CHAPITA #99-16**

CHAPITA WELLS GAS FIELD

SEE TOPO "B"

**R  
22  
E**   **R  
23  
E**

**T8S  
T9S**

**LEGEND:**

PROPOSED LOCATION



**EOG RESOURCES, INC.**

**EAST CHAPITA #99-16  
SECTION 16, T9S, R23E, S.L.B.&M.  
2453' FSL 1550' FWL**



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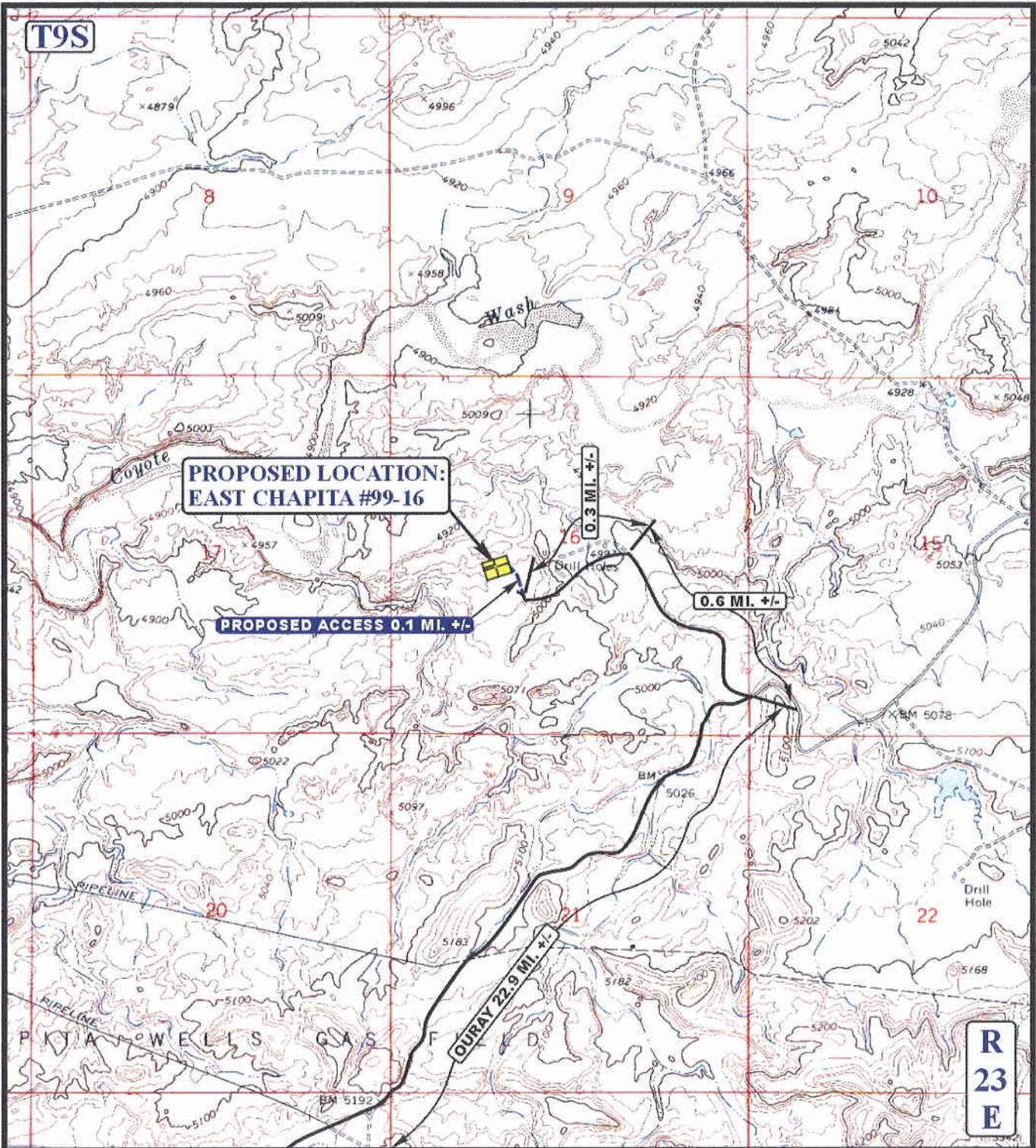
**TOPOGRAPHIC  
MAP**

**11 07 08**  
MONTH DAY YEAR



SCALE: 1:100,000   DRAWN BY: J.H.   REVISED: 00-00-00

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**LEGEND:**

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD



**EOG RESOURCES, INC.**

**EAST CHAPITA #99-16**  
**SECTION 16, T9S, R23E, S.L.B.&M.**  
**2453' FSL 1550' FWL**



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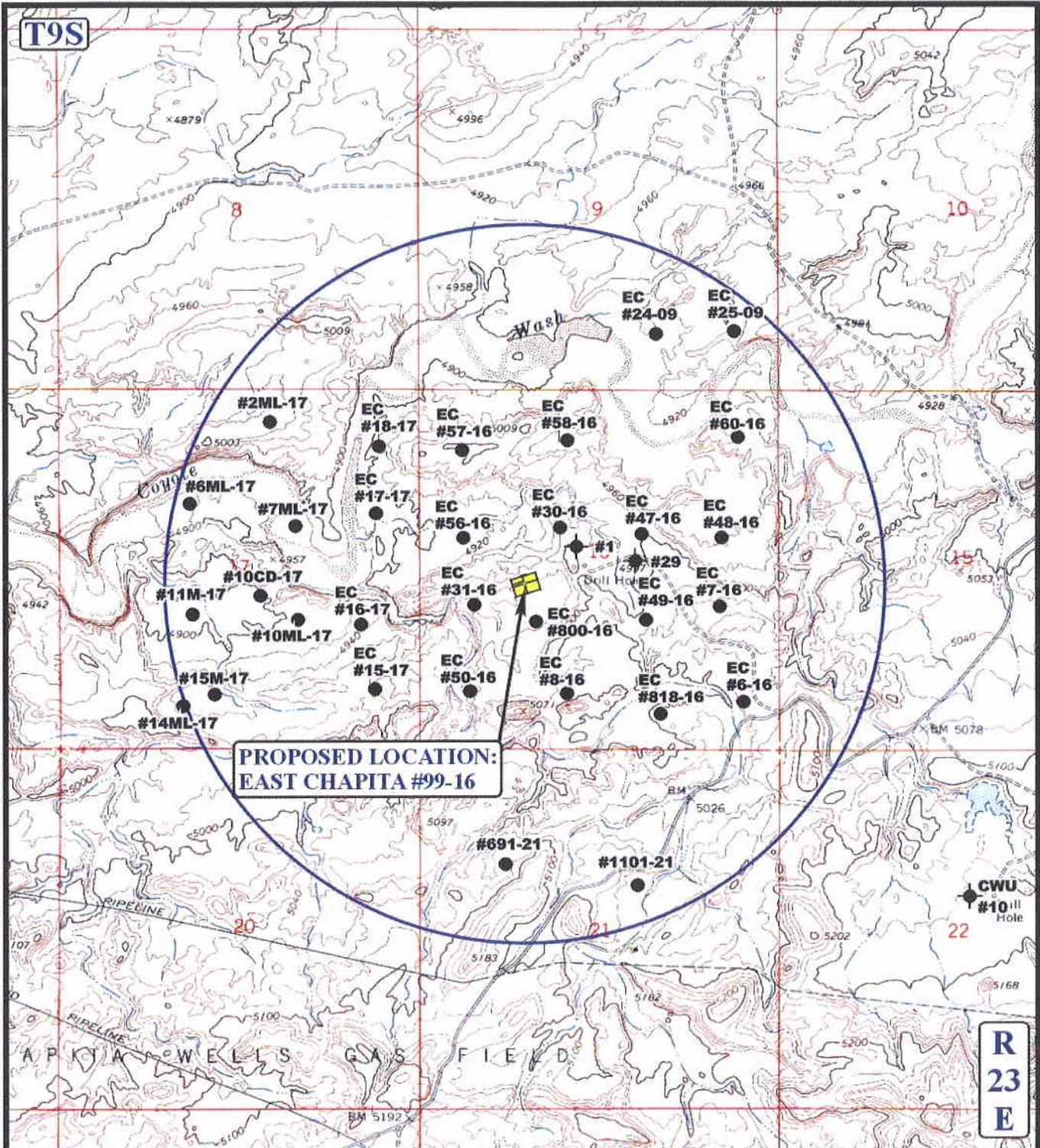
**TOPOGRAPHIC**  
**MAP**

**11 07 08**  
 MONTH DAY YEAR

**B**  
**TOPO**

SCALE: 1" = 2000' DRAWN BY: J.H. REVISED: 00-00-00

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**PROPOSED LOCATION:  
EAST CHAPITA #99-16**

**LEGEND:**

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



**EOG RESOURCES, INC.**

**EAST CHAPITA #99-16  
SECTION 16, T9S, R23E, S.L.B.&M.  
2453' FSL 1550' FWL**



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

**TOPOGRAPHIC  
MAP**

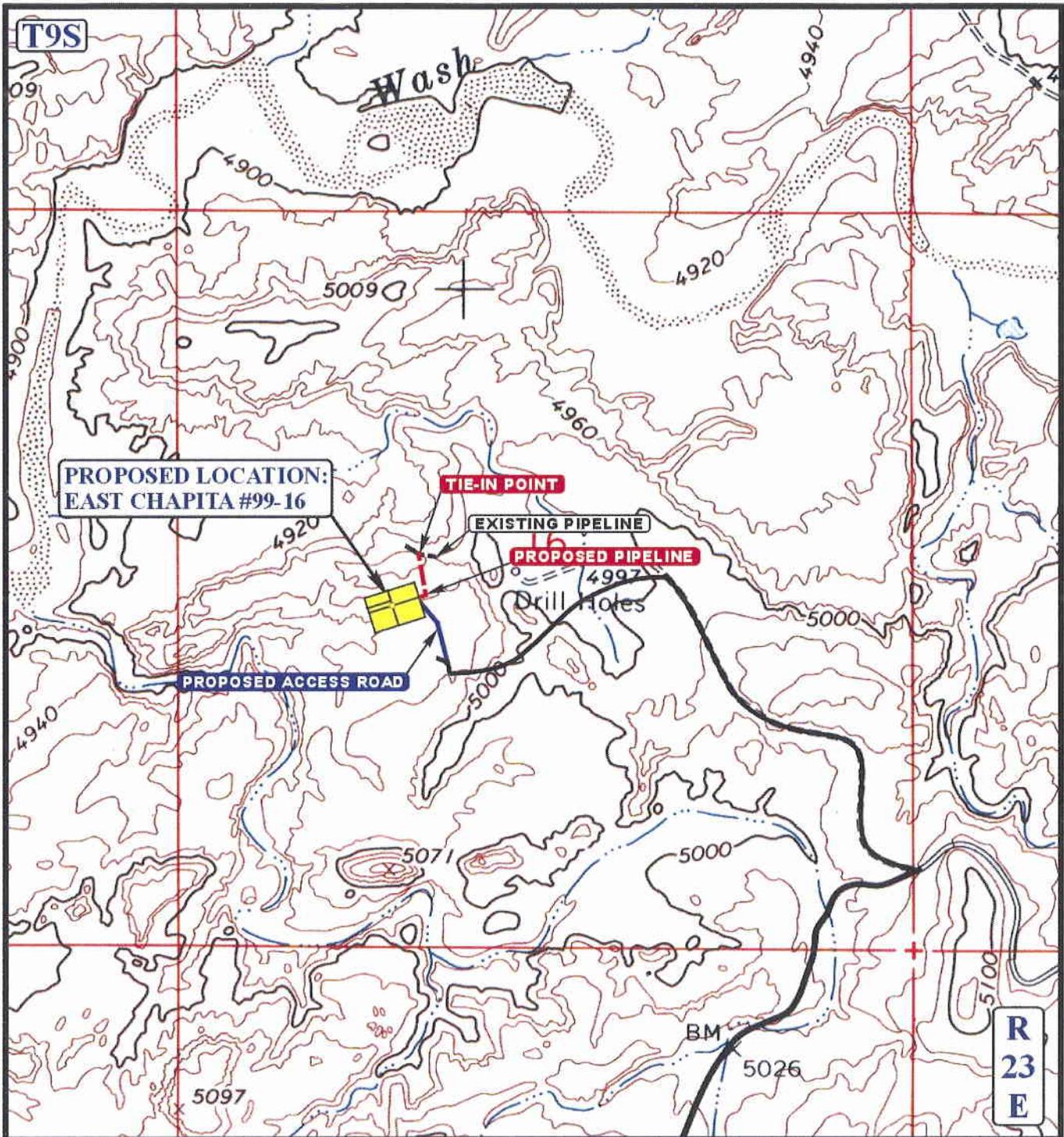
**11 07 08**  
MONTH DAY YEAR



SCALE: 1" = 2000' DRAWN BY: J.H. REVISED: 00-00-00

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DIV. OF OIL, GAS & MINING



**APPROXIMATE TOTAL PIPELINE DISTANCE = 348' +/-**

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- - - - - PROPOSED PIPELINE



**EOG RESOURCES, INC.**

**EAST CHAPITA #99-16  
SECTION 16, T9S, R23E, S.L.B.&M.  
2453' FSL 1550' FWL**

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

**TOPOGRAPHIC MAP** **11 07 08**  
MONTH DAY YEAR **D**  
SCALE: 1" = 1000' DRAWN BY: J.H. REVISED: 00-00-00 **TOPO**

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**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 12/29/2008

API NO. ASSIGNED: 43-047-40466

WELL NAME: E CHAPITA 99-16  
 OPERATOR: EOG RESOURCES, INC. ( N9550 )  
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-789-0790

PROPOSED LOCATION:  
 NESW 16 090S 230E  
 SURFACE: 2453 FSL 1550 FWL  
 BOTTOM: 2453 FSL 1550 FWL  
 COUNTY: UINTAH  
 LATITUDE: 40.03549 LONGITUDE: -109.3351  
 UTM SURF EASTINGS: 642053 NORTHINGS: 4432813  
 FIELD NAME: NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DVG	2/2/09
Geology		
Surface		

LEASE TYPE: 3 - State  
 LEASE NUMBER: ML-47045  
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: PRRV  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

Plat  
 Bond: Fed[] Ind[] Sta[] Fee[]  
 (No. 6196017 )

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: \_\_\_\_\_

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

\_\_\_\_ R649-3-3. Exception

Drilling Unit  
 Board Cause No: 179-15  
 Eff Date: 7-17-08  
 Siting: 460' fr cont-lease boundary

\_\_\_\_ R649-3-11. Directional Drill

COMMENTS: Needs Permit (01-06-09)

STIPULATIONS: 1- STATEMENT OF BASIS  
2- Surface Cas Cont Stip  
3- Step # 3 (4 1/2" production, 2100' MD)

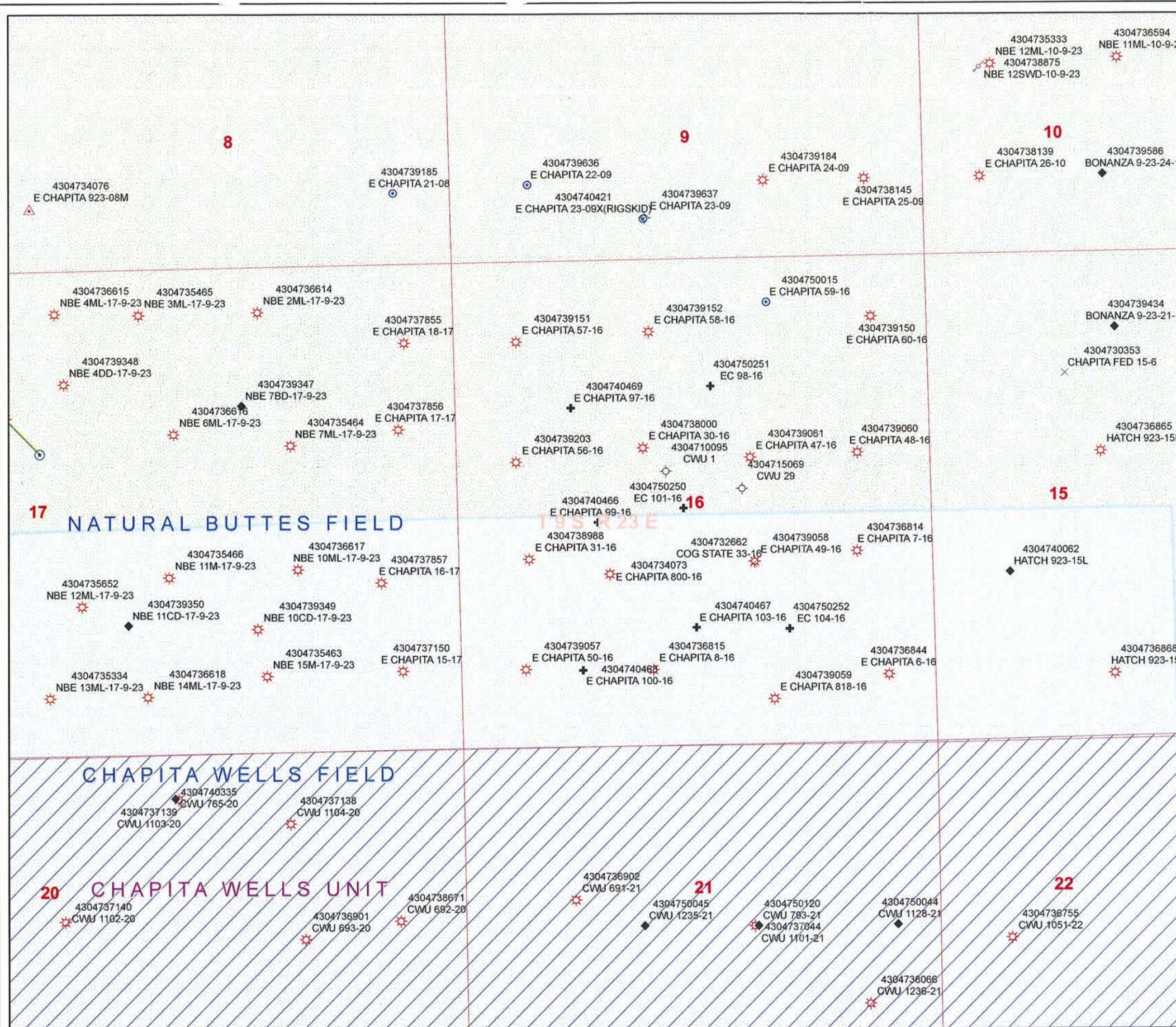
**API Number: 4304740466**  
**Well Name: E CHAPITA 99-16**  
**Township 09.0 S Range 23.0 E Section 16**  
**Meridian: SLBM**  
 Operator: EOG RESOURCES, INC.

Map Prepared:  
 Map Produced by Diana Mason

Units	Wells Query Events
STATUS	<all other values>
ACTIVE	GIS_STAT_TYPE
EXPLORATORY	<Null>
GAS STORAGE	APD
NF PP OIL	DRL
NF SECONDARY	GI
PI OIL	GS
PP GAS	LA
PP GEOTHERM	NEW
PP OIL	OPS
SECONDARY	PA
TERMINATED	PGW
Fields	POW
STATUS	RET
ACTIVE	SGW
COMBINED	SOW
Sections	TA
Township	TW
	WD
	WI
	WS



1:13,661



# Application for Permit to Drill

## Statement of Basis

1/13/2009

Utah Division of Oil, Gas and Mining

Page 1

<b>APD No</b>	<b>API WellNo</b>	<b>Status</b>	<b>Well Type</b>	<b>Surf Ownr</b>	<b>CBM</b>
1246	43-047-40466-00-00		GW	S	No
<b>Operator</b>	EOG RESOURCES, INC.		<b>Surface Owner-APD</b>		
<b>Well Name</b>	E CHAPITA 99-16	<b>Unit</b>			
<b>Field</b>	NATURAL BUTTES	<b>Type of Work</b>			
<b>Location</b>	NESW 16 9S 23E S 2453 FSL 1550 FWL GPS Coord (UTM) 642053E 4432813N				

### Geologic Statement of Basis

EOG proposes to set 60 feet of conductor and 2,300 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at approximately 1,000 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The proposed surface casing should adequately protect any near surface aquifers.

Brad Hill  
APD Evaluator

1/13/2009  
Date / Time

### Surface Statement of Basis

The general area is within the Coyote Wash Drainage of Uintah County Utah. This major drainage begins near the Utah-Colorado border on the east and joins the White River approximately 6 miles to the southwest. The drainage consists of several significant side drainages and is dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. The topography is characterized by rolling hills, frequently divided by gentle to deep draws, which flow into Coyote Wash. The draws are often rimmed with steep side hills with exposed sand stone bedrock cliffs. Vernal Utah is approximately 35 air miles and 55 road miles to the northwest. The area is accessed by Utah State, Uintah County and oilfield development Roads. Approximately 0.1 miles of new road will be constructed to reach the location.

The proposed EC 99-16 gas well location begins with the north side against the side of a rocky ridge which runs in a east to west direction. Cut from this side-slope will be moved south into a flat or gentle area to form the pad. Fill at Corners 1 and 2 is 14 and 17 feet. Two short drainages exist on north side near the reserve pit topsoil storage area. Following closure of the pit a diversion ditch may be needed around the top and east end of the pad. A diversion is also needed as shown around corner 2 on the southwest corner of the pad.

The pad as proposed should be stable, however if the location were moved in a southerly direction approximately 50 feet, less cutting and filling would be required. Twenty acre spacing is currently approved in this section. EOG is positioning their new wells within this 20-acre spacing anticipating that later a more dense spacing may be approved. Additional wells would then be directionally drilled from the pad to other target points.

Both the surface and minerals for this location are owned by SITLA. Mr. Jim Davis of SITLA was invited to the pre-site visit but did not attend.

Mr. Pat Rainbolt and Mr. Ben Williams of the Utah Division of Wildlife Resources attended the evaluation. Mr. Rainbolt stated the area is classified as crucial yearlong habitat for antelope. He however recommended no stipulations for this species as the loss of forage from this location is not significant and water not forage is the factor limiting the herd population in the area. No other wildlife is expected to be affected. He gave Byron Tolman, representing EOG Resources, a copy of his evaluation and a DWR recommended seed mix to use when re-vegetating the area.

---

**Application for Permit to Drill**  
**Statement of Basis**  
**Utah Division of Oil, Gas and Mining**

---

1/13/2009

Page 2

Floyd Bartlett  
Onsite Evaluator

1/6/2009  
Date / Time

**Conditions of Approval / Application for Permit to Drill**

<b>Category</b>	<b>Condition</b>
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	Drainages adjacent to the proposed pad shall be diverted around the location.
Surface	The reserve pit shall be fenced upon completion of drilling operations.

# ON-SITE PREDRILL EVALUATION

## Utah Division of Oil, Gas and Mining

**Operator** EOG RESOURCES, INC.  
**Well Name** E CHAPITA 99-16  
**API Number** 43-047-40466-0      **APD No** 1246      **Field/Unit** NATURAL BUTTES  
**Location:** 1/4,1/4 NESW      **Sec** 16      **Tw** 9S      **Rng** 23E      2453 FSL 1550 FWL  
**GPS Coord (UTM)** 642047      4432815      **Surface Owner**

### Participants

Floyd Bartlett (DOGM), Byron Tolman (Agent for EOG Resources), Ben Williams and Pat Rainbolt (Utah Division of Wildlife Resources).

### Regional/Local Setting & Topography

The general area is within the Coyote Wash Drainage of Uintah County Utah. This major drainage begins near the Utah-Colorado border on the east and joins the White River approximately 6 miles to the southwest. The drainage consists of several significant side drainages and is dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. The topography is characterized by rolling hills, frequently divided by gentle to deep draws, which flow into Coyote Wash. The draws are often rimmed with steep side hills with exposed sand stone bedrock cliffs. Vernal, Utah is approximately 35 air miles and 55 road miles to the northwest. The area is accessed by Utah State, Uintah County and oilfield development Roads. Approximately 0.1 miles of new road will be constructed to reach the location.

The proposed EC 99-16 gas well location begins with the north side against the side of a rocky ridge which runs in a east to west direction. Cut from this side-slope will be moved south into a flat or gentle area to form the pad. Fill at Corners 1 and 2 is 14 and 17 feet. Two short drainages exist on north side near the reserve pit topsoil storage area. Following closure of the pit a diversion ditch may be needed around the top and east end of the pad. A diversion is also needed as shown around corner 2 on the southwest corner of the pad.

The pad as proposed should be stable, however if the location were moved in a southerly direction approximately 50 feet, less cutting and filling would be required. Twenty acre spacing is currently approved in this section. EOG is positioning their new wells within this 20-acre spacing anticipating that later a more dense spacing may be approved. Additional wells would then be directionally drilled from the pad to other target points.

Both the surface and minerals for this location are owned by SITLA. Mr. Jim Davis of SITLA was invited to the pre-site visit but did not attend.

### Surface Use Plan

#### **Current Surface Use**

Grazing  
Recreational  
Wildlfe Habitat

#### **New Road**

<b>Miles</b>	<b>Well Pad</b>	<b>Src Const</b>	<b>Material</b>	<b>Surface</b>	<b>Formation</b>
0.1	<b>Width</b> 276	<b>Length</b> 375	Onsite	UNTA	

**Ancillary Facilities** N

### Waste Management Plan Adequate?

**Environmental Parameters**

**Affected Floodplains and/or Wetland** N

**Flora / Fauna**

Approximately 7 inches of snow covered the area. Vegetation cover is poor. Identified vegetation on the site included broom snakeweed, cheatgrass, black sage, shadscale, halogeton, Indian ricegrass, curly mesquite, needle and thread grass, Gardner saltbrush, and spring annuals.

Antelope, coyote, small mammals and birds. Winter domestic sheep grazing

**Soil Type and Characteristics**

Surface soils are a shallow rocky sandy loam.

**Erosion Issues** Y

**Sedimentation Issues** N

**Site Stability Issues** N

**Drainage Diversion Required** Y

**Berm Required?** N

**Erosion Sedimentation Control Required?** Y

Two short drainages exist on north side near the reserve pit topsoil storage area. Following closure of the pit a diversion ditch may be needed around the top and east end of the pad.

**Paleo Survey Run?**      **Paleo Potential Observed?**      **Cultural Survey Run?** Y      **Cultural Resources?**

**Reserve Pit**

**Site-Specific Factors**

**Site Ranking**

<b>Distance to Groundwater (feet)</b>	100 to 200	5
<b>Distance to Surface Water (feet)</b>	>1000	0
<b>Dist. Nearest Municipal Well (ft)</b>	>5280	0
<b>Distance to Other Wells (feet)</b>	<300	20
<b>Native Soil Type</b>	Mod permeability	10
<b>Fluid Type</b>	Fresh Water	5
<b>Drill Cuttings</b>	Normal Rock	0
<b>Annual Precipitation (inches)</b>	<10	0
<b>Affected Populations</b>	<10	0
<b>Presence Nearby Utility Conduits</b>	Not Present	0

**Final Score**      40      1      **Sensitivity Level**

**Characteristics / Requirements**

The reserve pit is proposed on the northwest portion of the location within an area of cut. Dimensions are 75' x 175' x 12' deep. A 15'-20' wide bench will be provided around the exterior sides. A liner is required. EOG customarily uses a 16-mil liner with an appropriate thickness of sub-felt to cushion the liner.

**Closed Loop Mud Required?** N      **Liner Required?** Y      **Liner Thickness** 16      **Pit Underlayment Required?** Y

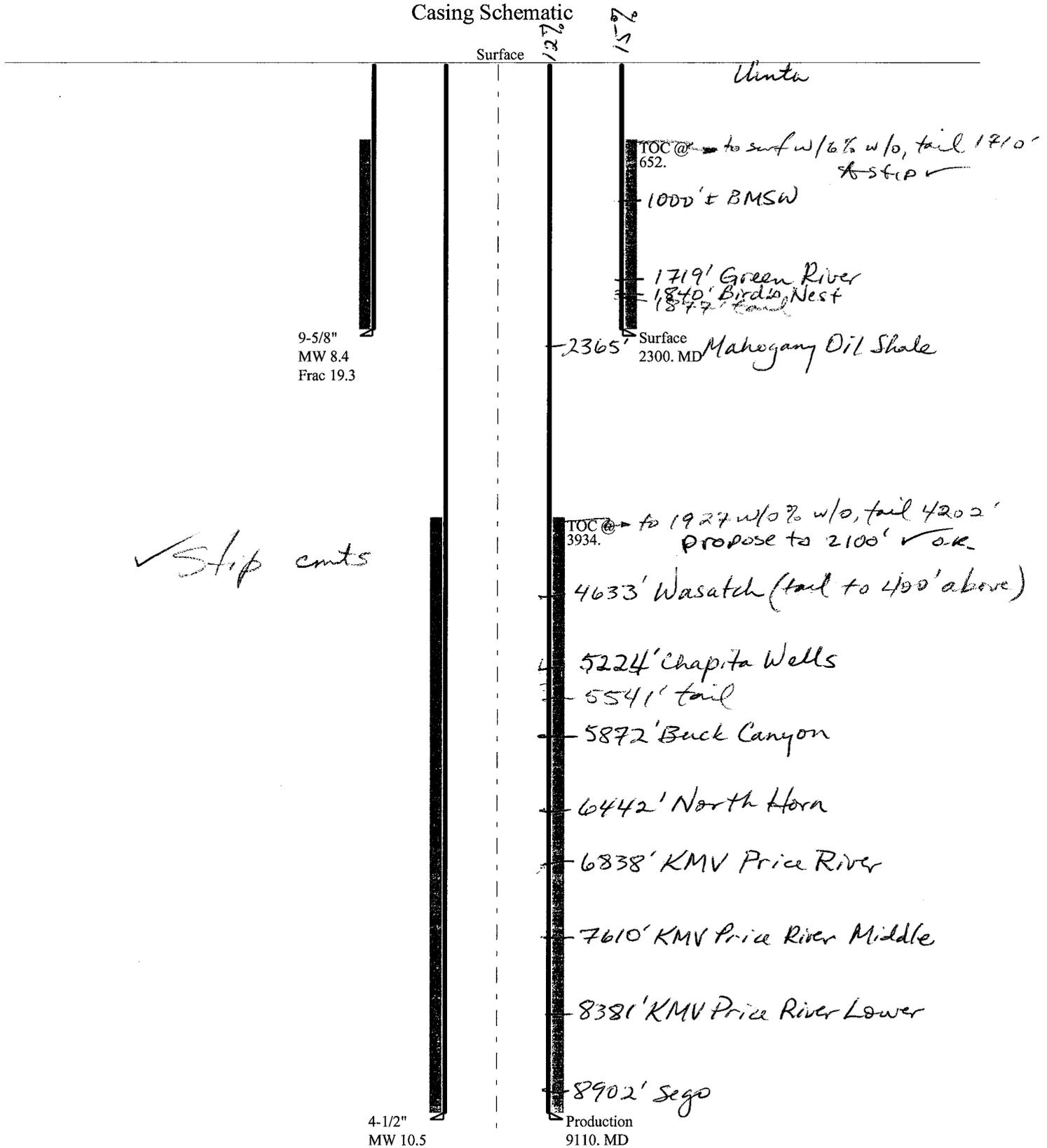
**Other Observations / Comments**

Floyd Bartlett  
Evaluator

1/6/2009  
Date / Time

43047404660000 EOG E Chapita 99-16

Casing Schematic



Well name:	<b>43047404660000 EOG E Chapita 99-16</b>	
Operator:	<b>EOG Resources, Inc.</b>	
String type:	Surface	Project ID: 43-047-40466-0000
Location:	Uintah County	

**Design parameters:**

**Collapse**  
Mud weight: 8.400 ppg  
Design is based on evacuated pipe.

**Minimum design factors:**

**Collapse:**  
Design factor 1.125

**Burst:**  
Design factor 1.00

**Environment:**

H2S considered? No  
Surface temperature: 65 °F  
Bottom hole temperature: 97 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 185 ft  
Cement top: 652 ft

**Burst**

Max anticipated surface pressure: 2,024 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP 2,300 psi

No backup mud specified.

**Tension:**  
8 Round STC: 1.80 (J)  
8 Round LTC: 1.80 (J)  
Buttress: 1.60 (J)  
Premium: 1.50 (J)  
Body yield: 1.50 (B)

Tension is based on air weight.  
Neutral point: 2,014 ft

**Non-directional string.**

**Re subsequent strings:**

Next setting depth: 9,110 ft  
Next mud weight: 10.500 ppg  
Next setting BHP: 4,969 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 2,300 ft  
Injection pressure: 2,300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2300	9.625	36.00	J-55	ST&C	2300	2300	8.796	998.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1004	2020	2.013	2300	3520	1.53	83	394	4.76 J

Prepared by: Helen Sadik-Macdonald  
Div of Oil, Gas & Mining

Phone: 810-538-5357

Date: January 27, 2009  
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE  
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
Collapse is based on a vertical depth of 2300 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes.  
Burst strength is not adjusted for tension.

Well name:	<b>43047404660000 EOG E Chapita 99-16</b>		
Operator:	<b>EOG Resources, Inc.</b>		
String type:	Production	Project ID:	43-047-40466-0000
Location:	Uintah County		

**Design parameters:**

**Collapse**

Mud weight: 10.500 ppg  
 Design is based on evacuated pipe.

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
 Surface temperature: 65 °F  
 Bottom hole temperature: 193 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 368 ft

Cement top: 3,934 ft

**Burst**

Max anticipated surface pressure: 2,965 psi  
 Internal gradient: 0.220 psi/ft  
 Calculated BHP 4,969 psi

No backup mud specified.

**Tension:**

8 Round STC: 1.80 (J)  
 8 Round LTC: 1.80 (J)  
 Buttress: 1.60 (J)  
 Premium: 1.50 (J)  
 Body yield: 1.50 (B)

**Non-directional string.**

Tension is based on air weight.  
 Neutral point: 7,680 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	9110	4.5	11.60	N-80	LT&C	9110	9110	3.875	795
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	4969	6350	1.278	4969	7780	1.57	106	223	2.11 J

Prepared by: Helen Sadik-Macdonald  
 Div of Oil, Gas & Mining

Phone: 810-538-5357

Date: January 27, 2009  
 Salt Lake City, Utah

**ENGINEERING STIPULATIONS: NONE**

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 9110 ft, a mud weight of 10.5 ppg. The casing is considered to be evacuated for collapse purposes.

Burst strength is not adjusted for tension.

*Engineering responsibility for use of this design will be that of the purchaser.*

**BOPE REVIEW**

**EOG East Chapita 99-16 API 43-047-40466-0000**

**INPUT**

Well Name

EOG East Chapita 99-16	API 43-047-40466-0000
String 1	String 2
9 5/8	4 1/2
2300	9110
60	2300
8.4	10.5 ✓
500	5000
3520	7780
4975	10.5 ppg ✓

Casing Size (")

Setting Depth (TVD)

Previous Shoe Setting Depth (TVD)

Max Mud Weight (ppg)

BOPE Proposed (psi)

Casing Internal Yield (psi)

Operators Max Anticipated Pressure (psi)

**Calculations**

**String 1 9 5/8 "**

<b>Max BHP [psi]</b>	$.052 * \text{Setting Depth} * \text{MW} =$	1005	
<b>MASP (Gas) [psi]</b>	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$	729	NO <i>O.K.</i> Air Drill
<b>MASP (Gas/Mud) [psi]</b>	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$	499	YES
<b>Pressure At Previous Shoe</b>	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	512	<del>NO</del> <i>reasonable depth in grey</i>
<b>Required Casing/BOPE Test Pressure</b>		2300 psi	
<b>*Max Pressure Allowed @ Previous Casing Shoe =</b>		60 psi	*Assumes 1psi/ft frac gradient

**Calculations**

**String 2 4 1/2 "**

<b>Max BHP [psi]</b>	$.052 * \text{Setting Depth} * \text{MW} =$	4974	
<b>MASP (Gas) [psi]</b>	$\text{Max BHP} - (0.12 * \text{Setting Depth}) =$	3881	YES
<b>MASP (Gas/Mud) [psi]</b>	$\text{Max BHP} - (0.22 * \text{Setting Depth}) =$	2970	YES ✓
<b>Pressure At Previous Shoe</b>	$\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$	3476	<del>NO</del> <i>reasonable</i>
<b>Required Casing/BOPE Test Pressure</b>		5000 psi	
<b>*Max Pressure Allowed @ Previous Casing Shoe =</b>		2300 psi	*Assumes 1psi/ft frac gradient



GARY R. HERBERT  
Governor

GREG BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

February 4, 2010

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

Subject: East Chapita 99-16 Well, 2453' FSL, 1550' FWL, NE SW, Sec. 16, T. 9 South, R. 23  
East, Uintah County, Utah

Ladies and 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 43-047-40466.

Sincerely,

Gil Hunt  
Associate Director

GLH/js  
Enclosures

cc: Uintah County Assessor  
SITLA

**Operator:** \_\_\_\_\_ EOG Resources, Inc.  
**Well Name & Number** \_\_\_\_\_ East Chapita 99-16  
**API Number:** \_\_\_\_\_ 43-047-40466  
**Lease:** \_\_\_\_\_ ML-47045

**Location:** NE SW Sec. 16 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

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well – contact Carol Daniels  
OR  
Submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <https://oilgas.ogm.utah.gov>
- 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- Within 24 hours of making any emergency changes made to the approved drilling program – contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well – contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan – contact Dustin Doucet
- Significant plug back of the well – contact Dustin Doucet
- Plug and abandonment of the well – contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Carol Daniels (801) 538-5284 office
- Dustin Doucet (801) 538-5281 office  
(801) 733-0983 after office hours
- Dan Jarvis at: (801) 538-5338 office  
(801) 942-0871 after office hours

3. **Reporting Requirements:**

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5<sup>th</sup> day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) - due within 30 days after completion
- Well Completion Report (Form 8) - due within 30 days after completion or plugging

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
6. Surface casing shall be cemented to the surface.
7. Cement volume for the 4 ½” production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to 2100' MD as indicated in the submitted drilling plan.

<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> ML-47045
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<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>
--	--

<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> E CHAPITA 99-16
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<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047404660000
--	---

<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
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<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 2453 FSL 1550 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NESW Section: 16 Township: 09.0S Range: 23.0E Meridian: S	<b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH
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11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 3/17/2010  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> ACIDIZE <input checked="" type="checkbox"/> <b>CHANGE TO PREVIOUS PLANS</b> <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 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:

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

EOG Resources, Inc. respectfully requests authorization to change the Drilling Plan as per the attached. Float Equipment: Item 5 Logs: Item 8 Please see the attached revised Drilling Plan reflecting the purposed changes.

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

Date: March 22, 2010

By: *Derek [Signature]*

<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 3/17/2010	

**EIGHT POINT PLAN**

**EAST CHAPITA 99-16**

**NE/SW, SEC. 16, 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	1,719		Shale	
Birdsnest Zone	1,840		Dolomite	
Mahogany Oil Bed Shale	2,365		Shale	
Wasatch	4,633	Primary	Sandstone	Gas
Chapita Wells	5,224	Primary	Sandstone	Gas
Buck Canyon	5,872	Primary	Sandstone	Gas
North Horn	6,442	Primary	Sandstone	Gas
KMV Price River	6,838	Primary	Sandstone	Gas
KMV Price River Middle	7,610	Primary	Sandstone	Gas
KMV Price River Lower	8,381	Primary	Sandstone	Gas
Sego	8,902		Sandstone	
<b>TD</b>	<b>9,110</b>			

Estimated TD: **9,110' or 200'± below TD**

**Anticipated BHP: 4,975 Psig**

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

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

**4. CASING PROGRAM:**

<b>CASING</b>	<b>Hole Size</b>	<b>Length</b>	<b>Size</b>	<b>WEIGHT</b>	<b>Grade</b>	<b>Thread</b>	<b>Rating Collapse</b>	<b>Factor Burst</b>	<b>Tensile</b>
Conductor	26"	0 – 60'	16"	62.6					
Surface	12 1/4"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

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

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

**EIGHT POINT PLAN**

**EAST CHAPITA 99-16**

**NE/SW, SEC. 16, 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. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, **and every 3rd joint to 400' above the top of primary object.** Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

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

Air/air mist or aerated water.

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

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

**7. VARIANCE REQUESTS:**

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

- 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).

**EIGHT POINT PLAN**

**EAST CHAPITA 99-16**

**NE/SW, SEC. 16, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

- 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:  
**CBL/CCL/VDL/GR**

**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.

**EIGHT POINT PLAN**

**EAST CHAPITA 99-16**

**NE/SW, SEC. 16, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

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

**Lead:**       **129 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:**       **875 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

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

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

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

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

**11. STANDARD REQUIRED EQUIPMENT:**

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

**12. HAZARDOUS CHEMICALS:**

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

**EIGHT POINT PLAN**

**EAST CHAPITA 99-16**

**NE/SW, SEC. 16, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

26

**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.

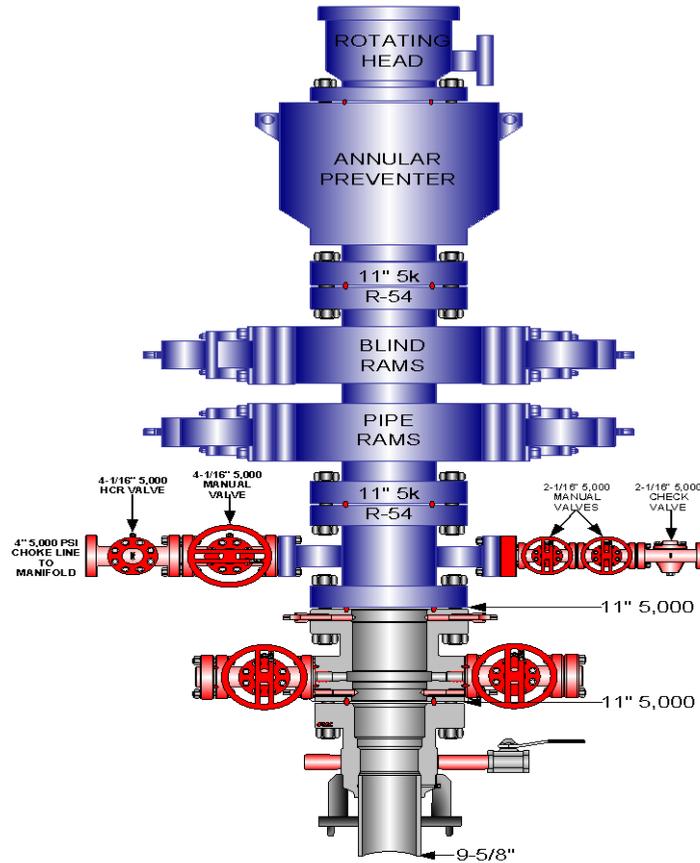
**(Attachment: BOP Schematic Diagram)**

**EIGHT POINT PLAN**

**EAST CHAPITA 99-16**

**NE/SW, SEC. 16, T9S, R23E, S.L.B.&M..  
UINTAH COUNTY, UTAH**

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



# DIVISION OF OIL, GAS AND MINING

## SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: E CHAPITA 99-16

Api No: 43-047-40466 Lease Type: STATE

Section 16 Township 09S Range 23E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # BUCKET

### SPUDDED:

Date 03/29/2010

Time 7:00 AM

How DRY

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

Reported by WAYNE GARNER

Telephone # (801) 598-5087

Date 03/29/2010 Signed CHD

<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> ML-47045
<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>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> E CHAPITA 99-16
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047404660000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 2453 FSL 1550 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NESW Section: 16 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 checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 3/29/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input checked="" type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

EOG Resources, Inc. respectfully requests authorization for the disposal of produced water at the following locations: 1. NBU 20-20B SWD 2. CWU 550-30N SWD 3. CWU 2-29 SWD 4. Red Wash Evaporation Ponds 1,2,3,4,5,6&7 5. White River Evaporation Ponds 1&2 6. RNI Disposal 7. Hoss SWD Wells ROW# UTU86010 & UTU897093

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

**Date:** April 20, 2010

**By:**

<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 4/8/2010	

<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> ML-47045
---	---

<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>
--	--

<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> E CHAPITA 99-16
------------------------------------	--

<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047404660000
--	---

<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
--	--	--

<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2453 FSL 1550 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NESW Section: 16 Township: 09.0S Range: 23.0E Meridian: S	<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"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> <b>DRILLING REPORT</b> Report Date: 3/29/2010	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER:

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

No activity has occurred since spud on 3/29/2010.

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 April 12, 2010

<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 4/8/2010	

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

FORM 6

**ENTITY ACTION FORM**

Operator: EOG Resources, Inc. Operator Account Number: N 9550  
 Address: 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
43-047-50251	EAST CHAPITA 98-16		SWNE	16	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	17574	3/15/2010			4/28/10	
Comments: <u>WASATCH/MESAVERDE</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-40466	EAST CHAPITA 99-16		NESW	16	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	17575	3/29/2010			4/28/10	
Comments: <u>WASATCH/MESAVERDE</u> <u>PRRV = MVRD = WSMVD</u>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-50552	EAST CHAPITA 105-16		NESW	16	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	17576	4/7/2010			4/28/10	
Comments: <u>WASATCH/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 Gates

Name (Please Print)

Mickenzie Gates

Signature

Operations Clerk

Title

4/8/2010  
Date

**RECEIVED**

**APR 08 2010**

DIV. OF OIL, GAS & MINING

P&A

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

AMENDED REPORT  FORM 8  
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_  
b. TYPE OF WORK: NEW WELL  HORIZ. LATS.  DEEP-EN  RE-ENTRY  DIFF. RESVR.  OTHER \_\_\_\_\_

2. NAME OF OPERATOR: EOG Resources, Inc.

3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 824-5526

4. LOCATION OF WELL (FOOTAGES)  
AT SURFACE: 2453' FSL & 1550' FWL  
AT TOP PRODUCING INTERVAL REPORTED BELOW: Same  
AT TOTAL DEPTH: Same

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME

8. WELL NAME and NUMBER: East Chapita 99-16

9. API NUMBER: 43-047-40466

10. FIELD AND POOL, OR WILDCAT: Natural Buttes

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 16 9S 23E S

12. COUNTY: Uintah 13. STATE: UTAH

14. DATE SPUDDED: 3/29/2010 15. DATE T.D. REACHED: 3/29/2010 16. DATE COMPLETED: 4/8/10 per paper ABANDONED  READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL): 4956' GRADED GL

18. TOTAL DEPTH: MD 1,550 TVD

19. PLUG BACK T.D.: MD TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? \*

21. DEPTH BRIDGE MD PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)  
None

23. WAS WELL CORED? NO  YES  (Submit analysis)  
WAS DST RUN? NO  YES  (Submit report)  
DIRECTIONAL SURVEY? NO  YES  (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A)				
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL

29. ENCLOSED ATTACHMENTS:  
 ELECTRICAL/MECHANICAL LOGS  GEOLOGIC REPORT  DST REPORT  DIRECTIONAL SURVEY  
 SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION  CORE ANALYSIS  OTHER: \_\_\_\_\_

30. WELL STATUS: P&A

RECEIVED  
APR 12 2010

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

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

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)

35. ADDITIONAL REMARKS (Include plugging procedure)

The referenced well was plugged and abandoned as per the attached procedure.

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

NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory Assistant  
 SIGNATURE *Mary A. Maestas* DATE 4/8/2010

This report must be submitted within 30 days of

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

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

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

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

Phone: 801-538-5340

Fax: 801-359-3940

## PLUG & ABANDON PROGRAM

ECW 99-16  
2453' FSL & 1550' FWL (NE/SW)  
Section 16, T9S, R23E  
Uintah County, Utah

April 5, 2010  
EOG WI: 100.00%  
NRI:  
API# 43-047-40466  
ML# 47045  
AFE# 306526

### Well DATA:

ELEVATION:	4,956' G/L	KB: 4,975' (19'RKB)
TOTAL DEPTH:	1,550' (Top of Fish 1518')	
CASING:	14" Conductor set @ 60'	
Hole Size:	12.25" open hole to 1,550'	

### PROCEDURE:

1. Trip in Hole w/drill pipe to 1,518'. Pump 250' cement plug (180 sx, 1.15 cu ft per sack) from 1,518' to 1,268', and covering 250' of 12.25" hole. Pull Drill pipe to 1,300' wait 8 hours.
2. Run in hole and tag cement, recording depth of cement top.
3. Run 1" pipe to 100'. Rig down and move out Craig's Rig #2. Circulate hole full of cement from 100' to surface.
4. Dig our cellar. Cut off conductor to 3' below ground level. Install marker plate as per BLM regulations. In Accordance with Well Site Restoration R 649-3-34

Note: Cement will be 15.8 ppg with yield of 1.15 cu/sx

PREPARED BY:

\_\_\_\_\_  
Kent Devenport, EOG Drilling Superintendent

<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> ML-47045
<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>
<b>1. TYPE OF WELL</b>	<b>8. WELL NAME and NUMBER:</b> E CHAPITA 99-16
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047404660000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 2453 FSL 1550 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NESW Section: 16 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"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion: 4/9/2010	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
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	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

EOG Resources, Inc. Plugged and Abandoned the referenced well as per the attached well chronology report An underground marker was installed 3 feet below ground level on 4/9/2010.

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 May 12, 2010

<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 5/10/2010	

# WELL CHRONOLOGY REPORT

Report Generated On: 05-07-2010

<b>Well Name</b>	ECW 099-16	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	UNASSIGNED	<b>API #</b>	43-047-40466	<b>Well Class</b>	DRIL
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>		<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,110/ 9,110	<b>Property #</b>	064402
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	4,970/ 4,957				
<b>Location</b>	SECTION 16, T9S, R23E, NESW, 2453 FSL & 1550 FWL				

<b>Event No</b>	1.0	<b>Description</b>	EAST CHAPITA 99-16 D&C		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	100.0	<b>NRI %</b>	81.0

<b>AFE No</b>	306716	<b>AFE Total</b>	2,072,400	<b>DHC / CWC</b>	920,800/ 1,151,600
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #34	<b>Start Date</b>	01-01-2009
<b>01-01-2009</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
			2453' FSL & 1550' FWL (NE/SW)
			SECTION 16, T9S, R21E
			UINTAH COUNTY, UTAH
			LAT 40.035436, LONG 109.335808 (NAD 83)
			LAT 40.035469, LONG 109.335128 (NAD 27)
			TRUE #34
			OBJECTIVE: 9110' TD, MESAVERDE
			DW/GAS
			EAST CHAPITA PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: ML-47045
			ELEVATION: 4956.6' NAT GL, 4956.4' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4956'), 4976' KB, (19')
			EOG WI 100%, NRI 81%

03-22-2010      **Reported By**      TERRY CSERE

**RECEIVED** May 10, 2010

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

**Activity at Report Time:** LOCATION BUILD

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION STARTED, 3/22/10.

**03-23-2010**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT. DRILLING (2) DRILLS.

**03-24-2010**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	DRILLING TWO (2) DRILLS. SHOOTING FRIDAY.

**03-25-2010**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	DRILLING TWO (2) DRILLS. SHOOTING FRIDAY.

**03-26-2010**      **Reported By**      TERRY CSERE

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

**Activity at Report Time:** BUILD LOCATION

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

**03-29-2010**      **Reported By**      TERRY CSERE



#6 RIH WITH NEW OVER SHOT AND CUT LIP GUIDE NO FISH WITH SAME OUT SIDE SCRAPE MARKINGS, NO INDACATION FISH WAS INSIDE OF OVER SHOT.

WE WILL SUBMIT FOR PLUG AND ABANDON WELL.

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<b>04-09-2010</b>	<b>Reported By</b>	BRINKERHOFF									
<b>DailyCosts: Drilling</b>	\$3,575	<b>Completion</b>	\$0	<b>Daily Total</b>	\$3,575						
<b>Cum Costs: Drilling</b>	\$85,075	<b>Completion</b>	\$0	<b>Well Total</b>	\$85,075						
<b>MD</b>	1,550	<b>TVD</b>	1,550	<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:** PLUGGED & ABANDON

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	4-8-2010 MIRU CRAIGS RIG #3 AND SCHLUMBERGER, RIH TO 1500' GL PUMP 25 BBLS FRESH WATER FOLLOWED BY 177 SXS (36 BBLS) 15.8 PPG CEMENT SLURRY. PUMP 1.25 BBLS FRESH WATER DISPLACEMENT. PULL UP TO 1140' GL. WOC.
			RIH TO 1390' GL, TAG HARD CEMENT, PUMP 118 SXS (24 BBLS) 15.8 PPG CEMENT SLURRY. PUMP 1 BBLS DISPLACEMENT, PULL UP 7 JTS TO 1200' GL. WOC.
			RIH TO 1290' GL TAG CEMENT (228' ABOVE TOP OF FISH). TOH. RDMO CRAIGS #3.
			RUN 100' OF 1" PIPE, CIRCULATE COMPETENT CEMENT TO SURFACE 186 SXS (38 BBLS) 15.8 PPG. CEMENT FELL BACK. WOC 2 HOURS.
			TOP OUT WITH 32 SXS (6 BBLS) CEMENT. HOLE STOOD FULL. RDMO SCHLUMBERGER.
			INSTALLED DRYHOLE MARKER 3-4' BELOW GROUND LEVEL.

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