

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU01304
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC.		7. If Unit or CA Agreement, Name and No.
Contact: KAYLENE R GARDNER E-Mail: kaylene_gardner@eogresources.com		8. Lease Name and Well No. EAST CHAPITA 87-03
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-9111	9. API Well No. 43047-40513
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SENW 1939FNL 1799FWL 40.06664 N Lat, 109.31620 W Lon At proposed prod. zone SENW 1939FNL 1799FWL 40.06664 N Lat, 109.31620 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 57.9 MILES SOUTH OF VERNAL		11. Sec., T., R., M., or Blk. and Survey or Area Sec 3 T9S R23E Mer SLB
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1799	16. No. of Acres in Lease 2451.00	12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1240	19. Proposed Depth 9360 MD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5010 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well
		20. BLM/BIA Bond No. on file NM 2308
		23. Estimated duration 45-DAYS

24. Attachments

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

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

25. Signature (Electronic Submission)	Name (Printed/Typed) KAYLENE R GARDNER Ph: 435-781-9111	Date 01/22/2009
Title REGULATORY ADMINISTRATOR		
Approved by (Signature)	Name (Printed/Typed) BRADLEY G. HILL	Date 01-24-09
Title	Office ENVIRONMENTAL MANAGER	

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

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

Additional Operator Remarks (see next page)

Electronic Submission #66575 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal

RECEIVED
JAN 28 2009

**Federal Approval of this
Action is Necessary**

DIV. OF OIL, GAS & MINING

643658X
4436306Y
40.066666
-109.315479

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

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

EOG RESOURCES, INC.

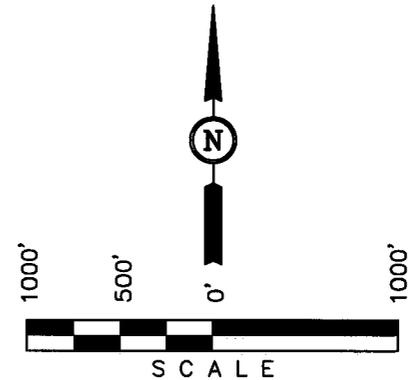
Well location, EAST CHAPITA #87-3, located as shown in the SE 1/4 NW 1/4 of Section 3, T9S, R23E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCHMARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UTAH 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

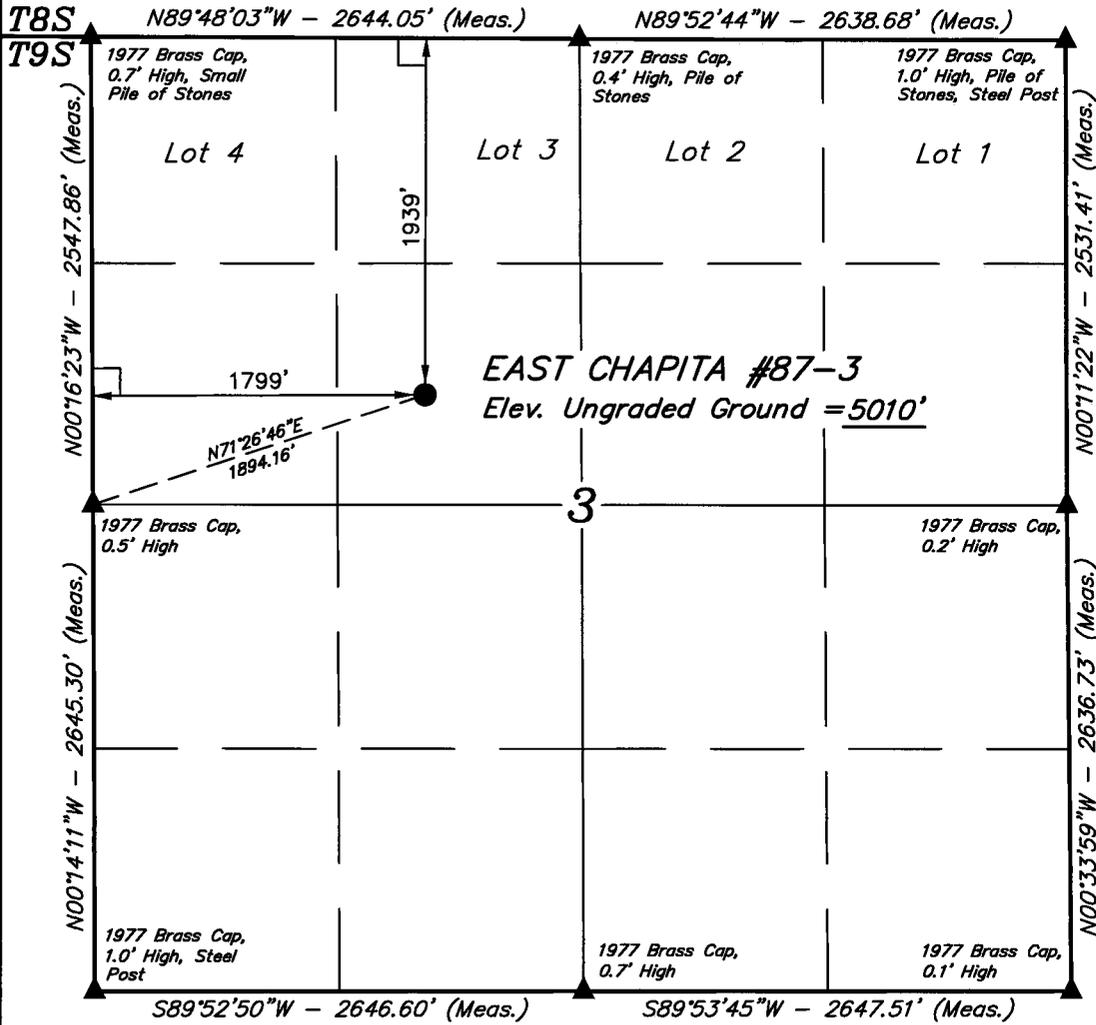
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE SURVEY 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 H. KAY
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH



LEGEND:

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

(NAD 83)
 LATITUDE = 40°03'59.92" (40.066644)
 LONGITUDE = 109°18'58.31" (109.316197)
 (NAD 27)
 LATITUDE = 40°04'00.04" (40.066678)
 LONGITUDE = 109°18'55.87" (109.315519)

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

SCALE 1" = 1000'	DATE SURVEYED: 08-29-08	DATE DRAWN: 09-11-08
PARTY T.M. M.H. C.C.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN

EAST CHAPITA 87-03
SE/NW, SEC. 3, 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	1,994		Shale	
Mahogany Oil Bed Shale	2,639		Shale	
Wasatch	4,861	Primary	Sandstone	Gas
Chapita Wells	5,452	Primary	Sandstone	Gas
Buck Canyon	6,113	Primary	Sandstone	Gas
North Horn	6,657	Primary	Sandstone	Gas
KMV Price River	7,108	Primary	Sandstone	Gas
KMV Price River Middle	7,811	Primary	Sandstone	Gas
KMV Price River Lower	8,607	Primary	Sandstone	Gas
Sego	9,154		Sandstone	
TD	9,386			

Estimated TD: 9,360' or 200'± below TD

Anticipated BHP: 5,110 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:

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

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

All casing will be new or inspected.

EIGHT POINT PLAN

EAST CHAPITA 87-03
SE/NW, SEC. 3, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2300'± - TD):

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

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

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

EIGHT POINT PLAN

EAST CHAPITA 87-03
SE/NW, SEC. 3, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

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

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

8. EVALUATION PROGRAM:

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

EIGHT POINT PLAN

EAST CHAPITA 87-03
SE/NW, SEC. 3, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

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

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

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

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

Production Hole Procedure (2300'± - TD)

Lead: 143 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 879 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

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

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

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

EIGHT POINT PLAN

EAST CHAPITA 87-03
SE/NW, SEC. 3, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

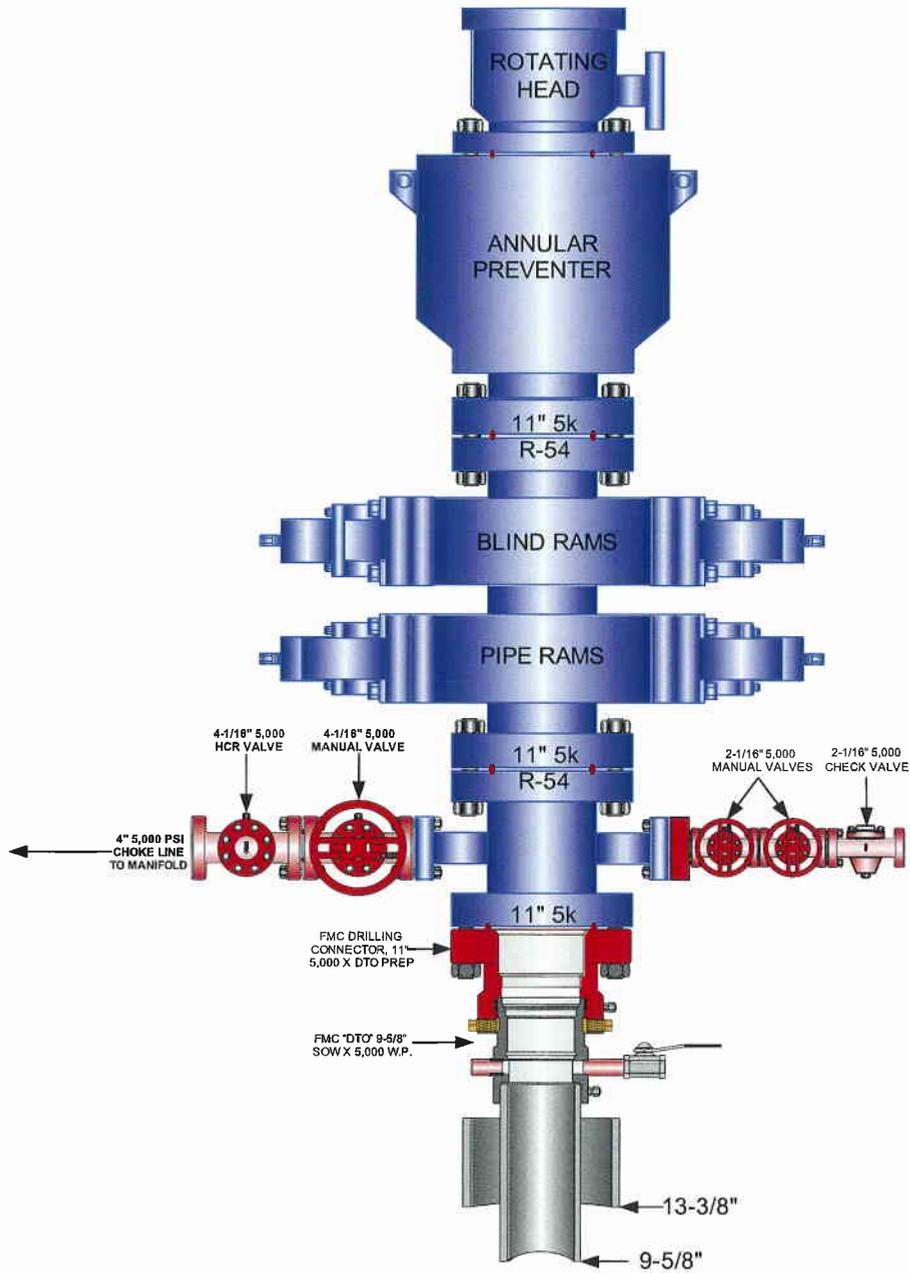
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold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

13. Air Drilling Operations:

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

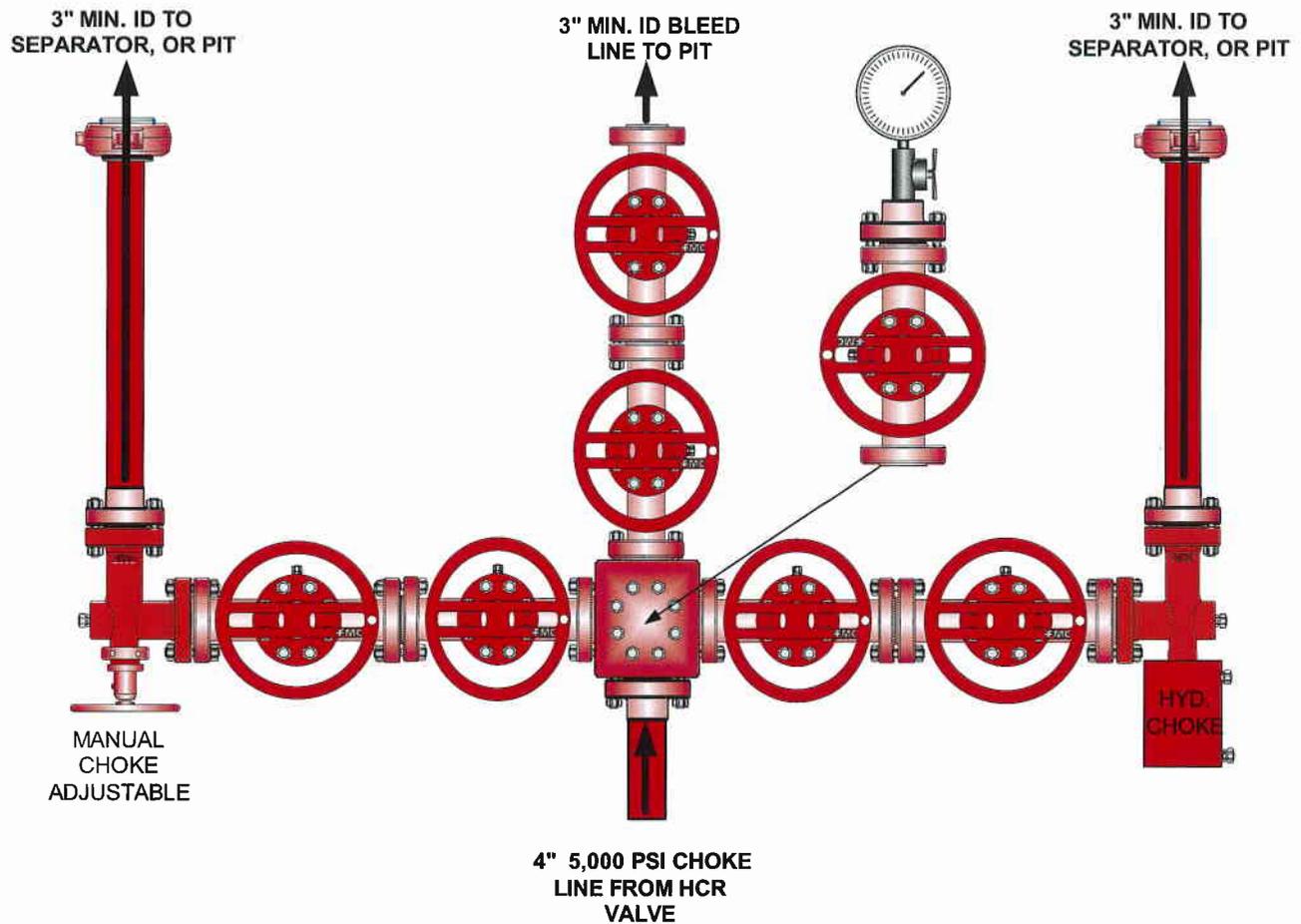
(Attachment: BOP Schematic Diagram)

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



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

PAGE 2 OF 2



Testing Procedure:

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



***East Chapita 87-03
SENW, Section 3, T9S, R23E
Uintah County, Utah***

SURFACE USE PLAN

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 245 feet long with a 30-foot right-of-way, disturbing approximately .17 acre. New surface disturbance associated with the well pad and access road is estimated to be 2.46 acres. The pipeline is approximately 46 feet long with a 40-foot temporary right-of-way and an 8-foot permanent right-of-way disturbing approximately 0.008 acre.

1. EXISTING ROADS:

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 50.9 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

- A. The access road will be approximately 245' in length; culverts 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.

- 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.

The entire length of the proposed access road is located within the Chapita Wells Unit and will not require a right-of-way.

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

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

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

A. On Well Pad

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and 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 46’ x 8’. The proposed pipeline leaves the eastern edge of the well pad (Lease UTU0285A) proceeding in a easterly direction for an approximate distance of 46’ to tying into an existing pipeline in the NENE of Section 26, T9S, R22E (Lease UTU0285A). Pipe will be 4” NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.

The existing pipeline north of the proposed well pad will be re-located to the north of the well pad for an approximate distance of 640’.

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 8-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. The proposed pipeline route begins in the NENE of Section 26, Township 9S, Range 22E, proceeding easterly for an approximate distance of 46’ to the NENE of Section 26, Township 9S, Range 22E.
8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All facilities will be painted with Carlsbad Canyon.** 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.

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, Coyote Evaporation Ponds 1 or 2, 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 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 south 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 west of corner #5. The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protection of the topsoil. Upon completion of construction,

the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the east.

FENCING REQUIREMENTS:

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

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

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

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. 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 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.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
HyCrest Wheatgrass	4.0
Fourwing Saltbush	4.0
Needle and Threadgrass	4.0

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

B. Dry Hole/Abandoned Location

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

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Wyoming Big Sage	1.0
Indian Ricegrass	4.0
Needle and Threadgrass	5.0
HyCrest Wheatgrass	1.0
Scarlet Globe Mallow	1.0

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

11. SURFACE OWNERSHIP:

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

Bureau of Land Management

12. OTHER INFORMATION:

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

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

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

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

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

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

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

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

A block cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants on June 2, 2007, MOAC report number 06-616. A paleontological survey was conducted and submitted by Intermountain Paleo on September 30, 2008, IPC report number 08-187.

Additional Surface Stipulations:

None.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

Kaylene 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.

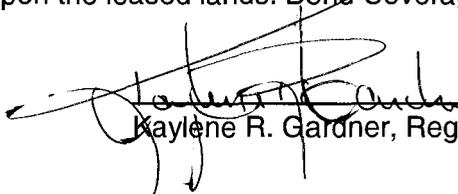
The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

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 87-03 Well, located in the SENW, of Section 3, 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.

January 19, 2008
Date



Kaylene R. Gardner, Regulatory Administrator

EOG RESOURCES, INC.
EAST CHAPITA #87-3
 LOCATED IN UTAH COUNTY, UTAH
 SECTION 3, T9S, R23E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



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

LOCATION PHOTOS			09	18	08	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: T.M.	DRAWN BY: Z.L.	REVISED: 00-00-00				

EOG RESOURCES, INC.

FIGURE #1

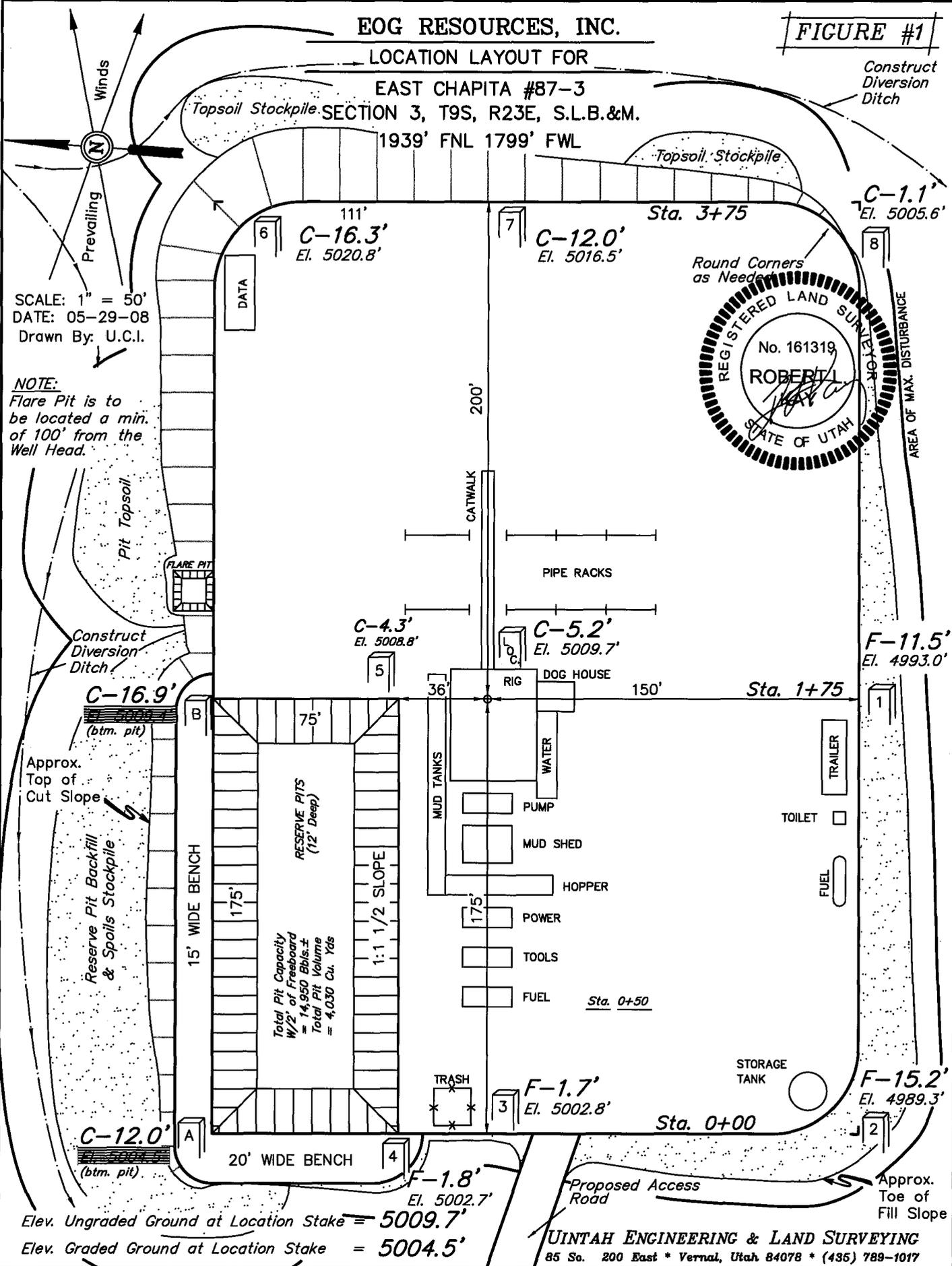
LOCATION LAYOUT FOR

EAST CHAPITA #87-3

SECTION 3, T9S, R23E, S.L.B.&M.

1939' FNL 1799' FWL

Construct Diversion Ditch



SCALE: 1" = 50'
DATE: 05-29-08
Drawn By: U.C.I.

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

Approx. Top of Cut Slope

C-12.0' (btm. pit)

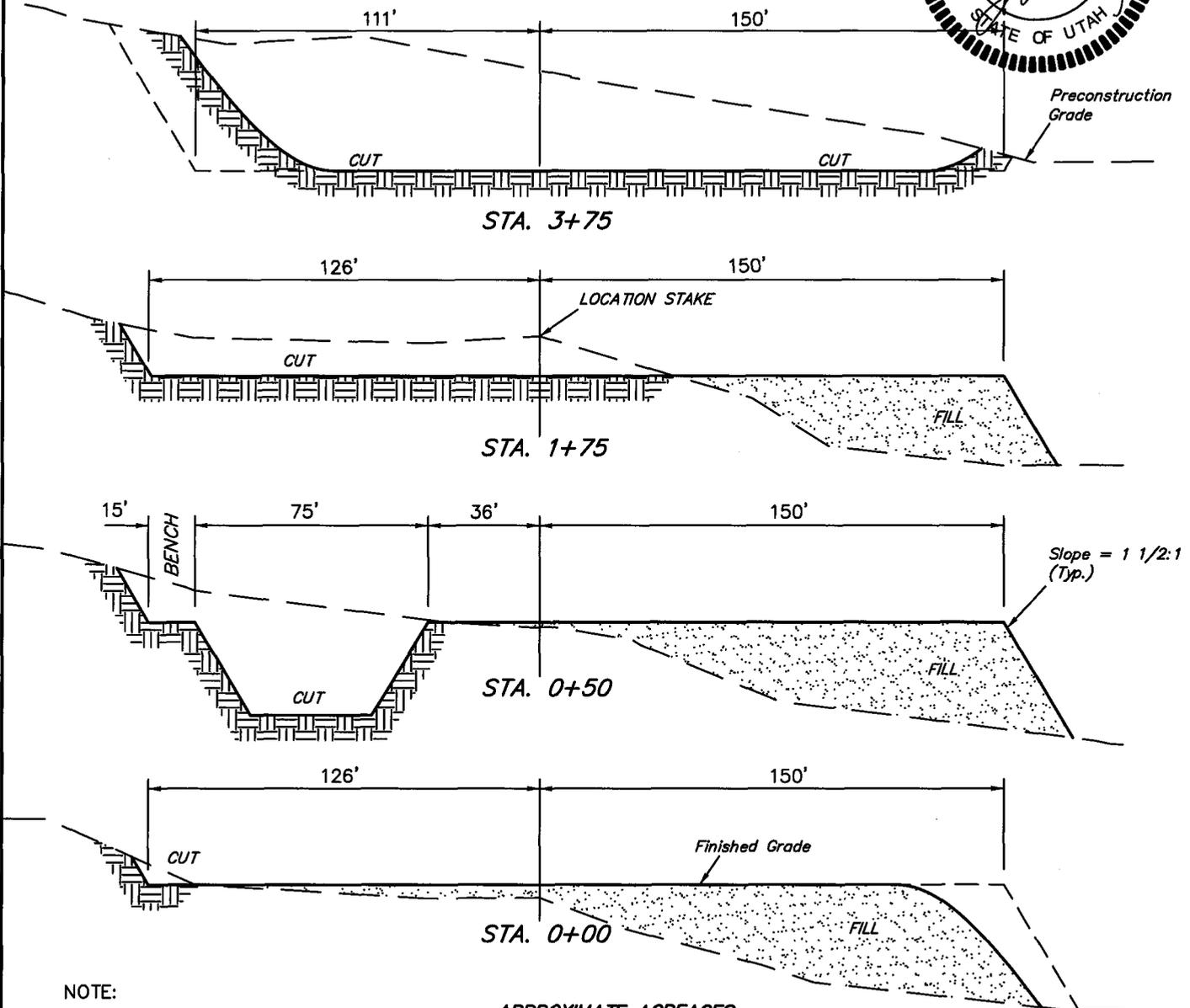
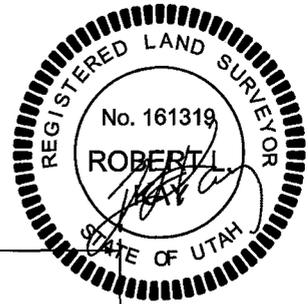
Elev. Ungraded Ground at Location Stake = 5009.7'
Elev. Graded Ground at Location Stake = 5004.5'

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

EOG RESOURCES, INC.
TYPICAL CROSS SECTIONS FOR
EAST CHAPITA #87-3
SECTION 3, T9S, R23E, S.L.B.&M.
1939' FNL 1799' FWL

FIGURE #2

1" = 20'
 X-Section Scale
 1" = 50'
 DATE: 05-29-08
 Drawn By: U.C.I.



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

APPROXIMATE ACREAGES
 WELL SITE DISTURBANCE = ±3.127 ACRES
 ACCESS ROAD DISTURBANCE = ±0.377 ACRES
 PIPELINE DISTURBANCE = ±0.154 ACRES
TOTAL = ±3.658 ACRES

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

APPROXIMATE YARDAGES

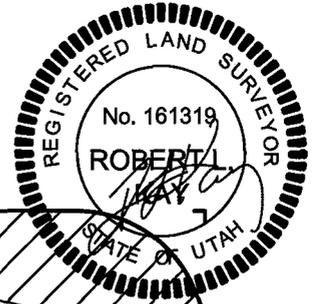
(6") Topsoil Stripping = 2,320 Cu. Yds.
 Remaining Location = 15,700 Cu. Yds.
TOTAL CUT = 18,020 CU.YDS.
FILL = 13,680 CU.YDS.

EXCESS MATERIAL = 4,340 Cu. Yds.
 Topsoil & Pit Backfill (1/2 Pit Vol.) = 4,340 Cu. Yds.
 EXCESS UNBALANCE (After Interim Rehabilitation) = 0 Cu. Yds.

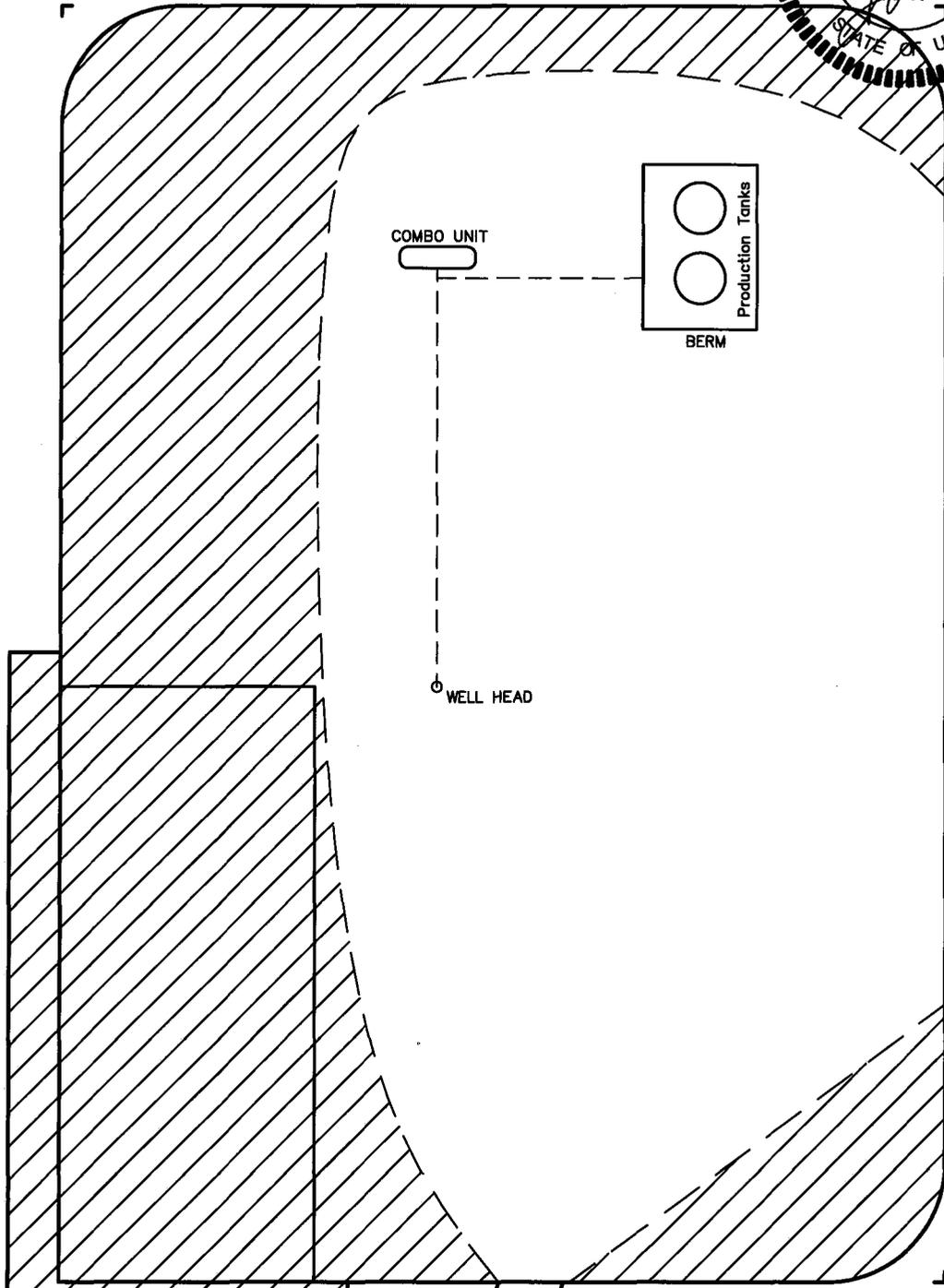
EOG RESOURCES, INC.
PRODUCTION FACILITY LAYOUT FOR

FIGURE #3

EAST CHAPITA #87-3
SECTION 3, T9S, R23E, S.L.B.&M.
1939' FNL 1799' FWL



SCALE: 1" = 50'
DATE: 05-29-08
Drawn By: U.C.I.



 RE-HABED AREA

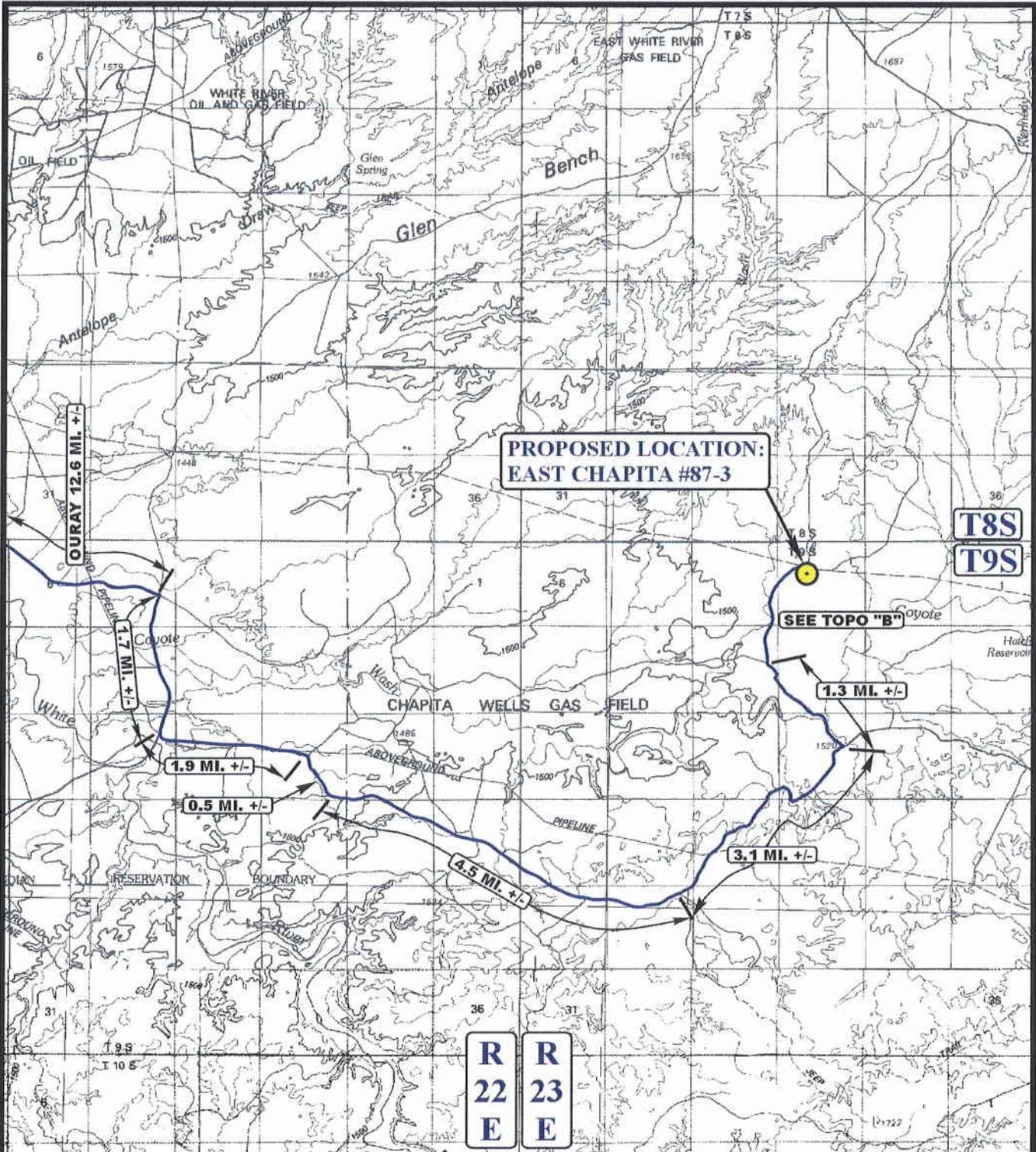
Proposed Access Road

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

EOG RESOURCES, INC.
EAST CHAPITA #87-3
SECTION 3, 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 DIRECTION 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 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 3.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 1.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 57.9 MILES.



**PROPOSED LOCATION:
EAST CHAPITA #87-3**

**T8S
T9S**

SEE TOPO "B"

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

LEGEND:

 **PROPOSED LOCATION**



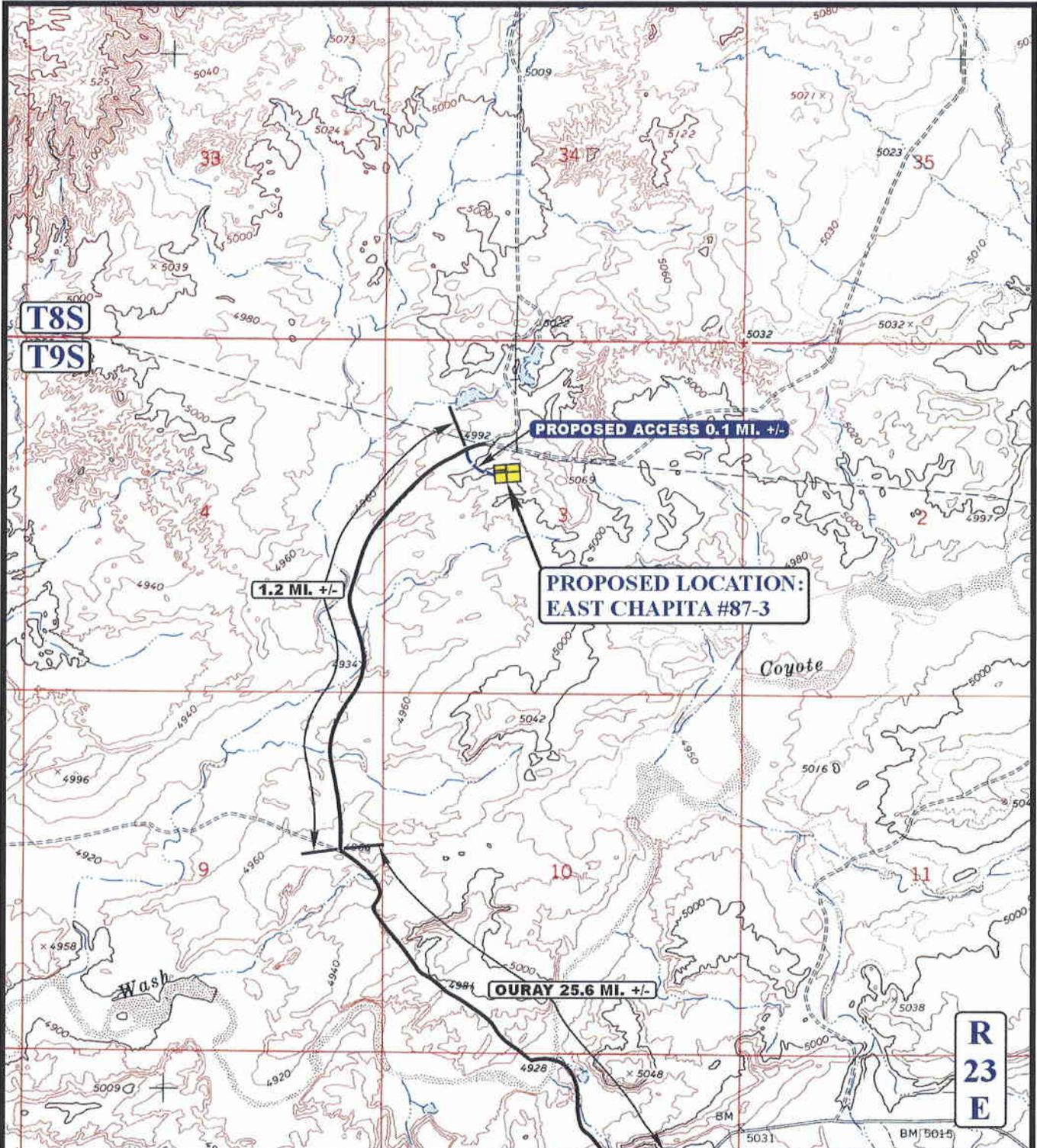
EOG RESOURCES, INC.

**EAST CHAPITA #87-3
SECTION 3, T9S, R23E, S.L.B.&M.
1939' FNL 1799' FWL**

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

**TOPOGRAPHIC
MAP** 09 18 08
MONTH DAY YEAR
SCALE: 1:100,000 DRAWN BY: Z.L. REVISED: 00-00-00

**A
TOPO**



LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



EOG RESOURCES, INC.

EAST CHAPITA #87-3
SECTION 3, T9S, R23E, S.L.B.&M.
1939' FNL 1799' FWL



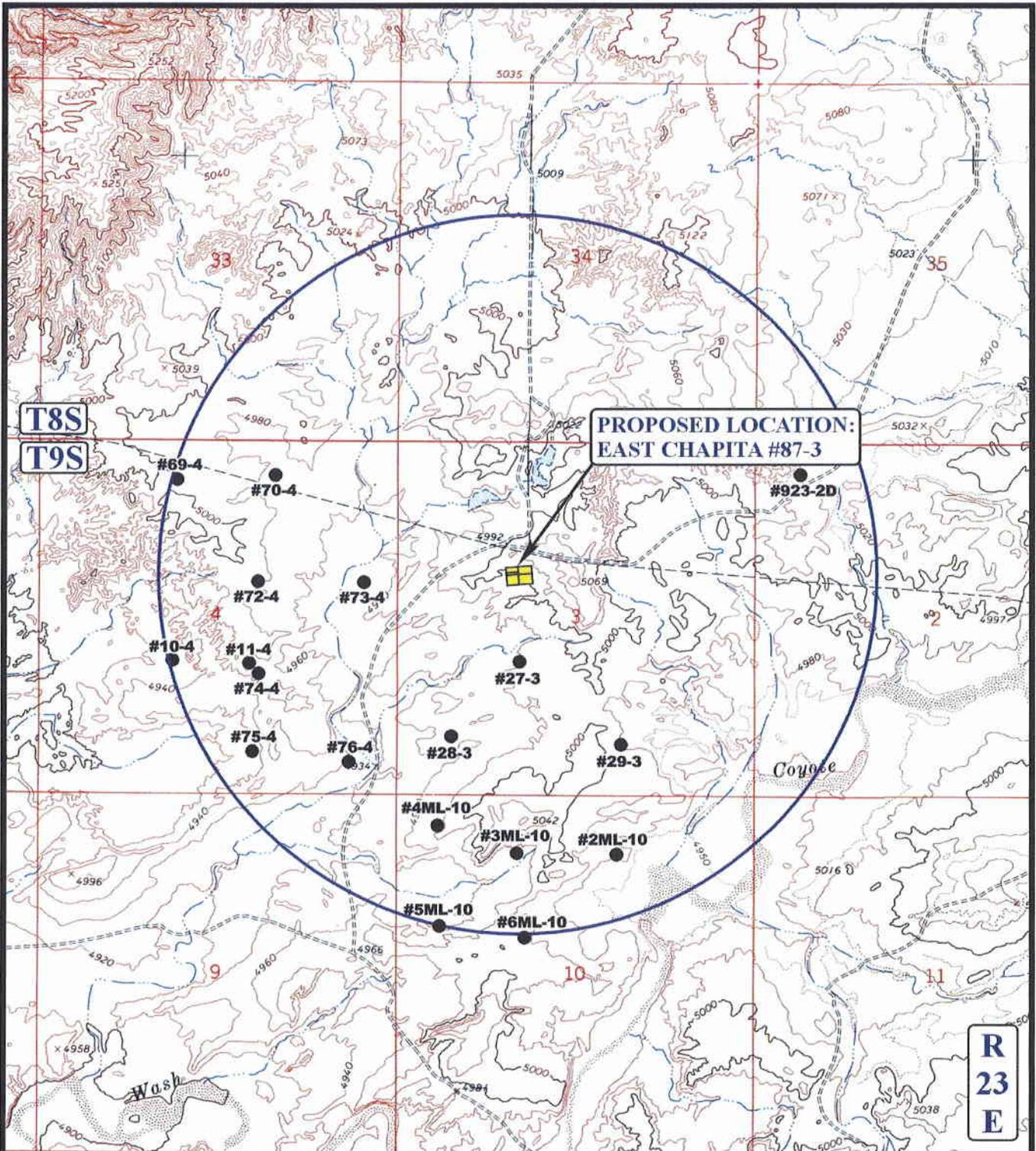
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

09 18 08
 MONTH DAY YEAR

B
TOPO

SCALE: 1" = 2000' DRAWN BY: Z.L. REVISED: 00-00-00



**PROPOSED LOCATION:
EAST CHAPITA #87-3**

LEGEND:

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

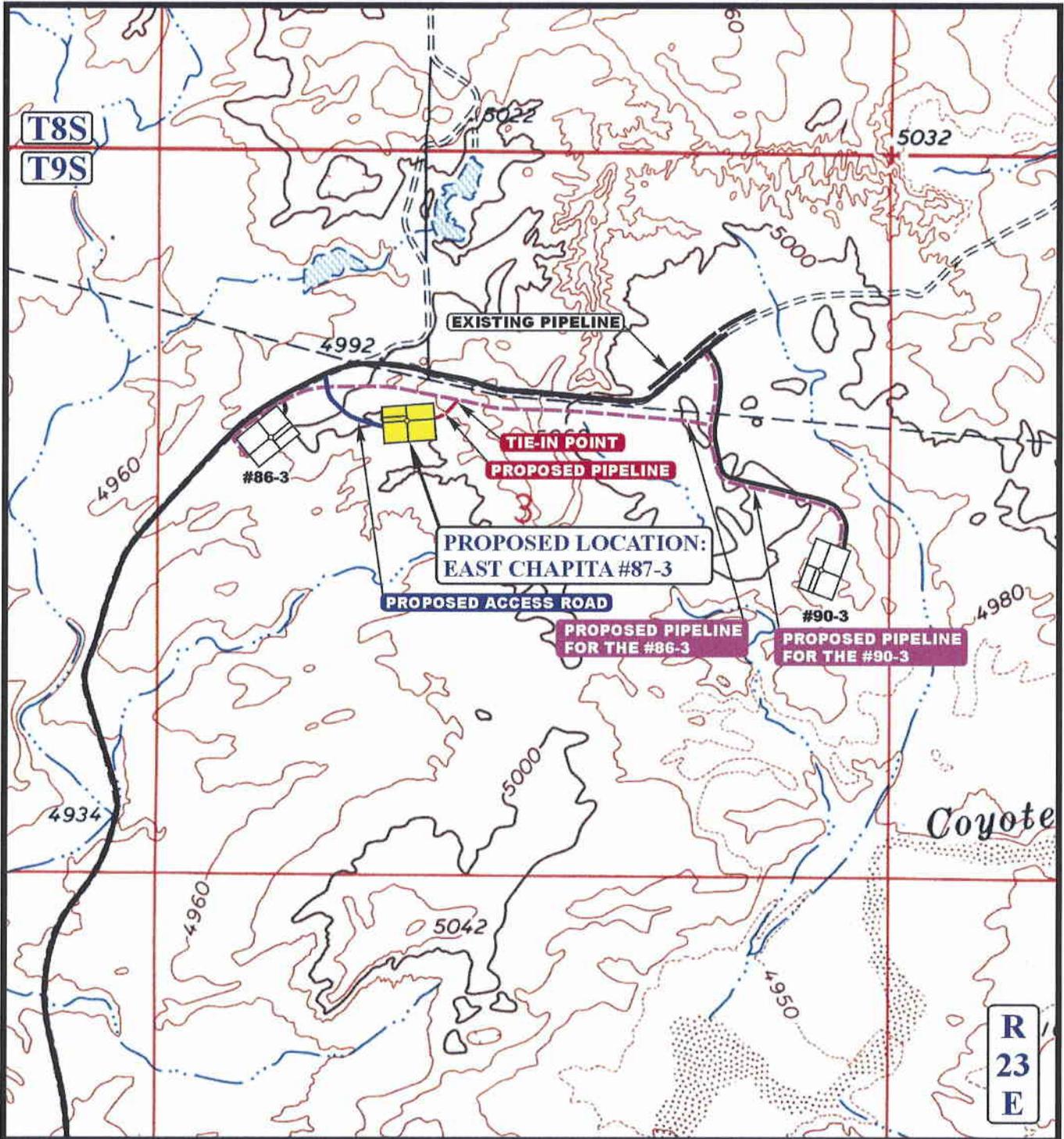


EOG RESOURCES, INC.

**EAST CHAPITA #87-3
SECTION 3, T9S, R23E, S.L.B.&M.
1939' FNL 1799' FWL**

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

TOPOGRAPHIC MAP **09 18 08**
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: Z.L. REVISED: 00-00-00 **TOPO**



APPROXIMATE TOTAL PIPELINE DISTANCE = 223' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED PIPELINE (SERVICING OTHER WELLS)



EOG RESOURCES, INC.

EAST CHAPITA #87-3
SECTION 3, T9S, R23E, S.L.B.&M.
1939' FNL 1799' FWL

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

TOPOGRAPHIC MAP 09 18 08
 MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: Z.L. REVISED: 00-00-00

D
 TOPO

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 01/28/2009

API NO. ASSIGNED: 43-047-40513

WELL NAME: E CHAPITA 87-03
 OPERATOR: EOG RESOURCES, INC. (N9550)
 CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

SENW 03 090S 230E
 SURFACE: 1939 FNL 1799 FWL
 BOTTOM: 1939 FNL 1799 FWL
 COUNTY: UINTAH
 LATITUDE: 40.06667 LONGITUDE: -109.3155
 UTM SURF EASTINGS: 643658 NORTHINGS: 4436306
 FIELD NAME: NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU01304
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: SEGO
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

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

LOCATION AND SITING:

- R649-2-3.
- Unit: _____
- 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: 7-17-2008
Siting: 460' fr. ext. lease boundary
- R649-3-11. Directional Drill

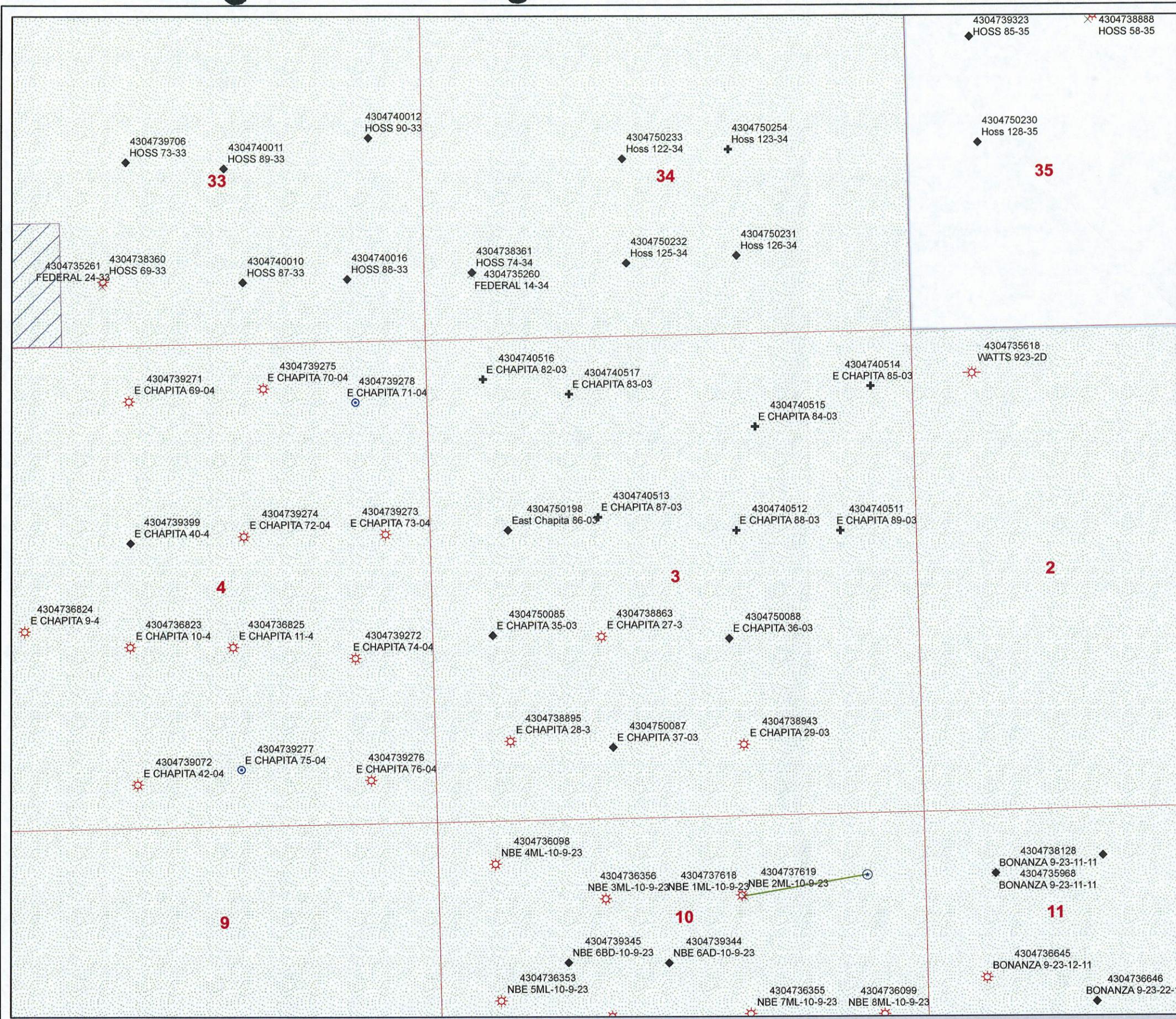
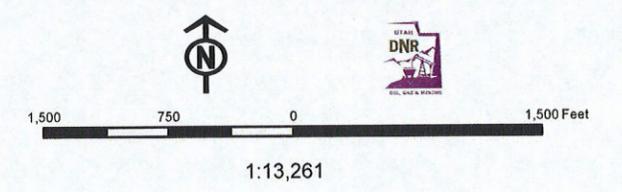
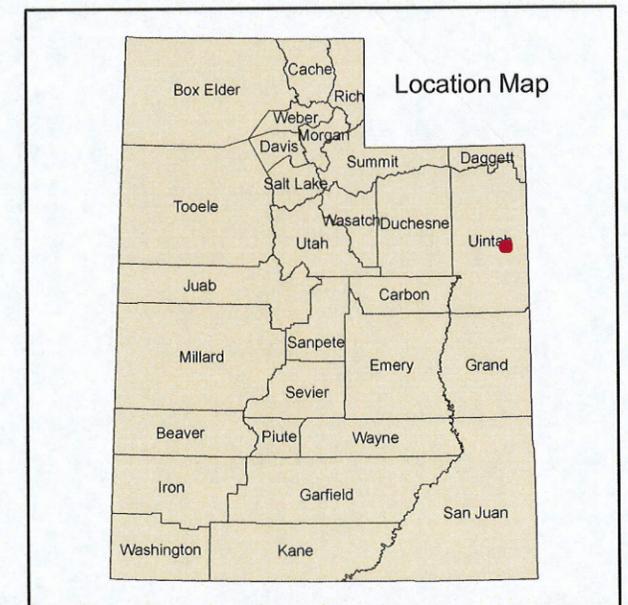
COMMENTS: _____

STIPULATIONS: 1- Federal Approval

API Number: 4304740513
Well Name: E CHAPITA 87-03
Township 09.0 S Range 23.0 E Section 03
Meridian: SLBM
Operator: EOG RESOURCES, INC.

Map Prepared:
 Map Produced by Diana Mason

- | | |
|---------------|---------------------------|
| Units | Wells Query Events |
| STATUS | X <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 GEOTHERML | NEW |
| PP OIL | OPS |
| SECONDARY | PA |
| TERMINATED | PGW |
| Fields | POW |
| STATUS | RET |
| ACTIVE | SGW |
| COMBINED | SOW |
| Sections | TA |
| | TW |
| | WD |
| | WI |
| | WS |





JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 29, 2009

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

Re: East Chapita 87-03 Well, 1939' FNL, 1799' FWL, SE NW, Sec. 3, T. 9 South, R. 23 East,
Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40513.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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



Operator: EOG Resources, Inc.
Well Name & Number East Chapita 87-03
API Number: 43-047-40513
Lease: UTU01304

Location: SE NW Sec. 3 T. 9 South R. 23 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division with 24 hours of spudding the well.

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

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

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

3. Reporting Requirements

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

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

RECEIVED

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JAN 22 2009

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

1a. Type of Work: <input type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU01304
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES INC Contact: KAYLENE R GARDNER E-Mail: KAYLENE_GARDNER@EOGRESOURCES.COM		7. If Unit or CA Agreement, Name and No.
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-9111	8. Lease Name and Well No. EAST CHAPITA 87-03
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SENW 1939FNL 1799FWL 40.06664 N Lat, 109.31620 W Lon At proposed prod. zone SENW 1939FNL 1799FWL 40.06664 N Lat, 109.31620 W Lon		9. API Well No. 43-047-40513
14. Distance in miles and direction from nearest town or post office* 57.9 MILES SOUTH OF VERNAL		10. Field and Pool, or Exploratory NATURAL BUTTES
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1799	16. No. of Acres in Lease 2451.31	11. Sec., T., R., M., or Blk. and Survey or Area Sec 3 T9S R23E Mer SLB SME: BLM
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1240	19. Proposed Depth 9360 MD	12. County or Parish UINTAH
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5010 GL	22. Approximate date work will start	13. State UT
20. BLM/BIA Bond No. on file NM2308		17. Spacing Unit dedicated to this well
23. Estimated duration 45-DAYS		

24. Attachments

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

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

25. Signature (Electronic Submission)	Name (Printed/Typed) KAYLENE R GARDNER Ph: 435-781-9111	Date 01/22/2009
Title LEAD REGULATORY ASSISTANT		
Approved by (Signature)	Name (Printed/Typed) Jenny Jenkins	Date AUG 24 2009
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

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

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

RECEIVED

SEP 15 2009

Additional Operator Remarks (see next page)

Electronic Submission #66575 verified by the BLM Well Information System DIV. OF OIL, GAS & MINING
For EOG RESOURCES INC, sent to the Vernal
Committed to AFMSS for processing by GAIL JENKINS on 01/23/2009 (09GXJ2183AE)

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

** BLM REVISED **

UDD 6M

08GXJ6612 AE NOS. 09-26-2008



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

170 South 500 East VERNAL, UT 84078 (435) 781-4401



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: EOG Resources Inc. Location: SENW, Sec.3, T9S R23E
Well No: East Chapita 87-03 Lease No: UTU-01304
API No: 43-047-40513 Agreement: N/A

OFFICE NUMBER: (435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

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

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit was processed using a 390 CX tied to NEPA approved 03/31/2008. Therefore, this permit is approved for a two (2) year period OR until lease expiration OR the well must be spud by 03/31/2013 (5 years from the NEPA approval date), whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

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

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

- All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horsepower must not emit more than 2 gms of NO_x per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO_x per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

SITE SPECIFIC CONDITIONS OF APPROVAL

- Prevent fill and stock piles from entering drainages.
- The access road shall be crowned and ditched. Flat-bladed roads are not allowed.
- The authorized officer may prohibit surface disturbing activities during severe winter, wet, or muddy conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.
- If additional erosion occurs during the life of this project, more culverts, low water crossings, berms, wing ditches, or gravel (from a private or commercial source) etc. shall be needed to control the erosion. Low-water crossings and culverts shall be appropriately constructed to avoid sedimentation of drainage ways and other water resources.
- Bury pipelines at all low water crossings.
- Surface pipelines will be placed 5-10 feet outside of the borrow area.
- Surface pipelines will be placed in such a way that they would not wander into the borrow area.
- Pipelines will be buried at all major road and drainage crossings
- The pit liner is to be cut 5 feet below ground surface or at the level of the cuttings, whichever is deeper, and the excess liner material is to be disposed of at an authorized disposal site.

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

SITE SPECIFIC DOWNHOLE COAs:

- The production casing cement shall extend a minimum of 200 feet above the surface casing shoe.
- A formation integrity test shall be performed at the surface casing shoe.
- Gamma Ray Log shall be run from Total Depth to Surface.

Variances Granted:

- Dust suppression equipment. Variance granted for water mist system to substitute for the dust suppression equipment.
- Blooie line discharge 100' from the well bore, variance granted for blooie line discharge to be 75' from the well bore.
- Compressors located in the opposite direction from the blooie line a minimum of 100' from the well bore. Variance granted for truck/trailer mounted air compressors.
- Straight run blooie line. Variance granted for targeted "T's" at bends.
- Automatic igniter. Variance for igniter due to water mist.

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

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

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

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

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4.

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

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

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU01304
	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: E CHAPITA 87-03
2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047405130000
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1939 FNL 1799 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENW Section: 03 Township: 09.0S Range: 23.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 1/20/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input checked="" 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 the APD for the referenced well be extended for one year.

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

Date: January 25, 2010

By: 

NAME (PLEASE PRINT) Mickenzie Gates	PHONE NUMBER 435 781-9145	TITLE Operations Clerk
SIGNATURE N/A	DATE 1/20/2010	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047405130000

API: 43047405130000

Well Name: E CHAPITA 87-03

Location: 1939 FNL 1799 FWL QTR SENW SEC 03 TWP 090S RNG 230E MER S

Company Permit Issued to: EOG RESOURCES, INC.

Date Original Permit Issued: 1/29/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
- Has the approved source of water for drilling changed? Yes No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No
- Is bonding still in place, which covers this proposed well? Yes No

Approved by the Utah Division of Oil, Gas and Mining

Signature: Mickenzie Gates Date: 1/20/2010 Title: Operations Clerk Representing: EOG RESOURCES, INC.

Date: January 25, 2010 By: [Signature]

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU01304
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4. LOCATION OF WELL FOOTAGES AT SURFACE: 1939 FNL 1799 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENW Section: 03 Township: 09.0S Range: 23.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 6/18/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE
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<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> WATER DISPOSAL <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 to change the Drilling Plan as per the attached. Conductor size: Item 4 Float Equipment: Item 5 Logs: Item 8 Please see the attached revised Drilling Plan reflecting the purposed changes.

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

Date: June 22, 2010
By: *Derek [Signature]*

NAME (PLEASE PRINT) Mickenzie Gates	PHONE NUMBER 435 781-9145	TITLE Operations Clerk
SIGNATURE N/A	DATE 6/18/2010	

EIGHT POINT PLAN

EAST CHAPITA 87-03

SE/NW, SEC. 3, 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	1,994		Shale	
Mahogany Oil Bed Shale	2,639		Shale	
Wasatch	4,861	Primary	Sandstone	Gas
Chapita Wells	5,452	Primary	Sandstone	Gas
Buck Canyon	6,113	Primary	Sandstone	Gas
North Horn	6,657	Primary	Sandstone	Gas
KMV Price River	7,108	Primary	Sandstone	Gas
KMV Price River Middle	7,811	Primary	Sandstone	Gas
KMV Price River Lower	8,607	Primary	Sandstone	Gas
Sego	9,154		Sandstone	
TD	9,386			

Estimated TD: **9,360' or 200'± below TD**

Anticipated BHP: 5,110 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:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	20"	40 - 60'	14"	32.5#	A252	STC		1880 PSI	10,000#
Surface	12 1/4"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

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

All casing will be new or inspected.

EIGHT POINT PLAN

EAST CHAPITA 87-03

SE/NW, SEC. 3, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2300'± - TD):

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

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

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

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

EIGHT POINT PLAN

EAST CHAPITA 87-03

SE/NW, SEC. 3, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

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

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

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.
Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
CBL/CCL/VDL/GR

EIGHT POINT PLAN

EAST CHAPITA 87-03

SE/NW, SEC. 3, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

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

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

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

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

Production Hole Procedure (2300'± - TD)

Lead: 143 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 879 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

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

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

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

EIGHT POINT PLAN

EAST CHAPITA 87-03

SE/NW, SEC. 3, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

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

13. Air Drilling Operations:

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

(Attachment: BOP Schematic Diagram)

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU01304
---	---

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
--	--

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: E CHAPITA 87-03
------------------------------------	--

2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047405130000
--	---

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

4. LOCATION OF WELL FOOTAGES AT SURFACE: 1939 FNL 1799 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENW Section: 03 Township: 09.0S Range: 23.0E Meridian: S	COUNTY: UINTAH STATE: UTAH
---	---

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 6/10/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input checked="" 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. requests authorization for commingling of production from the Wasatch and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from cased-hole logs. Production from the Wasatch and Mesaverde formations will be commingled in the wellbore and produced through open-ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing. Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

Accepted by the Utah Division of Oil, Gas and Mining

Date: July 01, 2010

By: *Dan K. [Signature]*

NAME (PLEASE PRINT) Nanette Lupcho	PHONE NUMBER 435 781-9157	TITLE Regulatory Assistant
SIGNATURE N/A		DATE 6/10/2010



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43047405130000

Board Cause No. 179-15

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

Date: July 01, 2010
By: *Dan K. [Signature]*

STATE OF UTAH)

) ss

COUNTY OF UINTAH)

VERIFICATION

Nanette Lupcho, of lawful age, being first duly sworn upon oath, deposes and says:

She is the Regulatory Assistant for EOG Resources, Inc., of Vernal, Utah. EOG Resources, Inc. is the operator of the following described well:

**E CHAPITA 87-03
1939' FNL – 1799' FWL (SENW)
SECTION 3, T9S, R23E
UINTAH COUNTY, UTAH**

EOG Resources, Inc., is the only owner in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 8th day of June, 2010 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

Said envelope which contained these instruments was addressed to the Utah Division of Oil, Gas & Mining, and Bureau of Land Management.

Further affiant saith not.



Nanette Lupcho
Regulatory Assistant

Subscribed and sworn before me this 8th day of June, 2010.



Mickenzie Gates
Notary Public

My Commission Expires: April 18 2012



RECEIVED June 10, 2010

R 23 E

T
9
S

3

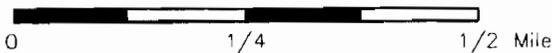
ECW 87-3


ECW 27-3


U-01304

 EAST CHAPITA 87-3

Scale: 1"=1000'





Denver Division

EXHIBIT "A"

EAST CHAPITA 87-3
Commingling Application
Uintah County, Utah

Scale:
1"=1000'

D:\utah\Commingled\
EC87-3_commingled.dwg
WELL

Author

TLM

Jan 28, 2009 -
9:40am

RECEIVED June 10, 2010

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU01304
	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: E CHAPITA 87-03
2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047405130000
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1939 FNL 1799 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENW Section: 03 Township: 09.0S Range: 23.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 7/1/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input checked="" type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER:

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

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

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 July 06, 2010

NAME (PLEASE PRINT) Mickenzie Gates	PHONE NUMBER 435 781-9145	TITLE Operations Clerk
SIGNATURE N/A	DATE 7/2/2010	

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: E CHAPITA 87-03

Api No: 43-047-40513 Lease Type FEDERAL

Section 03 Township 09S Range 23E County DUCHESNE

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # BUCKET

SPUDDED:

Date 07/01/2010

Time 11:00 AM

How DRY

Drilling will Commence: _____

Reported by KENT DAVENPORT

Telephone # (435) 828-8200

Date 07/01/2010 Signed CHD

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU01304
	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
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2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047405130000
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1939 FNL 1799 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENW Section: 03 Township: 09.0S Range: 23.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input checked="" type="checkbox"/> SPUD REPORT Date of Spud: 7/1/2010	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
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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.

The referenced well was spud on 7/1/2010.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 July 07, 2010

NAME (PLEASE PRINT) Mickenzie Gates	PHONE NUMBER 435 781-9145	TITLE Operations Clerk
SIGNATURE N/A	DATE 7/2/2010	

<p>STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING</p>	<p>FORM 9</p>
<p>SUNDRY NOTICES AND REPORTS ON WELLS</p> <p>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.</p>	<p>5. LEASE DESIGNATION AND SERIAL NUMBER: UTU01304</p>
<p>1. TYPE OF WELL Gas Well</p>	<p>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</p>
<p>2. NAME OF OPERATOR: EOG Resources, Inc.</p>	<p>7. UNIT or CA AGREEMENT NAME:</p>
<p>3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078</p>	<p>8. WELL NAME and NUMBER: E CHAPITA 87-03</p>
<p>4. LOCATION OF WELL FOOTAGES AT SURFACE: 1939 FNL 1799 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENW Section: 03 Township: 09.0S Range: 23.0E Meridian: S</p>	<p>9. API NUMBER: 43047405130000</p>
<p>PHONE NUMBER: 435 781-9111 Ext</p>	<p>9. FIELD and POOL or WILDCAT: NATURAL BUTTES</p>
	<p>COUNTY: UINTAH</p>
	<p>STATE: UTAH</p>

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 7/1/2010	<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
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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.

No activity has occurred since spud on 7/1/2010.

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**
 July 07, 2010

<p>NAME (PLEASE PRINT) Mickenzie Gates</p>	<p>PHONE NUMBER 435 781-9145</p>	<p>TITLE Operations Clerk</p>
<p>SIGNATURE N/A</p>	<p>DATE 7/2/2010</p>	

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
43-047-40513	EAST CHAPITA 87-03		SENW	3	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	17671	7/1/2010			7/19/10	
Comments: WASATCH/MESAVERDE sego = MVRD = WSMVA							

Well 2

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

Well 3

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

ACTION CODES:

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

RECEIVED

JUL 12 2010

Mickenzie Gates

Name (Please Print)

Mickenzie Gates

Signature

Operations Clerk

7/2/2010

Title

Date

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU01304
---	---

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
--	--

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: E CHAPITA 87-03
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2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047405130000
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3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
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4. LOCATION OF WELL FOOTAGES AT SURFACE: 1939 FNL 1799 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENW Section: 03 Township: 09.0S Range: 23.0E Meridian: S	COUNTY: UINTAH STATE: UTAH
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<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 8/5/2010	<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
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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: <input style="width: 100px;" type="text"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
 Please see the attached well chronology report for the referenced well showing all activity up to 8/5/2010.

Accepted by the
 Utah Division of
 Oil, Gas and Mining
FOR RECORD ONLY
 August 05, 2010

NAME (PLEASE PRINT) Mickenzie Gates	PHONE NUMBER 435 781-9145	TITLE Operations Clerk
SIGNATURE N/A	DATE 8/5/2010	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU01304
---	---

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1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: E CHAPITA 87-03
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2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047405130000
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3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
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TYPE OF SUBMISSION	TYPE OF ACTION		
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<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 8/5/2010	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
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Accepted by the
 Utah Division of
 Oil, Gas and Mining
FOR RECORD ONLY
 August 05, 2010

NAME (PLEASE PRINT) Mickenzie Gates	PHONE NUMBER 435 781-9145	TITLE Operations Clerk
SIGNATURE N/A	DATE 8/5/2010	

WELL CHRONOLOGY REPORT

Report Generated On: 08-03-2010

Well Name	ECW 087-03	Well Type	DEVG	Division	DENVER
Field	EAST CHAPITA	API #	43-047-40513	Well Class	DRIL
County, State	UINTAH, UT	Spud Date	07-30-2010	Class Date	
Tax Credit	N	TVD / MD	9,360/ 9,360	Property #	063932
Water Depth	0	Last CSG	4.5	Shoe TVD / MD	0/ 0
KB / GL Elev	5,023/ 5,005				
Location	Section 3, T9S, R23E, SENW, 1939 FNL & 1799 FWL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	100.0	NRI %	84.75

AFE No	306590	AFE Total	1,518,700	DHC / CWC	601,600/ 917,100
Rig Contr	TRUE	Rig Name	TRUE #34	Start Date	01-27-2009
01-27-2009	Reported By	SHEILA MALLOY			
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			1939' FNL & 1799' FWL (SE/NW)
			SECTION 3, T9S, R23E
			UINTAH COUNTY, UTAH
			LAT 40.066644, LONG 109.316197 (NAD 83)
			LAT 40.066678, LONG 109.315519 (NAD 27)
			TRUE #34
			OBJECTIVE: 9360' TD, MESAVERDE
			DW/GAS
			EAST CHAPITA PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: UTU-01304
			ELEVATION: 5009.7' NAT GL, 5004.5' PREP GL (DUE TO ROUNDING THE PREP GL IS 5005') 5024' KB (19')
			EOG BPO WI 100%, NRI 84.75% Updated by TAR dated 6/8/10 SKC

06-23-2010 Reported By TERRY CSERE

August 05, 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: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	BEGAN CONSTRUCTION 6/23/10.

06-24-2010 **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	LOCATION 20% COMPLETE.

06-25-2010 **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	LOCATION 40% COMPLETE.

06-28-2010 **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	LOCATION 60% COMPLETE.

06-29-2010 **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	LOCATION 90% COMPLETE.

06-30-2010 **Reported By** TERRY CSERE

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG #2 ON 7/9/2010. DRILLED 12-1/4" HOLE TO 2600' GL (2619' KB). ENCOUNTERED NO WATER. DRILLED WITH AIR AND FOAM TO 2000' THEN PUMP DRILLED TO TD WITH NO LOSSES. RAN 58 JTS (2590.30') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2609.30' KB. RAN 200' OF 1" PIPE DOWN BACK SIDE. RDMO CRAIG'S AIR RIG #2. MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 3000 PSIG. PUMPED 160 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. LEAD: MIXED AND PUMPED 250 SACKS (183 BBLs) OF PREMIUM LEAD CEMENT WITH 0.3% VARSET, 2% CAL-SEAL, AND 2% ECONOLITE. MIXED LEAD CEMENT @ 10.5 PPG WITH YIELD OF 4.1 CF/SX. TAIL: MIXED AND PUMPED 300 SACKS (63 BBLs) OF PREMIUM CEMENT WITH 2% CACL2 MIXED TAIL CEMENT @ 15.6 PPG WITH YIELD OF 1.18 CF/SX. DISPLACED CEMENT WITH 196.6 BBLs FRESH WATER. BUMPED PLUG WITH 955# @ 19:16 PM ON 7/13/10. FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 160 BBLs INTO FRESH WATER FLUSH. CIRCULATED 75 BBLs OF LEAD CEMENT TO PIT. LOST RETURNS 180 BBLs INTO DISPLACEMENT. TOP JOB #1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT WITH 3% CACL2. MIXED CEMENT @ 15.8 PPG WITH YIELD OF 1.15 CF/SX. HOLE FILLED AND CIRCULATED APPROXIMATELY 4 BBLs LEAD CEMENT TO PIT. CEMENT FELL BACK WHEN PUMPING STOPPED. WOC 2 HR. TOP JOB #2: MIXED & PUMPED 75 SX (15 BBLs) OF PREMIUM CEMENT WITH 3% CACL2. MIXED CEMENT @ 15.8 PPG WITH YIELD OF 1.15 CF/SX. HOLE FILLED AND STOOD FULL. PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY. CRAIG'S RIG #2 TOOK SURVEYS WHILE DRILLING HOLE @ 1920' = 2.50 DEGREE, 2250' = 2.00 DEGREE, AND 2600' = 2.25 DEGREE. KYLAN COOK NOTIFIED BLM VIA EMAIL OF THE SURFACE CASING & CEMENT JOB ON 7/11/10 @ 18:30 PM. KYLAN COOK NOTIFIED CAROL DANIELS WITH UDOGM OF THE SURFACE CASING & CEMENT JOB VIA PHONE ON 7/11/10 @ 18:30 PM.

07-30-2010	Reported By	GLEN PRUET									
Daily Costs: Drilling	\$113,498	Completion	\$0	Daily Total	\$113,498						
Cum Costs: Drilling	\$404,015	Completion	\$0	Well Total	\$404,015						
MD	2,619	TVD	2,619	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: PU BHA											

Start	End	Hrs	Activity Description
06:00	18:00	12.0	MIRU. .PRE MI AND RIG UP SAFETY MEETING, RIG UP ON ECW 87-03, RAISE DERRICK @ 15:30 HRS. TRUCKS RELEASED @ 16:00.
18:00	19:00	1.0	RU/RT. FMC SERVICEMAN LOCKED DTO DRLG CONNECTOR AND TEST TO 5000 PSI. OK.
19:00	20:00	1.0	RURT. RIG SAFETY CHECK LIST AND INSPECTION PERFORMED. RIG ACCEPTED AT 20:00 HRS, 07/29/2010.
20:00	01:00	5.0	HELD PJSM WITH B & C QUICK TEST, INC. RU AND TEST PIPE RAMS, BLIND RAMS, HCR, CHOKE LINES, MANIFOLD, KILL LINE VALVES, UPPER & LOWER KELLY & INSIDE BOP 250 LOW/ 5000 PSI HI, 10 MINUTES. TEST ANNULAR PREVENTER 250/2500 PSI FOR 10 MINUTES.

B & C PERFORMED ACCUMULATOR FUNCTION TEST AS FOLLOWS; #1 USUABLE FLUID TEST GOOD W/1200 PSI AFTER FUNCTIONING RAMS. #2 PRECHARGE CHECK GOOD AFTER OPENING ANNULAR, BLEEDING BOTTLES INTO RESERVOIR, PRESSURE DROP TO 700 PSI. #3 CAPACITY OF PUMPS; OPEN HCR, CLOSE ANNULAR AND REGAINED PRESSURE TO 1200 PSI IN 55 SEC. ACCUMULATOR TEST GOOD.

01:00	01:30	0.5 TEST CASING TO 1500 PSI FOR 30 MINUTES. NO BLM OR STATE REP. ON LOCATION TO WITNESS TEST. BLM NOTIFIED VIA EMAIL AND UDOGM (CAROL DANIELS VOICE MAIL) RE: BOP TEST ON 7/27/10 16:30 HRS.
01:30	02:00	0.5 INSTALL WEAR BUSHING.
02:00	05:30	3.5 PJSM W/KIMZEY PU/LD MACHINECREW. RU/PU MACHINE EQUIPMENT. PICK UP 7 7/8" STC PDC BIT, BHA & DP ON TRIP IN HOLE. TAG CMT @ 2562'.
05:30	06:00	0.5 TIGHTEN KELLY, P/U KELLY DRIVER AND ROT. HEAD RUBBER.

FULL CREWS. NO ACCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS; RURT, TEST BOPE. PU BHA
 FUEL ON HAND 10,374 GAL. USED 205 GAL. RECEIVED 8000 GAL. & TRANSFER 2579 GALLONS.
 TRANSFER 249.93' (6 JTS) 11.6# N-80 LTC CASING AND 3 MKR. JT 39.75' P-110 11.6#.
 WEATHER; FAIR, TEMP 63 DEG. DEW PT. 51 DEG. WIND F/WEST. VISIBILITY 10 MI.

07-31-2010 **Reported By** GLEN PRUET

DailyCosts: Drilling	\$26,521	Completion	\$0	Daily Total	\$26,521						
Cum Costs: Drilling	\$430,536	Completion	\$0	Well Total	\$430,536						
MD	4,858	TVD	4,858	Progress	2,239	Days	1	MW	0.0	Visc	0.0
Formation :		PBTD :	0.0	Perf :		PKR Depth :	0.0				

Activity at Report Time: DRILLING @ 4858'

Start	End	Hrs	Activity Description
06:00	08:30	2.5	R/D KIMZEY LD MACHINE. DRILL CEMENT/FLOAT EQUIP. & 21' OF FORMATION. (FUNC COM 2570') BOP DRILL, (WELL SECURE 70 SEC.).
08:30	09:30	1.0	CBU AND PERFORM FIT @ 2640'. 10.0 PPG WT. AND SIP 243 PSI = 11.7 EMW.
09:30	11:30	2.0	DRILL 2640' TO 2890', 250' / 125 FPH, 45/68 RPM + 67 RPM ON MOTOR. WOB 16/24K. PUMP 420 GPM @ 120 SPM, SPP 1800 PSI, DIFF 200/335 DRLG MAHOGANY OIL SHALE BED.
11:30	12:00	0.5	RIG SERVICE , FUNCTION SUPER CHOKE.
12:00	12:30	0.5	WL SURVEY 0.7 DEG. @ 2811'.
12:30	19:30	7.0	DRILL 2890' TO 3887', 997' / 142 FPH, 51/78 RPM + 72 RPM ON MOTOR. WOB 19/28K. PUMP 449 GPM @ 119 SPM, SPP 1900 PSI, DIFF 250/390 DRLG MAHOGANY OIL SHALE BED.
19:30	20:00	0.5	WL SURVEY 1.19 DEG. @ 3808'.
20:00	04:30	8.5	DRILL 3887' TO 4796', 909' / 107 FPH, 54/70 RPM + 72 RPM ON MOTOR. WOB 19/25K. PUMP 456 GPM @ 120 SPM, SPP 2000 PSI, DIFF 250/425 DRLG MAHOGANY OIL SHALE BED. BOP DRILL @ 3981 (WELL SECURE 75 SEC.) (FUNC COM/DRILLING.)
04:30	05:00	0.5	WL SURVEY 2.58 DEG. @ 4716'.
05:00	06:00	1.0	DRILL 4796' TO 4858', 62' / 62 FPH, 55/65 RPM + 72 RPM ON MOTOR. WOB 15/26K. PUMP 456 GPM @ 120 SPM, SPP 2100 PSI, DIFF 150/350 DRLG MAHOGANY OIL SHALE BED.

FULL CREWS. NO ACCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS; DRILL OUT SHOE JONT. TRAVLING TO AND FROM WORK.
 FUEL ON HAND 9120 GAL. USED 1254 GAL.
 WEATHER; PARTLY CLOUDY, TEMP 64 DEG. DEW PT. 52 DEG. WIND CALM F/SSW 5-10 MPH. VISIBILITY 10 MI.

06:00 SPUD 7 7/8" HOLE @ 9:30 HRS, 07/30/2010.

08-01-2010 **Reported By** GLEN PRUET

Daily Costs: Drilling \$21,510 **Completion** \$0 **Daily Total** \$21,510
Cum Costs: Drilling \$452,046 **Completion** \$0 **Well Total** \$452,046

MD 6,600 **TVD** 6,600 **Progress** 1,742 **Days** 2 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: DRILLING @ 6600'

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILL 4858' TO 5390'. 532' / 88.66 FPH, 54/90 RPM + 75 RPM ON MOTOR. WOB 16/24K. PUMP 473 GPM @ 125 SPM, SPP 2200 PSI, DIFF 200/380 DRLG WASATCH F/4870. (FUNCT COM @ 4920).
12:00	12:30	0.5	RIG SERVICE , (FUNCT DART VALE & KELLY VALVE).
12:30	06:00	17.5	DRILL 5390' TO 6600', 1210' / 69.14 FPH, 47/68 RPM + 75 RPM ON MOTOR. WOB 20/24K. PUMP 473 GPM @ 125 SPM, SPP 2300 PSI, DIFF 160/390. DRLG CHAPITA WELLS F/5460. DRLG BUCK CANYON F/6112. FUNC COM @ 5859.

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; POISONOUS SNAKE AWARENESS. FIRE EXTINGUISHER CONDITION AND LOCATION.

FUEL ON HAND 7638 GAL. USED 1482 GAL.

WEATHER; FAIR, TEMP 68 DEG. DEW PT. 55 DEG. WIND WNW 5-10 MPH. VISIBILITY 10 MI.

08-02-2010 **Reported By** GLEN PRUET

Daily Costs: Drilling \$42,071 **Completion** \$0 **Daily Total** \$42,071
Cum Costs: Drilling \$494,117 **Completion** \$0 **Well Total** \$494,117

MD 7,900 **TVD** 7,900 **Progress** 1,300 **Days** 3 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: DRILLING @ 7900'

Start	End	Hrs	Activity Description
06:00	16:30	10.5	DRILL 6600' TO 7163', 563' / 53.62 FPH, 47/55 RPM + 73 RPM ON MOTOR. WOB 18/23K. PUMP 456 GPM @ 120 SPM, SPP 2580 PSI, DIFF 140/345. DRLG BUCK CANYON F/6112, NORTH HORN F/6687, KMV PRICE RIVER F/7161'. (FUNC COM @ 6602. AND @ 7039).
16:30	17:00	0.5	RIG SERVICE , (FUCTION PIPE RAMS).
17:00	06:00	13.0	DRILL 7163' TO 7900', 737' / 56.69 FPH, 43/62 RPM + 68.12 RPM ON MOTOR. WOB 20/28K. PUMP 425 GPM @ 122 SPM, SPP 2600 PSI, DIFF 140/430. DRLG KMV PRICE RIVER F/7161'. DRLG KMV PRICE RIVER MIDDLE F/7830'. (FUNC COM @ 7225).

MUD WT 11.0 VIS 40

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; PPE SAFETY EQUIPMENT. MIXING CHEMICALS WITH PROPER PPE.

FUEL ON HAND 6156 GAL. USED 1482 GAL.

WEATHER; FAIR, TEMP 62 DEG. DEW PT 56. WIND WNW 5-10 MPH. VISIBILITY 10 MI.

08-03-2010 **Reported By** GLEN PRUET

Daily Costs: Drilling \$34,275 **Completion** \$0 **Daily Total** \$34,275
Cum Costs: Drilling \$528,393 **Completion** \$0 **Well Total** \$528,393

MD 8,621 **TVD** 8,621 **Progress** 721 **Days** 4 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: TOH

Start	End	Hrs	Activity Description
06:00	17:00	11.0	DRILL 7900' TO 8448', 548' / 49.81 FPH, 42/61 RPM + 66.4 RPM ON MOTOR. WOB 14/24K. PUMP 415 GPM @ 119 SPM, SPP 2650 PSI, DIFF 150/440. DRLG KMV PRICE RIVER MIDDLE F/7830'. (FUNC COM @ 7914) & (FUNC COM @ 8290').
17:00	17:30	0.5	RIG SERVICE , (FUNCTION SUPER CHOKE & HCR).
17:30	22:30	5.0	DRILL 8448' TO 8621', 173' / 34.6 FPH, 44/60 RPM + 65.28 RPM ON MOTOR. WOB 19/25K. PUMP 408 GPM @ 117 SPM, SPP 2655 PSI, DIFF 160/410. DRLG KMV PRICE RIVER LOWER F/8620'.
22:30	00:00	1.5	CIRCULATE 80 BBL HIGH VIS SWEEP, MIX & PUMP PILL, DROP SURVEY.
00:00	06:00	6.0	TRIP FOR NEW BIT & LAY DOWN ROLLER REAMERS. TIGHT HOLE @ 8416', 6697', 6602', 5517', 4796', 4465'. MUD WT 11.3 VIS 38.
			FULL CREWS. NO ACCIDENTS REPORTED.
			SAFETY MEETINGS TOPICS; AUDIT MUD TANKS PPE STORAGE. INSPECTING WINCH LINES FOR KINKS & WICKERS.
			FUEL ON HAND 4731 GAL. USED 1425 GAL.
			WEATHER; FAIR, TEMP 63 DEG. DEW PT 53. WIND CALM. VISIBILITY 10 MI.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU01304
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SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
--	--

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: E CHAPITA 87-03
------------------------------------	--

2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43047405130000
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3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078	PHONE NUMBER: 435 781-9111 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
--	--	--

4. LOCATION OF WELL FOOTAGES AT SURFACE: 1939 FNL 1799 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENW Section: 03 Township: 09.0S Range: 23.0E Meridian: S	COUNTY: Uintah STATE: 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 type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 8/31/2010	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input checked="" type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

The referenced well was turned to sales on August 31, 2010. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 September 02, 2010

NAME (PLEASE PRINT) Michelle Robles	PHONE NUMBER 307 276-4842	TITLE Regulatory Assistant
SIGNATURE N/A	DATE 9/1/2010	

WELL CHRONOLOGY REPORT

Report Generated On: 09-01-2010

Well Name	ECW 087-03	Well Type	DEVG	Division	DENVER
Field	EAST CHAPITA	API #	43-047-40513	Well Class	COMP
County, State	UINTAH, UT	Spud Date	07-30-2010	Class Date	
Tax Credit	N	TVD / MD	9,360/ 9,360	Property #	063932
Water Depth	0	Last CSG	2.375	Shoe TVD / MD	0/ 0
KB / GL Elev	5,023/ 5,005				
Location	Section 3, T9S, R23E, SENW, 1939 FNL & 1799 FWL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	100.0	NRI %	84.75

AFE No	306590	AFE Total	1,518,700	DHC / CWC	601,600/ 917,100
Rig Contr	TRUE	Rig Name	TRUE #34	Start Date	01-27-2009
01-27-2009	Reported By	SHEILA MALLOY			
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			1939' FNL & 1799' FWL (SE/NW)
			SECTION 3, T9S, R23E
			UINTAH COUNTY, UTAH
			LAT 40.066644, LONG 109.316197 (NAD 83)
			LAT 40.066678, LONG 109.315519 (NAD 27)
			TRUE #34
			OBJECTIVE: 9360' TD, MESAVERDE
			DW/GAS
			EAST CHAPITA PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: UTU-01304
			ELEVATION: 5009.7' NAT GL, 5004.5' PREP GL (DUE TO ROUNDING THE PREP GL IS 5005') 5024' KB (19')
			EOG WI 100%, NRI 84.75%

06-23-2010 Reported By TERRY CSERE

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	BEGAN CONSTRUCTION 6/23/10.

06-24-2010 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	LOCATION 20% COMPLETE.

06-25-2010 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	LOCATION 40% COMPLETE.

06-28-2010 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	LOCATION 60% COMPLETE.

06-29-2010 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	LOCATION 90% COMPLETE.

06-30-2010 Reported By TERRY CSERE

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG #2 ON 7/9/2010. DRILLED 12-1/4" HOLE TO 2600' GL (2619' KB). ENCOUNTERED NO WATER. DRILLED WITH AIR AND FOAM TO 2000' THEN PUMP DRILLED TO TD WITH NO LOSSES. RAN 58 JTS (2590.30') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2609.30' KB. RAN 200' OF 1" PIPE DOWN BACK SIDE. RDMO CRAIG'S AIR RIG #2. MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 3000 PSIG. PUMPED 160 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. LEAD: MIXED AND PUMPED 250 SACKS (183 BBLs) OF PREMIUM LEAD CEMENT WITH 0.3% VARSET, 2% CAL-SEAL, AND 2% ECONOLITE. MIXED LEAD CEMENT @ 10.5 PPG WITH YIELD OF 4.1 CF/SX. TAIL: MIXED AND PUMPED 300 SACKS (63 BBLs) OF PREMIUM CEMENT WITH 2% CACL2 MIXED TAIL CEMENT @ 15.6 PPG WITH YIELD OF 1.18 CF/SX. DISPLACED CEMENT WITH 196.6 BBLs FRESH WATER. BUMPED PLUG WITH 955# @ 19:16 PM ON 7/13/10. FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 160 BBLs INTO FRESH WATER FLUSH. CIRCULATED 75 BBLs OF LEAD CEMENT TO PIT. LOST RETURNS 180 BBLs INTO DISPLACEMENT. TOP JOB #1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT WITH 3% CACL2. MIXED CEMENT @ 15.8 PPG WITH YIELD OF 1.15 CF/SX. HOLE FILLED AND CIRCULATED APPROXIMATELY 4 BBLs LEAD CEMENT TO PIT. CEMENT FELL BACK WHEN PUMPING STOPPED. WOC 2 HR. TOP JOB #2: MIXED & PUMPED 75 SX (15 BBLs) OF PREMIUM CEMENT WITH 3% CACL2. MIXED CEMENT @ 15.8 PPG WITH YIELD OF 1.15 CF/SX. HOLE FILLED AND STOOD FULL. PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY. CRAIG'S RIG #2 TOOK SURVEYS WHILE DRILLING HOLE @ 1920' = 2.50 DEGREE, 2250' = 2.00 DEGREE, AND 2600' = 2.25 DEGREE. KYLAN COOK NOTIFIED BLM VIA EMAIL OF THE SURFACE CASING & CEMENT JOB ON 7/11/10 @ 18:30 PM. KYLAN COOK NOTIFIED CAROL DANIELS WITH UDOGM OF THE SURFACE CASING & CEMENT JOB VIA PHONE ON 7/11/10 @ 18:30 PM.

07-30-2010	Reported By	GLEN PRUET									
Daily Costs: Drilling	\$113,498	Completion	\$0	Daily Total	\$113,498						
Cum Costs: Drilling	\$404,015	Completion	\$0	Well Total	\$404,015						
MD	2,619	TVD	2,619	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: PU BHA

Start	End	Hrs	Activity Description
06:00	18:00	12.0	MIRU. .PRE MI AND RIG UP SAFETY MEETING, RIG UP ON ECW 87-03, RAISE DERRICK @ 15:30 HRS. TRUCKS RELEASED @ 16:00.
18:00	19:00	1.0	RU/RT. FMC SERVICEMAN LOCKED DTO DRLG CONNECTOR AND TEST TO 5000 PSI. OK.
19:00	20:00	1.0	RURT. RIG SAFETY CHECK LIST AND INSPECTION PERFORMED. RIG ACCEPTED AT 20:00 HRS, 07/29/2010.
20:00	01:00	5.0	HELD PJSM WITH B & C QUICK TEST, INC. RU AND TEST PIPE RAMS, BLIND RAMS, HCR, CHOKE LINES, MANIFOLD, KILL LINE VALVES, UPPER & LOWER KELLY & INSIDE BOP 250 LOW/ 5000 PSI HI, 10 MINUTES. TEST ANNULAR PREVENTER 250/2500 PSI FOR 10 MINUTES.

B & C PERFORMED ACCUMULATOR FUNCTION TEST AS FOLLOWS; #1 USUABLE FLUID TEST GOOD W/1200 PSI AFTER FUNCTIONING RAMS. #2 PRECHARGE CHECK GOOD AFTER OPENING ANNULAR, BLEEDING BOTTLES INTO RESERVOIR, PRESSURE DROP TO 700 PSI. #3 CAPACITY OF PUMPS; OPEN HCR, CLOSE ANNULAR AND REGAINED PRESSURE TO 1200 PSI IN 55 SEC. ACCUMULATOR TEST GOOD.

01:00 01:30 0.5 TEST CASING TO 1500 PSI FOR 30 MINUTES. NO BLM OR STATE REP. ON LOCATION TO WITNESS TEST. BLM NOTIFIED VIA EMAIL AND UDOGM (CAROL DANIELS VOICE MAIL) RE: BOP TEST ON 7/27/10 16:30 HRS.

01:30 02:00 0.5 INSTALL WEAR BUSHING.

02:00 05:30 3.5 PJSM W/KIMZEY PU/LD MACHINECREW. RU/PU MACHINE EQUIPMENT. PICK UP 7 7/8" STC PDC BIT, BHA & DP ON TRIP IN HOLE. TAG CMT @ 2562'.

05:30 06:00 0.5 TIGHTEN KELLY, P/U KELLY DRIVER AND ROT. HEAD RUBBER.

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; RURT, TEST BOPE. PU BHA

FUEL ON HAND 10,374 GAL. USED 205 GAL. RECEIVED 8000 GAL. & TRANSFER 2579 GALLONS.

TRANSFER 249.93' (6 JTS) 11.6# N-80 LTC CASING AND 3 MKR. JT 39.75' P-110 11.6#.

WEATHER; FAIR, TEMP 63 DEG. DEW PT. 51 DEG. WIND F/WEST. VISIBILITY 10 MI.

07-31-2010 **Reported By** GLEN PRUET

DailyCosts: Drilling	\$26,521	Completion	\$0	Daily Total	\$26,521
Cum Costs: Drilling	\$430,536	Completion	\$0	Well Total	\$430,536
MD	4,858	TVD	4,858	Progress	2,239
Days	1	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: DRILLING @ 4858'

Start	End	Hrs	Activity Description
06:00	08:30	2.5	R/D KIMZEY LD MACHINE. DRILL CEMENT/FLOAT EQUIP. & 21' OF FORMATION. (FUNC COM 2570') BOP DRILL, (WELL SECURE 70 SEC.).
08:30	09:30	1.0	CBU AND PERFORM FIT @ 2640'. 10.0 PPG WT. AND SIP 243 PSI = 11.7 EMW.
09:30	11:30	2.0	DRILL 2640' TO 2890', 250' / 125 FPH, 45/68 RPM + 67 RPM ON MOTOR. WOB 16/24K. PUMP 420 GPM @ 120 SPM, SPP 1800 PSI, DIFF 200/335 DRLG MAHOGANY OIL SHALE BED.
11:30	12:00	0.5	RIG SERVICE , FUNCTION SUPER CHOKE.
12:00	12:30	0.5	WL SURVEY 0.7 DEG. @ 2811'.
12:30	19:30	7.0	DRILL 2890' TO 3887', 997' / 142 FPH, 51/78 RPM + 72 RPM ON MOTOR. WOB 19/28K. PUMP 449 GPM @ 119 SPM, SPP 1900 PSI, DIFF 250/390 DRLG MAHOGANY OIL SHALE BED.
19:30	20:00	0.5	WL SURVEY 1.19 DEG. @ 3808'.
20:00	04:30	8.5	DRILL 3887' TO 4796', 909' / 107 FPH, 54/70 RPM + 72 RPM ON MOTOR. WOB 19/25K. PUMP 456 GPM @ 120 SPM, SPP 2000 PSI, DIFF 250/425 DRLG MAHOGANY OIL SHALE BED. BOP DRILL @ 3981 (WELL SECURE 75 SEC.) (FUNC COM/DRILLING.)
04:30	05:00	0.5	WL SURVEY 2.58 DEG @ 4716'.
05:00	06:00	1.0	DRILL 4796' TO 4858', 62' / 62 FPH, 55/65 RPM + 72 RPM ON MOTOR. WOB 15/26K. PUMP 456 GPM @ 120 SPM, SPP 2100 PSI, DIFF 150/350 DRLG MAHOGANY OIL SHALE BED.

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; DRILL OUT SHOE JONT. TRAVLING TO AND FROM WORK.

FUEL ON HAND 9120 GAL. USED 1254 GAL.

WEATHER; PARTLY CLOUDY, TEMP 64 DEG. DEW PT. 52 DEG. WIND CALM F/SSW 5-10 MPH. VISIBILITY 10 MI.

06:00 SPUD 7 7/8" HOLE @ 9:30 HRS, 07/30/2010.

08-01-2010 **Reported By** GLEN PRUET

Daily Costs: Drilling \$21,510 **Completion** \$0 **Daily Total** \$21,510
Cum Costs: Drilling \$452,046 **Completion** \$0 **Well Total** \$452,046

MD 6,600 **TVD** 6,600 **Progress** 1,742 **Days** 2 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: DRILLING @ 6600'

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILL 4858' TO 5390'. 532' / 88.66 FPH, 54/90 RPM + 75 RPM ON MOTOR. WOB 16/24K. PUMP 473 GPM @ 125 SPM, SPP 2200 PSI, DIFF 200/380 DRLG WASATCH F/4870. (FUNCT COM @ 4920).
12:00	12:30	0.5	RIG SERVICE , (FUNCT DART VALE & KELLY VALVE).
12:30	06:00	17.5	DRILL 5390' TO 6600', 1210' / 69.14 FPH, 47/68 RPM + 75 RPM ON MOTOR. WOB 20/24K. PUMP 473 GPM @ 125 SPM, SPP 2300 PSI, DIFF 160/390. DRLG CHAPITA WELLS F/5460. DRLG BUCK CANYON F/6112. FUNC COM @ 5859.

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; POISONOUS SNAKE AWARENESS. FIRE EXTINGUISHER CONDITION AND LOCATION.

FUEL ON HAND 7638 GAL. USED 1482 GAL.

WEATHER; FAIR, TEMP 68 DEG. DEW PT. 55 DEG. WIND WNW 5-10 MPH. VISIBILITY 10 MI.

08-02-2010 **Reported By** GLEN PRUET

Daily Costs: Drilling \$42,071 **Completion** \$0 **Daily Total** \$42,071
Cum Costs: Drilling \$494,117 **Completion** \$0 **Well Total** \$494,117

MD 7,900 **TVD** 7,900 **Progress** 1,300 **Days** 3 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: DRILLING @ 7900'

Start	End	Hrs	Activity Description
06:00	16:30	10.5	DRILL 6600' TO 7163', 563' / 53.62 FPH, 47/55 RPM + 73 RPM ON MOTOR. WOB 18/23K. PUMP 456 GPM @ 120 SPM, SPP 2580 PSI, DIFF 140/345. DRLG BUCK CANYON F/6112, NORTH HORN F/6687, KMV PRICE RIVER F/7161'. (FUNC COM @ 6602. AND @ 7039).
16:30	17:00	0.5	RIG SERVICE , (FUCTION PIPE RAMS).
17:00	06:00	13.0	DRILL 7163' TO 7900', 737' / 56.69 FPH, 43/62 RPM + 68.12 RPM ON MOTOR. WOB 20/28K. PUMP 425 GPM @ 122 SPM, SPP 2600 PSI, DIFF 140/430. DRLG KMV PRICE RIVER F/7161'. DRLG KMV PRICE RIVER MIDDLE F/7830'. (FUNC COM @ 7225).

MUD WT 11.0 VIS 40

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; PPE SAFETY EQUIPMENT. MIXING CHEMICALS WITH PROPER PPE.

FUEL ON HAND 6156 GAL. USED 1482 GAL.

WEATHER; FAIR, TEMP 62 DEG. DEW PT 56. WIND WNW 5-10 MPH. VISIBILITY 10 MI.

08-03-2010 **Reported By** GLEN PRUET

Daily Costs: Drilling \$34,275 **Completion** \$0 **Daily Total** \$34,275
Cum Costs: Drilling \$528,393 **Completion** \$0 **Well Total** \$528,393

MD 8,621 **TVD** 8,621 **Progress** 721 **Days** 4 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: TOH

Start	End	Hrs	Activity Description
06:00	17:00	11.0	DRILL 7900' TO 8448', 548' / 49.81 FPH, 42/61 RPM + 66.4 RPM ON MOTOR. WOB 14/24K. PUMP 415 GPM @ 119 SPM, SPP 2650 PSI, DIFF 150/440. DRLG KMV PRICE RIVER MIDDLE F/7830'. (FUNC COM @ 7914) & (FUNC COM @ 8290').
17:00	17:30	0.5	RIG SERVICE, (FUNCTION SUPER CHOKE & HCR).
17:30	22:30	5.0	DRILL 8448' TO 8621', 173' / 34.6 FPH, 44/60 RPM + 65.28 RPM ON MOTOR. WOB 19/25K. PUMP 408 GPM @ 117 SPM, SPP 2655 PSI, DIFF 160/410. DRLG KMV PRICE RIVER LOWER F/8620'.
22:30	00:00	1.5	CIRCULATE 80 BBL HIGH VIS SWEEP, MIX & PUMP PILL, DROP SURVEY.
00:00	06:00	6.0	TRIP FOR NEW BIT & LAY DOWN ROLLER REAMERS. TIGHT HOLE @ 8416', 6697', 6602', 5517', 4796', 4465'. MUD WT 11.3 VIS 38.

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; AUDIT MUD TANKS PPE STORAGE. INSPECTING WINCH LINES FOR KINKS & WICKERS.

FUEL ON HAND 4731 GAL. USED 1425 GAL.

WEATHER; FAIR, TEMP 63 DEG. DEW PT 53. WIND CALM. VISIBILITY 10 MI.

08-04-2010 **Reported By** GLEN PRUET

DailyCosts: Drilling	\$36,690	Completion	\$0	Daily Total	\$36,690
Cum Costs: Drilling	\$565,084	Completion	\$0	Well Total	\$565,084

MD 9,250 **TVD** 9,250 **Progress** 629 **Days** 5 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: DRILLING @ 9250'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	TOH, CHANGED OUT MUD MOTOR. MAKE UP BIT # 2 MI 616. LAY DOWN REAMERS. (FUNCT. BLIND RAMS).
07:00	16:00	9.0	T.I.H. WITH BIT # 2. (FUNC. COM TRIPPING). TIGHT HOLE @ 4744' TO 5234'. TIH TO 8310'. TIGHT HOLE @ 8310' TO 8559'. WASHED AND REAMEND F/ 8559' TO 8621'. LOST 253 BBL @ 5200' GAINED 48 BBL F/5200' TO/ 6300'.
16:00	17:00	1.0	DRILL 8621' TO 8655', 34' / 34 FPH, 47 RPM + 64 RPM ON MOTOR. WOB 17K. PUMP 401 GPM @ 115 SPM, SPP 2375 PSI, DIFF 160/410. DRLG KMV PRICE RIVER LOWER F/8620'. (FUNCT. COM @ 8623)
17:00	17:30	0.5	SERVICE RIG. FUNCT. SUPER CHOKE.
17:30	06:00	12.5	DRILL 8655' TO 9250', 595' / 47.6 FPH, 45/52 RPM + 62 RPM ON MOTOR. WOB 19/25K. PUMP 390 GPM @ 112 SPM, SPP 2622 PSI, DIFF 160/410. DRLG SEGO F/9056'.

BOP DRILL @ 8842', WELL SECURE IN 83 SEC.

MUD WT 12.0 VIS 38

FULL CREWS. NO ACCIDENTS REPORTED.

SAFETY MEETINGS TOPICS; TRIPPING PIPE. GREASING THE CROWN

FUEL ON HAND 3648 GAL. USED 1083 GAL.

WEATHER; PARTLY CLOUDY, TEMP 66 DEG. DEW PT 47. WIND 5 TO 10 MPH SSW. VISIBILITY 10 MI.

08-05-2010 **Reported By** GLEN PRUET

DailyCosts: Drilling	\$28,895	Completion	\$100,926	Daily Total	\$129,821
Cum Costs: Drilling	\$593,979	Completion	\$100,926	Well Total	\$694,905

MD 9,360 **TVD** 9,360 **Progress** 110 **Days** 6 **MW** 0.0 **Visc** 0.0

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

Activity at Report Time: PREP TO CEMENT PRODUCTION CSG

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILL 9250' TO 9360', 110' / 55.0 FPH, 42 RPM + 66 RPM ON MOTOR. WOB 23K. PUMP 418 GPM @ 110 SPM, SPP 2460 PSI, DIFF 110. DRLG SEGO F/9056'. PTD 9360' @ 08:00 HRS, 8/4/2010. REACHED TD AT 08:00 HRS, 8/4/10.
08:00	09:30	1.5	PUMP 80 BBL HI-VIS SWEEP W/ SAWDUST MARKER. CBU AND CHECK FOR FLOW. OK
09:30	11:00	1.5	WIPER TRIP/SHORT TRIP 20 STDS. TO 7506'. NO DRAG.
11:00	12:30	1.5	CIRCULATE 80 BBL HI VIS SWEEP AND CONDITION HOLE. HELD PJSM W/KIMZEY CASING SERVICE CREW AND R/U LD MACHINE.
12:30	13:00	0.5	SERVICE RIG AND CHECK FOR FLOW. OK
13:00	21:00	8.0	DROPPED SURVEY. LD DP AND BHA. BREAK KELLY, PULL WEAR BUSHING.
21:00	04:00	7.0	HELD SAFETY MEETING W/RIG CREWS & KIMZEY CASING CREW. R/U CASERS & RAN TOTAL OF 220 JTS 4 1/2", 11.6#, N-80, LTC CASING & LANDED @ 9350'. RAN CASING AS FOLLOWS; FLOAT SHOE @ 9350', 1 SHOE JT., FLOAT COLLAR @ 9305'. 219 JTS PLUS 2 MKR. JTS (19.32') BOTTOM @ 7093' & TOP (11.06') @ 4460', PLUS 1 CASING HANGER PUP JT (5.76'). RAN 3 TURBULIZERS, 1 - 5' ABOVE SHOE 1 EACH IN MIDDLE OF JTS 2 & 3. RAN 39 CENTRALIZERS STARTING ON JT #4 AND EACH 3RD JT TO 4417'. TAGGED BOTTOM W/ JOINT #221, LAID IT DOWN. LAND CASING W/ 90,000 ON HANGER.
04:00	06:00	2.0	CIRCULATE CASING W/950 PSI, 108 SPM, 380 GPM , PJSM W/KIMZEY. R/D KIMZEY CASING TOOLS.

PJSM W/ HALLIBURTON AND R/U HALLIBURTON.
 FULL CREWS. NO ACCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS; FORKLIFT OPERATIONS, RUN CASING.
 FUEL ON HAND 2850 GAL. USED 798 GALLONS
 WEATHER; FAIR, TEMP 62 DEG. DEW PT. 53 DEG. WIND WSW VISIBILITY 10 MI.
 . CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE AND BLM WAS NOTIFIED BY EMAIL OF RUN & CMT.PRODUCTION CSG. @06:45 HRS. 8/4/2010. NO BLM OR UDOGM REPRESENTIVES PRESENT DURING JOB.

08-06-2010	Reported By	GLEN PRUET									
DailyCosts: Drilling	\$10,811	Completion	\$65,815	Daily Total	\$76,626						
Cum Costs: Drilling	\$604,791	Completion	\$166,741	Well Total	\$771,532						
MD	9,360	TVD	9,360	Progress	0	Days	7	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	08:00	2.0	CEMENTING: TEST PUMP & LINES TO 5000 PSI & CEMENT CASING AS FOLLOWS; 20 BBL MUD FLUSH, 161.5 BBL (560 SKS) Highbond LEAD CEMENT MIXED @ 12.5 PPG, 1.62 CU. FT/SK, 8.22 GAL/SK WATER. PLUS 340 BBL (1300 SKS), EXTENDACEM V1 TAIL. CEMENT MIXED @ 13.5 PPG, 1.47 CU. FT/SK, 6.98 GAL/SK WATER. WASH PUMP & LINES, LOAD & DROPPED TOP PLUG ONLY. DISPLACED WITH 144.2 BBL FRESH WATER @ 7 BPM AVERAGE, BUMP PLUG W/1500 PSI OVER FCP OF 2600 PSI @ 2 BPM. HELD PRESSURE(4100 PSI) 5 MIN. RELEASED PRESSURE, FLOW BACK 2 BBL. RE PRESSURED UP TO 2880 PSI FOR 1 HOURS. PLUG DOWN @ 08:15 HRS 8/5 /2010. FULL RETURNS DURING CEMENTING WITH MUD ONLY.
08:00	09:30	1.5	WAIT ON CEMENT 1 HOUR.
09:30	10:00	0.5	RUN PACK OFF TO TOP OF CSG HANGER, HAD FMC SERVICEMAN TEST HANGER AND PACK OFF TO 5000 PSI. OK. CLEAN MUD TANKS. RDRT. MOVING RIG FROM THE ECW 87-03 TO THE ECW 88-03, 0.7 MILES. RW JONES TRUCKING MOVING RIG 8/5/2010.

FULL CREWS, NO ACCIDENTS.

SAFETY MEETINGS, RDRT, TRUCK, CRANE OPERATION.

FUEL ON HAND 2850 GALLONS

TRANSFER 2850 GALLONS DIESEL FUEL, \$2.61/GALLON. TRANSFER 254' (6 JTS) 11.6# N-80 LTC CASING AND (3 MKR. JTS) 53.38' P-110 11.6#. TO ECW 88.03.

NOTIFIED BLM VIA EMAIL AND UDOGM VIA TELEPHONE(CAROL DANIELS) 8/4/10 @ 15:30 HRS. RE: ECW 88-03 BOP TEST.

10:00 RELEASED RIG @ 10:00 HRS, 8/5/2010.
CASING POINT COST \$599,112

08-13-2010		Reported By		SEARLE							
Daily Costs: Drilling		\$0		Completion		\$29,300		Daily Total		\$29,300	
Cum Costs: Drilling		\$604,791		Completion		\$196,041		Well Total		\$800,832	
MD	9,360	TVD	9,360	Progress	0	Days	8	MW	0.0	Visc	0.0
Formation :			PBTD : 9305.0			Perf :			PKR Depth : 0.0		
Activity at Report Time: PREP FOR FRACS											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM 9294' TO 200'. EST CEMENT TOP ABOVE 200'. RDWL.								
08-20-2010		Reported By		MCCURDY							
Daily Costs: Drilling		\$0		Completion		\$1,843		Daily Total		\$1,843	
Cum Costs: Drilling		\$604,791		Completion		\$197,884		Well Total		\$802,675	
MD	9,360	TVD	9,360	Progress	0	Days	9	MW	0.0	Visc	0.0
Formation :			PBTD : 9305.0			Perf :			PKR Depth : 0.0		
Activity at Report Time: WO COMPLETION											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.								
08-23-2010		Reported By		MCCURDY							
Daily Costs: Drilling		\$0		Completion		\$1,368		Daily Total		\$1,368	
Cum Costs: Drilling		\$604,791		Completion		\$199,252		Well Total		\$804,043	
MD	9,360	TVD	9,360	Progress	0	Days	10	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 9305.0			Perf : 7413'-9007'			PKR Depth : 0.0		
Activity at Report Time: FRAC											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	STAGE 1. MIRU CUTTERS WIRELINE & PERFORATE LPR FROM 8736'-37', 8741'-42', 8764'-65', 8788'-89', 8794'-95', 8814'-15', 8847'-48', 8883'-84', 8918'-19', 8952'-53', 8957'-58', 8980'-81', 8994'-95', 9006'-07' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7557 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 34017 GAL 16# DELTA 200 W/117300# 20/40 SAND @ 2-5 PPG. MTP 5994 PSIG. MTR 50.9 BPM. ATP 4526 PSIG. ATR 49.1 BPM. ISIP 3216 PSIG. RD HALLIBURTON.								

STAGE 2. RUWL. SET 6K CFP AT 8710'. PERFORATE MPR / LPR FROM 8512'-13', 8517'-18', 8526'-27', 8542'-43', 8565'-66', 8574'-75', 8589'-90', 8595'-96', 8606'-07', 8618'-19', 8626'-27', 8638'-39', 8662'-63', 8694'-95' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7423 GAL 16# LINEAR W/9500/40 SAND @ 1-1.5 PPG, 15458 GAL 16# DELTA 200 W/38600# 20/40 SAND @ 2-3PPG. MTP 6295G. MTR 52 BPM. ATP 5578 PSIG. ATR 47 BPM. ISIP 3507 PSIG. RD HALLIBURTON.

STAGE 3. RUWL. SET 6K CFP AT 8474'. PERFORATE MPR FROM 8269'-70', 8276'-77', 8287'-88', 8294'-95', 8301'-02', 8309'-10', 8316'-17', 8359'-60', 8365'-66', 8380'-81', 8392'-93', 8419'-20', 8427'-28', 8456'-57' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7376 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 44534 GAL 16# DELTA 200 W/148800# 20/40 SAND @ 2-5 PPG. MTP 6150 PSIG. MTR 51.1 BPM. ATP 5626 PSIG. ATR 48.4 BPM. ISIP 4714 PSIG. RD HALLIBURTON.

STAGE 4. RUWL. SET 6K CFP AT 8230'. PERFORATE MPR FROM 8006'-07', 8013'-14', 8020'-21', 8035'-36', 8041'-42', 8047'-48', 8105'-06', 8112'-13', 8119'-20', 8172'-73', 8184'-85', 8192'-93', 8206'-7', 8212'-13' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 49120 GAL 16# DELTA 200 W/154100# 20/40 SAND @ 1-5 PPG. MTP 6558 PSIG. MTR 51.3 BPM. ATP 5184 PSIG. ATR 42.7 BPM. ISIP 2649 PSIG. RD HALLIBURTON.

STAGE 5. RUWL. SET 6K CFP AT 7965'. PERFORATE UPR / MPR FROM 7690'-91', 7705'-06', 7734'-35', 7743'-44', 7756'-57', 7785'-86', 7789'-90', 7811'-12', 7848'-49', 7887'-88', 7914'-15', 7927'-28', 7939'-40', 7946'-47' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7345 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 44347 GAL 16# DELTA 200 W/152600# 20/40 SAND @ 2-5 PPG. MTP 6275 PSIG. MTR 51.4 BPM. ATP 4828 PSIG. ATR 49.1 BPM. ISIP 2880 PSIG. RD HALLIBURTON.

STAGE 6. RUWL. SET 6K CFP AT 7640'. PERFORATE UPR FROM 7413'-14', 7431'-32', 7438'-39', 7446'-47', 7452'-53', 7475'-76', 7509'-10', 7543'-44', 7588'-89', 7594'-95', 7600'-01', 7608'-09', 7614'-15', 7619'-20' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7392 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 34381 GAL 16# DELTA 200 W/118900# 20/40 SAND @ 2-5 PPG. MTP 6047 PSIG. MTR 51.3 BPM. ATP 4941 PSIG. ATR 48.2 BPM. ISIP 2579 PSIG. RD HALLIBURTON. SDFN.

08-24-2010		Reported By		MCCURDY							
Daily Costs: Drilling	\$0			Completion	\$390,825		Daily Total	\$390,825			
Cum Costs: Drilling	\$604,791			Completion	\$590,077		Well Total	\$1,194,868			
MD	9,360	TVD	9,360	Progress	0	Days	11	MW	0.0	Visc	0.0
Formation : MESAVERDE / WASATCH		PBTD : 9305.0		Perf : 5404'-9007'		PKR Depth : 0.0					

Activity at Report Time: PREP TO MIRUSU FOR POST FRAC CLEAN OUT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	STAGE 7. SICIP 1489 PSIG. RUWL. SET 6K CFP AT 7392'. PERFORATE NH / UPR FROM 7084'-85', 7102'-03', 7136'-37', 7145'-46', 7162'-63', 7168'-69', 7196'-97', 7214'-15', 7219'-20', 7280'-81', 7290'-91', 7328'-29', 7348'-49', 7376'-77' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7362 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 36575 GAL 16# DELTA 200 W/128500# 20/40 SAND @ 2-5 PPG. MTP 6000 PSIG. MTR 51.6 BPM. ATP 4603 PSIG. ATR 50.7 BPM. ISIP 2575 PSIG. RD HALLIBURTON.

STAGE 8. RUWL. SET 6K CFP AT 7054'. PERFORATE NH FROM 6789'-90', 6812'-13', 6892'-93', 6898'-99', 6903'-04', 6907'-08', 6916'-17', 6951'-52', 6954'-55', 7004'-05', 7017'-18', 7022'-23', 7028'-29', 7033'-34' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7488 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 48933 GAL 16# DELTA 200 W/170000# 20/40 SAND @ 2-5 PPG. MTP 5518 PSIG. MTR 51.5 BPM. ATP 3030 PSIG. ATR 51.3 BPM. ISIP 2491 PSIG. RD HALLIBURTON.

STAGE 9. RUWL. SET 6K CFP AT 6758'. PERFORATE Ba FROM 6547'-48', 6550'-51', 6553'-54', 6560'-61', 6563'-64', 6566'-67', 6570'-71', 6677'-78', 6680'-81', 6688'-89', 6715'-16', 6721'-22', 6725'-26', 6740'-41' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 8817 GAL 16# LINEAR W/11100# 20/40 SAND @ 1-1.5 PPG, 20716 GAL 16# DELTA 200 W/64600# 20/40 SAND @ 2-4 PPG. MTP 5647 PSIG. MTR 51.7 BPM. ATP 3782 PSIG. ATR 51.4 BPM. ISIP 1912 PSIG. RD HALLIBURTON.

STAGE 10. RUWL. SET 6K CFP AT 6526'. PERFORATE Ca / Ba FROM 6130'-31', 6140'-41', 6164'-65', 6173'-74', 6262'-63', 6286'-87', 6346'-47', 6408'-09', 6410'-11', 6453'-54', 6460'-61', 6468'-69', 6480'-81', 6507'-08' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 32977 GAL 16# DELTA 200 W/55500# 20/40 SAND @ 1-3 PPG. MTP 6170 PSIG. MTR 51.3 BPM. ATP 5697 PSIG. ATR 36.1 BPM. ISIP 1582 PSIG. RD HALLIBURTON.

STAGE 11. RUWL. SET 6K CFP AT 5570'. PERFORATE Pp / Ca FROM 5404'-05', 5409'-10', 5413'-14', 5420'-21', 5428'-29', 5432'-33', 5458'-59', 5468'-69', 5475'-76', 5482'-83', 5535'-36', 5540'-41', 5545'-46', 5549'-50' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 6371 GAL 16# LINEAR W/8000# 20/40 SAND @ 1-1.5 PPG, 39778 GAL 16# DELTA 200 W/145300# 20/40 SAND @ 2-4 PPG. MTP 4748 PSIG. MTR 52.6 BPM. ATP 2892 PSIG. ATR 50.6 BPM. ISIP 1758 PSIG. RD HALLIBURTON.

RUWL. SET 6K CBP AT 5165'. RDWL. SDFN.

08-28-2010		Reported By		MCCURDY							
Daily Costs: Drilling		\$0	Completion		\$6,044	Daily Total		\$6,044			
Cum Costs: Drilling		\$604,791	Completion		\$596,121	Well Total		\$1,200,912			
MD	9,360	TVD	9,360	Progress	0	Days	12	MW	0.0	Visc	0.0
Formation : MESAVERDE / WASATCH		PBTD : 9305.0			Perf : 5404'-9007'			PKR Depth : 0.0			
Activity at Report Time: POST FRAC CLEAN OUT											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	MIRU BASIC RIG. ND FRAC TREE & NU BOP. TESTED BLIND RAMS AND CASING TO 3000 PSIG. RIH W/BIT & PUMP OFF SUB TO 5050'. TESTED UPPER AND LOWER PIPE RAMS TO 3000 PSIG. RU TO DRILL OUT PLUGS. SDFW.								

08-31-2010		Reported By		BAUSCH							
Daily Costs: Drilling		\$0	Completion		\$46,768	Daily Total		\$46,768			
Cum Costs: Drilling		\$604,791	Completion		\$642,889	Well Total		\$1,247,680			
MD	9,360	TVD	9,360	Progress	0	Days	13	MW	0.0	Visc	0.0
Formation : MESAVERDE / WASATCH		PBTD : 9103.0			Perf : 5404'-9007'			PKR Depth : 0.0			
Activity at Report Time: FLOW TEST											
Start	End	Hrs	Activity Description								
07:00	06:00	23.0	SICP 0 PSIG. SISCP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5165', 5570', 6526', 6758', 7054', 7392', 7640', 7965', 8230', 8474' & 8710'. RIH. CLEANED OUT TO 9,103'. LANDED TBG AT 7647' KB. ND BOPE & NU TREE. PUMPED OFF BIT & SUB. RDMOSU.								

FLOWED 9 HRS. 18/64 CHOKE. FTP 875 PSIG, CP 1000 PSIG. 44 BFPH. RECOVERED 396 BLW. 12,395 BLWTR. MEDIUM SAND.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'

1 JT 2-3/8 4.7# N-80 TBG 32.55'

XN NIPPLE 1.30'
 233 JTS 2-3/8 4.7# N-80 TBG 7593.55'
 BELOW KB 19.00'
 LANDED @ 7647.40' KB

09-01-2010	Reported By	BAUSCH									
Daily Costs: Drilling	\$0	Completion	\$4,359	Daily Total	\$4,359						
Cum Costs: Drilling	\$604,791	Completion	\$647,248	Well Total	\$1,252,039						
MD	9,360	TVD	9,360	Progress	0	Days	14	MW	0.0	Visc	0.0
Formation :	MESAVERDE / WASATCH	PBTD :	9103.0	Perf :	5404'-9007'	PKR Depth :	0.0				

Activity at Report Time: FLOW TEST TO SALES-INITIAL PRODUCTION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION. OPENING PRESSURE: TP 800 PSIG & CP 1050 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 10:00 AM, 8/31/10. FLOWED 200 MCFD RATE ON 20/64" POS CHOKE. STATIC 202. QUESTAR METER #008529.

FLOWED THROUGH TEST UNIT TO SALES 23 HRS. 20/64 CHOKE. FTP 800 PSIG. CP 1050 PSIG. 33 BFPH. RECOVERED 754 BLW. 11,641 BLWTR. 234 MCFD RATE. MODERATE SAND.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU01304

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

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

2. Name of Operator **EOG RESOURCES, INC.** Contact: **MICHELLE E ROBLES**
E-Mail: **MICHELLE_ROBLES@EOGRESOURCES.COM**

8. Lease Name and Well No.
EAST CHAPITA 87-03

3. Address **1060 EAST HIGHWAY 40**
VERNAL, UT 84078 3a. Phone No. (include area code)
Ph: 307-276-4842

9. API Well No.
43-047-40513

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
At surface **SENW 1939FNL 1799FWL 40.06664 N Lat, 109.31620 W Lon**
At top prod interval reported below **SENW 1939FNL 1799FWL 40.06664 N Lat, 109.31620 W Lon**
At total depth **SENW 1939FNL 1799FWL 40.06664 N Lat, 109.31620 W Lon**

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey
or Area **Sec 3 T9S R23E Mer SLB**

12. County or Parish
UINTAH 13. State
UT

14. Date Spudded
07/01/2010 15. Date T.D. Reached
08/04/2010 16. Date Completed
 D & A Ready to Prod.
08/31/2010

17. Elevations (DF, KB, RT, GL)*
5010 GL

18. Total Depth: **MD 9360** 19. Plug Back T.D.: **MD 9103** 20. Depth Bridge Plug Set: **MD**
TVD **TVD** **TVD**

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J55	36.0	0	2609		725		0	
7.875	4.500 N80	11.6	0	9350		1860		0	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	7647							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
AWASATCH/MESAVERDE	5404	9007	8736 TO 9007		2	
B)			8512 TO 8695		2	
C)			8269 TO 8457		2	
D)			8006 TO 8213		2	

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

Depth Interval	Amount and Type of Material
8736 TO 9007	41,794 GALS GELLED WATER & 126,900# 20/40 SAND
8512 TO 8695	23,101 GALS GELLED WATER & 48,100# 20/40 SAND
8269 TO 8457	52,130 GALS GELLED WATER & 158,300# 20/40 SAND
8006 TO 8213	49,340 GALS GELLED WATER & 154,100# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
08/31/2010	09/16/2010	24	→	25.0	724.0	494.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
24/64	SI 625	1375.0	→	25	724	494		PGW	

28a. Production - Interval B

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

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

ELECTRONIC SUBMISSION #93573 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

RECEIVED

SEP 30 2010

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH/MESAVERDE	5404	9007		GREEN RIVER	1699
				BIRDS NEST	2016
				MAHOGANY	2645
				UTELAND BUTTE	4719
				WASATCH	4860
				CHAPITA WELLS	5463
				BUCK CANYON	6152
PRICE RIVER	7111				

32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

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

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

Electronic Submission #93573 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal

Name (please print) MICHELLE E ROBLES Title REGULATORY ASSISTANT

Signature _____ (Electronic Submission) Date 09/28/2010

Michelle Robles

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

East Chapita 87-03 ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

7690-7947	2/spf
7413-7620	2/spf
7084-7377	2/spf
6789-7034	2/spf
6547-6741	2/spf
6130-6508	2/spf
5404-5550	2/spf

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

7690-7947	51,912 GALS GELLED WATER & 162,100# 20/40 SAND
7413-7620	41,993 GALS GELLED WATER & 128,400# 20/40 SAND
7084-7377	44,157 GALS GELLED WATER & 138,000# 20/40 SAND
6789-7034	56,641 GALS GELLED WATER & 179,600# 20/40 SAND
6547-6741	29,588 GALS GELLED WATER & 75,700# 20/40 SAND
6130-6508	33,032 GALS GELLED WATER & 55,500# 20/40 SAND
5404-5550	46,204 GALS GELLED WATER & 153,300# 20/40 SAND

PERFORATE LOWER PRICE RIVER FROM 8736'-37', 8741'-42', 8764'-65', 8788'-89', 8794'-95', 8814'-15', 8847'-48', 8883'-84', 8918'-19', 8952'-53', 8957'-58', 8980'-81', 8994'-95', 9006'-07' @ 2 SPF.

PERFORATE MIDDLE PRICE RIVER / LOWER PRICE RIVER FROM 8512'-13', 8517'-18', 8526'-27', 8542'-43', 8565'-66', 8574'-75', 8589'-90', 8595'-96', 8606'-07', 8618'-19', 8626'-27', 8638'-39', 8662'-63', 8694'-95' @ 2 SPF.

PERFORATE MIDDLE PRICE RIVER FROM 8269'-70', 8276'-77', 8287'-88', 8294'-95', 8301'-02', 8309'-10', 8316'-17', 8359'-60', 8365'-66', 8380'-81', 8392'-93', 8419'-20', 8427'-28', 8456'-57' @ 2 SPF.

PERFORATE MIDDLE PRICE RIVER FROM 8006'-07', 8013'-14', 8020'-21', 8035'-36', 8041'-42', 8047'-48', 8105'-06', 8112'-13', 8119'-20', 8172'-73', 8184'-85', 8192'-93', 8206'-7', 8212'-13' @ 2 SPF.

PERFORATE UPPER PRICE RIVER / MIDDLE PRICE RIVER FROM 7690'-91', 7705'-06', 7734'-35', 7743'-44', 7756'-57', 7785'-86', 7789'-90', 7811'-12', 7848'-49', 7887'-88', 7914'-15', 7927'-28', 7939'-40', 7946'-47' @ 2 SPF.

PERFORATE UPPER PRICE RIVER FROM 7413'-14', 7431'-32', 7438'-39', 7446'-47', 7452'-53', 7475'-76', 7509'-10', 7543'-44', 7588'-89', 7594'-95', 7600'-01', 7608'-09', 7614'-15', 7619'-20' @ 2 SPF.

PERFORATE NH / UPPER PRICE RIVER FROM 7084'-85', 7102'-03', 7136'-37', 7145'-46', 7162'-63', 7168'-69', 7196'-97', 7214'-15', 7219'-20', 7280'-81', 7290'-91', 7328'-29', 7348'-49', 7376'-77' @ 2 SPF.

PERFORATE NH FROM 6789'-90', 6812'-13', 6892'-93', 6898'-99', 6903'-04', 6907'-08', 6916'-17', 6951'-52', 6954'-55', 7004'-05', 7017'-18', 7022'-23', 7028'-29', 7033'-34' @ 2 SPF.

PERFORATE Ba FROM 6547'-48', 6550'-51', 6553'-54', 6560'-61', 6563'-64', 6566'-67', 6570'-71', 6677'-78', 6680'-81', 6688'-89', 6715'-16', 6721'-22', 6725'-26', 6740'-41' @ 2 SPF.

PERFORATE Ca / Ba FROM 6130'-31', 6140'-41', 6164'-65', 6173'-74', 6262'-63', 6286'-87', 6346'-47', 6408'-09', 6410'-11', 6453'-54', 6460'-61', 6468'-69', 6480'-81', 6507'-08' @ 2 SPF.

PERFORATE Pp / Ca FROM 5404'-05', 5409'-10', 5413'-14', 5420'-21', 5428'-29', 5432'-33', 5458'-59', 5468'-69', 5475'-76', 5482'-83', 5535'-36', 5540'-41', 5545'-46', 5549'-50' @ 2 SPF.

52.FORMATION MARKERS

Middle Price River	7834
Lower Price River	8631
Sego	9190