

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

FORM 3

AMENDED REPORT

| | | |
|---|--|---|
| APPLICATION FOR PERMIT TO DRILL | | 1. WELL NAME and NUMBER Hoss 129-35 |
| 2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/> | | 3. FIELD OR WILDCAT NATURAL BUTTES |
| 4. TYPE OF WELL Gas Well Coalbed Methane Well: NO | | 5. UNIT or COMMUNITIZATION AGREEMENT NAME |
| 6. NAME OF OPERATOR EOG Resources, Inc. | | 7. OPERATOR PHONE 435 781-9111 |
| 8. ADDRESS OF OPERATOR 1060 East Highway 40, Vernal, UT, 84078 | | 9. OPERATOR E-MAIL kaylene_gardner@eogresources.com |
| 10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU76042 | 11. MINERAL OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> | 12. SURFACE OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> |
| 13. NAME OF SURFACE OWNER (if box 12 = 'fee') | | 14. SURFACE OWNER PHONE (if box 12 = 'fee') |
| 15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') | | 16. SURFACE OWNER E-MAIL (if box 12 = 'fee') |
| 17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN') | 18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/> | 19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/> |

| 20. LOCATION OF WELL | FOOTAGES | QTR-QTR | SECTION | TOWNSHIP | RANGE | MERIDIAN |
|---------------------------------|-------------------|---------|---------|----------|--------|----------|
| LOCATION AT SURFACE | 2025 FSL 1858 FWL | NESW | 35 | 8.0 S | 23.0 E | S |
| Top of Uppermost Producing Zone | 2025 FSL 1858 FWL | NESW | 35 | 8.0 S | 23.0 E | S |
| At Total Depth | 2025 FSL 1858 FWL | NESW | 35 | 8.0 S | 23.0 E | S |

| | | |
|---|--|--|
| 21. COUNTY UINTAH | 22. DISTANCE TO NEAREST LEASE LINE (Feet) 1858 | 23. NUMBER OF ACRES IN DRILLING UNIT 1880 |
| | 25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1300 | 26. PROPOSED DEPTH MD: 9200 TVD: 9200 |
| 27. ELEVATION - GROUND LEVEL 5023 | 28. BOND NUMBER NM2308 | 29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 49-225 |

ATTACHMENTS

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

| | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE) | <input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER |
| <input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED) | <input checked="" type="checkbox"/> TOPOGRAPHICAL MAP |

| | | |
|--|---|--|
| NAME Mary Maestas | TITLE Regulatory Assistant | PHONE 303 824-5526 |
| SIGNATURE | DATE 09/03/2009 | EMAIL mary_maestas@eogresources.com |
| API NUMBER ASSIGNED 43047507070000 | APPROVAL  Permit Manager | |

Proposed Hole, Casing, and Cement

| String | Hole Size | Casing Size | Top (MD) | Bottom (MD) | | |
|---------------|------------------|--------------------|-----------------|--------------------|--|--|
| Surf | 12.25 | 9.625 | 0 | 2300 | | |
| Pipe | Grade | Length | Weight | | | |
| | Grade J-55 ST&C | 2300 | 36.0 | | | |
| | | | | | | |

Proposed Hole, Casing, and Cement

| String | Hole Size | Casing Size | Top (MD) | Bottom (MD) | | |
|---------------|------------------|--------------------|-----------------|--------------------|--|--|
| Prod | 7.875 | 4.5 | 0 | 9200 | | |
| Pipe | Grade | Length | Weight | | | |
| | Grade N-80 LT&C | 9200 | 11.6 | | | |
| | | | | | | |

DRILLING PLAN

HOSS 129-35

**NE/SW, SEC. 35, T8S, 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 | 1,977 | | Shale | |
| Mahogany Oil Shale Bed | 2,623 | | Shale | |
| Wasatch | 4,829 | Primary | Sandstone | Gas |
| Chapita Wells | 5,413 | Primary | Sandstone | Gas |
| Buck Canyon | 6,081 | Primary | Sandstone | Gas |
| North Horn | 6,648 | Primary | Sandstone | Gas |
| KMV Price River | 7,011 | Primary | Sandstone | Gas |
| KMV Price River Middle | 7,667 | Primary | Sandstone | Gas |
| KMV Price River Lower | 8,460 | Primary | Sandstone | Gas |
| Sego | 8,991 | | Sandstone | |
| TD | 9,200 | | | |

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

Anticipated BHP: 5,023 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 | | | 1880 Psi | 10,000# |
| Surface | 12 ¼" | 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 | 233,000# |
| | | | | | | | | | |

Note: 12-¼" 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.

DRILLING PLAN

HOSS 129-35

**NE/SW, SEC. 35, T8S, 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. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 3rd joint to 400' above the top of primary objective. 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. Defloculants/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.

DRILLING PLAN

HOSS 129-35

**NE/SW, SEC. 35, T8S, 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, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

8. EVALUATION PROGRAM:

Cased-hole Logs:

Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
CBL/CCL/VDL/GR

DRILLING PLAN

HOSS 129-35

**NE/SW, SEC. 35, T8S, 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: 141 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: 856 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.

DRILLING PLAN

HOSS 129-35

**NE/SW, SEC. 35, T8S, R23E, S.L.B.&M.,
UINTAH COUNTY, UTAH**

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

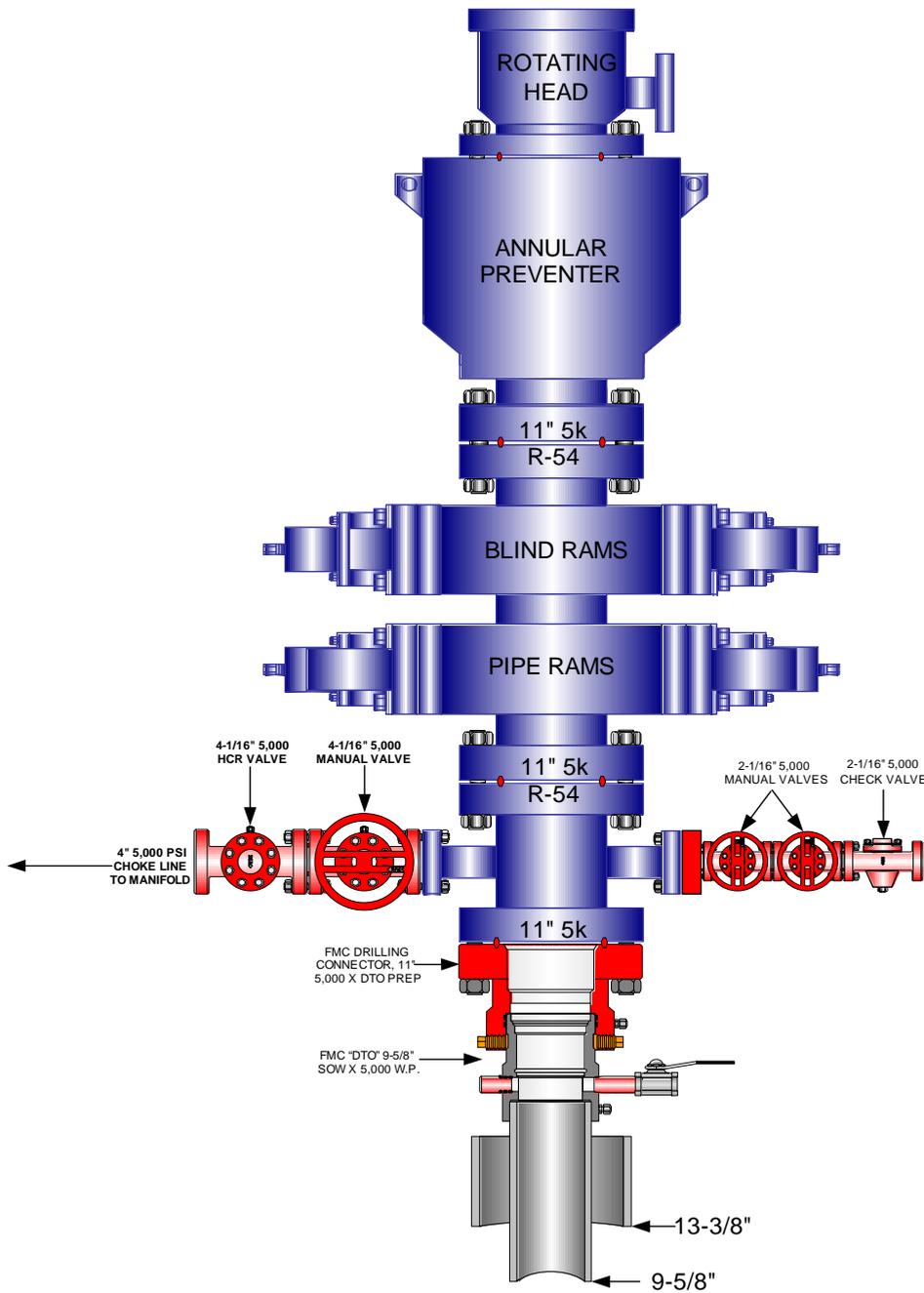
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold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

13. Air Drilling Operations:

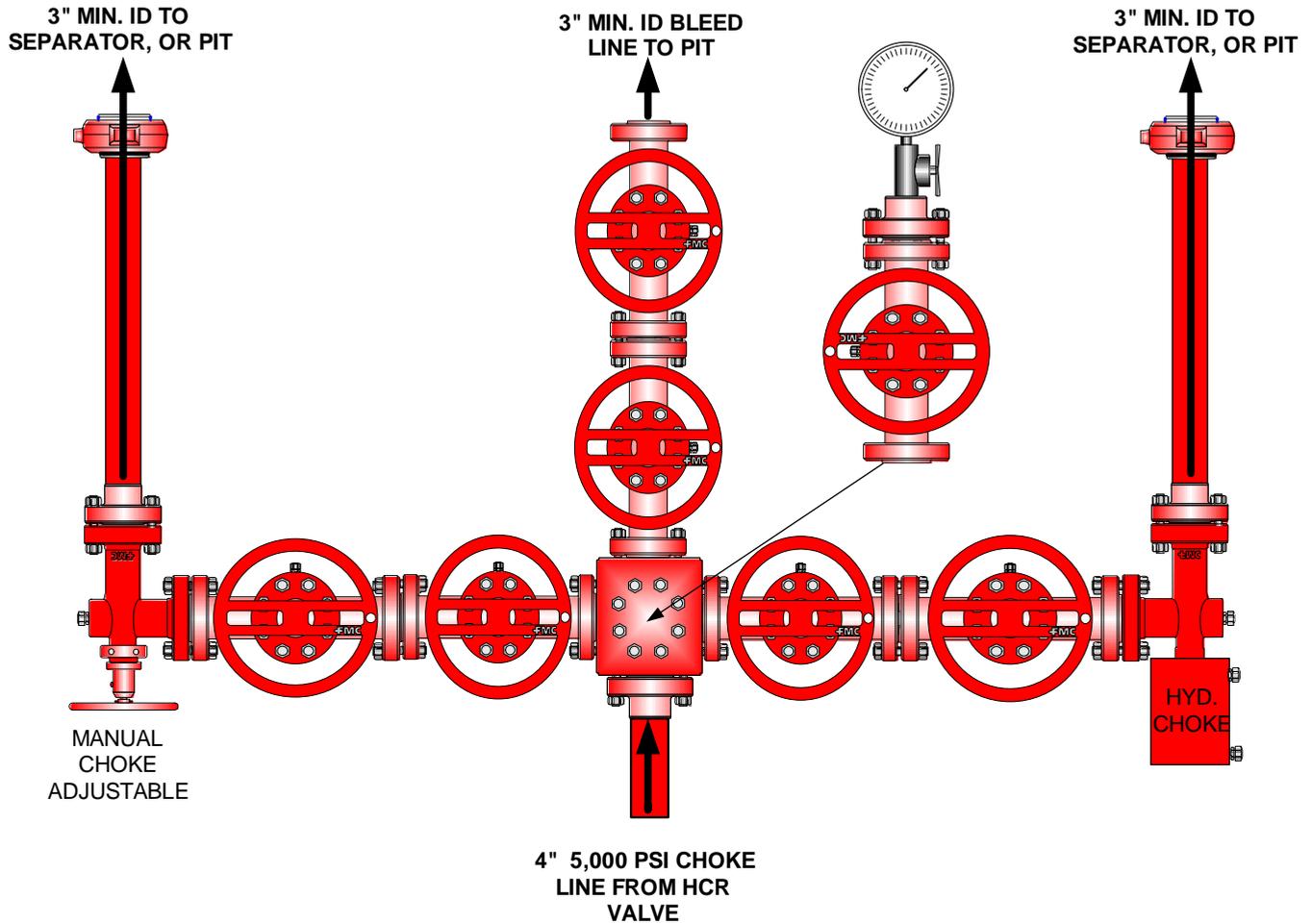
1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as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



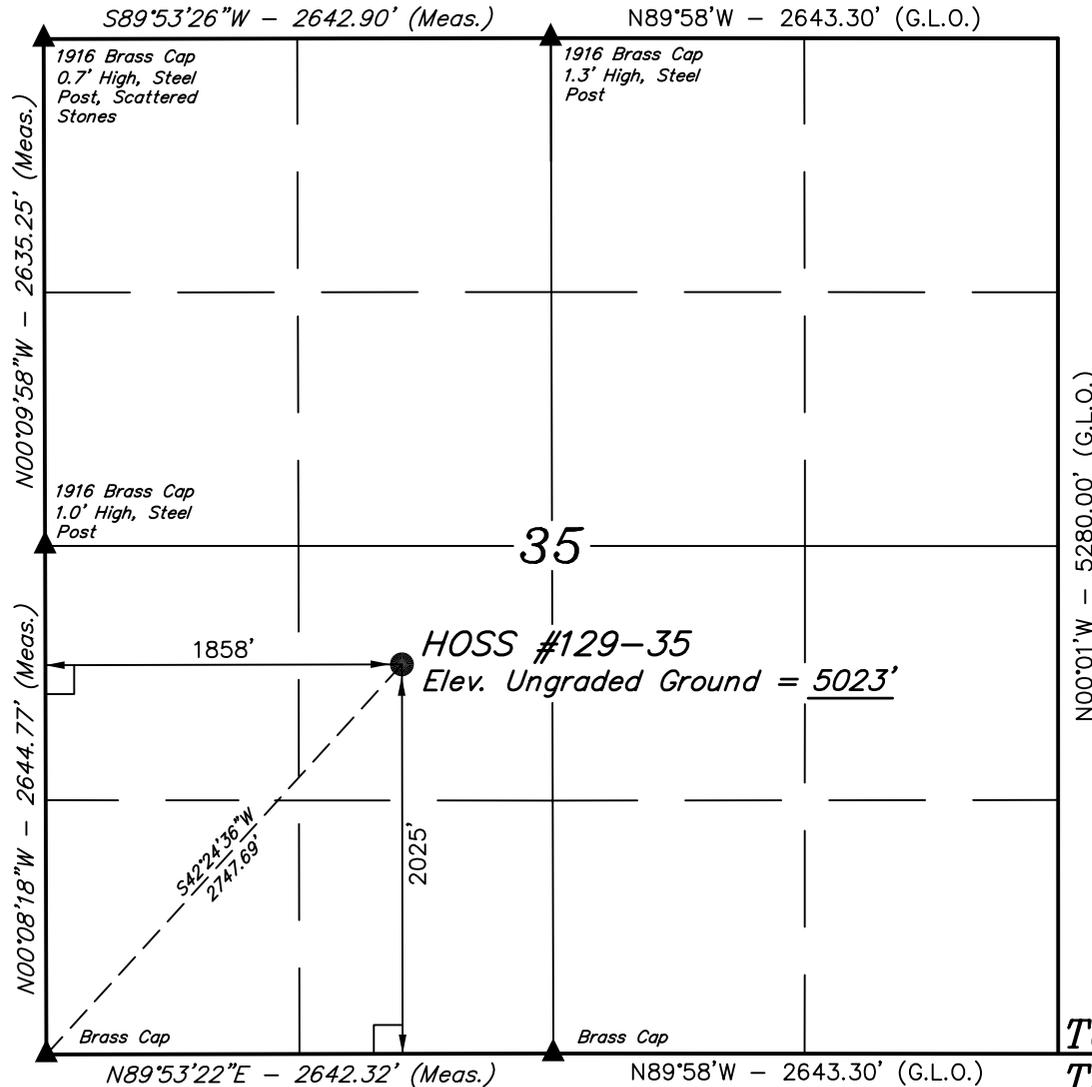
Testing Procedure:

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.

T8S, R23E, S.L.B.&M.

EOG RESOURCES, INC.

Well location, HOSS #129-35, located as shown in the NE 1/4 SW 1/4 of Section 35, T8S, R23E, S.L.B.&M., Uintah County, Utah.

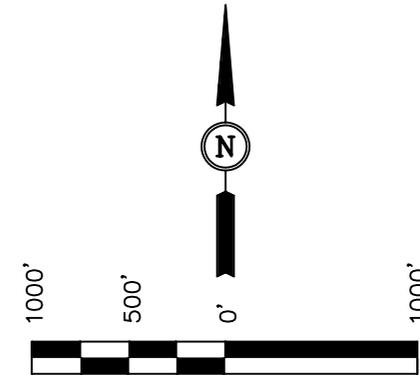


BASIS OF ELEVATION

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

BASIS OF BEARINGS

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



SCALE

CERTIFICATE

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

ROBERT L. KAY
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

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

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

(NAD 83)
 LATITUDE = $40^{\circ}04'38.97''$ (40.077492)
 LONGITUDE = $109^{\circ}17'49.72''$ (109.297144)
 (NAD 27)
 LATITUDE = $40^{\circ}04'39.10''$ (40.077528)
 LONGITUDE = $109^{\circ}17'47.28''$ (109.296467)

| | | |
|-------------------------|-----------------------------|-------------------------|
| SCALE 1" = 1000' | DATE SURVEYED: 10-01-08 | DATE DRAWN: 10-03-08 |
| PARTY C.R. S.B. E.M. | REFERENCES G.L.O. PLAT | |
| WEATHER WARM | FILE EOG RESOURCES, INC. | |

APIWellNo:43047507070000

EOG RESOURCES, INC.

HOSS #129-35

LOCATED IN UINTAH COUNTY, UTAH

SECTION 35, T8S, R23E, S.L.B.&M.

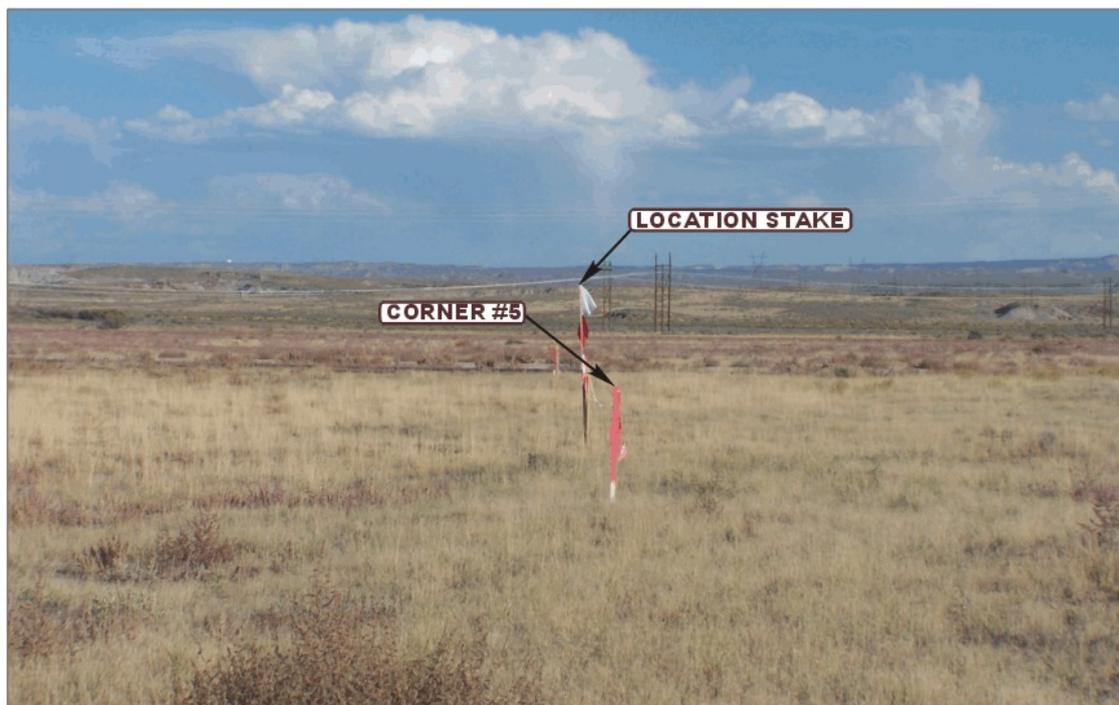


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHERLY



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

- Since 1964 -

| | | | | |
|------------------------|----------------|-----------|-------------------|--------------|
| LOCATION PHOTOS | 10 | 09 | 08 | PHOTO |
| | MONTH | DAY | YEAR | |
| TAKEN BY: G.S. | DRAWN BY: Z.L. | | REVISED: 00-00-00 | |

EOG RESOURCES, INC.

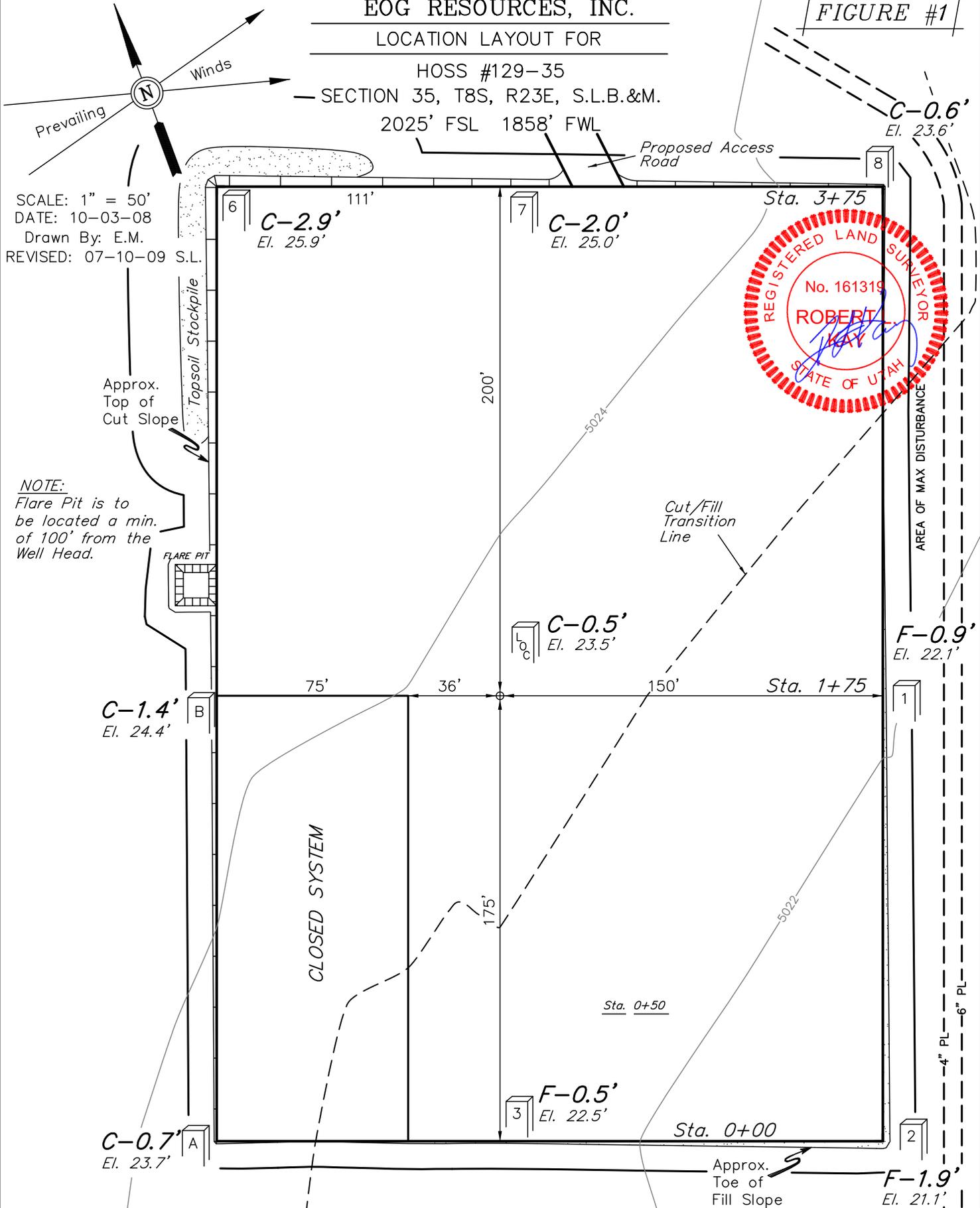
LOCATION LAYOUT FOR

HOSS #129-35

SECTION 35, T8S, R23E, S.L.B.&M.

2025' FSL 1858' FWL

FIGURE #1



SCALE: 1" = 50'
 DATE: 10-03-08
 Drawn By: E.M.
 REVISED: 07-10-09 S.L.

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

Elev. Ungraded Ground at Location Stake = 5023.5'
 Elev. Graded Ground at Location Stake = 5023.0'

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EOG RESOURCES, INC.

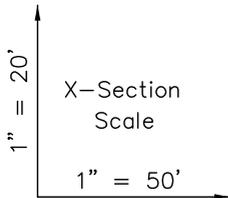
FIGURE #2

TYPICAL CROSS SECTIONS FOR

HOSS #129-35

SECTION 35, T8S, R23E, S.L.B.&M.

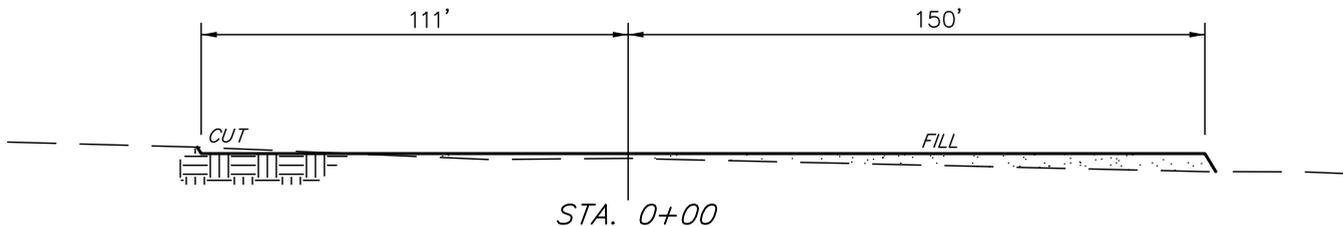
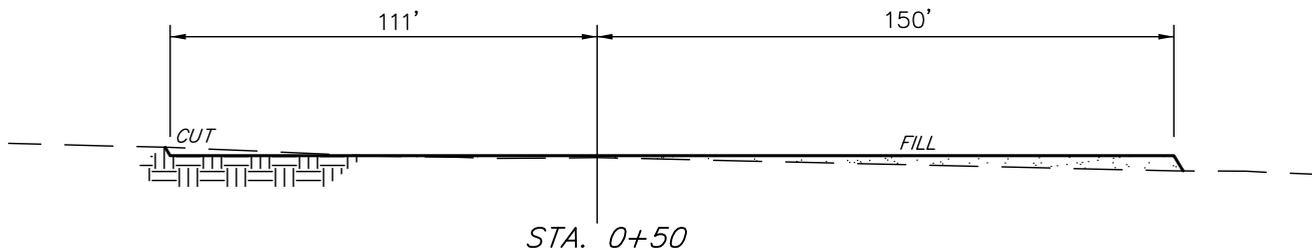
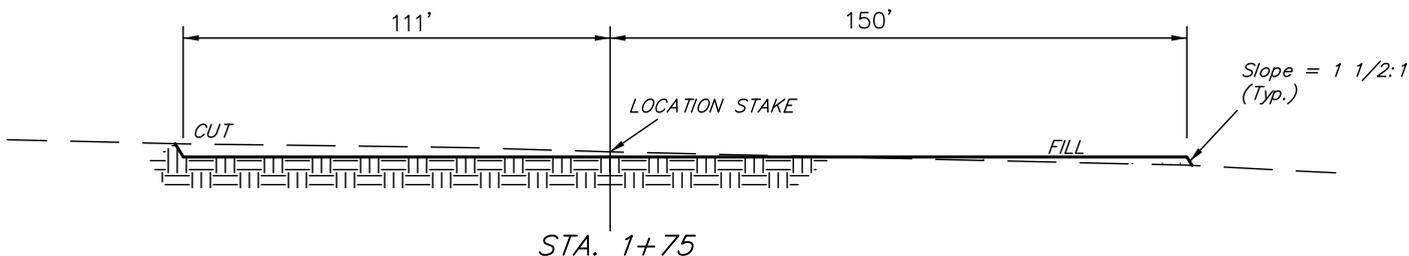
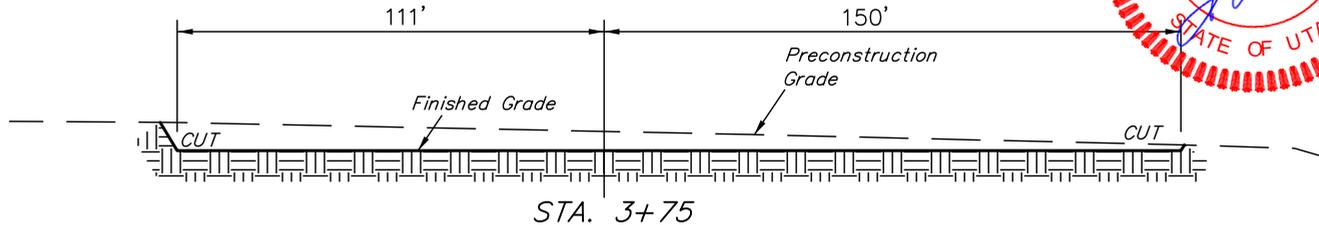
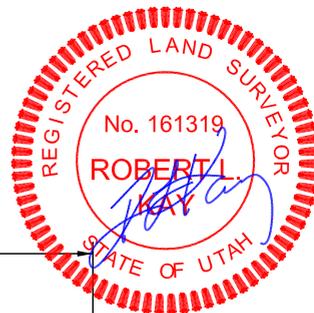
2025' FSL 1858' FWL



DATE: 10-03-08

Drawn By: E.M.

REVISED: 07-10-09 S.L.



NOTE:

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

APPROXIMATE ACREAGES

WELL SITE DISTURBANCE = ±2.724 ACRES
ACCESS ROAD DISTURBANCE = ±0.120 ACRES
PIPELINE DISTURBANCE = ±0.127 ACRES
TOTAL = ±2.971 ACRES

* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping = 1,870 Cu. Yds.
Remaining Location = 1,570 Cu. Yds.
TOTAL CUT = 3,340 CU.YDS.
FILL = 1,570 CU.YDS.

EXCESS MATERIAL = 1,870 Cu. Yds.
Topsoil & Pit Backfill = 1,870 Cu. Yds.
(1/2 Pit Vol.)
EXCESS UNBALANCE = 0 Cu. Yds.
(After Interim Rehabilitation)

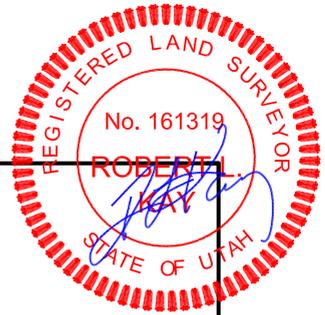
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85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

EOG RESOURCES, INC.

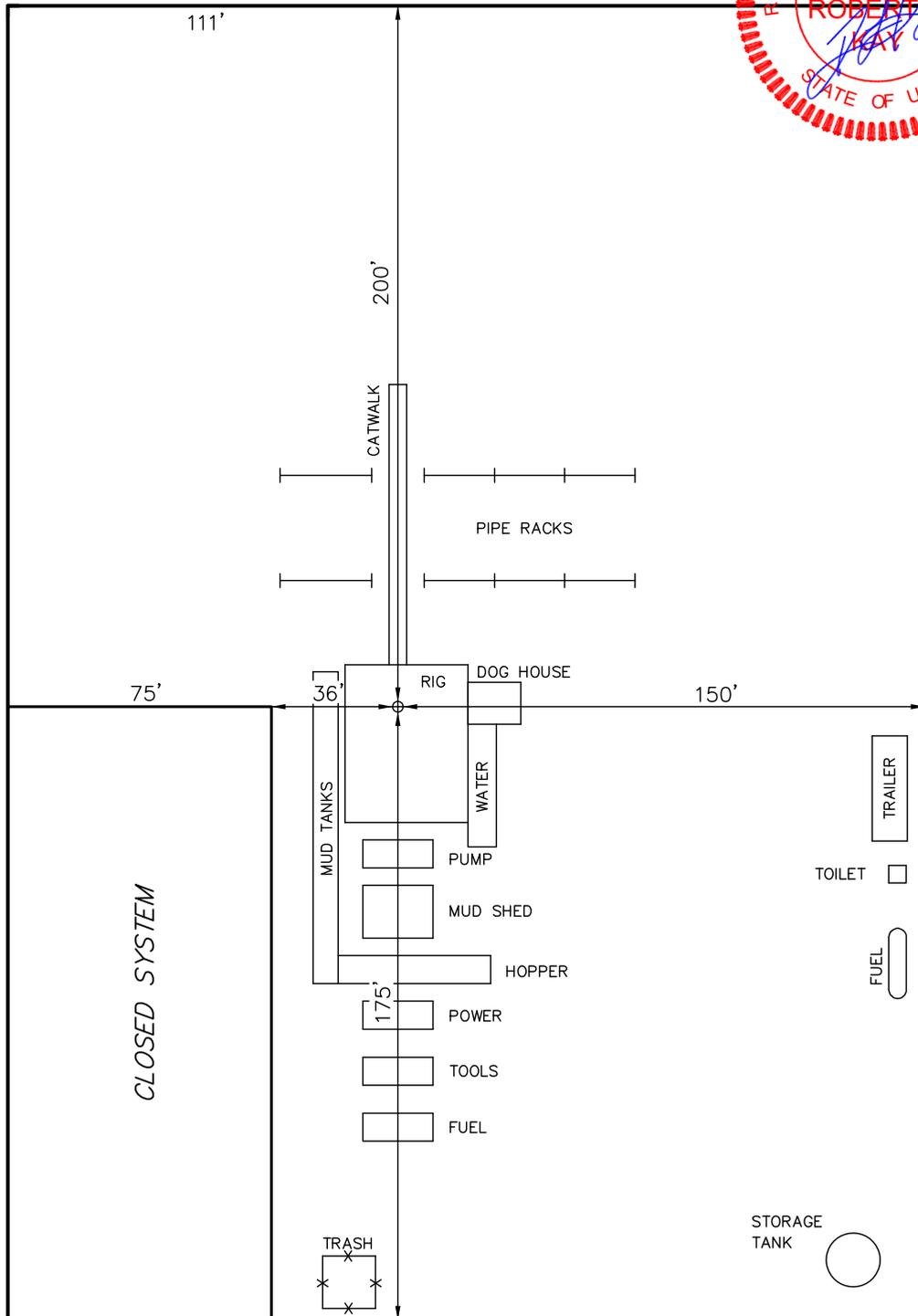
FIGURE #3

TYPICAL RIG LAYOUT FOR

HOSS #129-35
SECTION 35, T8S, R23E, S.L.B.&M.
2025' FSL 1858' FWL

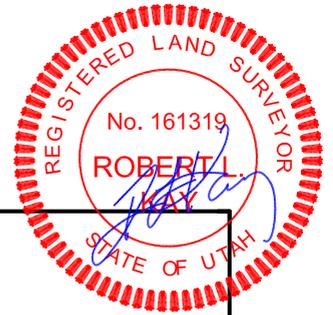


SCALE: 1" = 50'
DATE: 10-03-08
Drawn By: E.M.
REVISED: 07-10-09 S.L.

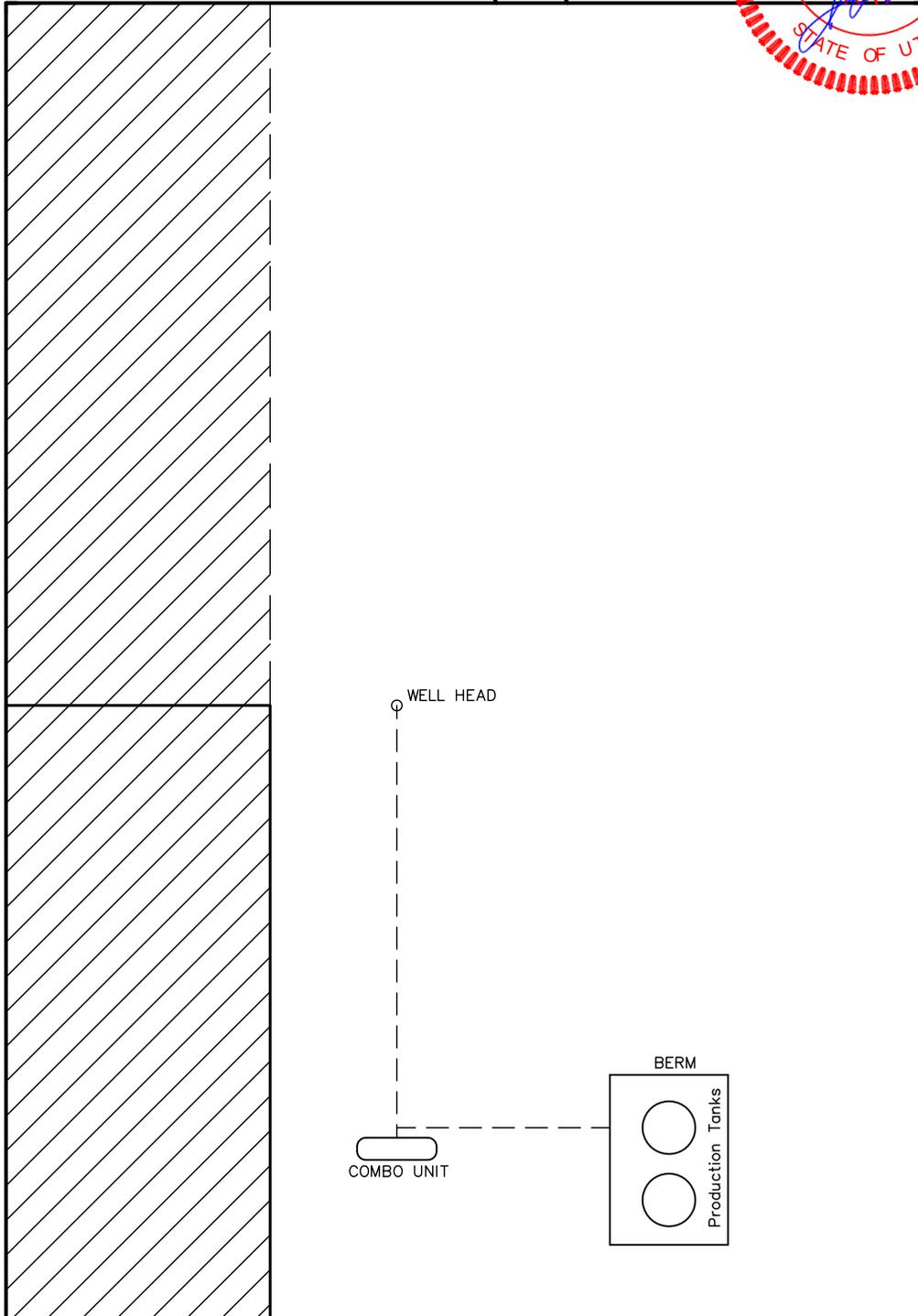


EOG RESOURCES, INC.
PRODUCTION FACILITY LAYOUT FOR
HOSS #129-35
SECTION 35, T8S, R23E, S.L.B.&M.
2025' FSL 1858' FWL

FIGURE #4



SCALE: 1" = 50'
DATE: 10-03-08
Drawn By: E.M.
REVISED: 07-10-09 S.L.

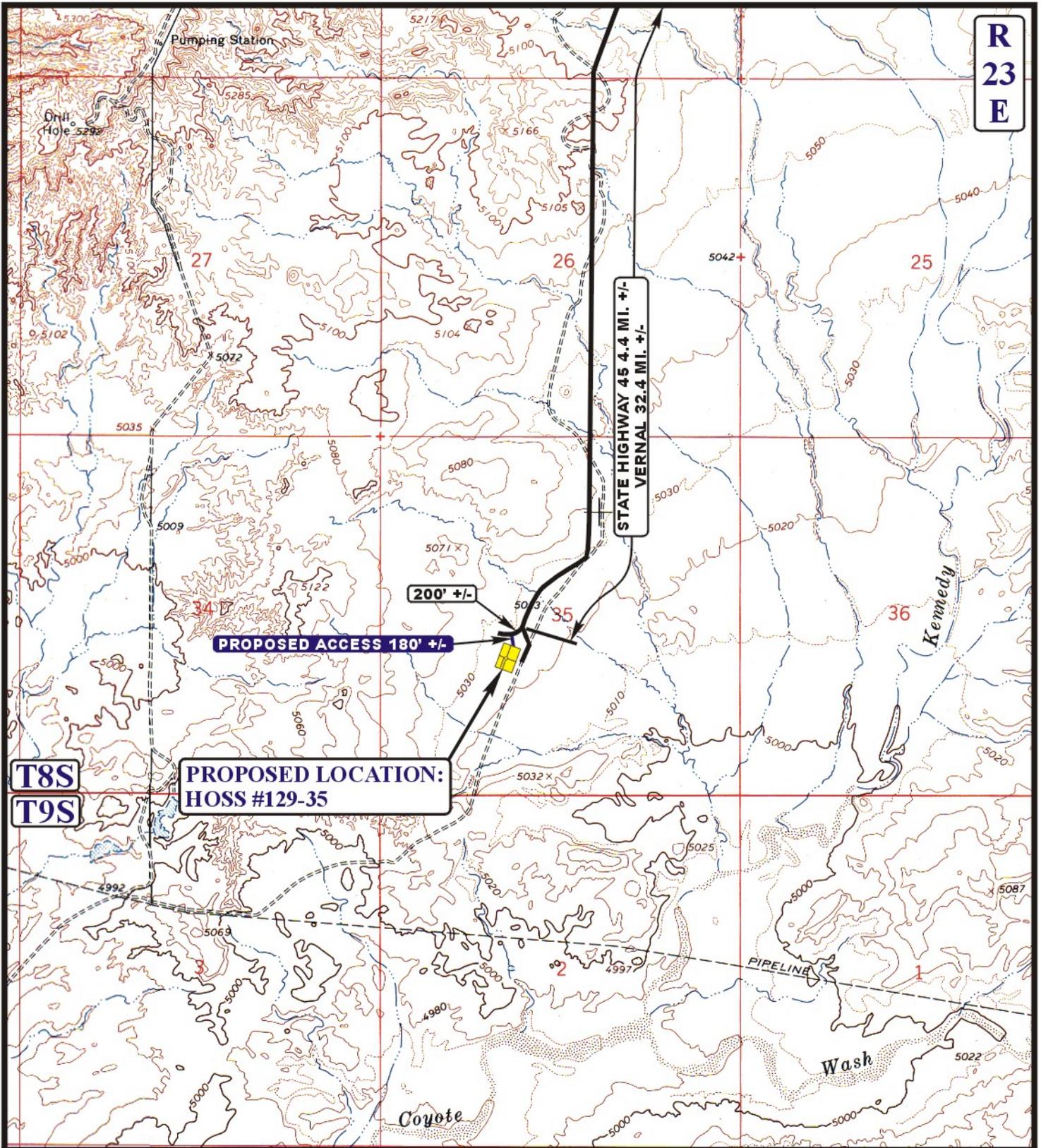


 RE-HABED AREA

EOG RESOURCES, INC.
HOSS #129-35
SECTION 35, T8S, R23E, S.L.B.&M.

PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 24.1 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 4.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 200' TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTH; FOLLOW ROAD FLAGS IN A SOUTHERLY DIRECTION APPROXIMATELY 180' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 32.5 MILES.



LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD

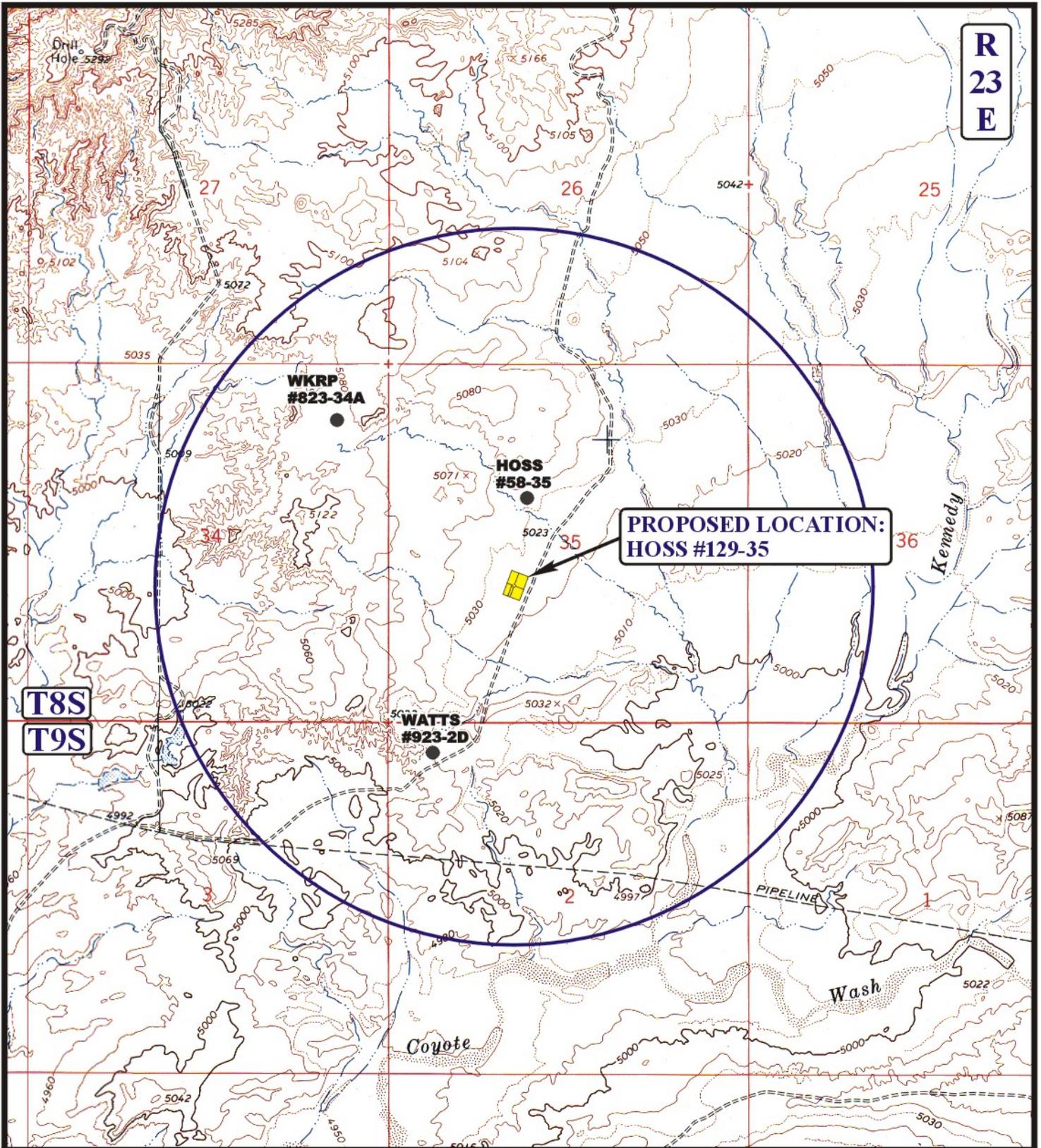


EOG RESOURCES, INC.

HOSS #129-35
SECTION 35, T8S, R23E, S.L.B.&M.
2025' FSL 1858' FWL

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

TOPOGRAPHIC **10 09 08**
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: Z.L. REVISED: 00-00-00 **B**
TOPO



LEGEND:

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



EOG RESOURCES, INC.

HOSS #129-35
SECTION 35, T8S, R23E, S.L.B.&M.
2025' FSL 1858' FWL

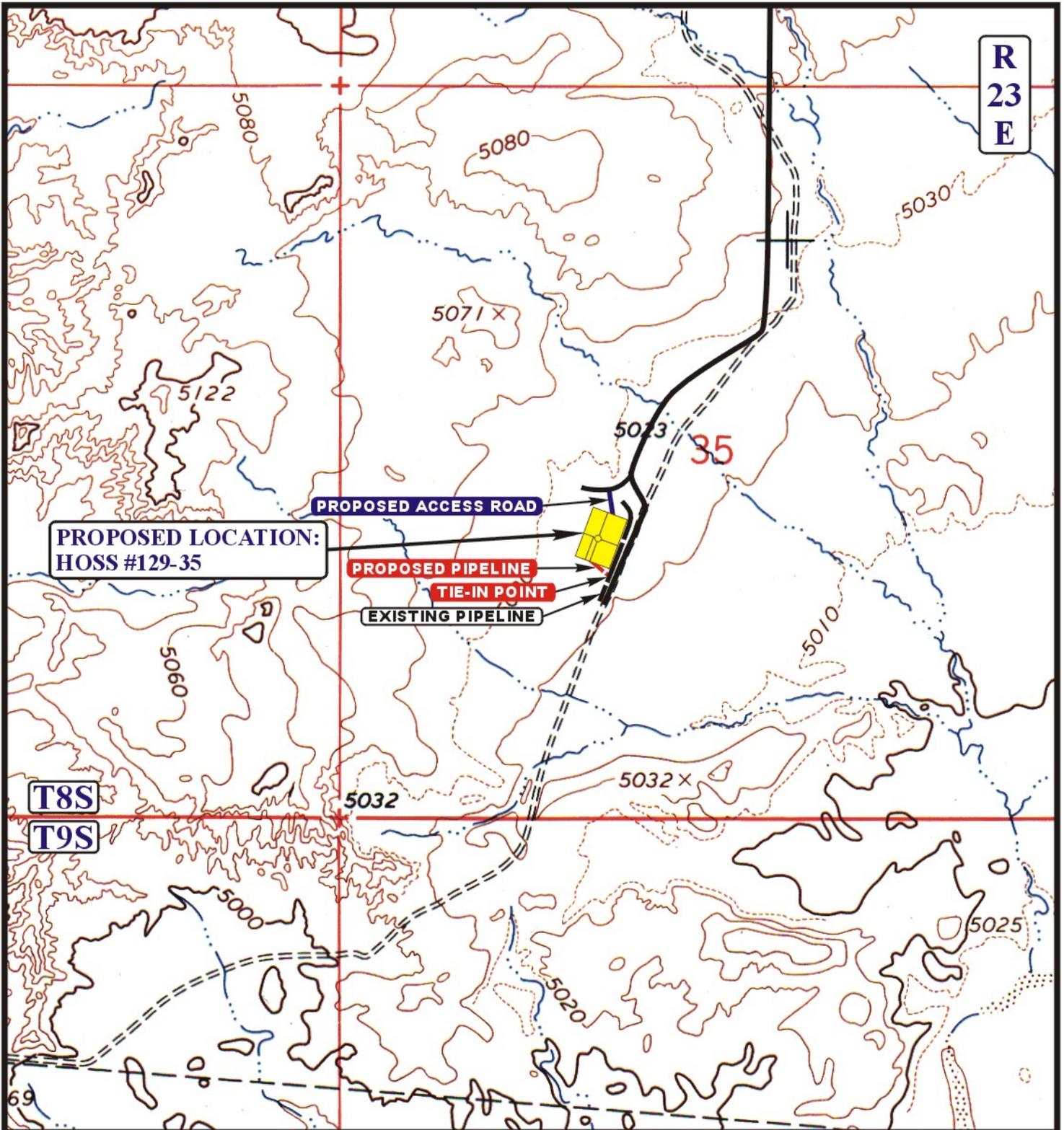


Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC **10 09 08**
MAP MONTH DAY YEAR

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





APPROXIMATE TOTAL PIPELINE DISTANCE = 184' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE

EOG RESOURCES, INC.

HOSS #129-35
SECTION 35, T8S, R23E, S.L.B.&M.
2025' FSL 1858' FWL

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



TOPOGRAPHIC 10 09 08
MAP MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: Z.L. REVISED: 00-00-00

D
TOPO



**Hoss 129-35
NESW, Section 35, T8S, R23E
Uintah County, Utah**

SURFACE USE PLAN

The well pad is approximately 375 feet long with a 261-foot width, containing 2.25 acres more or less. The well access road is approximately 180 feet long with a 30-foot right-of-way, disturbing approximately .12 acre. New surface disturbance associated with the well pad and access road is estimated to be 2.37 acres. The pipeline is approximately 184 feet long with a 40-foot temporary right-of-way and an 8-foot permanent right-of-way disturbing approximately .17 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 32.5 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 180' 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 40-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the roadbed block the drainages. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

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

Traveling off the 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.

An off-lease right-of-way is not required. The entire length of the proposed access road is located within Federal Lease UTU-76042.

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

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

4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:**A. On Well Pad**

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

B. Off Well Pad

1. Proposed pipeline will transport natural gas.
2. The pipeline will be a permanent feeder line.
3. The length of the proposed pipeline is 184' x 40'. The proposed pipeline leaves the southern edge of the well pad (Lease UTU-76042) proceeding in a southeasterly direction for an approximate distance of 184' tying into an existing pipeline in the NESW of Section 35, T8S, R23E. Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface
5. Proposed pipeline will be laid on surface.
6. An off-lease right-of-way is not required. The entire length of the proposed pipeline is located within Federal Lease UTU-76042.
7. The proposed pipeline route begins in the NESW of Section 35, Township 8S, Range 23E, proceeding southeasterly for an approximate distance of 184' to the NESW of Section 35, Township 8S, Range 23E.
8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

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

5. LOCATION AND TYPE OF WATER SUPPLY:

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

- 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 and dried in a cuttings pit. Dried cuttings shall be spread on the access road.
 - 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 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, 6, or 7, or Coyote Evaporation Ponds 1, 2, 3, or 4, or Hoss SWD Facility, right-of-way UTU 86010, UTU 897093 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 natural or artificial evaporation methods, or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the closed loop system will be avoided by flaring them off in the flare pit at the time of recovery.

The referenced well will be drilling utilizing a closed loop system. The closed loop system will be installed in a manner that preventing leaks, breaks, or discharge. Drill cutting will be contained in an area approximately 50' x 100'. The surface drill cuttings pile will be bermed and lined with bentonite. Drill cuttings will be dried and spread on location. More stringent protective requirements may be deemed necessary by the A.O.

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

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

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

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

The proposed location will be drilled utilizing a closed loop system.

The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protect of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the north.

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.

The portion of the location not needed for production facilities/operations will be reseeded during interim reclamation.

| Seed Mixture | Drilled Rate (lbs./acre PLS*) |
|------------------------|----------------------------------|
| Indian Ricegreass | 5.5 |
| Needle and Threadgrass | 5.5 |
| Evening Primrose | .5 |
| Sandberg Bluegrass | 2.0 |
| Alkali Sacaton | 3.5 |

*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.

11. SURFACE OWNERSHIP:

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

Bureau of Land Management

12. OTHER INFORMATION:

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

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

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

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

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

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

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

A cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants on 11/11/2008. A paleontological survey was conducted and submitted by Intermountain Paleo on 11/19/2008.

Additional Surface Stipulations:

None.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

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

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

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

CERTIFICATION:

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

Please be advised that EOG Resources, Inc. is considered to be the operator of the Hoss 129-35 Well, located in the NESW, of Section 35, T8S, 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.

September 1, 2009

Date

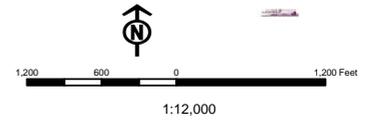
Mary A. Maestas, Regulatory Assistant



API Number: 4304750707
Well Name: Hoss 129-35
Township 08.0 S Range 23.0 E Section 35
Meridian: SLBM
 Operator: EOG RESOURCES, INC.

Map Prepared:
 Map Produced by Diana Mason

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



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 9/3/2009

API NO. ASSIGNED: 43047507070000

WELL NAME: Hoss 129-35

OPERATOR: EOG Resources, Inc. (N9550)

PHONE NUMBER: 303 824-5526

CONTACT: Mary Maestas

PROPOSED LOCATION: NESW 35 080S 230E

Permit Tech Review:

SURFACE: 2025 FSL 1858 FWL

Engineering Review:

BOTTOM: 2025 FSL 1858 FWL

Geology Review:

COUNTY: UINTAH

LATITUDE: 40.07751

LONGITUDE: -109.29643

UTM SURF EASTINGS: 645259.00

NORTHINGS: 4437540.00

FIELD NAME: NATURAL BUTTES

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU76042

PROPOSED PRODUCING FORMATION(S): WASATCH-MESA VERDE

SURFACE OWNER: 1 - Federal

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT**
- Bond:** FEDERAL - NM2308
- Potash**
- Oil Shale 190-5**
- Oil Shale 190-3**
- Oil Shale 190-13**
- Water Permit:** 49-225
- RDCC Review:**
- Fee Surface Agreement**
- Intent to Commingle**

Commingle Approved

LOCATION AND SITING:

- R649-2-3.**
 - Unit:**
 - R649-3-2. General**
 - R649-3-3. Exception**
 - Drilling Unit**
 - Board Cause No:** R649-3-2
 - Effective Date:**
 - Siting:**
 - R649-3-11. Directional Drill**
-

Comments: Presite Completed

Stipulations: 4 - Federal Approval - dmason
23 - Spacing - dmason



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Hoss 129-35
API Well Number: 43047507070000
Lease Number: UTU76042
Surface Owner: FEDERAL
Approval Date: 9/10/2009

Issued to:

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

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-2. The expected producing formation or pool is the WASATCH-MESA VERDE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

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

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.

Conditions of Approval:

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

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Notification Requirements:

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

- Within 24 hours following the spudding of the well – contact Carol Daniels at 801-538-5284 (please leave a voicemail message if not available)

OR

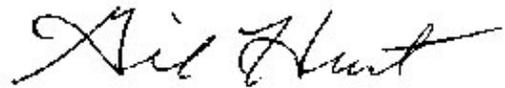
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <https://oilgas.ogm.utah.gov>

Reporting Requirements:

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

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

Approved By:

A handwritten signature in black ink, appearing to read "Gil Hunt", with a stylized flourish at the end.

Gil Hunt
Associate Director, Oil & Gas

| | |
|---|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU76042 |
|---|---|

| | |
|--|--|
| 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: Hoss 129-35 |
|------------------------------------|--|

| | |
|--|---|
| 2. NAME OF OPERATOR: EOG Resources, Inc. | 9. API NUMBER: 43047507070000 |
|--|---|

| | | |
|--|--|--|
| 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: 2025 FSL 1858 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 35 Township: 08.0S 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 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: 8/14/2010 | <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 |
| | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input type="checkbox"/> TEMPORARY ABANDON |
| | <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input type="checkbox"/> APD EXTENSION |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> OTHER | OTHER: <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 spud on August 14, 2010.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 August 18, 2010

| | | |
|---|-------------------------------------|--------------------------------------|
| NAME (PLEASE PRINT) Michelle Robles | PHONE NUMBER 307 276-4842 | TITLE Regulatory Assistant |
| SIGNATURE N/A | DATE 8/18/2010 | |

| | |
|---|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU76042 |
|---|---|

| | |
|--|--|
| 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: Hoss 129-35 |
|------------------------------------|--|

| | |
|--|---|
| 2. NAME OF OPERATOR: EOG Resources, Inc. | 9. API NUMBER: 43047507070000 |
|--|---|

| | | |
|--|--|--|
| 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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|---|---|

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: 8/14/2010 | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE |
| <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> NEW CONSTRUCTION |
| | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input type="checkbox"/> TEMPORARY ABANDON |
| | <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input type="checkbox"/> APD EXTENSION |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input checked="" type="checkbox"/> OTHER | OTHER: <input type="text" value="Drilling Operations"/> |

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

No activity has occurred since spud on August 14, 2010.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 August 18, 2010

| | | |
|---|-------------------------------------|--------------------------------------|
| NAME (PLEASE PRINT) Michelle Robles | PHONE NUMBER 307 276-4842 | TITLE Regulatory Assistant |
| SIGNATURE N/A | DATE 8/18/2010 | |

| | |
|---|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU76042 |
|---|---|

| | |
|--|--|
| 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: Hoss 129-35 |
|------------------------------------|--|

| | |
|--|---|
| 2. NAME OF OPERATOR: EOG Resources, Inc. | 9. API NUMBER: 43047507070000 |
|--|---|

| | | |
|--|--|--|
| 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: 2025 FSL 1858 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 35 Township: 08.0S 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: 8/14/2010 <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 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 checked="" type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/> |

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

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

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 August 23, 2010

| | | |
|---|-------------------------------------|--------------------------------------|
| NAME (PLEASE PRINT) Michelle Robles | PHONE NUMBER 307 276-4842 | TITLE Regulatory Assistant |
| SIGNATURE N/A | DATE 8/18/2010 | |

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

FORM 6

ENTITY ACTION FORM

Operator: EOG Resources, Inc.
Address: 1060 East Highway 40
city Vernal
state UT zip 84078

Operator Account Number: N 9550
Phone Number: (307) 276-4842

Well 1

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|------------------------------------|-----------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 43-047-50707 | HOSS 129-35 | | NESW | 35 | 8S | 23E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| A | 99999 | 17731 | 8/14/2010 | | | 8/19/10 | |
| Comments: <u>WASATCH/MESAVERDE</u> | | | | | | | |

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)

Michelle Robles

Name (Please Print)

Michelle Robles

Signature

Regulatory Assistant

8/18/2010

Title

Date

| | |
|---|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU76042 |
|---|---|

| | |
|--|--|
| 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: Hoss 129-35 |
|------------------------------------|--|

| | |
|--|---|
| 2. NAME OF OPERATOR: EOG Resources, Inc. | 9. API NUMBER: 43047507070000 |
|--|---|

| | | |
|--|--|--|
| 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: 2025 FSL 1858 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 35 Township: 08.0S 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 type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR |
| <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE |
| <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 9/2/2010 | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> NEW CONSTRUCTION |
| | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input type="checkbox"/> TEMPORARY ABANDON |
| | <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input type="checkbox"/> APD EXTENSION |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> OTHER | OTHER: <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 9/2/2010.

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

| | | |
|---|-------------------------------------|----------------------------------|
| NAME (PLEASE PRINT) Mickenzie Gates | PHONE NUMBER 435 781-9145 | TITLE Operations Clerk |
| SIGNATURE N/A | DATE 9/2/2010 | |

WELL CHRONOLOGY REPORT

Report Generated On: 09-02-2010

| | | | | | |
|----------------------|--|------------------|--------------|----------------------|--------------|
| Well Name | HOSS 129-35 | Well Type | DEVG | Division | DENVER |
| Field | PONDEROSA | API # | 43-047-50707 | Well Class | DRIL |
| County, State | UINTAH, UT | Spud Date | | Class Date | |
| Tax Credit | N | TVD / MD | 9,200/ 9,200 | Property # | 063973 |
| Water Depth | 0 | Last CSG | 9.625 | Shoe TVD / MD | 2,591/ 2,591 |
| KB / GL Elev | 5,036/ 5,023 | | | | |
| Location | Section 35, T8S, R23E, NESW, 2025 FSL & 1858 FWL | | | | |

| | | | | | |
|-----------------|--------------------|--------------------|------------------|--------------|---------|
| Event No | 1.0 | Description | DRILL & COMPLETE | | |
| Operator | EOG RESOURCES, INC | WI % | 100.0 | NRI % | 79.3338 |

| | | | | | |
|------------------------------|--------------------|-------------------|---------------|------------------------|--------------------|
| AFE No | 306556 | AFE Total | 2,118,700 | DHC / CWC | 880,700/ 1,238,000 |
| Rig Contr | TRUE | Rig Name | TRUE #34 | Start Date | 10-01-2009 |
| 10-01-2009 | 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 |
| | | | 2025' FSL & 1858' FWL (NW/SW) |
| | | | SECTION 35, T8S, R23E |
| | | | UINTAH COUNTY, UTAH |
| | | | LAT 40.077492, LONG 109.297144 (NAD 83) |
| | | | LAT 40.077528, LONG 109.296467 (NAD 27) |
| | | | TRUE #34 |
| | | | OBJECTIVE: 9200' TD, MESAVERDE |
| | | | DW/GAS |
| | | | PONDEROSA PROSPECT |
| | | | DD&A: CHAPITA DEEP |
| | | | NATURAL BUTTES FIELD |
| | | | LEASE: U-76042 |
| | | | ELEVATION: 5023.5' NAT GL, 5023.0' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 5023') 5042' KB (19') |
| | | | EOG WI 100%, NRI 79.3338% |

08-11-2010 **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 OF LOCATION TODAY, 8/11/10. |

08-12-2010 **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 80% COMPLETE. |

08-13-2010 **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 COMPLETE. STARTING CLOSED LOOP. |

08-15-2010 **Reported By** TERRY CSERE/KENT DAVENPORT

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
MD 60 **TVD** 60 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: SPUD NOTIFICATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | CRAIG'S ROUSTABOUT SPUD A 20" HOLE ON 8/14/10 @ 9:00 AM, SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE MESSAGE AND BLM WAS NOTIFIED BY EMAIL OF SPUD ON 08/13/10 @ 6:57 AM. |

08-16-2010 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
MD 60 **TVD** 60 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|------------------------|
| 06:00 | 06:00 | 24.0 | GEL CLOSED LOOP TODAY. |

08-17-2010 Reported By TERRY CSERE

| | | | | | |
|------------------------------|----------|-------------------|-----|------------------------|----------|
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$75,000 | Completion | \$0 | Well Total | \$75,000 |
| MD | 60 | TVD | 60 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | | PBTD : 0.0 | | Perf : | |
| | | | | PKR Depth : 0.0 | |

Activity at Report Time: BUILD LOCATION

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

09-03-2010 Reported By KYLAN COOK

| | | | | | |
|------------------------------|----------|-------------------|-------|------------------------|----------|
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$75,000 | Completion | \$0 | Well Total | \$75,000 |
| MD | 2,591 | TVD | 2,591 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | | PBTD : 0.0 | | Perf : | |
| | | | | PKR Depth : 0.0 | |

Activity at Report Time: WORT

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | MIRU CRAIG'S AIR RIG #2 ON 8/28/2010. DRILLED 12-1/4" HOLE TO 2585' GL (2604' KB). ENCOUNTERED WATER AT 1790'. DRILLED WITH AIR AND FOAM TO 1790' THEN PUMP DRILLED TO TD WITH PARTIAL RETURNS. RAN 60 JTS (2572.32') 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 @ 2591.32' 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 2976 PSIG. PUMPED 110 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 195.5 BBLs FRESH WATER. BUMPED PLUG WITH 900# @ 23:36 PM ON 8/31/10. FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 100 BBLs INTO FRESH WATER FLUSH. LOST RETURNS 160 BBLs INTO DISPLACEMENT. NO CEMENT TO SURFACE. WOC 2 HR 40 MIN.

TOP JOB #1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT WITH 2% CACL2. MIXED CEMENT @ 15.8 PPG WITH YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HR.

TOP JOB #2: MIXED & PUMPED 90 SX (18 BBLs) OF PREMIUM CEMENT WITH 2% 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 @ 1550' = 1.50 DEGREE, 2000' = 1.50 DEGREE, 2300' = 1.00 DEGREE, AND 2585' = 1.00 DEGREE.

KYLAN COOK NOTIFIED BLM VIA EMAIL OF THE SURFACE CASING & CEMENT JOB ON 8/30/10 @ 11:00 AM.

KYLAN COOK NOTIFIED CAROL DANIELS WITH UDOGM OF THE SURFACE CASING & CEMENT JOB VIA
PHONE ON 8/30/10 @ 11:00 AM.

| | |
|---|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU76042 |
|---|---|

| | |
|--|--|
| 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: Hoss 129-35 |
| 2. NAME OF OPERATOR: EOG Resources, Inc. | 9. API NUMBER: 43047507070000 |
| 3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078 | PHONE NUMBER: 435 781-9111 Ext |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2025 FSL 1858 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 35 Township: 08.0S 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: 8/31/2010 | <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 checked="" type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE |
| <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> NEW CONSTRUCTION |
| | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input type="checkbox"/> TEMPORARY ABANDON |
| | <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input type="checkbox"/> APD EXTENSION |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> OTHER | OTHER: <input style="width: 100px;" type="text"/> |

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 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: September 21, 2010

By: *Derek Quist*

| | | |
|---|-------------------------------------|----------------------------------|
| NAME (PLEASE PRINT) Mickenzie Gates | PHONE NUMBER 435 781-9145 | TITLE Operations Clerk |
| SIGNATURE N/A | DATE 8/31/2010 | |

STATE OF UTAH)

) ss

COUNTY OF UINTAH)

VERIFICATION

Mickenzie Gates, of lawful age, being first duly sworn upon oath. deposes and says:

She is an Operations Clerk for EOG Resources, Inc., of Vernal, Utah. EOG Resources, Inc. is the operator of the following described well:

**Hoss 129-35
2025' FSL – 1858' FWL (NESW)
SECTION 35, T8S, 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 31st day of August, 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.

Mickenzie Gates

Mickenzie Gates
Operations Clerk

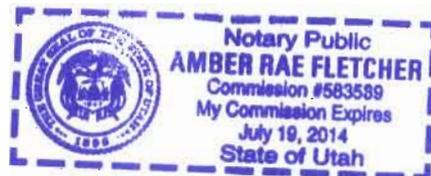
Subscribed and sworn before me this 31st day of August, 2010.

Amber Rae Fletcher

Notary Public

My Commission Expires:

7/19/2014



R 23 E

HOSS 58-35

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HOSS 129-35

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UTU-76042

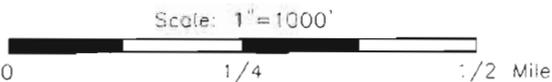
○ HOSS 129-35



Denver Division

EXHIBIT "A"

HOSS 129-35
Commingleing Application
Uintah County, Utah



| | | | |
|----------------------|--|--------------|--------------------------|
| Scale: 1" = 1000' | D:\data\Commingleing\HOSS 129-35_commingleing\Layout | Author GT | Mar 17, 2009 - 3:09pm |
|----------------------|--|--------------|--------------------------|

| | |
|--|---|
| 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: UTU76042 |
| | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: |
| 1. TYPE OF WELL Gas Well | 8. WELL NAME and NUMBER: Hoss 129-35 |
| 2. NAME OF OPERATOR: EOG Resources, Inc. | 9. API NUMBER: 43047507070000 |
| 3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Vernal, UT, 84078 | PHONE NUMBER: 435 781-9111 Ext |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2025 FSL 1858 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 35 Township: 08.0S 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 type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR |
| <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE |
| <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 9/30/2010 | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> NEW CONSTRUCTION |
| | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input type="checkbox"/> TEMPORARY ABANDON |
| | <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input type="checkbox"/> APD EXTENSION |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> OTHER | OTHER: <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 9/30/2010.

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

| | | |
|---|-------------------------------------|--------------------------------------|
| NAME (PLEASE PRINT) Michelle Robles | PHONE NUMBER 307 276-4842 | TITLE Regulatory Assistant |
| SIGNATURE N/A | DATE 10/5/2010 | |

WELL CHRONOLOGY REPORT

Report Generated On: 10-04-2010

| | | | | | |
|----------------------|--|------------------|--------------|----------------------|--------------|
| Well Name | HOSS 129-35 | Well Type | DEVG | Division | DENVER |
| Field | PONDEROSA | API # | 43-047-50707 | Well Class | COMP |
| County, State | UINTAH, UT | Spud Date | 09-18-2010 | Class Date | |
| Tax Credit | N | TVD / MD | 9,200/ 9,200 | Property # | 063973 |
| Water Depth | 0 | Last CSG | 4.5 | Shoe TVD / MD | 9,195/ 9,195 |
| KB / GL Elev | 5,036/ 5,023 | | | | |
| Location | Section 35, T8S, R23E, NESW, 2025 FSL & 1858 FWL | | | | |

| | | | | | |
|-----------------|--------------------|--------------------|-----------------|--------------|--------|
| Event No | 1.0 | Description | HOSS 129-35 D&C | | |
| Operator | EOG RESOURCES, INC | WI % | 100.0 | NRI % | 79.334 |

| | | | | | |
|------------------------------|--------------------|-------------------|---------------|------------------------|------------------|
| AFE No | 306556 | AFE Total | 1,573,300 | DHC / CWC | 625,800/ 947,500 |
| Rig Contr | TRUE | Rig Name | TRUE #34 | Start Date | 10-01-2009 |
| 10-01-2009 | 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 |
| | | | 2025' FSL & 1858' FWL (NW/SW) |
| | | | SECTION 35, T8S, R23E |
| | | | UINTAH COUNTY, UTAH |
| | | | LAT 40.077492, LONG 109.297144 (NAD 83) |
| | | | LAT 40.077528, LONG 109.296467 (NAD 27) |
| | | | TRUE #34 |
| | | | OBJECTIVE: 9200' TD, MESAVERDE |
| | | | DW/GAS |
| | | | PONDEROSA PROSPECT |
| | | | DD&A: CHAPITA DEEP |
| | | | NATURAL BUTTES FIELD |
| | | | LEASE: U-76042 |
| | | | ELEVATION: 5023.5' NAT GL, 5023.0' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 5023') 5042' KB (19') |
| | | | EOG WI 100%, NRI 79.3338% |

08-11-2010 **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 OF LOCATION TODAY, 8/11/10. |

08-12-2010 **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 80% COMPLETE. |

08-13-2010 **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 COMPLETE. STARTING CLOSED LOOP. |

08-15-2010 **Reported By** TERRY CSERE/KENT DAVENPORT

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
MD 60 **TVD** 60 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: SPUD NOTIFICATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | CRAIG'S ROUSTABOUT SPUD A 20" HOLE ON 8/14/10 @ 9:00 AM, SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE MESSAGE AND BLM WAS NOTIFIED BY EMAIL OF SPUD ON 08/13/10 @ 6:57 AM. |

08-16-2010 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
MD 60 **TVD** 60 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|------------------------|
| 06:00 | 06:00 | 24.0 | GEL CLOSED LOOP TODAY. |

08-17-2010 Reported By TERRY CSERE

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

MD 60 TVD 60 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

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

09-03-2010 Reported By KYLAN COOK

DailyCosts: Drilling \$206,949 Completion \$0 Daily Total \$206,949
 Cum Costs: Drilling \$281,949 Completion \$0 Well Total \$281,949

MD 2,604 TVD 2,604 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | MIRU CRAIG'S AIR RIG #2 ON 8/28/2010. DRILLED 12-1/4" HOLE TO 2585' GL (2604' KB). ENCOUNTERED WATER AT 1790'. DRILLED WITH AIR AND FOAM TO 1790' THEN PUMP DRILLED TO TD WITH PARTIAL RETURNS. RAN 60 JTS (2572.32') 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 @ 2591.32' 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 2976 PSIG. PUMPED 110 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 195.5 BBLs FRESH WATER. BUMPED PLUG WITH 900# @ 23:36 PM ON 8/31/10. FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 100 BBLs INTO FRESH WATER FLUSH. LOST RETURNS 160 BBLs INTO DISPLACEMENT. NO CEMENT TO SURFACE. WOC 2 HR 40 MIN.

TOP JOB #1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT WITH 2% CACL2. MIXED CEMENT @ 15.8 PPG WITH YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HR.

TOP JOB #2: MIXED & PUMPED 90 SX (18 BBLs) OF PREMIUM CEMENT WITH 2% 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 @ 1550' = 1.50 DEGREE, 2000' = 1.50 DEGREE, 2300' = 1.00 DEGREE, AND 2585' = 1.00 DEGREE.

KYLAN COOK NOTIFIED BLM VIA EMAIL OF THE SURFACE CASING & CEMENT JOB ON 8/30/10 @ 11:00 AM. KYLAN COOK NOTIFIED CAROL DANIELS WITH UDOGM OF THE SURFACE CASING & CEMENT JOB VIA PHONE ON 8/30/10 @ 11:00 AM.

09-17-2010 Reported By DAVID GREESON

DailyCosts: Drilling \$86,945 Completion \$0 Daily Total \$86,945
 Cum Costs: Drilling \$368,895 Completion \$0 Well Total \$368,895

MD 2,604 TVD 2,604 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILL OUT SURFACE CASING

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 21:00 | 15.0 | RURT. RW JONES TRUCKING BEGAN RIG MOVE AT 06:00 AND ENDED AT 18:00 9-16-10. DERRICK WAS STOOD UP BY 17:00 9/16/10. MOVING FROM THE ECW 77-23 TO THE HOSS 129-35, 8.4 MILES. TRANSFERING 380.13' OF 4.5" 11.6# N-80 CASING AND 2178 GL. FUEL TO THE HOSS 129-35. RIG ON DAYWORK @ 21:00 ON 9-16-10. |
| 21:00 | 00:30 | 3.5 | 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 HIGH FOR 10 MINUTES. TEST ANNULAR PREVENTER 250/2500 PSI FOR 10 MINUTES. ALL TEST GOOD. |
| 00:30 | 01:00 | 0.5 | TEST CASING TO 1500 PSI FOR 30 MIN. |
| 01:00 | 02:00 | 1.0 | SET WEAR BUSHING AND RU FRANK'S LD MACHINE. |
| 02:00 | 05:30 | 3.5 | PU DP AND BHA W/FRANK'S LD MACHINE. TAG UP @ 2488'. |
| 05:30 | 06:00 | 0.5 | RD FRANK'S LD MACHINE AND TOOLS. KELLY UP AND BEGIN DRILLING CEMENT. |

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: RIG MOVE SAFETY/ELECTRICAL REPAIRS.
 FUNCTION COM DRILLING AND TRIPPING.
 FUEL RECEIVED 4200 GL. ON HAND: 6897 GL., USED: 282 GL.

| 09-18-2010 | | Reported By | DAVID GREESON | | | | | | | | |
|-----------------------|------------|-------------|---------------|-------------|-----------------|------|---|----|-----|------|------|
| Daily Costs: Drilling | \$25,150 | Completion | \$0 | Daily Total | \$25,150 | | | | | | |
| Cum Costs: Drilling | \$394,045 | Completion | \$0 | Well Total | \$394,045 | | | | | | |
| MD | 4,795 | TVD | 4,795 | Progress | 2,204 | Days | 1 | MW | 9.5 | Visc | 35.0 |
| Formation : | PBTB : 0.0 | | Perf : | | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: DRILLING @ 4795'

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 08:30 | 2.5 | DRILL CEMENT AMD FLOAT EQUIP. F/ 2500 TO 2616' INCLUDING 12' OF NEW HOLE. 5-10K WOB, 50 RPM/73 RPM MM. 120 STK. ON #2 PUMP, 454 GPM. PUMPED HIGH-VIS SWEEP BACK TO SURFACE TO CLEAN HOLE BEFORE FIT. |
| 08:30 | 09:00 | 0.5 | FIT TEST @2616'. HELD 240 PSI W/ AN 9.2PPG MUD = 11.0 EMW. |
| 09:00 | 10:00 | 1.0 | DRILLING F/2616' TO 2759' (143') 143'FT/HR. 60 RPM + 73 RPM ON MOTOR. WOB 15-19K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 1800 PSI, DIFF 250. DRLG.: MAHOGANY SHALE BED. MUD WT. 9.2 VIS 31. |
| 10:00 | 10:30 | 0.5 | SERVICE RIG. |
| 10:30 | 11:00 | 0.5 | SURVEY@2775, 0.75 DEGREE. |
| 11:00 | 19:30 | 8.5 | DRILLING F/2759' TO 3854' (1095') 129'FT/HR. 60 RPM + 73 RPM ON MOTOR. WOB 16-20K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 1800 PSI, DIFF 250. DRLG.: MAHOGANY SHALE BED 2630'. MUD WT. 9.3 VIS 33. |
| 19:30 | 20:00 | 0.5 | SURVEY@3773', 2.24 DEGREES. |
| 20:00 | 04:30 | 8.5 | DRILLING F/3854' TO 4727' (873') 103'FT/HR. 60 RPM + 73 RPM ON MOTOR. WOB 16-20K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 2250 PSI, DIFF 250/400. DRLG.: MAHOGANY SHALE BED 2630', WASATCH 4,833'. MUD WT. 9.5 VIS 35. |
| 04:30 | 05:00 | 0.5 | SURVEY @ 4646', 2.54 DEGREES. |

05:00 06:00 1.0 DRILLING F/4727' TO 4795 (68') 68' FT/HR. 60 RPM + 73 RPM ON MOTOR. WOB 16-20K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 2200 PSI, DIFF 250/400. DRLG.: MAHOGANY SHALE BED 2630', WASATCH 4,833'. MUD WT. 9.5 VIS 35.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: HAND PLACEMENT/HIGH PRESSURE WASH.
 FUNCTION COM DRILLING AND BOP ANNULAR.
 FUEL ON HAND: 5700 GL., USED: 1197 GL.

06:00 SPUD 7 7/8" HOLE AT 09:00 HRS, 9/17/10.

| | | | | | | | | | | | |
|--|-------|--------------------|-------------------|-----------------|-------|--------------------|---|-----------|------------------------|-------------|------|
| 09-19-2010 | | Reported By | | DAVID GREESON | | | | | | | |
| Daily Costs: Drilling | | \$33,615 | Completion | | \$0 | Daily Total | | \$33,615 | | | |
| Cum Costs: Drilling | | \$427,660 | Completion | | \$0 | Well Total | | \$427,660 | | | |
| MD | 5,900 | TVD | 5,900 | Progress | 1,105 | Days | 2 | MW | 10.0 | Visc | 36.0 |
| Formation : | | | PBTD : 0.0 | | | Perf : | | | PKR Depth : 0.0 | | |
| Activity at Report Time: DRILLING @ 5900' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description | | | | | | | | |
|-------|-------|------|---|--|--|--|--|--|--|--|--|
| 06:00 | 12:00 | 6.0 | DRILLING F/4795' TO 5071' (276') 46' FT/HR. 55 RPM + 73 RPM ON MOTOR. WOB 18-22K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 2200 PSI, DIFF 250/400. DRLG.: WASATCH 4,833', CHAPITA WELLS 5426'. MUD WT. 10.0 VIS 36. | | | | | | | | |
| 12:00 | 12:30 | 0.5 | SERVICE RIG. | | | | | | | | |
| 12:30 | 06:00 | 17.5 | DRILLING F/5071' TO 5900' (829') 47' FT/HR. 55 RPM + 73 RPM ON MOTOR. WOB 18-22K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 22300 PSI, DIFF 250/400. DRLG.: WASATCH 4,833', CHAPITA WELLS 5426'. MUD WT. 10.0 VIS 36. | | | | | | | | |

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: MIXING CHEMICALS/HYDRAULIC LINES.
 FUNCTION COM DRILLING. FUNCTION BOP AND CHOKE.
 FUEL ON HAND: 4332 GL., USED: 1368 GL.

| | | | | | | | | | | | |
|--|-------|--------------------|-------------------|-----------------|-----|--------------------|---|-----------|------------------------|-------------|------|
| 09-20-2010 | | Reported By | | DAVID GREESON | | | | | | | |
| Daily Costs: Drilling | | \$27,157 | Completion | | \$0 | Daily Total | | \$27,157 | | | |
| Cum Costs: Drilling | | \$454,818 | Completion | | \$0 | Well Total | | \$454,818 | | | |
| MD | 6,845 | TVD | 6,845 | Progress | 945 | Days | 3 | MW | 10.3 | Visc | 36.0 |
| Formation : | | | PBTD : 0.0 | | | Perf : | | | PKR Depth : 0.0 | | |
| Activity at Report Time: DRILLING @ 6845' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description | | | | | | | | |
|-------|-------|-----|---|--|--|--|--|--|--|--|--|
| 06:00 | 14:30 | 8.5 | DRILLING F/5900' TO 6261' (361') 42' FT/HR. 55 RPM + 73 RPM ON MOTOR. WOB 18-22K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 22300 PSI, DIFF 250/400. DRLG.: CHAPITA WELLS 5426'. MUD WT. 10.2 VIS 36. PUMPED 80 BBL HIGH-VIS SWEEP AND BACK TO SURFACE, SMALL SHALE AND SAND RETURNED WITH SWEEP. | | | | | | | | |
| 14:30 | 15:00 | 0.5 | SERVICE RIG. | | | | | | | | |
| 15:00 | 15:30 | 0.5 | CIRCULATE BOTTOMS UP BEFORE TOOHP FOR BIT #2. DROP SURVEY AND PUMP DRYJOB SLUG. | | | | | | | | |
| 15:30 | 17:30 | 2.0 | TRIP OUT OF THE HOLE FOR BHA AND BIT #2. TIGHT SPOT AT 5260'. | | | | | | | | |
| 17:30 | 18:00 | 0.5 | LD SMITH BIT AND ROLLER REAMERS. PU SECURITY FX65M W/ 6 X 13 JETS. | | | | | | | | |
| 18:00 | 20:00 | 2.0 | TRIP IN THE HOLE WITH BHA AND BIT #2. NO HOLE PROBLEMS/HOLE DISPLACES PROPER FLUID. | | | | | | | | |
| 20:00 | 20:30 | 0.5 | WASH AND REAM 61' TO BOTTOM. KELLY UP AT 6200'. | | | | | | | | |

20:30 06:00 9.5 DRILLING F/6261' TO 6845' (584') 62'FT/HR. 55 RPM + 73 RPM ON MOTOR. WOB 18-20K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 2400 PSI, DIFF 250/400. DRLG.: BUCK CANYON 6100', NORTH HORN 6688'. MUD WT. 10.3 VIS 36.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: USING SPINNING CHAIN/ TRIPPING.
 FUNCTION COM DRILLING AND TRIPPING.
 FUNCTION BOP AND CHOKE.
 FUEL ON HAND: 3078 GL., USED: 1254 GL.

| | | | | | | | | | | | |
|--|--------------------|-------------------|---------------|--------------------|------------------------|-------------|---|-----------|------|-------------|------|
| 09-21-2010 | Reported By | DAVID GREESON | | | | | | | | | |
| DailyCosts: Drilling | \$32,140 | Completion | \$0 | Daily Total | \$32,140 | | | | | | |
| Cum Costs: Drilling | \$487,062 | Completion | \$0 | Well Total | \$487,062 | | | | | | |
| MD | 8,515 | TVD | 8,515 | Progress | 1,670 | Days | 4 | MW | 11.0 | Visc | 39.0 |
| Formation : | PBTD : 0.0 | | Perf : | | PKR Depth : 0.0 | | | | | | |
| Activity at Report Time: DRILLING @ 8515' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 12:30 | 6.5 | DRILLING F/6845' TO 7404' (559') 86'FT/HR. 55 RPM + 70 RPM ON MOTOR. WOB 18-20K. PUMP 435 GPM @ 115 SPM #2 PUMP, SPP 2450 PSI, DIFF 250/400. DRLG.: NORTH HORN 6688', PRICE RIVER 7012', MIDDLE PRICE RIVER 7674'. MUD WT. 10.8 VIS 37. |
| 12:30 | 13:00 | 0.5 | SERVICE RIG. FUNCTION COM DRILLING AND BOP. |
| 13:00 | 06:00 | 17.0 | DRILLING F/7404' TO 8515' (1111') 65'FT/HR. 54 RPM + 67 RPM ON MOTOR. WOB 18-20K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2500 PSI, DIFF 250/400. DRLG.: PRICE RIVER 7012', MIDDLE PRICE RIVER 7674'. MUD WT. 11.0 VIS 39. |

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: SPINNING CHAIN/UNLOADING CASING.
 FUNCTION COM DRILLING, BOP AND CHOKE.
 FUEL RECIEVED 3500 GL., ON HAND: 5130 GL., USED: 1448 GL.

| | | | | | | | | | | | |
|---|--------------------|-------------------|---------------|--------------------|------------------------|-------------|---|-----------|------|-------------|------|
| 09-22-2010 | Reported By | DAVID GREESON | | | | | | | | | |
| DailyCosts: Drilling | \$59,776 | Completion | \$6,006 | Daily Total | \$65,783 | | | | | | |
| Cum Costs: Drilling | \$547,126 | Completion | \$6,006 | Well Total | \$553,133 | | | | | | |
| MD | 9,025 | TVD | 9,025 | Progress | 510 | Days | 5 | MW | 11.5 | Visc | 40.0 |
| Formation : | PBTD : 0.0 | | Perf : | | PKR Depth : 0.0 | | | | | | |
| Activity at Report Time: DRILLING @ 9,025' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 11:00 | 5.0 | DRILLING F/8515' TO 8618' (103') 21'FT/HR. 54 RPM + 67 RPM ON MOTOR. WOB 18-20K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2500 PSI, DIFF 250/400. DRLG.: PRICE RIVER 7012', MIDDLE PRICE RIVER 7674'. MUD WT. 11.0 VIS 39. |
| 11:00 | 11:30 | 0.5 | SERVICE RIG. |
| 11:30 | 14:00 | 2.5 | DRILLING F/8618' TO 8690' (72') 28'FT/HR. 48 RPM + 67 RPM ON MOTOR. WOB 18-22K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2550 PSI, DIFF 150/300. DRLG.: MIDDLE PRICE RIVER 7674', LOWER PRICE RIVER 8461'. MUD WT. 11.4+ VIS 40. PUMPED 80 BBL HIGH-VIS SWEEP W/ 5 SK SAWDUST BACK TO SURFACE, SMALL AMOUNTS AND SIZES OF SAND AND SHALE RETURNING. |
| 14:00 | 14:30 | 0.5 | CIRCULATE BOTTOMS UP BEFORE TOOHP FOR BIT. DROPPED SURVEY (4.12 DEGREE@ 8610'). PUMPED DRYJOB SLUG 1.5# OVER 11.4 MUD WEIGHT. |
| 14:30 | 18:00 | 3.5 | TRIP OUT OF THE HOLE FOR BIT #3. FUNCTION COM TRIPPING. TIGHT SPOT AT 5979'. |
| 18:00 | 18:30 | 0.5 | LD MUD MOTOR AND BIT #2. OLD MM SHOWING EXCESS PLAY. PU 0.16 RPG MM AND SMITH BIT #3. |

18:30 22:00 3.5 TRIP IN THE HOLE WITH BHA AND BIT #3. HOLE DISPLACES PIPE PROPERLY, NO HOLE TROUBLE.
 FILL PIPE @ 2630' AND 6490'. KELLY UP @ 8597' ON BOTTOM.
 22:00 22:30 0.5 WASH AND REAM 50' TO BOTTOM, NO FILL. FUNCTION COM DRILLING.
 22:30 06:00 7.5 DRILLING F/8690' TO 9025' (335') 45' FT/HR. 50 RPM + 67 RPM ON MOTOR. WOB 18-22K. PUMP 419 GPM @ 120
 SPM #1 PUMP, SPP 2550 PSI, DIFF 250/400. DRLG.: LOWER PRICE RIVER 8461', SEGO 9022'. MUD WT. 11.5 VIS
 40.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: AIR SANDING/TRIPPING PIPE.
 FUNCTION COM DRILLING AND TRIPPING.
 FUNCTION BLIND RAMS OUT OF HOLE AND CHOKE.
 FUEL ON HAND: 3990 GL., USED: 1140 GL.

09-23-2010 **Reported By** PRUET/GREESON

Daily Costs: Drilling \$48,387 **Completion** \$0 **Daily Total** \$48,387
Cum Costs: Drilling \$595,514 **Completion** \$6,006 **Well Total** \$601,521

MD 9,200 **TVD** 9,200 **Progress** 175 **Days** 6 **MW** 11.6 **Visc** 42.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: RUNNING 4-1/2" CSG

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 06:00 | 10:00 | 4.0 | DRILLING F/9025' TO 9148' (123') 30.75' FT/HR. 50 RPM + 67 RPM ON MOTOR. WOB 18-22K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2550 PSI, DIFF 250/400. DRLG.: SEGO 9022'. FUNC.COM DRILLING @ 9054'. MUD WT. 11.5 VIS 40. |
| 10:00 | 10:30 | 0.5 | SERVICE RIG. |
| 10:30 | 12:00 | 1.5 | DRILLING F/9148' TO 9200' (52') 34.6'/HR. 50 RPM + 67 RPM ON MOTOR. WOB 18-22K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2550 PSI, DIFF 250/400. DRLG.: SEGO 9022'. REACHED TD @ 12:00 HRS, 9/22/2010. |
| 12:00 | 13:00 | 1.0 | CIRCULATE FOR WIPER TRIP. (PUMP 80 BBLS HI VIS PILL) SLIGHT INCREASE IN FINE CUTTINGS ON BOTTOMS UP. |
| 13:00 | 19:00 | 6.0 | WIPER TRIP. TIGHT HOLE @ 5886'. PULL TO SURFACE CASING @ 2591'. TIH, WASH & REAM 166' TO BOTTOM. NO FILL. |
| 19:00 | 21:00 | 2.0 | PUMP 80 BBLS HIGH VIS SWEEP & CBU. PJSM W/FRANK'S LD CREW. RU/LD MACHINE. |
| 21:00 | 03:00 | 6.0 | CK. FLOW. OK. DROP SURVEY. LDDP/ DC'S. BREAK KELLY, PULL ROT. RUBBER, AND PULL WEAR BUSHING. |
| 03:00 | 06:00 | 3.0 | HELD SAFETY MEETING W/RIG CREWS & FRANKS CASING CREW. R/U CASING TOOLS & RUN 4 1/2", 11.6#, N-80, LTC CASING. PLAN TO LAND CASING @ 9195'. |

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: HUNTERS SAFETY. R/U TROUGH, LDDP & DC'S.
 FUNCTION COM DRILLING AND TRIPPING.
 FUEL ON HAND: 3078 GALLONS, USED 912 GALLONS.
 WEATHER; FAIR, TEMP 49 DEG. DEW PT 47 DEG. WIND CALM. VISIBILITY LT FOG.
 BLM NOTIFIED E-MAIL, UDOGM CAROL DANIEL NOTIFIED PHONE RE; RUN CSG. 06:00 9/22/10

09-24-2010 **Reported By** GLEN PRUET

Daily Costs: Drilling \$19,053 **Completion** \$159,050 **Daily Total** \$178,103
Cum Costs: Drilling \$614,568 **Completion** \$165,056 **Well Total** \$779,624

MD 9,200 TVD 9,200 Progress 0 Days 7 MW 11.6 Visc 42.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RDRT/WO COMPLETION

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 09:30 | 3.5 | PJSM & CONTINUE RUNNING CSG W/ FRANKS CASING CREW. RAN TOTAL OF 216 JTS 4 1/2", 11.6#, N-80, LTC CASING & LANDED @ 9195'. RAN CASING AS FOLLOWS; FLOAT SHOE @ 9195', 1 SHOE JT., FLOAT COLLAR W/LATCH DOWN ASSEMBLY @ 9150'. 215 JTS PLUS 2 MKR. JTS (20.09") BOTTOM @ 7014' & TOP (20.22") @ 4414', CASING MANDREL HANGER W/ 1 PUP JT (5.50'). RAN 3 TURBULIZERS, 1 - 5' ABOVE SHOE 1 EACH IN MIDDLE OF JTS 2 & 3. RAN 38 CENTRALIZERS STARTING ON JT #4 AND EACH 3RD JT. TO 4372'. TAG BOTTOM W/ JOINT # 217. LAID IT DOWN. LAND CASING W/ 87,500 ON HANGER. |
| 09:30 | 11:00 | 1.5 | CIRCULATE W/CASING ON BOTTOM. PJSM. R/D FRANKS CSG TOOLS AND R/U HALLIBURTON. |
| 11:00 | 13:30 | 2.5 | TEST PUMP & LINES TO 5000 PSI & CEMENT CASING AS FOLLOWS; 20 BBLS MUD FLUSH, 10 BBLS WATER, 145. BBLS (445 SKS) Highbond LEAD CEMENT MIXED @ 12.0 PPG, 1.84 CU. FT/SK, 9.8 GAL/SK WATER. PLUS 343 BBLS (1260 SKS), EXTENDACEM 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 142.0 BBLS FRESH WATER @ 6.5 BPM AVERAGE, BUMP PLUG W/1192 PSI OVER FCP OF 2066 PSI @ 2 BPM. HELD PRESSURE (3258 PSI) 5 MIN. RELEASED PRESSURE, FLOW BACK 2 BBLS. RE PRESSURED UP TO 1224 PSI FOR 1 HOURS. PLUG DOWN @ 13:18 HRS 9/23 /2010. FULL RETURNS DURING CEMENTING. CIRCULATED MUD ONLY TO SURFACE. |
| 13:30 | 14:30 | 1.0 | WAIT ON CEMENT. |
| 14:30 | 15:30 | 1.0 | FMC SERVICEMAN TEST HANGER PACK OFF TO 5000 PSI. OK. |
| 15:30 | 18:00 | 2.5 | PJSM W/ CRAIG'S PIT CLEANING CREW. CLEAN MUD TANKS AND TRANSFER MUD TO STORAGE. |

RW JONES MOVING RIG 0.3 MI. FROM HOSS 129-35 TO HOSS 131-35. @ 06:00 HRS. 9/24/2010.
 FULL CREWS, NO ACCIDENTS.
 SAFETY MEETINGS, RDRT, LOWER DERRICK.
 TRANSFER 2700 GALLONS DIESEL FUEL. (CREDIT @ \$2.65/GALLON). USED 378 GALLONS. TRANSFER 381' (9 JTS) 11.6# N-80 LTC CASING, 28' (2 MKR. JTS) P-110 11.6#. TO HOSS 131-35.
 NOTIFIED BLM VIA EMAIL & UDOGM ON PHONE (CAROL DANIELS) 9/23/10 @ 19:30 HRS. RE: HOSS 131-35 BOP TEST.
 WEATHER; FAIR, TEMP 46 DEG. DEW PT 30 DEG. HUMIDITY 54% WIND NW @ 7 MPH.

18:00 RELEASED RIG @ 18:00 HRS, 9/23/2010.
 CASING POINT COST \$609,322

| 09-30-2010 | Reported By | SEARLE |
|-----------------------|-------------|----------------------|
| Daily Costs: Drilling | \$0 | Completion \$29,300 |
| Cum Costs: Drilling | \$614,568 | Completion \$194,356 |
| Daily Total | | \$29,300 |
| Well Total | | \$808,924 |

MD 9,200 TVD 9,200 Progress 0 Days 8 MW 0.0 Visc 0.0
 Formation : PBTD : 9152.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP FOR FRACS

| Start | End | Hrs | Activity Description |
|-------|-----|-----|--|
| 06:00 | | | MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM 9134' TO 490'. EST CEMENT TOP @ 725'. RD SCHLUMBERGER. |

| | |
|---|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU76042 |
|---|---|

| | |
|--|--|
| 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: Hoss 129-35 |
|------------------------------------|--|

| | |
|--|---|
| 2. NAME OF OPERATOR: EOG Resources, Inc. | 9. API NUMBER: 43047507070000 |
|--|---|

| | | |
|--|--|--|
| 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: 2025 FSL 1858 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 35 Township: 08.0S 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 type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR |
| <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE |
| <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 11/1/2010 | <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 |
| | <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.
 No activity has occurred since last submission on 10/5/10 to 11/1/10.

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

| | | |
|---|-------------------------------------|--------------------------------------|
| NAME (PLEASE PRINT) Michelle Robles | PHONE NUMBER 307 276-4842 | TITLE Regulatory Assistant |
| SIGNATURE N/A | DATE 11/1/2010 | |

WELL CHRONOLOGY REPORT

Report Generated On: 11-01-2010

| | | | | | |
|----------------------|--|------------------|--------------|----------------------|--------------|
| Well Name | HOSS 129-35 | Well Type | DEVG | Division | DENVER |
| Field | PONDEROSA | API # | 43-047-50707 | Well Class | COMP |
| County, State | UINTAH, UT | Spud Date | 09-18-2010 | Class Date | |
| Tax Credit | N | TVD / MD | 9,200/ 9,200 | Property # | 063973 |
| Water Depth | 0 | Last CSG | 4.5 | Shoe TVD / MD | 9,195/ 9,195 |
| KB / GL Elev | 5,036/ 5,023 | | | | |
| Location | Section 35, T8S, R23E, NESW, 2025 FSL & 1858 FWL | | | | |

| | | | | | |
|-----------------|--------------------|--------------------|-----------------|--------------|--------|
| Event No | 1.0 | Description | HOSS 129-35 D&C | | |
| Operator | EOG RESOURCES, INC | WI % | 100.0 | NRI % | 79.334 |

| | | | | | |
|------------------------------|--------------------|-------------------|---------------|------------------------|------------------|
| AFE No | 306556 | AFE Total | 1,573,300 | DHC / CWC | 625,800/ 947,500 |
| Rig Contr | TRUE | Rig Name | TRUE #34 | Start Date | 10-01-2009 |
| 10-01-2009 | 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 |
| | | | 2025' FSL & 1858' FWL (NW/SW) |
| | | | SECTION 35, T8S, R23E |
| | | | UINTAH COUNTY, UTAH |
| | | | LAT 40.077492, LONG 109.297144 (NAD 83) |
| | | | LAT 40.077528, LONG 109.296467 (NAD 27) |
| | | | TRUE #34 |
| | | | OBJECTIVE: 9200' TD, MESAVERDE |
| | | | DW/GAS |
| | | | PONDEROSA PROSPECT |
| | | | DD&A: CHAPITA DEEP |
| | | | NATURAL BUTTES FIELD |
| | | | LEASE: U-76042 |
| | | | ELEVATION: 5023.5' NAT GL, 5023.0' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 5023') 5042' KB (19') |

EOG WI 100%, NRI 79.3338%

08-11-2010 **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 OF LOCATION TODAY, 8/11/10. |

08-12-2010 **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 80% COMPLETE. |

08-13-2010 **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 COMPLETE. STARTING CLOSED LOOP. |

08-15-2010 **Reported By** TERRY CSERE/KENT DAVENPORT

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
MD 60 **TVD** 60 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: SPUD NOTIFICATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | CRAIG'S ROUSTABOUT SPUD A 20" HOLE ON 8/14/10 @ 9:00 AM, SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE MESSAGE AND BLM WAS NOTIFIED BY EMAIL OF SPUD ON 08/13/10 @ 6:57 AM. |

08-16-2010 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
MD 60 **TVD** 60 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|------------------------|
| 06:00 | 06:00 | 24.0 | GEL CLOSED LOOP TODAY. |

08-17-2010 Reported By TERRY CSERE

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

MD 60 TVD 60 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

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

09-03-2010 Reported By KYLAN COOK

DailyCosts: Drilling \$206,949 Completion \$0 Daily Total \$206,949
 Cum Costs: Drilling \$281,949 Completion \$0 Well Total \$281,949

MD 2,604 TVD 2,604 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | MIRU CRAIG'S AIR RIG #2 ON 8/28/2010. DRILLED 12-1/4" HOLE TO 2585' GL (2604' KB). ENCOUNTERED WATER AT 1790'. DRILLED WITH AIR AND FOAM TO 1790' THEN PUMP DRILLED TO TD WITH PARTIAL RETURNS. RAN 60 JTS (2572.32') 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 @ 2591.32' 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 2976 PSIG. PUMPED 110 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 195.5 BBLs FRESH WATER. BUMPED PLUG WITH 900# @ 23:36 PM ON 8/31/10. FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 100 BBLs INTO FRESH WATER FLUSH. LOST RETURNS 160 BBLs INTO DISPLACEMENT. NO CEMENT TO SURFACE. WOC 2 HR 40 MIN.

TOP JOB #1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT WITH 2% CACL2. MIXED CEMENT @ 15.8 PPG WITH YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HR.

TOP JOB #2: MIXED & PUMPED 90 SX (18 BBLs) OF PREMIUM CEMENT WITH 2% 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 @ 1550' = 1.50 DEGREE, 2000' = 1.50 DEGREE, 2300' = 1.00 DEGREE, AND 2585' = 1.00 DEGREE.

KYLAN COOK NOTIFIED BLM VIA EMAIL OF THE SURFACE CASING & CEMENT JOB ON 8/30/10 @ 11:00 AM. KYLAN COOK NOTIFIED CAROL DANIELS WITH UDOGM OF THE SURFACE CASING & CEMENT JOB VIA PHONE ON 8/30/10 @ 11:00 AM.

09-17-2010 Reported By DAVID GREESON

DailyCosts: Drilling \$86,945 Completion \$0 Daily Total \$86,945
 Cum Costs: Drilling \$368,895 Completion \$0 Well Total \$368,895

MD 2,604 **TVD** 2,604 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILL OUT SURFACE CASING

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 21:00 | 15.0 | RURT. RW JONES TRUCKING BEGAN RIG MOVE AT 06:00 AND ENDED AT 18:00 9-16-10. DERRICK WAS STOOD UP BY 17:00 9/16/10. MOVING FROM THE ECW 77-23 TO THE HOSS 129-35, 8.4 MILES. TRANSFERING 380.13' OF 4.5" 11.6# N-80 CASING AND 2178 GL. FUEL TO THE HOSS 129-35. RIG ON DAYWORK @ 21:00 ON 9-16-10. |
| 21:00 | 00:30 | 3.5 | 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 HIGH FOR 10 MINUTES. TEST ANNULAR PREVENTER 250/2500 PSI FOR 10 MINUTES. ALL TEST GOOD. |
| 00:30 | 01:00 | 0.5 | TEST CASING TO 1500 PSI FOR 30 MIN. |
| 01:00 | 02:00 | 1.0 | SET WEAR BUSHING AND RU FRANK'S LD MACHINE. |
| 02:00 | 05:30 | 3.5 | PU DP AND BHA W/FRANK'S LD MACHINE. TAG UP @ 2488'. |
| 05:30 | 06:00 | 0.5 | RD FRANK'S LD MACHINE AND TOOLS. KELLY UP AND BEGIN DRILLING CEMENT. |

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: RIG MOVE SAFETY/ELECTRICAL REPAIRS.
 FUNCTION COM DRILLING AND TRIPPING.
 FUEL RECEIVED 4200 GL. ON HAND: 6897 GL., USED: 282 GL.

| 09-18-2010 | | Reported By | DAVID GREESON | | | | | | | | |
|------------------------------|-------------------|-------------------|---------------|------------------------|-----------|-------------|---|-----------|-----|-------------|------|
| Daily Costs: Drilling | \$25,150 | Completion | \$0 | Daily Total | \$25,150 | | | | | | |
| Cum Costs: Drilling | \$394,045 | Completion | \$0 | Well Total | \$394,045 | | | | | | |
| MD | 4,795 | TVD | 4,795 | Progress | 2,204 | Days | 1 | MW | 9.5 | Visc | 35.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | | | | | | | |

Activity at Report Time: DRILLING @ 4795'

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 08:30 | 2.5 | DRILL CEMENT AMD FLOAT EQUIP. F/ 2500 TO 2616' INCLUDING 12' OF NEW HOLE. 5-10K WOB, 50 RPM/73 RPM MM. 120 STK. ON #2 PUMP, 454 GPM. PUMPED HIGH-VIS SWEEP BACK TO SURFACE TO CLEAN HOLE BEFORE FIT. |
| 08:30 | 09:00 | 0.5 | FIT TEST @2616'. HELD 240 PSI W/ AN 9.2PPG MUD = 11.0 EMW. |
| 09:00 | 10:00 | 1.0 | DRILLING F/2616' TO 2759' (143') 143'FT/HR. 60 RPM + 73 RPM ON MOTOR. WOB 15-19K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 1800 PSI, DIFF 250. DRLG.: MAHOGANY SHALE BED. MUD WT. 9.2 VIS 31. |
| 10:00 | 10:30 | 0.5 | SERVICE RIG. |
| 10:30 | 11:00 | 0.5 | SURVEY@2775, 0.75 DEGREE. |
| 11:00 | 19:30 | 8.5 | DRILLING F/2759' TO 3854' (1095') 129'FT/HR. 60 RPM + 73 RPM ON MOTOR. WOB 16-20K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 1800 PSI, DIFF 250. DRLG.: MAHOGANY SHALE BED 2630'. MUD WT. 9.3 VIS 33. |
| 19:30 | 20:00 | 0.5 | SURVEY@3773', 2.24 DEGREES. |
| 20:00 | 04:30 | 8.5 | DRILLING F/3854' TO 4727' (873') 103'FT/HR. 60 RPM + 73 RPM ON MOTOR. WOB 16-20K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 2250 PSI, DIFF 250/400. DRLG.: MAHOGANY SHALE BED 2630', WASATCH 4,833'. MUD WT. 9.5 VIS 35. |
| 04:30 | 05:00 | 0.5 | SURVEY @ 4646', 2.54 DEGREES. |

05:00 06:00 1.0 DRILLING F/4727' TO 4795 (68') 68'FT/HR. 60 RPM + 73 RPM ON MOTOR. WOB 16-20K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 2200 PSI, DIFF 250/400. DRLG.: MAHOGANY SHALE BED 2630', WASATCH 4,833'. MUD WT. 9.5 VIS 35.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: HAND PLACEMENT/HIGH PRESSURE WASH.
 FUNCTION COM DRILLING AND BOP ANNULAR.
 FUEL ON HAND: 5700 GL., USED: 1197 GL.

06:00 SPUD 7 7/8" HOLE AT 09:00 HRS, 9/17/10.

| | | | | | | | | | | | |
|--|-------|--------------------|-------------------|-----------------|---------------|--------------------|------------------------|-----------|------|-------------|------|
| 09-19-2010 | | Reported By | | DAVID GREESON | | | | | | | |
| DailyCosts: Drilling | | \$33,615 | Completion | | \$0 | Daily Total | | \$33,615 | | | |
| Cum Costs: Drilling | | \$427,660 | Completion | | \$0 | Well Total | | \$427,660 | | | |
| MD | 5,900 | TVD | 5,900 | Progress | 1,105 | Days | 2 | MW | 10.0 | Visc | 36.0 |
| Formation : | | PBTD : 0.0 | | | Perf : | | PKR Depth : 0.0 | | | | |
| Activity at Report Time: DRILLING @ 5900' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description | | | | | | | | |
|-------|-------|------|--|--|--|--|--|--|--|--|--|
| 06:00 | 12:00 | 6.0 | DRILLING F/4795' TO 5071' (276') 46'FT/HR. 55 RPM + 73 RPM ON MOTOR. WOB 18-22K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 2200 PSI, DIFF 250/400. DRLG.: WASATCH 4,833', CHAPITA WELLS 5426'. MUD WT. 10.0 VIS 36. | | | | | | | | |
| 12:00 | 12:30 | 0.5 | SERVICE RIG. | | | | | | | | |
| 12:30 | 06:00 | 17.5 | DRILLING F/5071' TO 5900' (829') 47'FT/HR. 55 RPM + 73 RPM ON MOTOR. WOB 18-22K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 22300 PSI, DIFF 250/400. DRLG.: WASATCH 4,833', CHAPITA WELLS 5426'. MUD WT. 10.0 VIS 36. | | | | | | | | |

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: MIXING CHEMICALS/HYDRAULIC LINES.
 FUNCTION COM DRILLING. FUNCTION BOP AND CHOKE.
 FUEL ON HAND: 4332 GL., USED: 1368 GL.

| | | | | | | | | | | | |
|--|-------|--------------------|-------------------|-----------------|---------------|--------------------|------------------------|-----------|------|-------------|------|
| 09-20-2010 | | Reported By | | DAVID GREESON | | | | | | | |
| DailyCosts: Drilling | | \$27,157 | Completion | | \$0 | Daily Total | | \$27,157 | | | |
| Cum Costs: Drilling | | \$454,818 | Completion | | \$0 | Well Total | | \$454,818 | | | |
| MD | 6,845 | TVD | 6,845 | Progress | 945 | Days | 3 | MW | 10.3 | Visc | 36.0 |
| Formation : | | PBTD : 0.0 | | | Perf : | | PKR Depth : 0.0 | | | | |
| Activity at Report Time: DRILLING @ 6845' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description | | | | | | | | |
|-------|-------|-----|--|--|--|--|--|--|--|--|--|
| 06:00 | 14:30 | 8.5 | DRILLING F/5900' TO 6261' (361') 42'FT/HR. 55 RPM + 73 RPM ON MOTOR. WOB 18-22K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 22300 PSI, DIFF 250/400. DRLG.: CHAPITA WELLS 5426'. MUD WT. 10.2 VIS 36. PUMPED 80 BBL HIGH-VIS SWEEP AND BACK TO SURFACE, SMALL SHALE AND SAND RETURNED WITH SWEEP. | | | | | | | | |
| 14:30 | 15:00 | 0.5 | SERVICE RIG. | | | | | | | | |
| 15:00 | 15:30 | 0.5 | CIRCULATE BOTTOMS UP BEFORE TOOHP FOR BIT #2. DROP SURVEY AND PUMP DRYJOB SLUG. | | | | | | | | |
| 15:30 | 17:30 | 2.0 | TRIP OUT OF THE HOLE FOR BHA AND BIT #2. TIGHT SPOT AT 5260'. | | | | | | | | |
| 17:30 | 18:00 | 0.5 | LD SMITH BIT AND ROLLER REAMERS. PU SECURITY FX65M W/ 6 X 13 JETS. | | | | | | | | |
| 18:00 | 20:00 | 2.0 | TRIP IN THE HOLE WITH BHA AND BIT #2. NO HOLE PROBLEMS/HOLE DISPLACES PROPER FLUID. | | | | | | | | |
| 20:00 | 20:30 | 0.5 | WASH AND REAM 61' TO BOTTOM. KELLY UP AT 6200'. | | | | | | | | |

20:30 06:00 9.5 DRILLING F/6261' TO 6845' (584') 62'FT/HR. 55 RPM + 73 RPM ON MOTOR. WOB 18-20K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 2400 PSI, DIFF 250/400. DRLG.: BUCK CANYON 6100', NORTH HORN 6688'. MUD WT. 10.3 VIS 36.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: USING SPINNING CHAIN/ TRIPPING.
 FUNCTION COM DRILLING AND TRIPPING.
 FUNCTION BOP AND CHOKE.
 FUEL ON HAND: 3078 GL., USED: 1254 GL.

| | | | | | | | | | | | |
|--|--------------------|-------------------|---------------|--------------------|------------------------|-------------|---|-----------|------|-------------|------|
| 09-21-2010 | Reported By | DAVID GREESON | | | | | | | | | |
| DailyCosts: Drilling | \$32,140 | Completion | \$0 | Daily Total | \$32,140 | | | | | | |
| Cum Costs: Drilling | \$487,062 | Completion | \$0 | Well Total | \$487,062 | | | | | | |
| MD | 8,515 | TVD | 8,515 | Progress | 1,670 | Days | 4 | MW | 11.0 | Visc | 39.0 |
| Formation : | PBTD : 0.0 | | Perf : | | PKR Depth : 0.0 | | | | | | |
| Activity at Report Time: DRILLING @ 8515' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 12:30 | 6.5 | DRILLING F/6845' TO 7404' (559') 86'FT/HR. 55 RPM + 70 RPM ON MOTOR. WOB 18-20K. PUMP 435 GPM @ 115 SPM #2 PUMP, SPP 2450 PSI, DIFF 250/400. DRLG.: NORTH HORN 6688', PRICE RIVER 7012', MIDDLE PRICE RIVER 7674'. MUD WT. 10.8 VIS 37. |
| 12:30 | 13:00 | 0.5 | SERVICE RIG. FUNCTION COM DRILLING AND BOP. |
| 13:00 | 06:00 | 17.0 | DRILLING F/7404' TO 8515' (1111') 65'FT/HR. 54 RPM + 67 RPM ON MOTOR. WOB 18-20K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2500 PSI, DIFF 250/400. DRLG.: PRICE RIVER 7012', MIDDLE PRICE RIVER 7674'. MUD WT. 11.0 VIS 39. |

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: SPINNING CHAIN/UNLOADING CASING.
 FUNCTION COM DRILLING, BOP AND CHOKE.
 FUEL RECIEVED 3500 GL., ON HAND: 5130 GL., USED: 1448 GL.

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|---|--------------------|-------------------|---------------|--------------------|------------------------|-------------|---|-----------|------|-------------|------|
| 09-22-2010 | Reported By | DAVID GREESON | | | | | | | | | |
| DailyCosts: Drilling | \$59,776 | Completion | \$6,006 | Daily Total | \$65,783 | | | | | | |
| Cum Costs: Drilling | \$547,126 | Completion | \$6,006 | Well Total | \$553,133 | | | | | | |
| MD | 9,025 | TVD | 9,025 | Progress | 510 | Days | 5 | MW | 11.5 | Visc | 40.0 |
| Formation : | PBTD : 0.0 | | Perf : | | PKR Depth : 0.0 | | | | | | |
| Activity at Report Time: DRILLING @ 9,025' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 11:00 | 5.0 | DRILLING F/8515' TO 8618' (103') 21'FT/HR. 54 RPM + 67 RPM ON MOTOR. WOB 18-20K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2500 PSI, DIFF 250/400. DRLG.: PRICE RIVER 7012', MIDDLE PRICE RIVER 7674'. MUD WT. 11.0 VIS 39. |
| 11:00 | 11:30 | 0.5 | SERVICE RIG. |
| 11:30 | 14:00 | 2.5 | DRILLING F/8618' TO 8690' (72') 28'FT/HR. 48 RPM + 67 RPM ON MOTOR. WOB 18-22K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2550 PSI, DIFF 150/300. DRLG.: MIDDLE PRICE RIVER 7674', LOWER PRICE RIVER 8461'. MUD WT. 11.4+ VIS 40. PUMPED 80 BBL HIGH-VIS SWEEP W/ 5 SK SAWDUST BACK TO SURFACE, SMALL AMOUNTS AND SIZES OF SAND AND SHALE RETURNING. |
| 14:00 | 14:30 | 0.5 | CIRCULATE BOTTOMS UP BEFORE TOOHP FOR BIT. DROPPED SURVEY (4.12 DEGREE@ 8610'). PUMPED DRYJOB SLUG 1.5# OVER 11.4 MUD WEIGHT. |
| 14:30 | 18:00 | 3.5 | TRIP OUT OF THE HOLE FOR BIT #3. FUNCTION COM TRIPPING. TIGHT SPOT AT 5979'. |
| 18:00 | 18:30 | 0.5 | LD MUD MOTOR AND BIT #2. OLD MM SHOWING EXCESS PLAY. PU 0.16 RPG MM AND SMITH BIT #3. |

18:30 22:00 3.5 TRIP IN THE HOLE WITH BHA AND BIT #3. HOLE DISPLACES PIPE PROPERLY, NO HOLE TROUBLE.
 FILL PIPE @ 2630' AND 6490'. KELLY UP @ 8597' ON BOTTOM.
 22:00 22:30 0.5 WASH AND REAM 50' TO BOTTOM, NO FILL. FUNCTION COM DRILLING.
 22:30 06:00 7.5 DRILLING F/8690' TO 9025' (335') 45' FT/HR. 50 RPM + 67 RPM ON MOTOR. WOB 18-22K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2550 PSI, DIFF 250/400. DRLG.: LOWER PRICE RIVER 8461', SEGO 9022'. MUD WT. 11.5 VIS 40.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: AIR SANDING/TRIPPING PIPE.
 FUNCTION COM DRILLING AND TRIPPING.
 FUNCTION BLIND RAMS OUT OF HOLE AND CHOKE.
 FUEL ON HAND: 3990 GL., USED: 1140 GL.

09-23-2010 **Reported By** PRUET/GREESON

Daily Costs: Drilling \$48,387 **Completion** \$0 **Daily Total** \$48,387
Cum Costs: Drilling \$595,514 **Completion** \$6,006 **Well Total** \$601,521

MD 9,200 **TVD** 9,200 **Progress** 175 **Days** 6 **MW** 11.6 **Visc** 42.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: RUNNING 4-1/2" CSG

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 06:00 | 10:00 | 4.0 | DRILLING F/9025' TO 9148' (123') 30.75' FT/HR. 50 RPM + 67 RPM ON MOTOR. WOB 18-22K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2550 PSI, DIFF 250/400. DRLG.: SEGO 9022'. FUNC.COM DRILLING @ 9054'. MUD WT. 11.5 VIS 40. |
| 10:00 | 10:30 | 0.5 | SERVICE RIG. |
| 10:30 | 12:00 | 1.5 | DRILLING F/9148' TO 9200' (52') 34.6'/HR. 50 RPM + 67 RPM ON MOTOR. WOB 18-22K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2550 PSI, DIFF 250/400. DRLG.: SEGO 9022'. REACHED TD @ 12:00 HRS, 9/22/2010. |
| 12:00 | 13:00 | 1.0 | CIRCULATE FOR WIPER TRIP. (PUMP 80 BBLS HI VIS PILL) SLIGHT INCREASE IN FINE CUTTINGS ON BOTTOMS UP. |
| 13:00 | 19:00 | 6.0 | WIPER TRIP. TIGHT HOLE @ 5886'. PULL TO SURFACE CASING @ 2591'. TIH, WASH & REAM 166' TO BOTTOM. NO FILL. |
| 19:00 | 21:00 | 2.0 | PUMP 80 BBLS HIGH VIS SWEEP & CBU. PJSM W/FRANK'S LD CREW. RU/LD MACHINE. |
| 21:00 | 03:00 | 6.0 | CK. FLOW. OK. DROP SURVEY. LDDP/ DC'S. BREAK KELLY, PULL ROT. RUBBER, AND PULL WEAR BUSHING. |
| 03:00 | 06:00 | 3.0 | HELD SAFETY MEETING W/RIG CREWS & FRANKS CASING CREW. R/U CASING TOOLS & RUN 4 1/2", 11.6#, N-80, LTC CASING. PLAN TO LAND CASING @ 9195'. |

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: HUNTERS SAFETY. R/U TROUGH, LDDP & DC'S.
 FUNCTION COM DRILLING AND TRIPPING.
 FUEL ON HAND: 3078 GALLONS, USED 912 GALLONS.
 WEATHER; FAIR, TEMP 49 DEG. DEW PT 47 DEG. WIND CALM. VISIBILITY LT FOG.
 BLM NOTIFIED E-MAIL, UDOGM CAROL DANIEL NOTIFIED PHONE RE; RUN CSG. 06:00 9/22/10

09-24-2010 **Reported By** GLEN PRUET

Daily Costs: Drilling \$19,053 **Completion** \$159,050 **Daily Total** \$178,103
Cum Costs: Drilling \$614,568 **Completion** \$165,056 **Well Total** \$779,624

MD 9,200 **TVD** 9,200 **Progress** 0 **Days** 7 **MW** 11.6 **Visc** 42.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: RDRT/WO COMPLETION

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 09:30 | 3.5 | PJSM & CONTINUE RUNNING CSG W/ FRANKS CASING CREW. RAN TOTAL OF 216 JTS 4 1/2", 11.6#, N-80, LTC CASING & LANDED @ 9195'. RAN CASING AS FOLLOWS; FLOAT SHOE @ 9195', 1 SHOE JT., FLOAT COLLAR W/LATCH DOWN ASSEMBLY @ 9150'. 215 JTS PLUS 2 MKR. JTS (20.09") BOTTOM @ 7014' & TOP (20.22") @ 4414', CASING MANDREL HANGER W/ 1 PUP JT (5.50'). RAN 3 TURBULIZERS, 1 - 5' ABOVE SHOE 1 EACH IN MIDDLE OF JTS 2 & 3. RAN 38 CENTRALIZERS STARTING ON JT #4 AND EACH 3RD JT. TO 4372'. TAG BOTTOM W/ JOINT # 217. LAID IT DOWN. LAND CASING W/ 87,500 ON HANGER. |
| 09:30 | 11:00 | 1.5 | CIRCULATE W/CASING ON BOTTOM. PJSM. R/D FRANKS CSG TOOLS AND R/U HALLIBURTON. |
| 11:00 | 13:30 | 2.5 | TEST PUMP & LINES TO 5000 PSI & CEMENT CASING AS FOLLOWS; 20 BBLS MUD FLUSH, 10 BBLS WATER, 145. BBLS (445 SKS) Highbond LEAD CEMENT MIXED @ 12.0 PPG, 1.84 CU. FT/SK, 9.8 GAL/SK WATER. PLUS 343 BBLS (1260 SKS), EXTENDACEM 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 142.0 BBLS FRESH WATER @ 6.5 BPM AVERAGE, BUMP PLUG W/1192 PSI OVER FCP OF 2066 PSI @ 2 BPM. HELD PRESSURE (3258 PSI) 5 MIN. RELEASED PRESSURE, FLOW BACK 2 BBLS. RE PRESSURED UP TO 1224 PSI FOR 1 HOURS. PLUG DOWN @ 13:18 HRS 9/23 /2010. FULL RETURNS DURING CEMENTING. CIRCULATED MUD ONLY TO SURFACE. |
| 13:30 | 14:30 | 1.0 | WAIT ON CEMENT. |
| 14:30 | 15:30 | 1.0 | FMC SERVICEMAN TEST HANGER PACK OFF TO 5000 PSI. OK. |
| 15:30 | 18:00 | 2.5 | PJSM W/ CRAIG'S PIT CLEANING CREW. CLEAN MUD TANKS AND TRANSFER MUD TO STORAGE. |

RW JONES MOVING RIG 0.3 MI. FROM HOSS 129-35 TO HOSS 131-35. @ 06:00 HRS. 9/24/2010.
 FULL CREWS, NO ACCIDENTS.
 SAFETY MEETINGS, RDRT, LOWER DERRICK.
 TRANSFER 2700 GALLONS DIESEL FUEL. (CREDIT @ \$2.65/GALLON). USED 378 GALLONS. TRANSFER 381' (9 JTS) 11.6# N-80 LTC CASING, 28' (2 MKR. JTS) P-110 11.6#. TO HOSS 131-35.
 NOTIFIED BLM VIA EMAIL & UDOGM ON PHONE (CAROL DANIELS) 9/23/10 @ 19:30 HRS. RE: HOSS 131-35 BOP TEST.
 WEATHER; FAIR, TEMP 46 DEG. DEW PT 30 DEG. HUMIDITY 54% WIND NW @ 7 MPH.

18:00 RELEASED RIG @ 18:00 HRS, 9/23/2010.
 CASING POINT COST \$609,322

| | | |
|------------------------------|--------------------|---|
| 09-30-2010 | Reported By | SEARLE |
| Daily Costs: Drilling | \$0 | Completion \$29,300 Daily Total \$29,300 |
| Cum Costs: Drilling | \$614,568 | Completion \$194,356 Well Total \$808,924 |

MD 9,200 **TVD** 9,200 **Progress** 0 **Days** 8 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 9152.0** **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 9134' TO 490'. EST CEMENT TOP @ 725'. RD SCHLUMBERGER. |

| | |
|---|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU76042 |
|---|---|

| | |
|--|--|
| 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: HOSS 129-35 |
|------------------------------------|--|

| | |
|--|---|
| 2. NAME OF OPERATOR: EOG Resources, Inc. | 9. API NUMBER: 43047507070000 |
|--|---|

| | | |
|--|--|--|
| 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: 2025 FSL 1858 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 35 Township: 08.0S 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 type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR |
| <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE |
| <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 11/16/2010 | <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 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 November 16, 2010. Please see the attached operations summary report for and completion operations performed on the subject well.

Accepted by the
 Utah Division of
 Oil, Gas and Mining
FOR RECORD ONLY
 11/18/2010

| | | |
|---|-------------------------------------|--------------------------------------|
| NAME (PLEASE PRINT) Michelle Robles | PHONE NUMBER 307 276-4842 | TITLE Regulatory Assistant |
| SIGNATURE N/A | DATE 11/17/2010 | |

WELL CHRONOLOGY REPORT

Report Generated On: 11-17-2010

| | | | | | |
|----------------------|--|------------------|--------------|----------------------|--------|
| Well Name | HOSS 129-35 | Well Type | DEVG | Division | DENVER |
| Field | PONDEROSA | API # | 43-047-50707 | Well Class | COMP |
| County, State | UINTAH, UT | Spud Date | 09-18-2010 | Class Date | |
| Tax Credit | N | TVD / MD | 9,200/ 9,200 | Property # | 063973 |
| Water Depth | 0 | Last CSG | 2.375 | Shoe TVD / MD | 0/ 0 |
| KB / GL Elev | 5,036/ 5,023 | | | | |
| Location | Section 35, T8S, R23E, NESW, 2025 FSL & 1858 FWL | | | | |

| | | | | | |
|-----------------|--------------------|--------------------|-----------------|--------------|--------|
| Event No | 1.0 | Description | HOSS 129-35 D&C | | |
| Operator | EOG RESOURCES, INC | WI % | 100.0 | NRI % | 79.334 |

| | | | | | |
|------------------------------|--------------------|-------------------|---------------|------------------------|------------------|
| AFE No | 306556 | AFE Total | 1,573,300 | DHC / CWC | 625,800/ 947,500 |
| Rig Contr | TRUE | Rig Name | TRUE #34 | Start Date | 10-01-2009 |
| 10-01-2009 | 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 |
| | | | 2025' FSL & 1858' FWL (NW/SW) |
| | | | SECTION 35, T8S, R23E |
| | | | UINTAH COUNTY, UTAH |
| | | | LAT 40.077492, LONG 109.297144 (NAD 83) |
| | | | LAT 40.077528, LONG 109.296467 (NAD 27) |
| | | | TRUE #34 |
| | | | OBJECTIVE: 9200' TD, MESAVERDE |
| | | | DW/GAS |
| | | | PONDEROSA PROSPECT |
| | | | DD&A: CHAPITA DEEP |
| | | | NATURAL BUTTES FIELD |
| | | | LEASE: U-76042 |
| | | | ELEVATION: 5023.5' NAT GL, 5023.0' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 5023') 5042' KB (19') |

EOG WI 100%, NRI 79.3338%

08-11-2010 **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 OF LOCATION TODAY, 8/11/10. |

08-12-2010 **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 80% COMPLETE. |

08-13-2010 **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 COMPLETE. STARTING CLOSED LOOP. |

08-15-2010 **Reported By** TERRY CSERE/KENT DAVENPORT

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
MD 60 **TVD** 60 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: SPUD NOTIFICATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | CRAIG'S ROUSTABOUT SPUD A 20" HOLE ON 8/14/10 @ 9:00 AM, SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE MESSAGE AND BLM WAS NOTIFIED BY EMAIL OF SPUD ON 08/13/10 @ 6:57 AM. |

08-16-2010 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
MD 60 **TVD** 60 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|------------------------|
| 06:00 | 06:00 | 24.0 | GEL CLOSED LOOP TODAY. |

08-17-2010 Reported By TERRY CSERE

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

MD 60 TVD 60 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

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

09-03-2010 Reported By KYLAN COOK

DailyCosts: Drilling \$206,949 Completion \$0 Daily Total \$206,949
 Cum Costs: Drilling \$281,949 Completion \$0 Well Total \$281,949

MD 2,604 TVD 2,604 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | MIRU CRAIG'S AIR RIG #2 ON 8/28/2010. DRILLED 12-1/4" HOLE TO 2585' GL (2604' KB). ENCOUNTERED WATER AT 1790'. DRILLED WITH AIR AND FOAM TO 1790' THEN PUMP DRILLED TO TD WITH PARTIAL RETURNS. RAN 60 JTS (2572.32') 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 @ 2591.32' 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 2976 PSIG. PUMPED 110 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 195.5 BBLs FRESH WATER. BUMPED PLUG WITH 900# @ 23:36 PM ON 8/31/10. FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 100 BBLs INTO FRESH WATER FLUSH. LOST RETURNS 160 BBLs INTO DISPLACEMENT. NO CEMENT TO SURFACE. WOC 2 HR 40 MIN.

TOP JOB #1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT WITH 2% CACL2. MIXED CEMENT @ 15.8 PPG WITH YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HR.

TOP JOB #2: MIXED & PUMPED 90 SX (18 BBLs) OF PREMIUM CEMENT WITH 2% 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 @ 1550' = 1.50 DEGREE, 2000' = 1.50 DEGREE, 2300' = 1.00 DEGREE, AND 2585' = 1.00 DEGREE.

KYLAN COOK NOTIFIED BLM VIA EMAIL OF THE SURFACE CASING & CEMENT JOB ON 8/30/10 @ 11:00 AM. KYLAN COOK NOTIFIED CAROL DANIELS WITH UDOGM OF THE SURFACE CASING & CEMENT JOB VIA PHONE ON 8/30/10 @ 11:00 AM.

09-17-2010 Reported By DAVID GREESON

DailyCosts: Drilling \$86,945 Completion \$0 Daily Total \$86,945
 Cum Costs: Drilling \$368,895 Completion \$0 Well Total \$368,895

MD 2,604 **TVD** 2,604 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILL OUT SURFACE CASING

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 21:00 | 15.0 | RURT. RW JONES TRUCKING BEGAN RIG MOVE AT 06:00 AND ENDED AT 18:00 9-16-10. DERRICK WAS STOOD UP BY 17:00 9/16/10. MOVING FROM THE ECW 77-23 TO THE HOSS 129-35, 8.4 MILES. TRANSFERING 380.13' OF 4.5" 11.6# N-80 CASING AND 2178 GL. FUEL TO THE HOSS 129-35. RIG ON DAYWORK @ 21:00 ON 9-16-10. |
| 21:00 | 00:30 | 3.5 | 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 HIGH FOR 10 MINUTES. TEST ANNULAR PREVENTER 250/2500 PSI FOR 10 MINUTES. ALL TEST GOOD. |
| 00:30 | 01:00 | 0.5 | TEST CASING TO 1500 PSI FOR 30 MIN. |
| 01:00 | 02:00 | 1.0 | SET WEAR BUSHING AND RU FRANK'S LD MACHINE. |
| 02:00 | 05:30 | 3.5 | PU DP AND BHA W/FRANK'S LD MACHINE. TAG UP @ 2488'. |
| 05:30 | 06:00 | 0.5 | RD FRANK'S LD MACHINE AND TOOLS. KELLY UP AND BEGIN DRILLING CEMENT. |

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: RIG MOVE SAFETY/ELECTRICAL REPAIRS.
 FUNCTION COM DRILLING AND TRIPPING.
 FUEL RECEIVED 4200 GL. ON HAND: 6897 GL., USED: 282 GL.

| | | | | | | | | | | | |
|------------------------------|--------------------|-------------------|---------------|------------------------|-----------|-------------|---|-----------|-----|-------------|------|
| 09-18-2010 | Reported By | DAVID GREESON | | | | | | | | | |
| Daily Costs: Drilling | \$25,150 | Completion | \$0 | Daily Total | \$25,150 | | | | | | |
| Cum Costs: Drilling | \$394,045 | Completion | \$0 | Well Total | \$394,045 | | | | | | |
| MD | 4,795 | TVD | 4,795 | Progress | 2,204 | Days | 1 | MW | 9.5 | Visc | 35.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | | | | | | | |

Activity at Report Time: DRILLING @ 4795'

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 08:30 | 2.5 | DRILL CEMENT AMD FLOAT EQUIP. F/ 2500 TO 2616' INCLUDING 12' OF NEW HOLE. 5-10K WOB, 50 RPM/73 RPM MM. 120 STK. ON #2 PUMP, 454 GPM. PUMPED HIGH-VIS SWEEP BACK TO SURFACE TO CLEAN HOLE BEFORE FIT. |
| 08:30 | 09:00 | 0.5 | FIT TEST @2616'. HELD 240 PSI W/ AN 9.2PPG MUD = 11.0 EMW. |
| 09:00 | 10:00 | 1.0 | DRILLING F/2616' TO 2759' (143') 143'FT/HR. 60 RPM + 73 RPM ON MOTOR. WOB 15-19K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 1800 PSI, DIFF 250. DRLG.: MAHOGANY SHALE BED. MUD WT. 9.2 VIS 31. |
| 10:00 | 10:30 | 0.5 | SERVICE RIG. |
| 10:30 | 11:00 | 0.5 | SURVEY@2775, 0.75 DEGREE. |
| 11:00 | 19:30 | 8.5 | DRILLING F/2759' TO 3854' (1095') 129'FT/HR. 60 RPM + 73 RPM ON MOTOR. WOB 16-20K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 1800 PSI, DIFF 250. DRLG.: MAHOGANY SHALE BED 2630'. MUD WT. 9.3 VIS 33. |
| 19:30 | 20:00 | 0.5 | SURVEY@3773', 2.24 DEGREES. |
| 20:00 | 04:30 | 8.5 | DRILLING F/3854' TO 4727' (873') 103'FT/HR. 60 RPM + 73 RPM ON MOTOR. WOB 16-20K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 2250 PSI, DIFF 250/400. DRLG.: MAHOGANY SHALE BED 2630', WASATCH 4,833'. MUD WT. 9.5 VIS 35. |
| 04:30 | 05:00 | 0.5 | SURVEY @ 4646', 2.54 DEGREES. |

05:00 06:00 1.0 DRILLING F/4727' TO 4795 (68') 68'FT/HR. 60 RPM + 73 RPM ON MOTOR. WOB 16-20K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 2200 PSI, DIFF 250/400. DRLG.: MAHOGANY SHALE BED 2630', WASATCH 4,833'. MUD WT. 9.5 VIS 35.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: HAND PLACEMENT/HIGH PRESSURE WASH.
 FUNCTION COM DRILLING AND BOP ANNULAR.
 FUEL ON HAND: 5700 GL., USED: 1197 GL.

06:00 SPUD 7 7/8" HOLE AT 09:00 HRS, 9/17/10.

| | | | | | | | | | | | |
|--|-------|--------------------|-------------------|-----------------|---------------|--------------------|------------------------|-----------|------|-------------|------|
| 09-19-2010 | | Reported By | | DAVID GREESON | | | | | | | |
| DailyCosts: Drilling | | \$33,615 | Completion | | \$0 | Daily Total | | \$33,615 | | | |
| Cum Costs: Drilling | | \$427,660 | Completion | | \$0 | Well Total | | \$427,660 | | | |
| MD | 5,900 | TVD | 5,900 | Progress | 1,105 | Days | 2 | MW | 10.0 | Visc | 36.0 |
| Formation : | | PBTD : 0.0 | | | Perf : | | PKR Depth : 0.0 | | | | |
| Activity at Report Time: DRILLING @ 5900' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 12:00 | 6.0 | DRILLING F/4795' TO 5071' (276') 46'FT/HR. 55 RPM + 73 RPM ON MOTOR. WOB 18-22K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 2200 PSI, DIFF 250/400. DRLG.: WASATCH 4,833', CHAPITA WELLS 5426'. MUD WT. 10.0 VIS 36. |
| 12:00 | 12:30 | 0.5 | SERVICE RIG. |
| 12:30 | 06:00 | 17.5 | DRILLING F/5071' TO 5900' (829') 47'FT/HR. 55 RPM + 73 RPM ON MOTOR. WOB 18-22K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 22300 PSI, DIFF 250/400. DRLG.: WASATCH 4,833', CHAPITA WELLS 5426'. MUD WT. 10.0 VIS 36. |

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: MIXING CHEMICALS/HYDRAULIC LINES.
 FUNCTION COM DRILLING. FUNCTION BOP AND CHOKE.
 FUEL ON HAND: 4332 GL., USED: 1368 GL.

| | | | | | | | | | | | |
|--|-------|--------------------|-------------------|-----------------|---------------|--------------------|------------------------|-----------|------|-------------|------|
| 09-20-2010 | | Reported By | | DAVID GREESON | | | | | | | |
| DailyCosts: Drilling | | \$27,157 | Completion | | \$0 | Daily Total | | \$27,157 | | | |
| Cum Costs: Drilling | | \$454,818 | Completion | | \$0 | Well Total | | \$454,818 | | | |
| MD | 6,845 | TVD | 6,845 | Progress | 945 | Days | 3 | MW | 10.3 | Visc | 36.0 |
| Formation : | | PBTD : 0.0 | | | Perf : | | PKR Depth : 0.0 | | | | |
| Activity at Report Time: DRILLING @ 6845' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 14:30 | 8.5 | DRILLING F/5900' TO 6261' (361') 42'FT/HR. 55 RPM + 73 RPM ON MOTOR. WOB 18-22K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 22300 PSI, DIFF 250/400. DRLG.: CHAPITA WELLS 5426'. MUD WT. 10.2 VIS 36. PUMPED 80 BBL HIGH-VIS SWEEP AND BACK TO SURFACE, SMALL SHALE AND SAND RETURNED WITH SWEEP. |
| 14:30 | 15:00 | 0.5 | SERVICE RIG. |
| 15:00 | 15:30 | 0.5 | CIRCULATE BOTTOMS UP BEFORE TOOH FOR BIT #2. DROP SURVEY AND PUMP DRYJOB SLUG. |
| 15:30 | 17:30 | 2.0 | TRIP OUT OF THE HOLE FOR BHA AND BIT #2. TIGHT SPOT AT 5260'. |
| 17:30 | 18:00 | 0.5 | LD SMITH BIT AND ROLLER REAMERS. PU SECURITY FX65M W/ 6 X 13 JETS. |
| 18:00 | 20:00 | 2.0 | TRIP IN THE HOLE WITH BHA AND BIT #2. NO HOLE PROBLEMS/HOLE DISPLACES PROPER FLUID. |
| 20:00 | 20:30 | 0.5 | WASH AND REAM 61' TO BOTTOM. KELLY UP AT 6200'. |

20:30 06:00 9.5 DRILLING F/6261' TO 6845' (584') 62'FT/HR. 55 RPM + 73 RPM ON MOTOR. WOB 18-20K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 2400 PSI, DIFF 250/400. DRLG.: BUCK CANYON 6100', NORTH HORN 6688'. MUD WT. 10.3 VIS 36.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: USING SPINNING CHAIN/ TRIPPING.
 FUNCTION COM DRILLING AND TRIPPING.
 FUNCTION BOP AND CHOKE.
 FUEL ON HAND: 3078 GL., USED: 1254 GL.

| | | | | | | | | | | | |
|--|--------------------|-------------------|---------------|--------------------|------------------------|-------------|---|-----------|------|-------------|------|
| 09-21-2010 | Reported By | DAVID GREESON | | | | | | | | | |
| DailyCosts: Drilling | \$32,140 | Completion | \$0 | Daily Total | \$32,140 | | | | | | |
| Cum Costs: Drilling | \$487,062 | Completion | \$0 | Well Total | \$487,062 | | | | | | |
| MD | 8,515 | TVD | 8,515 | Progress | 1,670 | Days | 4 | MW | 11.0 | Visc | 39.0 |
| Formation : | PBTD : 0.0 | | Perf : | | PKR Depth : 0.0 | | | | | | |
| Activity at Report Time: DRILLING @ 8515' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 12:30 | 6.5 | DRILLING F/6845' TO 7404' (559') 86'FT/HR. 55 RPM + 70 RPM ON MOTOR. WOB 18-20K. PUMP 435 GPM @ 115 SPM #2 PUMP, SPP 2450 PSI, DIFF 250/400. DRLG.: NORTH HORN 6688', PRICE RIVER 7012', MIDDLE PRICE RIVER 7674'. MUD WT. 10.8 VIS 37. |
| 12:30 | 13:00 | 0.5 | SERVICE RIG. FUNCTION COM DRILLING AND BOP. |
| 13:00 | 06:00 | 17.0 | DRILLING F/7404' TO 8515' (1111') 65'FT/HR. 54 RPM + 67 RPM ON MOTOR. WOB 18-20K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2500 PSI, DIFF 250/400. DRLG.: PRICE RIVER 7012', MIDDLE PRICE RIVER 7674'. MUD WT. 11.0 VIS 39. |

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: SPINNING CHAIN/UNLOADING CASING.
 FUNCTION COM DRILLING, BOP AND CHOKE.
 FUEL RECIEVED 3500 GL., ON HAND: 5130 GL., USED: 1448 GL.

| | | | | | | | | | | | |
|---|--------------------|-------------------|---------------|--------------------|------------------------|-------------|---|-----------|------|-------------|------|
| 09-22-2010 | Reported By | DAVID GREESON | | | | | | | | | |
| DailyCosts: Drilling | \$59,776 | Completion | \$6,006 | Daily Total | \$65,783 | | | | | | |
| Cum Costs: Drilling | \$547,126 | Completion | \$6,006 | Well Total | \$553,133 | | | | | | |
| MD | 9,025 | TVD | 9,025 | Progress | 510 | Days | 5 | MW | 11.5 | Visc | 40.0 |
| Formation : | PBTD : 0.0 | | Perf : | | PKR Depth : 0.0 | | | | | | |
| Activity at Report Time: DRILLING @ 9,025' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 11:00 | 5.0 | DRILLING F/8515' TO 8618' (103') 21'FT/HR. 54 RPM + 67 RPM ON MOTOR. WOB 18-20K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2500 PSI, DIFF 250/400. DRLG.: PRICE RIVER 7012', MIDDLE PRICE RIVER 7674'. MUD WT. 11.0 VIS 39. |
| 11:00 | 11:30 | 0.5 | SERVICE RIG. |
| 11:30 | 14:00 | 2.5 | DRILLING F/8618' TO 8690' (72') 28'FT/HR. 48 RPM + 67 RPM ON MOTOR. WOB 18-22K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2550 PSI, DIFF 150/300. DRLG.: MIDDLE PRICE RIVER 7674', LOWER PRICE RIVER 8461'. MUD WT. 11.4+ VIS 40. PUMPED 80 BBL HIGH-VIS SWEEP W/ 5 SK SAWDUST BACK TO SURFACE, SMALL AMOUNTS AND SIZES OF SAND AND SHALE RETURNING. |
| 14:00 | 14:30 | 0.5 | CIRCULATE BOTTOMS UP BEFORE TOO H FOR BIT. DROPPED SURVEY (4.12 DEGREE@ 8610'). PUMPED DRYJOB SLUG 1.5# OVER 11.4 MUD WEIGHT. |
| 14:30 | 18:00 | 3.5 | TRIP OUT OF THE HOLE FOR BIT #3. FUNCTION COM TRIPPING. TIGHT SPOT AT 5979'. |
| 18:00 | 18:30 | 0.5 | LD MUD MOTOR AND BIT #2. OLD MM SHOWING EXCESS PLAY. PU 0.16 RPG MM AND SMITH BIT #3. |

18:30 22:00 3.5 TRIP IN THE HOLE WITH BHA AND BIT #3. HOLE DISPLACES PIPE PROPERLY, NO HOLE TROUBLE.
 FILL PIPE @ 2630' AND 6490'. KELLY UP @ 8597' ON BOTTOM.
 22:00 22:30 0.5 WASH AND REAM 50' TO BOTTOM, NO FILL. FUNCTION COM DRILLING.
 22:30 06:00 7.5 DRILLING F/8690' TO 9025' (335') 45' FT/HR. 50 RPM + 67 RPM ON MOTOR. WOB 18-22K. PUMP 419 GPM @ 120
 SPM #1 PUMP, SPP 2550 PSI, DIFF 250/400. DRLG.: LOWER PRICE RIVER 8461', SEGO 9022'. MUD WT. 11.5 VIS
 40.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: AIR SANDING/TRIPPING PIPE.
 FUNCTION COM DRILLING AND TRIPPING.
 FUNCTION BLIND RAMS OUT OF HOLE AND CHOKE.
 FUEL ON HAND: 3990 GL., USED: 1140 GL.

09-23-2010 **Reported By** PRUET/GREESON

Daily Costs: Drilling \$48,387 **Completion** \$0 **Daily Total** \$48,387
Cum Costs: Drilling \$595,514 **Completion** \$6,006 **Well Total** \$601,521

MD 9,200 **TVD** 9,200 **Progress** 175 **Days** 6 **MW** 11.6 **Visc** 42.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: RUNNING 4-1/2" CSG

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 06:00 | 10:00 | 4.0 | DRILLING F/9025' TO 9148' (123') 30.75' FT/HR. 50 RPM + 67 RPM ON MOTOR. WOB 18-22K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2550 PSI, DIFF 250/400. DRLG.: SEGO 9022'. FUNC.COM DRILLING @ 9054'. MUD WT. 11.5 VIS 40. |
| 10:00 | 10:30 | 0.5 | SERVICE RIG. |
| 10:30 | 12:00 | 1.5 | DRILLING F/9148' TO 9200' (52') 34.6'/HR. 50 RPM + 67 RPM ON MOTOR. WOB 18-22K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2550 PSI, DIFF 250/400. DRLG.: SEGO 9022'. REACHED TD @ 12:00 HRS, 9/22/2010. |
| 12:00 | 13:00 | 1.0 | CIRCULATE FOR WIPER TRIP. (PUMP 80 BBLS HI VIS PILL) SLIGHT INCREASE IN FINE CUTTINGS ON BOTTOMS UP. |
| 13:00 | 19:00 | 6.0 | WIPER TRIP. TIGHT HOLE @ 5886'. PULL TO SURFACE CASING @ 2591'. TIH, WASH & REAM 166' TO BOTTOM. NO FILL. |
| 19:00 | 21:00 | 2.0 | PUMP 80 BBLS HIGH VIS SWEEP & CBU. PJSM W/FRANK'S LD CREW. RU/LD MACHINE. |
| 21:00 | 03:00 | 6.0 | CK. FLOW. OK. DROP SURVEY. LDDP/ DC'S. BREAK KELLY, PULL ROT. RUBBER, AND PULL WEAR BUSHING. |
| 03:00 | 06:00 | 3.0 | HELD SAFETY MEETING W/RIG CREWS & FRANKS CASING CREW. R/U CASING TOOLS & RUN 4 1/2", 11.6#, N-80, LTC CASING. PLAN TO LAND CASING @ 9195'. |

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: HUNTERS SAFETY. R/U TROUGH, LDDP & DC'S.
 FUNCTION COM DRILLING AND TRIPPING.
 FUEL ON HAND: 3078 GALLONS, USED 912 GALLONS.
 WEATHER; FAIR, TEMP 49 DEG. DEW PT 47 DEG. WIND CALM. VISIBILITY LT FOG.
 BLM NOTIFIED E-MAIL, UDOGM CAROL DANIEL NOTIFIED PHONE RE; RUN CSG. 06:00 9/22/10

09-24-2010 **Reported By** GLEN PRUET

Daily Costs: Drilling \$19,053 **Completion** \$159,050 **Daily Total** \$178,103
Cum Costs: Drilling \$614,568 **Completion** \$165,056 **Well Total** \$779,624

MD 9,200 TVD 9,200 Progress 0 Days 7 MW 11.6 Visc 42.0
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RDRT/WO COMPLETION

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 09:30 | 3.5 | PJSM & CONTINUE RUNNING CSG W/ FRANKS CASING CREW. RAN TOTAL OF 216 JTS 4 1/2", 11.6#, N-80, LTC CASING & LANDED @ 9195'. RAN CASING AS FOLLOWS; FLOAT SHOE @ 9195', 1 SHOE JT., FLOAT COLLAR W/LATCH DOWN ASSEMBLY @ 9150'. 215 JTS PLUS 2 MKR. JTS (20.09") BOTTOM @ 7014' & TOP (20.22") @ 4414', CASING MANDREL HANGER W/ 1 PUP JT (5.50'). RAN 3 TURBULIZERS, 1 - 5' ABOVE SHOE 1 EACH IN MIDDLE OF JTS 2 & 3. RAN 38 CENTRALIZERS STARTING ON JT #4 AND EACH 3RD JT. TO 4372'. TAG BOTTOM W/ JOINT # 217. LAID IT DOWN. LAND CASING W/ 87,500 ON HANGER. |
| 09:30 | 11:00 | 1.5 | CIRCULATE W/CASING ON BOTTOM. PJSM. R/D FRANKS CSG TOOLS AND R/U HALLIBURTON. |
| 11:00 | 13:30 | 2.5 | TEST PUMP & LINES TO 5000 PSI & CEMENT CASING AS FOLLOWS; 20 BBLS MUD FLUSH, 10 BBLS WATER, 145. BBLS (445 SKS) Highbond LEAD CEMENT MIXED @ 12.0 PPG, 1.84 CU. FT/SK, 9.8 GAL/SK WATER. PLUS 343 BBLS (1260 SKS), EXTENDACEM 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 142.0 BBLS FRESH WATER @ 6.5 BPM AVERAGE, BUMP PLUG W/1192 PSI OVER FCP OF 2066 PSI @ 2 BPM. HELD PRESSURE (3258 PSI) 5 MIN. RELEASED PRESSURE, FLOW BACK 2 BBLS. RE PRESSURED UP TO 1224 PSI FOR 1 HOURS. PLUG DOWN @ 13:18 HRS 9/23 /2010. FULL RETURNS DURING CEMENTING. CIRCULATED MUD ONLY TO SURFACE. |
| 13:30 | 14:30 | 1.0 | WAIT ON CEMENT. |
| 14:30 | 15:30 | 1.0 | FMC SERVICEMAN TEST HANGER PACK OFF TO 5000 PSI. OK. |
| 15:30 | 18:00 | 2.5 | PJSM W/ CRAIG'S PIT CLEANING CREW. CLEAN MUD TANKS AND TRANSFER MUD TO STORAGE. |

RW JONES MOVING RIG 0.3 MI. FROM HOSS 129-35 TO HOSS 131-35. @ 06:00 HRS. 9/24/2010.
 FULL CREWS, NO ACCIDENTS.
 SAFETY MEETINGS, RDRT, LOWER DERRICK.
 TRANSFER 2700 GALLONS DIESEL FUEL. (CREDIT @ \$2.65/GALLON). USED 378 GALLONS. TRANSFER 381' (9 JTS) 11.6# N-80 LTC CASING, 28' (2 MKR. JTS) P-110 11.6#. TO HOSS 131-35.
 NOTIFIED BLM VIA EMAIL & UDOGM ON PHONE (CAROL DANIELS) 9/23/10 @ 19:30 HRS. RE: HOSS 131-35 BOP TEST.
 WEATHER; FAIR, TEMP 46 DEG. DEW PT 30 DEG. HUMIDITY 54% WIND NW @ 7 MPH.
 18:00 RELEASED RIG @ 18:00 HRS, 9/23/2010.
 CASING POINT COST \$609,322

09-30-2010 Reported By SEARLE

| | | | | | |
|----------------------|-----------|------------|-----------|-------------|-----------|
| DailyCosts: Drilling | \$0 | Completion | \$29,300 | Daily Total | \$29,300 |
| Cum Costs: Drilling | \$614,568 | Completion | \$194,356 | Well Total | \$808,924 |

MD 9,200 TVD 9,200 Progress 0 Days 8 MW 0.0 Visc 0.0
 Formation : PBTB : 9152.0 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 9134' TO 490'. EST CEMENT TOP @ 725'. RD SCHLUMBERGER. |

11-09-2010 Reported By MCCURDY

| | | | | | |
|----------------------|-----------|------------|-----------|-------------|-----------|
| DailyCosts: Drilling | \$0 | Completion | \$2,348 | Daily Total | \$2,348 |
| Cum Costs: Drilling | \$614,568 | Completion | \$196,704 | Well Total | \$811,272 |

MD 9,200 TVD 9,200 Progress 0 Days 9 MW 0.0 Visc 0.0

Formation : PBTD : 9152.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO COMPLETION

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

11-11-2010 Reported By MCCURDY

| | | | | | |
|-----------------------|-----------|------------|-----------|-------------|-----------|
| Daily Costs: Drilling | \$0 | Completion | \$1,383 | Daily Total | \$1,383 |
| Cum Costs: Drilling | \$614,568 | Completion | \$198,087 | Well Total | \$812,655 |

MD 9,200 TVD 9,200 Progress 0 Days 10 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTD : 9152.0 Perf : 7135'-9020' PKR Depth : 0.0

Activity at Report Time: FRAC

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | FRAC TANKS PRE MIXED W/BIOCID (75) @ .05 G/M, WSI SCALE INHIBITOR (3730) @ 1 G/M. |

STAGE 1. MIRU CUTTERS WIRELINE & PERFORATE LPR FROM 8752'-53', 8756'-57', 8759'-60', 8766'-67', 8771'-72', 8775'-76', 8902'-03', 8913'-14', 8916'-17', 8929'-30', 8949'-50', 8957'-58', 8967'-68', 9019'-20' @ 2 SPF & 180 DEG PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/7626 GAL 16# LINEAR W/9800# 20/40 SAND @ 1-1.5 PPG, 29712 GAL 16# DELTA 200 W/88700# 20/40 SAND @ 2-4 PPG. MTP 6220 PSIG. MTR 51.6 BPM. ATP 5587 PSIG. ATR 46.1 BPM. ISIP 2917 PSIG. RD HALLIBURTON.

STAGE 2. RUWL. SET 6K CFP AT 8720'. PERFORATE LPR FROM 8479'-80', 8491'-92', 8500'-01', 8543'-44', 8572'-73', 8592'-93', 8614'-15', 8624'-25', 8633'-34', 8639'-40', 8644'-45', 8658'-59', 8672'-73', 8694' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/7442 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 40300 GAL 16# DELTA 200 W/139100# 20/40 SAND @ 2-5 PPG. MTP 6114 PSIG. MTR 52.2 BPM. ATP 4845 PSIG. ATR 46.3 BPM. ISIP 3061 PSIG. RD HALLIBURTON.

STAGE 3. RUWL. SET 6K CFP AT 8450'. PERFORATE MPR FROM 8193'-94', 8198'-99', 8219'-20', 8246'-47', 8256'-57', 8264'-65', 8268'-69', 8272'-73', 8374'-75', 8379'-80', 8385'-86', 8408'-09', 8427'-28', 8432'-33' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 39646 GAL 16# DELTA 200 W/116200# 20/40 SAND @ 1-5 PPG. MTP 6426 PSIG. MTR 48.9 BPM. ATP 5994 PSIG. ATR 35.5 BPM. ISIP 4234 PSIG. RD HALLIBURTON.

STAGE 4. RUWL. SET 6K CFP AT 8170'. PERFORATE MPR FROM 7926'-27', 7931'-32', 7964'-65', 7992'-93', 8045'-46', 8082'-73', 8079'-80', 8087'-88', 8095'-96', 8102'-03', 8107'-08', 8117'-18', 8122'-23', 8150'-51' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 7394 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 34461 GAL 16# DELTA 200 W/118400# 20/40 SAND @ 2-5 PPG. MTP 6266 PSIG. MTR 51.2 BPM. ATP 5593 PSIG. ATR 45.2 BPM. ISIP 3153 PSIG. RD HALLIBURTON.

STAGE 5. RUWL. SET 6K CFP AT 7860'. PERFORATE MPR FROM 7711'-12', 7718'-19', 7732'-33', 7739'-40', 7747'-48', 7753'-54', 7760'-61', 7791'-92', 7798'-99', 7807'-08', 7820'-21', 7827'-28', 7832'-33', 7838'-39' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/7901 GAL 16# LINEAR W/10300# 20/40 SAND @ 1-1.5 PPG, 33400 GAL 16# DELTA 200 W/115900# 20/40 SAND @ 2-5 PPG. MTP 6302 PSIG. MTR 51.1 BPM. ATP 5200 PSIG. ATR 40.9 BPM. ISIP 2565 PSIG. RD HALLIBURTON.

STAGE 6. RUWL. SET 6K CFP AT 7684'. PERFORATE UPR FROM 7434'-35', 7441'-42', 7462'-63', 7479'-80', 7485'-86', 7494'-95', 7498'-99', 7534'-35', 7541'-42', 7574'-75', 7581'-82', 7602'-03', 7632'-33', 7659'-60' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/7402 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 33293 GAL 16# DELTA 200 W/114700# 20/40 SAND @ 2-5 PPG. MTP 5847 PSIG. MTR 51.3 BPM. ATP 4578 PSIG. ATR 49.7 BPM. ISIP 2517 PSIG. RD HALLIBURTON.

STAGE 7. RUWL. SET 6K CFP AT 7400'. PERFORATE UPR FROM 7135'-36', 7140'-41', 7145'-46', 7163'-64', 7173'-74', 7183'-84', 7191'-92', 7199'-200', 7223'-24', 7230'-31', 7240'-41', 7357'-58', 7370'-71', 7378'-79' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 7498 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 24430 GAL 16# DELTA 200 W/80600# 20/40 SAND @ 2-4 PPG. MTP 6332 PSIG. MTR 50.5 BPM. ATP 4151 PSIG. ATR 32.4 BPM. ISIP 2252 PSIG. RD HALLIBURTON. SDFN.

| | | | | | | | | | | | |
|--|-------|--------------------|----------------------|-------------------|---|---------------------------|----|--------------------|------------------------|-------------|-----|
| 11-12-2010 | | Reported By | | MCCURDY | | | | | | | |
| Daily Costs: Drilling | | \$0 | | Completion | | \$395,225 | | Daily Total | | \$395,225 | |
| Cum Costs: Drilling | | \$614,568 | | Completion | | \$593,313 | | Well Total | | \$1,207,881 | |
| MD | 9,200 | TVD | 9,200 | Progress | 0 | Days | 11 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE / WASATCH | | | PBTD : 9152.0 | | | Perf : 5206'-9020' | | | 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 | SICP 1607 PSIG. |

STAGE 8. RUWL. SET 6K CFP AT 6960'. PERFORATE Ba/NH FROM 6689'-90', 6695'-96', 6703'-04', 6713'-14', 6761'-62', 6793'-94', 6798'-99', 6804'-05', 6863'-64', 6870'-71', 6902'-03', 6926'-27', 6934'-35', 6940'-41' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 7454 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 38434 GAL 16# DELTA 200 W/133300# 20/40 SAND @ 2-5 PPG. MTP 5492 PSIG. MTR 51.3 BPM. ATP 4147 PSIG. ATR 49.3 BPM. ISIP 2461 PSIG. RD HALLIBURTON.

STAGE 9. RUWL. SET 6K CFP AT 6520'. PERFORATE Ba FROM 6184'-85', 6191'-92', 6285'-86', 6348'-49', 6357'-58', 6360'-61', 6364'-65', 6378'-79', 6402'-03', 6413'-14', 6440'-41', 6493'-94', 6496'-97', 6499'-500' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 7486 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 26913 GAL 16# DELTA 200 W/87300# 20/40 SAND @ 2-4 PPG. MTP 6250 PSIG. MTR 51.3 BPM. ATP 4999 PSIG. ATR 45.9 BPM. ISIP 2030 PSIG. RD HALLIBURTON.

STAGE 10. RUWL. SET 6K CFP AT 6120'. PERFORATE Ca FROM 5692'-93', 5757'-58', (5867'-68' MISFIRED), 5874'-75', 5878'-79', 5883'-84', 5887'-88', 5909'-10', 5975'-76', 5992'-93', 6047'-48', 6092'-93' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 6392 GAL 16# LINEAR W/8000# 20/40 SAND @ 1-1.5 PPG, 24443 GAL 16# DELTA 200 W/81000# 20/40 SAND @ 2-4 PPG. MTP 5205 PSIG. MTR 51.9 BPM. ATP 4046 PSIG. ATR 49.6 BPM. ISIP 1810 PSIG. RD HALLIBURTON.

STAGE 11. RUWL. SET 6K CFP AT 5640'. PERFORATE Pp/Ca FROM 5353'-54', 5366'-67', 5374'-75', 5386'-87', 5400'-01', 5404'-05', 5408'-09', 5411'-12', 5558'-59', 5562'-63', 5566'-67', 5569'-70', 5573'-74', 5620'-21' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 6376 GAL 16# LINEAR W/8000# 20/40 SAND @ 1-1.5 PPG, 29812 GAL 16# DELTA 200 W/98700# 20/40 SAND @ 2-4 PPG. MTP 4920 PSIG. MTR 51.2 BPM. ATP 3377 PSIG. ATR 49.8 BPM. ISIP 1865 PSIG. RD HALLIBURTON.

STAGE 12. RUWL. SET 6K CFP AT 5320'. PERFORATE Pp FROM 5206'-07', 5211'-12', 5213'-14', 5217'-18', 5221'-22', 5224'-25', 5227'-28', 5257'-58', 5281'-82', 5285'-86', 5289'-90', 5291'-92' @ 3 SPF & 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 26309 GAL 16# DELTA 200 W/93000# 20/40 SAND @ 3-5 PPG. MTP 3932 PSIG. MTR 50.9 BPM. ATP 3201 PSIG. ATR 48.6 BPM. ISIP 1956 PSIG. RD HALLIBURTON.

RUWL. SET 6K CBP AT 5128'. BLED WELL TO 0 PSIG. RDMO CUTTERS WIRELINE & HALIBURTON SERVICES. SDFN.

| | | | | | | | | | | | |
|------------------------------|-------|--------------------|-------|-------------------|---|-------------|----|--------------------|-----|-------------|-----|
| 11-16-2010 | | Reported By | | HISLOP | | | | | | | |
| Daily Costs: Drilling | | \$0 | | Completion | | \$23,940 | | Daily Total | | \$23,940 | |
| Cum Costs: Drilling | | \$614,568 | | Completion | | \$617,253 | | Well Total | | \$1,231,821 | |
| MD | 9,200 | TVD | 9,200 | Progress | 0 | Days | 12 | MW | 0.0 | Visc | 0.0 |

Formation : MESAVERDE / **PBTD :** 9152.0 **Perf :** 5206'-9020' **PKR Depth :** 0.0
 WASATCH

Activity at Report Time: POST FRAC CLEAN OUT

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | MIRUSU. ND FRAC TREE & NU BOP. PRESSURE TESTED BOP & BLIND RAMS TO 3000 PSIG. RIH W/BIT & PUMP OFF SUB TO 5128'. RU TO DRILL OUT PLUGS. TESTED PIPE RAMS TO 3000 PSIG. SDFN. |

11-17-2010 **Reported By** HISLOP/DUANE COOK

| | | | | | |
|------------------------------|-----------|-------------------|-----------|--------------------|-------------|
| Daily Costs: Drilling | \$0 | Completion | \$69,463 | Daily Total | \$69,463 |
| Cum Costs: Drilling | \$614,568 | Completion | \$686,716 | Well Total | \$1,301,284 |

| | | | | | | | | | | | |
|-----------|-------|------------|-------|-----------------|---|-------------|----|-----------|-----|-------------|-----|
| MD | 9,200 | TVD | 9,200 | Progress | 0 | Days | 13 | MW | 0.0 | Visc | 0.0 |
|-----------|-------|------------|-------|-----------------|---|-------------|----|-----------|-----|-------------|-----|

Formation : MESAVERDE / **PBTD :** 9152.0 **Perf :** 5206'-9020' **PKR Depth :** 0.0
 WASATCH

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

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5128', 5320', 5640', 6120', 6520', 6960', 7400', 7684', 7860', 8170', 8450', & 8720'. CLEANED OUT TO 9121'. LANDED TUBING @ 9000' KB. ND BOP & NU TREE. PUMPED OFF BIT & SUB. RDMOSU. |

FLOWED THROUGH TEST UNIT TO SALES. 13 HRS. 24/64" CHOKE. FTP 550 PSIG. CP 650 PSIG. 78 BFPH. RECOVERED 1012 BLW. 11488 BLWTR. 97 MCFD RATE.

TUBING DETAIL LENGTH

PUMP OFF BIT SUB 0.91'

1 JT 2-3/8" 4.7# N-80 TBG 31.45'

XN NIPPLE 1.30'

285 JTS 2-3/8" 4.7# N-80 TBG 8947.55'

BELOW KB 19.00'

LANDED @ 9000.21' KB

| | | | |
|-------|--|--|--|
| 06:00 | | | INITIAL PRODUCTION: TURNED TO GAS SALES. SITP 600 & SICP 900 PSIG. TURNED WELL TO QUESTAR SALES AT 4:30 PM, 11/16/10. FLOWING 100 MCFD RATE ON 24/64" CHOKE. STATIC 200. |
|-------|--|--|--|

| | |
|---|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU76042 |
|---|---|

| | |
|--|--|
| 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: Hoss 129-35 |
|------------------------------------|--|

| | |
|--|---|
| 2. NAME OF OPERATOR: EOG Resources, Inc. | 9. API NUMBER: 43047507070000 |
|--|---|

| | | |
|--|--|--|
| 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: 2025 FSL 1858 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 35 Township: 08.0S 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 type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR |
| <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE |
| <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 11/1/2010 | <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 |
| | <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.
 No activity has occurred since last submission on 10/5/10 to 11/1/10.

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

| | | |
|---|-------------------------------------|--------------------------------------|
| NAME (PLEASE PRINT) Michelle Robles | PHONE NUMBER 307 276-4842 | TITLE Regulatory Assistant |
| SIGNATURE N/A | DATE 11/1/2010 | |

WELL CHRONOLOGY REPORT

Report Generated On: 11-01-2010

| | | | | | |
|----------------------|--|------------------|--------------|----------------------|--------------|
| Well Name | HOSS 129-35 | Well Type | DEVG | Division | DENVER |
| Field | PONDEROSA | API # | 43-047-50707 | Well Class | COMP |
| County, State | UINTAH, UT | Spud Date | 09-18-2010 | Class Date | |
| Tax Credit | N | TVD / MD | 9,200/ 9,200 | Property # | 063973 |
| Water Depth | 0 | Last CSG | 4.5 | Shoe TVD / MD | 9,195/ 9,195 |
| KB / GL Elev | 5,036/ 5,023 | | | | |
| Location | Section 35, T8S, R23E, NESW, 2025 FSL & 1858 FWL | | | | |

| | | | | | |
|-----------------|--------------------|--------------------|-----------------|--------------|--------|
| Event No | 1.0 | Description | HOSS 129-35 D&C | | |
| Operator | EOG RESOURCES, INC | WI % | 100.0 | NRI % | 79.334 |

| | | | | | |
|------------------------------|--------------------|-------------------|---------------|------------------------|------------------|
| AFE No | 306556 | AFE Total | 1,573,300 | DHC / CWC | 625,800/ 947,500 |
| Rig Contr | TRUE | Rig Name | TRUE #34 | Start Date | 10-01-2009 |
| 10-01-2009 | 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 |
| | | | 2025' FSL & 1858' FWL (NW/SW) |
| | | | SECTION 35, T8S, R23E |
| | | | UINTAH COUNTY, UTAH |
| | | | LAT 40.077492, LONG 109.297144 (NAD 83) |
| | | | LAT 40.077528, LONG 109.296467 (NAD 27) |
| | | | TRUE #34 |
| | | | OBJECTIVE: 9200' TD, MESAVERDE |
| | | | DW/GAS |
| | | | PONDEROSA PROSPECT |
| | | | DD&A: CHAPITA DEEP |
| | | | NATURAL BUTTES FIELD |
| | | | LEASE: U-76042 |
| | | | ELEVATION: 5023.5' NAT GL, 5023.0' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 5023') 5042' KB (19') |

EOG WI 100%, NRI 79.3338%

08-11-2010 **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 OF LOCATION TODAY, 8/11/10. |

08-12-2010 **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 80% COMPLETE. |

08-13-2010 **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 COMPLETE. STARTING CLOSED LOOP. |

08-15-2010 **Reported By** TERRY CSERE/KENT DAVENPORT

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
MD 60 **TVD** 60 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: SPUD NOTIFICATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | CRAIG'S ROUSTABOUT SPUD A 20" HOLE ON 8/14/10 @ 9:00 AM, SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE MESSAGE AND BLM WAS NOTIFIED BY EMAIL OF SPUD ON 08/13/10 @ 6:57 AM. |

08-16-2010 **Reported By** TERRY CSERE

DailyCosts: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$75,000 **Completion** \$0 **Well Total** \$75,000
MD 60 **TVD** 60 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|------------------------|
| 06:00 | 06:00 | 24.0 | GEL CLOSED LOOP TODAY. |

08-17-2010 Reported By TERRY CSERE

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

MD 60 TVD 60 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

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

09-03-2010 Reported By KYLAN COOK

DailyCosts: Drilling \$206,949 Completion \$0 Daily Total \$206,949
 Cum Costs: Drilling \$281,949 Completion \$0 Well Total \$281,949

MD 2,604 TVD 2,604 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | MIRU CRAIG'S AIR RIG #2 ON 8/28/2010. DRILLED 12-1/4" HOLE TO 2585' GL (2604' KB). ENCOUNTERED WATER AT 1790'. DRILLED WITH AIR AND FOAM TO 1790' THEN PUMP DRILLED TO TD WITH PARTIAL RETURNS. RAN 60 JTS (2572.32') 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 @ 2591.32' 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 2976 PSIG. PUMPED 110 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 195.5 BBLs FRESH WATER. BUMPED PLUG WITH 900# @ 23:36 PM ON 8/31/10. FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 100 BBLs INTO FRESH WATER FLUSH. LOST RETURNS 160 BBLs INTO DISPLACEMENT. NO CEMENT TO SURFACE. WOC 2 HR 40 MIN.

TOP JOB #1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT WITH 2% CACL2. MIXED CEMENT @ 15.8 PPG WITH YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HR.

TOP JOB #2: MIXED & PUMPED 90 SX (18 BBLs) OF PREMIUM CEMENT WITH 2% 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 @ 1550' = 1.50 DEGREE, 2000' = 1.50 DEGREE, 2300' = 1.00 DEGREE, AND 2585' = 1.00 DEGREE.

KYLAN COOK NOTIFIED BLM VIA EMAIL OF THE SURFACE CASING & CEMENT JOB ON 8/30/10 @ 11:00 AM. KYLAN COOK NOTIFIED CAROL DANIELS WITH UDOGM OF THE SURFACE CASING & CEMENT JOB VIA PHONE ON 8/30/10 @ 11:00 AM.

09-17-2010 Reported By DAVID GREESON

DailyCosts: Drilling \$86,945 Completion \$0 Daily Total \$86,945
 Cum Costs: Drilling \$368,895 Completion \$0 Well Total \$368,895

MD 2,604 TVD 2,604 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILL OUT SURFACE CASING

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 21:00 | 15.0 | RURT. RW JONES TRUCKING BEGAN RIG MOVE AT 06:00 AND ENDED AT 18:00 9-16-10. DERRICK WAS STOOD UP BY 17:00 9/16/10. MOVING FROM THE ECW 77-23 TO THE HOSS 129-35, 8.4 MILES. TRANSFERING 380.13' OF 4.5" 11.6# N-80 CASING AND 2178 GL. FUEL TO THE HOSS 129-35. RIG ON DAYWORK @ 21:00 ON 9-16-10. |
| 21:00 | 00:30 | 3.5 | 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 HIGH FOR 10 MINUTES. TEST ANNULAR PREVENTER 250/2500 PSI FOR 10 MINUTES. ALL TEST GOOD. |
| 00:30 | 01:00 | 0.5 | TEST CASING TO 1500 PSI FOR 30 MIN. |
| 01:00 | 02:00 | 1.0 | SET WEAR BUSHING AND RU FRANK'S LD MACHINE. |
| 02:00 | 05:30 | 3.5 | PU DP AND BHA W/FRANK'S LD MACHINE. TAG UP @ 2488'. |
| 05:30 | 06:00 | 0.5 | RD FRANK'S LD MACHINE AND TOOLS. KELLY UP AND BEGIN DRILLING CEMENT. |

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: RIG MOVE SAFETY/ELECTRICAL REPAIRS.
 FUNCTION COM DRILLING AND TRIPPING.
 FUEL RECEIVED 4200 GL. ON HAND: 6897 GL., USED: 282 GL.

| 09-18-2010 | | Reported By | DAVID GREESON | | | | | | | | |
|-----------------------|------------|-------------|---------------|-------------|-----------------|------|---|----|-----|------|------|
| Daily Costs: Drilling | \$25,150 | Completion | \$0 | Daily Total | \$25,150 | | | | | | |
| Cum Costs: Drilling | \$394,045 | Completion | \$0 | Well Total | \$394,045 | | | | | | |
| MD | 4,795 | TVD | 4,795 | Progress | 2,204 | Days | 1 | MW | 9.5 | Visc | 35.0 |
| Formation : | PBTB : 0.0 | | Perf : | | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: DRILLING @ 4795'

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 08:30 | 2.5 | DRILL CEMENT AMD FLOAT EQUIP. F/ 2500 TO 2616' INCLUDING 12' OF NEW HOLE. 5-10K WOB, 50 RPM/73 RPM MM. 120 STK. ON #2 PUMP, 454 GPM. PUMPED HIGH-VIS SWEEP BACK TO SURFACE TO CLEAN HOLE BEFORE FIT. |
| 08:30 | 09:00 | 0.5 | FIT TEST @2616'. HELD 240 PSI W/ AN 9.2PPG MUD = 11.0 EMW. |
| 09:00 | 10:00 | 1.0 | DRILLING F/2616' TO 2759' (143') 143'FT/HR. 60 RPM + 73 RPM ON MOTOR. WOB 15-19K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 1800 PSI, DIFF 250. DRLG.: MAHOGANY SHALE BED. MUD WT. 9.2 VIS 31. |
| 10:00 | 10:30 | 0.5 | SERVICE RIG. |
| 10:30 | 11:00 | 0.5 | SURVEY@2775, 0.75 DEGREE. |
| 11:00 | 19:30 | 8.5 | DRILLING F/2759' TO 3854' (1095') 129'FT/HR. 60 RPM + 73 RPM ON MOTOR. WOB 16-20K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 1800 PSI, DIFF 250. DRLG.: MAHOGANY SHALE BED 2630'. MUD WT. 9.3 VIS 33. |
| 19:30 | 20:00 | 0.5 | SURVEY@3773', 2.24 DEGREES. |
| 20:00 | 04:30 | 8.5 | DRILLING F/3854' TO 4727' (873') 103'FT/HR. 60 RPM + 73 RPM ON MOTOR. WOB 16-20K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 2250 PSI, DIFF 250/400. DRLG.: MAHOGANY SHALE BED 2630', WASATCH 4,833'. MUD WT. 9.5 VIS 35. |
| 04:30 | 05:00 | 0.5 | SURVEY @ 4646', 2.54 DEGREES. |

05:00 06:00 1.0 DRILLING F/4727' TO 4795 (68') 68'FT/HR. 60 RPM + 73 RPM ON MOTOR. WOB 16-20K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 2200 PSI, DIFF 250/400. DRLG.: MAHOGANY SHALE BED 2630', WASATCH 4,833'. MUD WT. 9.5 VIS 35.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: HAND PLACEMENT/HIGH PRESSURE WASH.
 FUNCTION COM DRILLING AND BOP ANNULAR.
 FUEL ON HAND: 5700 GL., USED: 1197 GL.

06:00 SPUD 7 7/8" HOLE AT 09:00 HRS, 9/17/10.

| | | | | | | | | | | | |
|--|-------|--------------------|-------------------|-----------------|---------------|--------------------|------------------------|-----------|------|-------------|------|
| 09-19-2010 | | Reported By | | DAVID GREESON | | | | | | | |
| Daily Costs: Drilling | | \$33,615 | Completion | | \$0 | Daily Total | | \$33,615 | | | |
| Cum Costs: Drilling | | \$427,660 | Completion | | \$0 | Well Total | | \$427,660 | | | |
| MD | 5,900 | TVD | 5,900 | Progress | 1,105 | Days | 2 | MW | 10.0 | Visc | 36.0 |
| Formation : | | PBTD : 0.0 | | | Perf : | | PKR Depth : 0.0 | | | | |
| Activity at Report Time: DRILLING @ 5900' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 12:00 | 6.0 | DRILLING F/4795' TO 5071' (276') 46'FT/HR. 55 RPM + 73 RPM ON MOTOR. WOB 18-22K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 2200 PSI, DIFF 250/400. DRLG.: WASATCH 4,833', CHAPITA WELLS 5426'. MUD WT. 10.0 VIS 36. |
| 12:00 | 12:30 | 0.5 | SERVICE RIG. |
| 12:30 | 06:00 | 17.5 | DRILLING F/5071' TO 5900' (829') 47'FT/HR. 55 RPM + 73 RPM ON MOTOR. WOB 18-22K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 22300 PSI, DIFF 250/400. DRLG.: WASATCH 4,833', CHAPITA WELLS 5426'. MUD WT. 10.0 VIS 36. |

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: MIXING CHEMICALS/HYDRAULIC LINES.
 FUNCTION COM DRILLING. FUNCTION BOP AND CHOKE.
 FUEL ON HAND: 4332 GL., USED: 1368 GL.

| | | | | | | | | | | | |
|--|-------|--------------------|-------------------|-----------------|---------------|--------------------|------------------------|-----------|------|-------------|------|
| 09-20-2010 | | Reported By | | DAVID GREESON | | | | | | | |
| Daily Costs: Drilling | | \$27,157 | Completion | | \$0 | Daily Total | | \$27,157 | | | |
| Cum Costs: Drilling | | \$454,818 | Completion | | \$0 | Well Total | | \$454,818 | | | |
| MD | 6,845 | TVD | 6,845 | Progress | 945 | Days | 3 | MW | 10.3 | Visc | 36.0 |
| Formation : | | PBTD : 0.0 | | | Perf : | | PKR Depth : 0.0 | | | | |
| Activity at Report Time: DRILLING @ 6845' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 14:30 | 8.5 | DRILLING F/5900' TO 6261' (361') 42'FT/HR. 55 RPM + 73 RPM ON MOTOR. WOB 18-22K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 22300 PSI, DIFF 250/400. DRLG.: CHAPITA WELLS 5426'. MUD WT. 10.2 VIS 36. PUMPED 80 BBL HIGH-VIS SWEEP AND BACK TO SURFACE, SMALL SHALE AND SAND RETURNED WITH SWEEP. |
| 14:30 | 15:00 | 0.5 | SERVICE RIG. |
| 15:00 | 15:30 | 0.5 | CIRCULATE BOTTOMS UP BEFORE TOOHP FOR BIT #2. DROP SURVEY AND PUMP DRYJOB SLUG. |
| 15:30 | 17:30 | 2.0 | TRIP OUT OF THE HOLE FOR BHA AND BIT #2. TIGHT SPOT AT 5260'. |
| 17:30 | 18:00 | 0.5 | LD SMITH BIT AND ROLLER REAMERS. PU SECURITY FX65M W/ 6 X 13 JETS. |
| 18:00 | 20:00 | 2.0 | TRIP IN THE HOLE WITH BHA AND BIT #2. NO HOLE PROBLEMS/HOLE DISPLACES PROPER FLUID. |
| 20:00 | 20:30 | 0.5 | WASH AND REAM 61' TO BOTTOM. KELLY UP AT 6200'. |

20:30 06:00 9.5 DRILLING F/6261' TO 6845' (584') 62'FT/HR. 55 RPM + 73 RPM ON MOTOR. WOB 18-20K. PUMP 454 GPM @ 120 SPM #2 PUMP, SPP 2400 PSI, DIFF 250/400. DRLG.: BUCK CANYON 6100', NORTH HORN 6688'. MUD WT. 10.3 VIS 36.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: USING SPINNING CHAIN/ TRIPPING.
 FUNCTION COM DRILLING AND TRIPPING.
 FUNCTION BOP AND CHOKE.
 FUEL ON HAND: 3078 GL., USED: 1254 GL.

| | | | | | | | | | | | |
|--|--------------------|-------------------|---------------|--------------------|------------------------|-------------|---|-----------|------|-------------|------|
| 09-21-2010 | Reported By | DAVID GREESON | | | | | | | | | |
| DailyCosts: Drilling | \$32,140 | Completion | \$0 | Daily Total | \$32,140 | | | | | | |
| Cum Costs: Drilling | \$487,062 | Completion | \$0 | Well Total | \$487,062 | | | | | | |
| MD | 8,515 | TVD | 8,515 | Progress | 1,670 | Days | 4 | MW | 11.0 | Visc | 39.0 |
| Formation : | PBTD : 0.0 | | Perf : | | PKR Depth : 0.0 | | | | | | |
| Activity at Report Time: DRILLING @ 8515' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 12:30 | 6.5 | DRILLING F/6845' TO 7404' (559') 86'FT/HR. 55 RPM + 70 RPM ON MOTOR. WOB 18-20K. PUMP 435 GPM @ 115 SPM #2 PUMP, SPP 2450 PSI, DIFF 250/400. DRLG.: NORTH HORN 6688', PRICE RIVER 7012', MIDDLE PRICE RIVER 7674'. MUD WT. 10.8 VIS 37. |
| 12:30 | 13:00 | 0.5 | SERVICE RIG. FUNCTION COM DRILLING AND BOP. |
| 13:00 | 06:00 | 17.0 | DRILLING F/7404' TO 8515' (1111') 65'FT/HR. 54 RPM + 67 RPM ON MOTOR. WOB 18-20K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2500 PSI, DIFF 250/400. DRLG.: PRICE RIVER 7012', MIDDLE PRICE RIVER 7674'. MUD WT. 11.0 VIS 39. |

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: SPINNING CHAIN/UNLOADING CASING.
 FUNCTION COM DRILLING, BOP AND CHOKE.
 FUEL RECIEVED 3500 GL., ON HAND: 5130 GL., USED: 1448 GL.

| | | | | | | | | | | | |
|---|--------------------|-------------------|---------------|--------------------|------------------------|-------------|---|-----------|------|-------------|------|
| 09-22-2010 | Reported By | DAVID GREESON | | | | | | | | | |
| DailyCosts: Drilling | \$59,776 | Completion | \$6,006 | Daily Total | \$65,783 | | | | | | |
| Cum Costs: Drilling | \$547,126 | Completion | \$6,006 | Well Total | \$553,133 | | | | | | |
| MD | 9,025 | TVD | 9,025 | Progress | 510 | Days | 5 | MW | 11.5 | Visc | 40.0 |
| Formation : | PBTD : 0.0 | | Perf : | | PKR Depth : 0.0 | | | | | | |
| Activity at Report Time: DRILLING @ 9,025' | | | | | | | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 11:00 | 5.0 | DRILLING F/8515' TO 8618' (103') 21'FT/HR. 54 RPM + 67 RPM ON MOTOR. WOB 18-20K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2500 PSI, DIFF 250/400. DRLG.: PRICE RIVER 7012', MIDDLE PRICE RIVER 7674'. MUD WT. 11.0 VIS 39. |
| 11:00 | 11:30 | 0.5 | SERVICE RIG. |
| 11:30 | 14:00 | 2.5 | DRILLING F/8618' TO 8690' (72') 28'FT/HR. 48 RPM + 67 RPM ON MOTOR. WOB 18-22K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2550 PSI, DIFF 150/300. DRLG.: MIDDLE PRICE RIVER 7674', LOWER PRICE RIVER 8461'. MUD WT. 11.4+ VIS 40. PUMPED 80 BBL HIGH-VIS SWEEP W/ 5 SK SAWDUST BACK TO SURFACE, SMALL AMOUNTS AND SIZES OF SAND AND SHALE RETURNING. |
| 14:00 | 14:30 | 0.5 | CIRCULATE BOTTOMS UP BEFORE TOOHP FOR BIT. DROPPED SURVEY (4.12 DEGREE@ 8610'). PUMPED DRYJOB SLUG 1.5# OVER 11.4 MUD WEIGHT. |
| 14:30 | 18:00 | 3.5 | TRIP OUT OF THE HOLE FOR BIT #3. FUNCTION COM TRIPPING. TIGHT SPOT AT 5979'. |
| 18:00 | 18:30 | 0.5 | LD MUD MOTOR AND BIT #2. OLD MM SHOWING EXCESS PLAY. PU 0.16 RPG MM AND SMITH BIT #3. |

18:30 22:00 3.5 TRIP IN THE HOLE WITH BHA AND BIT #3. HOLE DISPLACES PIPE PROPERLY, NO HOLE TROUBLE.
 FILL PIPE @ 2630' AND 6490'. KELLY UP @ 8597' ON BOTTOM.

22:00 22:30 0.5 WASH AND REAM 50' TO BOTTOM, NO FILL. FUNCTION COM DRILLING.

22:30 06:00 7.5 DRILLING F/8690' TO 9025' (335') 45' FT/HR. 50 RPM + 67 RPM ON MOTOR. WOB 18-22K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2550 PSI, DIFF 250/400. DRLG.: LOWER PRICE RIVER 8461', SEGO 9022'. MUD WT. 11.5 VIS 40.

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: AIR SANDING/TRIPPING PIPE.
 FUNCTION COM DRILLING AND TRIPPING.
 FUNCTION BLIND RAMS OUT OF HOLE AND CHOKE.
 FUEL ON HAND: 3990 GL., USED: 1140 GL.

09-23-2010 **Reported By** PRUET/GREESON

Daily Costs: Drilling \$48,387 **Completion** \$0 **Daily Total** \$48,387

Cum Costs: Drilling \$595,514 **Completion** \$6,006 **Well Total** \$601,521

MD 9,200 **TVD** 9,200 **Progress** 175 **Days** 6 **MW** 11.6 **Visc** 42.0

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

Activity at Report Time: RUNNING 4-1/2" CSG

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 06:00 | 10:00 | 4.0 | DRILLING F/9025' TO 9148' (123') 30.75' FT/HR. 50 RPM + 67 RPM ON MOTOR. WOB 18-22K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2550 PSI, DIFF 250/400. DRLG.: SEGO 9022'. FUNC.COM DRILLING @ 9054'. MUD WT. 11.5 VIS 40. |
| 10:00 | 10:30 | 0.5 | SERVICE RIG. |
| 10:30 | 12:00 | 1.5 | DRILLING F/9148' TO 9200' (52') 34.6'/HR. 50 RPM + 67 RPM ON MOTOR. WOB 18-22K. PUMP 419 GPM @ 120 SPM #1 PUMP, SPP 2550 PSI, DIFF 250/400. DRLG.: SEGO 9022'. REACHED TD @ 12:00 HRS, 9/22/2010. |
| 12:00 | 13:00 | 1.0 | CIRCULATE FOR WIPER TRIP. (PUMP 80 BBLS HI VIS PILL) SLIGHT INCREASE IN FINE CUTTINGS ON BOTTOMS UP. |
| 13:00 | 19:00 | 6.0 | WIPER TRIP. TIGHT HOLE @ 5886'. PULL TO SURFACE CASING @ 2591'. TIH, WASH & REAM 166' TO BOTTOM. NO FILL. |
| 19:00 | 21:00 | 2.0 | PUMP 80 BBLS HIGH VIS SWEEP & CBU. PJSM W/FRANK'S LD CREW. RU/LD MACHINE. |
| 21:00 | 03:00 | 6.0 | CK. FLOW. OK. DROP SURVEY. LDDP/ DC'S. BREAK KELLY, PULL ROT. RUBBER, AND PULL WEAR BUSHING. |
| 03:00 | 06:00 | 3.0 | HELD SAFETY MEETING W/RIG CREWS & FRANKS CASING CREW. R/U CASING TOOLS & RUN 4 1/2", 11.6#, N-80, LTC CASING. PLAN TO LAND CASING @ 9195'. |

FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED.
 SAFETY MEETINGS TOPICS: HUNTERS SAFETY. R/U TROUGH, LDDP & DC'S.
 FUNCTION COM DRILLING AND TRIPPING.
 FUEL ON HAND: 3078 GALLONS, USED 912 GALLONS.
 WEATHER; FAIR, TEMP 49 DEG. DEW PT 47 DEG. WIND CALM. VISIBILITY LT FOG.
 BLM NOTIFIED E-MAIL, UDOGM CAROL DANIEL NOTIFIED PHONE RE; RUN CSG. 06:00 9/22/10

09-24-2010 **Reported By** GLEN PRUET

Daily Costs: Drilling \$19,053 **Completion** \$159,050 **Daily Total** \$178,103

Cum Costs: Drilling \$614,568 **Completion** \$165,056 **Well Total** \$779,624

MD 9,200 TVD 9,200 Progress 0 Days 7 MW 11.6 Visc 42.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RDRT/WO COMPLETION

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 09:30 | 3.5 | PJSM & CONTINUE RUNNING CSG W/ FRANKS CASING CREW. RAN TOTAL OF 216 JTS 4 1/2", 11.6#, N-80, LTC CASING & LANDED @ 9195'. RAN CASING AS FOLLOWS; FLOAT SHOE @ 9195', 1 SHOE JT., FLOAT COLLAR W/LATCH DOWN ASSEMBLY @ 9150'. 215 JTS PLUS 2 MKR. JTS (20.09") BOTTOM @ 7014' & TOP (20.22") @ 4414', CASING MANDREL HANGER W/ 1 PUP JT (5.50'). RAN 3 TURBULIZERS, 1 - 5' ABOVE SHOE 1 EACH IN MIDDLE OF JTS 2 & 3. RAN 38 CENTRALIZERS STARTING ON JT #4 AND EACH 3RD JT. TO 4372'. TAG BOTTOM W/ JOINT # 217. LAID IT DOWN. LAND CASING W/ 87,500 ON HANGER. |
| 09:30 | 11:00 | 1.5 | CIRCULATE W/CASING ON BOTTOM. PJSM. R/D FRANKS CSG TOOLS AND R/U HALLIBURTON. |
| 11:00 | 13:30 | 2.5 | TEST PUMP & LINES TO 5000 PSI & CEMENT CASING AS FOLLOWS; 20 BBLS MUD FLUSH, 10 BBLS WATER, 145. BBLS (445 SKS) Highbond LEAD CEMENT MIXED @ 12.0 PPG, 1.84 CU. FT/SK, 9.8 GAL/SK WATER. PLUS 343 BBLS (1260 SKS), EXTENDACEM 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 142.0 BBLS FRESH WATER @ 6.5 BPM AVERAGE, BUMP PLUG W/1192 PSI OVER FCP OF 2066 PSI @ 2 BPM. HELD PRESSURE (3258 PSI) 5 MIN. RELEASED PRESSURE, FLOW BACK 2 BBLS. RE PRESSURED UP TO 1224 PSI FOR 1 HOURS. PLUG DOWN @ 13:18 HRS 9/23 /2010. FULL RETURNS DURING CEMENTING. CIRCULATED MUD ONLY TO SURFACE. |
| 13:30 | 14:30 | 1.0 | WAIT ON CEMENT. |
| 14:30 | 15:30 | 1.0 | FMC SERVICEMAN TEST HANGER PACK OFF TO 5000 PSI. OK. |
| 15:30 | 18:00 | 2.5 | PJSM W/ CRAIG'S PIT CLEANING CREW. CLEAN MUD TANKS AND TRANSFER MUD TO STORAGE. |

RW JONES MOVING RIG 0.3 MI. FROM HOSS 129-35 TO HOSS 131-35. @ 06:00 HRS. 9/24/2010.
 FULL CREWS, NO ACCIDENTS.
 SAFETY MEETINGS, RDRT, LOWER DERRICK.
 TRANSFER 2700 GALLONS DIESEL FUEL. (CREDIT @ \$2.65/GALLON). USED 378 GALLONS. TRANSFER 381' (9 JTS) 11.6# N-80 LTC CASING, 28' (2 MKR. JTS) P-110 11.6#. TO HOSS 131-35.
 NOTIFIED BLM VIA EMAIL & UDOGM ON PHONE (CAROL DANIELS) 9/23/10 @ 19:30 HRS. RE: HOSS 131-35 BOP TEST.
 WEATHER; FAIR, TEMP 46 DEG. DEW PT 30 DEG. HUMIDITY 54% WIND NW @ 7 MPH.

18:00 RELEASED RIG @ 18:00 HRS, 9/23/2010.
 CASING POINT COST \$609,322

| | | |
|------------------------------|--------------------|-----------------------------|
| 09-30-2010 | Reported By | SEARLE |
| Daily Costs: Drilling | \$0 | Completion \$29,300 |
| Cum Costs: Drilling | \$614,568 | Completion \$194,356 |
| Daily Total | | \$29,300 |
| Well Total | | \$808,924 |

MD 9,200 TVD 9,200 Progress 0 Days 8 MW 0.0 Visc 0.0
 Formation : PBTD : 9152.0 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 9134' TO 490'. EST CEMENT TOP @ 725'. RD SCHLUMBERGER. |

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 | 5206 | 9020 | | GREEN RIVER BIRDS NEST MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER | 1732 1976 2641 4672 4813 5415 6105 7017 |

32. Additional remarks (include plugging procedure):

Additional Formation (Log) Markers
Middle Price River 7709
Lower Price River 8482
Sego 9057

33. Circle enclosed attachments:

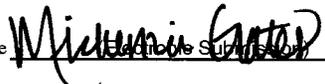
- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7. Other: | |

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 #99230 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal**

Name (please print) MICKENZIE GATES

Title OPERATIONS CLERK

Signature 

Date 12/16/2010

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

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: HOSS 129-35

Api No: 43-047-50707 Lease Type FEDERAL

Section 35 Township 08S Range 23E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # BUCKET

SPUDDED:

Date 08/14/2010

Time 9:00 AM

How DRY

Drilling will Commence: _____

Reported by KENT DAVENPORT

Telephone # (435) 828-8200

Date 08/16/2010 Signed CHD

RECEIVED

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SEP 01 2009

APPLICATION FOR PERMIT TO DRILL OR REENTER

| | | |
|---|--------------------------------------|---|
| 1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. UTU76042 |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 6. If Indian, Allottee or Tribe Name |
| 2. Name of Operator EOG RESOURCES, INC. Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com | | 7. If Unit or CA Agreement, Name and No. |
| 3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078 | | 8. Lease Name and Well No. HOSS 129-35 |
| 3b. Phone No. (include area code) Ph: 303-824-5526 | | 9. API Well No. 43 047 50707 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface NESW 2025FSL 1858FWL 40.07749 N Lat, 109.29714 W Lon At proposed prod. zone NESW 2025FSL 1858FWL 40.07749 N Lat, 109.29714 W Lon | | 10. Field and Pool, or Exploratory NATURAL BUTTES |
| 14. Distance in miles and direction from nearest town or post office* 32.5 MILES SOUTH OF VERNAL, UT | | 11. Sec., T., R., M., or Blk. and Survey or Area Sec 35 T8S R23E Mer SLB |
| 15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1858' LEASE LINE, 538' DRLG UNIT LINE | 16. No. of Acres in Lease 1880.00 | 12. County or Parish UINTAH |
| 18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1300' | 19. Proposed Depth 9200 MD | 13. State UT |
| 21. Elevations (Show whether DF, KB, RT, GL, etc.) 5023 GL | 22. Approximate date work will start | 17. Spacing Unit dedicated to this well 40.00 |
| | | 20. BLM/BIA Bond No. on file NM2308 |
| | | 23. Estimated duration 45 DAYS |

24. Attachments

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

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

| | | |
|--|--|--------------------|
| 25. Signature (Electronic Submission) | Name (Printed/Typed) MARY A. MAESTAS Ph: 303-824-5526 | Date 09/01/2009 |
| Title REGULATORY ASSISTANT | | |
| Approved by (Signature) <i>Stephanie J Howard</i> | Name (Printed/Typed) Stephanie J Howard | Date 10/21/09 |
| Title Active Assistant Field Manager | Office VERNAL FIELD OFFICE | |

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

CONDITIONS OF APPROVAL ATTACHED

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

Additional Operator Remarks (see next page)

Electronic Submission #73849 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal
Committed to AFMSS for processing by ROBIN R. HANSEN on 09/02/2009 ()

RECEIVED
OCT 27 2009
DIV. OF OIL, GAS & MINING



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

09GXJ1032AE

NOV 11-24-08

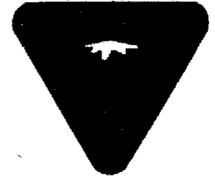


UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: EOG Resources, Inc.
Well No: HOSS 129-35
API No: 43-047-50707

Location: NESW, Sec. 35, T8S, R23E
Lease No: UTU-76042
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 3/1/2006. Therefore, this permit is approved for a two (2) year period OR until lease expiration OR the well must be spud by 3/1/2011 (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.
- Surface pipelines will be placed 5-10 feet outside of the borrow area.

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

SITE SPECIFIC DOWNHOLE COAs:

- 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

Air Drilling

- 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 granted 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 ($\frac{1}{4}$ $\frac{1}{4}$, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4.

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

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