December 19, 2001

El Paso Production Oil & Gas USA, L.P.
Coastal Oil & Gas Resources, Inc.
Nine Greenway Plaza
Houston, TX 77046-0995

Attention: Ms. Elizabeth Williams

RE: Request for Consent to
Exception Well Location
Natural Cotton 32-21
SW/4NE/4 of Sec. 21-9S-21E, SLM,
Uintah County, Utah
Natural Buttes Prospect
1540-G06, 0050619-000

Ladies and Gentlemen:

EOG Resources, Inc. (EOG) has staked and proposes to drill the Natural Cotton 32-21, a 5011' Green River formation test well, at a location 1738' FNL, 1750' FEL (SW/4NE/4) of Section 21-9S-21E, SLM, Uintah County, Utah (see enclosed copies of plats).

The State of Utah Board of Oil, Gas and Mining’s Order in Cause No. 197-1 established 160-acre drilling units for the development and production of gas and associated hydrocarbons from the Green River formation and prescribes that the location of the permitted well in each drilling unit shall be not less than 1000' from the exterior boundary of such drilling unit.

Inasmuch as the location of the proposed Natural Cotton 32-21 well is not in compliance with this spacing order, EOG will request the State of Utah Division of Oil, Gas and Mining’s administrative approval of such location as an exception location in accordance with General Rule R649-3-3. Such Rule requires EOG to submit written consent from all owners of directly or diagonally offsetting drilling units.

Therefore, if El Paso Production Oil & Gas USA, L.P., and Coastal Oil & Gas Resources, Inc. have no objections to EOG’s drilling its proposed Green River test, the Natural Cotton 32-21 well at the above-described exception location, EOG respectfully requests you so indicate their written consent to same by having this letter dated and executed in the spaces provided below and returning two (2) originally executed copies to my attention at the letterhead address at your earliest opportunity.
Thank you for your favorable consideration of this request. If you have any questions, please don't hesitate to call the undersigned.

Yours very truly,

EOG RESOURCES, INC.

Toni Lei Miller
Division Land Specialist

TLM:kse
(m:\tmd\dec\coastalnatcot3221.doc)

On this 10th day of January, 2002, El Paso Production Oil & Gas USA, L.P. and Coastal Oil & Gas Resources, Inc., hereby grant their written consent to EOG Resources, Inc.'s drilling the proposed Green River test, the Natural Cotton 32-21, at a location 1738' FNL, 1750' FEL (SW/4NE/4) of Section 21-9S-21E, SLM, Uintah County, Utah, which location is an exception to State of Utah Board of Oil, Gas and Mining's Order in Cause No. 197-1.

EL PASO PRODUCTION OIL & GAS USA, L.P.

By: [Signature]
Title: Rocky Mountain Land Director

COASTAL OIL & GAS RESOURCES, INC.

By: [Signature]
Title: Rocky Mountain Land Director
Drilling Units established for development and production of gas and associated hydrocarbons from Green River Formation under Cause No. 197-1.

Legal window within which a Green River gas well could be drilled in each Drilling Unit in compliance with order.

Locations at which Green River wells have been drilled.

Location at which applicant requests permission to drill the proposed Natural Cotton #32-21:
1738' FNL, 1750' FEL SW NE SEC. 21, T9S - R21E

Exhibit "A"
Information depicted on this plot is limited to the ownership from the surface to the base of the Green River Formation.

Location at which applicant requests permission to drill the proposed Natural Cotton #32-21:
1738' FNL, 1750' FEL SW NE SEC. 21, T9S - R21E

Exhibit "B"
January 15, 2002

State of Utah
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Attention: Mr. John Baza

RE: Request for Exception to Location and Siting of Wells
Natural Cotton 32-21
SW/4NE/4 of Sec. 21-9S-21E, SLM
Uintah County, Utah
Natural Buttes Prospect
1540-G06, 0050619-000

Gentlemen:

Reference is made to that certain Order promulgated in Cause No. 197-1 for the development and production of gas and associated hydrocarbons from the Green River formation. Said spacing order established 160-acre drilling units covering, among other lands, the NE/4 of Section 21, Township 9 South, Range 21 East, SLM, Uintah County, Utah. The prescribed location of the permitted well therein shall be not less than 1000' from the exterior boundary of such drilling unit.

EOG Resources, Inc. (EOG) proposes and respectfully requests permission to drill the Natural Cotton 32-21, a 5011' Green River formation test well, at a location 1738' FNL, 1750' FEL (SWl4NEl4) of Section 21, Township 9 South, Range 21 East, SLM, Uintah County, Utah, which is not a location at which a gas well could be drilled in compliance with the aforementioned spacing order.

The Natural Cotton 32-21 will T.D. in the Douglas Creek member of the Green River formation; the Wasatch and Mesaverde formations (the utilized zones in the Natural Buttes Unit) will not be penetrated. The objectives of this well are three sands in what EOG informally refers to as the M-3, M-4 and M-7 zones of the Douglas Creek member. The M-3 and M-4 zones contain stratigraphically trapped gas in fluvial channels in the area and mapping shows the sands to be highly lenticular and stratigraphically unpredictable in the area. The COG CIGE 113D-21, a Wasatch producer located at 2082' FNL, 1849' FEL (SW/4NE/4) of Section 21, Township 9 South, Range 21 East, SLM, Uintah County, Utah, encountered fairly thin M-3, M-4 and M-7 sands. EOG, as owner of the Green River rights in the area, wishes to drill a twin to this well to develop the M-3, M-4 and M-7 gas. In order to reduce stratigraphic risk in these narrow, lenticular sands, EOG desires to drill as close to the control point as is topographically and logistically possible. The requested exception location is necessary for EOG to do so.
Enclosed herewith are a copy of the survey plat for the proposed well and two (2) additional plats labeled Exhibits "A" and "B."

Exhibit "A" depicts the outlines of the 160-acre drilling units established by the Order in Cause 197-1, the legal window in each drilling unit within which the permitted well therein may be located (location at which a gas well could be drilled in the NE/4 of Section 21, Township 9 South, Range 21 East, SLM, Uintah County, Utah, in compliance with the spacing order and locations at which gas wells could be drilled in accordance with the spacing order in drilling units directly or diagonally offsetting the proposed exception), and the location at which EOG requests permission to drill the proposed Natural Cotton 32-21 well. The Green River formation wells which have been drilled in directly or diagonally offsetting drilling units are also visually displayed.

Exhibit "B" is a land map which visually displays EOG's ownership of 100% of the operating rights from the surface to the base of the Green River formation underlying the subject drilling unit (NE/4 of Section 21, Township 9 South, Range 21 East, SLM, Uintah County, Utah), the drilling units directly offsetting the subject drilling unit to the south, north and west and the drilling units diagonally offsetting the subject drilling unit to the northwest and southwest. El Paso Production Oil & Gas USA, L.P. (El Paso) and Coastal Oil & Gas Resources, Inc. (Coastal) jointly own 100% of the operating rights from the surface to the base of the Green River formation underlying the drilling units diagonally offsetting the subject drilling unit to the northeast and southeast and El Paso owns 100% of the operating rights from the surface to the base of the Green River formation underlying the drilling unit directly offsetting the subject drilling unit to the east. As a result, a letter dated December 19, 2001, on which El Paso and Coastal have evidenced their written consent to EOG's proposed drilling of the Natural Cotton 32-21 at the requested exception location is also enclosed.

EOG respectfully requests the Utah Division of Oil, Gas and Mining review and grant administrative approval of this application for an exception well location and permission to drill the proposed Green River formation well described herein at its earliest opportunity.

If you have any questions or need any additional information, please do not hesitate to contact the undersigned.

Yours very truly,

EOG RESOURCES, INC.

Toni Lei Miller
Division Land Specialist

TLM/kse
Enclosures (m:\tim\jan\stuttlematcot32-21.doc)

cc: Ed Trotter (w/copies of enclosures)
    Jim Schaefer – EOG (w/copies of enclosures)
    Kim Perez – EOG (w/copies of enclosures)
    Dan Frederick – EOG (w/copies of enclosures)
    Elizabeth Williams – El Paso/Coastal (w/copies of enclosures)
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113

May 22, 2002

Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

RE: APPLICATION FOR PERMIT TO DRILL
NATURAL COTTON 32-21
SW/NE, SEC. 21, T9S, R21E
UINTAH COUNTY, UTAH
LEASE NO.: U-0576
UTE INDIAN TRIBAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:
   Ed Trotter
   P.O. Box 1910
   Vernal, UT 84078
   Phone: (435)789-4120
   Fax: (435)789-1420

Sincerely,

Ed Trotter
Agent
EOG Resources, Inc.

Attachments

RECEIVED
MAY 24, 2002
DIVISION OF OIL, GAS AND MINING

UDOOG-BLM-EOG
APPROVED BY

UNITED STATES
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL □ DEEPEN □

1b. TYPE OF WELL
Oil □ Gas □ Other □

2. Name of Operator
EOG RESOURCES, INC.

3. Address and Telephone Number
P.O. BOX 1815, VERNAL, UT 84078 (435)789-0790

4. Location of Well (Report location clearly and in accordance with any State requirements.)

5. Lease designation and serial number
U-0576

6. If Indian, Allottee or Tribe name
UTE INDIAN TRIBE

7. Unit Agreement Name

8. Farm or lease name, well no.
NATURAL COTTON 32-21

9. API Well No.
NATURAL COTTON 32-21

10. Field and pool, or wildcat
WASATCH NATURAL BAKES

11. Sec., T., R., M., or BLK.
SEC. 21, T9S; R21E

12. County or parish
UTAH

13. State
Utah

14. Distance in miles and direction from nearest town or post office
11.52 MILES SOUTHEAST OF OURAY, UTAH

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drip. Unit line, if any)
1738'

16. No. of acres in lease
1480

17. No. of acres assigned to this well

18. Distance from proposed location to nearest well, drilling, completed, or applied for, on this lease, ft.

19. Proposed depth
5011'

20. Rotary or cable tools
RO curly

21. Elevations (show whether DF, RT, GR, etc.)
4873.5 FEET GRADED GROUND

22. Approx. date work will start
UPON APPROVAL

23. PROPOSED CASING AND CEMENTING PROGRAM

<table>
<thead>
<tr>
<th>SIZE OF HOLE</th>
<th>GRADE, SIZE OF CASING</th>
<th>WEIGHT PER FOOT</th>
<th>SETTING DEPTH</th>
<th>QUANTITY OF CEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>11''</td>
<td>8 5/8''</td>
<td>24#</td>
<td>200' - 220'</td>
<td>100-150 SX CLASS &quot;G&quot; + 2%</td>
</tr>
<tr>
<td>or 12 1/4''</td>
<td>9 5/8''</td>
<td>32.30#</td>
<td>200 - 220'</td>
<td>CaCl₂ + ¾ #/SX CELLOFLAKE</td>
</tr>
<tr>
<td>7 7/8''</td>
<td>4 ½''</td>
<td>10.50#</td>
<td>5011'</td>
<td>50/50 POXMIX + 2% GEL + 10%</td>
</tr>
</tbody>
</table>

SALT TO 400' ABOVE ALL ZONES OF INTEREST (+10% EXCESS).
LIGHT CEMENT (11PPG+) + LCM TO 200' ABOVE OIL SHALE OR FRESH WATER INTERVALS (+5% EXCESS).

SEE ATTACHMENTS FOR:

8 POINT PLAN
BOP SCHEMATIC
SURFACE USE AND OPERATING PLAN
LOCATION PLAT
LOCATION LAYOUT
TOPOGRAPHIC MAPS "A", "B", AND "C"
GAS SALES PIPELINE—MAP "D"

EOG RESOURCES, INC. WILL BE THE DESIGNATED OPERATOR OF THE SUBJECT WELL UNDER BOND #NM 2308

Pc: UTAH DIVISION OF OIL, GAS, AND MINING
BUREAU OF INDIAN AFFAIRS

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured true vertical depths. Give blowout preventer program, if any.

(Signed)

DATE 5-22-2002

(Received)

DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL OR DEEPEN
1. Lease designation and serial number
U-0576

2. Name of Operator
EOG RESOURCES, INC.

3. Address and Telephone Number
P.O. BOX 1815, VERNAL, UT 84078 (435)789-0790

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UTE INDIAN TRIBE

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NATURAL COTTON 32-21

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(Signed)

DATE 5-22-2002

(Received)

DIVISION OF OIL, GAS AND MINING
LEGEND:

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

T9S, R21E, S.L.B.&M.

Well location, NATURAL COTTON #32-21, located as shown in the SW 1/4 NE 1/4 of Section 21, T9S, R21E, S.L.B.&M. Uintah County, Utah.

**BASIS OF ELEVATION**

SPOT ELEVATION AT THE NORTHWEST CORNER OF SECTION 21, T9S, R21E, S.L.B.&M. TAKEN FROM THE RED WASH SW 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 4867 FEET.

---

NATURAL COTTON #32-21

Elev. Ungraded Ground = 4875'

LATITUDE = 40°01'26"
LONGITUDE = 109°33'10"

---

EOG RESOURCES, INC.

85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

REGISTERED LAND SURVEYOR
REGISTRATION NO. 96519
STATE OF UTAH

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.

D.A. J.A. C.G.
G.L.O. PLAT

DATE SURVEYED: 11-20-01
DATE DRAWN: 12-7-01

REGULATIONS

FILE: EOG RESOURCES, INC.
1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

<table>
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<tr>
<th>FORMATION</th>
<th>DEPTH</th>
<th>TYPE ZONES</th>
<th>MAXIMUM PRESSURE</th>
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<tr>
<td>Teritary</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Green River Oil Shale</td>
<td>1700</td>
<td>GAS</td>
<td></td>
</tr>
<tr>
<td>&quot;H&quot; Marker</td>
<td>3271</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Base &quot;M&quot; Marker</td>
<td>4571</td>
<td></td>
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<tr>
<td>M-3 Sand</td>
<td>4613</td>
<td>GAS</td>
<td></td>
</tr>
<tr>
<td>M-4 Sand</td>
<td>4658</td>
<td>GAS</td>
<td></td>
</tr>
<tr>
<td>M-7 Sand</td>
<td>4752</td>
<td>GAS</td>
<td></td>
</tr>
<tr>
<td>N-Limestone</td>
<td>4896</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wasatch</td>
<td>5011</td>
<td></td>
<td></td>
</tr>
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EST. TD: 5011
Anticipated BHP 2200 PSI

3. PRESSURE CONTROL EQUIPMENT: BOP Schematic Diagram attached.

4. CASING PROGRAM:

<table>
<thead>
<tr>
<th>HOLE SIZE</th>
<th>INTERVAL</th>
<th>LENGTH</th>
<th>SIZE</th>
<th>WEIGHT</th>
<th>GRADE</th>
<th>THREAD</th>
<th>COLLAPSE</th>
<th>BURST</th>
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<tbody>
<tr>
<td>11</td>
<td>0' - 220'</td>
<td>200' - 220'</td>
<td>8 5/8</td>
<td>24.0 #</td>
<td>J-55</td>
<td>ST&amp;C</td>
<td>1370 PSI</td>
<td>2950 PSI</td>
<td>263,000#</td>
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<tr>
<td>or</td>
<td>12 3/4</td>
<td>0' - 220'</td>
<td>200' - 220'</td>
<td>9 5/8</td>
<td>32.3 #</td>
<td>H-40</td>
<td>ST&amp;C</td>
<td>1370 PSI</td>
<td>2270 PSI</td>
</tr>
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<td>0' - 5011'</td>
<td>5011'</td>
<td>4 1/2</td>
<td>10.5 #</td>
<td>J-55</td>
<td>ST&amp;C</td>
<td>4010 PSI</td>
<td>4790 PSI</td>
<td>146,000#</td>
</tr>
</tbody>
</table>

If conductor drive pipe is used, it will be left in place if its total length is less than 20 feet below the surface. If the total length of the drive pipe is equal to or greater than 20 feet, it will be pulled prior to cementing surface casing, or it will be cemented in place. The minimum diameter of the conductor drive pipe will be 13 3/8".

All casing will be new or inspected.

5. MUD PROGRAM

<table>
<thead>
<tr>
<th>INTERVAL</th>
<th>MUD TYPE</th>
</tr>
</thead>
<tbody>
<tr>
<td>0' - 220'</td>
<td>Air</td>
</tr>
<tr>
<td>220' - 4000'</td>
<td>Air/Mist &amp; Aerated Water</td>
</tr>
<tr>
<td>4000' - TD</td>
<td>Air/3% KCL water or KCL substitute</td>
</tr>
</tbody>
</table>

Lost circulation probable from 1500' to 3000'+/-.
Sufficient mud inventory will be maintained on location during drilling to handle any adverse conditions that may arise.

6. VARIANCE REQUESTS:

A. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line (Where possible, a straight run blooie line will be used).

B. EOG Resources, Inc. requests a variance to regulations requiring an automatic ignitor or continuous pilot light on the blooie line. (Not required on aerated water system).

C. 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 75' in length.

7. EVALUATION PROGRAM:

Logs: Dual Laterolog/GR
     FDC/CNL/GR/Caliper
     Linear 2" DLL
     Base of surface casing to T.D.
     3200' to T.D.
     note deletion of MSFL and SP

Cores: None Programmed

DST: None Programmed

Completion: To be submitted at a later date.

Note: If hole conditions prevent the running of open hole logs, a cased hole Dipole Sonic/Neutron/Gr will be run in lieu of open hole logs.

8. ABNORMAL CONDITIONS:

None anticipated.

9. STANDARD REQUIRED EQUIPMENT:

A. Choke Manifold
B. Kelly Clock
C. Stabbing Valve
D. Visual Mud Monitoring
10. 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.

(Attachment: BOP Schematic Diagram)
THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

A. See attached Wellsite 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 11.52 miles southeast of Ouray, 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. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

A. The access road will be approximately 100 feet in length. See attached TOPO Map “B”.
B. The access road has a 30 foot ROW w/ 18 foot running surface.
C. Maximum grade on access road will be 8%.
D. No turnouts will be required.
E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
F. No culverts, 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.

New or reconstructed roads will be centerlined - flagged at time of location staking.

All travel will be confined to existing access road Right-of-Way. 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 & Gas Exploration and Development, (1989).

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of
drainage ditches by run off 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.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

   A. Producing wells - 36*
   B. Shut in wells - 1*

   (*See attached TOPO map “C” for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED 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 well head valves, separator, dehy, 210 Bbl condensate tank, meter house, and attached piping.
      
      See attached facility diagram.

   2. Gas gathering lines - A 3” gathering line will be buried from dehy to the edge of the location.

   **B. OFF WELL PAD**

   1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.

   2. A 3” OD steel above ground natural gas pipeline will be laid approximately 273’ from proposed location to a point in the SE/NE of Section 21, T9S, R21E, where it will tie into Questar Pipeline Co.’s existing line. Proposed pipeline crosses BIA administered lands, thus a Right-of-Way grant will be required.

   3. Proposed pipeline will be a 3” OD steel, welded line laid on the surface.

   4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

   If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.
The production facilities will be placed on the East side of the location.

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

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a construction in the unit or other lease or unit boundary change), the BIA will process a change in authorization to the appropriate rental or other financial obligation as determined by the authorized officer.

5. LOCATION & TYPE OF WATER SUPPLY

A. Water supply will be from the Ouray Brine Plant at Ouray, Utah, and/or Target Trucking Inc.’s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
B. Water will be hauled by a licensed trucking company.
C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
B. All construction material will come from Tribal Land.
C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION
   1. Cuttings will be confined in the reserve pit.
   2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
   3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County landfill.
   4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90
day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

On BIA administered land:
The reserve pit will be constructed so as not to leak, break, or allow discharge.

The reserve pit shall be lined.

8. ANCILLARY FACILITIES
   A. No airstrips or camps are planned for this well.

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

The reserve pit will be located on the Northwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the North side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence. The stockpiled topsoil will be stored around Corner #6.

Access to the well pad will be from the West.

Corners #6 & #8 will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:
A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).

B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.

C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.

D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.

E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

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

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

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

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

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

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

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 12 months from the date of well completion. Before any dirt work takes place, the reserve pit will be
completely dry and all cans, barrels, pipe, fluid, and hydrocarbons, will be removed.

Contact appropriate surface management agency for required seed mixture.

**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 BIA will attach the appropriate surface rehabilitation conditions of approval.

**11. SURFACE OWNERSHIP**

<table>
<thead>
<tr>
<th>Access road:</th>
<th>Tribal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location:</td>
<td>Tribal</td>
</tr>
</tbody>
</table>

**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 AO. Within five working days the AO 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 AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO 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 AO 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 AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO 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 BIA, or the appropriate County Extension Office. On BIA administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

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

Additional Surface Stipulations
None

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

<table>
<thead>
<tr>
<th>Operations</th>
<th>Permitting</th>
</tr>
</thead>
<tbody>
<tr>
<td>EOG Resources, Inc.</td>
<td>EOG Resources, Inc.</td>
</tr>
<tr>
<td>P.O. Box 250</td>
<td>P.O. Box 1815</td>
</tr>
<tr>
<td>Big Piney, WY 83113</td>
<td>Vernal, UT 84078</td>
</tr>
<tr>
<td>Jim Schaefer</td>
<td>George McBride</td>
</tr>
<tr>
<td>Telephone (307)276-3331</td>
<td>Telephone (435)789-0790</td>
</tr>
</tbody>
</table>

All lease 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 approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

The BIA office shall be notified upon site completion prior to moving on the drilling rig.
Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the 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.

5-22-2007
Date

[Signature]
Agent
CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL

Company/Operator: EOG Resources, Inc.
Well Name & Number: Natural Cotton 32-21
Lease Number: U-0576
Location: T9S, R21E, S.L.B.&M., Uintah County
Surface Ownership: Ute Indian Tribe

NOTIFICATION REQUIREMENTS
Location Construction - forty-eight (48) hours prior to construction of location and access roads.
Location Completion - prior to moving on the drilling rig.
Spud Notice: - at least twenty-four (24) hours prior to spudding the well.
Casing String and Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.
BOP and related Equipment Tests - twenty-four (24) hours prior to running casing and tests.
First Production Notice - within five (5) business days after new Well begins or production resumes after Well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

Natural Cotton 32-21 D.doc 1
ANNULAR PREVENTOR AND BOTH RAMS ARE 3000 PSIG RATED.
CASING FLANGE IS 11" 3000 PSIG RATED.
BOPE 11" 3000 PSIG

TESTING PROCEDURE:
1. BOPE’s will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 3000 psig.
3. Annular preventor will be tested to 50% of working pressure, 1500 psig.
4. Casing will be tested to 0.22 psi/ft. or 1500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 3000 psig BOPE specifications.
EOG RESOURCES, INC.
NATURAL COTTON #32-21
LOCATED IN UINTAH COUNTY, UTAH
SECTION 21, T9S, R21E, S.L.B.&M.

PHOTO: VIEW FROM CORNER #1 TO LOCATION STAKE
CAMERA ANGLE: NORTHERLY

PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS
CAMERA ANGLE: NORTHEASTERLY

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsanc.com
NATURAL COTTON #32-21
SECTION 21, T9S, R21E, S.L.B.&M.
1738' FNL 1750' FEL

DATE: 12-7-01
Drawn By: C.G.

APPROXIMATE YARDAGES

(12") Topsoil Stripping = 2,860 Cu. Yds.
Remaining Location = 5,790 Cu. Yds.
TOTAL CUT = 8,650 CU.YDS.
FILL = 3,920 CU.YDS.

EXCESS MATERIAL AFTER
5% COMPACTION = 4,520 Cu. Yds.
Topsoil & Pit Backfill = 4,520 Cu. Yds.
(1/2 Pit Vol.)
EXCESS UNBALANCE = 0 Cu. Yds.
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 S. 200 East * Vernal, Utah 84078 * (435) 789-1017
PROPOSED LOCATION:
NATURAL COTTON #32-21

APPROXIMATE TOTAL PIPELINE DISTANCE = 273' +/-

LEGEND:
- EXISTING ROAD
- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE

EOG RESOURCES, INC.
NATURAL COTTON #32-21
SECTION 21, T9S, R21E, S.L.B.&M.
1738' FNL 1750' FEL

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

TOPOGRAPHIC
MAP

SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 00-00-00
WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/24/2002  
API NO. ASSIGNED: 43-047-34584

WELL NAME: NATURAL COTTON 32-21  
OPERATOR: EOG RESOURCES INC (N9550)

CONTACT: ED TROTTER  
PHONE NUMBER: 435-789-0790

PROPOSED LOCATION:
  SWNE 21 090S 210E
  SURFACE: 1738 FNL 1750 FEL
  BOTTOM: 1738 FNL 1750 FEL
  UINTAH
  NATURAL BUTTES (630)

LEASE TYPE: 1 - Federal
LEASE NUMBER: U-0576
SURFACE OWNER: 2 - Indian

PROPOSED FORMATION:

RECEIVED AND/OR REVIEWED:

- ✓ Plat
- ✓ Bond: Fed[1] Ind[] Sta[] Fee[]
  (No. NM 2308)
- ✓ Potash (Y/N)
- ✓ Oil Shale 190-5 (B) or 190-3 or 190-13
- ✓ Water Permit
  (No. 49-1501)
- ✓ RDCC Review (Y/N)
  (Date: )
- ✓ Fee Surf Agreement (Y/N)

INSPECT LOCATN BY: / /  

<table>
<thead>
<tr>
<th>Tech Review</th>
<th>Initials</th>
<th>Date</th>
</tr>
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<tbody>
<tr>
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<tr>
<td>Geology</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surface</td>
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<td></td>
</tr>
</tbody>
</table>

LATITUDE: 40.02414
LONGITUDE: 109.55297

LOCATION AND SITING:

- _R649-2-3_.
  Unit: NATURAL BUTTES
- _R649-3-2_. General
  Siting: 460 From Qtr/Qtr & 920' Between Wells
- ✓ _R649-3-3_. Exception
- ✓ Drilling Unit
  Board Cause No: 197-1
  Eff Date: 4-29-82
  Siting: 600' by drilling unit boundary
- _R649-3-11_. Directional Drill

COMMENTS:


STIPULATIONS: ✓ Federal Approved
June 4, 2002

EOG Resources, Inc
P O Box 1815
Vernal, UT 84078

Re: Natural Cotton 32-21 Well, 1738' FNL, 1750' FEL, SW NE, Sec. 21, T. 9S, R. 21E,
Uintah County, Utah

Gentlemen:

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

Appropriate information has been submitted to DOGM and administrative approval of
the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous
operation is underway, or a request for extension is made prior to the expiration date. The API
identification number assigned to this well is 43-047-34584.

Sincerely,

John R. Baza
Associate Director

Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office
Operator: EOG Resources, Inc
Well Name & Number: Natural Cotton 32-21
API Number: 43-047-34584
Lease: U-0576
Location: SW NE Sec. 21 T. 9S R. 21E

Conditions of Approval

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

2. Notification Requirements
   Notify the Division within 24 hours of spudding the well.
   • Contact Carol Daniels at (801) 538-5284.

   Notify the Division prior to commencing operations to plug and abandon the well.
   • Contact Dan Jarvis at (801) 538-5338

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

4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
Form 3160-3

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

<table>
<thead>
<tr>
<th>1a. TYPE OF WORK</th>
<th>DRILL □</th>
<th>DEEPEN □</th>
</tr>
</thead>
<tbody>
<tr>
<td>b. TYPE OF WELL</td>
<td>Oil</td>
<td>Gas</td>
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<tr>
<td></td>
<td>Well</td>
<td>Well</td>
</tr>
<tr>
<td></td>
<td>Single</td>
<td>Multiple</td>
</tr>
</tbody>
</table>

2. Name of Operator
   EOG RESOURCES, INC.

3. Address and Telephone Number
   P.O. BOX 1815, VERNAL, UT 84078 (435)789-0790

4. Location of Well (Report location clearly and in accordance with any State requirements.)
   At surface
   1738' FNL & 1750' FEL SW/NE
   At proposed prod. Zone

14. Distance in miles and direction from nearest town or post office
   11.52 MILES SOUTHEAST OF OURAY, UTAH

15. Distance from proposed location to nearest property or lease line, ft.
   (Also to nearest drip, Unit line, if any)
   1738' 1480'

16. No. of acres in lease
   1480'

17. No. of acres assigned to this well

18. Distance from proposed location to nearest well, drilling, completed, or applied for, on this lease, ft.
   5011'

19. Proposed depth

20. Rotary or cable tools
   ROTARY

21. Elevations (show whether DF, RT, GR, etc.)
   4873.5 FEET GRADED GROUND

22. Approx. date work will start
   UPON APPROVAL

23. PROPOSED CASING AND CEMENTING PROGRAM

<table>
<thead>
<tr>
<th>SIZE OF HOLE</th>
<th>GRADE</th>
<th>SIZE OF CASING</th>
<th>WEIGHT PER FOOT</th>
<th>SETTING DEPTH</th>
<th>QUANTITY OF CEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>11''</td>
<td>8</td>
<td>5/8''</td>
<td>24#</td>
<td>200' - 220'</td>
<td>100-150 SX CLASS “G” + 2%</td>
</tr>
<tr>
<td>12 1/4''</td>
<td>9</td>
<td>5/8''</td>
<td>32.30#</td>
<td>200' - 220'</td>
<td>CaCl2 + 1/4#/SX CELLOFLAKE</td>
</tr>
<tr>
<td>7 7/8''</td>
<td>4</td>
<td>1/2''</td>
<td>10.50#</td>
<td>5011'</td>
<td>50/50 POXMIX + 2% GEL + 10%</td>
</tr>
</tbody>
</table>

SEE ATTACHMENTS FOR:

8 POINT PLAN
BOP SCHEMATIC
SURFACE USE AND OPERATING PLAN
LOCATION PLAT
LOCATION LAYOUT
TOPOGRAPHIC MAPS “A”, “B”, AND “C”
GAS SALES PIPELINE—MAP “D”

EOG RESOURCES, INC. WILL BE THE DESIGNATED OPERATOR OF THE SUBJECT WELL UNDER BOND #NM 2308

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED

TITLE Agent

DATE 5-22-2002

NOTICE OF APPROVAL

PERMIT NO. 1423241-1

APPLICATION APPROVAL does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

Assistant Field Manager
Mineral Resources

DATE 7/18/2002

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

Company/Operator: EOG Resources Inc.

Well Name & Number: NATURAL COTTON 32-21

API Number: 43-047-34584

Lease Number: UTU - 0576

Location: SWNE Sec. 21 T.09S R. 21E

Agreement: N/A

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.
CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to this office prior to setting the next casing string or requesting plugging orders. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 3M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint. Surface casing setting depths are based on ground level elevations only.
As a minimum, the usable water shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the base of the usable water zone, identified at 925 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vapor proof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.
Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig. The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 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 production lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.
7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery. All off-lease storage, off-lease measurement, or commingling on lease or off-lease will have prior written approval from the AO. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries and tested for meter accuracy at least quarterly thereafter. The AO 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 will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to $10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Ed Forsman, Petroleum Engineer (435) 828-7874
Kirk Fleetwood, Petroleum Engineer (435) 828-7875
BLM FAX Machine (435) 781-4410
EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids
Gas plant cooling tower cleaning wastes
Painting wastes
Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids
Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste
Refinery wastes
Liquid and solid wastes generated by crude oil and tank bottom reclaimers
Used equipment lubrication oils
Waste compressor oil, filters, and blowdown
Used hydraulic fluids
Waste solvents
Waste in transportation pipeline-related pits
Caustic or acid cleaners
Boiler cleaning wastes
Boiler refractory bricks
Incinerator ash
Laboratory wastes
Sanitary wastes
Pesticide wastes
Radioactive tracer wastes
Drums, insulation and miscellaneous solids.
SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)

EOG Resources, Inc. (EOG) will assure the Ute Tribe that any/all contractors and subcontracts have acquired a current Tribal Business License and have updated "Access Permits" prior to construction. All EOG personnel, contractors and subcontractors will have these permits in their vehicles at all times. Companies that have not complied with this COA will be in violation of the Ute Tribal Business License Ordinance, and will be subject to fines and penalties.

EOG employees, representatives, and/or authorized personnel (subcontractors) shall not carry firearms on their person or in their vehicles while working on the Uintah and Ouray Indian Reservation.

EOG employees and/or authorized personnel (subcontractors) in the field will have approved applicable APDs and/or ROW permits/authorizations on their person(s) during all phases of construction.

EOG will notify the Ute Tribe and Bureau of Indian Affairs (BIA) in writing of any requested modification of APDs or Rights-Of Way (ROW). EOG shall receive written notification of authorization or denial of the requested modification. Without authorization, EOG will be subject to fines and penalties.

The Ute Tribe Energy & Minerals Department shall be notified in writing 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday. A Tribal Technician is to routinely monitor construction. EOG shall make arrangements with the Ute Energy & Minerals Department for all monitoring that will exceed regular working hours for Tribal Technicians. A qualified Archaeologist accompanied by a Tribal Technician will monitor any trenching required for the construction of the pipeline. EOG is to inform contractors to maintain construction of the pipelines within approved right of ways.

A corridor ROW, 30 feet wide and 215 feet long, shall be granted for the pipeline. The new access road, about 100 feet long, is included in the pad ROW. The constructed travel width of the access road will be limited to 18 feet. Upon authorization by the Ute Tribe Energy & Minerals Department, the road ROW may be wider where sharp curves; deep cuts and fills occur; or, where intersections with other roads are required. Road base gravel will be used where sandy soils make travel and access for drilling operations hazardous or difficult. Berms, diversion ditches, cattleguards and culverts will be constructed where required.

Upon completion of the pertinent APD and ROWs, EOG will notify the Ute Tribe Energy & Minerals Department for a Tribal Technician to verify the Affidavit of Completion. Upon completion of each pipeline in the corridor an adequate description of the pipeline will be filed with the Ute Tribe Energy & Minerals Department.

Production waters, oil, and other byproducts shall not be placed on access roads or the well pad.

At any locations where the produced water is hauled for drilling purposes, the reserve pits must have adequate liners or clay soils and the produced water may not be injected down the annulus of a well location after drilling has been completed.
All vehicular traffic, personnel movement, construction and restoration operations will be confined to the areas examined and approved and to the existing roadways and/or evaluated access routes.

EOG will implement “Safety and Emergency Plan” and ensure plan compliance.

EOG shall stop construction activities and notify personnel from the Ute Tribe Energy & Minerals Department and BIA if cultural remains including paleontologic resources (vertebrate fossils) are exposed or identified during construction. The Ute Tribe Department of Cultural Rights and Protection and the BIA will provide mitigation measures prior to allowing construction.

EOG employees and/or authorized personnel (subcontractors) will not be allowed to collect artifacts and paleontologic fossils. No significant cultural resources shall be disturbed.

EOG will control noxious weeds on the well site and ROWs. EOG will be responsible for noxious weed control if weeds spread from the project area onto adjoining land.

Reserve pits will be lined with an impervious synthetic liner. A fence will be constructed around the reserve pit until it is backfilled. Prior to backfilling the reserve pit, all fluids will be pumped from the pit into trucks and hauled to approved disposal sites. When the reserve pits are backfilled, the surplus oil and mud, etc., will be buried a minimum of 3 feet below the surface of the soil.

A closed system will be used during production. This means that production fluids will be contained in leak-proof tanks. All production fluids will be disposed of at approved disposal sites.

Surface pipelines will be constructed to lay on the soil surface. The pipeline ROW will not be bladed or cleared of vegetation without authorization of the BIA. Surface pipelines shall be welded in place at well sites or on existing and proposed access roads and pulled into place with suitable equipment. Vehicles shall not use pipeline ROWs as access roads unless specifically authorized.

Buried pipelines shall be buried a minimum of 3 feet below the soil surface. After construction is completed the disturbed area shall be contoured to blend into the natural landscape and be reseeded between September 15 and November 1 of the year following construction with perennial vegetation seed mixture provided by the BIA or Ute Tribe.

Before the site is abandoned, EOG will be required to restore the well site and ROWs to near their original state. The disturbed areas will be reseeded with desirable perennial vegetation. Soil erosion will be mitigated by reseeding all disturbed areas.
DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: NATURAL COTTON 32-21

Api No: 43-047-34584 Lease Type: FEDERAL

Section 21 Township 09S Range 21E County UINTAH

Drilling Contractor DAL COOK RIG# AIR

SPUDDED:

Date 03/13/03

Time 10:00 AM

How ROTARY

Drilling will commence:

Reported by ED TROTTER

Telephone # 1-435-789-4120

Date 03/17/2003 Signed: CHD
<table>
<thead>
<tr>
<th>ACTION CODE</th>
<th>CURRENT ENTITY NO.</th>
<th>NEW ENTITY NO.</th>
<th>API NUMBER</th>
<th>WELL NAME</th>
<th>LOCATION</th>
<th>COUNTY</th>
<th>SPUD DATE</th>
<th>EFFECTIVE DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>99999</td>
<td>13749</td>
<td>43-047-34584</td>
<td>NATURAL COTTON 32-21</td>
<td>SWNE</td>
<td>21</td>
<td>9S</td>
<td>21E</td>
</tr>
<tr>
<td>A</td>
<td>99999</td>
<td>13749</td>
<td>43-047-34442</td>
<td>NORTH DUCK CREEK 135-22</td>
<td>NWSW</td>
<td>22</td>
<td>8S</td>
<td>21E</td>
</tr>
</tbody>
</table>

**CONFIDENTIAL**

**CONFIDENTIAL**

**Actions Codes (See instructions on back of form)**

- 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)

**Note:** Use COMMENT section to explain why each Action Code was selected.

**Signature**

Regulatory Analyst

3/24/2003

Title

Date

Phone No. (307) 276-4842

**Received**

MAR 24 2003

DIV. OF OIL, GAS & MINING
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPlicate - Other instructions on reverse side.

1. Type of Well
   - Oil Well
   - Gas Well
   - Other

2. Name of Operator
   - EOG RESOURCES, INC.
   - Contact: KATY CARLSON
   - E-Mail: Kathleen_Carlson@EOGResources.com
   - Phone No. (include area code)
   - Ph: 307.276.4842

3. Address
   - P.O. BOX 250
   - Big Piney, WY 83113

4. Location of Well
   - Sec 21 T9S R21E SWNE 1738FNL 1750FEL

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

<table>
<thead>
<tr>
<th>TYPE OF SUBMISSION</th>
<th>TYPE OF ACTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notice of Intent</td>
<td>Acidize</td>
</tr>
<tr>
<td>Subsequent Report</td>
<td>Deepen</td>
</tr>
<tr>
<td>Final Abandonment Notice</td>
<td>Production (Start/Resume)</td>
</tr>
<tr>
<td></td>
<td>Water Shut-Off</td>
</tr>
<tr>
<td></td>
<td>After Casing</td>
</tr>
<tr>
<td></td>
<td>Fracture Treat</td>
</tr>
<tr>
<td></td>
<td>Reclamation</td>
</tr>
<tr>
<td></td>
<td>Casing Repair</td>
</tr>
<tr>
<td></td>
<td>New Construction</td>
</tr>
<tr>
<td></td>
<td>Recomplete</td>
</tr>
<tr>
<td></td>
<td>Change Plans</td>
</tr>
<tr>
<td></td>
<td>Plug and Abandon</td>
</tr>
<tr>
<td></td>
<td>Temporarily Abandon</td>
</tr>
<tr>
<td></td>
<td>Convert to Injection</td>
</tr>
<tr>
<td></td>
<td>Plug Back</td>
</tr>
<tr>
<td></td>
<td>Other</td>
</tr>
<tr>
<td></td>
<td>Water Disposal</td>
</tr>
</tbody>
</table>

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

EOG Resources, Inc. spud 12-1/4" surface hole at the subject location 3/13/2003. The contractor was Dall Cook's Air Drilling. Ed Forsman of the Vernal BLM office and Carol Daniels of the Utah Division of Oil, Gas & Mining were notified of spud 3/13/2003.

RECEIVED
MAR 26 2003
DIV. OF OIL, GAS & MINING

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

Electronic Submission #18883 verified by the BLM Well Information System
For EOG RESOURCES, INC., will be sent to the Vernal

Name (Printed/Typed) KATY CARLSON
Title REGULATORY ANALYST
Signature (Electronic Submission) Date 03/24/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Date

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

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.
**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

1a. Type of Well  [ ] Oil Well  [ ] Gas Well  [ ] Dry  [ ] Other  
1b. Type of Completion  [ ] New Well!  [ ] Work Over  [ ] Deeper  [ ] Plug Back  [ ] Diff. Reserv.  

2. Name of Operator  
EOG RESOURCES, INC.  
Contact: KATY CARLSON  
E-Mail: Kathleen_Carlson@EOGResources.com

3. Address  
P.O. BOX 250  
BIG PINEY, WY 83113  
3a. Phone No. (include area code)  
3b. Fax No.  
3c. E-Mail Address  
3d. Web Site  
3e. Phone No. (area code)  
3f. Fax No.  
3g. E-Mail Address  
3h. Web Site  

4. Location of Well (Report location clearly and in accordance with Federal requirements)*  
At surface  
SWNE 1738FNW 1750FEL 40.02390 N Lat, 109.55280 W Lon  
At total depth  
SWNE 1738FNW 1750FEL 40.02390 N Lat, 109.55280 W Lon  

5. Lease Serial No.  
U 0576  

6. If Indian, Allottee or Tribe Name  

7. Unit or CA Agreement Name and No.  

8. Lease Name and Well No.  
NATURAL COTTON 32-21  

9. API Well No.  
43-047-3454  

10. Field and Pool, or Exploratory Area  
NATURAL COTTON/GREEN RIVER  

11. Sec., T., R., or Block and Survey or Area  
Sec 21 T9S R21E Mer SLB  

12. County or Parish  
 UINTAH  
13. State  
UT  

14. Date Spudded  
03/13/2003  
15. Date T.D. Reached  
03/31/2003  
16. Date Completed  
05/14/2003  
17. Elevations (DF, KB, RT, GL)*  
N 12.250 F 8.625 J 4595 TO 4608  

18. Total Depth: MD 5011 TVD  
20. Depth Bridge Plug Set: MD TVD  

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
SEE ADDITIONAL INFORMATION  

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

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

<table>
<thead>
<tr>
<th>Hole Size</th>
<th>Size/Grade</th>
<th>Wt. (#/ft.)</th>
<th>Top (MD)</th>
<th>Bottom (MD)</th>
<th>Stage Cementer Depth</th>
<th>No. of Skis &amp; Type of Cement</th>
<th>Slurry Vol. (BBL)</th>
<th>Cement Top*</th>
<th>Amount Pulled</th>
</tr>
</thead>
<tbody>
<tr>
<td>12.250</td>
<td>8.625 J-55</td>
<td>24.0</td>
<td>0</td>
<td>245</td>
<td>160</td>
<td></td>
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<td>7.875</td>
<td>4.500 J-55</td>
<td>14.5</td>
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<td>0</td>
<td>730</td>
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24. Tubing Record  

<table>
<thead>
<tr>
<th>Size</th>
<th>Depth Set (MD)</th>
<th>Packer Depth (MD)</th>
<th>Size</th>
<th>Depth Set (MD)</th>
<th>Packer Depth (MD)</th>
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</thead>
<tbody>
<tr>
<td>2.375</td>
<td>4908</td>
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</tbody>
</table>

25. Producing Intervals  

26. Perforation Record  

<table>
<thead>
<tr>
<th>Formation</th>
<th>Top</th>
<th>Bottom</th>
<th>Perforated Interval</th>
<th>Size</th>
<th>No. Holes</th>
<th>Perf. Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) GREEN RIVER</td>
<td>4595</td>
<td>4774</td>
<td>4684 TO 4774</td>
<td>0.380</td>
<td>24</td>
<td>PRODUCING</td>
</tr>
<tr>
<td>B)</td>
<td></td>
<td></td>
<td>4595 TO 4608</td>
<td>0.380</td>
<td>18</td>
<td>PRODUCING</td>
</tr>
<tr>
<td>C)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D)</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Depth Interval</th>
<th>Amount and Type of Material</th>
</tr>
</thead>
<tbody>
<tr>
<td>4684 TO 4774</td>
<td>15,540 GALS GELLED WATER &amp; 63,606#20/40 SAND.</td>
</tr>
<tr>
<td>4595 TO 4608</td>
<td>13,230 GALS GELLED WATER &amp; 46,791#20/40 SAND.</td>
</tr>
</tbody>
</table>

28. Production - Interval A  

<table>
<thead>
<tr>
<th>Date First Produced</th>
<th>Test Date</th>
<th>Hours Tested</th>
<th>Test Production Oil BBL</th>
<th>Oil Gravity Corr. API</th>
<th>Gas Gravity</th>
<th>Production Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>05/14/2003</td>
<td>05/17/2003</td>
<td>24</td>
<td></td>
<td></td>
<td></td>
<td>FLOWS FROM WELL</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>43.0</td>
<td>0.0</td>
<td>70.0</td>
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</table>

29a. Production - Interval B  

<table>
<thead>
<tr>
<th>Date First Produced</th>
<th>Test Date</th>
<th>Hours Tested</th>
<th>Test Production Oil BBL</th>
<th>Oil Gravity Corr. API</th>
<th>Gas Gravity</th>
<th>Production Method</th>
</tr>
</thead>
<tbody>
<tr>
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<td></td>
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<td></td>
</tr>
</tbody>
</table>

See Instructions and spaces for additional data on reverse side.

Electronic Submission #21123 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT **
28b. Production - Interval C

<table>
<thead>
<tr>
<th>Date First Produced</th>
<th>Test Date</th>
<th>Hrs. Tested</th>
<th>Test Oil</th>
<th>Oil BBL</th>
<th>Gas MCF</th>
<th>Gas BBL</th>
<th>Oil Gravity</th>
<th>Water</th>
<th>Water BBL</th>
<th>Gas Gravity</th>
<th>Gas:Oil Ratio</th>
<th>Production Method</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

28b. Production - Interval D

<table>
<thead>
<tr>
<th>Date First Produced</th>
<th>Test Date</th>
<th>Hrs. Tested</th>
<th>Test Oil</th>
<th>Oil BBL</th>
<th>Gas MCF</th>
<th>Gas BBL</th>
<th>Oil Gravity</th>
<th>Water</th>
<th>Water BBL</th>
<th>Gas Gravity</th>
<th>Gas:Oil Ratio</th>
<th>Production Method</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th>Formation</th>
<th>Top</th>
<th>Bottom</th>
<th>Descriptions, Contents, etc.</th>
<th>Name</th>
<th>Top</th>
</tr>
</thead>
<tbody>
<tr>
<td>GREEN RIVER</td>
<td>1700</td>
<td>3271</td>
<td>SHALE</td>
<td>GREEN RIVER M MARKER</td>
<td></td>
</tr>
<tr>
<td>&quot;H&quot; MARKER</td>
<td>3271</td>
<td>4571</td>
<td>SANDSTONE</td>
<td>UTELAND BUTTE LIME</td>
<td></td>
</tr>
<tr>
<td>BASE &quot;M&quot; MARKER</td>
<td>4571</td>
<td>4613</td>
<td>SANDSTONE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>M-3 SAND</td>
<td>4613</td>
<td>4658</td>
<td>SANDSTONE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>M-4 SAND</td>
<td>4658</td>
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</table>

32. Additional remarks (include plugging procedure):
LOGS - HIGH RESOLUTION LATERLOG W/LINEAR INDUCTION/GR, COMPENSATED NEUTRON LITHOLOGY - 4/4/03
DENSITY, GR & CBL/VDL/GR/CCL - 4-15-03

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 #21123 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., will be sent to the Vernal

Name (please print) KATY CARLSON
Title REGULATORY ANALYST

Signature (Electronic Submission) Date 06/13/2003

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.

** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT **
June 30, 2003

State of Utah
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Attention: Mr. Dustin Doucet

RE: Natural Cotton 32-21
SW/4NE/4 of Sec. 21-9S-21E, SLM
Uintah County, Utah
Natural Buttes Prospect
1540-G06, 0050619-000

Dear Mr. Doucet:

As you will recall from our earlier conversations, EOG Resources, Inc. ("EOG") originally requested and obtained approved to drill the Natural Cotton 32-21 well as an exception location to the spacing order governing Green River formation gas wells. Upon completion, the well was producing oil. Since this well is off-pattern under the General Rule governing Green River formation oil wells in this area, I had inquired as to the need for another exception location request. This letter shall confirm your advice that, at this time, EOG will not have to request an exception location simply because the well is producing oil.

Thank you for your time in this matter. Should you have any questions, or would like to discuss this matter further, please don't hesitate to contact me at (303) 824-5430.

Sincerely,

EOG RESOURCES, INC.

Debbie Spears
Sr. Land Technician

cc: Toni Miller, Jim Schaefer, Theresa Wysocki
FORM 3160-5 UNITED STATES FORM APPROVED (September 2001)
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUBMIT IN TRIPlicate - Other instructions on reverse side:

1. Type of Well
   - Oil Well
   - Gas Well
   - Other

2. Name of Operator
   EOG RESOURCES, INC.

3a. Address
   P.O. BOX 250, BIG PINEY, WYOMING 83113

3b. Phone No. (include area code)
   (307) 276-4842

4. Location of Well (Footage, Sec., T. R., M., or Survey Description)
   1738’ FNL - 1750’ FEL (SW/NE)
   SECTION 21, T9S, R21E

5. Lease Serial No.
   U 0576

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
   NATURAL COTTON 32-21

9. API Well No.
   43-047-34584

10. Field and Pool, or Exploratory Area
    NATURAL COTTON/GREEN RIVER

11. County or Parish, State
    UINTAH, UTAH

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

<table>
<thead>
<tr>
<th>TYPE OF SUBMISSION</th>
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<td>Fracture Treat</td>
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<td>Production (Start/Resume)</td>
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<td>Water Disposal</td>
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<td>Subsequent Report</td>
<td>Water Shut-Off</td>
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<td>Well Integrity</td>
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<td></td>
<td>Other</td>
</tr>
<tr>
<td>Final Abandonment Notice</td>
<td></td>
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</table>

3. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof

EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.
1. Natural Buttes Unit 21-20B SWD.
2. Ace Disposal
3. EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
4. RN Industries.

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

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)
KATY CARLSON
Date 7/07/2003

RECEIVED
JUL 9 2003
DIV. OF OIL, GAS & MINING

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(Continued on next page)
**STATE OF UTAH**
**DEPARTMENT OF NATURAL RESOURCES**
**DIVISION OF OIL, GAS AND MINING**

**SUNDAY 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.

1. **TYPE OF WELL:**
   - [ ] OIL WELL
   - [ ] GAS WELL
   - [ ] OTHER

2. **NAME OF OPERATOR:**
   NEWFIELD PRODUCTION COMPANY

3. **ADDRESS OF OPERATOR:**
   Route 3 Box 3630
   PHONE NUMBER: 435-646-3721
   CITY: Myton
   STATE: UT
   ZIP: 84052

4. **LOCATION OF WELL:**
   FOOTAGES AT SURFACE: 1980 FNL 660 FWL
   OTHER: OTR/OTR.
   TOWNSHIP: SNW, 18
   RANGE: T9S, R18E
   MERIDIAN: W
   COUNTY: UINTAH
   STATE: UT

5. **LEASE DESIGNATION AND SERIAL NUMBER:**
   USA UTU-39714

6. **IF INDIAN, ALLOTTEE OR TRIBE NAME:**
   SUNDANCE UNIT

7. **UNIT OR AGREEMENT NAME:**
   MONUMENT BUTTE

8. **WELL NAME AND NUMBER:**
   FEDERAL 5-18-9-18

9. **API NUMBER:**
   4304735582

10. **FIELD AND POOL, OR WILDCAT:**
    NEW

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

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<td>□ SIDE TRACK TO REPAIR WELL</td>
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<td>□ DEEPEN</td>
<td>□ OTHER</td>
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12. **DESCRIBE PROPOSED OR COMPLETED OPERATIONS.** Clearly show all pertinent details including dates, depths, volumes, etc.

   Newfield requests a change of status to TA this well. Newfield is waiting on EPA approval to convert this well to an injection well.

---

**NAME (PLEASE PRINT)**: John Doe

**SIGNATURE**

**TITLE**: Production Tech

**DATE**: 03/13/2008

---

**RECEIVED**

**JUL 16 2008**

**DIV. OF OIL, GAS & MINING**
Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUBMIT IN TRIPlicate – Other instructions on page 2.

1. Type of Well
   - [ ] Oil Well
   - [✓] Gas Well
   - [ ] Other

2. Name of Operator
   - EOG Resources, Inc.

3a. Address
   - 1090 East Highway 40 Vernal, UT 84078

3b. Phone No. (include area code)
   - 435-781-9111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
   - 1738 NW, 1790 SE (SWNE)
   - Section 21, T6S, R2E, S1B, A&M.

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

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

EOG Resources, Inc. requests Temporarily Abandonment (TA) status for the referenced well. EOG is currently reviewing the well for recompletion potential, and will submit a request to recomplete or plug abandon within 90 days.

RECEIVED

JUL 10 2008
DIV. OF OIL, GAS & MINING

COPY SENT TO OPERATOR

Date: 7/10/2008
Initials: KS

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

Name (Printed/Typed)
Kylene R. Gardner

Title
Lead Regulatory Assistant

Date 07/10/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

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(Instructions on page 2)
**NOTICE OF INCIDENTS OF NONCOMPLIANCE**

**Bureau of Land Management Office**

<table>
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<tr>
<td>VERNAL FIELD OFFICE</td>
<td>1060 EAST HIGHWAY 40</td>
</tr>
<tr>
<td>170 SOUTH 500 EAST VERNAL UT 84078</td>
<td>VERNAL UT 84078</td>
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<tr>
<td>Telephone</td>
<td>Attention</td>
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<tr>
<td>435-781-4494</td>
<td>ED FORSMAN</td>
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<th>Operator</th>
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<td>EOG RESOURCES INC</td>
<td>NATURAL COTTON</td>
</tr>
<tr>
<td>DONNA KENNEY</td>
<td>Well or Facility</td>
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**Site Name**

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<th>Range</th>
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**Date**

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<td>MINOR</td>
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<td>07/07/2008</td>
<td>Date Corrected</td>
<td>Assessment for Noncompliance</td>
<td>Assessment Reference</td>
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**Date Corrected**

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**Remarks**

On a production inspection recently conducted on this lease, this well NC 32-21 was found in a T.A. status. This well is not approved as a temporary abandoned well. By July 7, 2008 you must either:

1. Return well to production.
2. Submit an application for approval of temporary abandonment status, or

(Remarks continued on following page(s)).

**WARNING**

Incidents of Noncompliance correction and reporting timeframes begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each violation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management office at the address shown above. Please note that you already may have been assessed for noncompliance (see amount under "Assessment for Noncompliance"). If you do not comply as noted above under "Corrective Action To Be Completed By" you may incur an additional assessment under (43 CFR 3163.1) and may also incur Civil Penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits, false, inaccurate, or misleading reports, notices, affidavits, records, data, or other written information required by this part shall be liable for a civil penalty of up to $25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

**REVIEW AND APPEAL RIGHTS**

A person contesting a violation shall request a State Director review of the Incidents of Noncompliance. This request must be filed within 20 working days of receipt of the Incidents of Noncompliance with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Lands Appeals, 801 North Quincy Street, Suite 300, Arlington VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.
3. Submit a plugging proposal for approval to plug and abandoned well.
SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPlicate – Other instructions on page 2.

1. Type of Well
   - Oil Well  
   - Gas Well  
   - Other

2. Name of Operator
   - EOG Resources, Inc.

3a. Address
   - 1060 East Highway 40, Vernal, UT 84078

3b. Phone No. (include area code)
   - 435-781-9111

4. Location of Well (Footage, Sec., T., R., M. or Survey Description)
   - 1738 FNL, 1750 FEL, IWNS, Section 21, T9S, R21E, S.L.B. & M.

5. Lease Serial No.
   - UTU-0576

6. If Indian, Allottee or Tribe Name
   - Ute Indian Tribe

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

8. Well Name and No.
   - Natural Cotton 32-21

9. API Well No.
   - 43-047-34584

10. Field and Pool or Exploratory Area
    - Natural Cotton

11. Country or Parish, State
    - Uintah, UT

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

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EOG Resources, Inc. respectfully requests authorization to Plug and Abandon the referenced well as per the attached procedure.

Accepted by the Utah Division of Oil, Gas and Mining

Federal Approval Of This Action Is Necessary

Date: 10/14/2008
Initials: KS

I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)
Mickenzie Thacker
Title Operations Clerk
Signature Mickenzie Thacker
Date 09/09/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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(Instructions on page 2)
PLUG & ABANDON PROGRAM

Natural Cotton 32-21
1738’ FNL & 1750’ FEL (SW/NE)
Section 21, T9S, R21E
Uintah County, Utah

WELL DATA:

ELEVATION: 4874’ GL
KB: 4892’ (18’KB)

TOTAL DEPTH: 5011’
PBTD: 4987’

CASING: 8-5/8”, 24#, J-55 set @ 245’ KB. Cemented w/160 sxs Class ‘G’, 6 bbls to surface.
4 ½”, 10.5#, J-55 set @ 5011’ KB. Cemented w/100 sxs “G”, followed by 630 sxs 50/50 Pozmix.

TUBING: 2-3/8” Mud Anchor
2-3/8” Perf Sub
2-3/8” Seat Nipple
7 jts. 2-3/8”, 4.7#, J-55
Weatherford Anchor
145 jts. 2-3/8”, 4.7#, J-55 EUE tubing
Landed @ 4808.29’ KB

RODS: 133, 3/4” Plain rods
56, 7/8” Plain rods
2”X7/8” Pony rod
1-¼”X22’Polished rod with 1-1/2” liner

PUMP: 1-1/4”X2”X13’ RHAC THD

PERFORATIONS: 4770’-74’, 4684’-88’, 4605’-08’, 4595’-98’

PROCEDURE:

1. MIRU SU. Blow casing and tubing down. Unseat pump. POH with rods and pump.
2. ND wellhead. Release tubing anchor. NU BOPE. POH with tubing.
3. PU 3 7/8” bit and 4 ½” scraper. RIH to 4575’. POH and lay down tools.
4. PU CIBP. RIH to 4550’. Set CIBP at 4550’+-. RU cement company. Spot 5 sxs of class “G” w/2% CaCl₂ on top of CIBP. PUH filling the casing with 9 ppg brine to 250’. POOH.

5. RUWL. Shoot four squeeze holes at 250’ using a 3 1/8” HSC ported gun, 12 gram charges, 90 degree phase. RDWL.

6. Pump down the 4 1/2” casing trying to establish circulation from 250’ up the 4 1/2” X 8 5/8” casing annulus.

7. Pump 85 sxs of Class “G” w/ 2% CaCl₂ down the 4 1/2” casing. Should circulate out 2 bbls of cement, leaving 4 1/2” casing full. If necessary do a top off job.

8. Cut of casing head. Weld on marker plate ± 3’ below ground level. Remove anchors and backfill over the marker.

PREPARED BY: .................................................................
J.H. Kennah, Production Engineering Specialist

APPROVED BY: .................................................................
P.T. Pendleton, Operations Manager
Revised from previous submission dated 9/9/2008.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUBMIT IN TRIPlicate – Other instructions on page 2.

1. Type of Well
   - Oil Well
   - Gas Well
   - Other

2. Name of Operator
EOG Resources, Inc.

3a. Address
1060 East Highway 40 Vernal, UT 84078

3b. Phone No. (include area code)
435-781-9111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1738 PNL - 1750 FNL (SWNE)
Section 21, T98, R21E S.L.B.&M.

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

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<thead>
<tr>
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<th>TYPE OF ACTION</th>
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<td>Subsequent Report</td>
<td>Deepen</td>
</tr>
<tr>
<td>Final Abandonment Notice</td>
<td>Production (Start/Resume)</td>
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13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones.

EOG Resources, Inc. respectfully requests authorization to Plug and Abandon the referenced well as per the attached procedure.

Accepted by the Utah Division of Oil, Gas and Mining

Date: 10/7/08

By: [Signature]

In accordance with 190-5(b), a 200' plug shall be balanced across the base of the parachute Creek Member from 3,000' to 2900'.

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

Name (Printed/Typed)
Mickenzie Thacker

Title Operations Clerk

Signature [Signature]

Date 09/22/2008

Approved by

Title

Date

RECEIVED SEP 24 2008
DIV. OF OIL, GAS & MINING
PLUG & ABANDON PROGRAM
Natural Cotton 34-21  
1437’ FSL & 1624’ FEL (NW/SE)  
Section 21, T9S, R21E  
Uintah County, Utah
September 2, 2008  
EOG WI: 100.00%  
NRI: 84.125%  
API# 43-047-32426  
AFE# 306663

WELL DATA:

ELEVATION: 4893’ GL  
KB: 4904’ (15’ KB)

TOTAL DEPTH: 4961’  
PBTD: 4895’

CASING: 8-5/8", 24#, J-55 set @ 236’ KB. Cemented w/125 sxs Class ‘G’.  
4 ½”, 10.5#, J-55 set @ 4964’ KB. Cemented w/230 sxs Hi-Lift ‘G’, followed by 212 sxs 50/50 Pozmix.

TUBING: 2-3/8” Tubing  
Landed @ 4762’ KB

PERFORATIONS: 4641’-4701’, 4549’-4588’

CEMENT TOP: 1500’

PROCEDURE:

1. MIRU SU. ND wellhead. NU BOPE. POH with tubing.

2. PU 3 7/8” bit and 4 ½” scraper. RIH to 4525’. POH and lay down tools.

3. PU CIBP. RIH to 4500’. Set CIBP at 4500’+/- . RU cement company. Spot 5 sxs of class “G” w/2% CaCl₂ on top of CIBP. PUH filling the casing with 9 ppg brine to 1780’.

4. RU cement company. Spot 16 sxs of class “G” w/2% CaCl₂ cement plug from 1780’ to 1580’, 100’ above Green River formation top.

5. PUH filling casing with 9 ppg brine to 300’. POOH.

6. RUWL. Shoot four squeeze holes at 300’ using a 3 1/8” HSC ported gun, 12 gram charges, 90 degree phase. RDWL.

7. Pump down the 4 ½” casing trying to establish circulation from 300’ up the 4 ½” X 8 5/8” casing annulus.
8. Pump 100 sxs of Class “G” w/ 2% CaCl₂ down the 4 ½” casing. Should circulate out 2 bbls of cement, leaving 4 ½” casing full. If necessary do a top off job.

9. Cut of casing head. Weld on marker plate ± 3’ below ground level. Remove anchors and backfill over the marker.

PREPARED BY:  
J.H. Kennah, Production Engineering Specialist

APPROVED BY:  
P.T. Pendleton, Operations Manager
Operator: EOG Resources, Inc.
Field Name: Natural Cotton Prospect
Well Name: Natural Cotton 34-21
Location: 1437' FSL & 1624' FEL (NW SE) Sec. 21-T9S-R21E
County: Uintah
API #: 4304732426
Date: 1/13/95

GL: 4893'
KB: 4904'
Spud Date: 9/14/93
Completion Date: 11/10/93

Surface Casing: 8-5/8", 24#, J-55 236' w/125 sx Class G cmt

Original Completion:

Formation: Perforations: Treatment:

M2
Green River M2 4549'-88' (2 SPF) 24,064 gals borate x-linked 2% KCL water
w/88,100# 16/30 sand and 12,250# 16/30 RC sand

M5
Green River M5 4641'-4701' (2 SPF) 23,268 gals borate x-linked 2% KCL water
w/71,430# 16/30 sand and 12,000# 16/30 RC sand

DST's & Cores:

Tubing: 2-3/8", 4.7#, J-55 @ 4762'
Packer:
PBTD: 4895'
Production Casing: 4-1/2", 10.5#, J-55 @ 4964' w/230 sx Hi-Lift cmt followed by 212 sx 50-50 Pozmix cmt

TD: 4964'
OPERATOR CHANGE WORKSHEET

**X Change of Operator (Well Sold)**

Operator Name Change

Designation of Agent/Operator

Merger

The operator of the well(s) listed below has changed, effective: **1/1/2010**

<table>
<thead>
<tr>
<th>FROM: (Old Operator):</th>
<th>TO: (New Operator):</th>
</tr>
</thead>
<tbody>
<tr>
<td>N9550-EOG Resources</td>
<td>N2995-Kerr-McGee Oil &amp; Gas Onshore, LP</td>
</tr>
<tr>
<td>1060 E Hwy 40</td>
<td>1368 South 1200 East</td>
</tr>
<tr>
<td>Vernal, UT 84078</td>
<td>Vernal, UT 84078</td>
</tr>
<tr>
<td>Phone: 1-(435) 781-9111</td>
<td>Phone: 1-(435) 781-7024</td>
</tr>
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CA No. Unit:

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<tr>
<th>WELL NAME(S)</th>
<th>SEC TWN RNG</th>
<th>API NO</th>
<th>ENTITY NO</th>
<th>LEASE TYPE</th>
<th>WELL TYPE</th>
<th>WELL STATUS</th>
</tr>
</thead>
</table>

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: **12/24/2009**
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: **12/24/2009**
3. The new company was checked on the **Department of Commerce, Division of Corporations Database** on: **3/7/2006**
4. Is the new operator registered in the State of Utah: **YES**  Business Number: **1355743-0181**
5. Inspections of LA PA state/fee well sites complete on: **n/a**
6a. (R649-9-2) Waste Management Plan has been received on: **IN PLACE**
6b. Federal and Indian Leases: The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: **BLM not yet**  **BIA n/a**
7. Federal and Indian Units: The BLM or BIA has approved the successor of unit operator for wells listed on: **n/a**
8. Federal and Indian Units: The BLM or BIA has approved the operator for all wells listed within a CA on: **n/a**
9. Federal and Indian Communication Agreements ("CA"): The BLM or BIA has approved UIC Form 5, Transfer of Authority to Inject, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: **n/a**
10. Underformed Injection Control ("UIC") The Division has approved UIC Form 5, Transfer of Authority to Inject, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: **n/a**

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: **1/31/2010**
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: **1/31/2010**
3. Bond information entered in RBDMS on: **1/31/2010**
4. Fee/State wells attached to bond in RBDMS on: **1/31/2010**
5. Injection Projects to new operator in RBDMS on: **n/a**

**BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: **WYB000291**
2. Indian well(s) covered by Bond Number: **n/a**
3. (R649-3-1) The **NEW** operator of any state or fee well(s) listed covered by Bond Number: **22013542**
4. The **FORMER** operator has requested a release of liability from their bond on: **n/a**

**COMMENTS:**

EOG transferred all their leases and permits in NBU and the near vicinity to Kerr-McGee effective January 1, 2010
SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPlicate – Other instructions on page 2.

1. Type of Well
   - [ ] Oil Well
   - [X] Gas Well
   - [ ] Other

2. Name of Operator
   - EOG Resources, Inc.

3a. Address
   - 1060 EAST HIGHWAY 40, VERNAL, UT 84078

3b. Phone No. (Include area code)
   - 435-781-9145

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
   - See Attached

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

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

EOG Resources, Inc. has assigned all of its right, title and interest in the wells described in the attached list ("the Subject Wells") to Kerr-McGee Oil & Gas Onshore LP and will relinquish and transfer operatorship of all of the Subject Wells to Kerr-McGee Oil & Gas Onshore LP on January 1, 2010.

As of January 1, 2010, Kerr-McGee Oil & Gas Onshore LP will be considered to be the operator of each of the Subject Wells and will be responsible under the terms and conditions of the applicable lease for the operations conducted upon the leased lands. Bond coverage is provided under Kerr-McGee Oil & Gas Onshore LP’s Nationwide BLM Bond No. WYB-900291.

Kerr-McGee Oil & Gas Onshore LP
1099 18th Street, Suite 1800
Denver, CO 80202-1918

By:  
Michael A. Milis
Agent and Attorney-in-Fact

APPROVED  1/31/2010
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

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

J. Michael Schweens
Title: Agent and Attorney-in-Fact
Date: 12/17/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title
Date

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

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.

(Instructions on page 2)
<table>
<thead>
<tr>
<th>Lease #</th>
<th>API #</th>
<th>Well Name</th>
<th>Footages</th>
<th>LEGAL DESCRIPTION</th>
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<tr>
<td>UTU0575B</td>
<td>4304734583</td>
<td>NATURAL COTTON 14-07</td>
<td>1070' FSL 1689' FWL</td>
<td>T09S-R21E-07-SWSW (Lot 4)</td>
</tr>
<tr>
<td>UTU0576</td>
<td>4304734584</td>
<td>NATURAL COTTON 32-21</td>
<td>1738' FNL 1750' FEL</td>
<td>T09S-R21E-21-SWNE</td>
</tr>
<tr>
<td>UTU0575</td>
<td>4304734640</td>
<td>NATURAL COTTON 44-17</td>
<td>850' FSL 750' FEL</td>
<td>T09S-R21E-17-SESE</td>
</tr>
</tbody>
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RECEIVED
DEC 24 2009
DIV. OF OIL, GAS & MINING
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<td>638' FSL 1307' FEL</td>
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RECEIVED
DEC 24 2009
DIV. OF OIL, GAS & MINING
April 12, 2010

Kathy Schneebeck Dulnoan  
Kerr McGee Oil & Gas Onshore LP  
PO Box 173779  
Denver, CO 80217-3779

Re: Change of Operator  
Well No. Natural Cotton 32-21  
SWNE, Sec. 21, T9S, R21E  
Uintah County, Utah  
Lease No. UTU-0576

Dear Ms. Schneebeck Dulnoan:

This correspondence is in regard to the self-certification statement submitted requesting a change of operator for the referenced well. After a review by this office, the change of operator request is approved. Effective January 1, 2010, Kerr-McGee Oil & Gas Onshore LP is responsible for all operations performed on the referenced well. All liability will now fall under your bond, BLM Bond No. WYB000291, for all operations conducted on the referenced well on the leased land.

If you have any questions regarding this matter, please contact Cindy Severson of this office at (435) 781-4455.

Sincerely,

Ryan Angus
Petroleum Engineer

Enclosure

cc: UDOGM  
EOG Resources, Inc.  
BIA

RECEIVED  
APR 27 2010  
DIV. OF OIL, GAS & MINING
SUNDARY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPPLICATE – Other instructions on page 2.

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As of January 1, 2010, Kerr-McGee Oil & Gas Onshore LP will be considered to be the operator of each of the Subject Wells and will be responsible under the terms and conditions of the applicable lease for the operations conducted upon the leased lands. Bond coverage is provided under Kerr-McGee Oil & Gas Onshore LP’s Nationwide BLM Bond No. WYB-000291.

Kerr-McGee Oil & Gas Onshore LP
1099 18th Street, Suite 1800
Denver, CO 80202-1918

By: Michael A. Nixson
Agent and Attorney-in-Fact

Date: 12/17/2009

Title Agent and Attorney-in-Fact

Date 12/17/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Petroleum Engineer

Date APR 12 2010

VERNAL FIELD OFFICE

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

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</table>
STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MINING

SUNDARY 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.

1. TYPE OF WELL
   Oil Well

2. NAME OF OPERATOR:
   KERR-MCGEE OIL & GAS ONSHORE, L.P.

3. ADDRESS OF OPERATOR:  
   Phone Number:
   P.O. Box 173779  
   1099 18th Street, Suite 600, Denver, CO, 80217 3779
   720 929-6007 Ext

4. LOCATION OF WELL
   Footages at Surface:
   QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
   Qtr/Qt: SWNE Section: 21 Township: 09.05 Range: 21.0E Meridian: S

5. LEASE DESIGNATION AND SERIAL NUMBER:
   UTU0576

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
   UTE

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:
   NATURAL COTTON 32-21

9. API NUMBER:
   43047345840000

10. FIELD and POOL or WILDCAT:
    NATURAL BUTTES

11. COUNTY:
    UINTAH

12. STATE:
    UTAH

---

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

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<td>PLUG AND ABANDON</td>
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<td>PRD RECOMPLETE DIFFERENT FORMATION</td>
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<td>REPERFORATE CURRENT FORMATION</td>
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<td>SIDEALK TO REPAIR WELL</td>
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<td>TUBING REPAIR</td>
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<td></td>
<td>PLUG BACK</td>
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<td></td>
<td>WATER SHUTOFF</td>
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<td>VENT OR FLARE</td>
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<td>OTHER</td>
</tr>
</tbody>
</table>

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

The operator requests to plug and abandon the subject well location. Kerr-McGee recently acquired this well location from EOG. EOG had previously submitted plans to plug and abandon this well, Kerr-McGee proposes to plug and abandon this well with the attached procedure.

Accepted by the Utah Division of Oil, Gas and Mining

Date:  
November 10, 2010

By:

---

NAME (PLEASE PRINT)  
Danielle Piernot

PHONE NUMBER  
720 929-6156

TITLE  
Regulatory Analyst

SIGNATURE  
N/A

DATE  
11/4/2010

RECEIVED  
November 04, 2010
NATURAL COTTON 32-21
1738' FNL & 1750' FEL
SWNE SEC.21, T9S, R21E
Uintah County, UT
KBE: 4892' API NUMBER: 4304734584
GLE: 4874' LEASE NUMBER: U-0576
TD: 5011’ WI: 100.00000%
PBTD: 4987’ NRI: 84.695049%
WINS: 31258

EXISTING PERFORATIONS:

<table>
<thead>
<tr>
<th>Formation</th>
<th>Top</th>
<th>Btm</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green River</td>
<td>4595</td>
<td>4774</td>
<td>Open</td>
</tr>
</tbody>
</table>

CASING: 12.25” hole
8.625” 24# J-55@ 245’ GL
Cemented with 160 sx class G, TOC @ surface.

7.875” hole
4.5” 10.5# J-55 @ 5011’
Cemented with 730 sx, TOC @ 670’ per CBL

TUBING: 2.375” 4.7# J-55 tubing at 4762’

---

GEOLOGIC INFORMATION:

Formation Depth to top, ft.
Uinta Surface
Green River 1647’
Bird’s Nest 1794’
Mahogany 1647’
Base of Parachute 3347’
Wasatch 5014’

Tech. Pub. #92 Base of USDW’s
USDW Elevation ~4000’ MSL
USDW Depth ~1448’ KBE

---

EXISTING PERFORATIONS:

Formation Top Btm Status
Green River 4595 4774 Open

---

RECEIVED November 04, 2010
NATURAL COTTON 32-21 PLUG & ABANDONMENT PROCEDURE

GENERAL
- H2S MAY BE PRESENT. CHECK FOR H2S AND TAKE APPROPRIATE PRECAUTIONS.
- CEMENT QUANTITIES BELOW ASSUME NEAT CLASS G, YIELD 1.145 CUFT./SX. IF A DIFFERENT PRODUCT IS USED, WELLSITE PERSONNEL ARE RESPONSIBLE FOR CORRECTING QUANTITIES TO YIELD THE STATED SLURRY VOLUME. WHEN SQUEEZING, INCLUDE 10% EXCESS PER 1000’ OF DEPTH.
- TREATED FRESH WATER WILL BE PLACED BETWEEN ALL PLUGS INSTEAD OF BRINE.
- ALL DISPLACEMENT FLUID SHALL CONTAIN CORROSION INHIBITOR AND BIOCIDE. PREMIX 5 GALLONS PER 100 BBLS FLUID.
- NOTIFY BLM 24 HOURS BEFORE MOVING ON LOCATION.

PROCEDURE
Note: An estimated 201 sx Class “G” cement needed for procedure
Note: No gyro has been run as of 11/3/10

1. MIRU. KILL WELL AS NEEDED. ND WH, NU AND TEST BOPE. A GPS READING WILL NEED TO BE TAKEN AT THE WELL SITE AND RECORDED IN OPENWELLS. PLEASE TAKE IT TO THE 6TH DECIMAL PLACE.

2. PULL TBG & LD SAME. RU WIRELINE AND MAKE A GAUGE RING RUN TO CHECK FOR FILL. PREP TO RUN GYRO SURVEY.

3. RUN GYRO SURVEY.

4. PLUG #1, ISOLATE GREEN RIVER PERFORATIONS (4595’ – 4774’): RIH W/ 4 ½” CIBP. SET @ ~4545’. RELEASE CIBP, PUH 10’, BRK CIRC W/ FRESH WATER. DISPLACE A MINIMUM OF 4 SX / 0.8 BBL / 4.48 CUFT. ON TOP OF PLUG. PUH ABOVE TOC (~4495’). REVERSE CIRCULATE W/ TREATED BRINE.

5. PLUG #2, PROTECT BASE OF PARACHUTE (3347’): PUH TO ~3450’. BRK CIRC W/ FRESH WATER. DISPLACE 16 SX / 3.3 BBL / 18.35 CUFT AND BALANCE PLUG W/ TOC @ ~3245’ (205’ COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ TREATED BRINE.

6. PLUG #3, PROTECT TOP OF BIRD’S NEST (1794’), TOP OF GREEN RIVER (1647’), TOP OF MAHOGANY (1647’) & BASE OF USDW (1448’): PUH TO ~1895’. BRK CIRC W/ FRESH WATER. DISPLACE 43 SX / 8.8 BBL / 49.23 CUFT AND BALANCE PLUG W/ TOC @ ~1345’ (550’ COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ TREATED BRINE.

7. PLUG #4, SURFACE SHOE (~263’ KB) & SURFACE HOLE: POOH W/ TBG. RIH W/ WIRELINE, PERFORATE @ 315’ W/ 4 SPF. POOH W/ WIRELINE. RU CEMENT SERVICE TO PROD CSG. PUMP 92 SX / 18.7 BBL / 105.04 CUFT OR SUFFICIENT VOLUME TO FILL ANNULUS AND CASING TO SURFACE.

8. CUT OFF WELLHEAD AND INSTALL MARKER PER BLM GUIDELINES.

9. RDMO. TURN OVER TO OPERATIONS FOR SURFACE REHAB.

ALM 11/3/10
** Operator-Submitted ** Operator-Submitted ** Operator-Submitted **

---

** SUNDARY NOTICES AND REPORTS ON WELLS **

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

---

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

---

** 1. Type of Well **

- [ ] Oil Well
- [ ] Gas Well
- [ ] Other

---

** 2. Name of Operator **

KERR-MCGEE OIL & GAS ONSHORE

Contact: DANIELLE E PIERNOT

Mail: danielee.piernot@anadarko.com

---

** 3a. Address **

PO BOX 173779
DENVER, CO 80202

---

** 3b. Phone No. **

(include area code)

Ph: 720-829-6156
Fx: 720-929-7156

---

** 4. Location of Well **

(Feetage, Sec., T., R., M., or Survey Description)

Sec 21 T9S R21E SWNE 1738FLN 1750FEL

---

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

<table>
<thead>
<tr>
<th>TYPE OF SUBMISSION</th>
<th>TYPE OF ACTION</th>
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</thead>
<tbody>
<tr>
<td>[ ] Notice of Intent</td>
<td>[ ] Acidize</td>
</tr>
<tr>
<td>[ ] Subsequent Report</td>
<td>[ ] Deepen</td>
</tr>
<tr>
<td>[ ] Final Abandonment Notice</td>
<td>[ ] Production (Start/Resume)</td>
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<tr>
<td>[ ] Subsequent Report</td>
<td>[ ] Alter Casing</td>
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<td>[ ] Fracture Treat</td>
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<td>[ ] Subsequent Report</td>
<td>[ ] Casing Repair</td>
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<tr>
<td>[ ] Final Abandonment Notice</td>
<td>[ ] New Construction</td>
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<td>[ ] Subsequent Report</td>
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<td>[ ] Plug and Abandon</td>
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<td>[ ] Subsequent Report</td>
<td>[ ] Convert to Injection</td>
</tr>
<tr>
<td>[ ] Final Abandonment Notice</td>
<td>[ ] Plug Back</td>
</tr>
</tbody>
</table>

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

The operator submitted a sundry notice of intent to plug and abandon this well location on 11/4/2010. The sundry notice is currently pending at the BLM. Kerr-McGee acquired this well in January 2010 from EOG. This well had a prior condition of approval to have this location plugged and abandoned by 12/31/2010. Kerr-McGee requests authorization to extend this plug and abandonment deadline for one year. Please see the attachment for additional details for the extension request.

This issue was discussed between Brad Laney (PE Kerr-McGee) and Mike Lee (PE BLM Vernal) on 11/23/2010.

Accepted by the Utah Division of Oil, Gas and Mining

For Record Only

---

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

Electronic Submission #98633 verified by the BLM Well Information System

For KERR-MCGEE OIL & GAS

ONSHORE, sent to the Vernal

Name (Printed/Typed) DANIELLE E PIERNOT

Title REGULATORY ANALYST I

Signature (Electronic Submission)

Date 12/06/2010

---

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

Approved By

Title

Date

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

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

---

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

---

** RECEIVED **

DEC 14 2010

BY OFFICE OF OIL GAS & MINING
Request for extension to P&A the Natural Cotton 32-21:

The Natural Cotton 32-21 (API 43-047-34584) well was obtained from EOG in January of 2010. Anadarko has spent much time during the year converting the EOG gas wells to the Anadarko wet gas gathering system by decommissioning the dehys and converting gathering lines from high pressure to low pressure. Since this well was a stripper oil well, no conversion work was done and the well was not evaluated.

The attached production history from the UDOG website shows that during the last 6 months of production (4/04 to 10/04), the well averaged 6.6 BOPD, 2 MCFD, and 2.3 BWPD. Anadarko would like to test this well to determine if this well would be suitable for technology like a casing plunger or a hydraulic lift unit. Due to the heavy black oil that this well produces testing is difficult during winter months.

Therefore, Anadarko respectfully requests a one year extension to the plugging COA from an EOG submittal of 12/31/2010. If this attempt is not economical to return this well to production the well will be plugged by 12/31/2011. It should also be noted that Anadarko has submitted a recent procedure for the plugging of this well.

This plan was discussed with BLM Petroleum Engineer Mike Lee on 11/23/2010.
The subject well was obtained from EOG in January 2010. The operator would like to test the well with the hydraulic pumping unit technology based on the results of the Natural Cotton 34-12 well. At this time the operator requests a 1 year extension on the Plug and Abandonment requirements. Please see attachment. Thank you.

Accepted by the
Utah Division of
Oil, Gas and Mining

Date: 12/20/2011
By: [Signature]

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<td>Approximate date work will start: 11/28/2011</td>
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<tr>
<td>✓ SUBSEQUENT REPORT</td>
<td>CHANGE TO PREVIOUS PLANS</td>
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<td>Date of Work Completion:</td>
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<td>✓ SPUD REPORT</td>
<td>CHANGE WELL STATUS</td>
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<td>PRODUCTION START OR RESUME</td>
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<tr>
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<td>WATER SHUTOFF</td>
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<tr>
<td>✓ OTHER</td>
<td>OTHER: Plug and Abandon Ext</td>
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11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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

NAME (PLEASE PRINT) | PHONE NUMBER | TITLE |
Jaime Scharnowske    | 720 929-6304  | Regulatory Analyst |

SIGNATURE | DATE |
N/A       | 11/28/2011 |
Request for extension to P&A the Natural Cotton 32-21

The Natural Cotton 32-21 (API 43-047-34584) well was obtained from EOG in January of 2010. The attached production history from the UDOGM website shows that during the last 6 months of production (4/04 to 10/04), the well averaged 6.6 BOPD, 2MCFD, and 2.3 BWPD. Anadarko would like to test this well with the hydraulic pumping unit technology based on the production results of the Natural Cotton 34-21.

The Natural Cotton 34-21 (API 43-047-32426) started production with a hydraulic pumping unit on 11/17/2011. Due to the heavy black oil that this well produces, testing is difficult during the winter months. Therefore, Anadarko respectfully requests a one year extension to the plugging COA from 12/31/2011. Based on the results of the Natural Cotton 34-21, if this attempt is not economical this well will be plugged by 12/31/2012.

This plan was discussed with BLM petroleum engineers Mike Lee and Robin Hansen on 11/21/2011.
Kerr-McGee Oil & Gas Onshore, LP respectfully requests to plug and abandon the Natural Cotton 32-21 well. Please see the attached procedure for details. Thank you.

Date: October 28, 2015

By: [Signature]

Please Review Attached Conditions of Approval
Sundry Conditions of Approval Well Number 43047345840000

Add Plug #1A: A 200' plug (±17 sx) shall be balanced from ±3400' to 3200'. This will isolate the base of the Parachute Creek Member as required by Cause 190-5(B).
Natural Cotton 32-21
1738’ FNL & 1750’ FEL
SWNE SEC. 21, T9S, R21E
Uintah County, UT

KBE: 4892’
GLE: 4874’
TD: 5011’
PBTD: 4987’

API NUMBER: 4304734584
LEASE NUMBER: UTU0576
LAT/LONG: 40.024071/-109.553549

CASING: 12.25” hole
8.625” 24# J-55 @ 245’ GL
Cemented with 160 sx Class G, TOC @ Surface

7.875” hole
4.5” 10.5# J-55 @ 5011’
Cemented with 730 sx, TOC @ 670’ per CBL

PERFORATIONS: Green River 4595’-4774’

TUBING: 2 3/8” 4.7# J-55 @ 4762’

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<tr>
<th>Tubular/Borehole</th>
<th>Drift inches</th>
<th>Collapse psi</th>
<th>Burst psi</th>
<th>Capacities</th>
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<td>Gal./ft.</td>
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<tr>
<td>2.375” 4.7# J-55 tbg.</td>
<td>1.901</td>
<td>8100</td>
<td>7700</td>
<td>0.1624</td>
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<tr>
<td>4.5” 10.5# J-55</td>
<td>3.833</td>
<td>5720</td>
<td>2950</td>
<td>2.6749</td>
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<tr>
<td>8.625” 24# J-55</td>
<td>8.097</td>
<td>1370</td>
<td>2950</td>
<td>2.6749</td>
</tr>
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</table>

Annular Capacities

|                  |              |              |           | Bbl./ft.   |
| 2.3/8” tbg. X 4 1/2” csg | 0.4226 | 0.0565 | 0.01006 |
| 4.5” csg X 8 5/8” 24# csg | 1.8487 | 0.2471 | 0.044 |
| 4.5” csg X 7.7/8 borehole | 1.704 | 0.2278 | 0.0406 |
| 8.5/8” csg X 12 1/4” borehole | 3.0874 | 0.4127 | 0.0735 |

GEOLOGIC INFORMATION:

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<tr>
<th>Formation</th>
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<td>Surface</td>
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<td>Green River</td>
<td>1647’</td>
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<tr>
<td>Mahogany</td>
<td>2457’</td>
</tr>
<tr>
<td>Parachute</td>
<td>3347’</td>
</tr>
<tr>
<td>Wasatch</td>
<td>5014’</td>
</tr>
</tbody>
</table>

BMSW:
BMSW Depth ~230’ GLE
NATURAL COTTON 32-21 PLUG & ABANDONMENT PROCEDURE

GENERAL
- H2S MAY BE PRESENT. CHECK FOR H2S AND TAKE APPROPRIATE PRECAUTIONS.
- CEMENT QUANTITIES BELOW ASSUME NEAT CLASS G, YIELD 1.145 CUFT./SX. IF A DIFFERENT PRODUCT IS USED, WELLSITE PERSONNEL ARE RESPONSIBLE FOR CORRECTING QUANTITIES TO YIELD THE STATED SLURRY VOLUME. WHEN SQUEEZING, INCLUDE 10% EXCESS PER 1000’ OF DEPTH.
- TREATED FRESH WATER WILL BE PLACED BETWEEN ALL PLUGS INSTEAD OF BRINE.
- ALL DISPLACEMENT FLUID SHALL CONTAIN CORROSION INHIBITOR AND BIOCIDE. PREMIX 5 GALLONS PER 100 BBLS FLUID.
- NOTIFY APPROPRIATE AGENCY 24 HOURS BEFORE MOVING ON LOCATION.
- A GPS READING WILL NEED TO BE TAKEN AT THE WELL SITE AND RECORDED IN OPENWELLS. PLEASE TAKE IT TO THE 6TH DECIMAL PLACE.

PROCEDURE
Note: Approx. 119 sx Class “G” cement needed for procedure & (1) 4.5” CIBP
Note: No gyro survey on record for this wellbore.

1. A GPS READING WILL NEED TO BE TAKEN AT THE WELL SITE AND RECORDED IN OPENWELLS. PLEASE TAKE IT TO THE 6TH DECIMAL PLACE.

2. MIRU. KILL WELL AS NEEDED. ND WH, NU AND TEST BOPE.

3. POOH W/ TBG & L/D SAME. RU WIRELINE AND MAKE A GAUGE RING RUN TO CHECK FOR FILL. RUN GYRO SURVEY.

4. PLUG #1, ISOLATE GREEN RIVER (4595'-4774') PERFORATIONS: RIH W/ 4 ½” CIBP. SET @ ~4540’. RELEASE CIBP, PUH 10’, BRK CIRC W/ TREATED FRESH WATER. DISPLACE A MINIMUM OF 8.96 CUFT/ 8 SX ON TOP OF PLUG. PUH ABOVE TOC (~4440’). REVERSE CIRCULATE W/ TREATED WATER (~42.8 BBLS).

5. PLUG #2, PROTECT GREEN RIVER (1647’): PUH TO ~1750’. BRK CIRC W/ FRESH WATER. DISPLACE 18.795 CUFT /17 SX AND BALANCE PLUG W/ TOC @ ~1540’ (210’ COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ TREATED WATER (~19.7 BBLS).

6. BACKSIDE SQUEEZE (300’): POOH AND RIG UP WIRELINE. RIH WITH PERF GUNS FOR 4.5” CASING @ 4 SPF/ 4’ GUN. PERFORATE CASING AT ~300’ (TOC @ ~670’). POOH AND CONTROL WELL WITH FRESH WATER AS NECESSARY. POOH AND RIG DOWN WIRELINE. RIH WITH TUBING AND PUMP ~70 SX (300’) OR UNTIL RETURNS ARE SEEN AT SURFACE.

7. PLUG #3, PROTECT TOP OF BMSW (~230’) AND SURFACE HOLE: BRK CIRC W/ FRESH WATER. DISPLACE 26.85 CUFT /24 SX (OR UNTIL RETURNS ARE SEEN AT SURFACE) (300’ COVERAGE).
Sundry Number: 67242 API Well Number: 43047345840000

APC 206 2/01

PROJECT COMPUTATIONS

DATE PROJECT JOB NO. SUBJECT

BY CHK.:

1. Total GR prof. +1400 (4595-4774) and 100' Clear

\[(100') \times 0.0565 \approx 5.65 \text{ bbls} \]

2. H2O: 4440-1750

\[2680 \times 0.057 = 152.8 \text{ bbls} \]

3. NZL: Green River prof. (4760-1540)

\[2400 \times 0.0675 = 163.5 \text{ bbls} \]

4. Mahogany 2417

5. Packer 33417

6. Squeeze holecheck shot 5,000 300 - 500

\[500 \times 22.7 \times \frac{17.5}{115} = 115 \text{ bbls} \]

\[245 \times 2471 \times \frac{60.54}{115} = 93 \text{ bbls} \]

\[64 \times 1.1 = 70 \text{ bbls} \]

\[300 \times 0.055 = \frac{26.55}{1.15} = 23 \text{ bbls} \]

Total = 119 bbls

Water = 162.5 bbls
Kerr-McGee Oil & Gas Onshore, LP has plugged and abandoned the NATURAL COTTON 32-21 well. Please see the operations summary report for details. Thank you.
## Operation Summary Report

### Well: NATURAL COTTON 32-21

**Site:** NATURAL COTTON 32-21  
**Rig name no.:** MILES 2/2

**Event:** ABANDONMENT  
**Start date:** 2/17/2016  
**End date:** 2/18/2016

**Active datum:** RKB @ 15.00 usft (above Mean Sea Level)

### Operation Log

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<thead>
<tr>
<th>Date</th>
<th>Time Start-End</th>
<th>Duration (hr)</th>
<th>Phase Code</th>
<th>Sub Code</th>
<th>P/U</th>
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<td>P</td>
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<td>7:15 - 8:00</td>
<td>0.75</td>
<td>ABANDP</td>
<td>30</td>
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<td>MIRU</td>
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<td></td>
<td>8:00 - 13:00</td>
<td>5.00</td>
<td>ABANDP</td>
<td>39</td>
<td>B</td>
<td></td>
<td>FLUSH RODS W/ HOT OILER, UNSEAT PUMP, TOOH &amp; LD RODS, (56 7/8&quot; RODS &amp; 132 5/8&quot; RODS)</td>
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<td>13:00 - 15:30</td>
<td>2.50</td>
<td>ABANDP</td>
<td>30</td>
<td>F</td>
<td></td>
<td>ND WH, NU BOP'S, RU FLOOR &amp; C/O ROD EQUIP TO TBG EQUIP</td>
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<tr>
<td></td>
<td>15:30 - 18:00</td>
<td>2.50</td>
<td>ABANDP</td>
<td>31</td>
<td>I</td>
<td></td>
<td>MIRU SCAN TECH, TOOH &amp; SCAN 135 JTS 2-3/8&quot; TBG, SWI, FINISH SCANNING IN THE A.M., SDFN</td>
</tr>
<tr>
<td>2/18/2016</td>
<td>7:00 - 7:15</td>
<td>0.25</td>
<td>ABANDP</td>
<td>48</td>
<td></td>
<td></td>
<td>HSM, JSA</td>
</tr>
<tr>
<td></td>
<td>7:15 - 8:30</td>
<td>1.25</td>
<td>ABANDP</td>
<td>31</td>
<td>I</td>
<td></td>
<td>TOOH &amp; FINISH SCANNING TBG</td>
</tr>
<tr>
<td></td>
<td>8:30 - 10:00</td>
<td>1.50</td>
<td>ABANDP</td>
<td>34</td>
<td></td>
<td></td>
<td>MIRU CUTTERS WIREFILE &amp; MS ENERGY, RUN GYRO SURVEY, RD MS ENERGY</td>
</tr>
<tr>
<td></td>
<td>10:00 - 11:30</td>
<td>1.50</td>
<td>ABANDP</td>
<td>34</td>
<td>I</td>
<td></td>
<td>RIH W/ GAUGE RING, POOH &amp; LD GAUGE, P/J CIBP, RIH &amp; SET CIBP @ 4540', POOH &amp; RD CUTTERS</td>
</tr>
<tr>
<td></td>
<td>11:30 - 15:00</td>
<td>3.50</td>
<td>ABANDP</td>
<td>31</td>
<td>I</td>
<td></td>
<td>P/U TBG &amp; TIH, TALLY &amp; DRIFT TO CIBP @ 4540', FILL CSG W/ T-MAC, PRESSURE TEST CSG TO 500#, SWI, SDFWE 11:30 - 15:00 3.50 ABANDP 31 P - TUBING I - TRIPPING</td>
</tr>
<tr>
<td>2/22/2016</td>
<td>7:00 - 7:15</td>
<td>0.25</td>
<td>ABANDP</td>
<td>48</td>
<td>P</td>
<td></td>
<td>HSM W/ PRO PETRO</td>
</tr>
<tr>
<td></td>
<td>7:15 - 17:00</td>
<td>9.75</td>
<td>ABANDP</td>
<td>51</td>
<td>D</td>
<td></td>
<td>MIRU PRO PETRO, PRESSURE TEST CSG TO 500#, #1 START FRESH WTR, MIX &amp; PUMP 10 SX @ 15.8PPG, DISPLACE W/ T-MAC, PUH TO 3400' #2 START FRESH WTR, MIX &amp; PUMP 20 SX @ 15.8PPG, DISPLACE W/ T-MAC, PUH TO 1750' #3 START FRESH WTR, MIX &amp; PUMP 20 SX @ 15.8PPG, DISPLACE W/ T-MAC, TOOH &amp; LD TBG #4 MIRU CUTTERS WIREFILE, RIH W/ PERF GUN COUND NOT GET PAST 150' TO MUCH COLD OIL, POOH W/ WIREFILE, T1H W/ 3-7/8&quot; MILL TO 380', MIRU HOT OILER, CIRC CSG W/ HOT WTR, TOOH &amp; LD TBG, RIH &amp; PERF CSG @ 300', POOH RD CUTTERS, MIX &amp; PUMP 150SX @ 15.8PPG &amp; CIRC TO SURFACE, ND BOP'S, NU WH, RD RIG, DIG AROUND WH, CUT WH OFF, TOP OFF 4-1/2' TO SURFACE, WELD ON MARKER PLATE, SDFN</td>
</tr>
</tbody>
</table>

**3/3/2016 9:10:53AM**

**RECEIVED: Mar. 03, 2016**