

EOG Resources, Inc.
P.O. 1910
Vernal, UT 84078

November 23, 2005

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

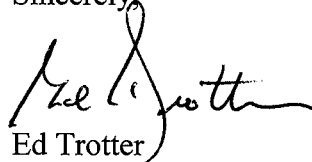
RE: APPLICATION FOR PERMIT TO DRILL
CHAPITA WELLS UNIT 690-34
SW/SE, SEC. 34, T9S, R23E
UINTAH COUNTY, UTAH
LEASE NO.: U-37943
FEDERAL LANDS

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

CWU 690-34 B

RECEIVED
DEC 02 2005
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

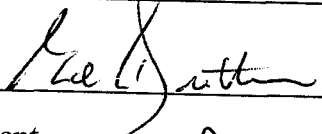
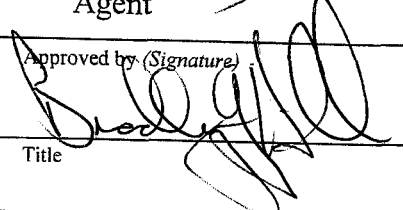
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-37943	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator EOG RESOURCES, INC.		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNIT	
3a. Address P.O. BOX 1815 VERNAL, UT 84078		8. Lease Name and Well No. CHAPITA WELLS UNIT 690-34	
3b. Phone No. (Include area code) (435)789-0790		9. API Well No. 43-047-37459	
4. Location of Well (Report location clearly and in accordance with any State requirements.*) At surface 696' FSL, 2065' FEL 644265X 39.987172 SW/SE At proposed prod. Zone 4427491Y -109.310316		10. Field and Pool, or Exploratory NATURAL BUTTES	
14. Distance in miles and direction from nearest town or post office* 24 MILES SOUTHEAST OF OURAY, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area SEC. 34, T9S, R23E, S.L.B.&M.	
15. Distance from proposed* location to nearest property or lease line, ft. 696' (Also to nearest drig. Unit line, if any)	16. No. of Acres in lease 600	12. County or Parish UINTAH	13. State UTAH
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C	19. Proposed Depth 6685'	17. Spacing Unit dedicated to this well	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5337.3 FEET GRADED GROUND	22. Approximate date work will start* UPON APPROVAL	20. BLM/BIA Bond No. on file NM-2308	
24. Attachments		23. Esti mated duration 45 DAYS	

Attachments

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

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

25. Signature 	Name (Printed/Typed) Ed Trotter	Date November 23, 2005
Title Agent		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL ENVIRONMENTAL SCIENTIST III	Date 12-05-05
Title	Office	

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, are attached.

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

*(Instructions on page 2)

**Federal Approval of this
Action is Necessary**

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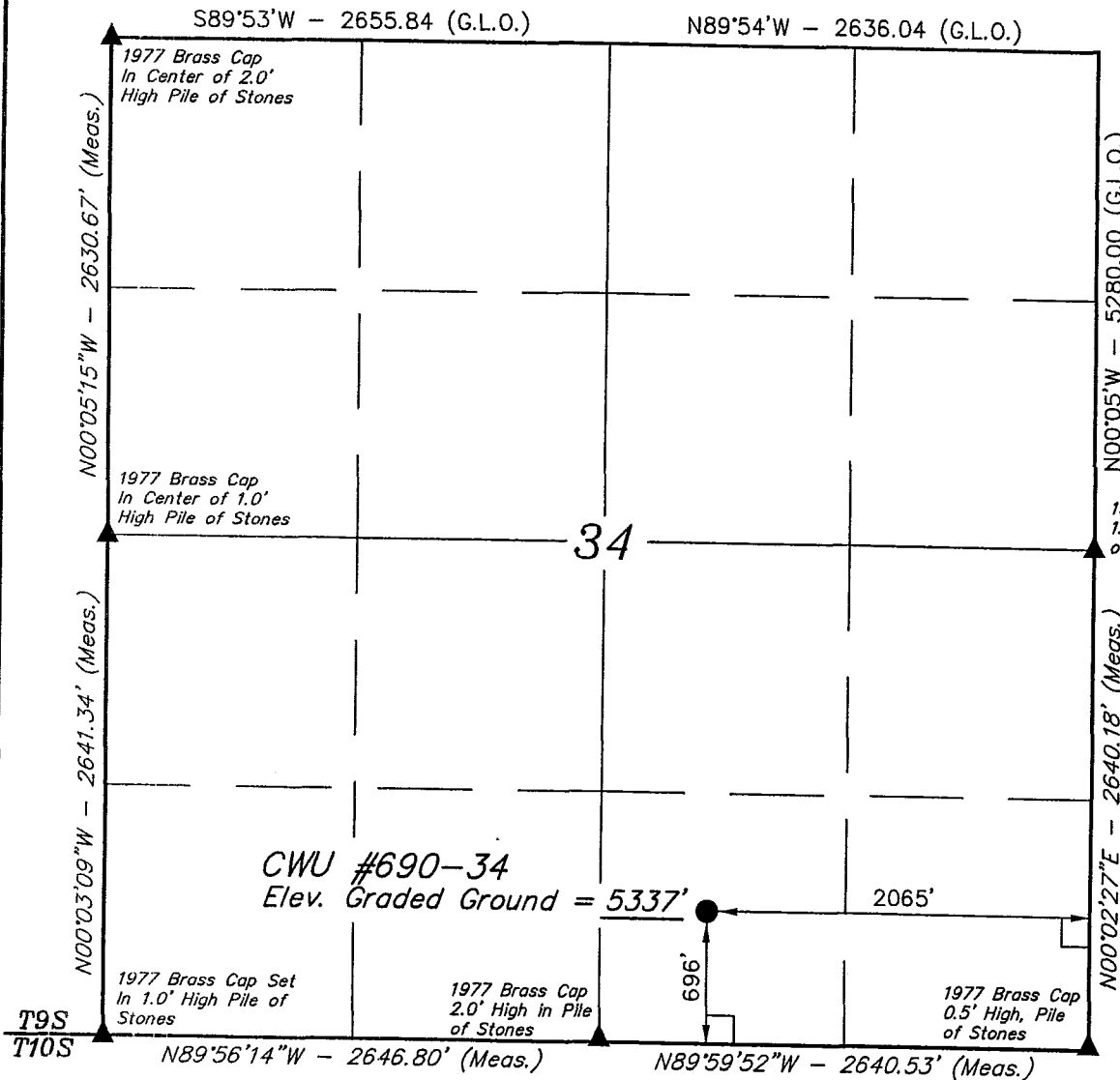
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DIV. OF OIL, GAS & MINING

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

EOG RESOURCES, INC.

Well location, CWU #690-34, located as shown in the SW 1/4 SE 1/4 of Section 34, T9S, R23E, S.L.B.&M. Uintah County, Utah.

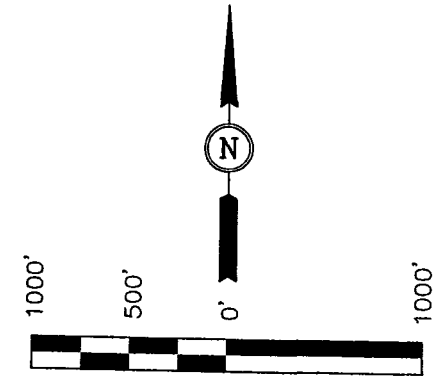


BASIS OF ELEVATION

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

BASIS OF BEARINGS

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



CERTIFICATE

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

Robert H. Gray

REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

LEGEND:

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

(NAD 83)
 LATITUDE = 39°59'13.61" (39.987114)
 LONGITUDE = 109°18'39.58" (109.310994)
 (NAD 27)
 LATITUDE = 39°59'13.73" (39.987147)
 LONGITUDE = 109°18'37.14" (109.310317)

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

SCALE 1" = 1000'	DATE SURVEYED: 7-8-05	DATE DRAWN: 7-11-05
PARTY G.S. T.B. K.G.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN
CHAPITA WELLS UNIT 690-34
SW/SE, SEC. 34, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

FORMATION	DEPTH (KB)
Green River FM	1,373'
C-Zone	1,681'
Mahogany Oil Shale Bed	2,006'
Middle Carb Bed	2,729'
Castle Peak MBR	3,834'
Uteland Butte MBR	4,091'
Wasatch	4,196'
Chapita Wells	4,784'
Buck Canyon	5,522'
North Horn	6,079'
Island	6,356'

EST. TD: 6,685' or 200' ± below Island Top

Anticipated BHP: 3,300 Psig

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

3. PRESSURE CONTROL EQUIPMENT: Production Hole - 3,000 Psig
 BOP Schematic Diagram attached.

4. CASING PROGRAM:

	<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
Surface	12-1/4"	0' - 500'KB±	9-5/8"	36.0#	J-55	STC	2020 Psi	3520 Psi	394,000#
Production:	7-7/8"	500'± - TD	4-1/2"	11.6#	J-55	LTC	4960 Psi	5350 Psi	162,000#

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0 - 500' ± Below GL):

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1 - 5-10' above shoe, every collar for next 3 joints (4 total).

Production Hole Procedure (500' ± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, J-55 or equivalent marker collars or short casing joints to be placed 1000' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (15± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

EIGHT POINT PLAN
CHAPITA WELLS UNIT 690-34
SW/SE, SEC. 34, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

6. **MUD PROGRAM:**

Surface Hole Procedure (0 - 500' ± below GL):

Air/air mist or aerated water

Production Hole Procedure (500' ± - TD):

Anticipated mud weight 9.0 – 9.5 ppg depending on actual wellbore condition encountered while drilling.

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

7. **VARIANCE REQUESTS:**

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

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

8. **EVALUATION PROGRAM:**

Logs: Mud log from base of surface casing to TD.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

9. **CEMENT PROGRAM:**

Surface Hole Procedure (0-500' ± Below GL)

Lead: 275 sks. (100% excess volume) Class 'G' cement with 2% S1 (CaCl₂) & 0.25 pps D29 (cellophane flakes), mixed at 15.8 ppg, 1.16 ft³/sk., 4.95 gps water.

Top Out: Top out with Class 'G' cement with 2% S1 (CaCl₂) in mix water, 15.8 ppg, 1.16 ft³/sk., 4.95 gps via 1" tubing set at 25' if needed.

Install 6' x 4' cellar ring, drill rat and mouse holes with spud rig.

Note: **Cement volumes will be calculated to bring cement to surface.**

EIGHT POINT PLAN
CHAPITA WELLS UNIT 690-34
SW/SE, SEC. 34, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

CEMENT PROGRAM (Continued):

Production Hole Procedure (500' ± to TD)

Lead: 258 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: 520 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.
Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 500'±):

Lost circulation

Production Hole (500'± - TD):

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

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

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

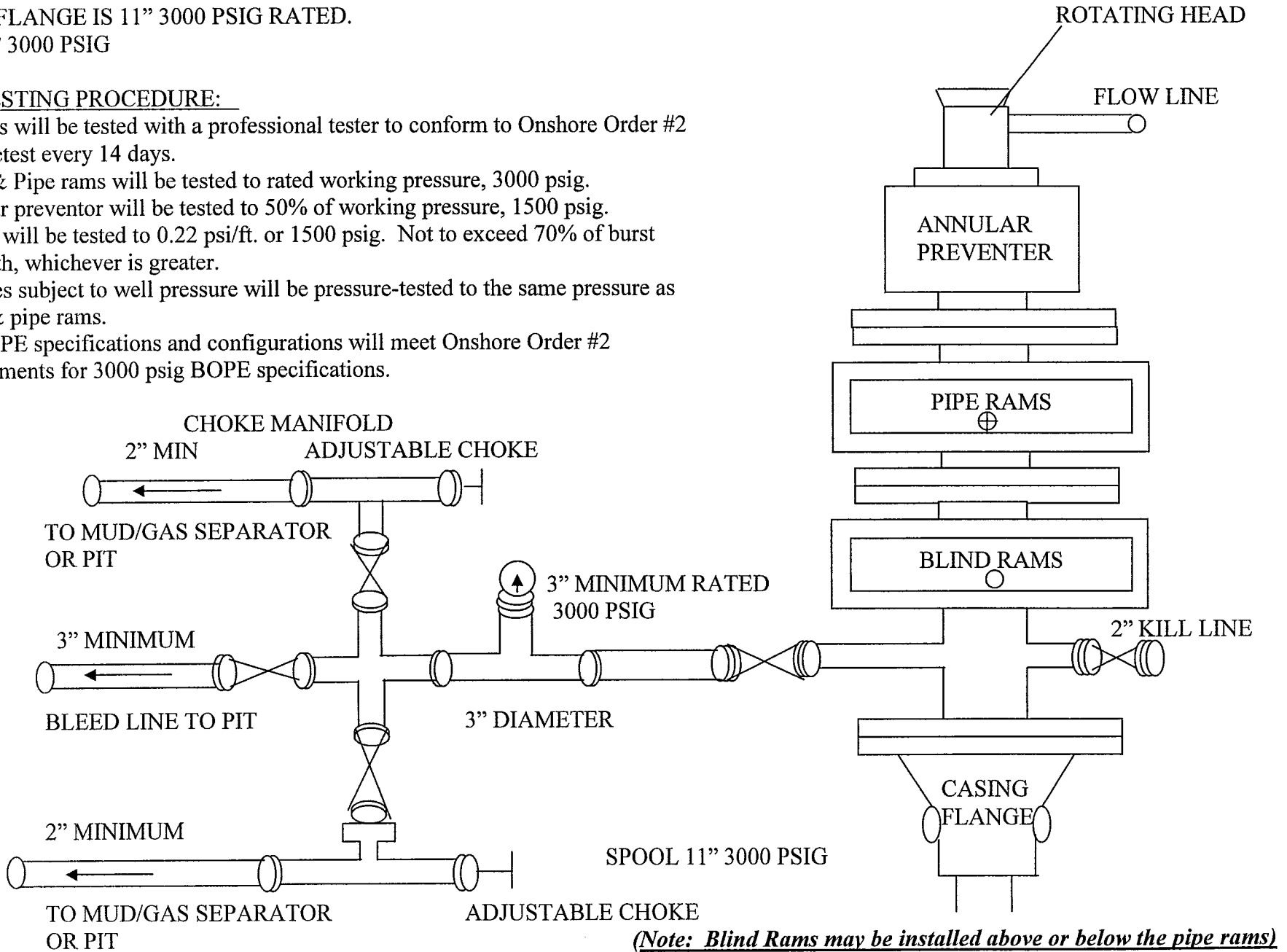
(Attachment: BOP Schematic Diagram)

3000 PSIG DIAGRAM

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.



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

Company/Operator: EOG Resources, Inc.
Well Name & Number: Chapita Wells Unit 690-34
Lease Number: U-37943
Location: 696' FSL & 2065' FEL, SW/SE, Sec. 34,
T9S, R23E, S.L.B.&M., Uintah County, Utah
Surface Ownership: Federal

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.

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 24 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 0.1 mile 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. **Culverts will be installed in the access road as necessary.** No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface. **The access road will be crowned, ditched and graveled.**
- H. No gates, cattleguards, or fences will be required or encountered.

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

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 - 14*

(*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 wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
2. Gas gathering lines - A 4" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. 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.

The production facilities will be placed on the Southwest 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, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. 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 contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. **LOCATION & TYPE OF WATER SUPPLY**

- A. Water supply will be from Ouray Municipal Water 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 Federal 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 BLM administered land:

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

The reserve pit shall be lined with felt and a 12 mill plastic liner.

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.

D. The approved seed mixture for this location is:

Needle and Thread Grass – 6 pounds per acre

Hi-Crest Crested Wheat Grass – 6 pounds per acre.

The final abandonment seed mixture for this location is:

Wyoming Big Sage – 3 pounds per acre

Needle & Thread Grass – 3 pounds per acre

Hi-Crest Crested Wheat Grass – 1 pound per acre

Winter Fat – 1 pound per acre.

The reserve pit will be located on the Southwest corner of the location.

The flare pit will be located downwind of the prevailing wind direction on the West side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled location topsoil will be stored between Corners #2 and #4.

Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the North.

Corners #2 & #6 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 clean-up.

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

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

B. DRY HOLE/ABANDONED LOCATION

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

11. SURFACE OWNERSHIP

Access road: Federal

Location: Federal

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 BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

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

Additional Surface Stipulations

The access road will be crowned, ditched, and graveled.

Culverts will be installed in the access road as needed.

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Telephone: (435)789-4120
Fax: (435)789-1420

DRILLING OPERATIONS

Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
Telephone: (307)276-4865

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.

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.

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Chapita Wells Unit 690-34 Well, located in the SW/SE of Section 34, T9S, R23E, Uintah County, Utah; Lease #U-37943;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

Date

11-23-2005

Agent



EOG RESOURCES, INC.
CWU #690-34
SECTION 34, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 4.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 1.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE CWU #878-34 AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 55.0 MILES.

EOG RESOURCES, INC.

CWU #690-34

LOCATED IN UINTAH COUNTY, UTAH
SECTION 34, T9S, R23E, S.L.B.&M.

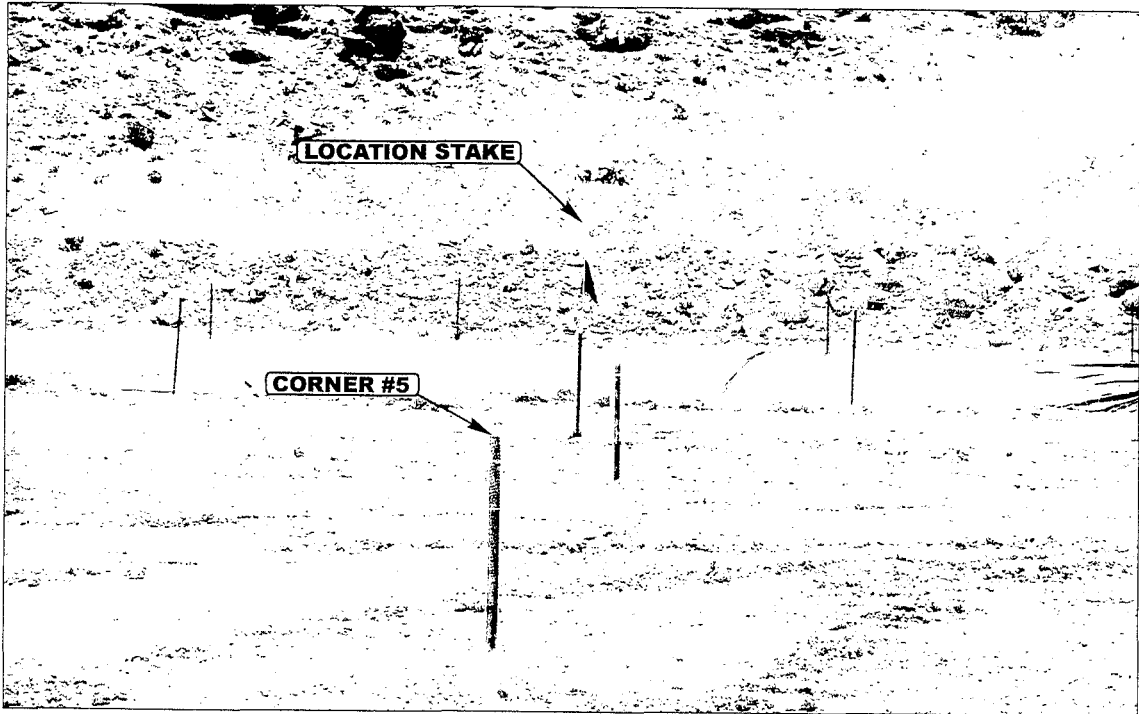


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY

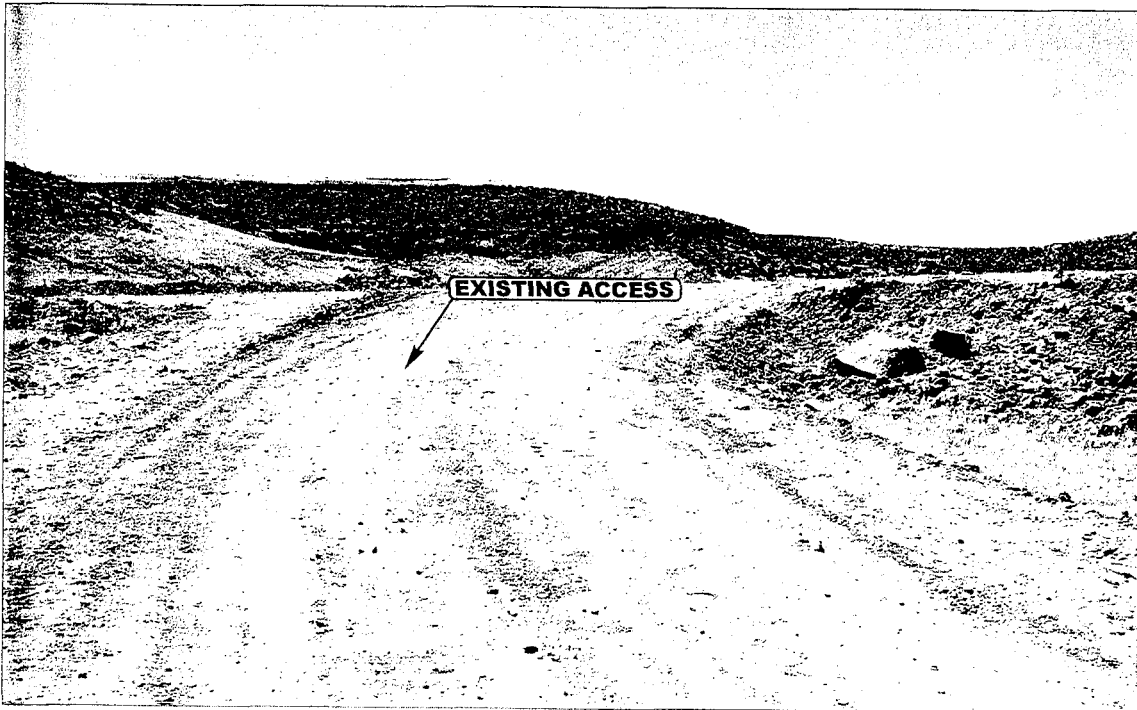


PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

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

LOCATION PHOTO	07	12	05	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: T.B.	DRAWN BY: S.L.		REVISED: 00-00-00	

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

CWU #690-34
SECTION 34, T9S, R23E, S.L.B.&M.
696' FSL 2065' FEL

Approx.
Toe of
Fill Slope

C-2.6'
El. 39.9'

Sta. 3+25

SCALE: 1" = 50'
DATE: 7-11-05
Drawn By: K.G.

F-5.4'
El. 31.9'

Proposed Access
Road

Existing Access
Road

Existing Topsoil
Stockpile to be
Moved

Existing Reserve Pit
Backfill & Spoils
Stockpile

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

Existing CWU
#878-34 Pad

Anchor
(Typ.)

PIPE RACKS

GRADE
El. 37.3'

F-0.2'
El. 37.1'

El. 36.7'
C-11.4'
(btm. pit)

FLARE PIT
20' WIDE BENCH
46'

F-0.1'
El. 37.2'

DOG HOUSE

Sta. 1+50

C-3.4'
El. 40.7'

Reserve Pit Backfill
& Spoils Stockpile

15' WIDE BENCH/DIKE

Total Pit Capacity
W/2' Of Freeboard
= 12,250 Bbls. ±
Total Pit Volume
= 3,320 Cu. Yds.

RESERVE PITS
(12' Deep)

SLOPE = 1-1/2 : 1

40.04'
S19°44'10"W

Existing
CWU #878-34

Existing Pit
to be Re-Habed

TRAILER

Approx.
Top of
Cut Slope

PUMP

MUD TANKS

MUD SHED

HOPPER

POWER

TOOLS

FUEL

TOILET

FUEL

Sta. 0+50

TRASH

150'

C-0.1'
El. 37.4'

Round Corners
as needed

STORAGE
TANK

Sta. 0+00

El. 37.4'
C-12.1'
(btm. pit)

C-0.2'
El. 37.5'

Topsoil Stockpile

C-8.4'
El. 45.7'

NOTES:

FINISHED GRADE ELEV. AT LOC. STAKE = 5337.3'

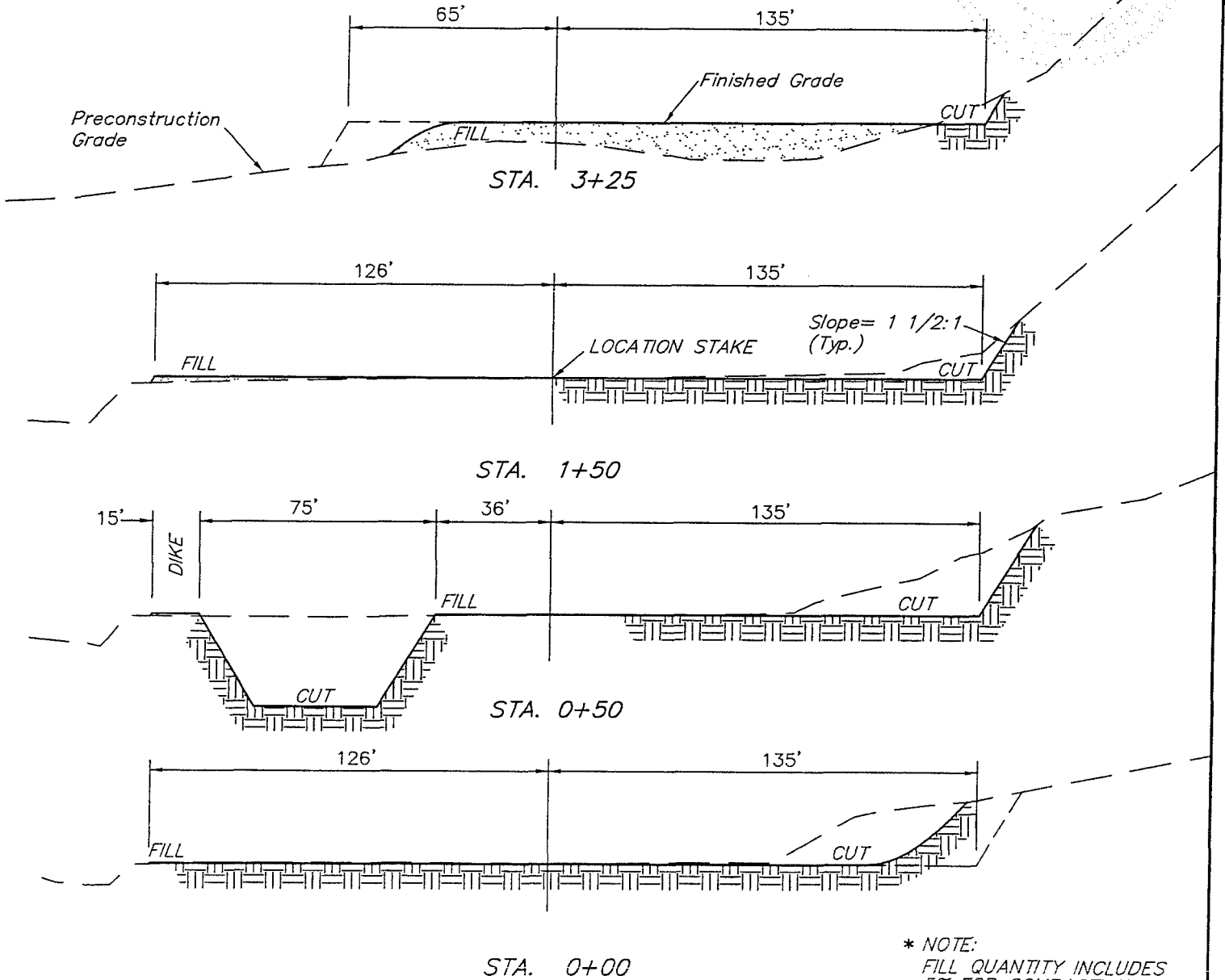
FIGURE #1

TYPICAL CROSS SECTIONS FOR

CWU #690-34
SECTION 34, T9S, R23E, S.L.B.&M.
696' FSL 2065' FEL

1" = 20'
X-Section
Scale
1" = 50'

DATE: 7-11-05
Drawn By: K.G.

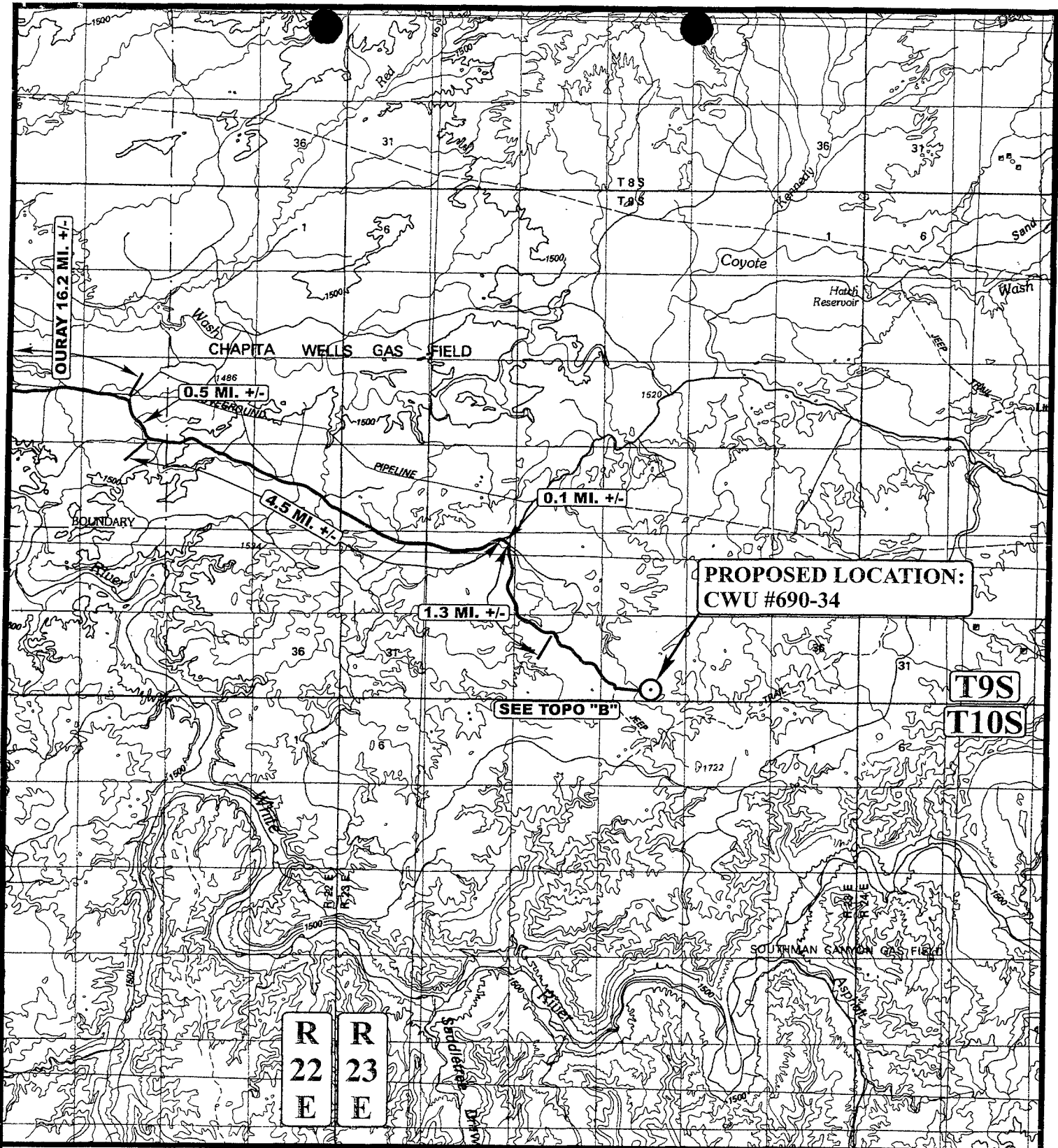


* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT		
(6") Topsoil Stripping	=	690 Cu. Yds.
(New Construction Only)		
Remaining Location	=	5,540 Cu. Yds.
TOTAL CUT	=	6,230 CU.YDS.
FILL	=	1,490 CU.YDS.

EXCESS MATERIAL	=	4,740 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	2,350 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	2,390 Cu. Yds.



LEGEND:

○ PROPOSED LOCATION



EOG RESOURCES, INC.

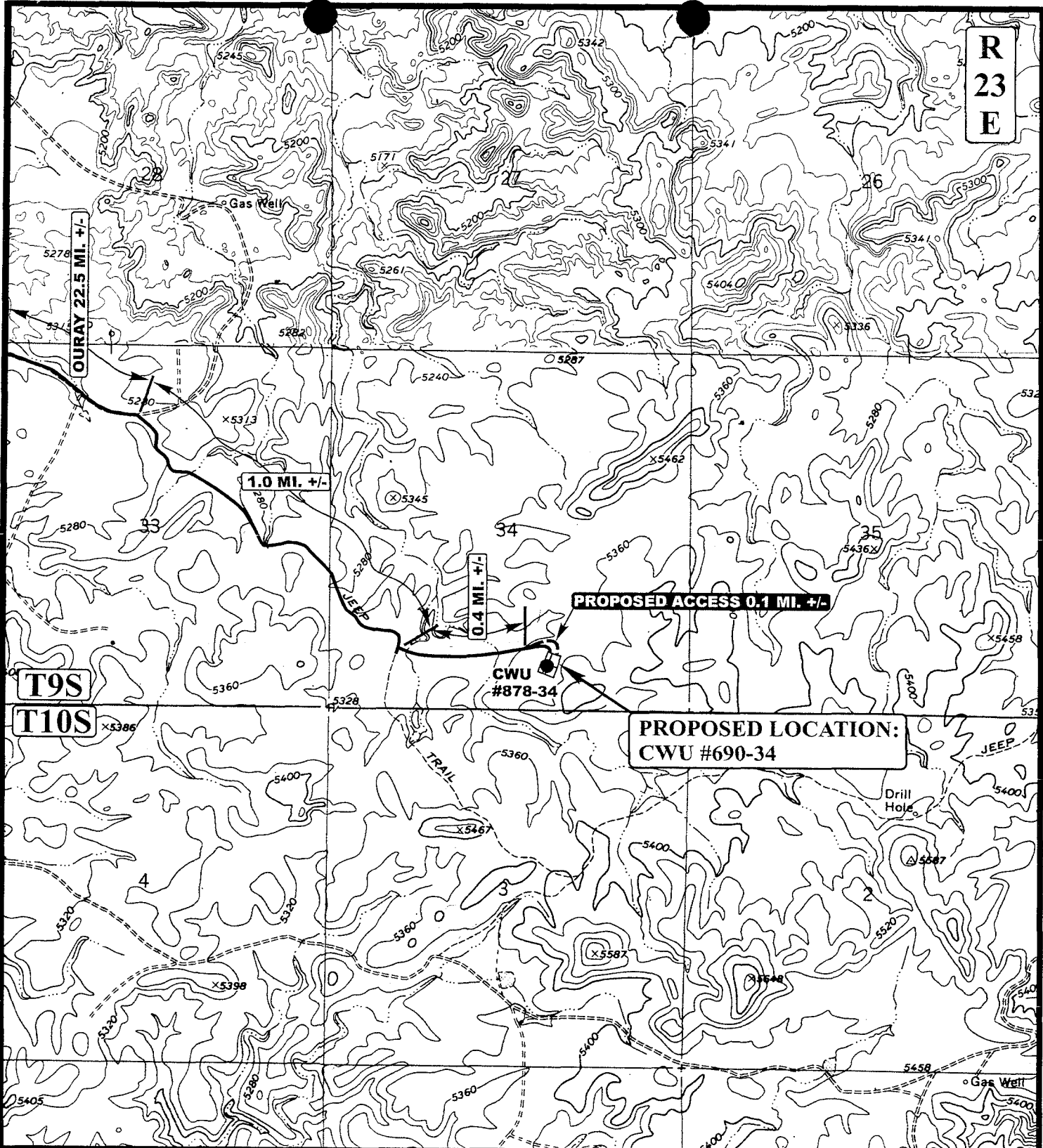
CWU #690-34
 SECTION 34, T9S, R23E, S.L.B.&M.
 696' FSL 2065' FEL

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

TOPOGRAPHIC MAP 07/12/05
 MONTH DAY YEAR
 SCALE: 1:100,000 DRAWN BY: S.L. REVISED: 00-00-00



R
23
E



LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



EOG RESOURCES, INC.

CWU #690-34
 SECTION 34, T9S, R23E, S.L.B.&M.
 696' FSL 2065' FEL



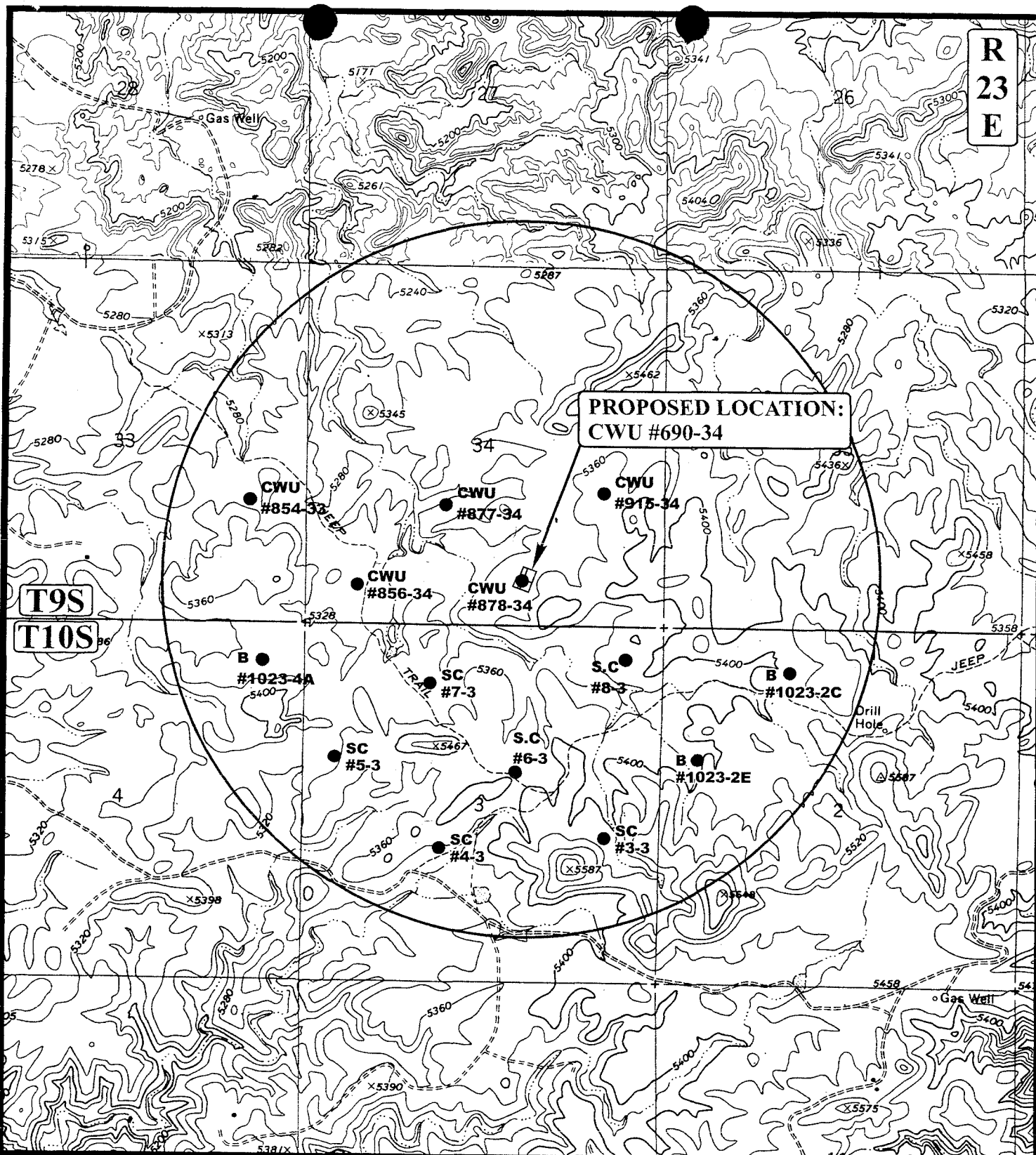
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 07/12/05
 MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: S.L. [REVISD: 00-00-00]



R
23
E

PROPOSED LOCATION:
CWU #690-34



LEGEND:

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

EOG RESOURCES, INC.

CWU #690-34
SECTION 34, T9S, R23E, S.L.B.&M.
696' FSL 2065' FEL



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



TOPOGRAPHIC 07/12/05
MAP MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: S.L. REVISED: 00-00-00



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 12/02/2005

API NO. ASSIGNED: 43-047-37459

WELL NAME: CWU 690-34
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

SWSE 34 090S 230E
 SURFACE: 0696 FSL 2065 FEL
 BOTTOM: 0696 FSL 2065 FEL
 UINTAH
 NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: U-37943
 SURFACE OWNER: 1 - Federal
 PROPOSED FORMATION: NHORN
 COALBED METHANE WELL? NO

LATITUDE: 39.98717
 LONGITUDE: -109.3103

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)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit CHAPITA WELLS
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 179-8
Eff Date: 8-10-99
Siting: Suspend General Siting
- R649-3-11. Directional Drill

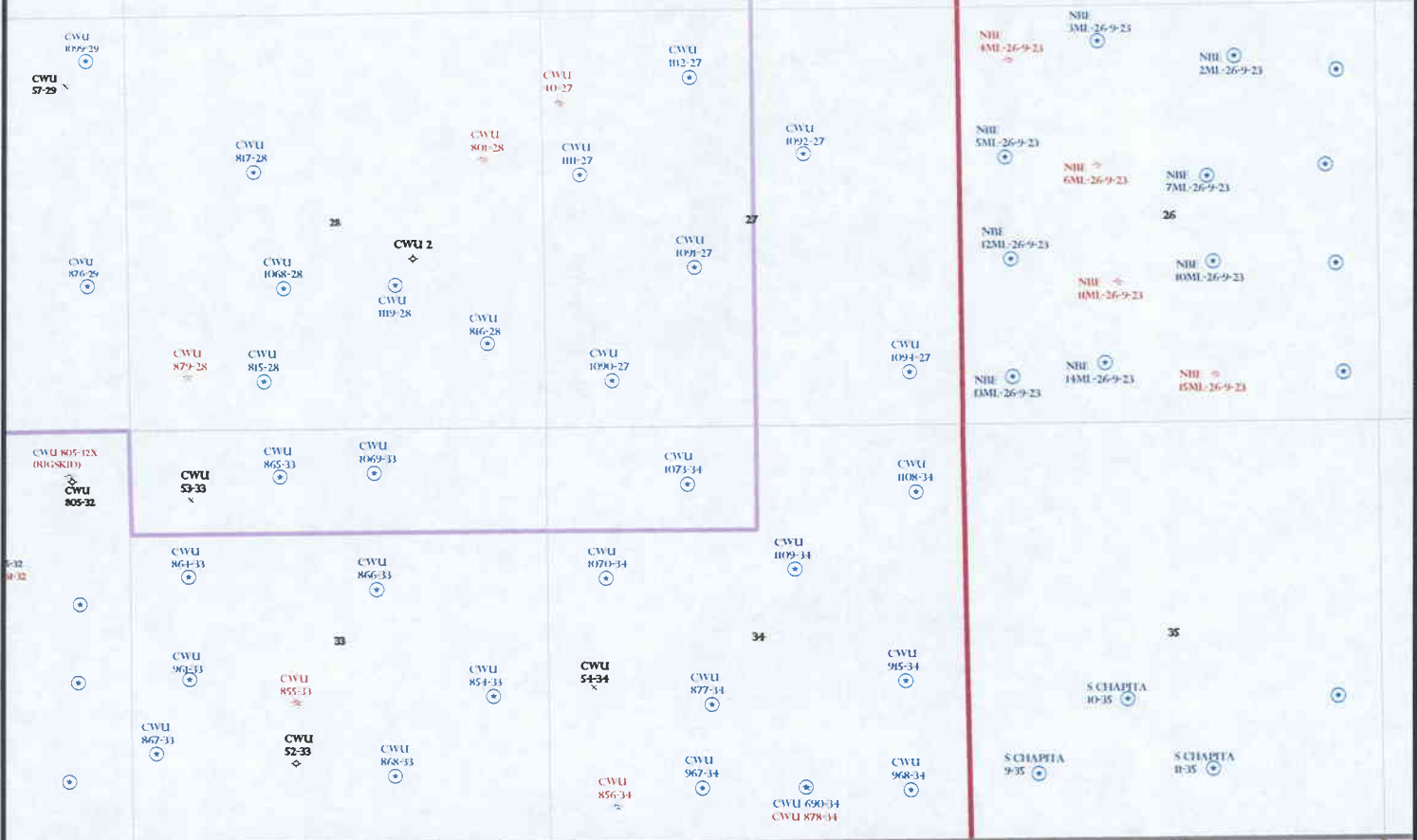
COMMENTS: _____

STIPULATIONS: 1- Feder Approved

T9S R23E

NATURAL BUTTES FIELD
CHAPITA WELLS UNIT
 CAUSE: 179-8 / 8-10-1999

FIELD



OPERATOR: EOG RESOURCES INC (N9550)
 SEC: 22,34 T. 9S R. 23E
 FIELD: NATURAL BUTTES (630)
 COUNTY: UINTAH
 CAUSE: 179-8 / 8-10-1999

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

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



PREPARED BY: DIANA WHITNEY
 DATE: 5-DECEMBER-2005

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

December 5, 2005

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2005 Plan of Development Chapita Wells Unit Uintah
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Chapita Wells Unit, Uintah County, Utah.

API#	WELL NAME	LOCATION
(Proposed PZ North Horn)		
43-047-37459	CWU 690-34 Sec 34 T09S R23E 0696 FSL 2065	FEL
43-047-37458	CWU 685-29 Sec 29 T09S R23E 0763 FSL 0587	FWL
(Proposed PZ Price River)		
43-047-37452	CWU 1156-1 Sec 01 T09S R22E 0826 FSL 0664	FWL
43-047-37454	CWU 1057-13 Sec 13 T09S R22E 0723 FSL 0331	FWL
43-047-37455	CWU 1157-14 Sec 14 T09S R22E 2417 FNL 0509	FEL
43-047-37456	CWU 1136-19 Sec 19 T09S R23E 0649 FNL 0964	FEL
43-047-37457	CWU 1095-22 Sec 22 T09S R23E 0855 FSL 0741	FWL
(Proposed PZ Castlegate)		
43-047-37453	CWU 3004-12GR Sec 12 T09S R22E 0823 FNL 1993	FEL

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

/s/ Michael L. Coulthard

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



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

December 5, 2005

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

Re: Chapita Wells Unit 690-34 Well, 696' FSL, 2065' FEL, SW SE, Sec. 34,
T. 9 South, R. 23 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37459.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

Operator: EOG Resources, Inc.
Well Name & Number Chapita Wells Unit 690-34
API Number: 43-047-37459
Lease: U-37943

Location: SW SE **Sec.** 34 **T.** 9 South **R.** 23 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NOV 30 2005

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: DRILL REENTER
1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

5. Lease Serial No.
U-37943

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.
CHAPITA WELLS UNIT

8. Lease Name and Well No.
CHAPITA WELLS UNIT 690-34

2. Name of Operator
EOG RESOURCES, INC.

9. API Well No.
43-047-37459

3a. Address **P.O. BOX 1815
VERNAL, UT 84078**

3b. Phone No. (Include area code)
(435)789-0790

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface **696' FSL, 2065' FEL SW/SE**
At proposed prod. Zone

11. Sec., T., R., M., or Blk. and Survey or Area
**SEC. 34, T9S, R23E,
S.L.B.&M.**

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

12. County or Parish
UINTAH

13. State
UTAH

15. Distance from proposed* location to nearest property or lease line, ft. **696'**
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease
600

17. Spacing Unit dedicated to this well

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C

19. Proposed Depth
6685'

20. BLM/BIA Bond No. on file
NM-2308

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
5337.3 FEET GRADED GROUND

22. Approximate date work will start*
UPON APPROVAL

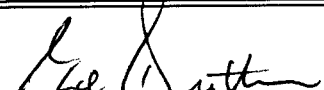
23. Estimated duration
45 DAYS

24. Attachments

Attachments


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

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

25. Signature  Name (Printed/Typed) **Ed Trotter** Date **November 23, 2005**

RECEIVED
NOV 07 2006

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

Approved by (Signature)  Name (Printed/Typed) **JERRY KENCZKA** DIV. OF OIL, GAS & MINING

Title **Assistant Field Manager** Office **Lands & Mineral Resources**

10-12-2006

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, are attached.

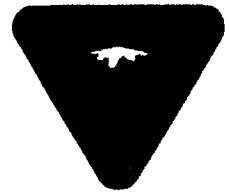
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

U006M



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE
170 South 500 East VERNAL, UT 84078 (435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: EOG Resources, Inc. Location: SWSE, Sec. 34, T9S, R23E
Well No: CWU 690-34 Lease No: UTU-37943
API No: 43-047-37459 Agreement: Chapita Wells Unit

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
Natural Resource Specialist:	Scott Ackerman	Office: 435-781-4437	
After Hours Contact Number:	435-781-4513	Fax: 435-781-4410	

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

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

NOTIFICATION REQUIREMENTS

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

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

1. Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:
 - a. 9 lbs of Hycrest Crested Wheatgrass & 3 lbs of Kochia prostrate.

2. If paleontologic materials are uncovered during construction, the operator shall immediately stop work that might further disturb such materials and contact the Authorized Officer (AO). A determination will

DOWNHOLE CONDITIONS OF APPROVAL

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

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

1. Production casing cement shall be brought up and into the surface casing. The minimum cement top is 200 ft above the surface casing shoe. To reach the annulus of the surface casing and production casing, operator is required to pump additional cement beyond the stated amounts of sacks in application.
2. A cement Bond Log (CBL) shall be run from the production casing shoe to the surface casing shoe. A field copy of the CBL shall be submitted to the BLM Vernal Field Office.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
4. Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.

All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.

BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

5. All shows of fresh water and minerals shall be reported and protected. A sample shall be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.

6. No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.
7. Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

8. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

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

Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.

9. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

10. Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
11. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
- a. Operator name, address, and telephone number.
 - b. Well name and number.
 - c. Well location ($\frac{1}{4}$ / $\frac{1}{4}$, Sec., Twn, Rng, and P.M.).
 - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
 - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - g. Unit agreement and / or participating area name and number, if applicable.
 - h. Communitization agreement number, if applicable.
13. Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
14. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be

reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production

15. Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

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

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

**696' FSL & 2065' FEL (SW/SE)
 Sec. 34-T9S-R23E 39.987114 LAT 109.310994 LON**

5. Lease Serial No.
U-37943

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Chapita Wells Unit 690-34

9. API Well No.
43-047-37459

10. Field and Pool, or Exploratory Area
Natural Buttes/Wasatch

11. County or Parish, State
Uintah County, Utah

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

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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports 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 permission to change the TD on the referenced well:

From: 6685'

To: 6400'

A revised drilling plan is attached.

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

Date: 11-15-06
By: [Signature]

COPY SENT TO OPERATOR
Date: 11-15-06
Initials: RM

14. I hereby certify that the foregoing is true and correct
 Name (Printed/Typed)

Mary A. Maestas

Title **Regulatory Assistant**

Signature

[Signature: Mary A. Maestas]

Date

11/09/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____

Title

Date

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

Office

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

(Instructions on page 2)

**Federal Approval of this
 Action is Necessary**

RECEIVED

NOV 14 2006

DIV. OF OIL, GAS & MINING

EIGHT POINT PLAN

CHAPITA WELLS UNIT 620-34
SW/SE, SEC. 34, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

FORMATION	DEPTH (KB)
Green River FM	1,368'
Mahogany Oil Shale Bed	2,001'
Uteland Butte MBR	4,086'
Wasatch	4,191'
Chapita Wells	4,779'
Buck Canyon	5,517'
North Horn	6,880'
Island	6,103'

EST. TD: 6,400' or 200' ± below Island Top

Anticipated BHP: 3,160 Psig

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

3. PRESSURE CONTROL EQUIPMENT: Production Hole - 3,000 Psig
BOP Schematic Diagram attached.

4. CASING PROGRAM:

	<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
Surface	12-1/4"	0' - 500'KB±	9-5/8"	36.0#	J-55	STC	2020 Psi	3520 Psi	394,000#
Production:	7-7/8"	500'± - TD	4-1/2"	11.6#	J-55	LTC	4960 Psi	5350 Psi	162,000#

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0 - 500' ± Below GL):

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1 - 5-10' above shoe, every collar for next 3 joints (4 total).

Production Hole Procedure (500' ± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, J-55 or equivalent marker collars or short casing joints to be placed 1000' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (15± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 690-34
SW/SE, SEC. 34, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

6. MUD PROGRAM:

Surface Hole Procedure (0 - 500' ± below GL):

Air/air mist or aerated water

Production Hole Procedure (500' ± - TD):

Anticipated mud weight 9.0 – 9.5 ppg depending on actual wellbore condition encountered while drilling.

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

7. VARIANCE REQUESTS:

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

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

EIGHT POINT PLAN

CHAPITA WELLS UNIT 620-34
SW/SE, SEC. 34, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

9. **CEMENT PROGRAM:**

Surface Hole Procedure (0-500' ± Below GL)

Lead: 275 sks. (100% excess volume) Class 'G' cement with 2% S1 (CaCl₂) & 0.25 pps D29 (cellophane flakes), mixed at 15.8 ppg, 1.16 ft³/sk., 4.95 gps water.

Top Out: Top out with Class 'G' cement with 2% S1 (CaCl₂) in mix water, 15.8 ppg, 1.16 ft³/sk., 4.95 gps via 1" tubing set at 25' if needed.

Install 6' x 4' cellar ring, drill rat and mouse holes with spud rig.

Note: **Cement volumes will be calculated to bring cement to surface.**

Production Hole Procedure (500' ± to TD)

Lead: 245 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: 495 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9 gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.
Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. **ABNORMAL CONDITIONS:**

Surface Hole (Surface - 500'±):

Lost circulation

Production Hole (500'± - TD):

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

EIGHT POINT PLAN

CHAPTA WELLS UNIT 690-34
SW/SE, SEC. 34, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

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

(Attachment: BOP Schematic Diagram)

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: U-37943
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT
2. NAME OF OPERATOR: EOG RESOURCES, INC.		8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 690-34
3. ADDRESS OF OPERATOR: P.O. BOX 1815 CITY VERNAL STATE UT ZIP 84078		9. API NUMBER: 43-047-37459
4. LOCATION OF WELL FOOTAGES AT SURFACE: 696 FSL 2065 FEL 39.987114 LAT 109.310994 LON		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 34 9S 23E S.L.B. & M		COUNTY: UINTAH STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION
		<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TEMPORARILY ABANDON	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> WATER SHUT-OFF	
	<input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION REQUEST</u>	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

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

Date: 11-28-06
By: [Signature]

SENT BY FAX OR
DATE: 11-30-06
TIME: PM

NAME (PLEASE PRINT) <u>Kaylene R. Gardner</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u>[Signature]</u>	DATE <u>5/30/2006</u>

(This space for State use only)

RECEIVED
NOV 22 2006
DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-37459
Well Name: CHAPITA WELLS UNIT 690-34
Location: 696 FSL 2065 FEL (SWSE), SECTION 34, T9S, R23E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 12/5/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

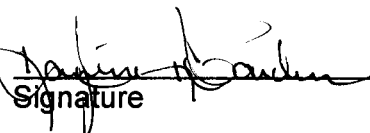
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No


Signature

11/20/2006
Date

Title: SR. REGULATORY ASSISTANT

Representing: EOG RESOURCES, INC.

RECEIVED
NOV 22 2006

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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

RECEIVED
SEP 25 2007

5. Lease Serial No.
UTU37943

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
UTU63013X

8. Well Name and No.
CWU 690-34

9. API Well No.
43-047-37459-00-X1

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

BLM

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG RESOURCES INC
Contact: KAYLENE R GARDNER
E-Mail: kaylene_gardner@eogresources.com

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 34 T9S R23E SWSE 696FSL 2065FEL

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

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

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

EOG Resources, Inc. requests the APD for the referenced well originally approved 10/12/2006 be extended for one year.

VERNAL DIST.
ENG. _____
GEOL. _____
E.S. _____
PET. _____
A.M. _____

CONDITIONS OF APPROVAL ATTACHED

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

Electronic Submission #56502 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal
Committed to AFMSS for processing by GAIL JENKINS on 09/25/2007 (07GXJ5785SE)

Name (Printed/Typed) KAYLENE R GARDNER Title LEAD REGULATORY ASSISTANT

Signature (Electronic Submission) Date 09/25/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By Matt Baker Title Petroleum Engineer Date OCT 01 2007

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

Office _____

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

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** OCT 15 2007



CONDITIONS OF APPROVAL

EOG Resources Inc.

Notice of Intent APD Extension

Lease: UTU-37943
Well: CWU 690-34
Location: SWSE Sec 34-T9S-R23E

An extension for the referenced APD is granted with the following conditions:

1. The extension and APD shall expire on 10/12/08
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Matt Baker of this office at (435) 781-4490

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: U-37943
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT
2. NAME OF OPERATOR: EOG RESOURCES, INC.		8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 690-34
3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202		9. API NUMBER: 43-047-37459
4. LOCATION OF WELL FOOTAGES AT SURFACE: 696 FSL 2065 FEL 39.987114 LAT 109.310994 LON		10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 34 9S 23E S.L.B. & M		COUNTY: Uintah
		STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: APD EXTENSION REQUEST
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

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

Date: 11-08-07
By: [Signature]

NAME (PLEASE PRINT) <u>Mary A. Maestas</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u>[Signature]</u>	DATE <u>11/6/2007</u>

(This space for State use only)
COPY SENT TO OPERATOR
Date: 11-9-07
Initials: pm

RECEIVED
NOV 07 2007
DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-37459
Well Name: CHAPITA WELLS UNIT 690-34
Location: 696 FSL 2065 FEL (SWSE), SECTION 34, T9S, R23E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 12/5/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No

Mary A. Maize
Signature

11/6/2007
Date

Title: REGULATORY ASSISTANT

Representing: EOG RESOURCES, INC.

RECEIVED
NOV 07 2007
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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

5. Lease Serial No.
UTU37943

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other Instructions on reverse side.

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

8. Well Name and No.
CHAPITA WELLS UNIT 690-34

9. API Well No.
43-047-37459

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG RESOURCES, INC.
Contact: KAYLENE R GARDNER
E-Mail: KAYLENE_GARDNER@EOGRESOURCES.COM

3a. Address
1080 E. HWY 40
VERNAL, UT 84078

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

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 34 T9S R23E SWSE 696FSL 2065FEL
39.98711 N Lat, 109.31099 W Lon

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

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

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

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

EOG Respectfully requests authorization to change the drilling plan for the referenced well.

A revised drilling plan is attached.

COPY SENT TO OPERATOR

Date: 5.19.2008

Initials: KS

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #60182 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal

Name (Printed/Typed) KAYLENE R GARDNER	Title LEAD REGULATORY ASSISTANT
Signature (Electronic Submission)	Date 05/08/2008

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.

Accepted by the
Utah Division of
Oil, Gas and Mining
Federal Approval of This
Action is Necessary

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

By: _____
** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

RECEIVED
MAY 09 2008

DRILLING PLAN

CHAPITA WELLS UNIT 690-34
SW/SE, SEC. 34, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,323		Shale	
Mahogany Oil Shale Bed	2,001		Shale	
Uteland Butte MBR	4,086		Limestone	
Wasatch	4,198	Primary	Sandstone	Gas
Chapita Wells	4,748	Primary	Sandstone	Gas
Buck Canyon	5,421	Primary	Sandstone	Gas
North Horn	5,889	Primary	Sandstone	Gas
KMV Price River	6,102		Sandstone	Gas
TD	6,300			

Estimated TD: 6,300' or 200'± below TD

Anticipated BHP: 3,440 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
 BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 ½"	0 – 45'	13 ¾"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0' – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	6-¼"	Surface – TD	4-½"	11.6#	P-110	BTC	7560 PSI	10,690 Psi	279,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

DRILLING PLAN

CHAPITA WELLS UNIT 690-34 SW/SE, SEC. 34, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2300'± - TD):

Bit, Cross-over sub with float, IB stabilizer, Casing pup jt., IB Stabilizer, 1 joint casing, and balance of casing to surface. All casing will be 4-½", 11.6#, P-110, Buttress and Grant Prideco DWC couplings, with a marker jt. 400' above top of Wasatch. Composite-coated, positive stand-off centralizers will be utilized on the bottom 20 jts. The casing will be rotated via a top-drive system to drill the hole. A cement plug will be landed on the float above the bit.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD):

Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

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

DRILLING PLAN

CHAPITA WELLS UNIT 690-34 SW/SE, SEC. 34, T9S, R23E, S.L.B.&M., UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

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

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

8. EVALUATION PROGRAM:

Logs: Gas shows.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following: **Cement Bond / Casing Collar Locator and Pulsed Neutron**

DRILLING PLAN

CHAPITA WELLS UNIT 690-34 SW/SE, SEC. 34, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

- Lead: 185 sks** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.
- Tail: 207 sks** Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.
- Top Out:** As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.
- Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

Production Hole Procedure (2300'± - TD)

- Lead: 85 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.
- Tail: 200 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.
- Note:** The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

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

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.
This section of hole will be casing drilled and will meet BLM requirement for .422 of cement sheath space on all sides of the casing couplings.

DRILLING PLAN

CHAPITA WELLS UNIT 690-34 SW/SE, SEC. 34, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

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

13. Air Drilling Operations:

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

(Attachment: BOP Schematic Diagram)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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

5. Lease Serial No.
UTU37943

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
CHAPITA WELLS UNIT 690-34

2. Name of Operator
EOG RESOURCES INC
Contact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

9. API Well No.
43-047-37459

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

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

10. Field and Pool, or Exploratory
NATURAL BUTTES/WASATCH

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 34 T9S R23E SWSE 696FSL 2065FEL
39.98711 N Lat, 109.31099 W Lon

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

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

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

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

The referenced well spud on 5/31/2008.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #60535 verified by the BLM Well Information System For EOG RESOURCES INC, sent to the Vernal

Name (Printed/Typed) MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature *Mary A. Maestas* Date 06/02/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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

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

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

RECEIVED

JUN 04 2008

DIV. OF OIL, GAS & MINING

CWU 690-34

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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

5. Lease Serial No.
UTU67868

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
MULTIPLE MULTIPLE

2. Name of Operator
EOG RESOURCES INC
Contact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

9. API Well No.
43 047 37459

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

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

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

9S 23E 3A

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

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

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

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

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. Chapita Wells Unit 550-30N SWD
- 3. Chapita Wells Unit 2-29 SWD
- 4. Red Wash Evaporation ponds 1, 2, 3 & 4
- 5. RN Industries

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

This sundry covers multiple wells. Please see the attached sheet detailing the wells.

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

**Electronic Submission #60540 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature *Mary A. Maestas* (Electronic Submission) Date 06/02/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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

Office _____

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

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

RECEIVED
JUN 04 2008

DEPT OF OIL, GAS & MINING

<u>Well Name</u>	<u>SEC</u>	<u>T</u>	<u>R</u>	<u>Qtr/Qtr</u>	<u>Lease</u>	<u>API</u>
East Chapita 81-23	23	9S	23E	NESE	UTU67868	43-047-39443
CWU 1363-25H	25	9S	22E	SENE	UTU0282	43-047-50007
East Chapita 51-35	35	9S	23E	NWNW	UTU0344	43-047-39208
East Chapita 25-09	9	9S	23E	SESE	UTU67868	43-047-38145
CWU 1365-19	19	9S	23E	SWSW	UTU0337	43-047-39779
NBU 573-17E	17	10S	21E	SESE	UTU02278	43-047-38510
NBU 561-17E	17	10S	21E	SWSE	UTU02278	43-047-37512
CWU 1088-22	22	9S	22E	SWNE	UTU0284A	43-047-37502
CWU 1023-15	15	9S	22E	NWNW	UTU0283A	43-047-38666
CWU 965-34	34	9S	23E	NWSW	UTU37943	43-047-39806
NBU 567-17E	17	10S	21E	NWNE	UTU01791	43-047-38535
East Chapita 79-23	23	9S	23E	SESE	UTU67868	43-047-39442
CWU 1274-22	22	9S	22E	NENW	UTU0284A	43-047-38530
CWU 690-34	34	9S	23E	SWSE	UTU37943	43-047-37459

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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

5. Lease Serial No.
UTU37943

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
CHAPITA WELLS UNIT 690-34

2. Name of Operator
EOG RESOURCES INC
Contact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

9. API Well No.
43-047-37459

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

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

10. Field and Pool, or Exploratory
NATURAL BUTTES/WASATCH

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

Sec 34 T9S R23E SWSE 696FSL 2065FEL
39.98711 N Lat, 109.31099 W Lon

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

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

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

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

EOG Resources, Inc. requests authorization to change the size of the surface casing on the referenced well from 9-5/8" to 8-5/8".

A revised drilling plan for casing drilling is attached.

COPY SENT TO OPERATOR

Date: 6-26-2008

Initials: KS

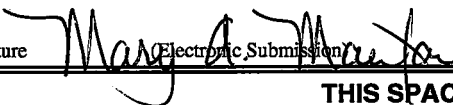
14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #60570 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature



Date 06/03/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

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

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.

By: 

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

RECEIVED

JUN 04 2008

DRILLING PLAN

CHAPITA WELLS UNIT 690-34
SW/SE, SEC. 34, T9S, R23E, S.L.B.&M..
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,323		Shale	
Mahogany Oil Shale Bed	2,001		Shale	
Uteland Butte MBR	4,086		Limestone	
Wasatch	4,198	Primary	Sandstone	Gas
Chapita Wells	4,748	Primary	Sandstone	Gas
Buck Canyon	5,421	Primary	Sandstone	Gas
North Horn	5,889	Primary	Sandstone	Gas
KMV Price River	6,102		Sandstone	Gas
TD	6,300			

Estimated TD: 6,300' or 200'± below TD

Anticipated BHP: 3,440 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
 BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 ½"	0 – 60'	13 ⅝"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0' – 2,300' KB±	8-⅝"	32.0#	J-55	STC	2530 PSI	3930 Psi	372,000#
Production	6-¼"	Surface – TD	4-½"	11.6#	P-110	BTC	7560 PSI	10,690 Psi	279,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-⅝" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

DRILLING PLAN

CHAPITA WELLS UNIT 690-34 SW/SE, SEC. 34, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2300'± - TD):

Bit, Cross-over sub with float, IB stabilizer, Casing pup jt., IB Stabilizer, 1 joint casing, and balance of casing to surface. All casing will be 4-½", 11.6#, P-110, Buttress and Grant Prideco DWC couplings, with a marker jt. 400' above top of Wasatch. Composite-coated, positive stand-off centralizers will be utilized on the bottom 20 jts. The casing will be rotated via a top-drive system to drill the hole. A cement plug will be landed on the float above the bit.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD):

Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

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

DRILLING PLAN

CHAPITA WELLS UNIT 690-34 SW/SE, SEC. 34, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

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

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

8. EVALUATION PROGRAM:

Logs: Gas shows.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following: **Cement Bond / Casing Collar Locator and Pulsed Neutron**

DRILLING PLAN

CHAPITA WELLS UNIT 690-34 SW/SE, SEC. 34, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: 278 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: 312 sks Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

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

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

Production Hole Procedure (2300'± - TD)

Lead: 95 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 476 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9 gps water.

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

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

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

This section of hole will be casing drilled and will meet BLM requirement for .422 of cement sheath space on all sides of the casing couplings.

DRILLING PLAN

CHAPITA WELLS UNIT 690-34 SW/SE, SEC. 34, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

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

13. Air Drilling Operations:

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

(Attachment: BOP Schematic Diagram)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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

5. Lease Serial No.
UTU37943

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CHAPITA WELLS UNIT 690-34

9. API Well No.
43-047-37459

10. Field and Pool, or Exploratory
NATURAL BUTTES/WASATCH

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

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: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 34 T9S R23E SWSE 696FSL 2065FEL
39.98711 N Lat, 109.31099 W Lon

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

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

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

EOG Resources, Inc. requests authorization to change the size of the production hole on the referenced well from 6-1/4" to 6-3/4".

A revised drilling plan for casing drilling is attached.

COPY SENT TO OPERATOR

Date: 6.25.2008

Initials: KS

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #60659 verified by the BLM Well Information System For EOG RESOURCES INC, sent to the Vernal

Name (Printed/Typed) MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature *Mary A Maestas* (Electronic Submission) Date 06/05/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Federal Approval Of This Action is Necessary _____ Date _____

Accepted by the Utah Division of Oil, Gas and Mining Office _____ Date 6/24/08

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
JUN 06 2008

DIV. OF OIL, GAS & MINING

DRILLING PLAN

CHAPITA WELLS UNIT 690-34 SW/SE, SEC. 34, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,323		Shale	
Mahogany Oil Shale Bed	2,001		Shale	
Uteland Butte MBR	4,086		Limestone	
Wasatch	4,198	Primary	Sandstone	Gas
Chapita Wells	4,748	Primary	Sandstone	Gas
Buck Canyon	5,421	Primary	Sandstone	Gas
North Horn	5,889	Primary	Sandstone	Gas
KMV Price River	6,102		Sandstone	Gas
TD	6,300			

Estimated TD: 6,300' or 200'± below TD

Anticipated BHP: 3,440 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 ½"	0 – 60'	13 ⅝"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0' – 2,300' KB±	8-⅝"	32.0#	J-55	STC	2530 PSI	3930 Psi	372,000#
Production	6-¾"	Surface – TD	4-½"	11.6#	P-110	BTC	7560 PSI	10,690 Psi	279,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-⅝" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

DRILLING PLAN

CHAPITA WELLS UNIT 690-34 SW/SE, SEC. 34, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2300'± - TD):

Bit, Cross-over sub with float, IB stabilizer, Casing pup jt., IB Stabilizer, 1 joint casing, and balance of casing to surface. All casing will be 4-½", 11.6#, P-110, Buttress and Grant Prideco DWC couplings, with a marker jt. 400' above top of Wasatch. Composite-coated, positive stand-off centralizers will be utilized on the bottom 20 jts. The casing will be rotated via a top-drive system to drill the hole. A cement plug will be landed on the float above the bit.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD):

Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

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

DRILLING PLAN

CHAPITA WELLS UNIT 690-34 SW/SE, SEC. 34, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

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

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

8. EVALUATION PROGRAM:

Logs: Gas shows.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following: **Cement Bond / Casing Collar Locator and Pulsed Neutron**

DRILLING PLAN

CHAPITA WELLS UNIT 690-34 SW/SE, SEC. 34, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

- Lead:** 278 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.
- Tail:** 312 sks Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.
- Top Out:** As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.
- Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

Production Hole Procedure (2300'± - TD)

- Lead:** 95 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.
- Tail:** 476 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9 gps water.
- Note:** The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

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

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.
This section of hole will be casing drilled and will meet BLM requirement for .422 of cement sheath space on all sides of the casing couplings.

DRILLING PLAN

CHAPITA WELLS UNIT 690-34 **SW/SE, SEC. 34, T9S, R23E, S.L.B.&M..** **UINTAH COUNTY, UTAH**

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

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

13. Air Drilling Operations:

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

(Attachment: BOP Schematic Diagram)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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

5. Lease Serial No.
UTU37943

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CHAPITA WELLS UNIT 690-34

9. API Well No.
43-047-37459

10. Field and Pool, or Exploratory
NATURAL BUTTES/WASATCH

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

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: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 34 T9S R23E SWSE 696FSL 2065FEL
39.98711 N Lat, 109.31099 W Lon

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

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

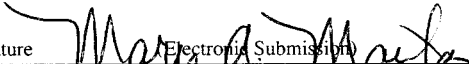
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths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

The referenced well was turned to sales on 8/18/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

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

**Electronic Submission #62452 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature  Date 08/21/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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

Office _____

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

RECEIVED

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

AUG 25 2008

WELL CHRONOLOGY REPORT

Report Generated On: 08-21-2008

Well Name	CWU 690-34	Well Type	DEVG	Division	DENVER
Field	CHAPITA WELLS UNIT	API #	43-047-37459	Well Class	1SA
County, State	UINTAH, UT	Spud Date	06-14-2008	Class Date	08-18-2008
Tax Credit	N	TVD / MD	6,300/ 6,300	Property #	057251
Water Depth	0	Last CSG	0.0	Shoe TVD / MD	4,946/ 4,946
KB / GL Elev	5,350/ 5,337				
Location	Section 34, T9S, R23E, SWSE, 696 FSL & 2065 FEL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	100.0	NRI %	82.25

AFE No	303467	AFE Total	1,298,800	DHC / CWC	704,700/ 594,100						
Rig Contr	ELENBURG	Rig Name	ELENBURG #28	Start Date	12-07-2005	Release Date	06-20-2008				
12-07-2005		Reported By									
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0						
Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0						
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	LOCATION DATA 696' FSL & 2065' FEL (SW/SE) SECTION 34, T9S, R23E UINTAH COUNTY, UTAH
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LAT 39.987147, LONG 109.310317 (NAD 27)
LAT 39.987114, LONG 109.310994 (NAD 83)

ELENBURG #28
OBJECTIVE: 6300' TD, WASATCH
DW/GAS
CHAPITA WELLS PROSPECT
DD&A: NATURAL BUTTES
NATURAL BUTTES FIELD

LEASE: U-37942
ELEVATION: 5337.3 NAT , 5337.3' PREP GL (DUE TO ROUNDING PREP GL WILL BE 5337), 5350' KB (13')

EOG WI 100%, NRI 82.25%

05-20-2008 **Reported By** TERRY CSERE

DailyCosts: Drilling \$38,000 Completion \$0 Daily Total \$38,000
 Cum Costs: Drilling \$38,000 Completion \$0 Well Total \$38,000

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION STARTED TODAY 05/20/08.

05-21-2008 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
 Cum Costs: Drilling \$38,000 Completion \$0 Well Total \$38,000

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 20% COMPLETE.

05-22-2008 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
 Cum Costs: Drilling \$38,000 Completion \$0 Well Total \$38,000

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 30% COMPLETE.

05-23-2008 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
 Cum Costs: Drilling \$38,000 Completion \$0 Well Total \$38,000

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 35% COMPLETE.

05-27-2008 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
 Cum Costs: Drilling \$38,000 Completion \$0 Well Total \$38,000

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

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 45% COMPLETE.

05-28-2008 Reported By TERRY CSERE

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0						
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000						
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 85% COMPLETE.

05-29-2008 Reported By TERRY CSERE

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0						
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000						
MD	60	TVD	60	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: WO BUCKET TRUCK

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	LOCATION COMPLETE. ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 05/31/08 @ 7:30 AM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 05/31/08 @ 07:00 AM.
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06-07-2008 Reported By TERRY CSERE

Daily Costs: Drilling	\$186,281	Completion	\$0	Daily Total	\$186,281						
Cum Costs: Drilling	\$224,281	Completion	\$0	Well Total	\$224,281						
MD	2,118	TVD	2,118	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	MIRU CRAIG'S AIR RIG #2 ON 6/1/2008. DRILLED 12-1/4" HOLE TO 2118' GL. ENCOUNTERED WATER @ 1550'. RAN 52 JTS (2119.48') OF 8-5/8", 32.0#, J-55, ST&C CASING WITH TOP-CO GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2132' KB. WASHED CASING TO BOTTOM W/RIG PUMP.
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MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 3000 PSIG. PUMPED 2 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 400 SX (84 BBLs) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX.

DISPLACED CEMENT W/160.5 BBLs FRESH WATER. BUMPED PLUG W/600# @ 6:58 9M, 6/3/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS. SET 5M STRING WT ON BOTTOM. RDMO CRAIGS RIG.

TOP JOB # 1: MIXED & PUMPED 100 SX (20.5 BBLs) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS 15 MINUTES.

TOP JOB # 2: MIXED & PUMPED 100 SX (20.5 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 10 HRS 30 MINUTES. RDMO HALLIBURTON CEMENTERS.

TOP JOB # 3: MIRU HALLIBURTON CEMENTERS. MIXED & PUMPED 200 SX (41 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS 30 MINUTES.

TOP JOB # 4: MIXED & PUMPED 200 SX (41 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

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

DCT TOOK SURVEYS WHILE DRILLING HOLE @ 1169' - 0.75:, 1920' - 2.0:. AND @ 2090' - 1.75:.

CONDUCTOR LEVEL RECORD: PS= 89.7 OPS= 89.8 VDS= 89.9 MS= 89.8.

9 5/8 CASING LEVEL RECORD: PS= 89.6 OPS= 89.7 VDS= 89.9 MS= 89.8.

KYLAN COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 6/2/2008 @ 8:40 AM.

06-14-2008	Reported By	D.FOREMAN/J.SCHLENKER									
Daily Costs: Drilling	\$92,046	Completion	\$1,509	Daily Total	\$93,555						
Cum Costs: Drilling	\$316,327	Completion	\$1,509	Well Total	\$317,836						
MD	2,145	TVD	2,145	Progress	13	Days	1	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: CIRCULATE & CONDITION MUD

Start	End	Hrs	Activity Description
06:00	07:00	1.0	RIG DOWN & SAFETY MEETING W/ HALCROFT TRUCKING & RIG CREW.
07:00	09:00	2.0	MOVE FROM CWU 722-32 TO CWU 690-34, RIG UP. CLEAR LOCATION @ 09:00 INSTALL NIGHT CAP W/ FMC.
09:00	11:30	2.5	SET BOP AND TEST DTO HEAD W/ FMC & LOCK DOWN BOP. CONT. RIG UP, CLEAN & DRIFT 4.5 P110,11.6# CASING, 160 JTS + 4 MARKER JTS & BHA. TRUCKS OFF LOCATION @ 11:30
11:30	16:30	5.0	NIPPLE UP BOP, ROT.HEAD, CHOKE LINE, KILL LINE VALVES, HYD. HOSES, FUNCTION TEST BOP. RIG ON DAY WORK @ 11:30, 6/13/08.
16:30	22:00	5.5	RIG UP B&C QUICK TEST & TEST BOP. PIPE RAMS, BLIND RAMS, ALL KILL LINE VALVES, CHOKE LINE & MANIFOLD, HCR, KELLY UPPER VALVE, SAFETY VALVE, DART VALVE, ALL TO 250 PSI LOW & 5000 PSI HIGH, ANNULAR 250 PSI LOW 2500 HIGH, SURFACE CSG 1500 PSI. GOOD TEST. WITNESS MELTON COOPER, B&C QUICK TEST.
22:00	01:00	3.0	SET & CHECK C-O-MATIC, P/U BHA TRIP IN W/4.5 DRLL CSG TO DRILL 6 3/4 HOLE, TAG @ 2028'.
01:00	03:30	2.5	DRILL CEMENT/FLOAT EQUIP FROM 2028' TO 2132'+ 10' FORMATION TO 2145'.
03:30	04:00	0.5	PERFORMED FIT W/ 8.8 WT. @ 2132', 190 PSI. EMW 10.5.
04:00	06:00	2.0	CIRC & COND MUD FROM 8.9 & 33, VIS TO 9 & 40 VIS.

MUD LOSS LAST 24 HRS. 0 BBLs.
MUD WT.9. VIS.40
ROT 30, P/U 30, S/O 28.
ACCIDENTS NONE REPORTED.

FUNCTION CROWN-O-MATIC.
 SAFETY MEETING: TIH, HOUSEKEEPING.
 CREWS FULL.
 FUEL ON HAND: 2102, GALS. USED: 240 , GALS.

GAS BG.25 U, CONN. 73 U.
 LITHOLOGY; SAND/ SHALE.
 MUD LOGGER UNMANED ON LOCATION F/ 6/13/08 (1 DAY).

06:00 06:00 24.0 SPUD 6-3/4" HOLE @ 2:00 AM, 6/14/08

06-15-2008 Reported By D.FOREMAN/J.SCHLENKER

Daily Costs: Drilling	\$53,754	Completion	\$1,509	Daily Total	\$55,263						
Cum Costs: Drilling	\$370,081	Completion	\$3,018	Well Total	\$373,099						
MD	3,223	TVD	3,223	Progress	1,057	Days	2	MW	9.1	Visc	45.0

Formation : PBTB : 0.0 **Perf :** PKR Depth : 0.0

Activity at Report Time: DRILLING @ 3223'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	CIRC. COND. MUD TO 47 VIS. W 9. WT.
07:00	15:00	8.0	DRLG. 6 3/4 HOLE F/ 2145' TO 2582', 437', ROP 54.6', WOB 10, RPM 60, TRQ 1200.
15:00	15:30	0.5	SERVICE RIG.
15:30	00:30	9.0	DRLG. F/ 2582' TO 3003', 421', ROP 46.7', WOB 10/11, RPM 60, TQR 12/1300 PSI.
00:30	01:00	0.5	SERVICE RIG.
01:00	06:00	5.0	DRLG. 3003' TO 3223', 220', ROP, 44', WOB, 8/10, RPM, 71, TQ, 12/1300 PSI. X 4.933= 6413.FT/LB.

MUD LOSS LAST 24 HRS. 0 BBLs.
 MUD WT.9.2 VIS.48.
 ROT 34, P/U 34, S/O 32.
 ACCIDENTS NONE REPORTED.
 FUNCTION CROWN-O-MATIC.
 SAFETY MEETING:HOUSEKEEPING.
 CREWS FULL.
 FUEL ON HAND: 6000, GALS. USED: 602 , GALS.

GAS BG.25 U, CONN. 183 U.
 LITHOLOGY; SAND/ SHALE.
 MUD LOGGER UNMANNED ON LOCATION F/ 6/13/08 (2 DAY).

06-16-2008 Reported By D.FOREMAN/J.SCHLENKER

Daily Costs: Drilling	\$29,990	Completion	\$1,509	Daily Total	\$31,499						
Cum Costs: Drilling	\$400,071	Completion	\$4,527	Well Total	\$404,598						
MD	4,255	TVD	4,255	Progress	1,253	Days	2	MW	9.6	Visc	47.0

Formation : PBTB : 0.0 **Perf :** PKR Depth : 0.0

Activity at Report Time: DRILLING @ 4255'

Start	End	Hrs	Activity Description
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06:00 15:30 9.5 DRLG F/3002' TO 3675', 673', ROP 70.8'. WOB 10, RPM 70, TRQ 1300 PSI = 6,400 FT/#.
 15:30 16:00 0.5 SERVICE RIG.
 16:00 00:30 8.5 DRLG F/3675' TO 4088', 413'. ROP 48.5', WOB 10, RPM 60/65, TRQ 1335 PSI = 6,536 FT/#.
 00:30 01:00 0.5 SERVICE RIG.
 01:00 06:00 5.0 DRLG F/4088' TO 4255', 167'. ROP 33.4', WOB 10, RPM 60/65, TRQ 1300/1335 = 6,536 FT/#.

MUD LOSS LAST 24 HRS. 0 BBLS.
 MUD WT 9.6, VIS 48.
 ROT 44, P/U 47, S/O 43.
 ACCIDENTS NONE REPORTED.
 FUNCTION CROWN-O-MATIC.
 SAFETY MEETING:WINCH LINES /MIX CHEM.
 CREWS FULL.
 FUEL ON HAND: 5076 GALS. USED: 974 GALS.

GAS BG.49 U, CONN. 83 U.
 LITHOLOGY: SAND/ SHALE.
 MUD LOGGER UNMANNED ON LOCATION F/ 6/13/08 (3 DAY).

06-17-2008	Reported By	D.FOREMAN/J.SCHLENKER									
Daily Costs: Drilling	\$28,456	Completion	\$1,509	Daily Total	\$29,965						
Cum Costs: Drilling	\$428,528	Completion	\$6,036	Well Total	\$434,564						
MD	4,865	TVD	4,865	Progress	610	Days	3	MW	10.0	Visc	45.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRILLING @ 4865'

Start	End	Hrs	Activity Description
06:00	15:30	9.5	DRILL ROTATE 4255' TO 4589' 334' ROP 35' WOB 12 RPM 70 TRQ 6400.
15:30	16:00	0.5	SERVICE RIG.
16:00	06:00	14.0	DRILL ROTATE 4589' TO 4865' 276' ROP 20' WOB 12/14 RPM 70 TRQ 6700.

MUD LOSS LAST 24 HRS. 0 BBLS.
 MUD WT 9.8 VIS 49.
 ROT 50 P/U 56 S/O 48.
 ACCIDENTS NONE REPORTED.
 FUNCTION CROWN-O-MATIC.
 SAFETY MEETING:EYE PROTECTION.
 CREWS FULL.
 FUEL ON HAND: 4404 GALS USED 672 GALS.
 GAS BG 47 U CONN 76 U.
 LITHOLOGY SAND/ SHALE.
 MUD LOGGER UNMANNED ON LOCATION SINCE 6/13/08 (4 DAYS).

06-18-2008	Reported By	D.FOREMAN/J.SCHLENKER									
Daily Costs: Drilling	\$32,597	Completion	\$1,509	Daily Total	\$34,106						
Cum Costs: Drilling	\$461,126	Completion	\$7,545	Well Total	\$468,671						
MD	5,233	TVD	5,233	Progress	368	Days	4	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: DRLLING @ 5233'

Start	End	Hrs	Activity Description
06:00	15:30	9.5	DRILL ROTATE 4865' TO 5049' 184' ROP 19 WOB 14 RPM 70 TRQ 6500'/#.
15:30	16:00	0.5	SERVICE RIG.
16:00	06:00	14.0	DRILL ROTATE 5049' TO 5233' 184 ROP 13.1' WOB 18 RPM 68 TRQ 6415'/#. MUD LOSS LAST 24 HRS. 0 BBLs. MUD WT 9.6 VIS 46. ROT 54 P/U 60 S/O 52. ACCIDENTS NONE REPORTED. FUNCTION CROWN-O-MATIC. SAFETY MEETING:PROPER LIFTING TECHNIQUE. CREWS FULL. FUEL ON HAND: 3871 GALS USED 433 GALS. GAS BG 45 U SHOW 4500 U @ 5220'. LITHOLOGY SAND/ SHALE. MUD LOGGER UNMANNED ON LOCATION SINCE 6/13/08 (5 DAYS).

06-19-2008 Reported By D.FOREMAN/J.SCHLENKER

Daily Costs: Drilling	\$31,585	Completion	\$0	Daily Total	\$31,585						
Cum Costs: Drilling	\$494,216	Completion	\$7,545	Well Total	\$501,761						
MD	5,725	TVD	5,725	Progress	492	Days	5	MW	9.8	Visc	43.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: DRILLING @ 5725'

Start	End	Hrs	Activity Description
06:00	16:30	10.5	DRILL ROTATE 5233' TO 5467' 229' ROP 22 WOB 12/16 RPM 72 TRQ 6800
16:30	17:00	0.5	SERVICE RIG
17:00	00:30	7.5	DRILL ROTATE 5467' TO 5633' 166' ROP 22 WOB 13 RPM 70 TRQ 6900
00:30	01:00	0.5	SERVICE RIG
01:00	06:00	5.0	DRILL ROTATE 5633' TO 5725' 92' ROP 18 WOB 13 RPM 65 TQR 6460 MUD LOSS LAST 24 HRS. 0 BBLs. MUD WT 9.7 VIS 43. ROT 60 P/U 68 S/O 57. ACCIDENTS NONE REPORTED. FUNCTION CROWN-O-MATIC. SAFETY MEETING:PPE & POWER WASHING. CREWS FULL. FUEL ON HAND: 3218 GALS USED: 653 GALS. GAS BG 50 U SHOW 2400 U @5514'. LITHOLOGY SAND/ SHALE. MUD LOGGER UNMANNED ON LOCATION SINCE 6/13/08 (6 DAYS).

06-20-2008 Reported By D.FOREMAN/J.SCHLENKER

Daily Costs: Drilling	\$28,952	Completion	\$0	Daily Total	\$28,952						
Cum Costs: Drilling	\$523,168	Completion	\$7,545	Well Total	\$530,713						
MD	6,245	TVD	6,245	Progress	520	Days	6	MW	9.8	Visc	44.0

Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 6245'

Start	End	Hrs	Activity Description
06:00	14:30	8.5	DRILL ROTATE 5725' TO 5883' 158' ROP 19 WOB 14/16 RPM 72 TRQ 6650.
14:30	15:00	0.5	SERVICE RIG NOTIFIED STATE OF UTAH (DAVID HACKFORD BY E-MAIL) & BLM (JAIME SPARGER @ 435-781 4502) OF CEMENTING LONG STRING.
15:00	06:00	15.0	DRILL ROTATE 5883' TO 6245' 362' ROP 24 WOB 12 RPM 70 TRQ 6800. MUD LOSS LAST 24 HRS. 0 BBLS. MUD WT 10 VIS 42. ROT 70 P/U 75 S/O 67. ACCIDENTS NONE REPORTED. FUNCTION CROWN-O-MATIC. SAFETY MEETING:PPE & POWER WASHING. CREWS FULL. FUEL ON HAND: 2403 GALS USED: 815 GALS. GAS BG 56 U SHOW 350 U @ 6220'. LITHOLOGY SAND/ SHALE. MUD LOGGER UNMANNED ON LOCATION SINCE 6/13/08 (7 DAYS).

06-21-2008 Reported By D.FOREMAN/J.SCHLENKER

Daily Costs: Drilling	\$12,654	Completion	\$67,376	Daily Total	\$80,030						
Cum Costs: Drilling	\$535,822	Completion	\$74,921	Well Total	\$610,744						
MD	6,300	TVD	6,300	Progress	55	Days	7	MW	9.8	Visc	43.0

Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	08:30	2.5	DRILL ROTATE 6245' TO 6300' TD 55' ROP 22 WOB 15 RPM 70 TRQ 6520. REACHED TD @ 08:30 HRS, 6/20/08.
08:30	11:30	3.0	LD LAST JT, PU DTO CSG HANGER & LANDING JOINT, SPACE OUT & HANG CASING W/ FULL STRING WT 64,000 PUMP SWEEP CIRCULATE & WAIT ON SCHLUMBERGER TO ARRIVE.
11:30	12:30	1.0	SAFETY MEETING W/ SCHLUMBERGER & RIG CREW. RIG UP SCHLUMBERGER EQUIP, TEST LINES TO 4000 PSI OK.
12:30	13:30	1.0	CEMENTING; PUMP 20 BBLS CHEM WASH & 20 BBLS WATER SPACER AHEAD OF LEAD AND CEMENT 6300' 4 1/2 P-110 11.6# CSG, LEAD 79.6 BBLS, 150 SKS. G + ADDS; D020 10%EXTENDER, D167 .2% FLUID LOSS, D046.2% ANTIFOAM, D013 .5% RATARDER, D065 .5% DISPERSANT, D130 .125LB/SK BLEND LOST CIRC, YIELD 2.98 FT3/SK H2O 18.227 GAL/SK @ 11.5.PPG. TAIL; 105.6 BBLS, 460 SKS 50/50 POZ G + ADDS; D020 2% EXTENDER, D046 .1% ANTIFOAM, D167 .2% FLUID LOSS, D065 .2% DISPERSANT, S001 1% ACCELERATOR. YIELD 1.29 FT3/SK H2O 5.94 GAL/SK @ 14.1 PPG. SHUTDOWN, WASH OUT PUMPS & LINES, DROP TOP PLUG & DISP. TO BOTTOM W/FRESH WATER.98 BBLS. AVG. DISP RATE 4.88 BPM, FULL RETURNS THROUGH OUT JOB. DROP PLUG @ 13:05, BUMPED PLUG @ 13:25 TO 2000 PSI, 500 PSI OVER LIFT PSI, HOLD PRESSURE FOR 2 MIN, .5 BBL. BACK, FLOAT HELD @ 13:27 CEMENT IN PLACE, R/D SCHLUMBERGER.
13:30	14:30	1.0	W/O CEMENT & RIG DOWN LINES.
14:30	16:00	1.5	REMOVE LANDING JT. INSTALL PACKOFF SEAL ASSEMBLY, UNLOCK BOP DTO HEAD W/ FMC REPL/D SERVICE TOOL.
16:00	20:00	4.0	CLEAN MUD TANKS & N/D BOP. RIG RELEASE COST \$ 535,422.

20:00 06:00 10.0 R/D & PREPARE FOR TRUCKS FOR 2.5 MILE RIG MOVE, SCHEDULED FOR 07:00 W/ HOWCROFT TRUCKING, RIG MAINT, ADVISE DAVID HACKFORD & JAIME SPARGER(@435-781-4502) OF BOP TEST.

06:00 06:00 24.0 RELEASE RIG @ 20:00 HRS, 6/20/2008.
CASING POINT COST \$535,823

06-25-2008 **Reported By** SEARLE

Daily Costs: Drilling	\$0	Completion	\$38,495	Daily Total	\$38,495						
Cum Costs: Drilling	\$535,822	Completion	\$113,416	Well Total	\$649,239						
MD	6,300	TVD	6,300	Progress	0	Days	8	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 470'. EST CEMENT TOP @ 720'. RD SCHLUMBERGER.

06-28-2008 **Reported By** JOE VIGIL

Daily Costs: Drilling	\$0	Completion	\$1,723	Daily Total	\$1,723						
Cum Costs: Drilling	\$535,822	Completion	\$115,139	Well Total	\$650,962						
MD	6,300	TVD	6,300	Progress	0	Days	9	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 8500 PSIG. WO COMPLETION.

07-02-2008 **Reported By** JOE VIGIL

Daily Costs: Drilling	\$0	Completion	\$195,515	Daily Total	\$195,515						
Cum Costs: Drilling	\$535,822	Completion	\$310,654	Well Total	\$846,477						
MD	6,300	TVD	6,300	Progress	0	Days	10	MW	0.0	Visc	0.0
Formation :	WASATCH	PBTD : 0.0			Perf :	4996'-6070'		PKR Depth : 0.0			

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU CUTTERS WIRELINE & PERFORATE NH FROM 5856'-57', 5860'-61', 5885'-86', 5932'-33', 5952'-53', 5960'-61', 5982'-83', 6002'-03', 6022'-23', 6052'-53', 6059'-60', 6067'-70' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4160 GAL 16# YF116ST PAD, 10518 GAL 16# YF116ST W/1# & 1.5# 20/40 SAND, 42156 GAL 16# YF116ST+ W/148000# 20/40 SAND @ 1-5 PPG. MTP 7079 PSIG. MTR 51 BPM. ATP 3912 PSIG. ATR 47 BPM. ISIP 1900 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 5815'. PERFORATE BA FROM 5619'-20', 5626'-27', 5640'-41', 5647'-48', 5681'-82', 5691'-92', 5709'-10', 5714'-15', 5729'-30', 5748'-49', 5777'-78', 5794'-95' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/2077 GAL 16# YF116ST PAD, 4230 GAL 16# YF116ST W/1# & 1.5# 20/40 SAND, 35731 GAL YF116ST+ W/115100# 20/40 SAND @ 1-4 PPG. MTP 8548 PSIG. MTR 53 BPM. ATP 3534 PSIG. ATR 48 BPM. ISIP 1814 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 5582'. PERFORATE BA FROM 5387'-88', 5419'-20', 5436'-37', 5464'-65', 5477'-78', 5498'-99', 5502'-04', 5515'-16', 5530'-31', 5545'-46', 5565'-66' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/2066 GAL 16# YF116ST PAD, 5293 GAL 16# YF116ST W/1# & 1.5# 20/40 SAND, 34998 GAL YF116ST+ W/114200# 20/40 SAND @ 1-4 PPG. MTP 7758 PSIG. MTR 51.5 BPM. ATP 4092 PSIG. ATR 46.5 BPM. ISIP 1350 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5350'. PERFORATE CA FROM 5204'-06', 5210'-12', 5220'-21', 5238'-39', 5248'-49', 5272'-73', 5282'-83', 5295'-96', 5310'-11', 5315'-16' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING W/2071 GAL 16# YF116ST PAD, 4214 GAL 16# YF116ST W/1# & 1.5# 20/40 SAND, 35602 GAL YF116ST+ W/115400# 20/40 SAND @ 1-4 PPG. MTP 6119 PSIG. MTR 53 BPM. ATP 3357 PSIG. ATR 48.5 BPM. ISIP 1350 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5185'. PERFORATE CA FROM 4996'-97', 5004'-05', 5045'-46', 5052'-53', 5081'-82', 5086'-88', 5147'-48', 5152'-53', 5156'-58', 5169'-70' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING W/2074 GAL 16# YF116ST PAD, 4226 GAL 16# YF116ST W/1# & 1.5# 20/40 SAND, 26166 GAL YF116ST+ W/77000# 20/40 SAND @ 1-4 PPG. MTP 7817 PSIG. MTR 53 BPM. ATP 3721 PSIG. ATR 48 BPM. ISIP 1712 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 4836'. RD WIRELINE. SDFN.

07-10-2008		Reported By		BAUSCH							
Daily Costs: Drilling		\$0	Completion		\$17,548	Daily Total		\$17,548			
Cum Costs: Drilling		\$535,822	Completion		\$328,202	Well Total		\$864,025			
MD	6,300	TVD	6,300	Progress	0	Days	11	MW	0.0	Visc	0.0
Formation : WASATCH			PBTD : 0.0			Perf : 4996'-6070'			PKR Depth : 0.0		
Activity at Report Time: MIRUSU. C/O AFTER FRAC.											
Start	End	Hrs	Activity Description								
07:00	15:00	8.0	MIRUSU. UNLOAD TBG. ND FRAC VALVES. NU BOPE. MU 3 7/8" MILL. POBS, 1 JT 2 3/8" 4.7# N-80 TBG. XN NIPPLE. TALLY AND PU 148 JTS OF TBG. TAGGED PLUG @ 4836'. RU TO D/O PLUGS. SIFN.								

07-11-2008		Reported By		BAUSCH							
Daily Costs: Drilling		\$0	Completion		\$8,025	Daily Total		\$8,025			
Cum Costs: Drilling		\$535,822	Completion		\$336,227	Well Total		\$872,050			
MD	6,300	TVD	6,300	Progress	0	Days	12	MW	0.0	Visc	0.0
Formation : WASATCH			PBTD : 6140.0			Perf : 4996'-6070'			PKR Depth : 0.0		
Activity at Report Time: FLOW TEST											
Start	End	Hrs	Activity Description								
07:00	06:00	23.0	SICP 0 PSIG. SISCP 0 PSIG. FLOAT WOULD NOT HOLD PRESSURE. POH TO CHANGE OUT FLOAT. RIH W/BIT & PUMP OFF SUB. CLEANED OUT & DRILLED OUT PLUGS @ 4836', 5185', 5350', 5582' & 5815'. RIH. CLEANED OUT TO PBTD @ 6140'. LANDED TBG AT 4946' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.								

FLOWED 12 HRS. 32/64" CHOKE. FTP 850 PSIG. CP 1100 PSIG. 89 BPPH. RECOVERED 1070 BLW. 4481 BLWTR.

TUBING DETAIL: LENGTH:

PUMP OFF SUB 1.00'
 1 JT 2-3/8" 4.7# N-80 TBG 31.82'
 XN NIPPLE 1.30'
 151 JTS 2-3/8" 4.7# N-80 TBG 4898.41'
 2-3/8" N80 NIPPLE & COUPLING .60'
 BELOW KB 13.00'
 LANDED @ 4946.13' KB

07-12-2008		Reported By		BAUSCH					
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DailyCosts: Drilling \$0 Completion \$2,425 Daily Total \$2,425
 Cum Costs: Drilling \$535,822 Completion \$338,652 Well Total \$874,475
 MD 6,300 TVD 6,300 Progress 0 Days 13 MW 0.0 Visc 0.0
 Formation : WASATCH PBTD : 6140.0 Perf : 4996'-6070' PKR Depth : 0.0
 Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 32/64" CHOKE. FTP 850 PSIG. CP 1550 PSIG. 56 BFPH. RECOVERED 1360 BLW. 3121 BLWTR.

07-13-2008 Reported By BAUSCH

DailyCosts: Drilling \$0 Completion \$2,425 Daily Total \$2,425
 Cum Costs: Drilling \$535,822 Completion \$341,077 Well Total \$876,900
 MD 6,300 TVD 6,300 Progress 0 Days 14 MW 0.0 Visc 0.0
 Formation : WASATCH PBTD : 6140.0 Perf : 4996'-6070' PKR Depth : 0.0
 Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 32/64" CHOKE. FTP 1000 PSIG. CP 1500 PSIG. 33 BFPH. RECOVERED 800 BLW. 2321 BLWTR.

07-14-2008 Reported By BAUSCH

DailyCosts: Drilling \$0 Completion \$2,425 Daily Total \$2,425
 Cum Costs: Drilling \$535,822 Completion \$343,502 Well Total \$879,325
 MD 6,300 TVD 6,300 Progress 0 Days 15 MW 0.0 Visc 0.0
 Formation : WASATCH PBTD : 6140.0 Perf : 4996'-6070' PKR Depth : 0.0
 Activity at Report Time: WO FACILITIES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 32/64" CHOKE. FTP 900 PSIG. CP 1500 PSIG. 20 BFPH. RECOVERED 485 BLW. 1836 BLWTR. WO FACILITIES.

FINAL COMPLETION DATE: 7/13/08

08-19-2008 Reported By DUANE COOK

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
 Cum Costs: Drilling \$535,822 Completion \$343,502 Well Total \$879,325
 MD 6,300 TVD 6,300 Progress 0 Days 16 MW 0.0 Visc 0.0
 Formation : WASATCH PBTD : 6140.0 Perf : 4996'-6070' PKR Depth : 0.0
 Activity at Report Time: INITIAL PRODUCTION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION- OPENING PRESSURE: TP 1850 PSIG & CP 1950 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 9:30 HRS, 8/18/08. FLOWED 1786 MCFD RATE ON 14/64" CHOKE. STATIC 387. QGM METER #7837.

08-20-2008 Reported By ROGER DART

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0
 Cum Costs: Drilling \$535,822 Completion \$343,502 Well Total \$879,325
 MD 6,300 TVD 6,300 Progress 0 Days 17 MW 0.0 Visc 0.0
 Formation : WASATCH PBTD : 6140.0 Perf : 4996'-6070' PKR Depth : 0.0
 Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 1245 MCF, 10 BC & 145 BW IN 24 HRS ON 14/64" CHOKE, TP 1550 PSIG, CP 1850 PSIG.

08-21-2008 Reported By ROGER DART

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$535,822	Completion	\$343,502	Well Total	\$879,325

MD	6,300	TVD	6,300	Progress	0	Days	18	MW	0.0	Visc	0.0
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Formation : WASATCH **PBTD :** 6140.0 **Perf :** 4996'-6070' **PKR Depth :** 0.0

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 1398 MCF, 15 BC & 133 BW IN 24 HRS ON 14/64" CHOKE, TP 1525 PSIG, CP 1800 PSIG.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU37943

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

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

3. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202 3a. Phone No. (include area code) Ph: 303-824-5526

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface SWSE 696FSL 2065FEL 39.98711 N Lat, 109.31099 W Lon
 At top prod interval reported below SWSE 696FSL 2065FEL 39.98711 N Lat, 109.31099 W Lon
 At total depth SWSE 696FSL 2065FEL 39.98711 N Lat, 109.31099 W Lon

14. Date Spudded 05/31/2008 15. Date T.D. Reached 06/20/2008 16. Date Completed D & A Ready to Prod. 08/18/2008

6. If Indian, Allottee or Tribe Name
7. Unit or CA Agreement Name and No. CHAPITA WELLS UNI
8. Lease Name and Well No. CHAPITA WELLS UNIT 690-34
9. API Well No. 43-047-37459
10. Field and Pool, or Exploratory NATURAL BUTTES/WASATCH
11. Sec., T., R., M., or Block and Survey or Area Sec 34 T9S R23E Mer SLB
12. County or Parish UINTAH 13. State UT
17. Elevations (DF, KB, RT, GL)* 5337 GL

18. Total Depth: MD 6300 TVD 19. Plug Back T.D.: MD 6140 TVD 20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
RST/CBL/CCL/VDL/GR *Temp.*

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2132		1000			
6.750	4.500 P-110	11.6	0	6294		610			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	4946							

25. Producing Intervals 26. Perforation Record *4996*

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	4996	6070	5856 TO 6070		3	
B)			5619 TO 5795		3	
C)			5387 TO 5566		3	
D)			5204 TO 5316		3	

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

Depth Interval	Amount and Type of Material
5856 TO 6070	56,999 GALS GELLED WATER & 148,000# 20/40 SAND
5619 TO 5795	42,038 GALS GELLED WATER & 115,100# 20/40 SAND
5387 TO 5566	42,357 GALS GELLED WATER & 114,200# 20/40 SAND
5204 TO 5316	41,887 GALS GELLED WATER & 115,400# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
08/18/2008	08/25/2008	24	→	10.0	1283.0	94.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
14/64"	SI 1400	1650.0	→	10	1283	94		PGW	

28a. Production - Interval B

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

(See Instructions and spaces for additional data on reverse side)
 ELECTRONIC SUBMISSION #63117 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
 ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

RECEIVED
 SEP 29 2008
 DIV. OF OIL, GAS & MINING

28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH	4996	6070		GREEN RIVER MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER	1424 2006 4087 4196 4754 5419 6098

32. Additional remarks (include plugging procedure):
Please see the attached sheet for detailed perforation and additional formation marker information.

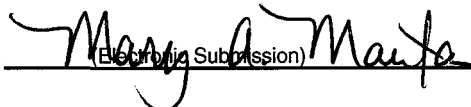
33. Circle enclosed attachments:

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

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

**Electronic Submission #63117 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal**

Name (please print) MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature  (Electronic Submission) Date 09/16/2008

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

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

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SEP 29 2008

DIV. OF OIL, GAS & MINING

Chapita Wells Unit 690-34 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

4996-5170	3/spf
-----------	-------

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

4996-5170	32,466 GALS GELLED WATER & 77,000# 20/40 SAND
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Perforated the North Horn from 5856-57', 5860-61', 5885-86', 5932-33', 5952-53', 5960-61', 5982-83', 6002-03', 6022-23', 6052-53', 6059-60', 6067-70' w/ 3 spf.

Perforated the Ba from 5619-20', 5626-27', 5640-41', 5647-48', 5681-82', 5691-92', 5709-10', 5714-15', 5729-30', 5748-49', 5777-78', 5794-95' w/ 3 spf.

Perforated the Ba from 5387-88', 5419-20', 5436-37', 5464-65', 5477-78', 5498-99', 5502-04', 5515-16', 5530-31', 5545-46', 5565-66' w/ 3 spf.

Perforated the Ca from 5204-06', 5210-12', 5220-21', 5238-39', 5248-49', 5272-73', 5282-83', 5295-96', 5310-11', 5315-16' w/ 3 spf.

Perforated the Ca from 4996-97', 5004-05', 5045-46', 5052-53', 5081-82', 5086-88', 5147-48', 5152-53', 5156-58', 5169-70' w/ 3 spf.

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SEP 29 2008

DIV. OF OIL, GAS & MINING

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 690-34

API number: 4304737459

Well Location: QQ SWSE Section 34 Township 9S Range 23E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,590	1,610	NO FLOW	NOT KNOWN

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

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

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

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE *Mary A. Maestas*

DATE 9/16/2008

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SEP 29 2008

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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

5. Lease Serial No.
UTU37943

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CHAPITA WELLS UNIT 690-34

9. API Well No.
43-047-37459

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

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: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 34 T9S R23E SWSE 696FSL 2065FEL
39.98711 N Lat, 109.31099 W Lon

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

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

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

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat. Interim reclamation was completed on 12/1/2008.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #66855 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal

Name (Printed/Typed) MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature *Mary A. Maestas* (Electronic Submission) Date 02/02/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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

Office _____

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

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

RECEIVED
FEB 09 2009
DIV. OF OIL, GAS & MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov/ut/st/en.html>



TAKE PRIDE
IN AMERICA

4304737459
T9S R23E Sec 34

IN REPLY REFER TO
3180
UT-922

July 7, 2009

Debbie Spears
EOG Resources, Inc.
600 17th Street, Suite 1000N
Denver, Colorado 80202

Re: Initial Wasatch Formation PA "K"
Chapita Wells Unit
Uintah County, Utah

entity 16892

Dear Ms. Spears:

The Initial Wasatch Formation Participating Area "K", Chapita Wells Unit, CRS No. UTU63013BL, AFS No. 892000905BL, is hereby approved effective as of August 18, 2008, pursuant to Section 11 of the Chapita Wells Unit Agreement, Uintah County, Utah.

The Initial Wasatch Formation Participating Area "K" results in an Initial Participating Area of 80.00 acres and is based upon the completion of Well No. 690-34, API No. 43-047-37459, located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 34, Township 9 South, Range 23 East, SLM&B, Federal Unit Tract No. 28, Lease No. UTU37943 as a well capable of producing unitized substances in paying quantities.

Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the approval of the Initial Wasatch Formation Participating Area "K", Chapita Wells Unit, and the effective date.

Sincerely,

/s/ Becky J. Hammond

Becky J. Hammond
Chief, Branch of Fluid Minerals

RECEIVED

JUL 13 2009

Enclosure

DIV. OF OIL, GAS & MINING