UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

RECEIVED

OCT 20 2011

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK Sureau of Land Managemen. Farmington Field Office Type of Work 1a. 5. Lease Number DRILL USA SF-068990 **Unit Reporting Number** 1b. Type of Well 6. If Indian, All. or Tribe GAS 2. 7. Unit Agreement Name Operator BURLINGTON RCVD JAN 9'12 RESCURCES Oil & Gas Company, LP 8. Farm or Lease Name CONS. DIV. 3. Address & Phone No. of Operator Shiotani Federal PO Box 4289, Farmington, NM 87499 DIST. 3 9. Well Number (505) 326-9700 500s 4. 10. Field, Pool, Wildcat Location of Well Surface: Unit O(SWSE), 1085' FSL & 1600' FEL Basin FC/Fulcher Kutz PC 11. Sec., Twn, Rge, Mer. (NMPM) (NAD83) LOA S 36.737053° N Sec. 8, T29N, R12W Surface: Latitude: Longitude: 108.118292 W API# 30-045- 33231 14. Distance in Miles from Nearest Town 12. County 13. State 8.4 Flora Vista San Juan MM 15. Distance from Proposed Location to Nearest Property or Lease Line 10851 16. Acres in Lease 17. Acres Assigned to Well 1123.270 FC 322.86 acres E/2 PC 162.86 acres SE/4 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease Proposed Depth This action is subject to technical and 19. 20. Rotary or Cable Tools procedural review pursuant to 43 CFR 3165.3 Rotary and appeal pursuant to 43 CFR 3165.4 21. Elevations (DF, FT, GR, Etc.) 22. Approx. Date Work will Start 5664' GL DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED 23. **Proposed Casing and Cementing Program** "GENERAL REQUIREMENTS". See Operations Plan attached 24. Authorized by: Arleen Kellywood (Staff Regultory Tech) APPROVAL DATE PERMIT NO. APPROVED BY DATE Archaeological Report attached A gas recovery unit may or may not be used on this location. Threatened and Endangered Species Report attached

NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

Title 18 U.S.C. Section 1001, makes 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 presentations as to any matter within its jurisdiction.

Example Master Plan Type 2

A COMPLETE C-144 MUST BE SUBMITTED TO AND APPROVED BY THE NMOCD FOR: A PIT, CLOSED LOOP SYSTEM, BELOW GRADE TANK, OR PROPOSED ALTERNATIVE METHOD, PURSUANT TO NMOCD PART 19.15.17, PRIOR TO THE USE OR CONSTRUCTION OF THE ABOVE APPLICATIONS.

Bond Numbers NMB-000015 and NMB-000089 BLM'S APPROVAL OR ACCEPTANCE OF THIS

ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER 2012 THORIZATION REQUIRED FOR OPERATIONS N FFDERAL AND INDIAN LANDS

C. HARRADEN/ October 20, 2011

BURLINGTON RESOURCES/ Shiotani Federal #500S APD SEE ATTACHED FO CONDITIONS OF APPR(

STIPULATION/CONDITION OF APPROVAL

This well is located in a growing area where home development is occurring and water wells are being drilled into the Ojo Alamo aquifer. In order to protect the integrity of the Ojo Alamo fresh water aquifer, a minimum surface csg. depth of 461' is stipulated as a condition of approval for this APD.

DISTRICT I 1625 N. French Dr., Hobbs, N.H. 86240

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised October 12, 2005

DISTRICT II 1301 West Grand Avenue, Artesia, N.M. 88210

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Pool Code

Submit to Appropriate District Office State Lease — 4 Copies Fee Lease — 3 Copies

FULCHER

² Pool Nama

1000 Rio Brazon Rd., Aztoc, N.M. 67410

API Number

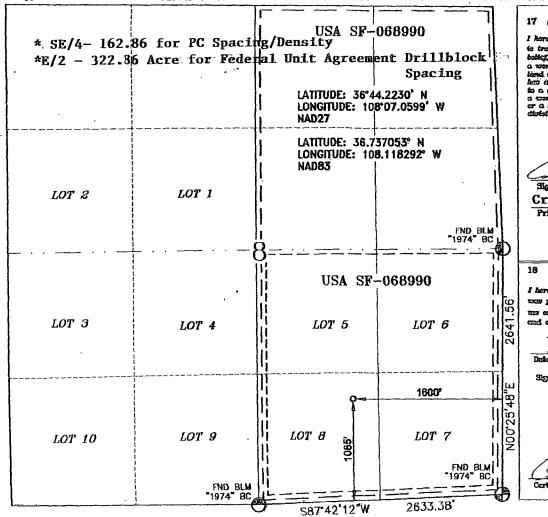
DISTRICT IV 1220 S. St. Francis Dr., Santa Fe, NH 87506 ☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-045-33231		7162	9/77200	o	BASIN FRUITI	AND COAL, KI	TZ PICTU	RED CLIFF			
Property Code				⁶ Well Number							
13840				500\$							
OGRID No		Operator Name									
14538			BURL	INGTON R		5664'					
¹⁰ Surface Location											
UL or lot no.	Section	Township	Rango	Lot Idn	Feet from the	North/South line	Foot from the	Kort/West lin	o County		
0	8	29-N	12-₩	8	1085	SOUTH	1600	EAST	SAN JUAN		
Il Dallam II-la Tanakin If Different Union Charles											

"Bottom Hole Location If Different From Surface UL or lot no. Section Township Post from the North/South line East/West line Ronco County "Consolidation Code 22 Joint or Infill ¹⁰Order No. Dedicated Acres FC 322.86 ACRES E/2 PC 162.86 ACRES SE /4 *

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION

I hereby certify that the information contained hereby to true cost occupies to the best of my buomissips and bolles, and that the organization office costs dition teleprest or carboard actioned testing land including the proposed bettien held location or han a right to drill this wall at the location permise to a contract with an course of such a school as a contract with an course of such a school as a contract others, or to a schooling pooling agreed or a competition permise order handsform ordered by

Crystal Tafoya

Printed Hamo

SURVEYOR CERTIFICATION

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PROJECT PROPOSAL - New Drill / Sidetrack

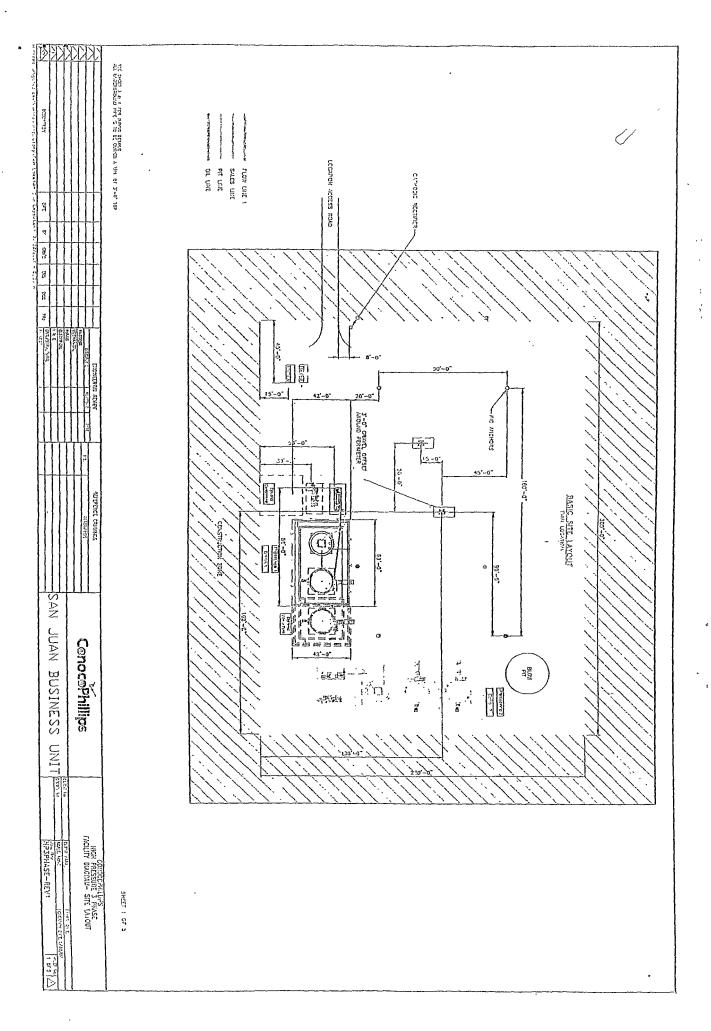
San Juan Business Unit

SHIOTANI FEDERAL 500S

DEVELOPMENT

Lease:				AFE #:	WAN.CDR	8231	-			AFE \$:		
Field Name: SAN JUAN			Rig: Aztec Rig 711			State: NM Cour			y: SAN JUAN API #: 3004533231			
Geologist:		Phon	ie:		Geop	hysicist:				Phone:		
Geoscientist: Clark, Dave D			Phone: +1 505-326-9762			Prod. Engineer:			Phone:			
Res. Engineer:			Phone:			Proj. Field Lead:		Phone:				
Primary Objectiv	e (Zones):											
Zone Z	one Name											
JCV B	ASIN FRUITLAN	ND COAL (GAS)										
UPL B	LANCO PICTUF	RED CLIFFS										
			Karsva-						en de la companya de			
Location: Surface		ROT MAY TO PREFE VALUE OF ST	AAMEACORESO							DECREES WINDOWS INCOME.	ght Hole	
Latitude: 36.73704	9 Longitude	e: -108.117665	X:		Y:			Section	: 08	Range	e: 012W	
Footage X: 1600 F	EL Footage \	Y: 1085 FSL	Eleva	ation: 5664	(FT)	Townsh	ip: 029N	<u> </u>				
Tolerance:												
Location Type: Yea	r Round	Star	t Date (Est.): 1/1/201	.4 Co	mpletion	Date:		Date In	Operation:		
	Assume KB = 5		= FT									
Formation Call & Casing Points		Depth SS TVD in Ft) (F		ID Depletion Ft) (Yes/No) BHT			Rem	arks		
Surface Casing		120 555 461 (See	57 COA) ppf, J-55 ST to surface.	TC csg. Cem	ent with 50 cuft.	
OJO ALAMO		240 54:										
KIRTLAND		388 528	89									
FRUITLAND		1083 459	94				Gas		, , , , , , , , , , , , , , , , , , ,			
PICTURED CLIFFS		1678 39	99		480)	Gas					
Total Depth		1878 37	99							J-55, STC cas nt to surface.	sing. Cement	
Reference Wells												
Reference Type	Well Name		Co	mments								
Logging Program Intermediate Logs		f show 🔲 GR/	ild [Triple Com	bo							
											·	
TD Logs:		mbo 🔲 Dipme	eter 🗀	RFT So	nic 🔲 V	SP T	DT 🗹	Other				
Additional Informa	GR/CBL ation:								<u>.</u>			
Log Type	Stane	From (Et)		To (Et)	Too	ol Type/N	lame		Remarks			

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Directions from the Intersection of Highway 516 and CR 350 in Flora Vista, NM to

i test sak

Burlington Resources Oil & Gas Company LP SHIOTANI FEDERAL 500S 1085' FSL & 1600' FEL, Section 8, T29N, R12W, N.M.P.M., San Juan County, New Mexico Lat: 36° 44' 13.39291" N Long: 108° 07' 05.85194" W Nad 1983

Go southerly for 5.0 miles on CR 350 across the Animas River to the over Crouch Mesa,
Turn right (westerly) 3.3 on CR 390 miles,
Turn left (southerly) 0.4 miles,
to the newly staked location twinned on existing well pad,
HUDSON 1E.

DRILLING CONDITIONS OF APPROVAL

Operator:

Burlington Resources

Lease No.:

NMSF-068990

Well Name:

Shiotani #500S

Well Location:

Sec. 8, T29N, R12W; 1085' FSL & 1600' FEL

Due to increased depth for the surface casing, the cement volume must be adjusted to circulate cement back to surface.

Onshore order #2 Casing and Cementing Requirements: The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.





After hour contact: Troy Salyers 505-360-9815