

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	2005 JUN 17 PM 4 21 RECEIVED 070 FARMINGTON NM	5. Lease Number NMSF-068990 Unit Reporting Number
1b. Type of Well GAS		6. If Indian, All. or Tribe
2. Operator BURLINGTON RESOURCES Oil & Gas Company		7. Unit Agreement Name
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700		8. Farm or Lease Name Shiotani Federal Com 9. Well Number #400S
4. Location of Well Unit F (SENW) 1775' FNL & 1500' FWL Latitude 36° 44.6371'N Longitude 108° 07.5056'W	JUL 2005 RECEIVED BLM DIST. 3	10. Field, Pool, Wildcat Basin Fruitland Coal 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 8, T29N, R12W API # 30-045- 33183
14. Distance in Miles from Nearest Town 2.8 miles		12. County San Juan 13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1500'		
16. Acres in Lease		17. Acres Assigned to Well FC - 325.77 W/2
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 52' Hudson #3E		
19. Proposed Depth 1850'		20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 5660' GL		22. Approx. Date Work will Start
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Patsy Clugot</u> Sr. Regulatory Specialist		Date <u>6/14/05</u>

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY [Signature] TITLE Acting AFM DATE 7/21/05

Archaeological Report attached
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.

This well is NOT in the HPA area.

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

NMOC

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87504-2088

Form C-102
Revised June 10, 2003
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045- 33183	² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code 13840 13458	⁵ Property Name SHIOTANI FEDERAL COM	⁶ Well Number 400S
⁷ GRID No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP	⁹ Elevation 5660'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	8	29-N	12-W	1	1775	NORTH	1500	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F									
¹² Dedicated Acres 325.77 W/2			¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.		

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

16

SEC. CORNER FD 3 1/4" BC 1974 BLM	S 89°22'03" E 2640.78' (M)	QTR. CORNER FD 3 1/4" BC 1974 BLM	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature <u>Patsy Clugston</u> Printed Name <u>Sr. Regulatory Specialist</u> Title <u>3-29-05</u> Date	
S 00°02'42" E 2705.54' (M)	1775'	1500'	18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Signature and Seal of Professional Surveyor Date of Survey Certificate Number	
LOT 2	LOT 1	14528		
NM SF-068990		REGISTERED PROFESSIONAL ENGINEER		
QTR. CORNER FD 3 1/4" BC 1974 BLM	LOT 3	LOT 4	LOT 5	LOT 6
LOT 10	LOT 9	LOT 8	LOT 7	

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

5. Indicate Type of Lease

STATE ☐

FEE ☐

6. State Oil & Gas Lease No.

Federal # SF-068990

7. Lease Name or Unit Agreement Name

8. Well Number

Shiotani Federl Com #400S

9. OGRID Number

14538

10. Pool name or Wildcat

Basin Fruitland Coal

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

Oil Well ☐

Gas Well ☒

Other ☐

2. Name of Operator

BURLINGTON RESOURCES OIL & GAS COMPANY LP

3. Address of Operator

3401 E. 30TH STREET, FARMINGTON, NM 87402

4. Well Location

Unit Letter **F**

1775'

feet from the

North

line and

1500'

feet from the

West

line

Section **8**

Township

29N

Range

12W

NMPM

County

San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

5660' GL

Pit or Below-grade Tank Application

☐ or Closure ☐

Pit type

New Drill

Depth to Groundwater

>100'

Distance from nearest fresh water well

>1000'

Distance from nearest surface water

>1000'

Pit Liner Thickness:

n/a

mil

Below-Grade Tank:

Volume

bbls;

Construction Material

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐

PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☐

PULL OR ALTER CASING ☐

MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

P AND A ☐

CASING/CEMENT JOB ☐

OTHER:

New Drill Pit

☒

OTHER:

☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

New Drill, Unlined:

Burlington Resources proposes to construct a new drilling pit and an associated vent/flare pit. Based on Burlington's interpretation of the Ecosphere's risk ranking criteria, the new drilling pit and vent/flare pit will be an unlined pit as detailed in Burlington's Revised Drilling / Workover Pit Construction / Operation Procedures dated November 11, 2004 on file at the NMOCD office. A portion of the vent/flare pit will be designed to manage fluids, and that portion will be unlined, as per the risk ranking criteria. Burlington Resources anticipates closing these pits according to the Drilling / Workover Pit Closure Procedure dated August 2, 2004 on file at the NMOCD office.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE

Patsy Clugston

TITLE

Sr. Regulatory Specialist

DATE

4/8/2005

Type or print name

Patsy Clugston

E-mail address:

pclugston@br-inc.com

Telephone No.

505-326-9518

For State Use Only

APPROVED BY

[Signature]

TITLE

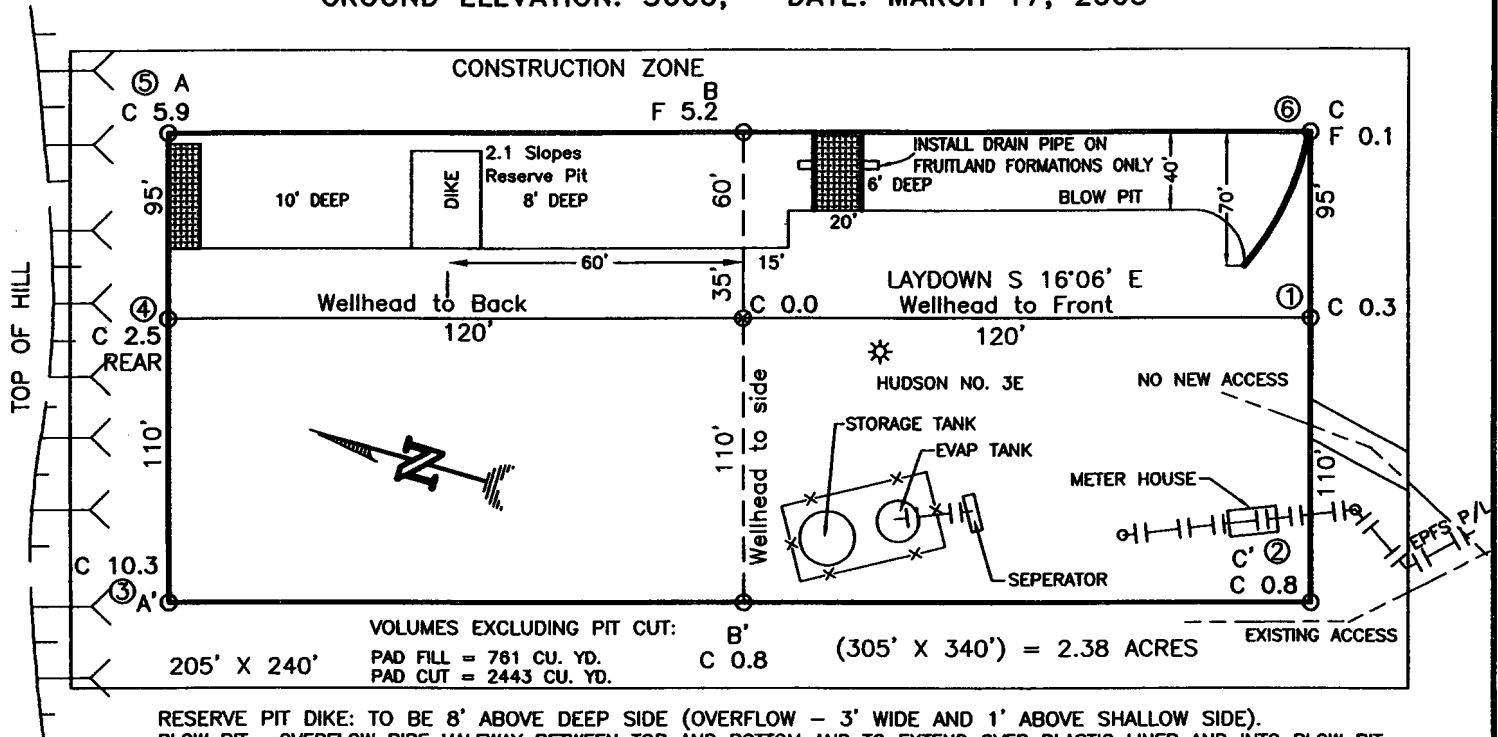
DEPUTY OIL & GAS INSPECTOR, DIST. 23

DATE

JUL 21 2005

Conditions of Approval (if any):

BURLINGTON RESOURCES OIL & GAS COMPANY LP
SHIOTANI FEDERAL COM NO. 400S, 1775 FNL 1500 FWL
SECTION 8, T-29-N, R-12-W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO
GROUND ELEVATION: 5660, DATE: MARCH 17, 2005



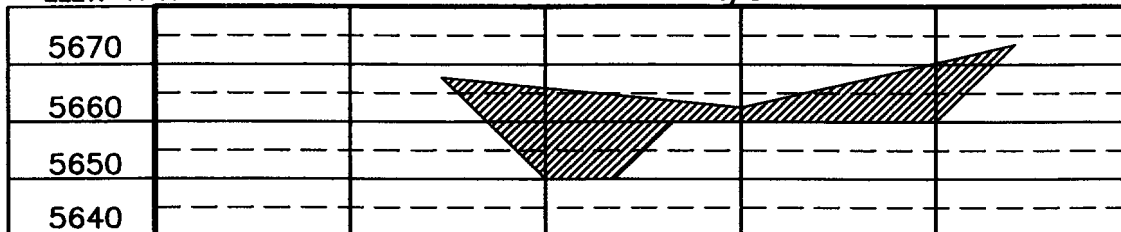
RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).
 BLOW PIT: OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT.

NOTE:

DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO EXCAVATION OR CONSTRUCTION.

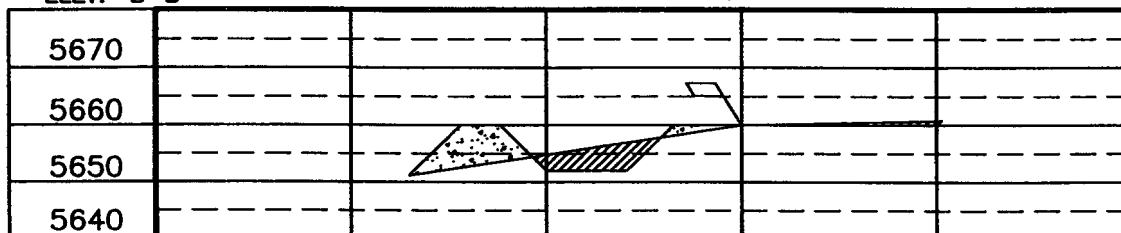
ELEV. A-A'

C/L



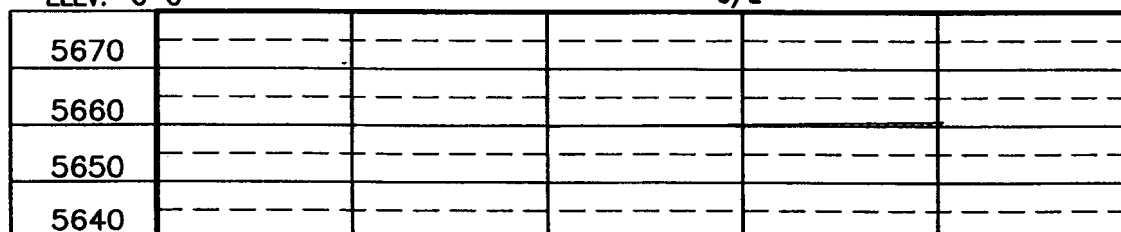
ELEV. B-B'

C/L




ELEV. C-C'

C/L



NOTE: CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

	Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 15068 • Farmington, NM 87401 Phone (505) 326-1772 • Fax (505) 326-6019 NEW MEXICO P.L.S. No. 14831	
	DRAWN BY: A.G. ROW# BR553	CAP# BR553CFB DATE: 02/17/05

OPERATIONS PLAN

Well Name: Shiotani Federal Com #400S
Location: Unit F (SENW/4) 1775' FNL & 1500' FWL, Section 8, T29N, R12W
 San Juan County, New Mexico
 Latitude 36° 44.6371'N; Longitude 108° 07.5056'W
Formation: Basin Fruitland Coal
Elevation: 5660' GR

Formation:	Top	Bottom	Contents
Surface	San Jose		
Ojo Alamo	240'		
Kirtland	372'	1428'	gas
T/Fruitland	1428'		gas
B/Fruitland Coal	1642'		gas
Pictured Cliffs	1650'		
Total Depth	1850'		

Note: The Total Depth for this well is into the Pictured Cliffs interval, but currently only have plans to complete the Fruitland Coal interval. We could in the near future perforate/stimulate the Pictured Cliffs interval, but only would once Regulatory approval was asked for and received.

Logging Program: None

Mud Program:

Interval	Type	Weight	Vis. Fluid Loss
0 - 120' 445'	Spud /Air/Air Mist	8.4-8.9	40-50 no control
120-1850'	Non-dispersed	8.4-9.5	30-60 no control

Casing Program:

Hole Size	Depth Interval	Csg. Size	Wt.	Grade
8 $\frac{3}{4}$ "	0 - 120' 445'	7"	20.0#	J-55
6 $\frac{1}{4}$ "	0 - 1850'	4 1/2"	10.5#	J/K-55

Tubing Program:

0 - 1850'	2 3/8"	4.7#	J-55
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Float Equipment: 7" surface casing - guide shoe. Centralizers will be run in accordance with Onshore Order #2.

4 1/2" production casing - float shoe and float collar on bottom. Centralizers run every third joint above shoe to the base of the Ojo Alamo @ 372'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 372'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Wellhead Equipment: 7" x 4 1/2" x 2 3/8" x 11" 2000 psi xmas tree assembly.

Shiotani Federal Com #400S

Cementing:

7" surface casing Pre-Set Drilled - Cement with Type I, II cement with 20% flyash mixed at 14.5 ppg, 1.61 cu ft per sack yield. (Bring cement to surface). Wait on cement for 24 hours for pre-set holes before pressure testing or drilling out from under surface.

7" surface casing - Cement with 42 sx Type III cement with 0.25 pps Celloflake, 3% CaCl. (54 cu ft of slurry @ 1.28 yield). 200% excess, bring cement to surface. Wait on cement for 8 hrs for conventionally set holes before pressure testing or drilling out from under surface.

WOC until cement establishes 250 psi compressive strength prior to NU of BOPE.

- Adjust cement volume to account for deeper setting depth of surface casing

4 1/2" production casing - Cement with 75 sx (160 cu ft of slurry @ 2.13 yield) Premium Lite with 3% calcium chloride, 5 pps LCM-1, and 1/4#/sack celloflake, 0.4% FL-52, & 0.4% SMS. Tail with 90 sacks (124 cu ft of slurry @ 1.38 yield) Type III cmt with 1% calcium chloride, 1/4#/sack Celloflake and 0.2% FL-52. Total of 285 cf - 50% excess to circulate to surface.

BOP and tests:

Surface to TD - 11" 2000 psi (minimum double gate BOP stack (Reference Figure #1 and #2). Prior to drilling out surface casing, test rams to 600 psi/30 min.

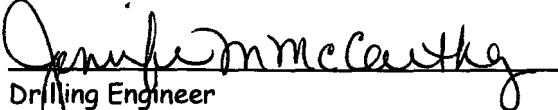
Completion - 6" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to completion operations, test rams and casing to 1500 psi/30 min.

From surface to TD - choke manifold (Reference Figure #3).

Pipe rams will be actuated at least once each day and blind rams actuated once each trip to test proper functioning. An upper kelly cock valve with handle and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

Additional information:

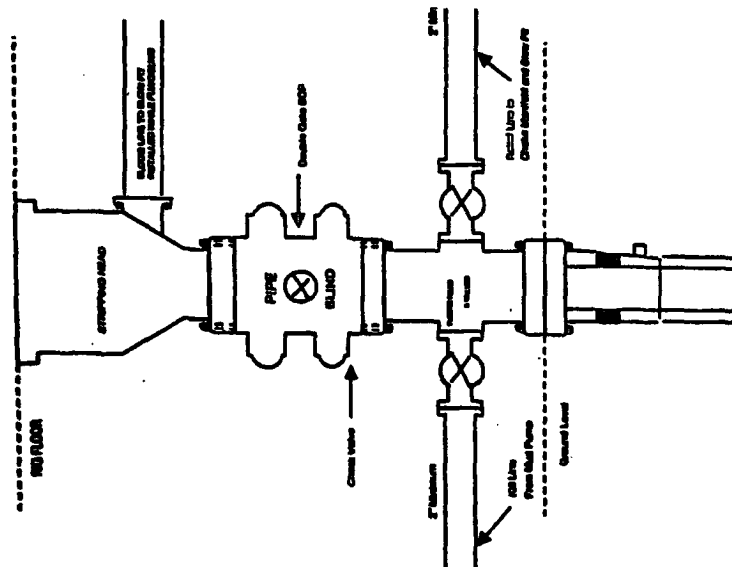
- * The Fruitland Coal formation will be completed.
- * Anticipated pore pressure for the Fruitland is between 600 - 700 psi.
- * This gas is dedicated.
- * The west half of the section is dedicated to Fruitland Coal for this well.
- * New casing will be utilized.
- * Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.


Drilling Engineer

4-13-05
Date

BURLINGTON RESOURCES

**Completion/Workover Rig
BOP Configuration
2,000 psi System**

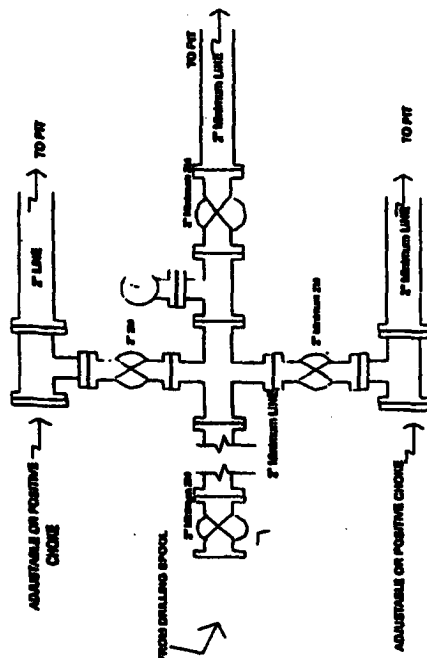


Minimum BOP Installation for all Completion/Workover Operations. 7-1/16" bore, 2000 psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A stripping head to be installed on the top of the BOP. All BOP equipment is 2000 psi working pressure or greater excluding 500 psi stripping head.

Figure #2

BURLINGTON RESOURCES

Drilling Rig Choke Manifold Configuration 2000 psi System

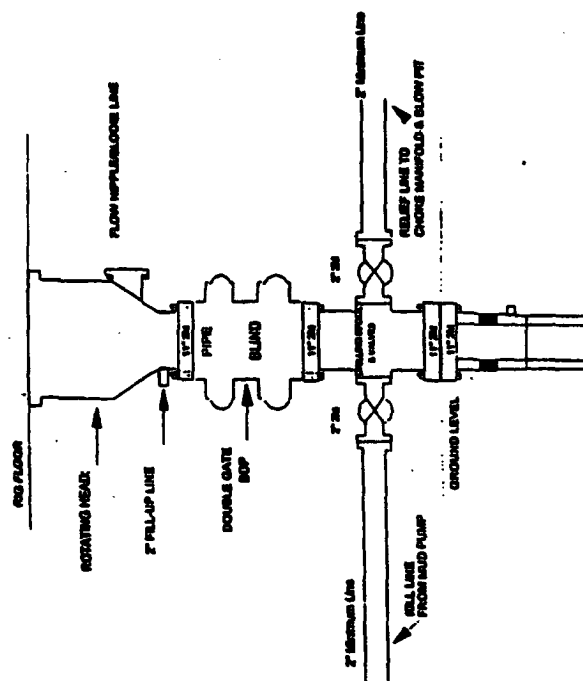


Choice manifold installation from Surface Casing Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure 23

Burlington Resources

Drilling Rig 2000 psi System



800 PSI Installation from Surface Casing Point to Total Depth. 11" Bore 10" Nominal, 2000 psi working pressure double gate 800' to be equipped with blind rams and pipe rams. A 800 psi rotating head on top of ram preventers. All 800 psi equipment is 2,000 psi working pressure

Figure #1