

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions
listed below are made in accordance with OCD Rule 19.15.7.11
and are in addition to the actions approved by BLM on the
following 3160-3 APD form.

Operator Signature Date: 6/24/14

Well information;

Operator Dunlap Res., Well Name and Number San Juan 27-4 Unit # 51N

API# 30-029-31248, Section 29, Township 27 NS, Range 4 EN

Conditions of Approval:

(See the below checked and handwritten conditions)

- ☒ Notify Aztec OCD 24hrs prior to casing & cement.
- ☒ Hold C-104 for directional survey & "As Drilled" Plat
- ☐ Hold C-104 for NSL, NSP, DHC
- ☐ Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned
- ☐ Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:
 - A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A
 - A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A
 - A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C
- ☐ Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
- ☐ Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.

Chub Herri
NMOCD Approved by Signature

8-7-2014
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

5. Lease Serial I

SF-080670

1a. Type of Work ☐ DRILL ☒ RE-ENTER

b. Type of Well: ☐ Oil Well ☐ Gas Well

Other: _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

NMNM 78408A (mv)
NMNM 78408B (dv)

2. Name of Operator

Burlington Resources Oil & Gas Company

8. Lease Name and Well No.

SAN JUAN 27-4 UNIT #51N

3. Address:

PO Box 4289, Farmington, NM 87499

3a. Phone No. (include area code)

(505) 326-9700

9. API Well No.

30-039-31248

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

10. Field and Pool or Exploratory

Blanco MV / Basin DK

At surface UNIT B (NWNE), 956' FNL & 2570' FEL

Latitude 36.548741 ° N

Longitude 107.273614 ° W

At BHL N/A

Latitude

Longitude

11. Sec., T., R., M., on Block and Survey or Area

Suf: SEC. 29, T27N, R4W

BHL: N/A

12. County or Parish

Rio Arriba

13. State

New Mexico

14. Distance in miles from Nearest Town

50 miles to Blanco, NM

15. Distance from Proposed Location to

Nearest Property or Lease Line: 50'

16. Acres in Lease

2564.72

17. Acres Assigned to Well.:

320 ac E/2 MV & DK

18. Distance from Proposed Location to Nearest Well,
Drlg, Compl, or Applied for on this lease

1319' from SJ 27-4 #20 (MV)

19. Proposed Depth

8533'

20. Rotary or Cable Tools

Rotary

21. Elevations (DF, FT, GR, Etc.)

7234'

22. Approx. Date Work will Start

23. Proposed Casing and Cementing Program

See Operations Plan attached

24. Authorized by:

Patsy Clugston

(Staff Regulatory Tech)

Date

6/24/14

PERMIT NO. _____

APPROVAL DATE _____

APPROVED BY: _____

Troy Salvors

TITLE _____

Petroleum Engineer

DATE _____

7/29/2014

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.

Example Master Plan Type

3

Bond Numbers NMB-000015 and NMB-000089

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

BLM'S APPROVAL OR ACCEPTANCE OF THIS
ACTION DOES NOT RELIEVE THE LESSEE AND
OPERATOR FROM OBTAINING ANY OTHER
AUTHORIZATION REQUIRED FOR OPERATIONS
ON FEDERAL AND INDIAN LANDS

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

NMOCDA

OIL CONS. DIV DIST. 3

JUL 30 2014

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240
Phone: (505) 393-6161 Fax: (505) 393-0720

DISTRICT II
811 S. First St., Artesia, N.M. 88210
Phone: (505) 748-1283 Fax: (505) 748-0720

DISTRICT III
1000 Rio Brason Rd., Aztec, N.M. 87410
Phone: (505) 834-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 1, 2011

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

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

JUN 24 2014

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-31248	² Pool Code 72319 / 71599	³ Pool Name BLANCO MESAVERDE / BASIN DAKOTA
⁴ Property Code 7452	⁵ Property Name NORTH JUAN 27-4 UNIT	⁶ Well Number 51N
⁷ GRID No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP	⁹ Elevation 7234'

¹⁰ Surface Location

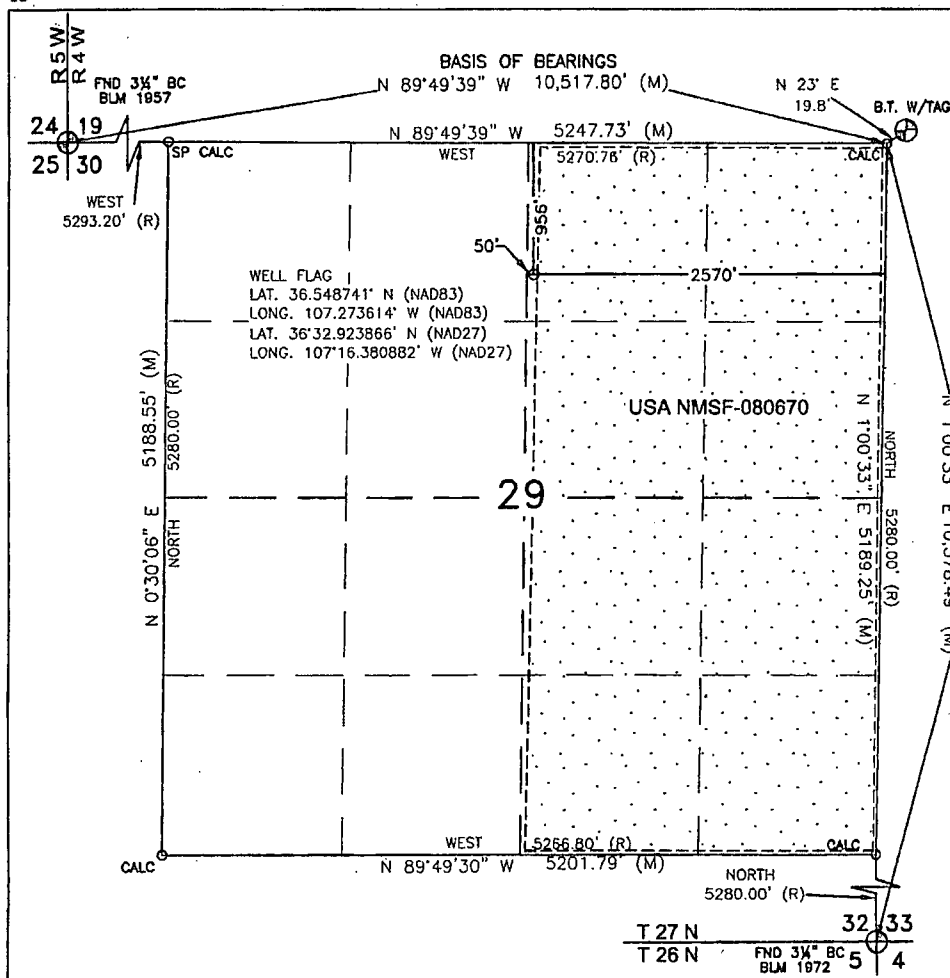
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	NORTH/NORTH line	Feet from the	East/West line	County
B	29	27N	4W		936'	NORTH	2570'	EAST	RIO ARriba

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	NORTH/NORTH line	Feet from the	East/West line	County
¹² Dedicated Acres 320.00 ACRES E/2 SEC. 29 (MV/DK)					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



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein to true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Patsy Clugston 6/24/14
Signature Date

Patsy Clugston

Printed Name

Patsy.L.Clugston@copc.com

E-mail Address

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.

OCTOBER 29, 2013

Date of Survey

Signature and Seal of Professional Surveyor:



DAVID RUSSELL

Professional Number

10201

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 27-4 UNIT 51N

DEVELOPMENT

Lease:		AFE #: WAN.CDR.3032				AFE \$:	
Field Name: SAN JUAN		Rig: 2016 Rig Program		State: NM	County: RIO ARRIBA	API #:	
Geologist:		Phone:		Geophysicist:		Phone:	
Geoscientist:		Phone:		Prod. Engineer:		Phone:	
Res. Engineer:		Phone:		Proj. Field Lead:		Phone:	
Primary Objective (Zones):							
Zone	Zone Name						
RON	BLANCO MESAVERDE (PRORATED GAS)						
FRR	BASIN DAKOTA (PRORATED GAS)						
Location: Surface Datum Code: NAD 27 Straight Hole							
Latitude: 36.548731		Longitude: -107.273015		X:	Y:	Section: 29	Range: 004W
Footage X: 2570 FEL		Footage Y: 956 FNL		Elevation: 7234 (FT)	Township: 027N		
Tolerance:							
Location Type: Restricted		Start Date (Est.): 1/1/2016		Completion Date:		Date In Operation:	
Formation Data: Assume KB = 7249 Units = FT							
Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	MD (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
SAN JOSE	0	7249		<input type="checkbox"/>			Surface geology
Surface Casing	200	7049		<input type="checkbox"/>			12-1/4 hole. 200' 9 5/8" 32.3 ppf, H-40, STC casing. Cement with 112 cuft. Circulate cement to surface.
NACIMIENTO	2310	4939		<input type="checkbox"/>			
OJO ALAMO	3549	3700		<input type="checkbox"/>			
KIRTLAND	3622	3627		<input type="checkbox"/>			
FRUITLAND	3713	3536		<input type="checkbox"/>			Possible Gas
PICTURED CLIFFS	4179	3070		<input type="checkbox"/>		112	
LEWIS	4309	2940		<input type="checkbox"/>			
Intermediate Casing	4459	2790		<input type="checkbox"/>			8 3/4" Hole. 7", 23 ppf, J-55, LTC Casing. Cement with 1005 cuft. Circulate cement to surface.
HUERFANITO BENTONITE	4523	2726		<input type="checkbox"/>			
CHACRA	5065	2184		<input type="checkbox"/>			
UPPER CLIFF HOUSE	5700	1549		<input type="checkbox"/>			Gas
MASSIVE CLIFF HOUSE	5802	1447		<input type="checkbox"/>	809		Gas
MENEFEE	5919	1330		<input type="checkbox"/>			
POINT LOOKOUT	6260	989		<input type="checkbox"/>			
MANCOS	6769	480		<input type="checkbox"/>			
UPPER GALLUP	7416	-167		<input type="checkbox"/>			
GREENHORN	8203	-954		<input type="checkbox"/>			
GRANEROS	8271	-1022		<input type="checkbox"/>			
TWO WELLS	8293	-1044		<input type="checkbox"/>	2415		Gas
PAGUATE	8399	-1150		<input type="checkbox"/>			
UPPER CUBERO	8422	-1173		<input type="checkbox"/>			
LOWER CUBERO	8462	-1213		<input type="checkbox"/>			
Total Depth	8533	-1284		<input type="checkbox"/>			6-1/4" hole, 4-1/2" 11.6 ppf, N/L-80, LTC/BTC casing. Cement w/ 535 cuft. Circulate cement a minimum of 100' inside the previous casing string.

PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 27-4 UNIT 51N

DEVELOPMENT

ENCINAL 8538 -1289 ☐ 197 TD at the top of Encinal. Est bottom perf 20' from TD.

Reference Wells:

Reference Type	Well Name	Comments
----------------	-----------	----------

Logging Program:

Intermediate Logs: ☐ Log only if show ☐ GR/ILD ☐ Triple Combo

TD Logs: ☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☐ TDT ☒ Other

Mud log from ~100' above the Upper Gallup to TD. Mud loggers will call final TD. Est bottom perf 20' from TD.

Additional Information:

Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks
----------	-------	-----------	---------	----------------	---------

surfacing material is required, it will be obtained from existing permitted or private sources and will be hauled in by trucks over existing Resource roads to the area.

F. For well pad cut and fill see Sheet F.

G. As determined during the onsite on 4-10-14, the following best management practices will be implemented:

1. Drainage will be above slope draining away from pad
2. Storage of topsoil will be in existing access road to be abandoned.
3. "Boss Tank" guzzler will be purchased.
4. Low Profile equipment will be used.

H. Construction equipment may include chain saws, a brush hog, scraper, maintainer, excavator, hydraulic mulcher, chippers and dozer. Construction of the resource road and well pad will take approximately 2 to 4 weeks.

I. The resource road and well pad are on lease so no additional ROW will be required.

J. Construction contractors will call New Mexico One-Call (or equivalent) to identify the location of any marked or unmarked pipeline or cables located in proximity to the proposed resource road and well pad at least two working days prior to ground disturbance.

K. All operations will be conducted in such a manner that full compliance is made with the applicable laws and regulations, the Application for Permit to Drill, and applicable Notice(s) to Lessees.

VII. Methods for Handling Waste

A. Cuttings, Drilling Fluids, and Flowback Water - The drill cuttings, drill water and completion fluids will be placed in a lined reserve pit. The pit will be lined with 20m gage pit liner. The reserve pit will be fenced on three sides away from the pad during drilling and the fourth side fenced as soon as the rig moves out. The free fluids will be removed after completion or may be trucked and reused in drilling operations or trucked to an approved disposal facility as indicated in

Burlington Resources Drilling / Workover Pit Closure Procedure dated June 28, 2013 on file at the NMOCD office in Aztec, NM.

B. Garbage and other waste material - garbage, trash and other waste materials will be collected in a portable, self-contained and fully-enclosed trash container during drilling and completion operations. The accumulated trash will be removed, as needed, and will be disposed of at an authorized sanitary landfill. No trash will be buried or burned on location.

C. Sewage – self-contained, chemical toilets will be provided for human waste disposal. The toilet holding tanks will be pumped, as needed, and the contents thereof disposed of in an approved sewage disposal facility. The toilets will be onsite during all operations.

D. Immediately after drilling and completing activities have ceased, all debris and other waste materials not contained in the trash containers will be cleaned up and removed from the well location.

VIII. Ancillary Facilities

A. The proposed areas and access roads listed below could be utilized for staging of construction, drilling, and completion equipment to facilitate drilling operations. Additionally, staging could occur, within the permitted right-of-way, along the route shown on Sheet B and described on Sheet C. Staging could take place when the rig moves in or off location. Any proposed temporary use area will be returned to same or better condition than before operations began and will comply with the BLM FFO Bare Soil Reclamation Procedures.

1. San Juan 27-4 Unit #144 - UL L, 1520' FSL & 910' FWL, Section 28, T27N, R4W (on lease)
2. San Juan 27-4 Unit #114 – UL I, 1475' FSL & 950' FEL, Section 29, T27N, R4W (on lease)

IX. Well Site Layout

A. The proposed well pad layout is shown on Sheet G. Cross sections have been drafted to visualize the planned cuts and fill across the location. Refer to Section VI for construction materials and methods.

B. Office trailers equipped with living quarters will be provided on location during drilling and completions operations.

X. Plans for Surface Restoration

BURLINGTON RESOURCES OIL & GAS COMPANY LP

SAN JUAN 27-4 UNIT #51N

956' FNL & 2570' FEL

LOCATED IN THE NW/4 NE/4 OF SECTION 20,

T27N, R4W, N.M.P.M.,

RIO ARriba COUNTY, NEW MEXICO

DIRECTIONS

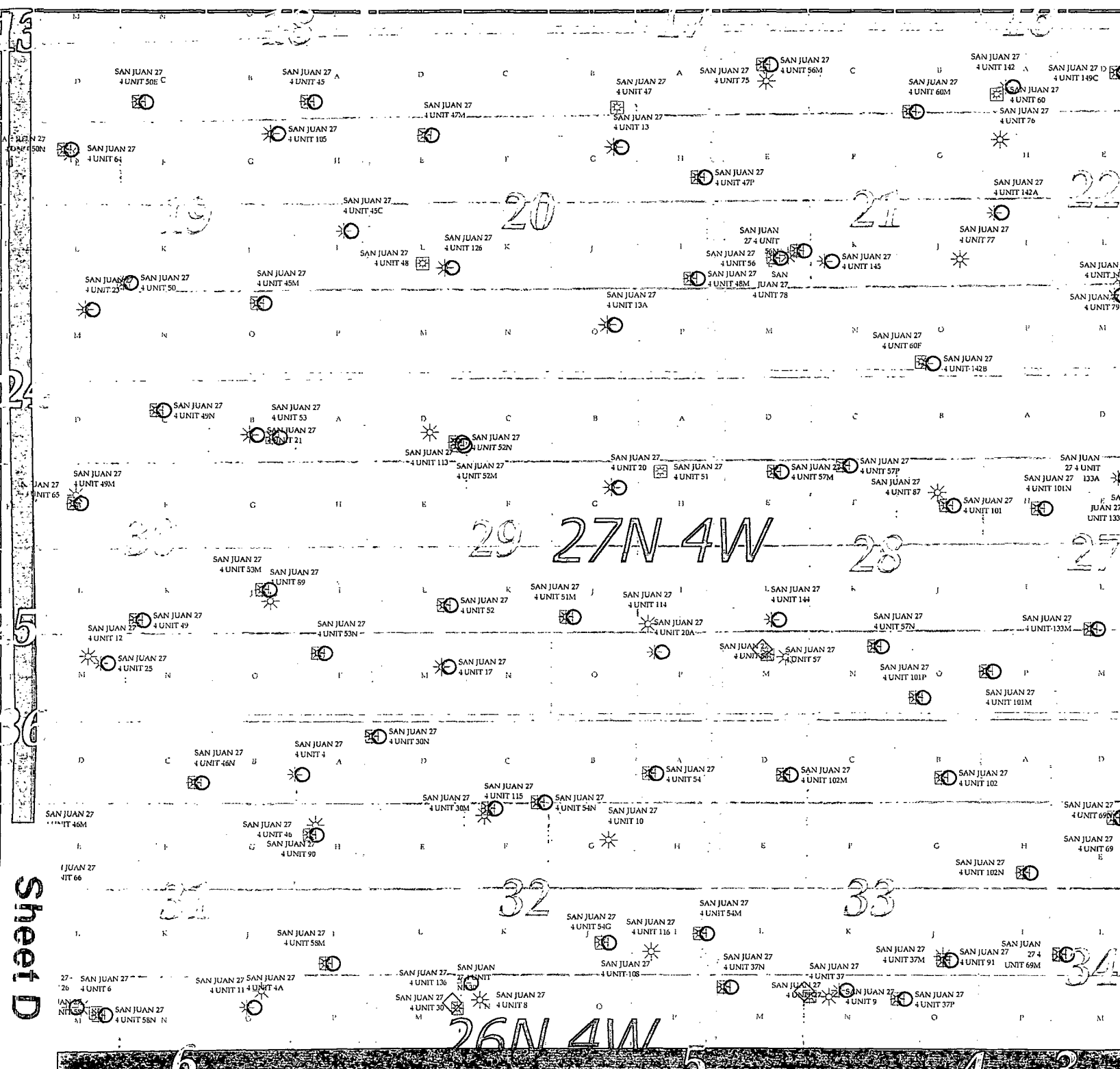
- 1) FROM POST OFFICE IN BLANCO, TRAVEL EAST ON US HWY 64 FOR 27.6 MILES (GENERAL AMERICAN).
- 2) TURN RIGHT AND GO 15.1 MILES.
- 3) TURN RIGHT AND CROSS WASH AND GO 0.1 MILE.
- 4) TURN RIGHT AND GO 1.1 MILES TO "Y" INTERSECTION.
- 5) TURN RIGHT AND GO 0.6 MILES TO "Y" INTERSECTION.
- 6) TURN LEFT AND GO 4.5 MILES TO "Y" INTERSECTION.
- 7) CONTINUE LEFT TO LOCKED GATE AND GO 2.2 MILES TO WHERE PAD IS STAKED IN ROAD.

WELL FLAG LOCATED AT LAT. 36.548741° N, LONG. 107.273614° W (NAD 83).

JOB No.: COPC487
DATE: 11/08/13



**Scorpion Survey &
Consulting, L.L.C.**
302 South Ash
Aztec, New Mexico 87410
(505) 334-4007



Legend

L48 SJBU P2000 Well Prod Form

OTHER WELLS

FORMATION

- NACIMIENTO
- FRUITLAND SAND
- FRUITLAND COAL
- FTC/PC
- PICTURED CLIFFS
- PC/MVDK
- CHACRA
- MESAVERDE
- MVDK
- MANCOS
- GALLUP/DAKOTA
- GREENHORN
- DAKOTA
- DAKOTA/MORRISON/SANASTEE
- PENNSYLVANIAN
- SHALLOW

1:24,000

1 inch = 2,000 feet



ConocoPhillips

Unpublished Work, ConocoPhillips.

SAN JUAN 27-4 UNIT 51N
NE SECTION 29, T27N, R4W
RIO ARRIBA COUNTY, NM

Sheet D