

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: 7/21/14

Well information;

Operator Burlington, Well Name and Number San Juan 28-6 Unit # 120 N

API# 30-039-31253, Section 9, Township 28 N, Range 6 E (W)

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
- ☒ Regarding Hydraulic Fracturing, review EPA Underground Injection Control Guidance 84
- ☐ 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.

Charles H. Hester
NMOCD Approved by Signature

9-9-2014
Date RE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JUL 21 2014

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial

SF-080505-A

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.

SAN JUAN 28-6 UNIT

NMN-784/2A-MV NMN-784/2C-DK

8. Lease Name and Well No.

San Juan 28-6 Unit 120N

2. Name of Operator

Burlington Resources Oil & Gas Company

3. Address:

PO Box 4289, Farmington, NM 87499

3a. Phone No. (include area code)

(505) 326-9700

9. API Well No.

30-039-31253

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

10. Field and Pool or Exploratory

Blanco MV / Basin DK

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

Suf: Sec. 9, T28N, R6W

BHL: N/A

12. County or Parish

Rio Arriba

13. State

New Mexico

cp At surface Unit K (NE/SW), 1525' FSL & 1940' FWL

Latitude 36.6726901 ° N

Longitude 107.4748543 ° W

At BHL N/A

Latitude N/A

Longitude N/A

14. Distance in miles from Nearest Town

41 Miles from Bloomfield

15. Distance from Proposed Location to

Nearest Property or Lease Line: 1525'

16. Acres in Lease 955.33

781-72

17. Acres Assigned to Well:

354.79 Acres - DK

284.20 Acres - MV

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

1064' from SJ 28-6 Unit 400 MV/DK

19. Proposed Depth

8116'

20. Rotary or Cable Tools

Rotary

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

6786'

22. Approx. Date Work will Start

23. Proposed Casing and Cementing Program

See Operations Plan attached

RCVD SEP 2 '14

24. Authorized by:

Arleen White

Arleen White

(Staff Regulatory Tech)

Date

OIL CONS. DIV.

PERMIT NO.

APPROVAL DATE

DIST. 3

APPROVED BY:

[Signature]

TITLE

AFN

DATE

8/29/14

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

3

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
AUTHORIZATION REQUIRED FOR OPERATIONS
ON FEDERAL AND INDIAN LANDS

NMCCD
AV

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

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

pc

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
811 S. First St., Artesia, N.M. 88210
Phone: (505) 748-1283 Fax: (505) 748-9720

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410
Phone: (505) 334-8178 Fax: (505) 334-8170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 87505
Phone: (505) 478-3460 Fax: (505) 478-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, N.M. 87505

Form C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

JUL 21 2014

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039- 31253	² Pool Code 72319 / 71599	³ Pool Name BLANCO MESA VERDE / BASIN DAKOTA
⁴ Property Code 7462	⁵ Property Name SAN JUAN 28-6 UNIT	⁶ Well Number 120N
⁷ GRID No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP	⁹ Elevation 6786

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
K	9	28 N	6 W	LOT 3	1525	SOUTH	1940	WEST	RIO ARriba

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
¹² Dedicated Acres 354.79(DK)-Sec. 10: Lots 3 and 4 and S/2 SW/4 Sec. 9: Lots 1, 2 and 3, SE/4 SW/4 and S/2 SE/4 284.20(MVA) S/2					¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No. R-2948(3)

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 LEGEND:

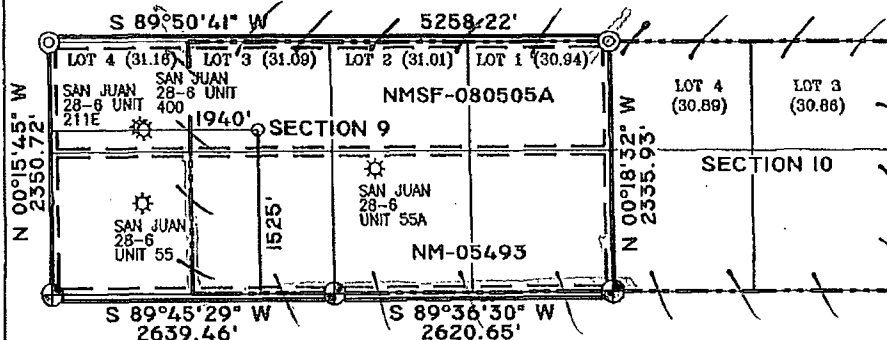
- = SURFACE LOCATION
- ⊙ = FOUND 1914 U.S.G.L.O. BRASS CAP
- ⊙ = FOUND 1914 U.S.G.L.O. BRASS CAP (CC)
- ⊙ = EXISTING WELL

00°12'51"

G.N.=GRID NORTH
T.N.=TRUE NORTH
CONVERGENCE AT
SURFACE LOCATION

SURFACE

LAT: 36.6726901° N
LONG: 107.4748543° W
NAD 83
LAT: 36°40.36096' N
LONG: 107°28.45500' W
NAD 27



BEARINGS & DISTANCES SHOWN
ARE REFERENCED TO THE
NEW MEXICO COORDINATE
SYSTEM, WEST ZONE, NAD 83,
UNLESS OTHERWISE NOTED.

¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is 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.

Arleen White 3-10-14
Signature Date
Arleen White
Printed Name
arleen.r.white@conocophillips.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.

02/06/2014

Date of Survey

Signature and Seal of Professional Surveyor

17078

Certificate Number

OIL CONS. DIV DIST. 3

SEP 02 2014

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 28-6 UNIT 120N

DEVELOPMENT

Lease:		AFE #: WAN.CDR.4001				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						
FRR	BASIN DAKOTA (PRORATED GAS)						
RON	BLANCO MESAVERDE (PRORATED GAS)						
Location: Surface		Datum Code: NAD 27				Straight Hole	
Latitude: 36.672683	Longitude: -107.474250	X:	Y:	Section: 09		Range: 006W	
Footage X: 1940 FWL	Footage Y: 1525 FSL	Elevation: 6786 (FT)		Township: 028N			
Tolerance:							
Location Type: Year Round		Start Date (Est.): 1/1/2016		Completion Date:		Date In Operation:	
Formation Data: Assume KB = 6801 Units = FT							
Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	MD (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
SAN JOSE	0	6801		<input type="checkbox"/>			Surface geology
Surface Casing	200	6601		<input type="checkbox"/>			12-1/4 hole. 200' 9 5/8" 32.3 ppf, H-40, STC casing. Cement with 121 cuft. Circulate cement to surface.
NACIMIENTO	1428	5373		<input type="checkbox"/>			
OJO ALAMO	2890	3911		<input type="checkbox"/>			
KIRTLAND	2977	3824		<input type="checkbox"/>			
FRUITLAND	3276	3525		<input type="checkbox"/>			Possible Gas
PICTURED CLIFFS	3640	3161		<input type="checkbox"/>			
LEWIS	3804	2997		<input type="checkbox"/>			
Intermediate Casing	3953	2848		<input type="checkbox"/>			8 3/4" Hole. 7", 23 ppf, J-55, LTC Casing. Cement with 891cuft. Circulate cement to surface.
HUERFANITO BENTONITE	4378	2423		<input type="checkbox"/>			
CHACRA	4626	2175		<input type="checkbox"/>			
MASSIVE CLIFF HOUSE	5352	1449		<input type="checkbox"/>	490		Gas
MENEFEE	5509	1292		<input type="checkbox"/>			
POINT LOOKOUT	5845	956		<input type="checkbox"/>			
MANCOS	6328	473		<input type="checkbox"/>			
UPPER GALLUP	7072	-271		<input type="checkbox"/>			
GREENHORN	7796	-995		<input type="checkbox"/>			
GRANEROS	7856	-1055		<input type="checkbox"/>			
TWO WELLS	7901	-1100		<input type="checkbox"/>	2642		Gas
UPPER CUBERO	7996	-1195		<input type="checkbox"/>			
LOWER CUBERO	8036	-1235		<input type="checkbox"/>			
Total Depth	8116	-1315		<input type="checkbox"/>			6-1/4" hole, 4-1/2" 11.6 ppf, N/L-80 LTC/BTC casing. Cement w/ 546 cuft. Circulate cement a minimum of 100' inside the previous casing string.
ENCINAL	8116	-1315		<input type="checkbox"/>		205	TD at the top of Encinal. Est bottom perf 15' from TD.
Reference Wells:							

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 28-6 UNIT 120N

DEVELOPMENT

Reference Type	Well Name	Comments
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Logging Program:

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

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.

Additional Information:

Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks
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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 3-19-14, the following best management practices will be implemented:

1. Drainage will be above cut slope draining to silt traps
2. 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 28-6 Unit #211E – UL L, 1555' FSL & 830' FWL, Section 9, T28N, R6W (on lease)
2. San Juan 28-6 Unit #55 - UL M, 850' FSL & 850' FWL, Section 9, T28N, R6W (on lease)
3. San Juan 28-6 Unit #48 – UL B, 790' FNL & 1650' FEL, Section 16, T28N, R6W (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

A. At the 3-19-14, pre-disturbance onsite, it was determined that the project area was within the Sagebrush/Grass Vegetation Community.

BURLINGTON RESOURCES OIL & GAS COMPANY LP

SAN JUAN 28-6 UNIT 120N

1525' FSL & 1940' FWL

LATITUDE: 36.6726901° N

LONGITUDE: 107.4748543° W

NAD 83

SECTION 9, T-28-N, R-6-W, N.M.P.M.

RIO ARriba COUNTY, NEW MEXICO

**FROM THE INTERSECTION OF U.S. HIGHWAY 64
AND U.S. HIGHWAY 550 IN BLOOMFIELD, NEW MEXICO.**

**TRAVEL EASTERLY ON U.S. HIGHWAY 64 FOR 31.5 MILES.
TURN RIGHT AT WATER HOLE AND TRAVEL 2.0 MILES SOUTHEASTERLY.
BEAR LEFT AT "Y" INTERSECTION, CONTINUE SOUTHEASTERLY 0.8 MILE.
BEAR LEFT AT "Y" INTERSECTION CONTINUE SOUTHEASTERLY 0.4 MILE.
BEAR RIGHT AT "Y" INTERSECTION, TRAVEL SOUTHERLY 0.2 MILE.
BEAR RIGHT AT "Y" INTERSECTION,
CONTINUE SOUTHERLY 0.2 MILE, CROSSING CATTLEGUARD.
BEAR LEFT AT "Y" INTERSECTION, AND TRAVEL SOUTHERLY 1.9 MILES.
TURN RIGHT AT "4-WAY" INTERSECTION, TRAVEL SOUTHWESTERLY 0.1 MILE.
BEAR RIGHT AT "Y" INTERSECTION, TRAVEL NORTHWESTERLY 0.3 MILE.
BEAR RIGHT AT "Y" INTERSECTION,
CONTINUE NORTHWESTERLY 0.5 MILE, CROSSING CATTLEGUARD.
BEAR LEFT AT "Y" INTERSECTION, CONTINUE NORTHWESTERLY 0.9 MILE.
BEAR RIGHT AT "Y" INTERSECTION, CONTINUE NORTHERLY 0.7 MILE.
BEAR LEFT AT "Y" INTERSECTION, TRAVEL NORTHWESTERLY 0.3 MILE.
BEAR LEFT AT "Y" INTERSECTION, CONTINUE NORTHWESTERLY 0.3 MILE.
BEAR LEFT AT "Y" INTERSECTION, TRAVEL WESTERLY 1.1 MILES.
TURN RIGHT, TRAVEL NORTHEAST 0.2 MILE
TO PROPOSED ACCESS ROAD TO SAN JUAN 28-6 UNIT 120N WELL LOCATION.**