UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 20

| | APPLICATION FOR PERMIT TO DRILL, DE | VED |
|---------|--|--|
| la. | | GTO 15: Lease Number NMSF-079391 |
| | | Unit Reporting Number |
| | | DK-NMNM -078409A/MV-NMNM-8 |
| b. | Type of Well GAS | 6. If Indian, All. or Tribe |
| | Operator IME 20 | 7. Unit Agreement Name |
| • | BURLINGTON 14536 RESOURCES Oil & Gas Company LP | |
| | Oli & Gas Company LP | San Juan 27-5 Unit DEC 2005 |
| | Address & Phone No. of Operator | 8. Farm or Lease Name |
| • | PO Box 4289, Farmington, NM 87499 | San Juan 27-5 Units OIST. 3 |
| | 10 Don 1200) Latining conf int 0/40) | 9. Well Number |
| | (505) 326-9700 | 126N |
| , | (555) 520 5700 | 1011123 |
| | Location of Well | 10. Field, Pool, Wildcat 11599 |
| | 2620' FNL, 160' FWL | Blanco MV/Basin DK |
| | | _11. Sec., Twn, Rge, Mer. (NMPM) |
| atit | ude 36° 35.3297'N, Longitude 107° 24.5043'W | Æ Sec. 7, T-27-N, R-5-W |
| | | API # 30-845- 039-29709 |
| 4. | Distance in Miles from Nearest Town | 12. County 13. State |
| | Governador 10 miles | Rio Arriba NM |
| 6. | Acres in Lease | 17. Acres Assigned to Well 372.04322.04 W/2 321.99 |
| 8. | Distance from Proposed Location to Nearest Well, Drlg, Com | pl, or Applied for on this Lease |
| 19. | Proposed Depth | 20. Rotary or Cable Tools |
| | 7859′ | Rotary |
| 21. | Elevations (DF, FT, GR, Etc.) | 22. Approx. Date Work will Start |
| | 6638' GR 6650' KB | |
| | | |
| 23. | Proposed Casing and Cementing Program See Operations Plan attached | |
| | L. La | 1130100 |

This action is subject to technical and procedural review pursuant to 43 CFR 3165 3 c. 10 c. 10

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO MODIFIE OF EMITH ATTACHED "GENERAL REGULAR" (MS".

NMOCD

District I PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico Energy, Minerals & Natural Resources Department Form C-102 Revised February 21, 1994 Instructions on back

District II PD Drawer DD, Artesia, NM BB211-0719

OIL CONSERVATION DIVISION PO Box 2088

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

District IV PO Box 2088, Santa Fe, NM 87504-2088

> 'API Number 30-039 — 29100

District III 1000 Rio Brazos Rd., Aztec. NM 87410

Santa Fe, NM 87504-2088 AM 9 21 AMENDED REPORT

RECEIVED

Blanco Mesaverde/Basin Dakota

WELL LOCATION AND ACREAGE DEDICATION PLAT

Pool Code

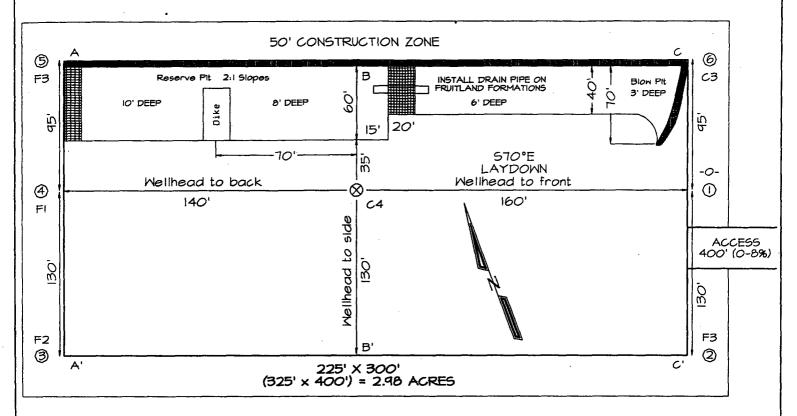
72319/71599

| 'Property Code | | | | | *Property Name | | | | | ⁶ Well Number | | |
|--|---------|------------------------------|---------|--|-------------------------------|----------------------------------|--------------------|-----------------------|--------------------------|----------------------------|--|--|
| 7454 | / | SAN JUAN 27-5 UNIT | | | | | 126N ~ | | | | | |
| 'OGRID No. | | | | | *Operator Name | | | | °E levatio | | levation | |
| 14538 BURLING | | | NGTON F | TON RESOURCES OIL & GAS COMPAI | | | | IY, LP 6638 · | | | | |
| ¹⁰ Surface Location | | | | | | | | | | | | |
| - | ection | Township | Range | Lot Idn | Feet from the | North/South line | Fee | et from the | ĺ | est line | County RIO | |
| E 7 27N 5W . | | | | 2620 | NORTH | | 160 | WE | ST | ARRIBA | | |
| ¹¹ Bottom H | | | | | ocation I | f Different | Fro | om Surface | | | | |
| UL or lot no. Section | | Township | Range | Lot Idn | Feet from the | North/South line | Fee | Feet from the East/We | | est line | County | |
| | | | | ¹³ Joint or Infill ³⁴ Consolidation Code ³⁵ Order No. | | | <u> </u> | | | | | |
| ¹² Dedicated Acres 3.21-79 3.22-04 W/2 | 32 | 2.04 | | | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Orde | r No. | | | | |
| 342.04 W/2 | <u></u> | | | | | l | <u> </u> | | | | | |
| 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 | | | | | | | | | | | | |
| 1380.06 | • | 135 | 58.94° | | 271 | 7.88 | | 17 OPER | ATOR | CERTI | FICATION | |
| | | | | ľ | | | | containe | d herein : | that the ir is true and | complete | |
| LOT | | ĺ | | l | | | | u to the | Dest of my | knowledge // | and belief | |
| | | | | [1 | | | | tra | uce | , So | nd | |
| 0.0292 | | ι | | h | | | ;_ | Signatur | | | | |
| | | | | 4 | | · ! | .26 | Frances | | | | |
| | | | | Printed N | | | | | eme ry Specialist | | | |
| 107 | LOT | | | | | ! | 26 | Title | | | | |
| LOT 2 | |] | • |]' | | | | | 11- | 30- | 05 | |
| | | I | | | | | | Date | | | | |
| LAT: 36 35 | 24.504 | | | ļ) | | 1 | | 18 SURV | EYOR | CERTIF | ICATION | |
| DATUM: N | VAD27 | | 590' | | | | | | | | l location d from field by me or under | |
| 10' | | | | 7 | | | | notes of my superv | actual sur ision, and | veys made that the s | by me or under same is true belief. | |
| 160' | | | | / | | | | 1 | | - | belief. _ 20, 2005 | |
| H | | j | | | | l I | | | | | ional Surveyor | |
| LOT 3 | | | | ľ | | | | | | | . 1 | |
| | | ı İ | | ll . | | | _ | / | ASON (| MEXIC. | 2 | |
| | _ ^ ^ _ | · | | 11 | | 1 | .88 | / | 2 FM | MEXICO | 10/ | |
| | | E NM ₋ 79391 - | | - | | | | # | 1 1 | 5269) | \ _E \ | |
| | ,, O. | , JJJ1 1 | | | | 1 | 2618 | | (1: (1: | | E E | |
| | | | | 1. | | | | | A. | | \$/ | |
| LOT | | 1 | | | | | | | Y ARO | ESSIONAL | | |
| 4 | | | | ľ | | | | T | | | . (| |
| 1387.98 | 3 ' | 127 | '4.12' | | 77.4 | | | UAS. | D MC | <u>E</u> 1 | WARDS | |
| 1307.30 | , | 13/ | 7.16 | | 2/4 | 8.90 | | Certi | ficate N | Number | 15269 | |

| Submit 3 Copies To Appropriate District | State of New Mex | kico | Form C-103 |
|--|--|--|--|
| Office District I | Energy, Minerals and Natura | l Resources | May 27, 2004 |
| 1625 N. French Dr., Hobbs, NM 88240 | | WELL API NO. | 29209 |
| District II 1301 W. Grand Ave., Artesia, NM 88210 | OIL CONSERVATION I | DIVISION 5. Indicate Type of | 30-039. 0 / 10 |
| District III | 1220 South St. Franci | | FEE |
| 1000 Rio Brazos Rd., Aztec, NM 87410 | Santa Fe, NM 875 | · · · · · · · · · · · · · · · · · · · | s Lease No. |
| District IV | | | NMSF-079391 |
| 1220 S. St. Francis Dr., Santa Fe, NM 875 | CES AND REPORTS ON WELLS | 7 Lease Name or | Unit Agreement Name |
| | S TO DRILL OR TO DEEPEN OR PLUG BACK T | | Onit Agreement Name |
| i i | ION FOR PERMIT" (FORM C-101) FOR SUCH | S | an Juan 27-5 Unit |
| PROPOSALS.) 1. Type of Well: | | 8. Well Number | |
| Oil Well Gas Well X | Other | 8. Well Number | 126N |
| 2. Name of Operator | | 9. OGRID Numbe | |
| | OURCES OIL & GAS COMPANY LP | | 14538 |
| 3. Address of Operator | REET, FARMINGTON, NM 87402 | 10. Pool name or V | Vildcat Mesaverde/Basin Dakota |
| 4. Well Location | REE1, PARMINOTON, NW 87402 | Blanco | viesavei de/Dasin Dakota |
| Unit Letter <u>E</u> : | 2620 feet from the North | | om the <u>West</u> line |
| Section 7 | Township 27N Ra . Elevation (Show whether DR, RKB, RT, | ange 5W NMPM | County Rio Arriba |
| | . Elevation (Show whether DR, RRB, R1, | OK, etc.) | |
| Pit or Below-grade Tank Application | or Closure | | |
| Pit type New Drill Depth to Ground | water >100' Distance from nearest fresh | h water well | from nearest surface water >1000' |
| Pit Liner Thickness: na | mil Below-Grade Tank: Ve | olumebbls; Constru | ction Material |
| 12. Check | Appropriate Box to Indicate Na | ature of Notice, Report or C | Other Data |
| NOTICE OF I | NTENTION TO: | SUBSEQUEN | T REPORT OF: |
| PERFORM REMEDIAL WORK | PLUG AND ABANDON | REMEDIAL WORK | ALTERING CASING |
| TEMPORARILY ABANDON | CHANGE PLANS | COMMENCE DRILLING OPNS | S. PANDA |
| PULL OR ALTER CASING | MULTIPLE COMPL | CASING/CEMENT JOB | |
| OTHER: New | w Drill | OTHER: | |
| | ted operations. (Clearly state all pertiner | | |
| of starting any proposed work or recompletion. | k). SEE RULE 1103. For Multiple Com | pletions: Attach wellbore diagram | of proposed completion |
| of recompletion. | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| 5 11 5 | | | |
| | construct a new drilling pit and an associang pit and blow/flare pit will be an unline | | |
| | 26, 2004 on file at the NMOCD office. A | | |
| | the risk ranking criteria. Burlington Rese | | |
| | ated August 2, 2004 on file that the NMO | | |
| | | | |
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| | | | |
| I hereby certify that the information a | pove is true and complete to the best of m | ny knowledge and helief. I further co | rrify that any nit or halow. |
| I hereby certify that the information al | bove is true and complete to the best of mosed according to NMOCD guidelines , a gen | by knowledge and belief. I further $\overline{\mathbf{X}}$ or an (attached) altern | ertify that any pit or below- native OCD-approved plan . |
| I hereby certify that the information al grade tank has been/will be constructed or clo | Dove is true and complete to the best of mosed according to NMOCD guidelines, a gen | by knowledge and belief. I further $\overline{\mathbf{X}}$ or an (attached) altern | ertify that any pit or below- native OCD-approved plan . |
| I hereby certify that the information al grade tank has been/will be constructed or closed tank has been been been been been been been bee | bove is true and complete to the best of mosed according to NMOCD guidelines], a general Bend TITLE | ny knowledge and belief. I further ce neral permit X or an (attached) altern Regulatory Specialist | rtify that any pit or below- native OCD-approved plan |
| grade tank has been/will be constructed or cle SIGNATURE | osed according to NMOCD guidelines, a gen | neral permit X or an (attached) alter Regulatory Specialist | DATE <u>06/29/2005</u> |
| grade tank has been/will be constructed or cle SIGNATURE | osed according to NMOCD guidelines, a gen | neral permit X or an (attached) alter Regulatory Specialist | DATE <u>06/29/2005</u> sphone No. 505-326-9847 |
| SIGNATURE SIGNATURE For State Use Only | be Bond E-mail address: | neral permit X or an (attached) alter Regulatory Specialist | DATE <u>06/29/2005</u> sphone No. 505-326-9847 DEC 2 7 2005 |
| SIGNATURE Constructed or classification of the street of t | osed according to NMOCD guidelines, a gen | neral permit X or an (attached) alter Regulatory Specialist | DATE <u>06/29/2005</u> sphone No. 505-326-9847 |

BURLINGTON RESOURCES OIL & GAS COMPANY, LP SAN JUAN 27-5 UNIT #126N, 2620' FNL & 160' FWL SECTION 7, T27N, R5W, NMPM, RIO ARRIBA COUNTY, NM GROUND ELEVATION: 6638' DATE: APRIL 20, 2005

LATITUDE: 36°35'20" LONGITUDE: 107°24'30" DATUM: NADI927



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

OPERATIONS PLAN

Well Name:

San Juan 27-5 Unit #126N

Location:

2620' FNL, 160' FWL, Sec 7, T-27-N, R-5-W

Rio Arriba County, NM

Latitude 36° 35.3297'N, Longitude 107° 24.5043' 'W

Formation:

Blanco Mesaverde/Basin Dakota

Total Depth:

7859

Logging Program: See San Juan 27-5 Unit Master Operations Plan

Mud Program: See San Juan 27-5 Unit Master Operations Plan

Casing Program (as listed, the equivalent, or better):

| Hole Size | Depth I | Interval (| Csg | Wt. | Grade | Cement | _ |
|-----------|---------|------------|--------|-------------|-------|--------|--------|
| 12 1/4 | 0' - | 120 | 9.625" | 32.3# | H-40 | 113 |]cu.ft |
| 8 3/4 | 0' - | 3662 | 7" | 20.0# | J-55 | 819 | cu.ft |
| 6 1/4 | 0'- | 7859 | 4.5" | 10.5#/11.6# | J-55 | 572 |] |
| | | | | | | |] |

Tubing Program: See San Juan 27-5 Unit Master Operations Plan

- * The Mesaverde and Dakota formation will be completed.
- * The west half of Section 7 is dedicated to the Mesaverde and Dakota formation in this well.
- * Gas is dedicated.

Drilling Engineer

Data

*Assumption

Lewis 100