

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	5. Lease Number NM-04240 Unit Reporting Number 070 FARMINGTON NM	
1b. Type of Well GAS	6. If Indian, All. or Tribe	
2. Operator <b>BURLINGTON</b> 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 KELLY 9. Well Number 1008	
4. Location of Well Unit P (SESE) 1080' FSL & 875' FEL  Latitude 36° 45.8606'N Longitude 107° 50.8498'W	10. Field, Pool, Wildcat Basin Fruitland Coal  11. Sec., Twn, Rge, Mer. (NMPM) Sec. 35, T30N, R10W  API # 30-045- 33498	
14. Distance in Miles from Nearest Town	12. County San Juan	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 875'		
16. Acres in Lease	17. Acres Assigned to Well FC - 317.320 acres E/2	
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 51' Kelly 2B		
19. Proposed Depth 2836'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 6109' GL	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Patsy Clugor</u> Sr. Regulatory Specialist	Date <u>1/3/06</u>	

PERMIT NO.

APPROVAL DATE

APPROVED BY D. Mantecor

TITLE AFM

DATE 1/9/06

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.

Not an HPA FC Well

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".

NMOC

DISTRICT I  
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II  
811 South First, Artesia, N.M. 88210

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

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised August 15, 2000

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

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

RECEIVED

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-33498		*Pool Code 71629	*Pool Name Basin Fruitland Coal
*Property Code 7218	*Property Name KELLY		*Well Number 100S
*GRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP		*Elevation 6109'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	35	30-N	10-W	16	1080'	SOUTH	875'	EAST	SAN JUAN

<sup>11</sup> 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
<sup>12</sup> Dedicated Acres E2 317.320 FC			<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> 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

LOT 4		LOT 3		LOT 2		LOT 1	
LOT 5		LOT 6		LOT 7		LOT 8	
LOT 12		LOT 11		LOT 10		LOT 9	
LOT 13		LOT 14		LOT 15		LOT 16	

USA NM-04240

LAT: 36°45.8806' N.  
LONG: 107°50.8498' W.  
NAD 1927

875'

1080'

N 89°-45'-28" W  
2618.82'

<sup>17</sup> OPERATOR CERTIFICATION

I hereby certify that the information contained herein  
is true and complete to the best of my knowledge and  
belief

*Amanda Sandoval*  
Signature

Amanda Sandoval  
Printed Name

Regulatory Assistant II  
Title

12-8-05  
Date

<sup>18</sup> 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.

Date of Survey

Signature of Licensed Professional Surveyor



Certificate Number

15703

District I

Energy, Minerals and Natural Resources

May 27, 2004

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.	30-045- <b>33498</b>
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	Federal Lease - NM-04240
7. Lease Name or Unit Agreement Name	Kelly
8. Well Number	100S
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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>
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 <u>P</u> : <u>1080</u> feet from the <u>South</u> line and <u>875'</u> feet from the <u>East</u> line Section <u>35</u> Township <u>30N</u> Rng <u>10W</u> NMPM County <u>San Juan</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	6109' GL

Pit or Below-grade Tank Application	<input type="checkbox"/> or Closure <input type="checkbox"/>
Pit type	New Drill Depth to Groundwater <u>&gt;100'</u> Distance from nearest fresh water well <u>&gt;1000'</u> Distance from nearest surface water <u>&gt;1000'</u>
Pit Liner Thickness:	n/a mill Below-Grade Tank: Volume <u>      </u> bbls; Construction Material <u>      </u>

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

**NOTICE OF INTENTION TO:**

PERFORM REMEDIAL WORK	<input type="checkbox"/>	PLUG AND ABANDON	<input type="checkbox"/>
TEMPORARILY ABANDON	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>	MULTIPLE COMPL	<input type="checkbox"/>

**SUBSEQUENT REPORT OF:**

REMEDIAL WORK	<input type="checkbox"/>	ALTERING CASING	<input type="checkbox"/>
COMMENCE DRILLING OPNS.	<input type="checkbox"/>	P AND A	<input type="checkbox"/>
CASING/CEMENT JOB	<input type="checkbox"/>		

OTHER:	New Drill Pit <input checked="" type="checkbox"/>	OTHER:	<input type="checkbox"/>
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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 12/14/2005

Type or print name Patsy Clugston E-mail address: pclugston@br-inc.com Telephone No. 505-326-9518

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 4 DATE JAN 12 2006

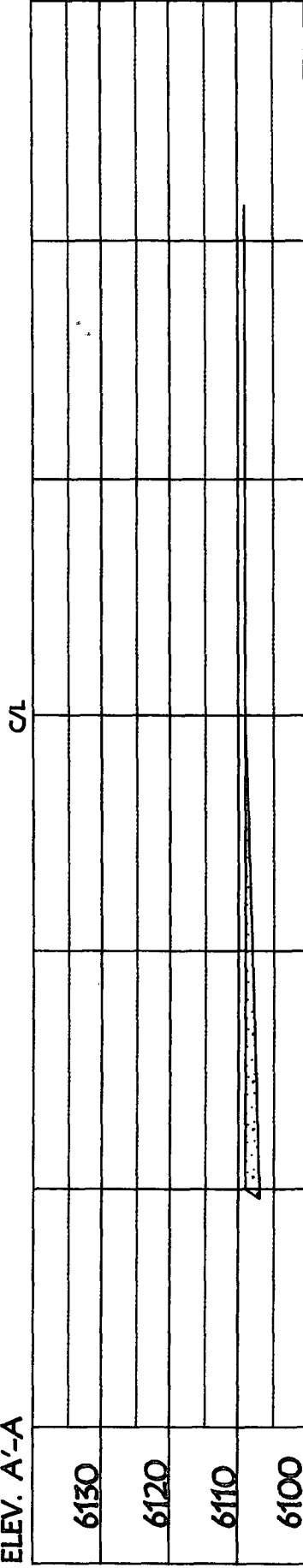
Conditions of Approval (if any):

GROUND ELEVATION: 6109', DATE: NOVEMBER 25, 2005

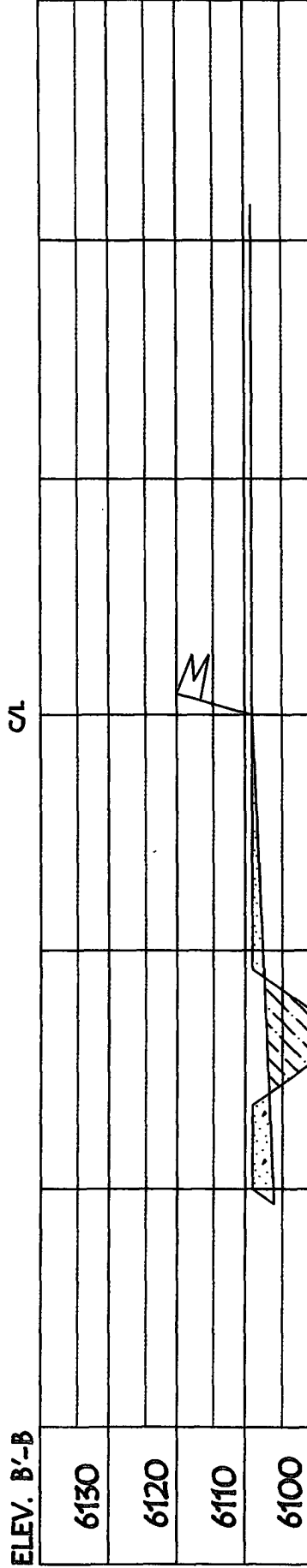
NOTE: VECTOR SURVEYS IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES.  
CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED  
PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

**BURLINGTON RESOURCES OIL & GAS COMPANY LP**  
 KELLY 100S, 1080' FSL & 875' FEL  
 SECTION 35, T-30-N, R-10-W, NMPM, SAN JUAN COUNTY, NM  
 GROUND ELEVATION: 6109', DATE: NOVEMBER 25, 2005

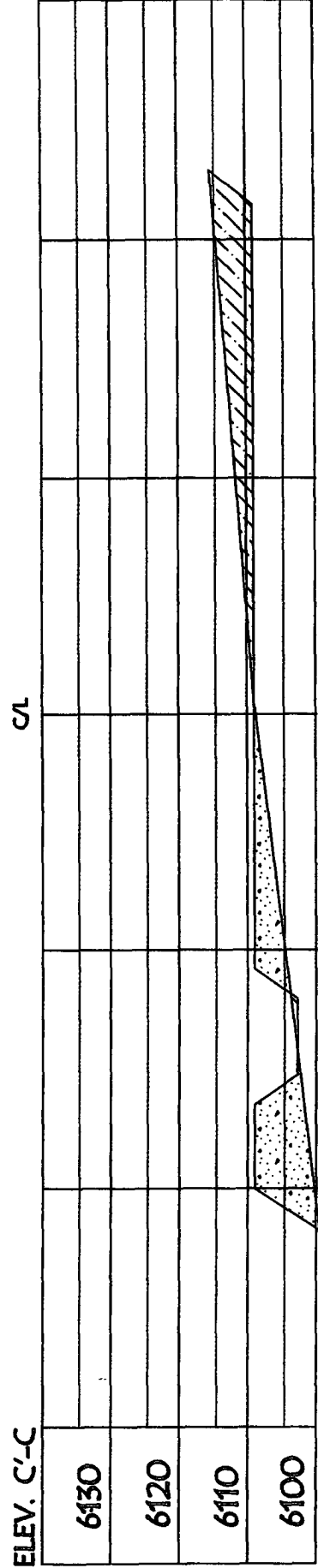
ELEV. A'-A



ELEV. B'-B



ELEV. C'-C



NOTE: VECTOR SURVEYS IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES.  
 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:** Kelly 100S  
**Location:** Unit P (SESE), 1080' FSL & 875' FEL, Sec. 35, T30N, R10W  
 San Juan County, New Mexico  
 Latitude 36° 45.8606'N Longitude 107° 50.8496' W  
**Formation:** Basin Fruitland Coal  
**Elevation:** 6109' GR

Formation:	Top	Bottom	Contents
Ojo Alamo	1447'	1540'	aquifer
Kirtland	1540'	2386'	gas
T/Fruitland	2386'		gas
B/Fruitland Coal	2625'		gas
Pictured Cliffs	2636'		
<b>Total Depth</b>	<b>2836'</b>		

**Logging Program:** None

**Mud Program:**

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis. Fluid Loss</u>
0- 200'	Spud/Air/Air Mist	8.4-8.9	40-50 no control
200-2836'	Non-dispersed	8.4-9.5	30-60 no control

**Casing Program:**

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csg. Size</u>	<u>Wt.</u>	<u>Grade</u>
8 $\frac{3}{4}$ "	0 - 200'	7"	20.0#	J-55
6 $\frac{1}{4}$ "	0 - 2836'	4 1/2"	10.5#	J/K-55

**Tubing Program:**

0 - 2836'	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 @ 1540'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 1540'. 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.

December 13, 2005

**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.

1.246

7" surface casing - Cement with 70 sx Type III cement with 0.25 pps Celloflake, 3% CaCl. (90 cu ft of slurry @ 1.61 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.**

4 1/2" production casing - Cement with 134 sx (293 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 417 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~~ <sup>BOP</sup> to 600 psi/30 min.

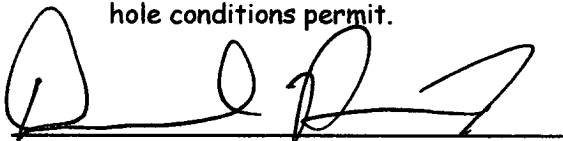
Completion - 6" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to completion operations, test rams and casing to 1500 psi/30 min.

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 Coal is 600 - 700 psi.
- \* This gas is dedicated.
- \* The east half of the section is dedicated to this well.
- \* New casing will be utilized.
- \* Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.



Drilling Engineer

12/12/05  
Date

