

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 SF-078210
1b. Type of Well GAS	Unit Reporting Number NMNM-080140
2. Operator <b>BURLINGTON</b> RESOURCES Oil & Gas Company LP	6. If Indian, All. or Tribe
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499  (505) 326-9700	7. Unit Agreement Name
4. Location of Well 665' FSL, 900' FEL  Lat. 36° 50.1388'N, Long. 107° 49.7912'W <i>Lot 20</i>	8. Farm or Lease Name San Juan
	9. Well Number #1 B
10. Field, Pool, Wildcat Blanco MV/Basin DK	11. Sec., Twn, Rge, Mer. (NMPM) Sec. 1, UL P, T30N, R10W API # 30-045-33586
12. County Rio Arriba	13. State NM
14. Distance in Miles from Nearest Town Aztec 19 Miles	15. Distance from Proposed Location to Nearest Property or Lease Line 665'
16. Acres in Lease	17. Acres Assigned to Well E/2 289.84
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 370' PC	19. Proposed Depth 7811'
20. Rotary or Cable Tools Rotary	21. Elevations (DF, FT, GR, Etc.) GR: 6539, KB: 6551
22. Approx. Date Work will Start	23. Proposed Casing and Cementing Program See Operations Plan attached
24. Authorized by: <i>[Signature]</i> Regulatory/Compliance Associate III	Date <i>2-9-06</i>

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_  
APPROVED BY *[Signature]* TITLE *AFM* DATE *3/9/06*

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.

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

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

NMOC

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

District II  
PO Drawer 00, Artesia, NM 88211-0719

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

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

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 21, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

2006 FEB 9 PM 3 06

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number <b>30-029-045-33586</b>		*Pool Code <b>72319/71599</b>		*Pool Name <b>070 FARMINGTON NM Blanco Mesaverde/Basin Dakota</b>	
*Property Code <b>7451</b> ✓		*Property Name <b>SAN JUAN</b> ✓			*Well Number <b>1B</b> ✓
*OGRID No. <b>14538</b> ✓		*Operator Name <b>BURLINGTON RESOURCES OIL &amp; GAS COMPANY, LP</b> ✓			*Elevation <b>6539'</b> ✓

<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	1	30N	10W	20	665	SOUTH	900	EAST	SAN JUAN

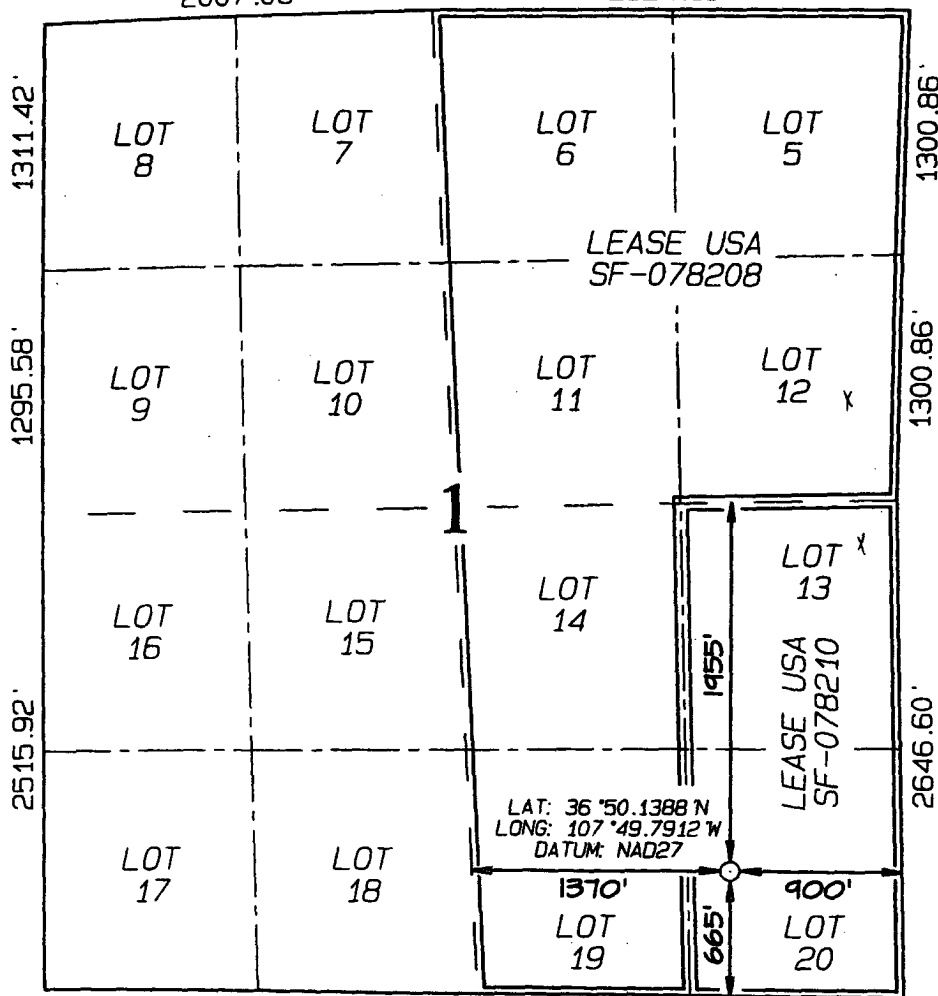
<sup>11</sup> Bottom Hole Location If Different From Surface


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 <b>E/2 289.84 MV/DK</b>					<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

2007.06'

2624.16'



<b><sup>17</sup> OPERATOR CERTIFICATION</b>	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief	
<i>Joni Clark</i> Signature	
<b>Joni Clark</b> Printed Name	
<b>Sr. Regulatory Specialist</b> Title	
<b>12-13-05</b> Date	
<b><sup>18</sup> SURVEYOR CERTIFICATION</b>	
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.	
Survey Date: <b>NOVEMBER 7, 2005</b>	
Signature and Seal of Professional Surveyor	
	
<b>JASON C. EDWARDS</b> Certificate Number 15269	

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

State of New Mexico

Energy, Minerals and Natural Resources

Form C-103

May 27, 2004

OIL CONSERVATION DIVISION

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

WELL API NO.	30-045- <b>33580</b>
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	SF-078210
7. Lease Name or Unit Agreement Name	San Juan
8. Well Number	#1B
9. OGRID Number	14538
10. Pool name or Wildcat	Blanco Mesaverde/ Basin Dakota

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
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>665</u> feet from the <u>South</u> line and <u>900</u> feet from the <u>East</u> line Section <u>1</u> Township <u>30N</u> Range <u>10W</u> NMPM County <u>Rio Arriba</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6539 GR

Pit or Below-grade Tank Application	<input type="checkbox"/> or Closure <input type="checkbox"/>
Pit type <u>New Drill</u> Depth to Groundwater <u>&lt;100</u> Distance from nearest fresh water well <u>&gt;1000'</u> Distance from nearest surface water <u>&gt;200'</u>	
Pit Liner Thickness: <u>12</u> mil 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: <u>New Drill</u>	<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, Lined:

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 will be a lined 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 lined 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 Philana Thompson TITLE Regulatory Assistant II DATE 1/25/2006

Type or print name Philana Thompson E-mail address: pthompson@br-inc.com Telephone No. 505-326-9530

For State Use Only

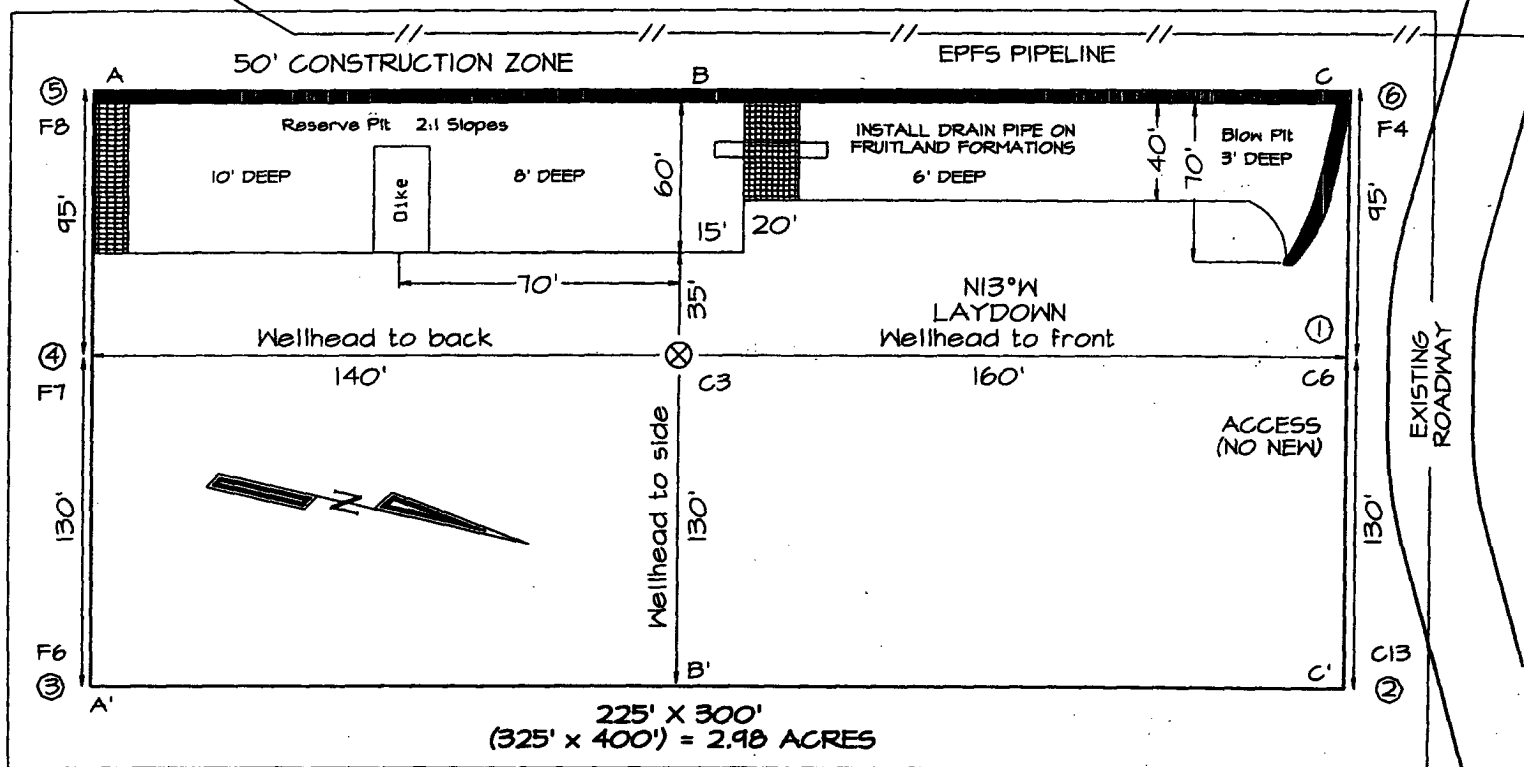
APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. IV DATE MAR 09 2006

Conditions of Approval (if any):

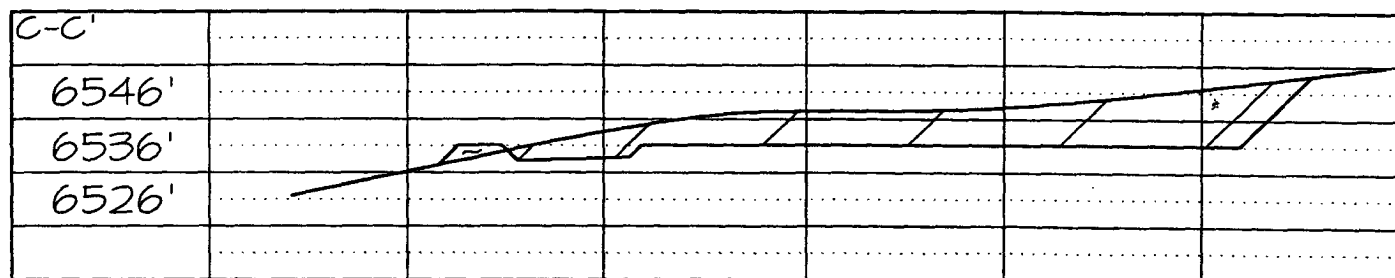
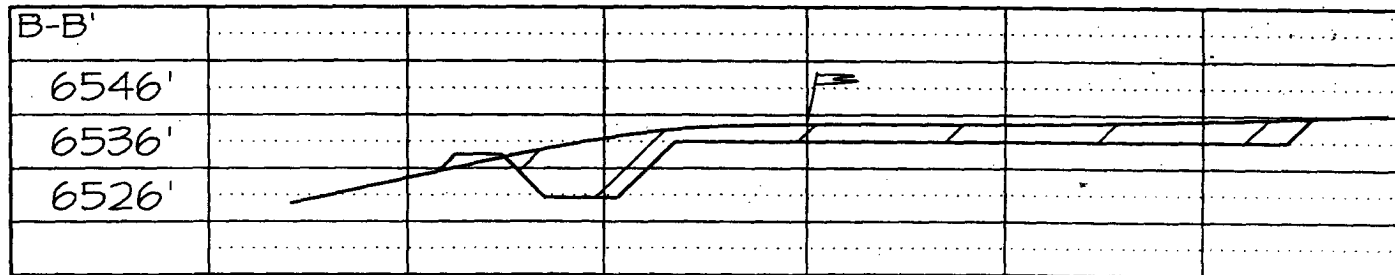
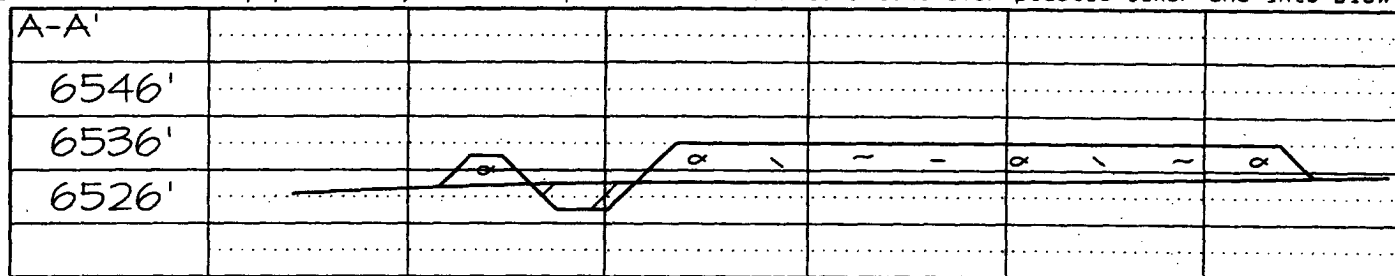
PLAT #1

**BURLINGTON RESOURCES OIL & GAS COMPANY, LP**  
**SAN JUAN #1B, 665' FSL & 900' FEL**  
**SECTION 1, T30N, R10W, NMPM, SAN JUAN COUNTY, NM**  
**GROUND ELEVATION: 6539' DATE: NOVEMBER 7, 2005**

**LATITUDE: 36°50'08"**  
**LONGITUDE: 107°49'47"**  
 DATUM: NAD1927



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: 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 1B  
**Location:** 665' FSL & 900' FEL, Section Sec 01 T30N R10W  
San Juan County, New Mexico  
**Formation:** Blanco Mesaverde/Basin Dakota  
**Elevation:** 6539' GL

<b><u>Formation Tops:</u></b>	<b><u>Top</u></b>	<b><u>Bottom</u></b>	<b><u>Contents</u></b>
Surface	San Jose	1981'	
Ojo Alamo	1981'	2051'	aquifer
Kirtland	2051'	2926'	gas
Fruitland	2926'	3251'	gas
Pictured Cliffs	3251'	3424'	gas
Lewis	3424'	3851'	
Huerfanito Bentonite	3851'		
Chacra	4303'	4976'	gas
Massive Cliff House	4976'	5068'	gas
Menefee	5068'	5501'	gas
Massive Point Lookout	5501'	5861'	gas
Mancos Shale	5861'	6773'	
Upper Gallup	6773'	7509'	gas
Greenhorn	7509'	7558'	gas
Graneros	7558'	7609'	gas
Two Wells	7609'	7705'	gas
Paguate	7705'	7745'	gas
Cubero	7745'	7811'	gas
Encinal	7811'	7811'	gas
Total Depth:	7811'		gas

### **Logging Program:**

#### **Mud Logs/Coring/DST**

Mud logs - none  
Coring - none  
DST - none  
Open hole - none  
Cased hole - GR/CBL

### **Mud Program:**

<b><u>Interval</u></b>	<b><u>Type</u></b>	<b><u>Weight</u></b>	<b><u>Vis.</u></b>	<b><u>Fluid Loss</u></b>
0 - 120'	Spud MUD/Air/Air Mist	8.4 - 9.0	40 - 50	no control
120 - 3524'	LSND	8.4 - 9.0	30 - 60	no control
3524 - 7811'	Air/Air Mist/Nitrogen	n/a	n/a	n/a

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

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csg.Size</u>	<u>Wt.</u>	<u>Grade</u>
12 1/4"	0' - 120'	9 5/8"	32.3#	H-40
8 3/4"	0' - 3524'	7"	20/23#	J-55
6 1/4"	0' - 7811'	4 1/2"	10.5#	J-55

**Tubing Program:**

<u>Depth Interval</u>	<u>Csg.Size</u>	<u>Wt.</u>	<u>Grade</u>
0' - 7811'	2 3/8"	4.7#	J-55

**BOP Specifications, Wellhead and Tests:**

Surface to Intermediate TD -

11" 2000 psi minimum double gate BOP stack (Reference Figure #1). After nipple-up prior to drilling out surface casing, ~~rams~~ and casing will be tested to 600 psi for 30 minutes.

*BOP*

Intermediate TD to Total Depth -

11" 2000 psi minimum double gate BOP stack (Reference Figure #1). After nipple-up prior to drilling out intermediate casing, ~~rams~~ and casing will be tested to 1500 psi for 30 minutes.

*BOP*

Surface to Total Depth -

2" nominal, 2000 psi minimum choke manifold (Reference Figure #3).

**Completion Operations -**

7 1/16" 2000 psi double gate BOP stack (Reference Figure #2). After nipple-up prior to completion, pipe rams, casing and liner top will be tested to 2000 psi for 15 minutes.

**Wellhead -**

9 5/8" x 7" x 4 1/2" x 2 3/8" x 2000 psi tree assembly.

**General -**

- Pipe rams will be actuated once each day and blind rams will be actuated once each trip to test proper functioning.
- An upper kelly cock valve with handle available and drill string valves to fit each drill string will be available on the rig floors at all times.
- BOP pit level drill will be conducted weekly for each drill crew.
- All BOP tests & drills will be recorded in daily drilling reports.
- Blind and pipe rams will be equipped with extension hand wheels.

**Cementing:**

## 9 5/8" surface casing -

**Pre-Set Drilled** - Cement with 23 sx Type I, II cement with 20% flyash mixed at 14.5 ppg, 1.61 cu ft per sack yield. (38 cu ft of slurry, bring cement to surface) Wait on cement for 24 hours for pre-set holes before pressure testing or drilling out from under surface.

**Conventionally Drilled** - Cement with 88 sx Type III cement with 0.25 pps Celloflake, 2% CaCl. (113 cu ft of slurry, 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. Wait on cement appropriate time until cement achieves 250 psi compressive strength at 60 degrees F. prior to nipple up of BOPE. Wait on cement for 8 hrs for conventionally set holes before pressure testing or drilling out from under surface. Test casing to 600 psi for 30 minutes.

Saw tooth guide shoe on bottom. Bowspring centralizers will be run in accordance with Onshore Order #2.

## 7" intermediate casing -

Lead with 312 sacks Premium Lite cement with 3% calcium chloride, 0.25 pps Celloflake, 5 pps LCM-1, 0.4% fluid loss, 0.4% sodium metasilicate. Tail w/90 sacks Type III cmt w/1% calcium chloride, 0.25 pps Celloflake, 0.2% fluid loss (124 cu ft 50% excess to circulate to surface). WOC minimum of 8 hours before drilling out intermediate casing. If cement does not circulate to surface, a CBL or a temperature survey will be run to determine TOC. Test casing to 1500 psi for 30 minutes.

## 7" intermediate casing alternative two stage -

Stage collar set 300' above the top of the Fruitland. First stage: Lead w/37 sacks Premium Lite cement with 3% calcium chloride, .25 pps celloflake, 5 pps LCM-1, 0.4% fluid loss. Tail w/90 sxs Type III cmt w/1% calcium chloride, 0.25 pps Celloflake, 0.2% fluid loss. Second stage: 275 sacks Premium Lite cement with 3% calcium chloride, .25 pps celloflake, 5 pps LCM-1, 0.4% fluid loss, 0.4% sodium metasilicate (586 cu ft - 50% excess to circulate to surface).

Cement nose guide shoe on bottom with float collar spaced on top of shoe joint. Bowspring centralizers spaced every other joint off bottom, to the base of the Ojo Alamo @ 2051'. Two turbolating centralizers at the base of the Ojo Alamo @ 2051'. Bowspring centralizers spaced every fourth joint from the base of the Ojo Alamo to the base of the surface casing.

## 4 1/2" Production Casing -

Pump 289 sxs Premium Lite HS FM w/0.25 pps celloflake, 0.3% CD-32, 6.25 pps LCM-1, 1% fluid loss, 6% gel, 7 pps CSE (583 cu.ft., 30% excess to achieve 100' overlap in 4-1/2" x 7" annulus). WOC a minimum of 18 hrs prior to completing.

**Cementing: Continued**

Cement float collar stacked on top of float shoe.

Note: If open hole logs are run, cement volumes will be based on 25% excess over caliper volumes.

Cement nose guide shoe on bottom with float collar spaced on top of shoe joint. The liner hanger will have a rubber packoff.

- If hole conditions permit, an adequate water spacer will be pumped ahead of each cement job to prevent cement/ mud contamination or cement hydration.

**Special Drilling Operations (Air/Mist Drilling):**

The following equipment will be operational while air/mist drilling:

- An anchored blooie line will be utilized to discharge all cuttings and circulating medium to the blow pit a minimum of 100' from the wellhead.
- The blooie line will be equipped with an automatic igniter or pilot light.
- Compressors will be located a minimum of 100' from the wellhead in the opposite direction from the blooie line.
- Engines will have spark arresters or water cooled exhaust.
- The rotating head will be properly lubricated and maintained.
- A float valve will be utilized above the bit.
- Mud circulating equipment, water, and mud materials will be sufficient to maintain control of the well.

**Additional Information:**

- The Mesa Verde and Dakota formations will be completed and commingled.
- No abnormal temperatures or hazards are anticipated.
- Anticipated pore pressures are as follows:

Fruitland Coal	300 psi
Pictured Cliffs	600 psi
Mesa Verde	700 psi
Dakota	2000 psi
- Sufficient LCM will be added to the mud system to maintain well control, if lost circulation is encountered below the top of the Pictured Cliffs.
- The East half of Section 1 is dedicated to the Mesa Verde formation and Dakota formation.
- This gas is dedicated.

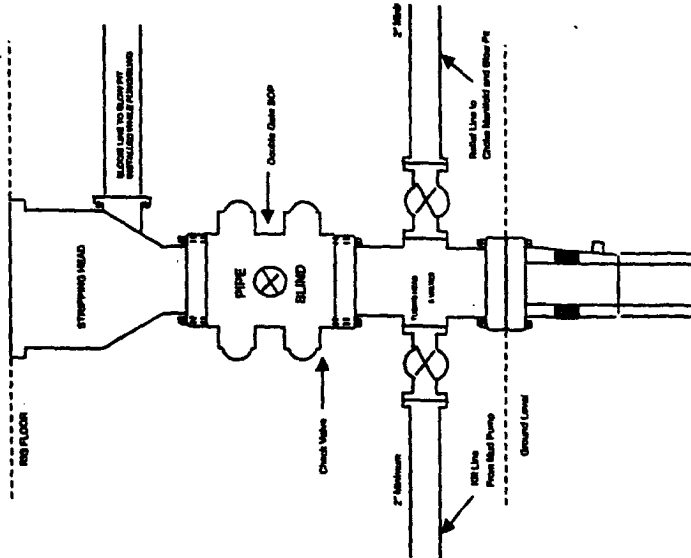
  
Drilling Engineer

1/4/2006  
Date



# BURLINGTON RESOURCES

Completion/Workover Rig  
BOP Configuration  
2,000 psi System

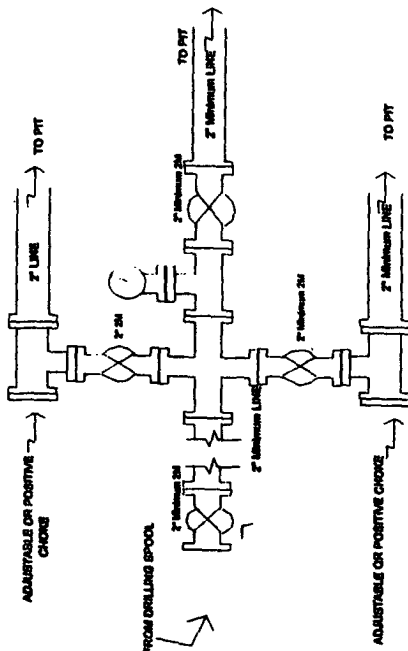


Minimum BOP Installation for all Completion/Workover Operations. 7-1/16" bore, 2000 psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A stripping head to be installed on the top of the BOP. All BOP equipment is 2000 psi working pressure or greater excluding 500 psi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

Figure #2

# BURLINGTON RESOURCES

Drilling Rig  
Choke Manifold Configuration  
2000 psi System

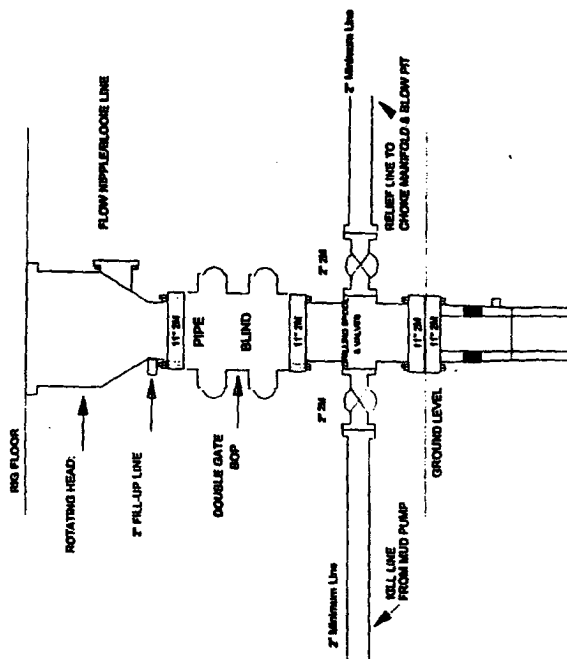


Choke manifold installation from Surface Casing Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure #3

# Burlington Resources

Drilling Rig  
2000 psi System



BOP Installation from Surface Casing Point to Total Depth. 11" Bore 147" Working Pressure 2000 psi minimum working pressure double gate BOP to be equipped with blind rams and pipe rams. A 500 psi stripping head on top of ram preventers. All BOP equipment is 2,000 psi working pressure

Figure #1