

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

2006 MAR 24 AM 8 33

1a. Type of Work DRILL	5. Lease Number SF-078197 RECEIVED Unit Reporting Number
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 Nye Federal Com 9. Well Number #3N
4. Location of Well 1555' FNL, 2030' FWL Latitude 36° 44.6166'N, Longitude 107° 53.5003'W Lot 6	10. Field, Pool, Wildcat Blanco Mesaverde/Basin Dakota 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 9, T29N, R10W API # 30-045-33669
14. Distance in Miles from Nearest Town 6.5 miles to Blanco, NM Post Office	12. County San Juan 13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1555'	17. Acres Assigned to Well N/2 317.6 acres MV/DK
16. Acres in Lease	
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 432'	
19. Proposed Depth 6754'	20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 5780' GR	22. Approx. Date Work will Start
23. Proposed Casing and Cementing Program See Operations Plan attached	
24. Authorized by: <u>Joni Clark</u> Regulatory Specialist	<u>3/23/06</u> Date

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

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.

DRILLING OPERATIONS ARE  
SUBJECT TO REVIEW WITH ATTACHED  
GENERAL INSTRUCTIONS

This action is subject to technical and  
procedural review pursuant to 43 CFR 3165.2  
and 43 CFR 3165.4

NMOCDS

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

DISTRICT II  
1301 W. Grand Ave., Artesia, N.M. 88210

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

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

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

RECEIVED  
070 FARMINGTON NM

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045- 33609	<sup>2</sup> Pool Code 72319 / 71599	<sup>3</sup> Pool Name Blanco Mesaverde / Basin Dakota
<sup>4</sup> Property Code 18413 ✓	<sup>5</sup> Property Name NYE FEDERAL COM	<sup>6</sup> Well Number 3N ✓
<sup>7</sup> GRID No. 14538 ✓	<sup>8</sup> Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP	<sup>9</sup> Elevation 5780 ✓

<sup>10</sup> Surface Location

UL or lot no. F	Section 9	Township 29-N	Range 10-W	Lot Idn 6	Feet from the 1555	North/South line NORTH	Feet from the 2030	East/West line WEST	County SAN JUAN ✓
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no. F	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres MV/DK 317.6 ac N2		<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

16

FD 2 1/2" BC 1967 BLM	S 89°52'14" W 2613.08' (M)	FD 3 1/4" BC 1967 BLM	
LOT 4 39.89	LOT 3 39.70	LOT 2 39.52	LOT 1 39.33
		USA SF-078197	
LAT: 36.74362° N. (NAD 83) LONG: 107.89229° W. (NAD 83) LAT: 36°44.6166' N. (NAD 27) LONG: 107°53.5003' W. (NAD 27)			
N 00°59'20" E 2658.59' (M)	2030'	LOT 6 39.83	LOT 7 39.70
LOT 5 40.07	LOT 8 39.51		
FD 2 1/2" BC 1967 BLM			
LOT 12 40.26	LOT 11 40.07	LOT 10 39.89	LOT 9 39.70
LOT 13 40.44	LOT 14 40.25	LOT 15 40.07	LOT 16 39.88

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.

Signature

Joni Clark

Printed Name

Date

3/16/06

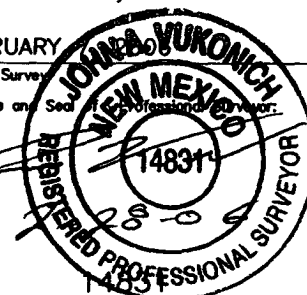
18 SURVEYOR CERTIFICATION

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.

FEBRUARY

Date of Survey

Signature and Seal



Certificate Number

District I

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

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 ☐ Gas Well ☒ 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 F : 1555 feet from the North line and 2030 feet from the West line  
Section 9 Township 29N Range 10W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

Pit or Below-grade Tank Application

☒ or Closure ☐

Pit type

ND

Depth to Groundwater

<100'

Distance from nearest fresh water well

>1000'

Distance from nearest surface water

>200'

Pit Liner Thickness:

12

mil

Below-Grade Tank:

Volume

bbls;

Construction Material

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐

TEMPORARILY ABANDON ☐

PULL OR ALTER CASING ☐

PLUG AND ABANDON ☐

CHANGE PLANS ☐

MULTIPLE COMPL ☐

OTHER:

New Drill

☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

COMMENCE DRILLING OPNS. ☐

CASING/CEMENT JOB ☐

ALTERING CASING ☐

P AND A ☐

OTHER:

☐

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

*Joni Clark*

TITLE

Sr. Staff Regulatory Specialist

DATE

3/22/2006

Type or print name

Joni Clark

E-mail address:

jclark@br-inc.com

Telephone No.

505-326-9701

For State Use Only

APPROVED BY

*[Signature]*

TITLE

DEPUTY OIL & GAS INSPECTOR, DIST. 4

DATE

APR 19 2006

Conditions of Approval (if any):

# BURLINGTON RESOURCES OIL & GAS COMPANY LP

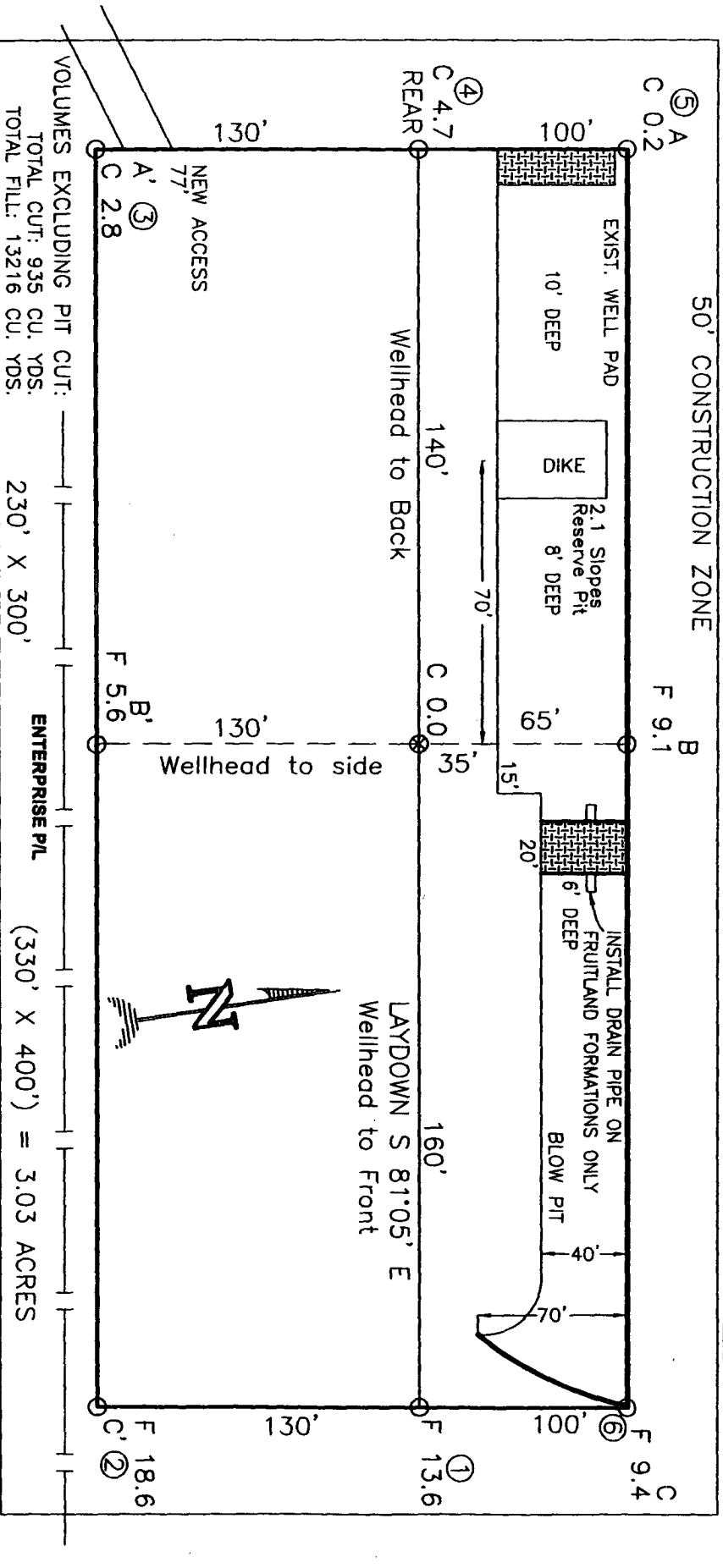
NYE FEDERAL COM NO. 3N, 1555 FNL 2030 FWL

SECTION 9, T-29-N, R-10-W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO

GROUND ELEVATION: 5780, DATE: FEBRUARY 7, 2006

NAD 83  
LAT. = 36.74362° N  
LONG. = 107.89229° W

NAD 27  
LAT. = 36.44.6166° N  
LONG. = 107.53.5003° W



NOTE: DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO EXCAVATION OR CONSTRUCTION.

NOTE: ESTIMATED VOLUMES CALCULATED BY AVERAGE END AREA AT CROSS-SECTION SHOWN

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.



Daggett Enterprises, Inc.  
Surveying and Oil Field Services  
P. O. Box 15008 • Farmington, NM 87401  
Phone (505) 326-1772 • Fax (505) 326-8019  
NEW MEXICO L.S. 14831

DRAWN BY: A.G.  
ROWP BR819

CHECKED BY: BR819PLJ  
DATE: 02/20/06

**NYE FEDERAL COM NO. 3N, 1555 FNL 2030 FWL**

GROUND ELEVATION: 5780, DATE: FEBRUARY 7, 2006

NAD 83  
LAT. = 36.74362° N  
LONG. = 107.89229° W  
NAD 27  
LAT. = 36°44.6166' N  
LONG. = 107°53.5003' W

C/L

[illegible]

C/L

5790							
5780							
5770							
5760							

C/L

5790	—	—	—	—	—	—	—
5780	—	—	—	—	—	—	—
5770	—	—	—	—	—	—	—
5760	—	—	—	—	—	—	—

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



**Daggett Enterprises, Inc.**  
Surveying and Oil Field Services  
P. O. Box 15088 • Farmington, NM 87401  
Phone (505) 326-1772 • Fax (505) 326-6019  
NEW MEXICO U.S. 14631

DRUMM B. A.G.  
ROW: BR619

DATE: 02/23/08

## OPERATIONS PLAN

**Well Name:** NYE FEDERAL COM 3N  
**Location:** 1555' FNL & 2030' FWL, Section 09 T29N R10W  
San Juan County, New Mexico  
**Formation:** Blanco Mesaverde/Basin Dakota  
**Elevation:** 5780' GL

Surface	San Jose	947'	
Ojo Alamo	947'	1062'	aquifer
Kirtland	1062'	1994'	gas
Fruitland Coal	1994'	2172'	gas
Pictured Cliffs	2172'	2289'	gas
Lewis	2289'	2803'	
Huerfanito Bentonite	2803'	3185'	
Chacra	3185'	3696'	gas
Upper Cliff House	3696'	3774'	gas
Massive Cliff House	3774'	3823'	gas
Menefee	3823'	4446'	gas
Massive Point Lookout	4446'	4867'	gas
Mancos Shale	4867'	5709'	
Upper Gallup	5709'	6460'	gas
Greenhorn	6460'	6520'	gas
Graneros	6520'	6584'	gas
Two Wells	6584'	6640'	gas
Paguate	6640'	6699'	gas
Cubero	6699'	6754'	gas
Encinal	6754'	6754'	gas
Total Depth:	6754'		gas

### Logging Program:

#### Mud Logs/Coring/DST

Mud logs - none  
Coring - none  
DST - none  
Open hole - none  
Cased hole - Gamma Ray, CBL - surface to TD

### Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	<u>Fluid Loss</u>
0 - 120' <sup>200</sup>	Spud MUD/Air/Air Mist	8.4 - 9.0	40 - 50	no control
120 - 2389'	LSND	8.4 - 9.0	30 - 60	no control
2389 - 6754'	Air/Air Mist/Nitrogen	n/a	n/a	n/a

C. HARRADEN/ March 27, 2006 <sup>CEB</sup>

BURLINGTON RESOURCES/ Nye Federal Com #3N APD

STIPULATION/CONDITION OF APPROVAL

This well is located within a 'vulnerable area'. In order to protect the integrity of the fresh water alluvium aquifer, a minimum surface csg. depth of 200' is stipulated as a condition of approval for this APD.

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' - <del>120'</del> <sup>200</sup>	9 5/8"	32.3#	H-40
8 3/4"	0' - 2389'	7"	20/23#	J-55
6 1/4"	0' - 6754'	4 1/2"	10.5#	J-55

Tubing Program:

<u>Depth Interval</u>	<u>Csg. Size</u>	<u>Wt.</u>	<u>Grade</u>
0' - 6754'	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 ~~28~~ <sup>147</sup> ~~sx~~ Type I, II cement with 20% flyash mixed at 14.5 ppg, 1.61 cu ft per sack yield. (~~28 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 ~~28~~ <sup>147</sup> ~~sx~~ Type III cement with 0.25 pps Celloflake, 2% CaCl<sub>2</sub>, ~~533~~ <sup>147</sup> ~~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 192 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 (533 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/15 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: 176 sacks Premium Lite cement with 3% calcium chloride, .25 pps celloflake, 5 pps LCM-1, 0.4% fluid loss, 0.4% sodium metasilicate (533 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 @ 1062'. Two turbolating centralizers at the base of the Ojo Alamo @ 1062'. 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 300 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 (594 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):**

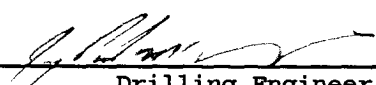
The following equipment will be operational while air/mist drilling:

- 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:

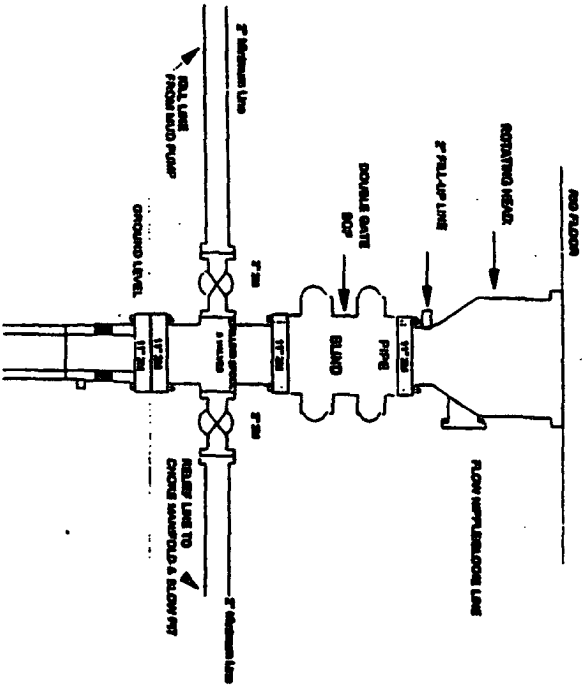
Fruitland Coal	300 psi
Pictured Cliffs	600 psi
Mesa Verde	700 psi
Dakota	2000 psi
- Sufficient LCM will be added to the mud system to maintain well control, if lost circulation is encountered below the top of the Pictured Cliffs.
- The North half of Section 9 is dedicated to the Mesa Verde formation and Dakota formation.
- This gas is dedicated.

  
Drilling Engineer

  
Date

# Burlington Resources

## Drilling Rig 2000 psi System



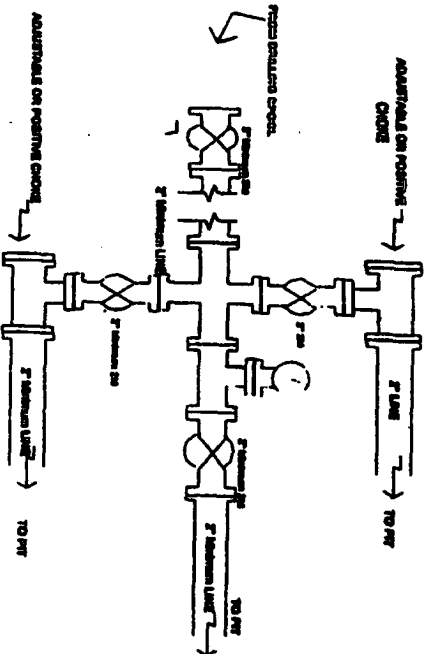
BOP Installation from Surface Casing Point to Total Depth, 11' Bore  
10' Material, 2000 psi working pressure double gate BOP to be  
equipped with blind rams and pipe rams. A 500 psi working pressure  
item prevention. All BOP equipment is 2,000 psi working pressure

Figure #71

4-20-01

# BURLINGTON RESOURCES

## Drilling Rig Choke Manifold Configuration 2000 psi System



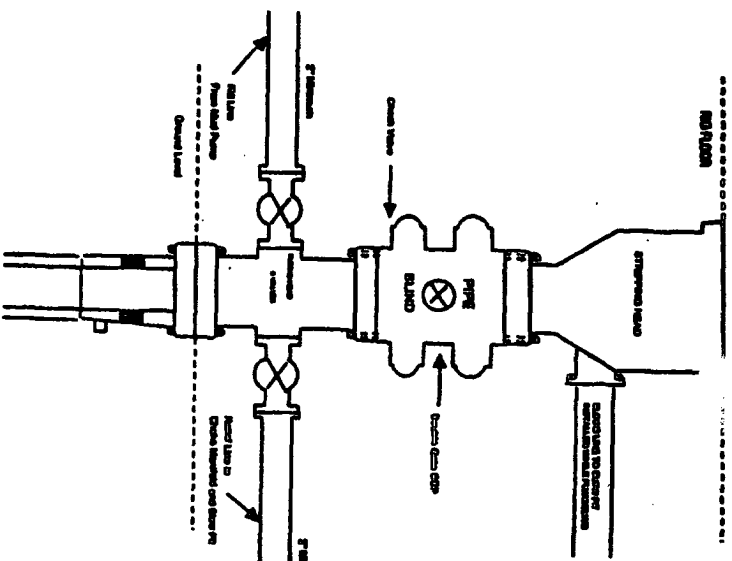
Choke manifold installation from Surface Casing  
Point to Total Depth, 2,000psi working pressure  
equipment with two chokes.

Figure #3

4-20-01

# BURLINGTON RESOURCES

## Completion/Workover Rig BOP Configuration 2,000 psi System



Minimum BOP Installation for all Completion/Workover  
Operations, 7'-11/16' 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 including 500 psi stripping head.

Figure #72