

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 2006 MAY 16 PM 1 39 NMSF-080781 Unit Reporting Number RECEIVED	
1b. Type of Well GAS	6. If Indian, All. or Tribe 670 FARMINGTON NM	
2. Operator BURLINGTON 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 Cain 9. Well Number #7248	
4. Location of Well Unit J (NWSE), 1735' FSL, 1470' FEL <i>Lot 14</i> Latitude 36° 40.8112'N Longitude 107° 49.0993'W	10. Field, Pool, Wildcat Basin Fruitland Coal 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 31, T29N, R9W API # 30-045- 33747	
14. Distance in Miles from Nearest Town 13 miles to Bloomfield, NM	12. County San Juan	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1470'		
16. Acres in Lease	17. Acres Assigned to Well 251.01 S2 FC	
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 50' - Cain #15M		
19. Proposed Depth 2256'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 5776' GL	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Amanda Sandwell</u> Regulatory Analyst	5-15-06 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 AND RELATED ARE
EXCLUDED FROM COMPLAINTS ATTACHED
GENERAL INVESTIGATIVE DIVISION

NMOC

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

District II
PO Drawer DD, 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 MAY 16 PM 1 39

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-33747		*Pool Code 71629	*Pool Name Basin Fruitland Coal
*Property Code 18487	*Property Name CAIN		*Well Number 724S
*OGRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY, LP		*Elevation 5776'

¹⁰ Surface Location

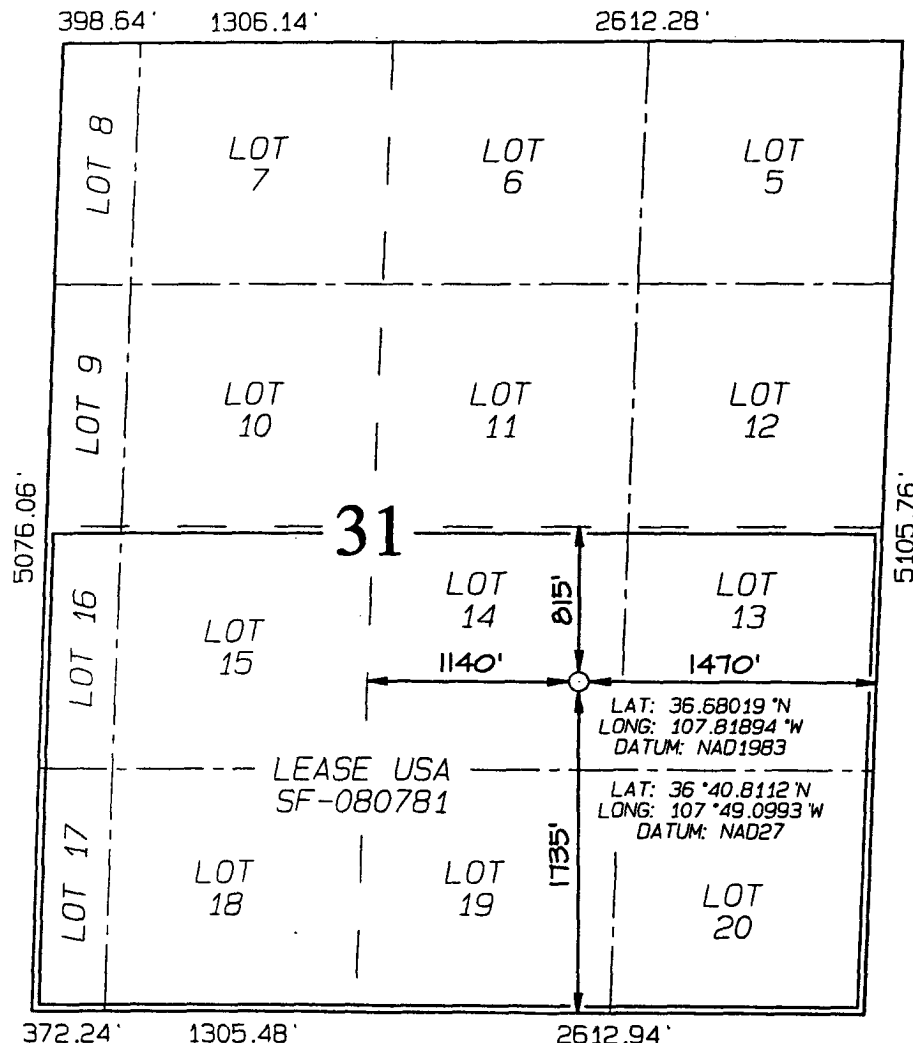
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	31	29N	9W	(14)	1735	SOUTH	1470	EAST	SAN JUAN

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
J									

¹² Dedicated Acres 251.01 ac S2 FC	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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



¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Amanda Sandoval</i> Signature Amanda Sandoval Printed Name Regulatory Analyst Title 5/15/2006 Date
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. Survey Date: FEBRUARY 13, 2006 Signature and Seal of Professional Surveyor JASON C. EDWARDS Certificate Number 15269

Office

Energy, Minerals and Natural Resources

May 27, 2004

District I

WELL API NO.

30-045-

33747

5. Indicate Type of Lease

STATE ☐FEE ☐

6. State Oil & Gas Lease No.

USA SF-080781

7. Lease Name or Unit Agreement Name

Cain

8. Well Number

724S

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 ☐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 J : 1870 feet from the South line and 1455' feet from the East line
Section 31 Township 29N Rng 9W NMPM County San Juan

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

5776'

Pit or Below-grade Tank Application

☐ or Closure ☐

Pit type

new drill

Depth to Groundwater

>100'

Distance from nearest fresh water well

>1000

Distance from nearest surface water

>1000'

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

☐

PLUG AND ABANDON

☐

TEMPORARILY ABANDON

☐

CHANGE PLANS

☐

PULL OR ALTER CASING

☐

MULTIPLE COMPL

☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK

☐

ALTERING CASING

☐

COMMENCE DRILLING OPNS.

☐

P AND A

☐

CASING/CEMENT JOB

☐

OTHER:

New Drill Pit

☒

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

TITLE

Regulatory Analyst

DATE

5/15/2006

Type or print name

Amanda Sandoval

E-mail address:

asandoval@br-inc.com

Telephone No.

505-326-9891

For State Use Only

APPROVED BY

TITLE

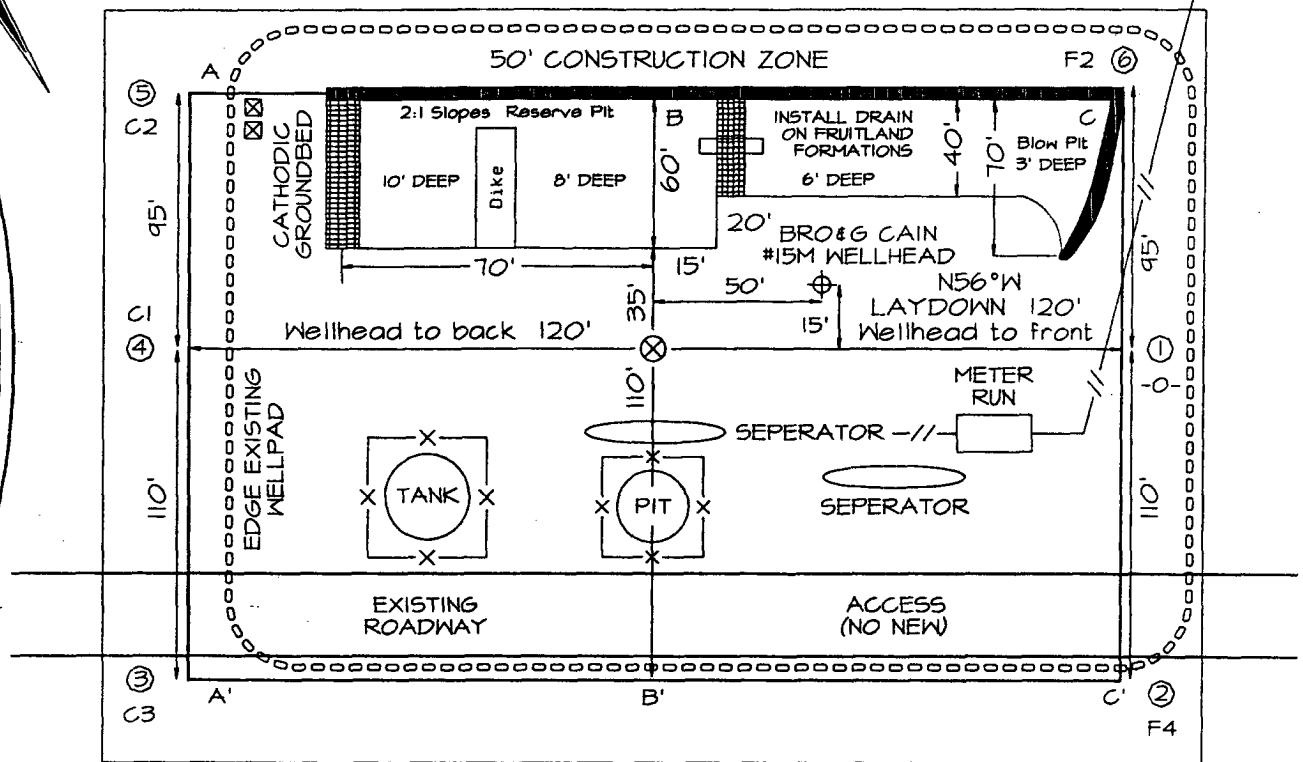
DEPUTY OIL & GAS INSPECTOR, DIST. 3


DATE

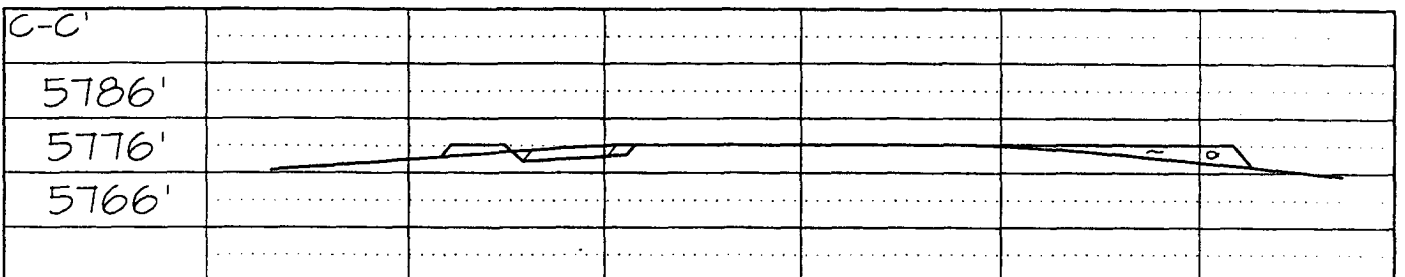
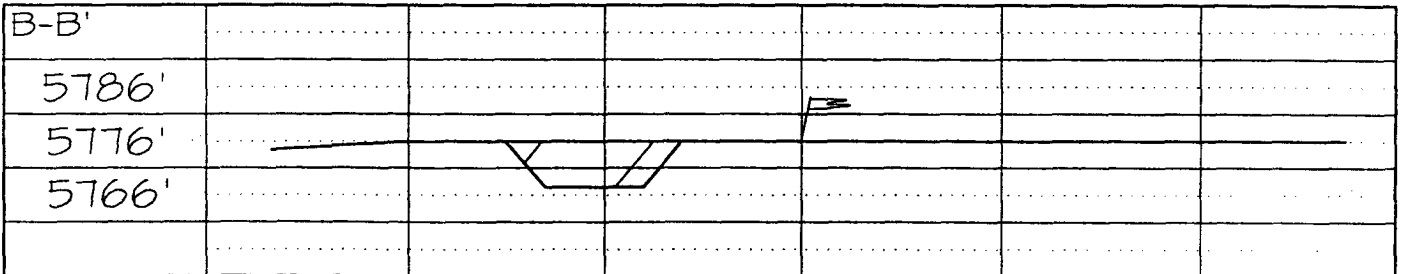
JUN 07 2006

Conditions of Approval (if any):

WFS P/L



A-A'						
5786'						
5776'						
5766'						



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: Cain #724S
 Location: Unit J (NWSE) 1735' FSL & 1470' FEL, Section 31, T29N, R9W
 San Juan County, New Mexico
 Latitude 36° 40.8112' N Longitude 107° 49.0993' W
 Formation: Basin Fruitland Coal
 Elevation: 5776' GR

Formation:	Top	Bottom	Contents
Ojo Alamo	933'	1085'	aquifer
Kirtland	1085'	1838'	gas
T/Fruitland	1838'	2053'	gas
B/Fruitland	2053'	2056'	
Pictured Cliffs	2056'		
Total Depth	2256'		

Logging Program: None

Mud Program:	Interval	Type	Weight	Vis.	Fluid Loss
	0- 120'	Spud/Air/Air Mist	8.4-8.9	40-50	no control
	120-2256'	Non-dispersed	8.4-9.5	30-60	no control

Casing Program:	Hole Size	Depth Interval	Csg.Size	Wt.
	Grade			
	8 3/4"	0 - 120'	7"	20.0#
	J-55			
	6 3/4"	0 - 2256'	4 1/2"	10.5#
	J/K-55			

Tubing Program:	Depth Interval	Csg.Size	Wt.
J-55	0 - 2256'	2 3/8"	4.7#

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 @ 1085'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 1085'. 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.

Cementing:

7" surface casing Pre-Set Drilled - Cement with Type I, II cement with 20% flyash mixed at 14.5 ppg, 1.28 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.

7" surface casing - Cement with 42 sx Type III cement with 0.25 pps Celloflake, 3% CaCl. (54 cu ft of slurry @ 1.28 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 105 sx (223 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 347 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 to 600 psi/30 min. ~~BOPE~~

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:

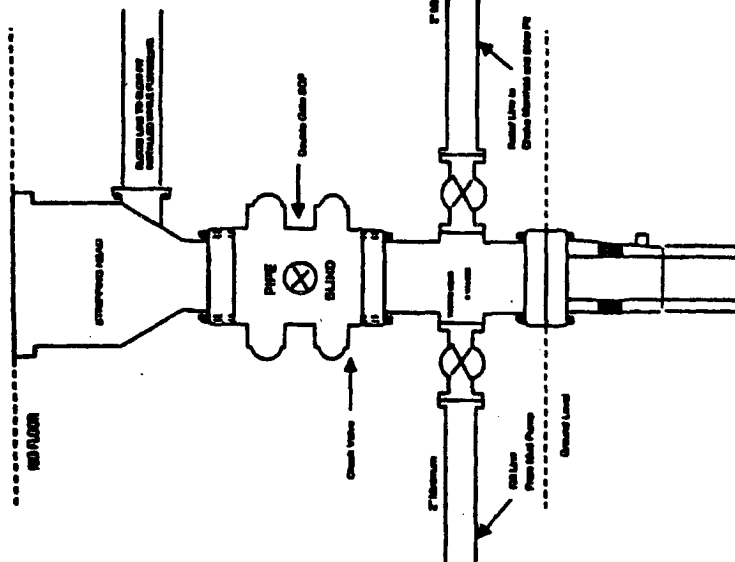
- * The Fruitland Coal formation will be completed.
- * Anticipated pore pressure for the Fruitland Coal is 600 - 700 psi.
- * This gas is dedicated.
- * The south half of section 31 is dedicated to the Fruitland Coal formation.s
- * New casing will be utilized.
- * Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.

Adam Martin
Drilling Engineer

5/16/2006
Date

BURLINGTON RESOURCES

Completion/Workover Rig
BOP Configuration
2,000 psi System



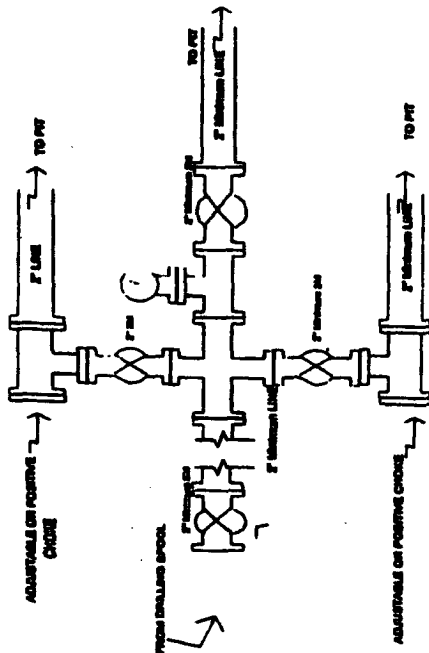
Minimum BOP installation for all Completion/Workover Operations. 7-1/16" bore, 2000 psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A stripping head to be installed on the top of the BOP. All BOP equipment is 2000 psi working pressure or greater excluding 600 psi stripping head.

Figure #2

4-20-01

BURLINGTON RESOURCES

Drilling Rig
Choke Manifold Configuration
2000 psi System



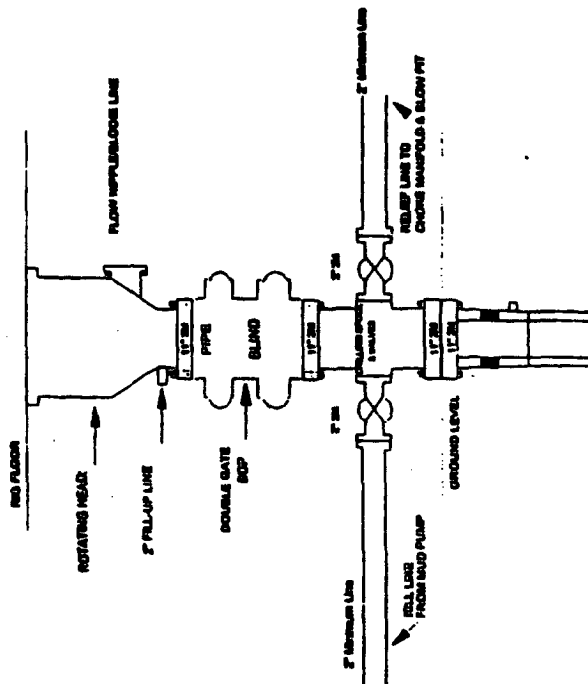
Choke manifold installation from Surface Casing Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure #3

4-20-01

Burlington Resources

Drilling Rig
2000 psi System



BOP Installation from Surface Casing Point to Total Depth. 11" Bore 10" Nominal, 2000 psi 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

1