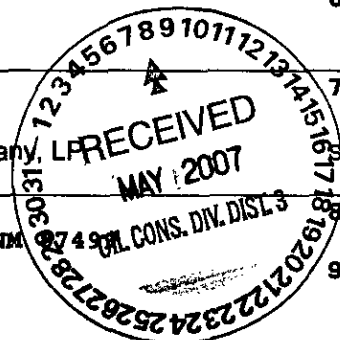


**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

2007 FEB 14 PM 2:57

1a. Type of Work DRILL	5. Lease Number USA SF-080673 Unit Reporting Number NMNM-78408A-MV NMNM-78408B-OK
1b. Type of Well GAS	6. If Indian, All. or Tribe
2. Operator BURLINGTON RESOURCES Oil & Gas Company	7. Unit Agreement Name San Juan 27-4 Unit
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM (505) 326-9700	8. Farm or Lease Name San Juan 27-5 Unit 9. Well Number #40N
4. Location of Well Unit H (SENE), 2254' FNL & 409' FEL, Latitude 36° 36.1769443'N Longitude 107° 17.0298505 'W	10. Field, Pool, Wildcat Blanco MesaVerde/Basin Dakota 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 6, T27N, R4W API # 30-039-30199
14. Distance in Miles from Nearest Town 39 miles to Blanco, NM	12. County Rio Arriba 13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 409'	17. Acres Assigned to Well 320 B2 319.79 320.59
16. Acres in Lease	18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease
19. Proposed Depth 8263'	20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 6963.7' GR	22. Approx. Date Work will Start
23. Proposed Casing and Cementing Program See Operations Plan attached	
24. Authorized by: <u>Shonda Rogers</u> Regulatory Technician	<u>2-14-07</u> Date



PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY [Signature] TITLE AFM DATE 5/7/07

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

NMOCD
 6/5/10

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

**NOTIFY AZTEC OCD 24 HRS.
 PRIOR TO CASING & CEMENT**

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Fee Lease - 3 Copies
State Lease - 7 Copies
Submit to Appropriate District Office
Revised June 10, 2003
Form C-102

2007 FEB 14 PM 2:57

RECEIVED

AMMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-30199	² Pool Code 72319/71599	³ Pool Name Blanco Mesaverde / Basin Dakota
⁴ Property Code 7452	⁵ Property Name SAN JUAN 27-4 UNIT	
⁷ OGRID No. 14538	⁸ Operator Name BURLINGTON OIL AND GAS COMPANY LP	
		⁶ Well Number 40N
		⁹ Elevation 6963.7'

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
H	06	27-N	04-W		2254	NORTH	409	EAST	RIO ARRIBA

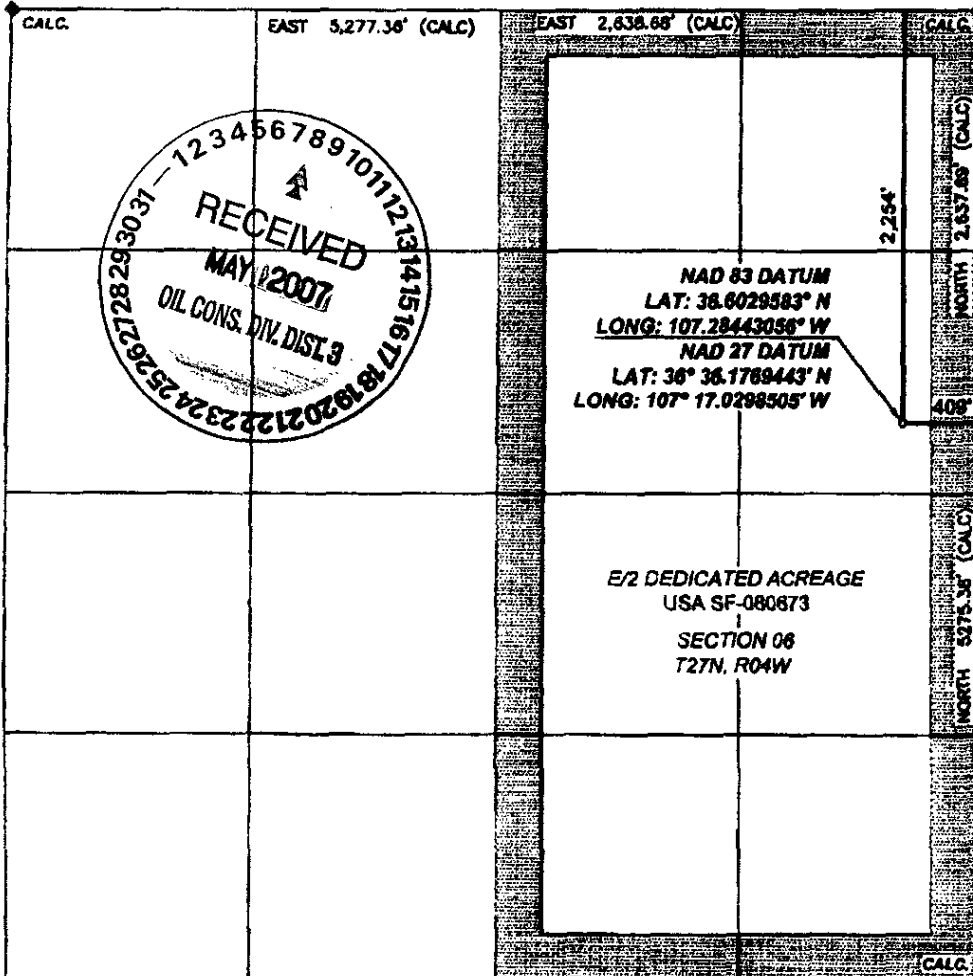
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H									

¹² Dedicated Acres 819.790 319.79 326.54	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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



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: *Patsy Clugston*

Printed Name: Patsy Clugston

Title and E-mail Address: Sr. Regulatory Specialist

Date: September 6 2006

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.

Date of Survey: 06/13/06

Signature and Seal of Professional Surveyor:

Certificate Number: NM 11393

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

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

May 27, 2004

<p>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.)</p>		<p>WELL API NO. <u>30-039-30199</u></p>
<p>1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other</p>		<p>5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/></p>
<p>2. Name of Operator BURLINGTON RESOURCES OIL & GAS COMPANY LP</p>		<p>6. State Oil & Gas Lease No. SF-080673</p>
<p>3. Address of Operator 3401 E. 30TH STREET, FARMINGTON, NM 87402</p>		<p>7. Lease Name or Unit Agreement Name San Juan 27-4 Unit</p>
<p>4. Well Location Unit Letter <u>H</u> : <u>2254</u> feet from the <u>North</u> line and <u>409</u> feet from the <u>East</u> line Section <u>6</u> Township <u>27N</u> Range <u>4W</u> NMPM County <u>Rio Arriba</u></p>		<p>8. Well Number 40N</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6963.7' GL</p>		<p>9. OGRID Number 14538</p>
<p>Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/></p>		<p>10. Pool name or Wildcat Blanco Mesa Verde/Basin Dakota</p>
<p>Pit type <u>New Drill</u> Depth to Groundwater <u>>100'</u> Distance from nearest fresh water well <u>>1000'</u> Distance from nearest surface water <u>200'</u></p>		
<p>Pit Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume _____ bbls; Construction Material _____</p>		

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

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/></p>		<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/></p> <p>CASING/CEMENT JOB <input type="checkbox"/></p>	
<p>OTHER: <u>New Drill Pit</u> <input checked="" type="checkbox"/></p>		<p>OTHER: <input type="checkbox"/></p>	

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, an associated vent/flare pit and a pre-set mud pit (if required). Based on Burlington's interpretation of the Ecosphere's risk ranking criteria, the new drilling pit and pre-set mud pit will be lined pits 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 Tracey N. Monroe TITLE Regulatory Technician DATE 12/29/2006

Type or print name Tracey N. Monroe E-mail address: Tracey.N.Monroe@conocophillips.com Telephone No. 505-326-9752

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #2 DATE 5/10/07

Conditions of Approval (if any):

[Handwritten mark]

BURLINGTON RESOURCES OIL & GAS COMPANY LP

SAN JUAN 27-4 UNIT 40N

2,254' FNL, 409' FEL

SECTION 06, T27N, R04W, N.M.P.M.,

RIO ARRIBA COUNTY, NEW MEXICO

GROUND ELEV.: 6,963.7' NADV88

DATE: JUNE 13, 2006

NEW ACCESS ROAD 690'

CHEVAULT CONSULTING INC.

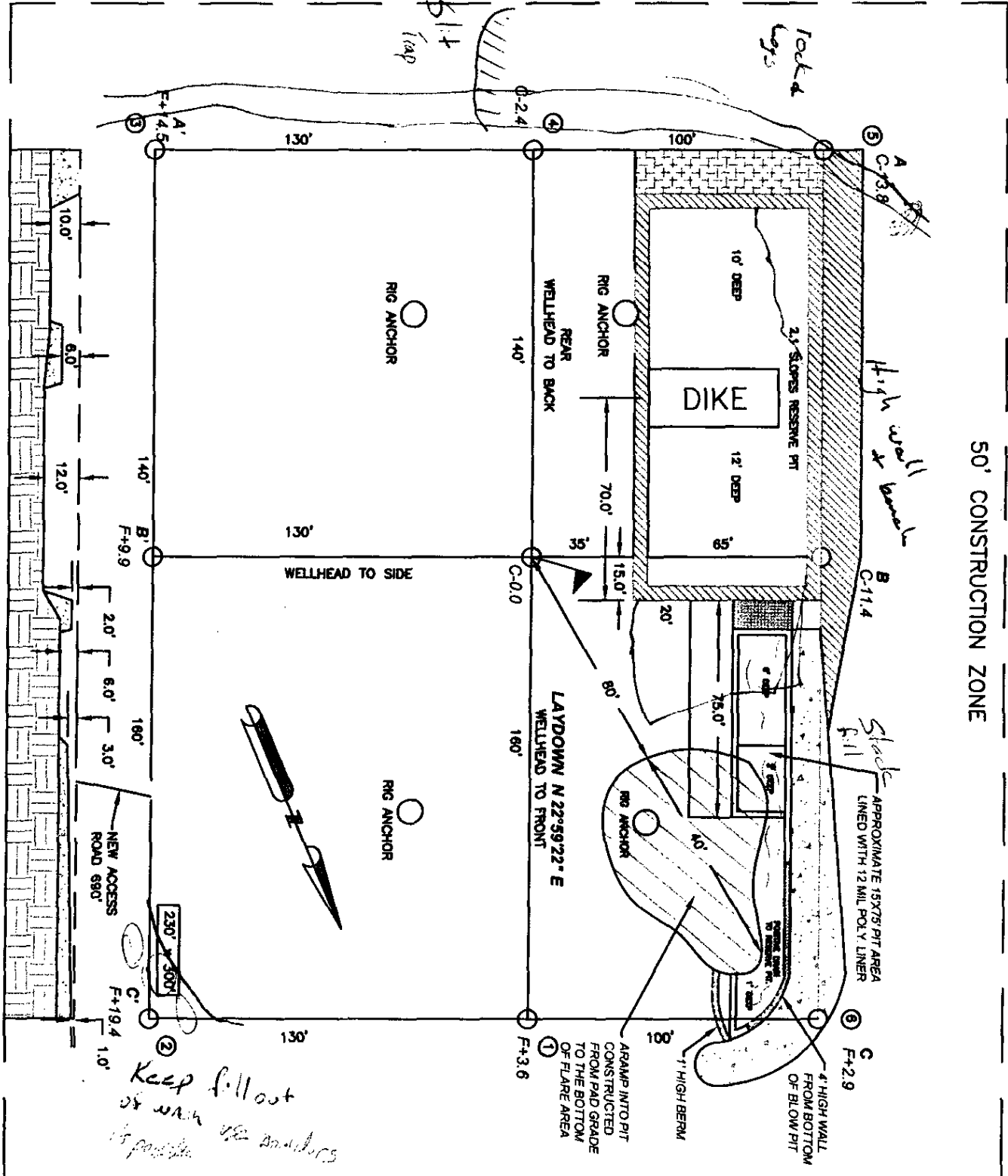
1300 W. BROADWAY
BLOOMFIELD, NM, 87413
PHONE: (505) 962-7777

CCI

NAD 83 LAT.: 36.6029583° N LONG.: 107.28443056° W

PIT CROSS SECTION

330' x 400' = 3.03 ACRES



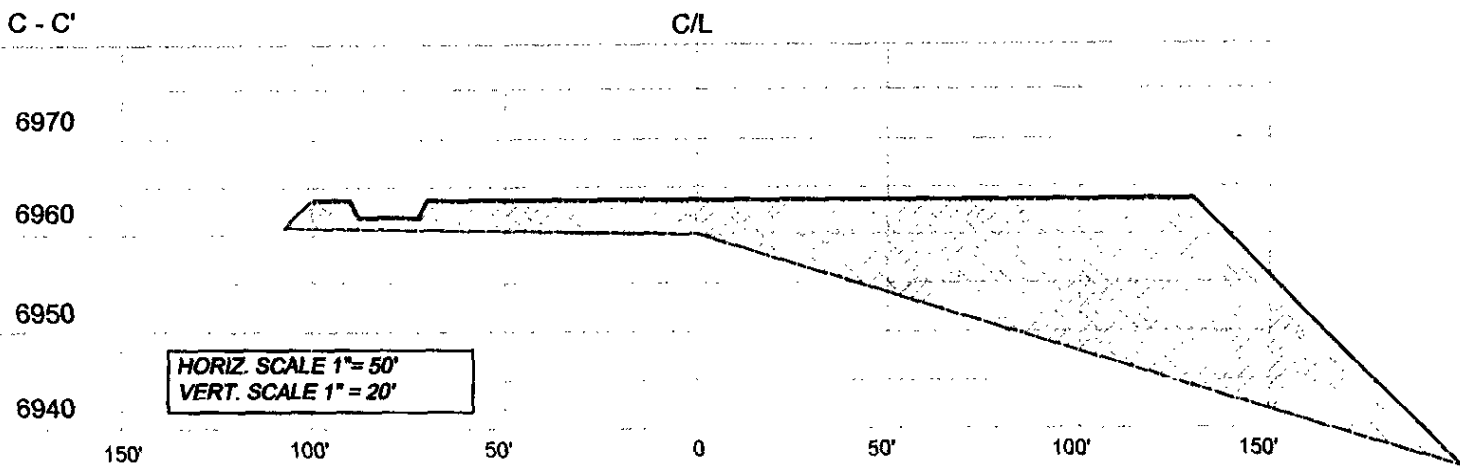
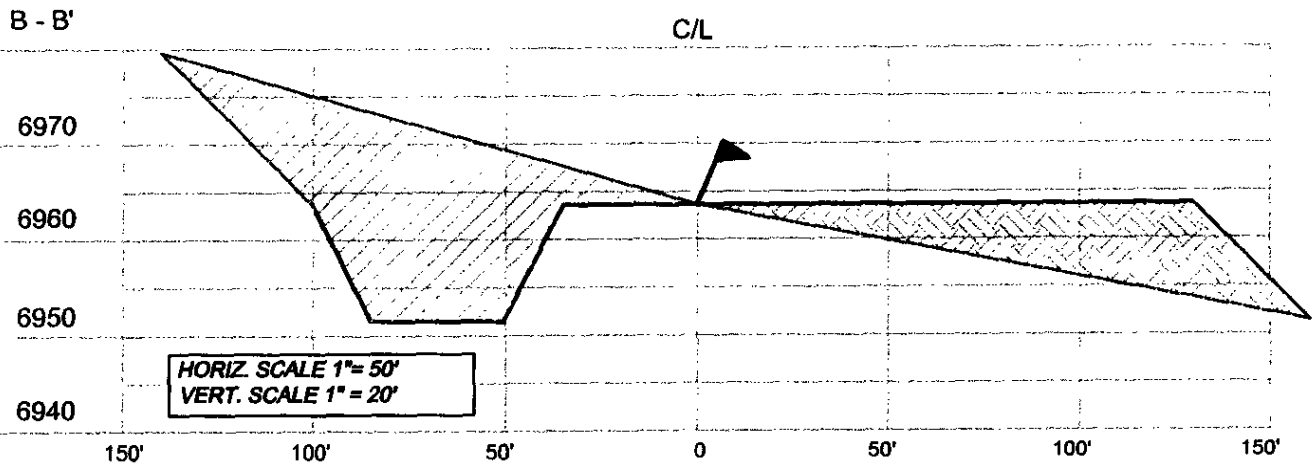
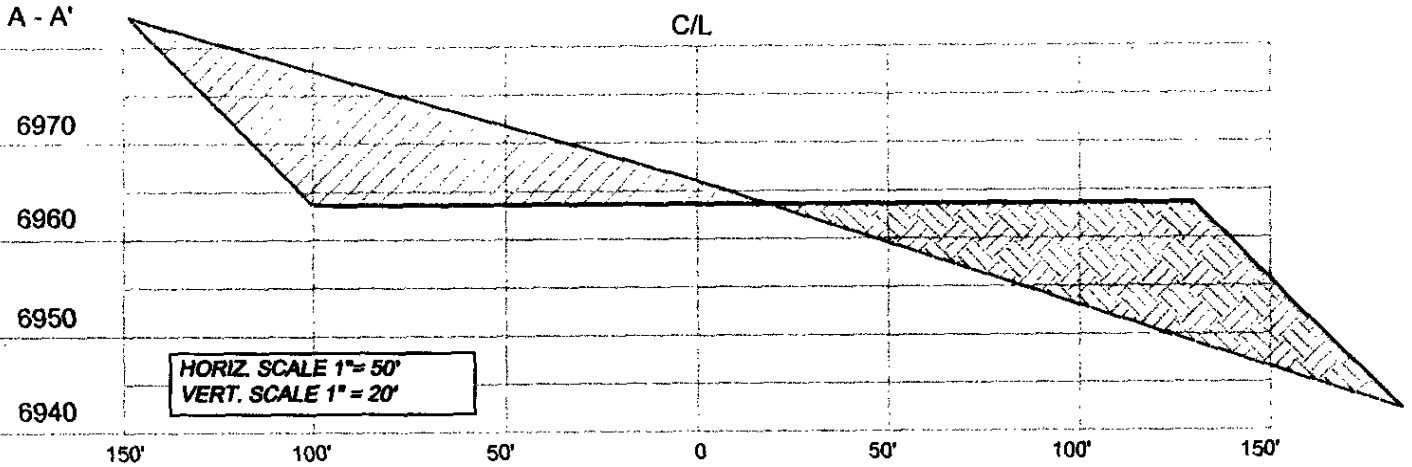
50' CONSTRUCTION ZONE

NOTES:

1. RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW-3' WIDE AND 1' ABOVE SHALLOW SIDE).
2. C.C.I. 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

SAN JUAN 27-4 UNIT 40N
 2,254' FNL, 409' FEL
 SECTION 06, T27N, R04W, N.M.P.M.,
 RIO ARRIBA COUNTY, NEW MEXICO
 ELEV.: 6,963.7' NADV88
 NEW ACCESS ROAD 690'



NOTE: CCI 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 PRIOR TO CONSTRUCTION.

REVISIONS

NO.	DESCRIPTION	REVISED BY	DATE

CCI

1300 W. BROADWAY
 BLOOMFIELD, NM, 87413
 PHONE: (505)632-7777

CHENAULT CONSULTING INC.

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 27-4 UNIT 40N

Lease:	AFE #: WAN.ZA2.7181/7183MV			AFE \$:
Field Name: hBR_SAN JUAN 27-4 UNIT	Rig: XX 2008 27N	State: NM	County: RIO ARRIBA	API #:
Geoscientist: Head, Chip F	Phone: 505-326-9772	Prod. Engineer:	Phone:	
Res. Engineer: Prabowo, Wahyu	Phone: 832-486-2275	Proj. Field Lead:	Phone:	

Primary Objective (Zones):

Zone	Zone Name
R20076	DAKOTA(R20076)
RON	BLANCO MESAVERDE (PRORATED GAS)

Location: Surface Datum Code: NAD 27 Straight Hole

Latitude: 36.602949	Longitude: -107.283831	X:	Y:	Section: 06	Range: 004W
Footage X: 409 FEL	Footage Y: 2254 FNL	Elevation: 6964	(FT)	Township: 027N	

Tolerance:

Location Type: Summer Only	Start Date (Est.):	Completion Date:	Date In Operation:
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Formation Data: Assume KB = 6976 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	216	6760	<input type="checkbox"/>			12-1/4" hole, 9-5/8" 32.3 ppf, H-40, STC casing. Cement w/ 203 cuft. <i>Circ cmt to surface</i>
OJO ALAMO	3238	3738	<input type="checkbox"/>			Possible water flows.
KIRTLAND	3376	3600	<input type="checkbox"/>			
FRLD	3422	3554	<input type="checkbox"/>			Possible gas.
PICTURED CLIFFS	3826	3150	<input type="checkbox"/>			
HUERFANITO BENTONITE	4418	2558	<input type="checkbox"/>			
LEWIS	4438	2538	<input type="checkbox"/>			
Intermediate Casing	4538	2438	<input type="checkbox"/>			8-3/4" Hole. 7", 20/23 ppf, J-55, STC Casing. Cement with 1012 cuft. Circulate cement to surface.
CHACRA	4793	2183	<input type="checkbox"/>			
UPPER CLIFF HOUSE	5403	1573	<input type="checkbox"/>	750		Gas
MASSIVE CLIFF HOUSE	5598	1378	<input type="checkbox"/>			
MENELEE	5665	1311	<input type="checkbox"/>			
MASSIVE POINT LOOKOUT	5968	1008	<input type="checkbox"/>			
MANCOS	6533	443	<input type="checkbox"/>			
UPPER GALLUP	7162	-186	<input type="checkbox"/>			
GREENHORN	7933	-957	<input type="checkbox"/>	2000		Gas
GRANEROS	8002	-1026	<input type="checkbox"/>			
TWO WELLS	8041	-1065	<input type="checkbox"/>			
UPPER CUBERO	8140	-1164	<input type="checkbox"/>			
LOWER CUBERO	8188	-1212	<input type="checkbox"/>			flat to #39M
OAK CANYON	8243	-1267	<input type="checkbox"/>			
ENCINAL	8263	-1287	<input type="checkbox"/>			TD T/Encinal 20' below T/Oak Canyon
TD	8263	-1287	<input type="checkbox"/>			6-1/4" Hole. 4-1/2", 10.50/11.60 ppf, J-55/N-80, STC/LTC Casing. Cement with 509 cuft. Circulated cement a minimum of 100' inside previous casing string. No open hole logs. Cased hole TDT with GR to surface.

Reference Wells:

Reference Type	Well Name	Comments
Intermediate	SJ 27-4 Unit 39M	NW 5-27n-04w

PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 27-4 UNIT 40N

Intermediate	SJ 27-4 Unit 40	NE 6-27n-04w
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Logging Program:

Intermediate Logs: Log only if show GR/ILD Triple Combo

TD Logs: Triple Combo Dipmeter RFT Sonic VSP TDT Other
GR/CBL

Additional Information:

Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks
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Comments: Location/Tops/Logging - DK 27N04W06NE2 AND MV 27N04W06NE2 - Estimated Bottom perf 8238

Zones - DK 27N04W06NE2 AND MV 27N04W06NE2