

RCVD JUL 12 2007
OIL CONS. DIV.
DIST. 3

Form 3160-3
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

1a. Type of work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5 Lease Serial No. I-22-IND-2772
1b. Type of Well. <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6 If Indian, Allottee or Tribe Name Ute Mountain Ute
2 Name of Operator Onoco Phillips (Burlington Resources Oil & Gas Company, LP)		7 If Unit or CA Agreement, Name and No.
3a. Address 3401 E. 30th St. Farmington, NM 87402-8807	3b. Phone No (include area code) 505-326-9700	8 Lease Name and Well No Ute Mountain Ute #81
4. Location of Well (Report location clearly and in accordance with any State requirements*) At surface NESE Lot 1, 1610' FSL & 705' FEL At proposed prod zone same		9 API Well No. 30-045-34366
10 Field and Pool, or Exploratory Barker Creek-Dakota Pool		11 Sec., T. R. M. or Blk. and Survey or Area I Sec 20-T32N-R14W
12. Distance in miles and direction from nearest town or post office* 5 miles to La Plata		12. County or Parish San Juan
13 State NM		
15. Distance from proposed* location to nearest property or lease line, ft (Also to nearest drg unit line, if any)	16 No. of acres in lease 8400	17. Spacing Unit dedicated to this well 160 SF/4
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft	19. Proposed Depth 2800'	20 BLM/BIA Bond No. on file
21. Elevations (Show whether DF, KDB, RT, GL, etc) 6108' GR	22 Approximate date work will start*	23 Estimated duration

Venting / Flaring approved for 30 days
per NTL-4A

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form

- | | |
|--|--|
| 1 Well plat certified by a registered surveyor | 4 Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2 A Drilling Plan | 5 Operator certification |
| 3 A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office) | 6 Such other site specific information and/or plans as may be required by the BLM. |

SEE ATTACHED
CONDITIONS OF APPROVAL

25. Signature Catherine Smith	Name (Printed Typed) Catherine Smith	Date 10/05/2006
Title Huntington Energy, L.L.C., Agent for Burlington Resources Oil & Gas Company, LP		

APPROVED FOR A PERIOD
NOT TO EXCEED 2 YEARS

Approved by (Signature) /s/ Richard A. Rymerson	Name (Printed Typed) Acting Field Office Manager	Date JUL 10 2007
Title Office		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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 representations as to any matter within its jurisdiction

*(Instructions on page 2) file PT Permit before construction is started

MMOCD

RECEIVED

OCT - 6 2006

Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject lease which are committed hereto...

NOTIFY AZTEC OCD 24 HRS.

Bureau of Land Management
Durango, Colorado

07-17-07 PRIOR TO CASING & CEMENT

BH

DISTRICT I
P.O. Box 1960, Hobbs, N.M. 88241-1960

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

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

DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87506

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87504-2088

Form C-102

Revised October 12, 2006

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-34366	*Pool Code 71520	*Pool Name Barker Creek Dakota
*Property Code 32660-18725	*Property Name UTE MOUNTAIN UTE	*Well Number 81
*GRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP	*Elevation 6108

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
1	20	32-N	14-W	400	1610'	SOUTH	705'	EAST	SAN JUAN

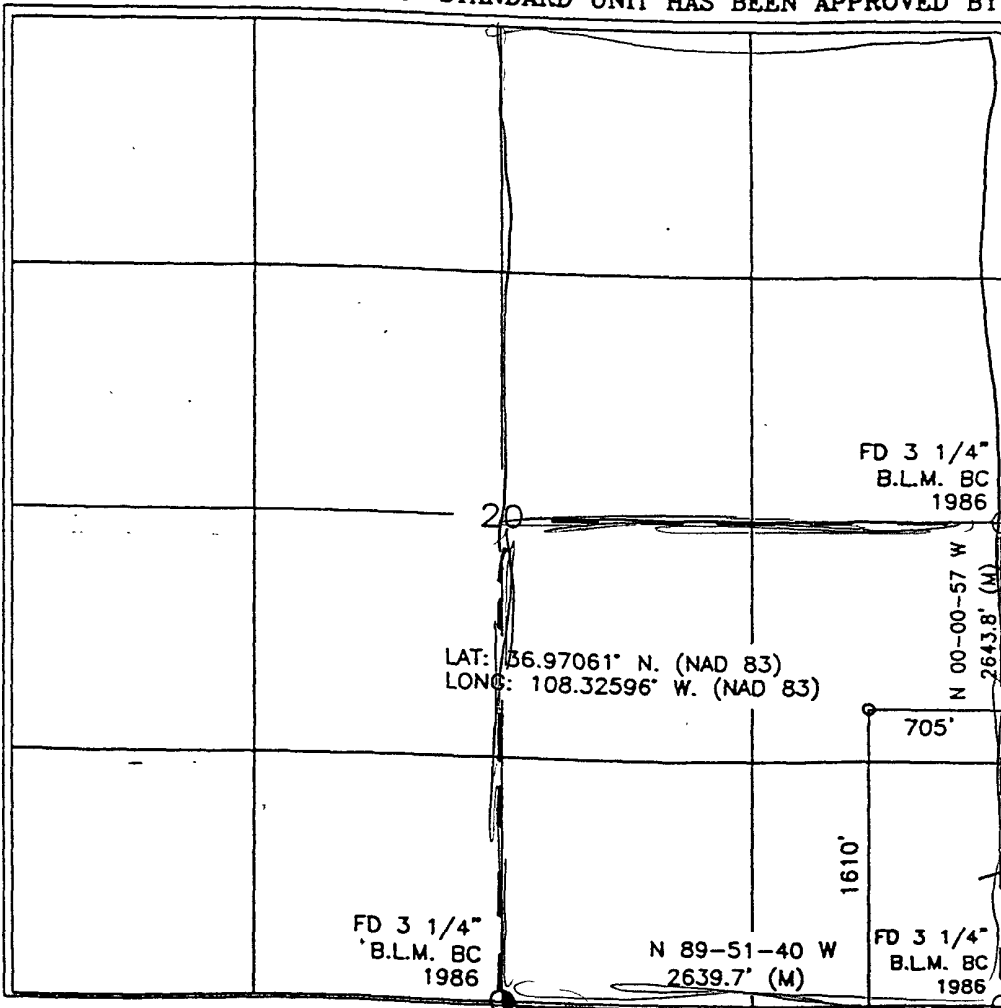
11 Bottom Hole Location If Different From Surface

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

*Dedicated Acres 5.12-1.60	*Joint or Infill	*Consolidation Code	*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

16



17

OPERATOR CERTIFICATION

I hereby certify that the information contained here 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 the right to drill this well at this location pursuant to 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.

Catherine Smith 8/9/06
Signature Date

Catherine Smith
Printed Name

18 SURVEYOR CERTIFICATION

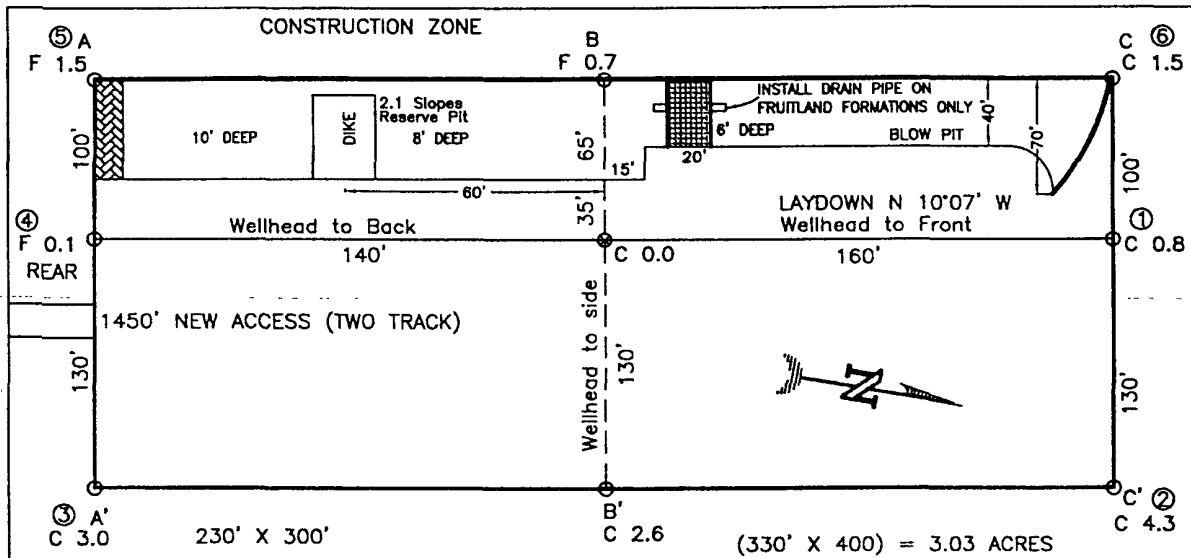
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

MARCH 30, 2006

Date of Survey
Signature of Registered Professional Surveyor



BURLINGTON RESOURCES OIL AND GAS COMPANY LP/HUNTINGTON ENERGY, LLC
UTE MOUNTAIN UTE No. 81, 1610 FSL 705 FEL
SECTION 20, T-32-N, R-14-W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO
GROUND ELEVATION: 6108, DATE: MARCH 30, 2006



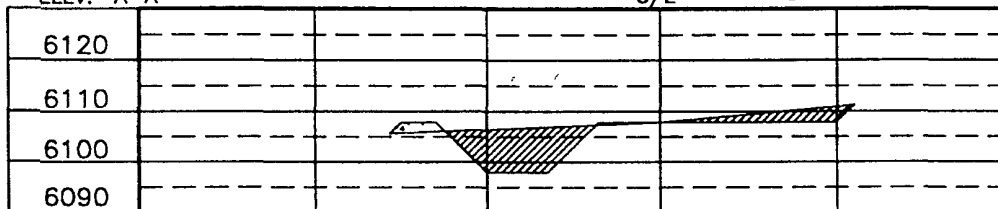
RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).
 BLOW PIT: OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT.

NOTE:

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.

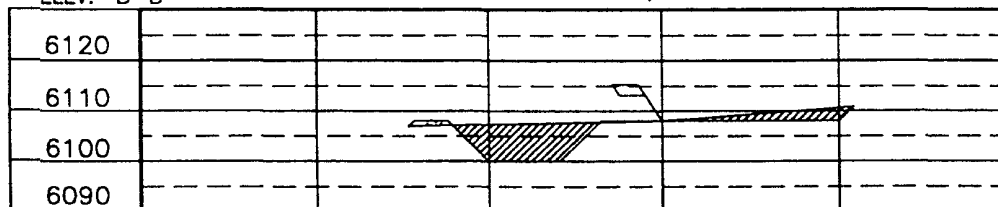
ELEV. A-A'

C/L



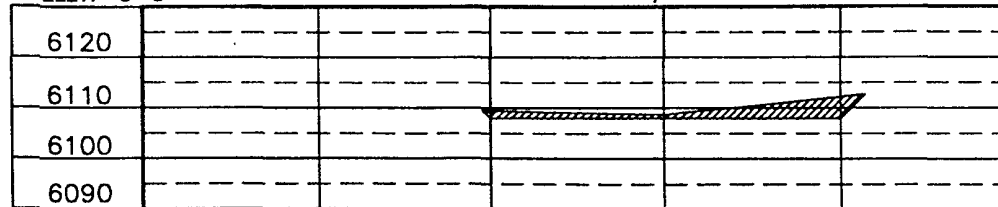
ELEV. B-B'

C/L



ELEV. C-C'

C/L



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.

REVISION	DATE	REVISION BY
	DATE	REVISION BY

Daggett Enterprises, Inc.
 Surveying and Oil Field Services
 P. O. Box 15088 • Farmington, NM 87401
 Phone (505) 326-1772 • Fax (505) 326-8019
 NEW MEXICO P.L.S. No. 14831
 COUNTY: HITCHCOCK
 DATE: 04/13/06

DRAWN BY: A.C.
DATE: 04/13/06

OPERATIONS PLAN

Well Name: Ute Mountain Ute #81
Location: 1610' FSL, 705' FEL, NESE Sec 20, T-32-N, R-14-W NMPM
San Juan Co., New Mexico
Formation: Basin Dakota
Elevation: 6108' GR 6124' KB

<u>Formation Tops:</u>	<u>Top</u>	<u>Bottom</u>	<u>RMSL</u>	<u>Contents</u>
Menefee	Surf	124'		
Point Lookout	124'	324'	6000'	
Mancos	324'	1409'	5800'	
Gallup (Niobrara)	1409'	2122'	4715'	oil or water
Greenhorn	2122'	2178'	4002'	
Graneros	2178'	2244'	3946'	
Dakota	2244'	2499'	3880'	gas or water
Morrison	2499'		3625'	gas
TD	2800'			

Logging Program:

Mud log – 300' to TD
Open hole logs – AIT/GR/SP - TD to surface casing; NEU/DEN – TD to 1400'
FMI/Dipmeter – interval to be determined
Cased hole logs– CBL/GR – TD to surface
Cores & DST's – none

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	<u>Fluid Loss</u>
0 – 300'	Spud	8.4-9.0	40-50	no control
0 - 2800'	LSND	8.4-9.0	40-60	no control

Pit levels will be visually monitored to detect gain or loss of fluid control.

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>
11"	0 – 300'	7 5/8"	29.7#	P-110
6 1/4"	0 – 2800'	4 1/2"	10.5#	J-55

Tubing Program:

0 – 2800'	2 3/8"	4.7#	J-55
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BOP Specifications, Wellhead and Tests:

Surface to 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.

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.

Float Equipment:

7 5/8" surface casing – saw tooth guide shoe.

Centralizers will be run in accordance with Onshore Order #2.

4 1/2" intermediate casing – guide shoe and self-fill float collar. Standard centralizers run every other joint above shoe. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Wellhead:

7 5/8" 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 drilling crew.
- All BOP tests and drills will be recorded in the daily drilling reports.
- Blind and pipe rams will be equipped with extension hand wheels.

Cementing:

7 5/8" surface casing –

Cement to surface w/174 sx Class A, B Portland Type I, II cement (244 cu. ft. of slurry). WOC 8 hours before pressure testing or drilling out from under surface casing.

4 1/2" production Casing -

Lead with 377 sx Premium Lite w/3% calcium chloride, 5pps LCM-1, and 1/4#/sack flocele, 0.4% FL-52, & 0.4% SMS. Tail w/90 sx Type III cement w/1% calcium chloride, 1/4#/sack flocele and 0.2% FL-52 (928 cu. ft., 50% excess to circulate to surface.)

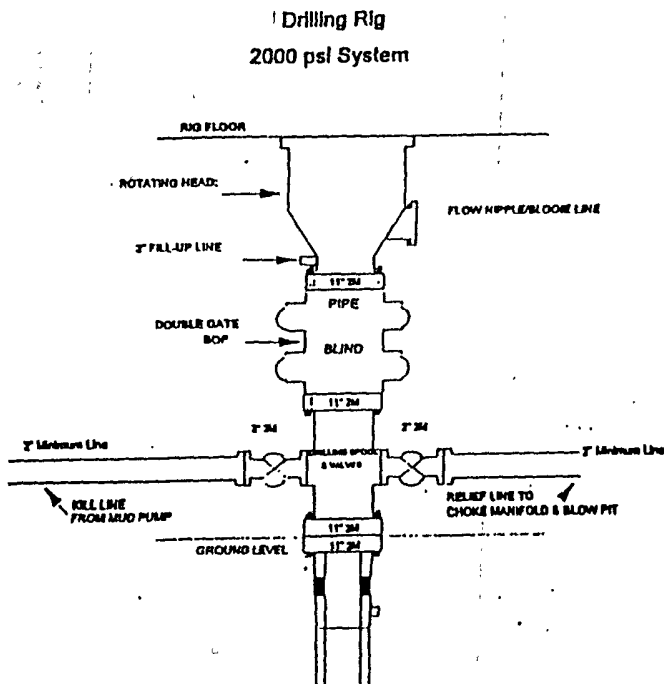
Note: If open hole logs are run, cement volumes will be based on 25% excess over caliper volumes.

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

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

Additional Information:

- The Dakota formation will be completed. If non-commercial, the Morrison and Gallup will be secondary objectives.
- No abnormal temperatures or hazards are anticipated.
- Anticipated pore pressure for the Dakota is 750 psi.
- Sufficient LCM will be added to the mud system to maintain well control, if lost circulation is encountered.
- The southeast quarter of Section 20 is dedicated to this well. This gas is dedicated.

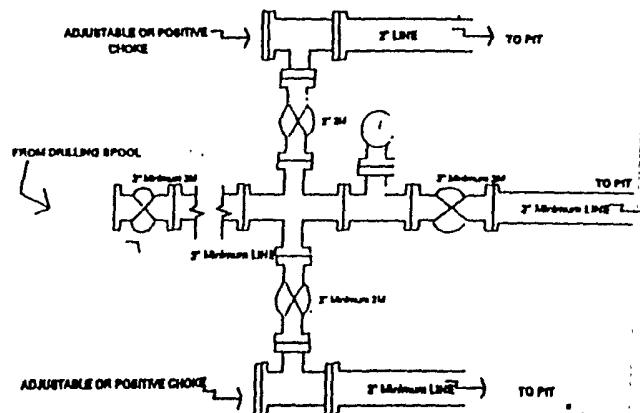


BOP installation from Surface Casing Point to Total Depth. 11" Bore 10" Nominal, 2000 psi working pressure double gate BOP to be equipped with blind rams and pipe rams. A 500 psi rotating head on top of ram preventers. All BOP equipment is 2,000 psi working pressure

Figure #1

4-20-01

Drilling Rig Choke Manifold Configuration 2000 psi System

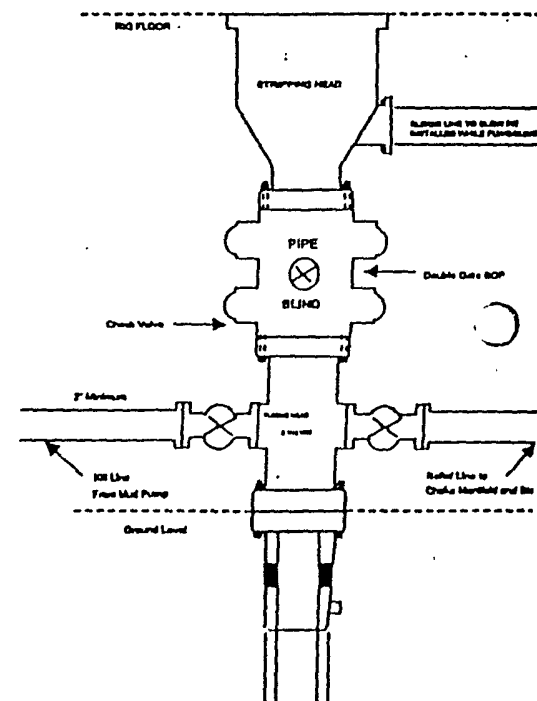


Choke manifold installation from Surface Casing Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure #3

4-20-01

Completion/Workover Rig BOP Configuration 2000 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