

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 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 #82
4 Location of Well (Report location clearly and in accordance with any State requirements*) At surface NWSW Sec 22, T32N-R14W 1570/S 1035/W At proposed prod. zone same		9. API Well No. 30-045-34387
10 Field and Pool, or Exploratory Barker Creek-Dakota Pool		11. Sec., T, R, M. or Blk. and Survey or Area L Sec 22-T32N-R14W
14 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 drng unit line, if any) 1035'	16 No. of acres in lease 8400	17. Spacing Unit dedicated to this well 160
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 OIL CONS. DIV. DIST. 3
21 Elevations (Show whether DF, KDB, RT, GL, etc.) 6181' GR	22 Approximate date work will start*	23. Estimated duration

24. Attachments

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

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

- | | |
|--|---|
| 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 |

25 Signature <i>Catherine Smith</i>	Name (Printed Typed) Catherine Smith	Date 09/12/2006
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) <i>Robert L. Sieger</i>	Name (Printed Typed) Robert L. Sieger	Date 8/8/2007
Title Acting Asst Center Mgr., Physical Resources	Office San Juan Public Lands Center	

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 USC Section 1001 and Title 43 USC 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)

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...

SEE ATTACHED
CONDITIONS OF APPROVAL

RECEIVED

SEP 13 2006

Bureau of Land Management
Durango, Colorado

MM00008-10-01
BH

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

DISTRICT II
1301 W. Grand Avenue, 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 87504-2088

Form C-102
Revised October 12, 2005
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 30-045-34387	*Pool Code 71599-71520	*Pool Name Barker Creek-Dakota Pool
*Property Code 32660/8725	*Property Name UTE MOUNTAIN UTE	*Well Number 82
*OGRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP	*Elevation 6181'

¹⁰ Surface Location

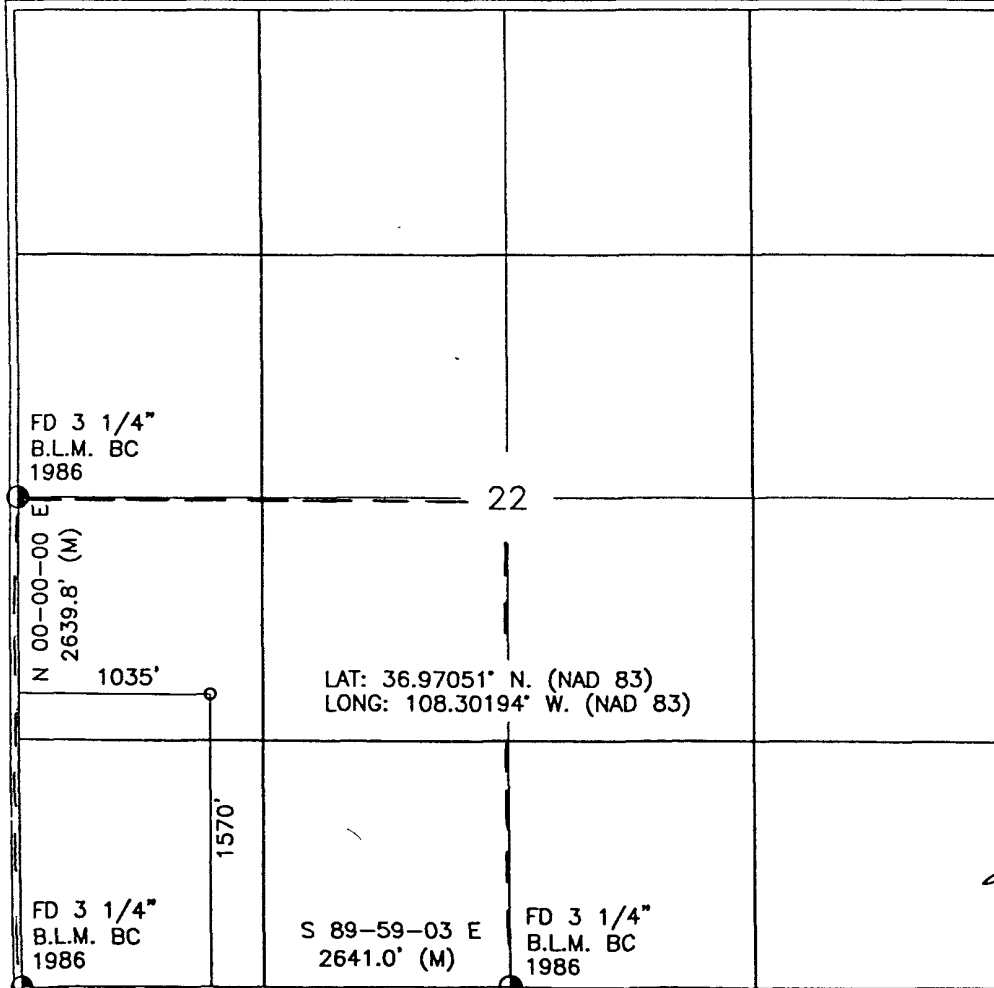
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	22	32-N	14-W		1570'	SOUTH	1035'	WEST	SAN JUAN

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
¹² Dedicated Acres SW-160			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.

Catherine Smith 9/12/06
Signature Date
Catherine Smith
Printed Name

18 SURVEYOR CERTIFICATION

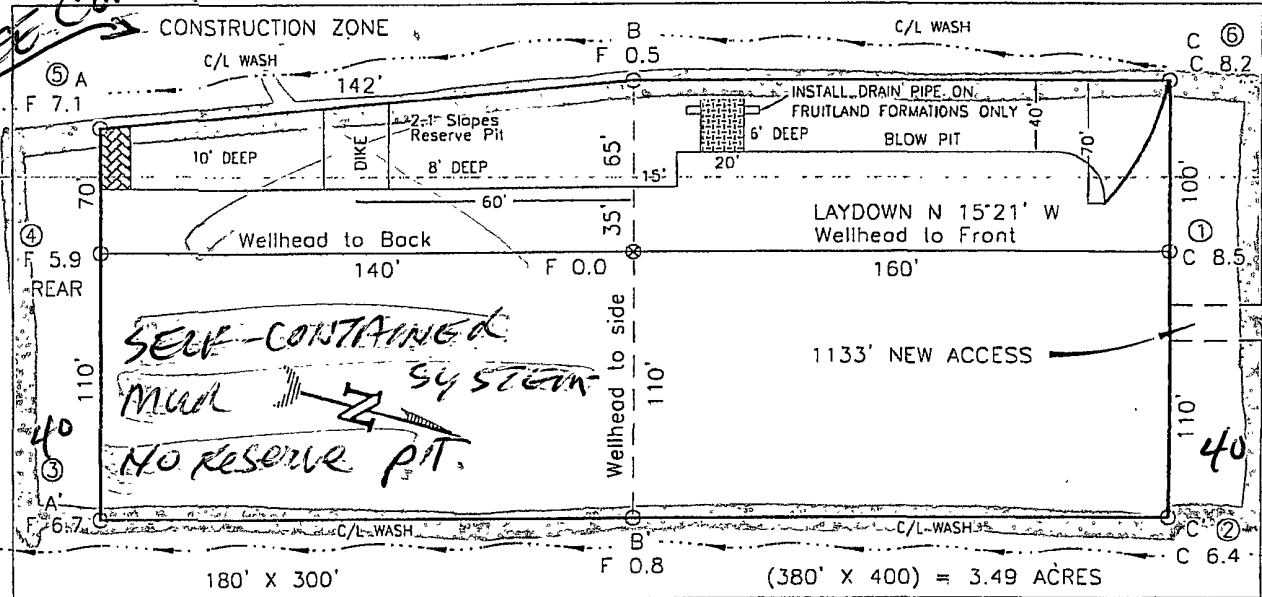
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

APRIL 14 2006
Date of Survey
Signature and Seal of Professional Surveyor
14881
REGISTERED PROFESSIONAL SURVEYOR
Certificate Number

pub 1.77A + 1.04PL

BURLINGTON RESOURCES OIL AND GAS COMPANY LP/HUNTINGTON ENERGY, LLC
 UTE MOUNTAIN UTE No. 82, 1570 FSL 1035 FWL
 SECTION 22, T-32-N, R-14-W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO
 GROUND ELEVATION: 6181, DATE: APRIL 11, 2006

SEE COAS-1



RESERVE PIT DIKE: TO BE B' 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
6190	
6180	
6170	
6160	

ELEV. B-B'	C/L
6190	
6180	
6170	
6160	

ELEV. C-C'	C/L
6190	
6180	
6170	
6160	

Email
RECEIVED

AUG 3 2007

Bureau of Land Management
 Durango Colorado

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
CHANGE PAD DIMENSIONS	07/23/07	G.V.	
Daggett Enterprises, Inc. Surveying and Oil Field Services P.O. Box 15068 • Farmington, NM 87401 Phone (505) 326-1772 Fax (505) 326-6019 NEW MEXICO P.L.S. No. 8894 CAPTLE: HIGOS/CFB DATE: 04/12/06			
DRAWN BY: A.G. ROW: HIGOS1			

RECEIVED

OCT 6 2006

OPERATIONS PLAN

Well Name: Ute Mountain Ute #82
Location: 1570' FSL, 1035' FWL, NWSW Sec 22, T-32-N, R-14-W
 San Juan Co., New Mexico
Formation: Basin Dakota
Elevation: 6181' GR 6197' KB

Bureau of Land Management
 Durango Colorado

<u>Formation Tops:</u>	<u>Top</u>	<u>Bottom</u>	<u>RMSL</u>	<u>Contents</u>
Menefee	Surf	137'		
Point Lookout	137'	347'	6060'	
Mancos	347'	1492'	5850'	
Gallup (Niobrara)	1492'	2172'	4705'	oil or water
Greenhorn	2172'	2222'	4025'	
Graneros	2222'	2287'	3975'	
Dakota	2287'	2567'	3910'	gas or water
Morrison	2567'		3630'	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.

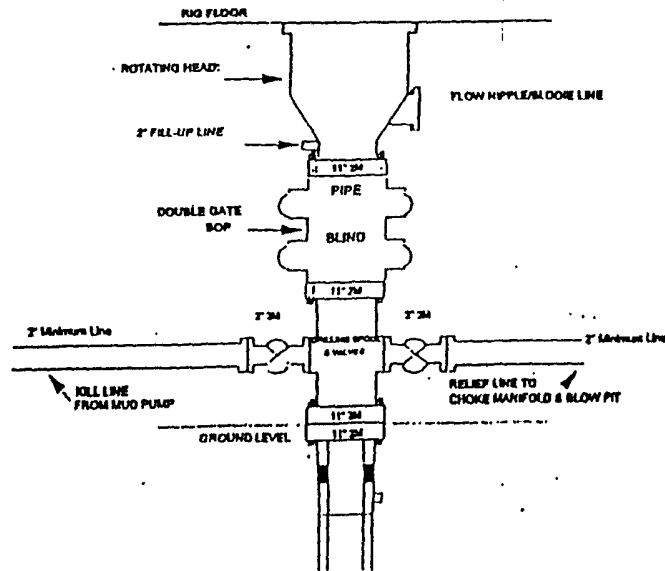
Saw tooth guide shoe on bottom. Bowspring centralizers will be run in accordance with Onshore Order #2.

- 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 southwest quarter of Section 22 is dedicated to this well. This gas is dedicated.

Drilling Rig
2000 psi System

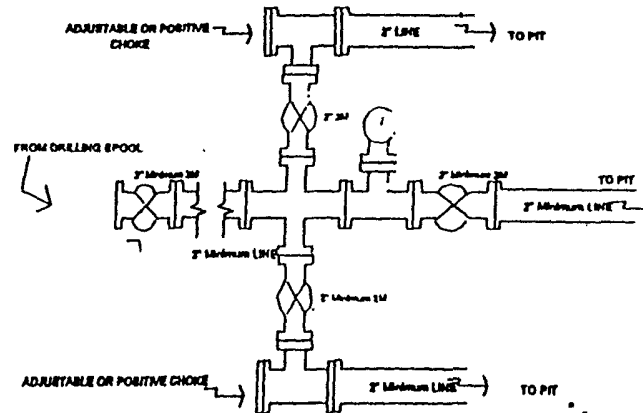


BOP installation from Surface Casing Point to Total Depth. 11\"/>

Figure #1

4-20-01

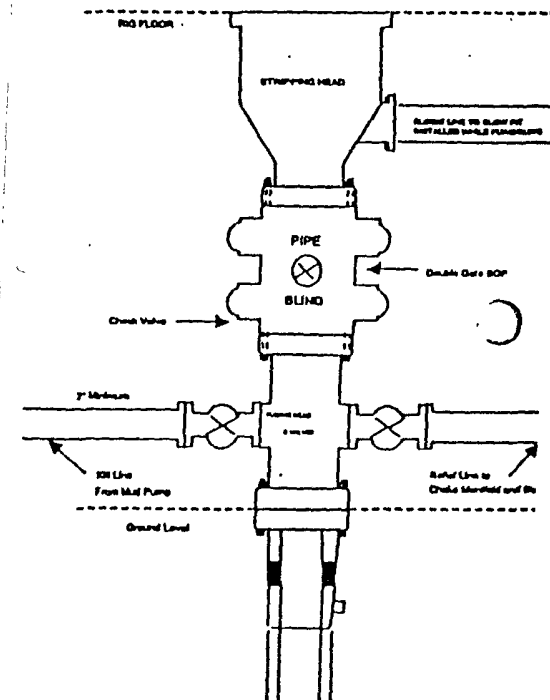
Drilling Rig
Choke Manifold Configuration
2000 psi System



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

Figure #3

Completion/Workover Rig
BOP Configuration
2,000 psi System



Minimum BOP installation for all Completion/Workover Operations. 7-1/16\"/>

Figure #2

4-20-01