

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 #80
4 Location of Well (Report location clearly and in accordance with any State requirements *) At surface NWNE 1/4 Sec 18 & 19 FEL At proposed prod zone same 1300 1700 Per Sundry Lot 400		9. API Well No. 30-045-34513
14 Distance in miles and direction from nearest town or post office* 5 miles to La Plata		10 Field and Pool, or Exploratory Barker Creek-Dakota Pool
15 Distance from proposed* location to nearest property or lease line, if (Also to nearest drg. unit line, if any) 1180'	16 No. of acres in lease 8400	11 Sec., T. R. M. or Blk. and Survey or Area B Sec 20-T32N-R14W
18 Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft	19 Proposed Depth 2800'	12 County or Parish San Juan
21 Elevations (Show whether DF, KDB, RT, GL, etc) 6153' GR	22 Approximate date work will start*	13 State New Mexico
23 Estimated duration		

SEE ATTACHED
CONDITIONS OF APPROVAL

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No 1, must be attached to this application / 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
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Title
Huntington Energy, L.L.C., Agent for Burlington Resources Oil & Gas Company, LP

Approved by (Signature) /s/ Richard A. Rymerson	Name (Printed Typed) Richard A. Rymerson	APPROVED FOR A PERIOD NOT TO EXCEED 2 YEARS NOV 15 2007
----------------------------------------------------	---------------------------------------------	---------------------------------------------------------------

Title SAN JUAN PUBLIC LANDS CENTER	ACTING CENTER MANAGER
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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)

NOTIFY AZTEC OCD 24 HRS
PRIOR TO CASING & CEMENT

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...

NOV 20 2007

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SEP 13 2006
Bureau of Land Management
Durango, Colorado

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-1
Revised October 12, 2
Instructions on b
Submit to Appropriate District Of
State Lease - 4 Cop
Fee Lease - 3 Copi

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30045-34513	*Pool Code 71599 71520	*Pool Name Barker Creek - Basin-Dakota
*Property Code 32660 18725	*Property Name UTE MOUNTAIN UTE	*Well Number 80
*GRID No. 208706 14538	*Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP	*Elevation 6146'

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
B	20	32-N	14-W	100	1300'	NORTH	1700'	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
12 Dedicated Acres NE-160					13 Joint or Infill		14 Consolidation Code		15 Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATE
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16

FD 3 1/4" N 89-56-57 W B.L.M. BC 1986	1300'	FD 3 1/4" N 89-56-57 W B.L.M. BC 1986
LAT: 36.97711° N. (NAD 83) LONG: 108.32938° W. (NAD 83)		1700'
20		FD 3 1/4" N 89-56-57 W B.L.M. BC 1986
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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 work 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 1/22/07
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.

DECEMBER 18, 2006
Date of Survey
Signature and Seal of Professional Surveyor:
[Signature]
01-12-2007
88940
Certificate Number

OPERATIONS PLAN – Revised 11/13/2007

Well Name: Ute Mountain Ute #80
Location: 1180' FNL, 1595' FEL, NWNE Sec 20, T-32-N, R-14-W NMPM
San Juan Co., New Mexico
Formation: Basin Dakota
Elevation: 6153' GR 6169' KB

<u>Formation Tops:</u>	<u>Top</u>	<u>Bottom</u>	<u>RMSL</u>	<u>Contents</u>
Menefee	Surf	30'		
Point Lookout	30'	244'	6139'	
Mancos	244'	1459'	5925'	
Gallup (Niobrara)	1459'	2169'	4710'	oil or water
Greenhorn	2169'	2224'	4000'	
Graneros	2224'	2279'	3945'	
Dakota	2279'	2529'	3890'	gas or water
Morrison	2529'		3640'	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'	8 5/8"	24#	J-55
6 1/4"	0 – 2800'	4 1/2"	10.5#	J-55

Tubing Program:

0 – 2800' 2 3/8" 4.7# J-55

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:

8 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.

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Wellhead:

8 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:

8 5/8" surface casing –

Cement to surface w/150 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:

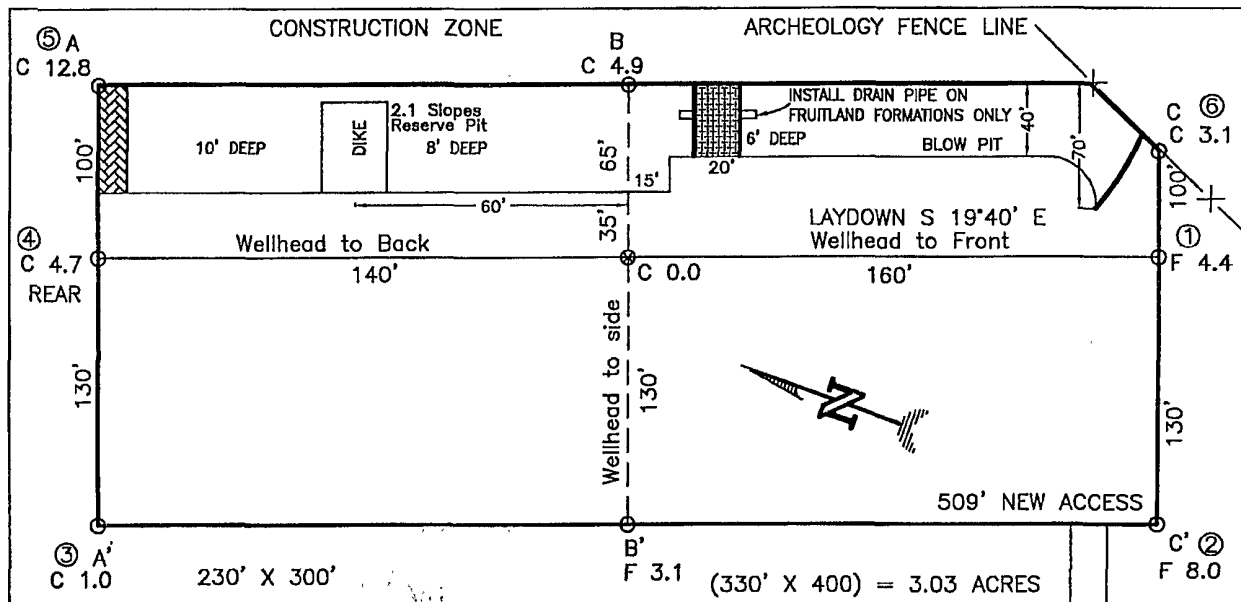
- The Dakota formation will be completed. If non-commercial, the Morrison and Gallup will be secondary objectives.
- No abnormal temperatures or hazards are anticipated.
- Anticipated pore pressure for the Dakota is 750 psi.
- Sufficient LCM will be added to the mud system to maintain well control, if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

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Durango Colorado**

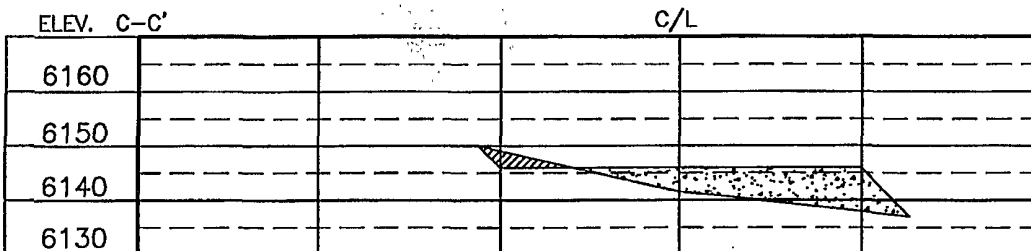
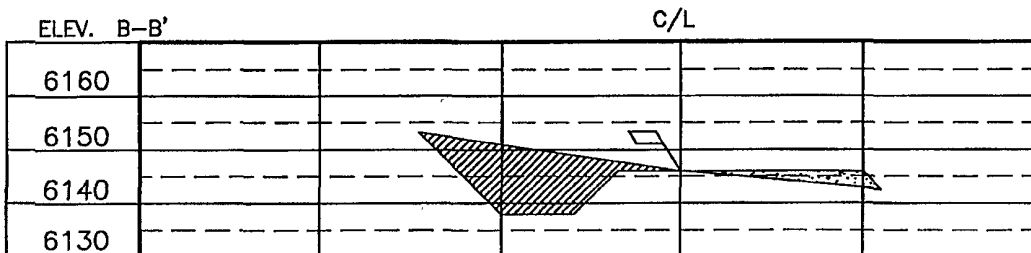
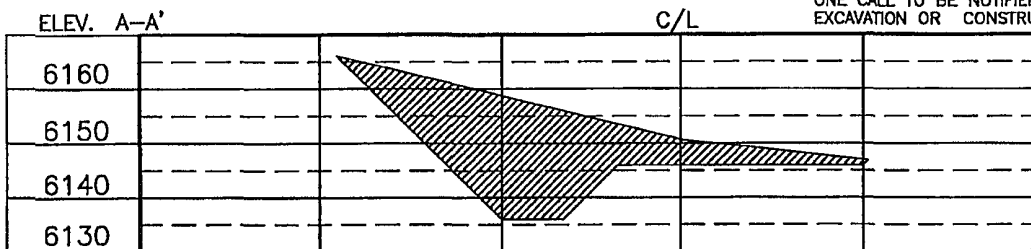
BURLINGTON RESOURCES OIL AND GAS COMPANY LP/HUNTINGTON ENERGY, LLC
 UTE MOUNTAIN UTE No. 80, 1300 FNL 1700 FEL
 SECTION 20, T-32-N, R-14-W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO
 GROUND ELEVATION: 6146, DATE: APRIL 10, 2007



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.



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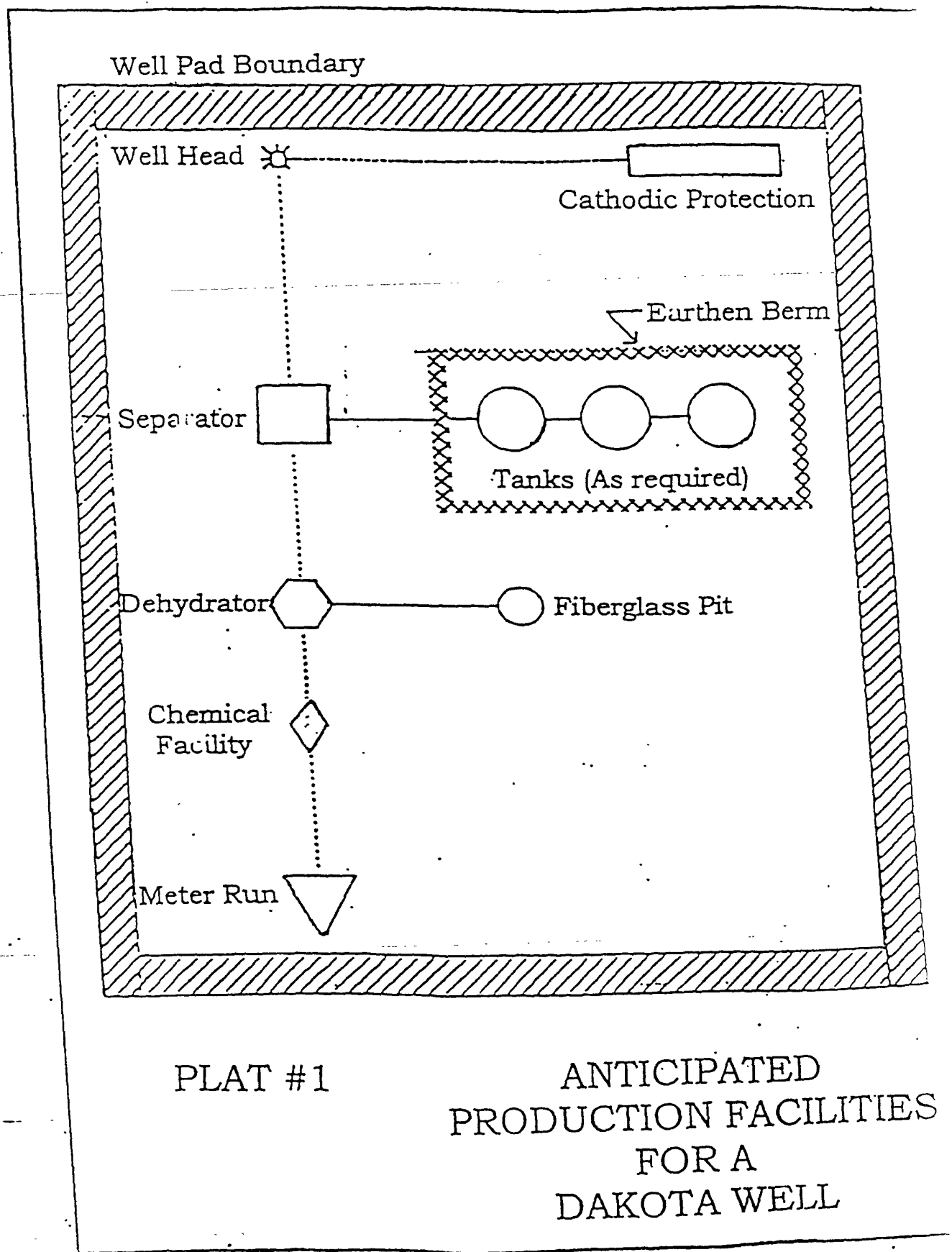
Bureau of Land Management
 Durango Colorado

REVISION:	DATE:	REVISION BY:
WELL RESTORE	07/25/07	A. GALLERO
WELL RESTORE	08/25/07	A. GALLERO
REVISION:	DATE:	REVISION BY:
WELL RESTORE	08/19/07	A. GALLERO

Daggett Enterprises, Inc.
 Surveying and Oil Field Services
 P. O. Box 15068 • Farmington, NM 87401
 Phone (505) 326-1772 • Fax (505) 326-8019
 NEW MEXICO P.L.S. No. 8894

DRAWN BY: A.G.
 ROW#: HT0049
 CAPSULE HT0049CFB
 DATE: 04/13/06

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.



EA of OIL and GAS Leasing & Development on UMUIR, Pg 49 #11 Water Resources Construction

- **The reserve pit would be replaced by a self contained mud system.**

UMU/BIA standards and the EA of OIL and GAS Leasing & Development on UMUIR, P31,

- **At the Ute Mountain Ute #78 site to allow adequate room for slope development an Exception Condition of Approval would be required that Construction zones be 40' wide on all sides.**

EA of OIL and GAS Leasing & Development on UMUIR, Pg 49 #13 Water Resources Construction

- **Swales shall be incorporated into the descending access road to slow storm water and disperse runoff to armored turnouts at grade. At approximate station 7+00 a suitably sized culvert of minimum 36" diameter shall be installed at the drainage crossing with the inlet armored with rip rap to channel water to the culvert and prevent washout. At another small drainage at approximate sta 8+60 a suitably sized minimum 18" culvert shall be installed with armored inlet.**

At the UMU #79 well location, access and pipeline route:

Clean Water Act, & EA of OIL and GAS Leasing & Development on UMUIR, Pg 49 #8

- **Spoil piles shall be stabilized to prevent contributing sediment to adjacent drainages.**
- **A continuous row of excelsior waddles shall be installed against a low (4-6") berm at the top of fill slopes and along the toe of fill slopes greater than 3' high. Fill slopes shall be stabilized as needed. At the point that grade is achieved, the fill soils shall be stabilized for erosion protection as the stormwater is channeled along the base of the fill slopes.**

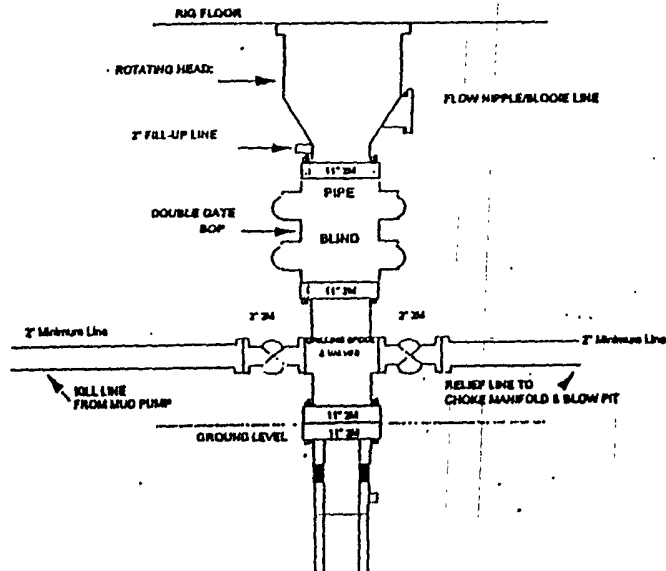
EA of OIL and GAS Leasing & Development on UMUIR, Pg 48 #7

- **A ditch and berm shall be constructed above the pad cut slopes to channel water from east of corner #2 around the well pad westerly across the access road through a swale (preventing drainage onto the pad) into a small drainage carrying storm water from both to the natural drainages on the west side of the pad augmenting the new channel with adequate rip rap as needed to direct the new flow pattern away from the proposed well pad to grade.**

EA of OIL and GAS Leasing & Development on UMUIR, Pg 48 #5 Water Resources.

- **The access road shall be graded, crowned, ditched with adequate culverts of minimum 18" diameter per BLM "Gold Book" standards if the well is completed.**

Drilling Rig
2000 psi System

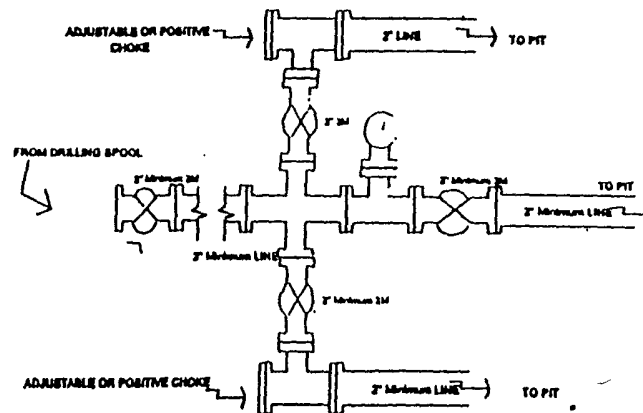


BOP installation from Surface Casing Point to Total Depth. 11\"/>

Figure #1

4-20-01

Drilling Rig
Choke Manifold Configuration
2000 psi System

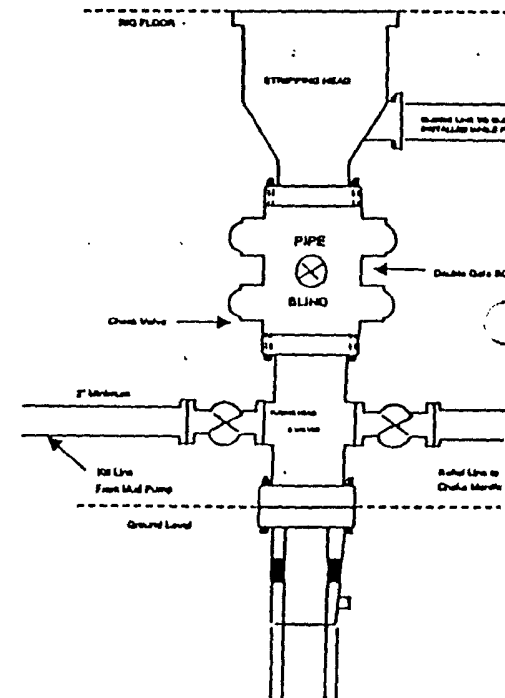


Choke manifold installation from Surface Casing Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure #3

4-20-01

Completion/Workover Rig
BOP Configuration
2,000 psi System



Minimum BOP installation for all Completion/Workover Operations. 7-1/8\"/>

Figure #2