

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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MAR 19 2009

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BUREAU OF LAND MANAGEMENT
FARMINGTON FIELD OFFICE

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| | | |
|--|---|-----------------|
| 1a. Type of Work DRILL | 5. Lease Number SF-079192 Unit Reporting Number | |
| 1b. Type of Well GAS | 6. If Indian, All. or Tribe | |
| 2. Operator BURLINGTON RESOURCES Oil & Gas Company, LP | 7. Unit Agreement Name San Juan 28-6 Unit | |
| 3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700 | 8. Farm or Lease Name 9. Well Number 126N | |
| 4. Location of Well Surf: Unit G(SWNE), 1555' FNL & 1575' FEL Bottomhole: Unit F(SENW) 1500' FNL & 2260' FWL Surf: Latitude: 36.66425° N (NAD83) Longitude: 107.46890° W Bottomhole: Latitude: 36.66438° N (NAD83) Longitude: 107.47376° W | 10. Field, Pool, Wildcat Basin DK/Blanco MV 11. Sec., Twn, Rge, Mer. (NMPM) 6 Sec. 16, T28N, R6W API # 30-039-30711 | |
| 14. Distance in Miles from Nearest Town 8 miles/Gobernador | 12. County Rio Arriba | 13. State NM |
| 15. Distance from Proposed Location to Nearest Property or Lease Line 1050' | | |
| 16. Acres in Lease 1,920.00 | 17. Acres Assigned to Well MV/DK 320.0 (W/2) | |
| 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 50' from San Juan 28-6 Unit 123R (DK) | | |
| 19. Proposed Depth 8017' <small>this action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4</small> | 20. Rotary or Cable Tools Rotary | |
| 21. Elevations (DF, FT, GR, Etc.) 6710' GL | 22. Approx. Date Work will Start DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS". | |
| 23. Proposed Casing and Cementing Program See Operations Plan attached | | |
| 24. Authorized by: <u>Crystal Tafoya</u> Crystal Tafoya (Regulatory Technician) | Date: <u>3/16/2009</u> | |

AA

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY: [Signature] TITLE AFM DATE 6/30/09

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.
Example Master Plan Type 3 Bond Numbers NMB-000015 and NMB-000089

NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT

JUL 09 2009

[Signature]

NMOCD

for Directional Survey
and "As Drilled" plat

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

RECEIVED

Form C-102
Revised October 12, 2005
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

Bureau of Land Management
Farmington Field Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|--|--|---|--|---|----------------------------------|
| ¹ API Number 30-039-30711 | | ² Pool Code 72319 / 71599 | | ³ Pool Name BLANCO MESAVERDE / BASIN DAKOTA | |
| ⁴ Property Code 7462 | | ⁵ Property Name SAN JUAN 28-6 UNIT | | | ⁶ Well Number 126N |
| ⁷ GRID No 14538 | | ⁸ Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP | | | ⁹ Elevation 6710' |

¹⁰ Surface Location

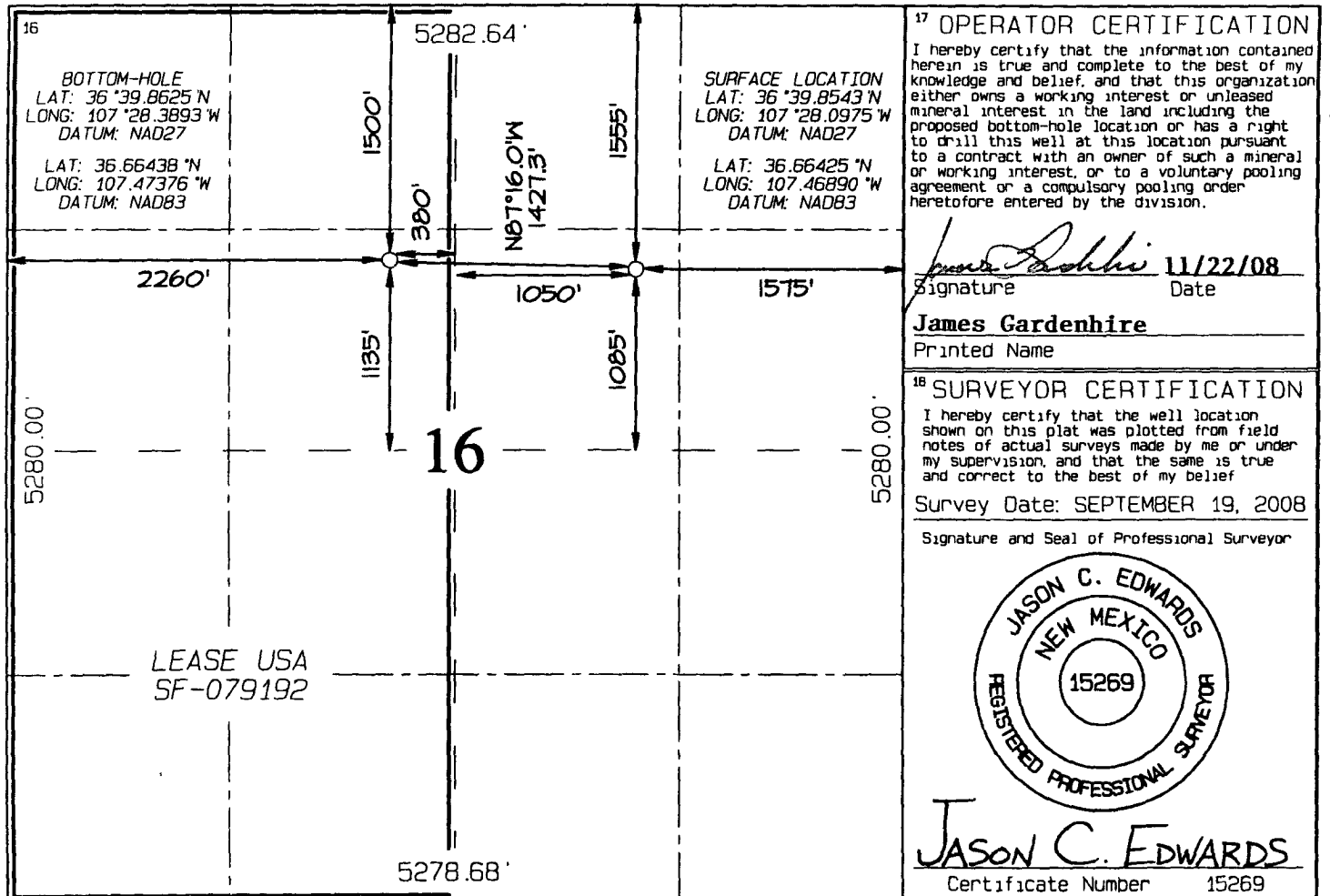
| U. or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|------------|
| G | 16 | 28N | 6W | | 1555 | NORTH | 1575 | EAST | RIO ARRIBA |

¹¹ Bottom Hole Location If Different From Surface

| U. or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|------------|
| F | 16 | 28N | 6W | | 1500 | NORTH | 2260 | WEST | RIO ARRIBA |

| | | | | | | | | | |
|--|--|--|-------------------------------|--|----------------------------------|--|------------------------|--|--|
| ¹² Dedicated Acres 320.0 Acres - (W/2) | | | 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



PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 28-6 UNIT 126N

DEVELOPMENT

| | | | | | |
|------------------------------------|--|------------------------|--|----------------------|--------------------|
| Lease: | | AFE #: WAN.CDR.8184 | | AFE \$: 1,726,310.32 | |
| Field Name: hBR_SAN JUAN 28-6 UNIT | | Rig: Aztec Rig 673 | | State: NM | County: RIO ARRIBA |
| Geologist: | | Phone: | | Geophysicist: | |
| Geoscientist: | | Phone: | | Prod. Engineer: | |
| Res. Engineer: Prabowo, Wahyu | | Phone: +1-505-326-9797 | | Proj. Field Lead: | |

| Primary Objective (Zones): | |
|----------------------------|-------------------|
| Zone | Zone Name |
| R20076 | DAKOTA(R20076) |
| R20002 | MESAVERDE(R20002) |

Location: Surface Datum Code: NAD 27

| | | | | | |
|---------------------|------------------------|----------------------|----------------|-------------|-------------|
| Latitude: 36.664242 | Longitude: -107.468296 | X: | Y: | Section: 16 | Range: 006W |
| Footage X: 1575 FEL | Footage Y: 1555 FNL | Elevation: 6710 (FT) | Township: 028N | | |

Tolerance:

Location: Bottom Hole Datum Code: NAD 27

| | | | | | |
|---------------------|------------------------|-----------------|----------------|-------------|-------------|
| Latitude: 36.664372 | Longitude: -107.473156 | X: | Y: | Section: 16 | Range: 006W |
| Footage X: 2260 FWL | Footage Y: 1500 FNL | Elevation: (FT) | Township: 028N | | |

Tolerance:

| | | | |
|---------------------------|-----------------------------|------------------|--------------------|
| Location Type: Year Round | Start Date (Est.): 1/1/2010 | Completion Date: | Date In Operation: |
|---------------------------|-----------------------------|------------------|--------------------|

Formation Data: Assume KB = 6725 Units = FT

| Formation Call & Casing Points | Depth (TVD in Ft) | SS (Ft) | Depletion (Yes/No) | BHP (PSIG) | BHT | Remarks |
|--------------------------------|-------------------|---------|--------------------------|------------|-----|--|
| Surface Casing | 200 | 6525 | <input type="checkbox"/> | | | 12-1/4" hole. 9-5/8", 32.3 ppf, H-40, STC casing. Cement with 159 cubic ft. Circulate cement to surface. |
| OJO ALAMO | 2800 | 3925 | <input type="checkbox"/> | | | |
| KIRTLAND | 2916 | 3809 | <input type="checkbox"/> | | | |
| FRUITLAND | 3208 | 3517 | <input type="checkbox"/> | | | Possible Gas |
| PICTURED CLIFFS | 3568 | 3157 | <input type="checkbox"/> | | | |
| LEWIS | 3729 | 2996 | <input type="checkbox"/> | | | |
| HUERFANITO BENTONITE | 4187 | 2538 | <input type="checkbox"/> | | | |
| Intermediate Casing | 4430 | 2295 | <input type="checkbox"/> | | | 8 3/4" hole. 7", 23 ppf, J-55, LTC casing. Cement with 1063 cubic ft. Circulate cement to surface. |
| CHACRA | 4537 | 2188 | <input type="checkbox"/> | | | |
| UPPER CLIFF HOUSE | 5156 | 1569 | <input type="checkbox"/> | | | Gas |
| MASSIVE CLIFF HOUSE | 5260 | 1465 | <input type="checkbox"/> | 400 | | Gas |
| MENEFEE | 5419 | 1306 | <input type="checkbox"/> | | | |
| POINT LOOKOUT | 5740 | 985 | <input type="checkbox"/> | | | |
| MANCOS | 6209 | 516 | <input type="checkbox"/> | | | |
| UPPER GALLUP | 6983 | -258 | <input type="checkbox"/> | | | |
| GREENHORN | 7726 | -1001 | <input type="checkbox"/> | | | |
| GRANEROS | 7788 | -1063 | <input type="checkbox"/> | | | |
| TWO WELLS | 7828 | -1103 | <input type="checkbox"/> | 2650 | | Gas |
| UPPER CUBERO | 7934 | -1209 | <input type="checkbox"/> | | | |
| LOWER CUBERO | 7973 | -1248 | <input type="checkbox"/> | | | |
| OAK CANYON | 8009 | -1284 | <input type="checkbox"/> | | | |

PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 28-6 UNIT 126N

DEVELOPMENT

| | | | | |
|-------------|------|-------|--------------------------|--|
| Total Depth | 8017 | -1292 | <input type="checkbox"/> | 6-1/4" hole. 4-1/2", 11.6 ppf, J-55/L-80, LTC casing. Cement with 490 cubic ft. Circulate cement a minimum of 100' inside the previous casing string. TD at top of Encinal with bottom perf about 15' above TD. |
| ENCINAL | 8017 | -1292 | <input type="checkbox"/> | |

| Reference Wells: | | |
|------------------|-----------------|-----------------|
| Reference Type | Well Name | Comments |
| Production | 28-6 123R & 126 | section 16 28-6 |

| Logging Program: | |
|--------------------|---|
| Intermediate Logs: | <input type="checkbox"/> Log only if show <input type="checkbox"/> GR/ILD <input type="checkbox"/> Triple Combo |

| | |
|--|---|
| TD Logs: | <input type="checkbox"/> Triple Combo <input type="checkbox"/> Dipmeter <input type="checkbox"/> RFT <input type="checkbox"/> Sonic <input type="checkbox"/> VSP <input type="checkbox"/> TDT <input checked="" type="checkbox"/> Other |
| No OH logs. Mudlog from 100' above Greenhorn to TD - loggers will call TD. | |

| Additional Information: | | | | | |
|-------------------------|-------|-----------|---------|----------------|---------|
| Log Type | Stage | From (Ft) | To (Ft) | Tool Type/Name | Remarks |
| | | | | | |

ConocoPhillips or its affiliates

Planning Report

| | | | |
|-------------------------|-----------------------------------|-------------------------------------|------------------------------------|
| Database: | EDM Central Planning | Local Co-ordinate Reference: | Well SJ 28-6 #126N |
| Company: | ConocoPhillips SJB | TVD Reference: | RKB @ 6735.0ft (Generic Aztec Rig) |
| Project: | San Juan Basin - New Mexico Wells | MD Reference: | RKB @ 6735.0ft (Generic Aztec Rig) |
| Site: | San Juan 28 Wells | North Reference: | True |
| Well: | SJ 28-6 #126N | Survey Calculation Method: | Minimum Curvature |
| Wellbore Design: | principal Planned | | |

| Formations | | | | | | |
|---------------------------|---------------------------|--------------------|-----------|------------|-------------------------|--|
| Measured Depth (ft) | Vertical Depth (ft) | Name | Lithology | Dip (°) | Dip Direction (°) | |
| 2,972.1 | 2,800.0 | Ojo | | 0.00 | | |
| 3,100.6 | 2,916.0 | Kirtland | | 0.00 | | |
| 3,423.9 | 3,208.0 | Fruitland | | 0.00 | | |
| 3,822.5 | 3,568.0 | Pictured Cliffs | | 0.00 | | |
| 3,998.7 | 3,729.0 | Lewis | | 0.00 | | |
| 4,472.9 | 4,187.0 | Huerfano Bentonite | | 0.00 | | |
| 4,823.5 | 4,537.0 | Chacra | | 0.00 | | |
| 5,442.5 | 5,156.0 | Upper Cliffhouse | | 0.00 | | |
| 5,546.5 | 5,260.0 | Mass Cliffhouse | | 0.00 | | |
| 5,705.5 | 5,419.0 | Menefee | | 0.00 | | |
| 6,026.5 | 5,740.0 | Point Lookout | | 0.00 | | |
| 6,495.5 | 6,209.0 | Mancos | | 0.00 | | |
| 7,269.5 | 6,983.0 | Upper Gallup | | 0.00 | | |
| 8,012.5 | 7,726.0 | Greenhorn | | 0.00 | | |
| 8,074.5 | 7,788.0 | Graneros | | 0.00 | | |
| 8,114.5 | 7,828.0 | Two Wells | | 0.00 | | |
| 8,220.5 | 7,934.0 | Upper Cubero | | 0.00 | | |
| 8,259.5 | 7,973.0 | Lower Cubero | | 0.00 | | |
| 8,295.5 | 8,009.0 | Oak Canyon | | 0.00 | | |
| 8,303.5 | 8,017.0 | Encinal | | 0.00 | | |

Directions from the Intersection of US Hwy 550 South & US Hwy 64 in Bloomfield, NM
to Burlington Resources Oil & Gas Company San Juan 28-6 Unit #126N
1555' FNL & 1575' FEL, Section 16, T28N, R6W, N.M.P.M., Rio Arriba County, NM

Latitude: 36.66425°N Longitude: 107.46890°W Datum: NAD1983

From the intersection of US Hwy 550 South & US Hwy 64 in Bloomfield, NM, travel Easterly on US Hwy 64 for 31.9 miles to the San Juan 29-6 Water Well #1 @ Milepost 96.3;

Go right (South-easterly) on Trunk-L Road for 2.0 miles to fork in road;

Go right (South-westerly) for 1.3 miles to fork in road at top of Snake Hill;

Go right (North-westerly) for 0.6 miles to fork in road;

Go left (South-westerly) for 0.1 miles to fork in road;

Go left (South-easterly) for 0.2 miles to staked location on right-hand side of existing roadway which overlaps an existing wellpad.