UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

JUL 3 0 2008

Rureau of Land Midnagement

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACKINGTON Field CHICK

| | , 200001, 011, 200 | | | | | | | | |
|----------|---|--|----------------------|--|--|--|--|--|--|
| a. | Type of Work | 5. Lease Number | | | | | | | |
| | DRILL | Navajo 14-20-6 | 03-769 | | | | | | |
| | | Unit Reporting Num | ber | | | | | | |
| | | NM NM-9767 | | | | | | | |
| b. | Type of Well | 6. If Indian, All. or Trib | <u>~</u> | | | | | | |
| ٠. | GAS | Navajo Natio | | | | | | | |
| | Operator BURLINGTON | 7. Unit Agreement Nar | %D DEC 22'09 | | | | | | |
| | DONLINGTON | 0 | IL CONS. DIV. | | | | | | |
| | RESOURCES Oil & Gas Company, LP | _ | DIST. 3 | | | | | | |
| | | | | | | | | | |
| | Address & Phone No. of Operator | 8. Farm or Lease Nam | e, | | | | | | |
| | PO Box 4289, Farmington, NM 87499 | GE-ELE-GU-LITHÉ-E | | | | | | | |
| | | 9. Well Number | | | | | | | |
| | (505) 326-9700 | #500S | | | | | | | |
| | (303) 320-9700 | #5008 | | | | | | | |
| | Location of Well | 40 Field Beel Wilder | <u> </u> | | | | | | |
| • | | 10. Field, Pool, Wildca | | | | | | | |
| | Surf:Unit C(NENW), 915' FNL & 1775' FWL | Basin Fruitlan | d Coal | | | | | | |
| | | | | | | | | | |
| | _ | 11. Sec., Twn, Rge, Me | | | | | | | |
| | Surf: Latitude 36.507040 N | ∠Sec. 7, T26N, | R8W | | | | | | |
| | Longitude 107.72617° W | | | | | | | | |
| | | API # 30-045- | 34763 | | | | | | |
| | | | | | | | | | |
| 4. | Distance in Miles from Nearest Town | 12. County | 13. State | | | | | | |
| | 37 miles/Bloomfield | San Juan | NM | | | | | | |
| | | Duit Outil | **** | | | | | | |
| j. | Distance from Proposed Location to Nearest Property or Le | ase Line | | | | | | | |
| 6. | Acres in Lease | 17 Agree Aggigment to | \A/=!! | | | | | | |
| 0. | Acres III Lease | 17. Acres Assigned to | | | | | | | |
| | | 320.36 Acres (| W/2) | | | | | | |
| | Distance from Document of the Land of the | | | | | | | | |
| 3. | Distance from Proposed Location to Nearest Well, Drlg, Co. | npi, or Applied for on this Leas | ie | | | | | | |
| | 630' from Williams #1 (PC) | | • | | | | | | |
| 9. | Proposed Depth | 20. Rotary or Cable To | ols | | | | | | |
| | 2087' | Rotary | | | | | | | |
| | | | | | | | | | |
| 1. | Elevations (DF, FT, GR, Etc.) 6140' GR H ₂ S POTEN | 22. Approx. Date Wor FIAL EXIST | k will Start | | | | | | |
| 3. | Proposed Casing and Cementing Program | | | | | | | | |
| <i>.</i> | See Operations Plan attached | | | | | | | | |
| | bee operations Fran accading | / / | | | | | | | |
| 4 | Authorized by: motal Talana | 7/20/ | ν Φ | | | | | | |
| l. | | <u> </u> | 10 | | | | | | |
| | Crystal Tafoya(Regulatory Tech | nician) / Da/te | | | | | | | |
| | | | | | | | | | |
| ERMI | IT NO. APPROV | AL DATE | | | | | | | |
| | APPROV | | | | | | | | |
| DDD | OVED BY Conlegions TITLE AT | DATE | 12/21/09 | | | | | | |
| rrnv | SVED BI | | | | | | | | |
| ahar | pological Paner attached | BLM'S APPROVAL OR ACTION DOES NOT BELL | | | | | | | |
| | eological Report attached | ACTION DOES NOT RELI | EVE THE LESSEE. | | | | | | |
| | ened and Endangered Species Report attached | OPERATOR FROM OBTAI | NING ANY OTHER | | | | | | |
| JIE: | This format is issued in lieu of U.S. BLM Form 3160-3 | AUTHODIZATION DEOUG | NED FOR ORDER | | | | | | |
| le 18 | U.S.C. Section 1001, makes it a crime for any person knowingly and willfu any false, fictitious or fraudulent statements or presentations as to any mat | lly to make to any department or age | ncy of the United A. | | | | | | |
| | any talse, fictitious or fraudulent statements or presentations as to any mat | ter within its jurisdiction. INDIA | N LANDS | | | | | | |
| xan | nple Master Plan Type 2 Bond Numbers N | MB-000015 and NMB-0 | 0008924 HR | | | | | | |
| | **** | NOTIFY AZIEU | ハブジ ~て・・・・ | | | | | | |
| +- | JAN 0 4 2010 | INO III | G & CEME | | | | | | |
| | s action is subject to technical and cedural review pursuant to 43 CFR 3165 3 | BBIOR J OHUMPHN | TUNS AUTHORIZED ARE | | | | | | |
| | | SUBJECT TO COM | PLIANCE WITH ATTACHE | | | | | | |
| | appeal pursuant to 43 CFR 3165 4 | "GENERAL REQUI | REMENTS". | | | | | | |
| | | | | | | | | | |

District I 1625 N French Dr., Hobbs, NM 88240

District II 1301 W. Gend 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

Instructions on back

Submit to Appropriate District Office

Chair Lease - 4 Copies OIL CONSERVATION DIVISION 1220 South St. Francis Dol. 5 0 2008

Form C-102

State Lease - 4 Copies Fee Lease - 3 Copies

Santa Fe, NM 87505 Bureau of Land Managemen Farmington Field Office

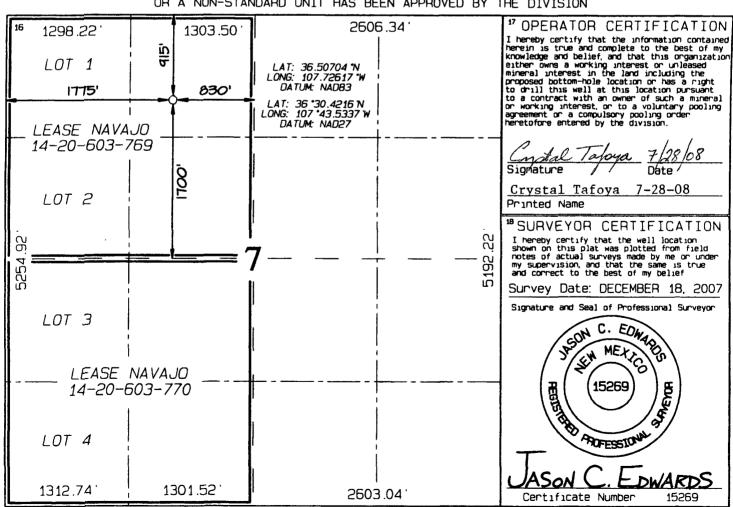
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 'API Number | r | *Pool Code | 'Pool Name | | | | | | | |
|------------------|------|-------------------|--------------------------|-------------|--|--|--|--|--|--|
| 30-045-30 | 4763 | 71629 | OAL | | | | | | | |
| *Property Code - | | ⁵ Pri | *Well Number | | | | | | | |
| 7043 | | GE-ÈLE-GU-LITHE-E | | | | | | | | |
| 'OGRID No | | *Ope | erator Name | *Elevation: | | | | | | |
| 14538 | BU | JRLINGTON RESOURC | ES OIL & GAS COMPANY, LP | 6140 ° | | | | | | |

¹⁰ Surface Location Section Range Lot Idn Feet from the North/South line it or lot on Township Feet from the East/West line County 7 8W C **26N** 915 NORTH 1775 WEST SAN JUAN ¹¹Bottom Hole Location If Different From Surface Range Section North/South line UL or lot no. Feet from the County Feet from the East/West line ¹³ Joint or Infill ¹² Dedicated Acres ¹⁴ Consolidation Code ⁶ Order No. 320.36 Acres - (W/2)

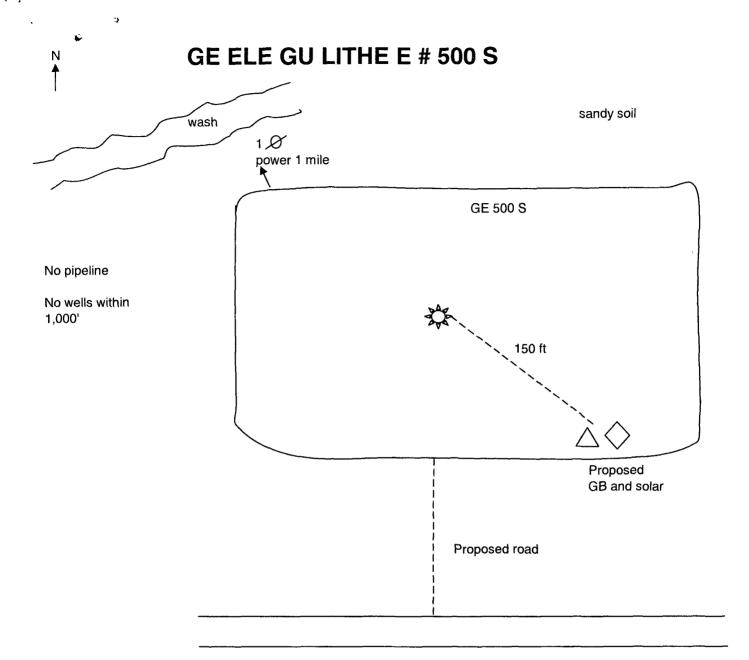
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

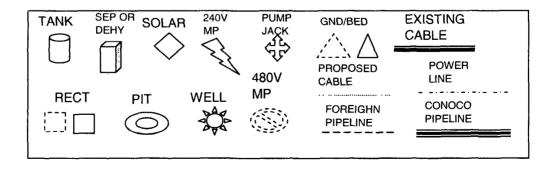


| COMPANY Charge Code | e Code WAN.RFE.PDO7.DK | | | | | | | | | | |
|--------------------------------------|------------------------|----------|-----------|---------|-----------|------|------------|--|--|--|--|
| WELL NAME | 1 | | = E # 500 | S | | DATE | 1/2/2007 | | | | |
| DUAL WELL | WELL NA | | | | | | | | | | |
| TRIPLE WELL | WELL NA | NVIE. | | | | | | | | | |
| | | | • | | | | | | | | |
| | SEC | TNSHP | RANGE | | LATITUDE | - | LONGITUDE | | | | |
| COORDINATES | NW 7 | 26 N | 8 W | | 36.304216 | | 107.435337 | | | | |
| COUNTY | SAN JUAN | | | l | | | | | | | |
| | SIZE | NEEDED | EXISTING | 1 PHASE | 3 PHASE | 1 | | | | | |
| RECTIFIER | | | | | | | | | | | |
| SOLAR | single | Х | | | | | | | | | |
| GROUND BED | | X | | | | | | | | | |
| 240 V METER POLE 480 V METER POLE | | | | | | | | | | | |
| D C CABLES | # 8 | 300 ft | | | | | | | | | |
| A C CABLES | | | | | | | | | | | |
| PRIMARY POWER | | | | | | | | | | | |
| DISTANCE TO POWER | | | | | | | | | | | |
| <u>UNDERGROUND</u> PUMPJACK | | <u> </u> | | | | | | | | | |
| WATER PUMP | | | | | | | | | | | |
| COMPRESSOR | | | | | | | | | | | |
| RTU | | : | | | | | | | | | |
| <u>SAMS</u> | | | | | | | | | | | |
| <u>TANKS</u> | | | | | | | | | | | |
| | | | | | | | | | | | |
| COMMENTS | very sandy | soil | near wash | | | | | | | | |
| | - 3. y 3ay | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |

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PROJECT PROPOSAL - New Drill / Sidetrack

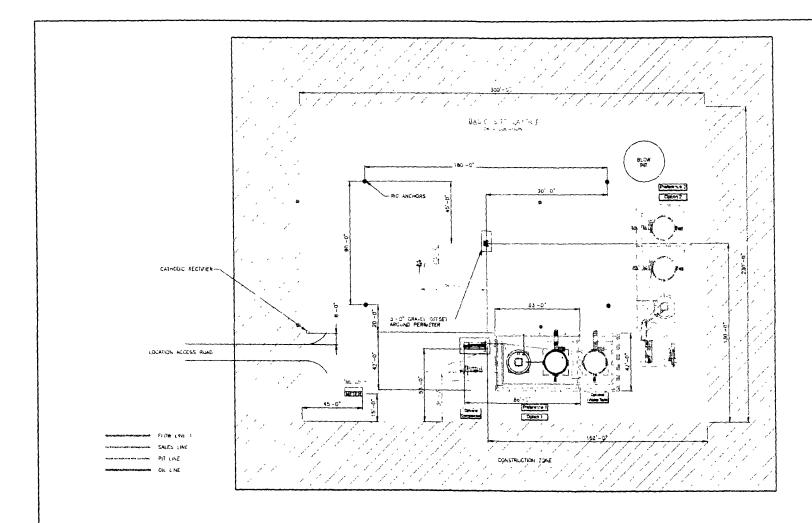
San Juan Business Unit

GE-ELE-GU-LITHE-E 500S

DEVELOPMENT

| Lease: | | | | Al | FE #: WA | v.CDR.7 | 7259 | | AFE \$: 182,514.25 | | | | |
|----------------------------------|---------------------|-----------------|-----------------------|--------------------|-----------------|---------------------------------------|-----------------------|-------------------|--|--|--|--|--|
| Field Name: hBR_SAN JUAN Rig: Az | | | | | | Rig 580 | | | State: NM | County: SAN JUAN | API #: | | |
| Geologist: P | | | | | ne: | | | Geoph | | Phone: | | | |
| Geoscientist: CI | ark, Da | ive D | | Pho | ne: + | 1 505-326 | -9762 | Prod. E | Ingineer: | | Phone: | | |
| Res. Engineer: | | | | Pho | | | | Proj. F | ield Lead: | | Phone: | | |
| Primary Object | ive (Zo | ones): | | | | | artis en | | | | | | |
| Zone | Zone I | Name | | | | |] | | | | | | |
| JCV | BASIN | FRUITI | LAND CO. | AL (GAS | | · · · · · · · · · · · · · · · · · · · |] | | | | | | |
| | | | | | | | | | | | | | |
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| | rangenalis er | motera kivesi | a and a second second | | | ~=1022032 | and the second second | | | | | | |
| Location: | Table de Septembrie | | Datum. | Alexandra Paris | N. A. Policy | 21 | | | | | interquiper: | | |
| Latitude: 36.5070 | | | ude: -107 | | | | | Y: | | Section: 07 | Range: 008W | | |
| Footage X: 1775 | FWL | Footag | je Y : 915 | FNL | Ele | evation: 61 | 40 (| (FT) | Township: 026N | <u> </u> | | | |
| Tolerance: | | | | | | · · · · · · · · · · · · · · · · · · · | | »» | | | | | |
| Location Type: Ye | ear Rou | ınd | | Star | t Date | (Est.): 1/ | 1/2008 | Com | pletion Date: | Date Ir | Operation: | | |
| Formation Data: | Assur | ne KB = | = 6152 | Units | = FT | | | | | ************************************** | | | |
| Formation Call & | | | Depth | | | Depletion | BHP | ВНТ | | Remark | S | | |
| Casing Points | | | (TVD in | | | (Yes/No) | (PSIG) | ו דוט | | | | | |
| Surface Casing | | | 120 | 60 | 32 | L | | | 8-3/4 hole. 7" Circulate cemei | | Cement with 50 cuft. | | |
| OJO ALAMO | | | 1121 | 50 | 31 | | | | | | | | |
| KIRTLAND | | | 1230 | 49 | 22 | | | | | | | | |
| FRUITLAND | | | 1571 | 45 | 31 | | 300 | | Gas | | | | |
| FRUITLAND COAL | | | 1741 | 44 | l 1 | | | | | | | | |
| PICTURED CLIFFS | | | 1887 | | | | | | Gas | | | | |
| Total Depth | | | 2087 | 40 | 55 | | | | | 1/2" 10.5 ppf, J-55, ST cement to surface. | C casing. Cement with 321 | | |
| Reference Well | S: | | | | | | | | Cart. Circulate (| ement to surface. | | | |
| Reference Type | Well N | Vame | | weeker out the see | C | Comments | | menester | The second of th | - Property and the second second | AND THE PERSON NAMED AND PARTY OF TH | | |
| Intermediate | Willian | ns #1 | | | | | | | | | | | |
| Intermediate | Newso | m B 50 | 00 | | | | | | | | | | |
| | egg _these | volume this way | er i caracit inc | | Station - Wiles | ara a del Est Bara de Comi | .entrium.i m.V. | Janes Aproportion | 08 ° L'Arts beets duites, le 1214, modrine le cons | The side of the state of the side of the s | and the second s | | |
| Logging Progra | m: | | | | | | | | | | | | |
| Intermediate Logs | . 🔲 r | oa only | if show | GR/I | LD | Triple | Combo | - | | | | | |
| | | | | | | | | | | | | | |
| TD Logs: | Пт | riple Co | ombo [| Dinme | er l | RFT [| Sonic F | 7 VSP | □ TDT 🗹 | Other | | | |
| .5 2043. | GR_ | | | , Dipine | (| | , come L | ¥JF | | | | | |
| Additional Informa | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| Log Type | Stage | е | Fr | om (Ft) | | To (Ft) | | Tool | Type/Name | Remarks | | | |
| i was | • - | | | | | | | • | | | | | |
| | | | | | | | | | | | | | |
| Comments: | | | | | | | | | | | | | |

Printed on: 7/30/2008 7:05:08 AM



SEE'S WITH 3 & 4 TOW PRING BUTHLS. ALL UNDERGROUDE PARES TO BE BURNED & MIN OF 3-0" TOH SHEET 1 SE 5

| | | | | | | | | | | | | | | | | | | | | | |
|-------------|--|-----------|--------------|--------------|--------------|-----|--|----------------|-----------|-------------|-------------|--------------------|------|------|-------------|------|----------------|--|--------------------|--|--|
| 1 | | | - | | | | | ENCONEER | 机解液 | | | REFERENCE DRAWINGS | | | | | CONOCOPHILLIPS | | | | |
| | | | | | | | | MAX4 | HENCHES . | Ça EZ | h: | DESCRIPTION | | C | ocePhillips | | 1 | HIGH PRESSURE 3 FACILITY DIAGRAM - SIT | F LAYOUT | | |
| | | | | | | | | W CHANCA | 1 | | | | | COR | ocerninips | | 1 | INCIDIT DINGINGS 31. | 1 | | |
| - K24 | | | | | | | | PHOS. | | | J | L | | | | | <u> </u> | | | | |
| K-1 | | | | | | | | CICIRCA | | | | | | | | | weight the | L. CNT ASSE | \$20.5 ZBIQ | | |
| - 1 | | | _ | | | | | 140 | | | | | NAZ | MALE | BUSINESS | THAT | CRASH 31 | AL SE | CHELDIA GAN FLANCE | | |
| 1 | AC STORY | ga7t | | CHK D | ENC: | 0.2 | | CNA_/STRUCTURE | | | } | | 2114 | JOHN | DOSTALSS | 2147 | | HP3PHASE-REVI | 15.00 | | |
| herres | Significant Andrew Meginotory Ten Location | Tre Layer | t deg. 06 | 7587867 | - 62.39 | - | | | | | | | | | | | | THE ST CHASE REAL | | | |

Directions from the Intersection of US Hwy 550 & US Hwy 64 in Bloomfield, New Mexico to Burlington Resources Oil & Gas Company GE-ELE-GU-LITHE-E #500S 915' FNL & 1775' FWL, Section 7, T26N, R8W, San Juan County, New Mexico Latitude: 36°30.4216'N Longitude: 107°43.5337'W Datum: NAD1927

From the intersection of US Hwy 550 & US Hwy 64 in Bloomfield, NM, travel Southerly on US Hwy 550 for 22.3 miles to County Road #7425;

Go left (North-easterly) on County Road #7425 @ Enterprise Ballard Plant sign for 6.4 miles to fork in road;

Go right (North-easterly) remaining on County Road #7425 for 0.6 miles to fork in road;

Go left (Northerly) remaining on County Road #7425 for 1.9 miles to fork in road;

Go left (South-easterly) remaining on County Road #7425 across Blanco Wash for 0.4 miles to fork in road;

Go left (North-easterly) for 1.0 miles to fork in road;

Go right (North-easterly) for 0.7 miles to fork in road;

Go left (North-easterly) for 0.4 miles to 4-way intersection;

Go straight (North-easterly) @ 4-way intersection for 1.1 miles to fork in road;

Go left which is straight (Northerly) for 0.9 miles to fork in road;

Go left (Westerly) for 0.8 miles to new access on right-hand side of existing roadway which continues for 300' to staked location.