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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FEB 24 2010

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK Bureau of Land Management
Farmington Field Office

1a. Type of Work DRILL	5. Lease Number NM-03561 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 RCVD MAR 31 '10 OIL CONS. DIV. DIST. 3
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name Grenier B 9. Well Number 3N
4. Location of Well Surf: Unit K (NESW), 1280' FSL & 1765' FWL Bottomhole: Unit L (NWSW), 1300' FSL & 710' FWL Surf: Latitude: 36.75135° N (NAD83) Longitude: 107.91086° W Bottomhole: Latitude: 36.75138° N (NAD83) Longitude: 107.91446° W	10. Field, Pool, Wildcat Blanco MV / Basin DK 11. Sec., Twn, Rge, Mer. (NMPM) K Sec. 5, T29N, R10W API # 30-045-35111
14. Distance in Miles from Nearest Town 7 miles / Blanco	12. County San Juan
15. Distance from Proposed Location to Nearest Property or Lease Line 710'	13. State NM
16. Acres in Lease 915.290	17. Acres Assigned to Well 294.52 S/2 - MV/DK
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 305' from Grenier B 3 (MV/DK)	20. Rotary or Cable Tools Rotary
19. Proposed Depth 6726' This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4	22. Approx. Date Work will Start DRLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".
21. Elevations (DF, FT, GR, Etc.) 5789' GL	23. Proposed Casing and Cementing Program See Operations Plan attached
24. Authorized by: <u>Crystal Tafoya</u> Crystal Tafoya (Regulatory Tech)	Date <u>2/24/2010</u>

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

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

APR 05 2010

Hold C104

for Directional Survey
and "As Drilled" plat

NMOCD

NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENTNO APPROVAL OR ACCEPTANCE OF THIS
ACTION DOES NOT RELIEVE THE LESSEE AND
ANY OTHER
AUTHORIZATION REQUIRED FOR OPERATIONS
ON FEDERAL AND INDIAN LANDS

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

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

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

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FEB 24 2010

Bureau of Land Management
Farmington Field Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045- 35111	*Pool Code 72319 / 71599	*Pool Name BLANCO MESAVERDE / BASIN DAKOTA
*Property Code 18532	*Property Name GRENIER B	*Well Number 3N
*OGRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP	*Elevation 5789'

¹⁰ Surface Location

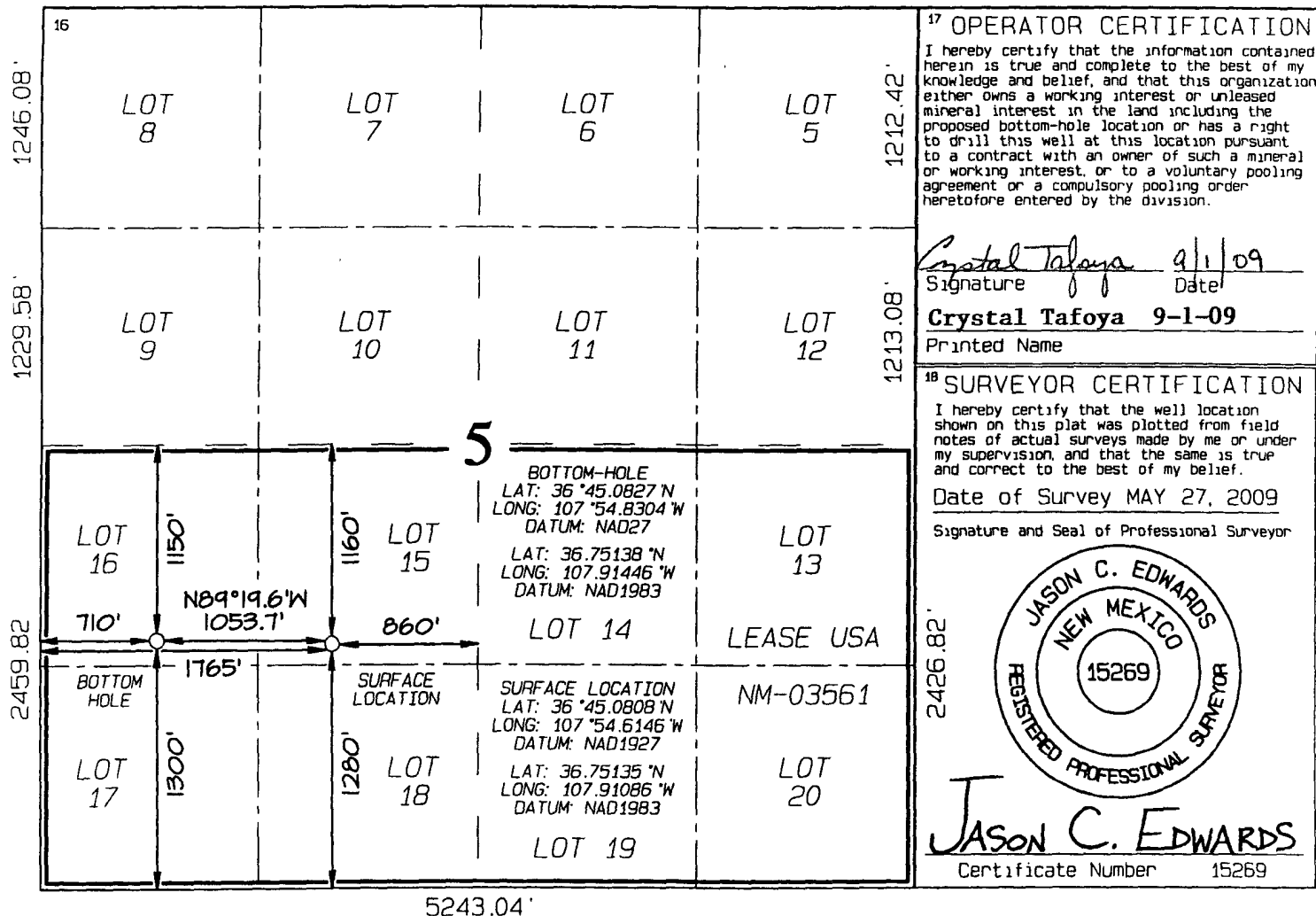
UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	5	29N	10W		1280	SOUTH	1765	WEST	SAN JUAN

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
L	5	29N	10W		1300	SOUTH	710	WEST	SAN JUAN

¹² Dedicated Acres 294.52 Acres - S/2	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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
5290.56'



PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

GRENIER B 3N

DEVELOPMENT

Lease:		AFE #: WAN.CDR.9059				AFE \$: 1,558,372.26	
Field Name: SAN JUAN		Rig: XXX Must be 2011		State: NM	County: SAN JUAN		API #:
Geologist:		Phone:		Geophysicist:		Phone:	
Geoscientist:		Phone:		Prod. Engineer:		Phone:	
Res. Engineer:		Phone:		Proj. Field Lead:		Phone:	
Primary Objective (Zones):							
Zone	Zone Name						
FRR	BASIN DAKOTA (PRORATED GAS)						
RON	BLANCO MESAVERDE (PRORATED GAS)						
Location: Surface Datum Code: NAD 27 Directional							
Latitude: 36.751345	Longitude: -107.910240	X:	Y:	Section: 05		Range: 010W	
Footage X: 1765 FWL	Footage Y: 1280 FSL	Elevation: 5789 (FT)		Township: 029N			
Tolerance:							
Location: Bottom Hole Datum Code: NAD 27 Directional							
Latitude: 36.751375	Longitude: -107.913839	X:	Y:	Section: 05		Range: 010W	
Footage X: 710 FWL	Footage Y: 1300 FSL	Elevation: (FT)		Township: 029N			
Tolerance:							
Location Type: Year Round		Start Date (Est.): 1/1/2011		Completion Date:		Date In Operation:	
Formation Data: Assume KB = 5804 Units = FT							
Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks	
Surface Casing	200	5604	☐			12-1/4 hole. 200' 9 5/8" 32.3 ppf, H-40, STC casing. Cement with 121 cuft. Circulate cement to surface.	
OJO ALAMO	874	4930	☐				
KIRTLAND	1046	4758	☐				
FRUITLAND	1661	4143	☐			Possible Gas	
PICTURED CLIFFS	2194	3610	☐				
LEWIS	2279	3525	☐				
HUERFANITO BENTONITE	2944	2860	☐				
CHACRA	3179	2625	☐				
MASSIVE CLIFF HOUSE	3856	1948	☐	425		Gas	
MENEFEE	3889	1915	☐				
Intermediate Casing	4039	1765	☐			8 3/4" Hole. 7", 23 ppf, J-55, LTC Casing. Cement with 951 cuft. Circulate cement to surface.	
POINT LOOKOUT	4469	1335	☐				
MANCOS	4859	945	☐				
UPPER GALLUP	5704	100	☐				
GREENHORN	6444	-640	☐				
GRANEROS	6502	-698	☐				
TWO WELLS	6569	-765	☐	1820		Gas	
PAGUATE	6629	-825	☐				
CUBERO	6687	-883	☐				
Total Depth	6726	-922	☐			6-1/4" hole, 4-1/2" 11.6 ppf, J-55/L-80, LTC casing. Cement w/ 370 cuft. Circulate cement a minimum of 100' inside the previous casing string.	
ENCINAL	6726	-922	☐				

PROJECT PROPOSAL - New Drill / Sidetrack

GRENIER B 3N

DEVELOPMENT

Reference Wells:

Reference Type	Well Name	Comments
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Logging Program:

Intermediate Logs: ☐ Log only if show ☐ GR/ILD ☐ Triple Combo

TD Logs: ☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☐ TDT ☒ Other

Mud log from ~100' above the Greenhorn to TD. Mud loggers will call final TD. Suggested bottom perf is Paguate.

Additional Information:

Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks
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ConocoPhillips or its affiliates

Planning Report

Database:	EDM Central Planning	Local Co-ordinate Reference:	Well Grenier B #3N
Company:	ConocoPhillips SJB	TVD Reference:	RKB @ 5804.0ft (Original Well Elev)
Project:	San Juan Basin - New Mexico Wells	MD Reference:	RKB @ 5804.0ft (Original Well Elev)
Site:	Other Named Wells	North Reference:	True
Well:	Grenier B #3N	Survey Calculation Method:	Minimum Curvature
Wellbore:	Principal Wellbore		
Design:	Plan #1		

Formations						
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
6,683.8	6,502.0	Graneros		0.00		
3,331.6	3,179.0	Chacra		0.00		
6,810.8	6,629.0	Paguate		0.00		
875.1	874.0	Ojo		0.00		
5,885.8	5,704.0	Upper Gallup		0.00		
4,070.6	3,889.0	Menefee		0.00		
2,361.1	2,279.0	Lewis		0.00		
4,037.5	3,856.0	Mass. Cliffhouse		0.00		
3,078.2	2,944.0	Huerfanito Bentonite		0.00		
4,650.8	4,469.0	Point Lookout		0.00		
6,750.8	6,569.0	Two Wells		0.00		
5,040.8	4,859.0	Mancos		0.00		
1,049.4	1,046.0	Kirtland		0.00		
6,868.8	6,687.0	Cubero		0.00		
6,625.8	6,444.0	Greenhorn		0.00		
2,269.5	2,194.0	Pictured Cliffs		0.00		
1,694.7	1,661.0	Fruitland		0.00		

REFERENCE INFORMATION

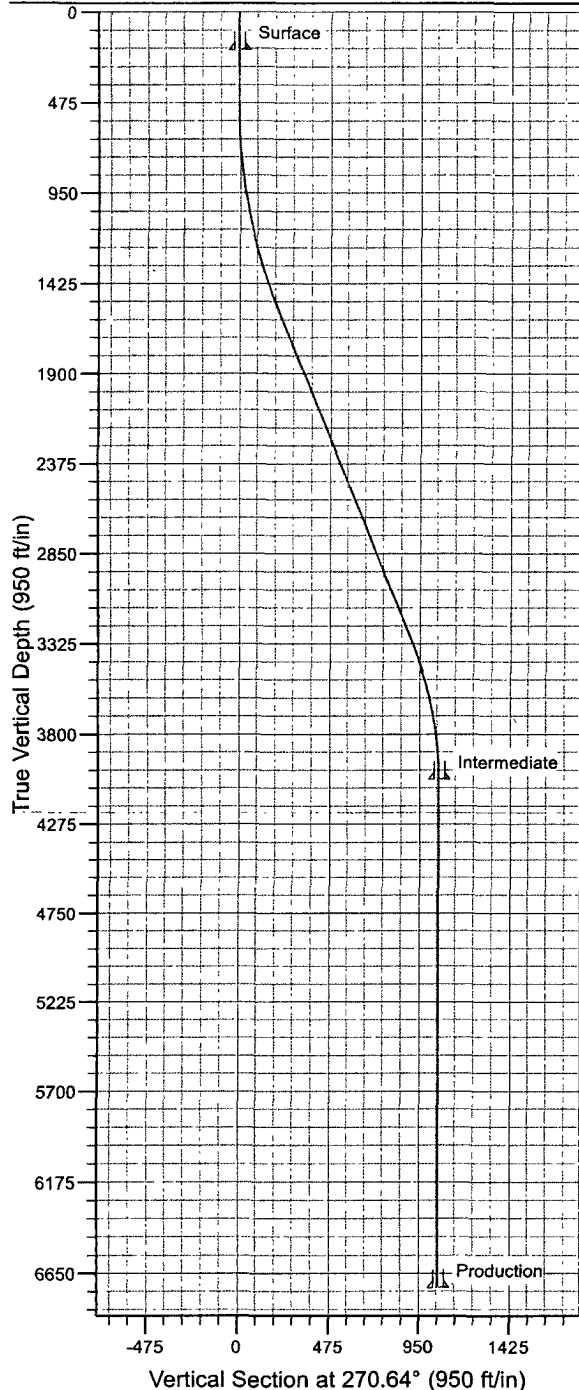
RKB @ 5804.0ft (Original Well Elev)
Ground Elevation 5789.0
Reference Lat: 36° 45' 4.846 N
Reference Long: 107° 54' 36.876 W

Project: San Juan Basin - New Mexico Wells
Site: Other Named Wells
Well: Grenier B #3N
Wellbore: Principal Wellbore
Design: Plan #1



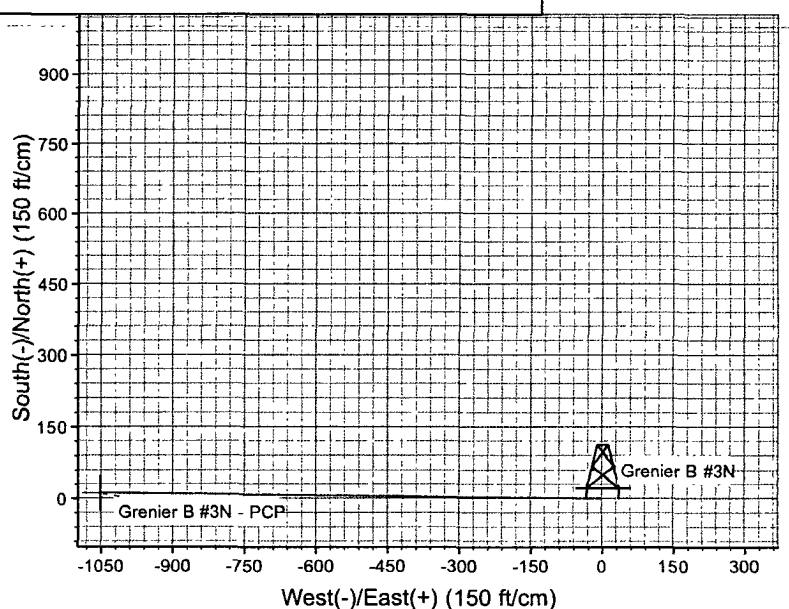
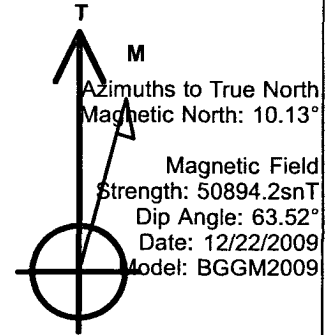
SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	500.0	0.00	0.00	500.0	0.0	0.0	0.00	0.00	0.0	
3	1598.6	21.97	270.64	1571.8	2.3	-208.0	2.00	270.64	208.1	
4	3488.4	21.97	270.64	3324.4	10.2	-915.1	0.00	0.00	915.1	
5	4220.8	0.00	0.00	4039.0	11.8	-1053.8	3.00	180.00	1053.8	Grenier B #3N - ICP
6	6907.8	0.00	0.00	6726.0	11.8	-1053.8	0.00	0.00	1053.8	Grenier B #3N - PCP



FORMATION TOP DETAILS

TVDPath	MDPath	Formation
874.0	875.1	Ojo
1046.0	1049.4	Kirtland
1661.0	1694.7	Fruitland
2194.0	2269.5	Pictured Cliffs
2279.0	2361.1	Lewis
2944.0	3078.2	Huerfano Bentonite
3179.0	3331.6	Chacra
3856.0	4037.5	Mass. Cliffhouse
3889.0	4070.6	Menefee
4469.0	4650.8	Point Lookout
4859.0	5040.8	Mancos
5704.0	5885.8	Upper Gallup
6444.0	6625.8	Greenhorn
6502.0	6683.8	Graneros
6569.0	6750.8	Two Wells
6629.0	6810.8	Paguate
6687.0	6868.8	Cubero



Directions from the Intersection of US Hwy 550 South & US Hwy 64 in Bloomfield, NM
to Burlington Resources Oil & Gas Company Grenier B #3N

1280' FSL & 1765' FWL, Section 5, T29N, R10W, N.M.P.M., San Juan County, NM

Latitude: 36.75135°N Longitude: 107.91086°W Datum: NAD1983

From the intersection of US Hwy 550 South & US Hwy 64 in Bloomfield, NM, travel Easterly on US Hwy 64 for 9.0 miles to State Hwy 575 @ Milepost 73.4;

Go left (North-westerly) on State Hwy 575 for 4.8 miles to fork in road;

Go left (South-westerly) exiting State Hwy 575 for 200' to fork in road;

Go left (Southerly) for 0.9 miles to fork in road;

Go right which is straight (Southerly) for 0.1 miles to 4-way intersection;

Go right (South-westerly) @ 4-way intersection for 0.3 miles to 4-way intersection;

Go straight (South-westerly) @ 4-way intersection for 0.3 miles to fork in road;

Go left which is straight (South-westerly) for 0.8 miles to staked location on left-hand side of existing roadway.