

APR 15 2010

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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-079392 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 27-5 Unit	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name RCVD MAY 5 '10 OIL CONS. DIV. DIST. 3	
4. Location of Well Unit J(NWSE), 2537' FSL & 2424' FEL Latitude: 36.5587617° N (NAD83) Longitude: 107.3809707° W	10. Field, Pool, Wildcat Blanco MV / Basin DK 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 20, T27N, R5W API # 30-039-30963	
14. Distance in Miles from Nearest Town 47 miles / Bloomfield	12. County Rio Arriba	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 152''	17. Acres Assigned to Well 320.00 E/2 (MV/DK)	
16. Acres in Lease 2,511.83	18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 1211' from SJ 27-5 Unit 139N (MV/DK)	
19. Proposed Depth 7795'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 6565' GL	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Crystal Tafoya</u> Crystal Tafoya (Regulatory Technician)	Date <u>4/15/2010</u>	

PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY [Signature] TITLE Acting AFM DATE 5/3/10

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

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

MAY 13 2010

NMOCD

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

A COMPLETE C-144 MUST BE SUBMITTED TO AND APPROVED BY THE NMOCD FOR: A PIT, CLOSED LOOP SYSTEM, BELOW GRADE TANK, OR PROPOSED ALTERNATIVE METHOD, PURSUANT TO NMOCD PART 19.15.17, PRIOR TO THE USE OR CONSTRUCTION OF THE ABOVE APPLICATIONS.

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, N.M. 87505

RECEIVED

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

Bureau of Land Management AMENDED REPORT
Farmington Field Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-30963		*Pool Code 71599 / 72319		*Pool Name BLANCO BASIN DAKOTA / MESA VERDE	
*Property Code 7454		*Property Name SAN JUAN 27-5 UNIT			*Well Number 131N
*GRID No. 14538		*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP			*Elevation 6565

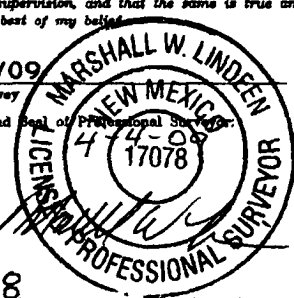
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	20	27 N	5 W		2537	SOUTH	2424	EAST	RIO ARRIBA

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
J									
*Dedicated Acres 320.00 (E/2)		*Joint or Infill		*Consolidation Code		*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 S 81°27'27" E 2654.85' 2578.38' N 2°03'18" W 2628.34' N 0°19'02" W N 83°34'07" W 2761.83'	SECTION 20 152' NAD 83 LAT: 36.5587617° N LONG: 107.3809707° W NAD 27 LAT: 36°33.52513' N LONG: 107°22.82213' W USA SF-079392	N 87°06'20" E 2782.69' 2424' 2537' N 88°59'22" W 2655.01'	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. Signature: <u>Crystal Tafoya</u> Date: <u>4/13/10</u> Printed Name: <u>Crystal Tafoya</u> Date: <u>4/13/2010</u>	
			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. Date of Survey: <u>3/20/09</u> Signature and Seal of Professional Surveyor:  Certificate Number: <u>17078</u>	
			2780.80' S 1°14'00" E 2527.56' S 0°56'40" E	
			SECTION 20 152'	

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 27-5 UNIT 131N

DEVELOPMENT

Lease:		AFE #: WAN.CDR.8487			AFE \$: 735,314.04	
Field Name: SAN JUAN 27-5 UNIT		Rig: H&P Rig 283		State: NM	County: RIO ARRIBA	API #:
Geologist:		Phone:		Geophysicist:		Phone:
Geoscientist:		Phone:		Prod. Engineer:		Phone:
Res. Engineer:		Phone:		Proj. Field Lead:		Phone:
Primary Objective (Zones):						
Zone	Zone Name					
R20076	DAKOTA(R20076)					
R20002	MESAVERDE(R20002)					
Location: Surface						
Datum Code: NAD 27					Straight Hole	
Latitude: 36.558752	Longitude: -107.380369	X:	Y:	Section: 20	Range: 005W	
Footage X: 2424 FEL	Footage Y: 2537 FSL	Elevation: 6565	(FT)	Township: 027N		
Tolerance:						
Location Type: Restricted		Start Date (Est.): 1/1/2012		Completion Date:		Date In Operation:
Formation Data: Assume KB = 6579 Units = FT						
Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	200	6379	<input type="checkbox"/>			12-1/4 hole. 200' 9 5/8" 32.3 ppf, H-40, STC casing. Cement with 121 cuft. Circulate cement to surface.
NACIMIENTO	1321	5258	<input type="checkbox"/>			
OJO ALAMO	2717	3862	<input type="checkbox"/>			
KIRTLAND	2831	3748	<input type="checkbox"/>			
FRUITLAND	2883	3696	<input type="checkbox"/>			Possible Gas
PICTURED CLIFFS	3379	3200	<input type="checkbox"/>			
LEWIS	3429	3150	<input type="checkbox"/>			
Intermediate Casing	3529	3050	<input type="checkbox"/>			8 3/4" Hole. 7", 23 ppf, J-55, LTC Casing. Cement with 795 cuft. Circulate cement to surface.
HUERFANITO BENTONITE	4048	2531	<input type="checkbox"/>			
CHACRA	4309	2270	<input type="checkbox"/>			
UPPER CLIFF HOUSE	4893	1686	<input type="checkbox"/>			Gas; Est. Top Perf - 4895 (1684)
MASSIVE CLIFF HOUSE	4974	1605	<input type="checkbox"/>	762		Gas
MENEFEE	5121	1458	<input type="checkbox"/>			
POINT LOOKOUT	5469	1110	<input type="checkbox"/>			
MANCOS	5986	593	<input type="checkbox"/>			
UPPER GALLUP	6675	-96	<input type="checkbox"/>			
GREENHORN	7441	-862	<input type="checkbox"/>			
GRANEROS	7499	-920	<input type="checkbox"/>			
TWO WELLS	7521	-942	<input type="checkbox"/>	2098		Gas
PAGUATE	7611	-1032	<input type="checkbox"/>			
UPPER CUBERO	7649	-1070	<input type="checkbox"/>			
LOWER CUBERO	7688	-1109	<input type="checkbox"/>			Est. Btm Perf - 7760 (-1181) based on offset wells
ENCINAL	7775	-1196	<input type="checkbox"/>			TD - 20' below T/ENCN
Total Depth	7795	-1216	<input type="checkbox"/>			6-1/4" hole, 4-1/2" 10.5/11.6 ppf, J-55, STC/LTC casing. Cement w/ 581 cuft. Circulate cement a minimum of 100' inside the previous casing string.
Reference Wells:						

PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 27-5 UNIT 131N

DEVELOPMENT

Reference Type	Well Name	Comments
Production	SJ 27-5 139N	27N 5W 20 NE SE NW
Production	SJ 27-5 139	27N 5W 20 SW NE SW

Logging Program:

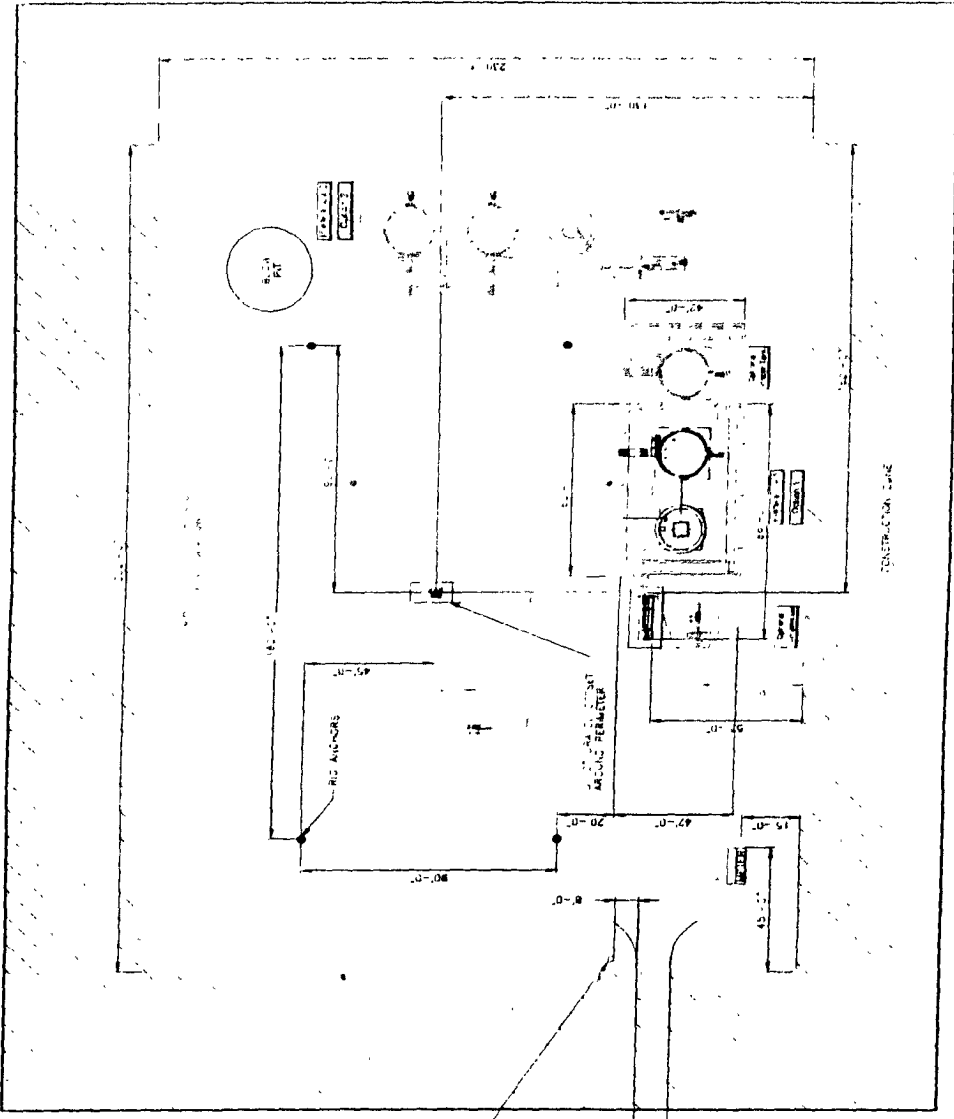
Intermediate Logs: Log only if show GR/ILD Triple Combo

TD Logs: Triple Combo Dipmeter RFT Sonic VSP TDT Other

Cased Hole GR / CSL

Additional Information:

Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks
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FROM THE
SALES UNIT
PIT LINE
ON THE

ALL INFORMATION IS TO BE KEPT IN CONFIDENTIALITY

<p>CONSTRUCTION BUREAU</p>			
RECEPTION	STORAGE		
RADIO ROOMS	PHONE		
REST PIT	WASHING CASE		
<p>CONSTRUCTION BUREAU</p>			
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<p>STORAGE</p>			
<p>RADIO ROOMS</p>			
<p>PHONE</p>			
<p>REST PIT</p>			
<p>WASHING CASE</p>			
<p>GAS METER</p>			
<p>LOCATION ACCESS ROAD</p>			
<p>CANNON RECLAIM</p>			
<p>MACHINE PERIMETER</p>			
<p>CONSTRUCTION BUREAU</p>			
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BURLINGTON RESOURCES OIL & GAS COMPANY LP

SAN JUAN 27-5 UNIT 131N

2537' FSL & 2424' FEL

LATITUDE: 36.5587617° N

LONGITUDE: 107.3809707° W

NAD 83

SECTION 20, T-27-N, R-5-W, N.M.P.M.

RIO ARRIBA COUNTY, NEW MEXICO

FROM THE INTERSECTION OF U.S. HIGHWAY 64 AND
U.S. HIGHWAY 550 IN BLOOMFIELD, NEW MEXICO.

TRAVEL EASTERLY 35.1 MILES ON U.S. HIGHWAY 64.
TURN RIGHT ONTO GENERAL AMERICAN #2 (C.R. 366) AND TRAVEL
SOUTHERLY 1.1 MILES.

TURN RIGHT AT A TEE INTERSECTION AND TRAVEL
SOUTHWESTERLY 9.3 MILES.

TURN RIGHT AT A TEE INTERSECTION AND TRAVEL
SOUTHWESTERLY 0.6 MILE.

TURN LEFT AT A TEE INTERSECTION AND TRAVEL
SOUTHERLY 0.9 MILE.

TURN RIGHT AT AN EXISTING WELL ACCESS ROAD AND TRAVEL
WESTERLY 0.2 MILE UNTIL REACHING PROPOSED ACCESS TO
SAN JUAN 27-5 UNIT 131N PROPOSED LOCATION.