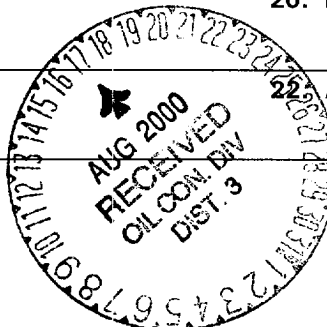


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	5. Lease Number NM-0396 Unit Reporting Number
1b. Type of Well GAS	6. If Indian, All. or Tribe
2. Operator BURLINGTON RESOURCES Oil & Gas Company	7. Unit Agreement Name Huerfano Unit
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name Huerfano Unit 9. Well Number 63R
4. Location of Well 1690' FNL, 1595' FWL Latitude 36° 31.2, Longitude 107° 54.3	10. Field, Pool, Wildcat West Kutz Pictured Cliffs 11. Sec., Twn, Rge, Mer. (NMPM) F Sec. 4, T-26-N, R-10-W API # 30-045-30253
14. Distance in Miles from Nearest Town 13 mi from Bloomfield	12. County San Juan 13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1595'	DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"
16. Acres proposed for review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.	17. Acres Assigned to Well 160.31 NW/4
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 75'	
19. Proposed Depth 2517'	20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 6704' GL	22. Approx. Date Work will Start
23. Proposed Casing and Cementing Program See Operations Plan attached	
24. Authorized by: <i>Peggy Cole</i> Regulatory/Compliance Administrator	3-23-00 Date



PERMIT NO. _____

APPROVAL DATE _____

APPROVED BY /s/ Jim Lovato

TITLE _____

DATE AUG 15 2000

Archaeological Report to be submitted

Threatened and Endangered Species Report to be submitted

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.

NMOCD

District I
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District II
PO Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-30253		*Pool Code 79680	*Pool Name West Kutz Pictured Cliffs
*Property Code 7139	*Property Name HUERFANO UNIT		*Well Number 63R
*OGRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY		*Elevation 6704

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
F	4	26N	10W		1690	NORTH	1595	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
¹² Dedicated Acres NW/160.31		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

<p>1334.52'</p> <p>1322.64'</p> <p>1595'</p> <p>USA NM-0396</p> <p>5280.00'</p> <p>1690'</p> <p>LOT 4</p> <p>LOT 3</p> <p>LOT 2</p> <p>LOT 1</p> <p>4</p> <p>AUG 2000 RECEIVED OIL CON DIV DIST. 3</p> <p>PH</p>	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature Peggy Cole Printed Name Regulatory Administrator Title 3-23-00 Date
	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. JANUARY 24, 2000 Date of Survey Signature and Seal of Professional Surveyor NEALE C. EDWARDS NEW MEXICO 6857

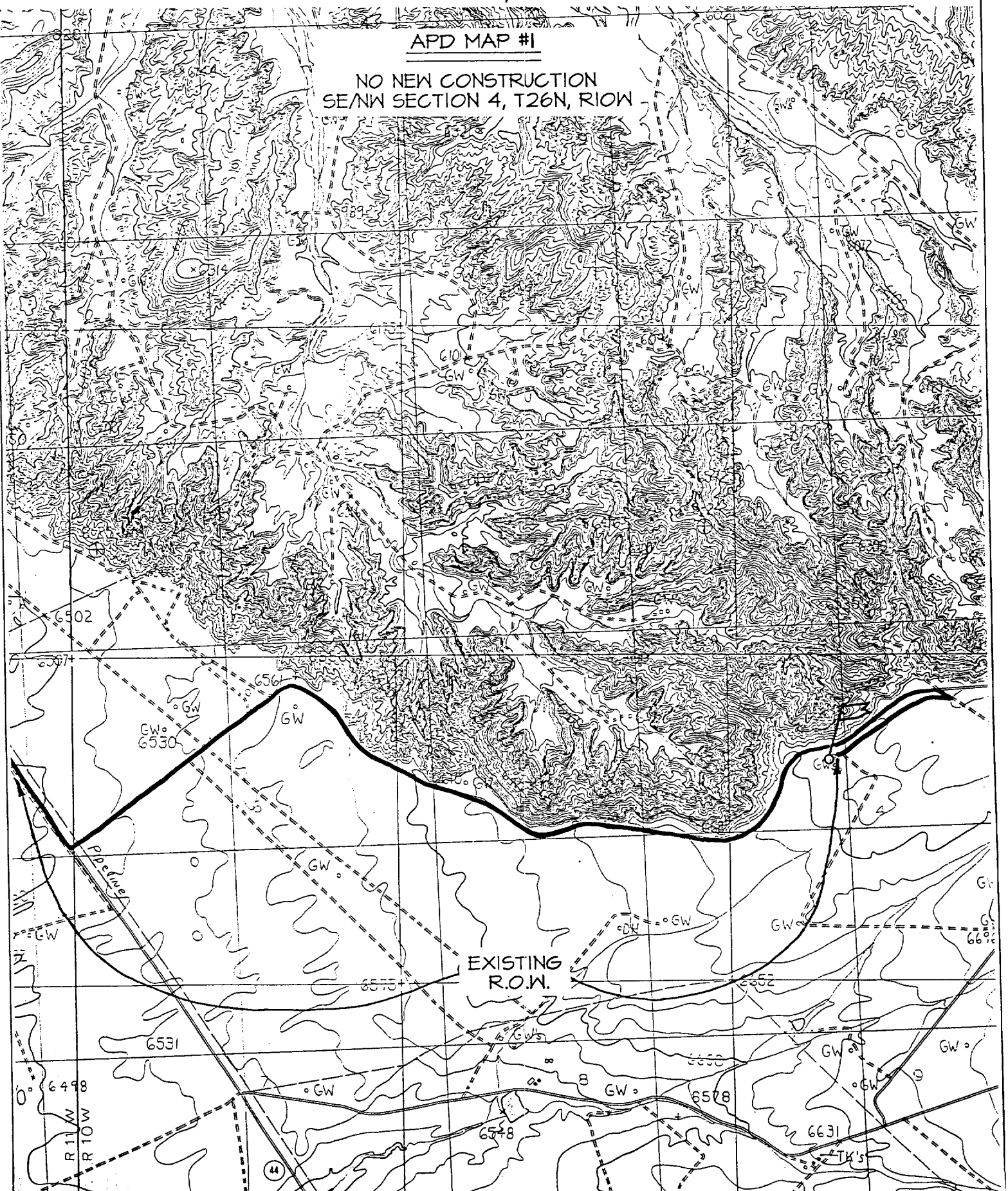
1690' FNL & 1595' FWL, SECTION 4, T26N, R10W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO

1690' FNL & 1595' FWL, SECTION 4, T26N, R10W, N.M.P.M.

SAN JUAN COUNTY, NEW MEXICO

APD MAP #1

NO NEW CONSTRUCTION
SE/NW SECTION 4, T26N, R10W



OPERATIONS PLAN

Well Name: Huerfano Unit #63R
Location: 1690' FNL, 1595' FWL, Section 4, T-26-N, R-10-W
San Juan County, New Mexico
Latitude 36° 31.2, Longitude 107° 54.3
Formation: West Kutz Pictured Cliffs
Elevation: 6704' GL

Formation:	Top	Bottom	Contents
Surface	San Jose	1334'	
Ojo Alamo	1334'	1454'	aquifer
Kirtland	1454'	1819'	
Fruitland	1819'	2317'	gas
Pictured Cliffs	2317'		gas
Total Depth	2517'		

Logging Program: cased hole - CCL-GR TD to surface

Coring Program: None

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	<u>Fluid Loss</u>
0- 120'	Spud	8.4-9.0	40-50	no control
120-2517'	FW	8.4-9.0	32-45	no control

Casing Program (as listed, equivalent, or better):

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csq. Size</u>	<u>Wt.</u>	<u>Grade</u>
7 7/8"	0 - 120'	5 1/2"	15.5#	J-55
4 3/4"	0 - 2517' ✓	2 7/8"	6.4#	J-55

Float Equipment: 5 1/2" surface casing - saw tooth guide shoe.
Centralizers will be run in accordance with Onshore Order #2.

2 7/8" production casing - float shoe on bottom. Three centralizers run every other joint above shoe. Seven centralizers run every 3rd joint to the base of the Ojo Alamo @ 1454'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 1454'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Wellhead Equipment: 7 7/8" x 2 7/8" 2000 psi screw on independent wellhead.

Cementing:

5 1/2" surface casing - cement with 53 sx Class "B" cement with 1/4# flocele/sx and 3% calcium chloride (63 cu.ft. of slurry, 200% excess to circulate to surface). WOC 8 hrs. Test casing to 600 psi for 30 minutes.

2 7/8" production casing - Lead w/113 sx Class "B" w/3% sodium metasilicate, 1/4 pps cellophane and 5 pps gilsonite. Tail w/50 sx 50/50 Class "B" Poz w/2% gel, 1/4 pps cellophane, 5 pps gilsonite and 2% calcium chloride (393 cu.ft. of slurry, 100% excess to circulate to surface). WOC 8 hrs. If cement does not circulate to surface, a CBL will be run during completion to determine TOC.

BOP and tests:

Surface to TD - 11" 2000 psi (minimum double gate BOP stack (Reference Figure #1 and #2). Prior to drilling out surface casing, test rams to 600 psi/30 min.

Completion - 6" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to completion operations, test rams and casing to 2000 psi/15 min.

From surface to TD - choke manifold (Reference Figure #3).

Pipe rams will be actuated to least once each day and blind rams actuated once each trip to test proper functioning. An upper kelly cock valve with handle and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

Additional information:

- * The Pictured Cliffs formation will be completed.
- * Anticipated pore pressure for the Pictured Cliffs is 600 psi.
- * This gas is dedicated.
- * The northwest quarter of section 4 is dedicated to the Pictured Cliffs.

Steve C. Bell
Drilling Engineer

4/3/2000
Date