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**
SF-078135
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**
Huerfanito Unit

3. **Address & Phone No. of Operator**
PO Box 4289, Farmington, NM 8749
(505) 326-9700

ENTERED
AFMSS
AUG 14 2001
BY

8. **Farm or Lease Name**
Huerfanito Unit
9. **Well Number**
#68R

4. **Location of Well**
1020'FSL, 825'FWL
Latitude 36° 30.8', Longitude 107° 46.9

10. **Field, Pool, Wildcat**
Ballard Pict'd Cliffs
11. **Sec., Twn, Rge, Mer. (NMPM)**
M Sec.3, T-26-N, R-9-W
API # 30-045- 30777

14. **Distance in Miles from Nearest Town**
25 miles from Bloomfield, NM

12. **County** San Juan
13. **State** NM

15. **Distance from Proposed Location to Nearest Property or Lease Line**
825'

16. **Acres in Lease**

17. **Acres Assigned to Well**
160 SW/4

18. **Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease**
158'

19. **Proposed Depth**
2280'

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

20. **Rotary or Cable Tools**
Rotary

21. **Elevations (DF, FT, GR, Etc.)**
6333' GR

ENTERED
AFMSS

22. **Approx. Date Work will Start**

23. **Proposed Casing and Cementing Program**
See Operations Plan attached

NOV 14 2001

SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"

24. **Authorized by:** Peggy Cole BY SMA
Regulatory/Compliance Supervisor

7-11-01
Date

PERMIT NO. 7-6-01

APPROVAL DATE 11/14/01

APPROVED BY RJ Mankiewicz **TITLE** AFM **DATE** 11/19/01

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.

FARMINGTON COPY

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

DISTRICT II
811 South First, Artesia, N.M. 88210

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised August 15, 2000

Submit to Appropriate District Office
State Lease – 4 Copies
Fee Lease – 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
30-045- 30777	71439	Ballard Pictured Cliffs

[4] Property Code	[5] Property Name	[6] Well Number
7138	HUERFANITO UNIT	68R

[7] OGRID No.	[8] Operator Name	[9] Elevation
14538	BURLINGTON RESOURCES OIL & GAS, INC.	6333'

[10] Surface Location

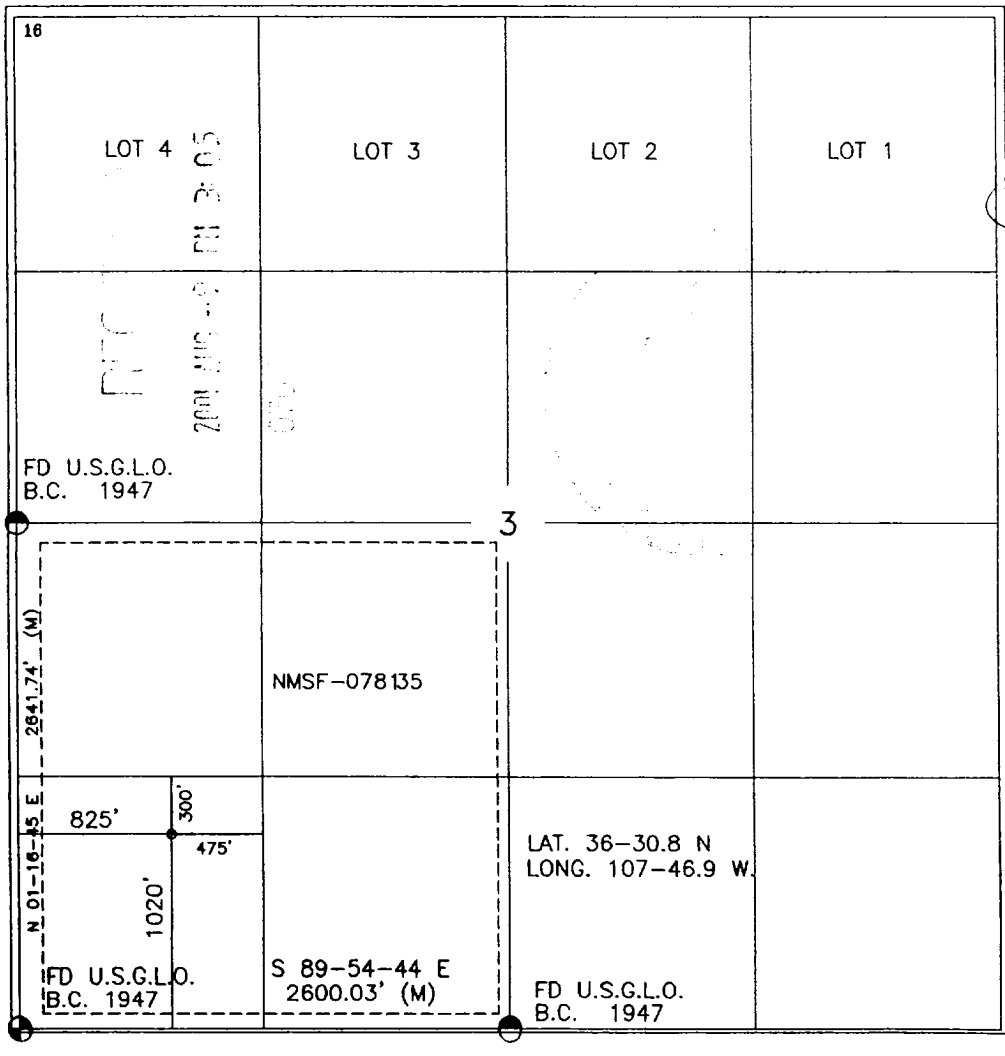
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	3	26-N	9-W		1020	SOUTH	825	WEST	SAN JUAN

[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	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
PC 160 SW			

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



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Peggy Cole
Signature

Peggy Cole
Printed Name

Regulatory Supervisor
Title

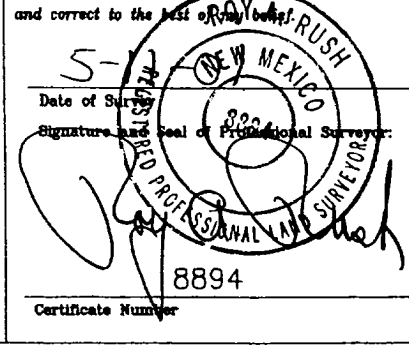
7-11-01
Date

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.

5-1-01
Date of Survey

Signature and Seal of Professional Surveyor:



8894
Certificate Number

OPERATIONS PLAN

Well Name: Huerfanito Unit #68R
Location: 1020'FSL, 825'FWL, Section 3, T-26-N, R-9-W
San Juan County, New Mexico
Latitude 36° 30.8', Longitude 107° 46.9'
Formation: Ballard Pictured Cliffs
Elevation: 6333'GR

Formation:	**Top**	**Bottom**	**Contents**
Surface	San Jose	1169'	
Ojo Alamo	1169'	1343'	aquifer
Kirtland	1343'	1854'	gas
Fruitland	1854'	2075'	gas
Pictured Cliffs	2075'		gas
Total Depth	2280'		

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

Coring Program: None

Mud Program:

Interval	Type	Weight	Vis.	Fluid Loss
0- 120'	Spud	8.4-9.0	40-50	no control
120-2280'	FW	8.4-9.0	32-45	no control

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

Hole Size	Depth Interval	Csg.Size	Wt.	Grade
9 7/8"	0 - 120'	7"	20#	J-55
6 1/4"	0 - 2280'	2 7/8"	6.5#	J-55

Float Equipment: 7" 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 @ 1343'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 1343'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

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

Cementing:
7" surface casing - cement with 27 sx Class A, B Portland Type I, II cement (32 cu.ft. of slurry, bring cement to surface through ¾" line). WOC 8 hrs. Test casing to 600 psi for 30 minutes.

2 7/8" production casing - Lead w/301 sx Premium Lite cement w/3% calcium chloride, 1/4 pps flocele, 5 pps LCM-1, 0.4% FL-52, and 0.4% SMS. Tail w/90 sx Type III cement w/1% calcium chloride, 1/4 pps flocele, and 0.2% FL-52 (766 cu.ft. of slurry, 100% excess to circulate to surface).

Note: If open hole logs are run, cement volumes will be based on 25% excess over caliper volumes.

BOP and tests:

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

Completion - 7 1/16" 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.

BOP and tests (If a coiled tubing drilling (CTD) rig is utilized.):

Surface to TD: 7-1/16" 2000 psi (minimum) Torus annular BOP stack (Reference Figure #1b). Prior to drilling out surface casing, test annular BOP to 600psi/30 min.

Completion: 7-1/16" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to completion operations, test blind rams and casing to 1500 psi for 30 minutes; all pipe rams and casing to 1500 psi for 30 minutes each. **Same as in original APD operations plan.**

From surface to TD: choke manifold (Reference Figure #3). **Same as in original APD operations plan.**

The annular BOP will be actuated to close on drill pipe (coiled tubing) at least once each day and to close on open hole once each trip to test proper functioning.

Additional information:

* The Pictured Cliffs formation will be completed.
* Anticipated pore pressure for the Pictured Cliffs is 500 psi.
* This gas is dedicated.
* The southwest quarter of Section 3 is dedicated to the Pictured Cliffs.

Eric J. Giles
Drilling Engineer

7/13/01
Date

BURLINGTON RESOURCES OIL & GAS, INC.

HUERFANITO UNIT No. 68R

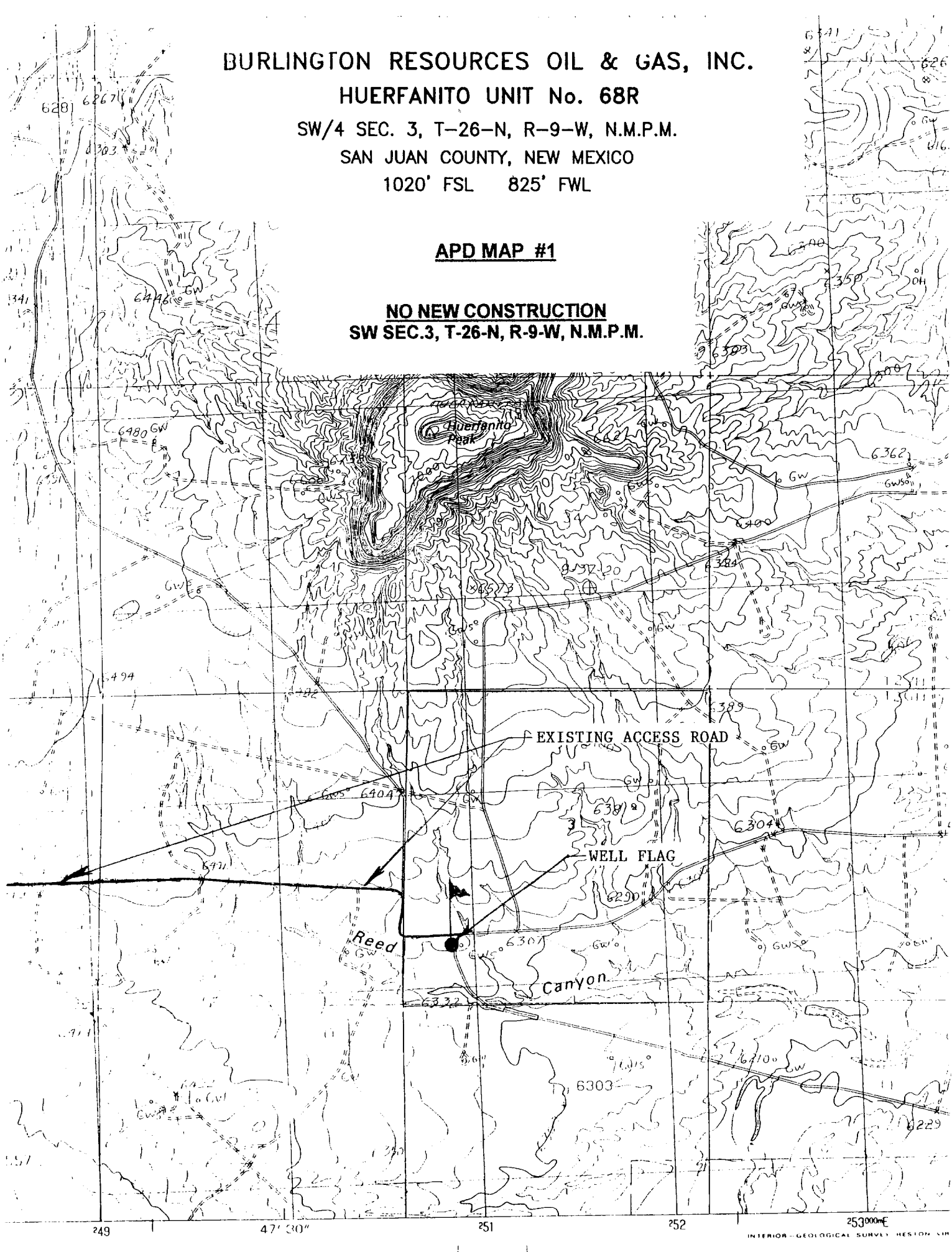
SW/4 SEC. 3, T-26-N, R-9-W, N.M.P.M.

SAN JUAN COUNTY, NEW MEXICO

1020' FSL 825' FWL

APD MAP #1

NO NEW CONSTRUCTION
SW SEC.3, T-26-N, R-9-W, N.M.P.M.



NEW

ROAD LEGEND