

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-03863 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 |
| 3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700 | 8. Farm or Lease Name Valdez 9. Well Number 7 |
| 4. Location of Well 890' FSL, 1580' FWL Latitude 36° 37.5, Longitude 107° 15.6 | 10. Field, Pool, Wildcat Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 28, T-28-N, R-4-W API # 30-039-26127 |
| 14. Distance in Miles from Nearest Town 64 miles from Bloomfield | 12. County Rio Arriba 13. State NM |
| 15. Distance from Proposed Location to Nearest Property or Lease Line 890' | |
| 16. Acres in Lease | 17. Acres Assigned to Well 320 W/2 |
| 18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 2500' | |
| 19. Proposed Depth 6735' | 20. Rotary or Cable Tools Rotary |
| 21. Elevations (DF, FT, GR, Etc.) 7228' GR | 22. Approx. Date Work will Start |
| 23. Proposed Casing and Cementing Program See Operations Plan attached | DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS" |
| 24. Authorized by: <u>[Signature]</u> Regulatory/Compliance Administrator | <u>1-27-99</u> Date |

PERMIT NO. _____ APPROVAL DATE MAY 20 1999
APPROVED BY _____ TITLE _____ DATE _____

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.

NMOC

District I
PO Box 1980, Hobbs NM 88241-1980
District II
PO Drawer KK, Artesia, NM 87211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

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

Form C-102
Revised February 21, 1994

Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---|--|--|
| ¹ API Number 30-039-26127 | ² Pool Code 72319 | ³ Pool Name Blanco Mesaverde |
| ⁴ Property Code 7620 | ⁵ Property Name VALDEZ | ⁶ Well Number # 7 |
| ⁷ OGRID No. 14538 | ⁸ Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY | ⁹ Elevation 7228 |

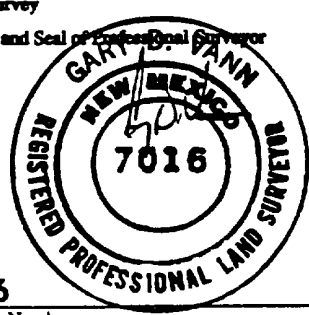
¹⁰ Surface Location

| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|------------|
| N | 28 | 28 N | 4 W | | 890 | SOUTH | 1580 | WEST | RIO ARRIBA |

¹¹ Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|-----------------------------|-----------------------|------------------------|---------------------|-----------------------|-----------------------------|--------------------------------|-----------------------------|------------------------------|----------------------|
| ¹² UL or lot no. | ¹³ Section | ¹⁴ Township | ¹⁵ Range | ¹⁶ Lot Idn | ¹⁷ Feet from the | ¹⁸ North/South line | ¹⁹ Feet from the | ²⁰ East/West line | ²¹ County |
| W/320 | | | | | | | | | |

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 5280'(R) 5271'(R) 1580' 890' | NMNM - 03863 28 | 5283'(R) 890' | RECEIVED MAY 24 1999 OIL CON. DIV. DIST. 3 | ¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>Peggy Bradfield</i> Printed Name: Peggy Bradfield Title: Regulatory Administrator Date: 1-27-99 |
| | | | | 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. October 8, 1998 Date of Survey Signature and Seal of Professional Surveyor  7016 Certificate Number |
| | | | | |
| | | | | |

OPERATIONS PLAN

Well Name: Valdez #7
Surface Location: 890' FSL, 1580' FWL, Section 28, T-28-N, R-4-W
Rio Arriba County, New Mexico
Latitude 36° 37.5, Longitude 107° 15.6

Formation: Blanco Mesa Verde
Elevation: 7228' GL

| <u>Formation Tops:</u> | <u>Top</u> | <u>Bottom</u> | <u>Contents</u> |
|------------------------|--------------|---------------|-----------------|
| Surface | San Jose | 3605' | aquifer |
| Ojo Alamo | 3605' | 3728' | aquifer |
| Kirtland | 3728' | 3788' | gas |
| Fruitland | 3788' | 4160' | gas |
| Pictured Cliffs | 4160' | 4283' | gas |
| Lewis | 4283' | 4741' | gas |
| Intermediate TD | 4383' | | |
| Mesa Verde | 4741' | 5153' | gas |
| Chacra | 5153' | 5966' | gas |
| Massive Cliff House | 5966' | 6058' | gas |
| Menefee | 6058' | 6335' | gas |
| Point Lookout | 6335' | | gas |
| Total Depth | 6735' | | |

Logging Program:

Cased hole logging - Gamma Ray, Cement bond from surface to TD
Mud Logs/Coring/DST - none

Mud Program:

| <u>Interval- MD</u> | <u>Type</u> | <u>Weight</u> | <u>Vis.</u> | <u>Fluid Loss</u> |
|---------------------|-------------|---------------|-------------|-------------------|
| 0- 200' | Spud | 8.4-9.C | 40-50 | no control |
| 200- 4383' | LSND | 8.4-9.C | 30-60 | no control |
| 4383- 6735' | Air/Mist | n/a | n/a | n/a |

Pit levels will be visually monitored to detect gain or loss of fluid control.

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

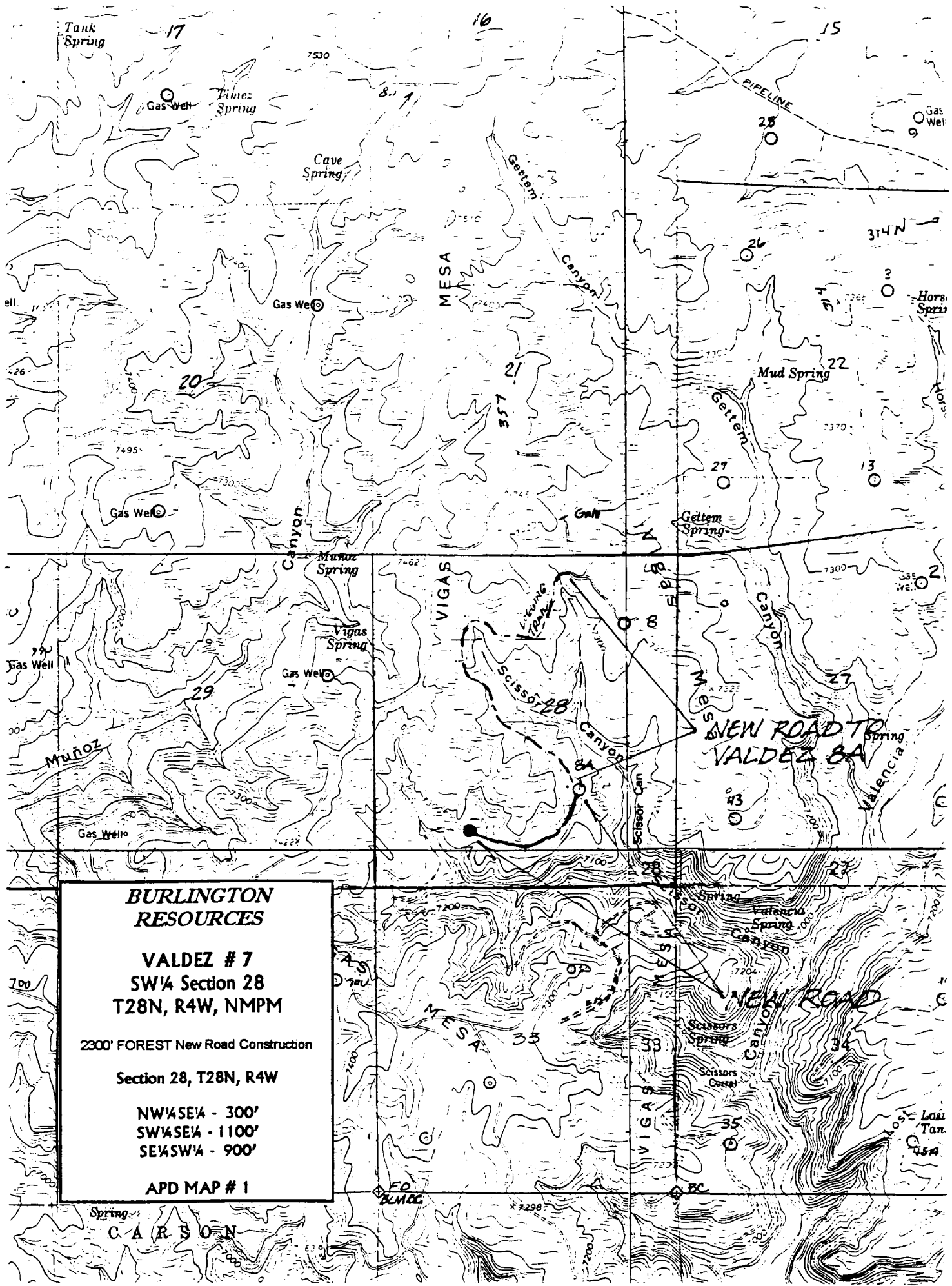
| <u>Hole Size</u> | <u>Measured Depth</u> | <u>Csg Size</u> | <u>Weight</u> | <u>Grade</u> |
|------------------|-----------------------|-----------------|---------------|--------------|
| 12 1/4" | 0' - 200' | 9 5/8" | 32.3# | H-40 |
| 8 3/4" | 0' - 4383' | 7" | 20.0# | J-55 |
| 6 1/4" | 4283' - 6735' | 4 1/2" | 10.5# | J-55 |

Tubing Program: 0' - 6735' 2 3/8" 4.7# J-55

BOP Specifications, Wellhead and Tests:

Surface to Intermediate TD -

11" 2000 psi minimum double gate BOP stack (Reference Figure #1).
After nipple-up prior to drilling out surface casing, rams and casing will be tested to 600 psi for 30 minutes.



**BURLINGTON
RESOURCES**

**VALDEZ # 7
SW¼ Section 28
T28N, R4W, NMPM**

2300' FOREST New Road Construction

Section 28, T28N, R4W

**NW¼SE¼ - 300'
SW¼SE¼ - 1100'
SE¼SW¼ - 900'**

APD MAP # 1

CARSON