

| | | | | | |
|--------------------|--------------------|--------------------------|----------------------|-------------|-------------------------|
| 5/18/06 DATE IN | 6-7-06 SUSPENSE | MERE STOGNER ENGINEER | 5/18/06 LOGGED IN | NSL TYPE | APP NO. p-TDS0613840137 |
|--------------------|--------------------|--------------------------|----------------------|-------------|-------------------------|

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
 Check One Only for [B] or [C]
 [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
 [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
 [A] Working, Royalty or Overriding Royalty Interest Owners
 [B] Offset Operators, Leaseholders or Surface Owner
 [C] Application is One Which Requires Published Legal Notice
 [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

| | | | |
|--------------------|-----------|-------|------|
| Print or Type Name | Signature | Title | Date |
| e-mail Address | | | |

BURLINGTON
RESOURCES
San Juan Division

Sent Federal Express

May 17, 2006

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

2006 MAY 18 AM 11 05

Re: Allison Unit #77
375' FSL, 865' FWL, Section 12, T-32-N, R-07-W under resurvey
San Juan County, NM API #30-045-33659

Dear Mr. Stogner:

Burlington Resources is applying for administrative approval of an unorthodox gas well location for the Pictured Cliffs formation.

The subject well was staked at this location due to steep and rugged terrain encompassing a majority of the area within the legal spacing window for the Pictured Cliffs formation, as shown on the attached aerial photography map. Burlington Resources is requesting this proposed location to be staked on the existing Burlington Allison Unit #13 Mesaverde/Dakota wellpad which is located 890' FSL, 950' FWL using the original survey in 1957 (see attached offset operator and survey plat) and was therefore a standard location at that time. The Allison Unit #77 well is staked under the dependent re-survey and is 375' from the south line of Section 12, causing this request for a non-standard location.

The following attachments are for your review:

- Approved application for Permit to Drill and C-102 at referenced location
- Offset operators
- 9 Section plat, showing Original Survey Section Line vs Resurveyed Section Line
- Original survey plat of Allison Unit #13
- Topographic map
- Aerial Photography Map
- Wellpad Layout Sheet

Copies of this application are being submitted to offset operator / owner by certified mail. Please let me know if you have any questions about this application.

Sincerely,



Joni Clark
Regulatory Analyst

Re: Allison Unit #77
375' FSL, 865' FWL, Section 12, T-32-N, R-07-W under resurvey
San Juan County, NM API #30-045-33659

I hereby certify that the following offset owners/operators have been notified by certified mail of our application for administrative approval for non-standard well location of the above well.

Andrew Kelly Jr.
2575 Sunset Dr.
Atlanta, GA 30345

BP America Production Co.
Attn: Karen Clay
San Juan BU
West Lake 1 Room 19.179
501 Westlake Park Blvd
Houston, TX 77079

Castle Inc
502 Keystone Dr
Warrendale, PA 15086

Charles Kelly
1648 Ellis St Ste 302
Bozeman, MT 59715-8811

ConocoPhillips Company
Attn: Chief Landman SJ/Rockies
P. O. Box 2197
Houston, TX 77252-2197

Jane Phillips
530 N. Main St Apt 310
Butler, PA 16001-4319

Susanna P Kelly
Bar K Ranch
Box 147
Cameron, MT 59720

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

2006 MAR 20 PM 2 49

| | | |
|--|---|-----------------------------------|
| 1a. Type of Work DRILL | 5. Lease Number USA SF-078983-A Unit Reporting Number NMPM-078372C | RECEIVED 078983A FARMINGTON NM |
| 1b. Type of Well GAS | 6. If Indian, All. or Tribe | |
| 2. Operator BURLINGTON RESOURCES Oil & Gas Company | 7. Unit Agreement Name Allison Unit | |
| 3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700 | 8. Farm or Lease Name | |
| 4. Location of Well Unit M (SWSW), 375' FSL, 865' FWL Latitude 36° 59.4181 Longitude 107° 31.4074 | 9. Well Number 77 | |
| | 10. Field, Pool, Wildcat Los Pinos Frt Snd PC, South | |
| | 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 12, T32N, R7W API # 30-045-33659 | |
| 14. Distance in Miles from Nearest Town | 12. County San Juan | 13. State NM |
| 15. Distance from Proposed Location to Nearest Property or Lease Line 375' | 17. Acres Assigned to Well 175.7 W/2 PC 169.35 | |
| 16. Acres in Lease | | |
| 18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 53' - Allison Unit #13 | 20. Rotary or Cable Tools Rotary | |
| 19. Proposed Depth 3423' | | |
| 21. Elevations (DF, FT, GR, Etc.) 6591' | 22. Approx. Date Work will Start | |
| 23. Proposed Casing and Cementing Program See Operations Plan attached | | |
| 24. Authorized by: <u>Patsy Clugel</u> Sr. Regulatory Specialist | <u>3/20/06</u> Date | |

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY [Signature] TITLE AFM DATE 5/8/06

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.

OPERATOR

Red
gr. NSL

ACT II
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

OIL CONSERVATION DIVISION

2040 South Pacheco,
Santa Fe, NM 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | |
|-----------------------|--|--------------------|---|
| API Number 30-045- | | Pool Code 80690 | Pool Name Los Pinos; Frt Snd PC, South |
| Property Code 6784 | Property Name ALLISON UNIT | | Well Number 77 |
| OGED No. 14538 | Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP | | Elevation 6591' |

10 Surface Location

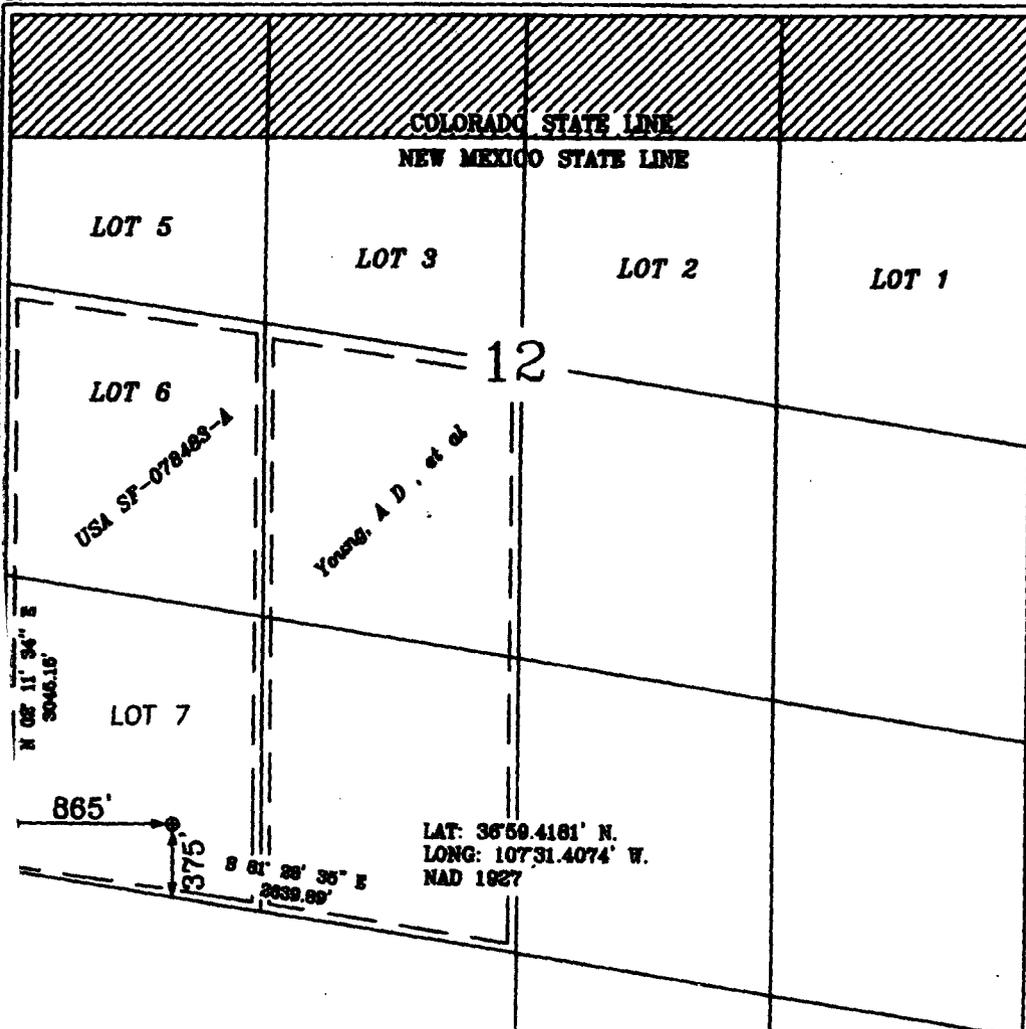
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| M | 12 | 32-N | 7-W | | 375' | SOUTH | 865' | 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N | | | | | | | | | |

| | | | |
|-----------------------------------|-----------------|--------------------|-----------|
| Dedicated Acres PC 175.7 ac w2 | 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



17 OPERATOR CERTIFICATION

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

Patsy Clugston
 Signature
 Patsy Clugston
 Printed Name
 Sr. Regulatory Specialist
 Title
 2/14/2006
 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.

Date of Survey: 1-14-06
 Signature: *Alan Russell*
 Licensed Professional Surveyor
 Certificate Number: 15703



Offset Operator:
 BURLINGTON RESOURCES
 Working interest owner list attached

- Original Survey
- Dependant Re-survey
- San Juan Federal Units
- SJD New Mexico Lots
- * PICTURED CLIFFS



BURLINGTON RESOURCES

© Unpublished Work, Burlington Resources, Inc.



Feet

1:28,780 - 1" equals 2,398'

GCS North American 1927

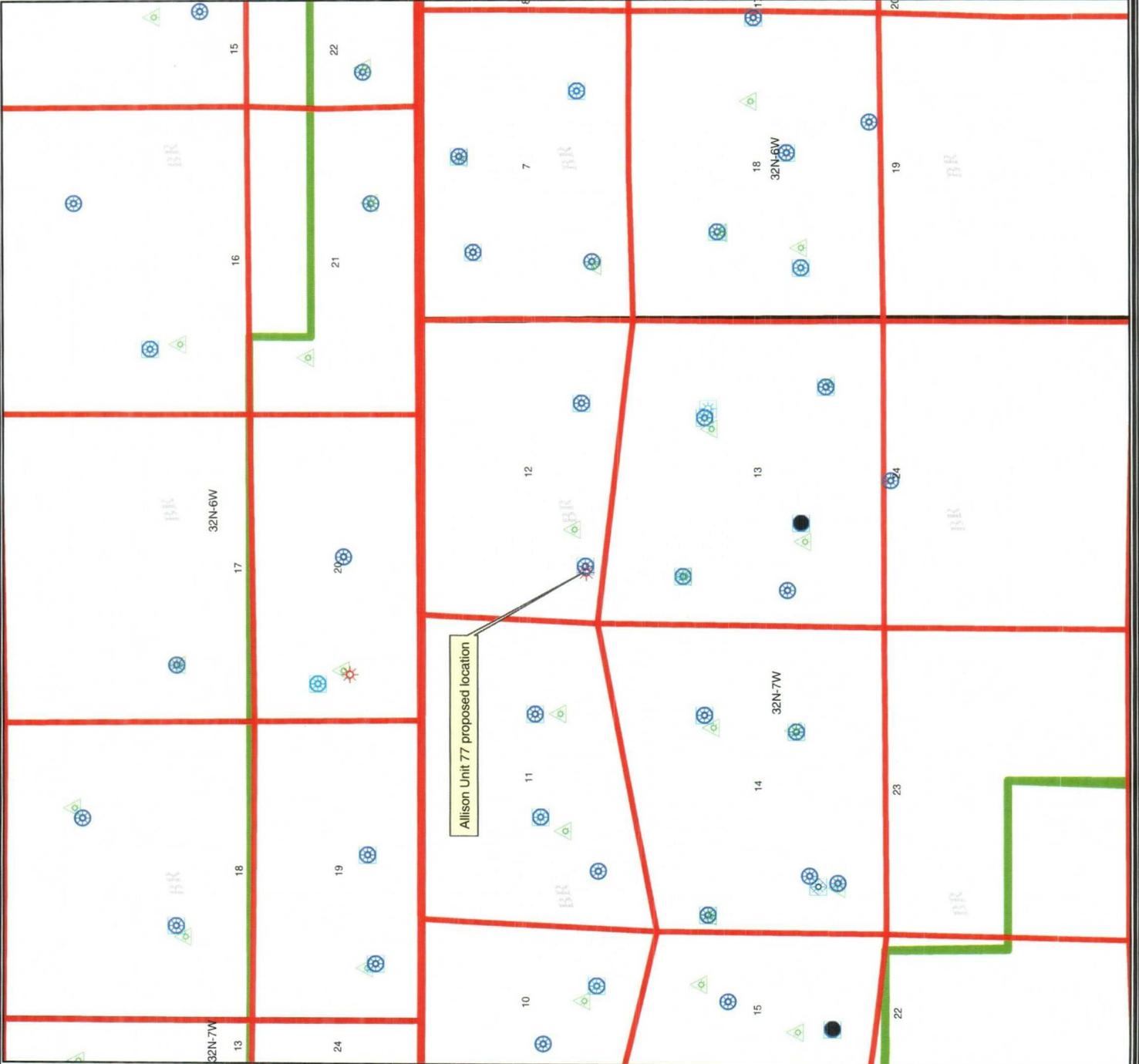
BURLINGTON RESOURCES

San Juan

Allison Unit 77 - NSL

Offset Operator Map & Survey
 Sec.12 T32N R7W
 San Juan County, New Mexico

Prepared By: pgm1 Date: 5/17/2006
 File Number: Revised Date: 5/17/2006
 File Name: r:\platt\pgm1\Projects\Quickie\Quickie.mxd



Legend

- San Juan Federal Units
- <all other values>
- ▲ FRUITLAND COAL
- ★ PICTURED CLIFFS
- ⊗ MESAVERDE
- ⊙ MESAVERDE-DAKOTA
- ⊕ GALLUP /SD/ SH/
- ⊗ DAKOTA


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 PLAT

0 850 1,700 3,400 5,100 6,800
 Feet
 1:36,355 - 1" equals 3,030'
 GCS North American 1927

BURLINGTON RESOURCES
San Juan

Allison Unit 77
9 Section Plat

Sec. 12 T32N R7W
San Juan County, New Mexico

| | | |
|--|-------------------------|--|
| Prepared By: pmm1 | Date: 5/17/2006 | |
| File Number: | Revised Date: 5/17/2006 | |
| File Name: \\platt\Public\Projects\Allison_Unit_77_NS\pmm1 | | |

WORKING INTEREST OWNERS

ALLISON UNIT

SUSANNA P KELLY

JANE PHILLIPS

CONOCOPHILLIPS COMPANY

CHARLES KELLY

CASTLE INC

BP AMERICA PRODUCTION COMPANY

ANDREW KELLY JR

Well Location and Acreage Dedication Plat

Section A

Date July 7, 1957

Operator EL PASO NATURAL GAS COMPANY Lease ALLIANCE OF SECTION 1
 Well No 1 Unit Letter 11 Section 1 Township _____ Range _____ NMPM
 Located 300 Feet From 90.00' Line, 450 Feet From _____ Line
 County WALSH G. L. Elevation 5278 Dedicated Acreage 3.9 Acres
 Name of Producing Formation WASA Pool WASA

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below?
 Yes No _____
2. If the answer to question one is "no", have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes _____ No _____ If answer is "yes," Type of Consolidation _____
3. If the answer to question two is "no," list all the owners and their respective interests below

| Owner | Land Description |
|-------|------------------|
| | |
| | |
| | |



Section B

Note: All distances must be from outer boundaries of section.

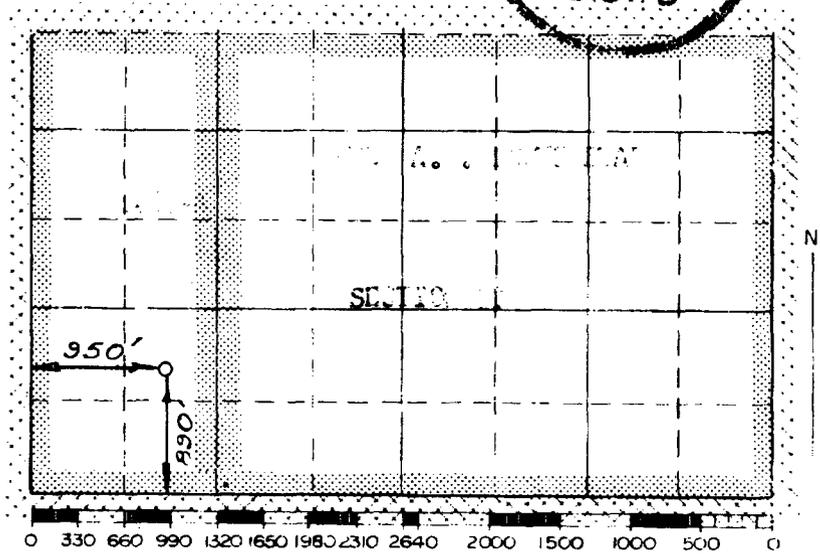
This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief



El Paso Natural Gas Co.

(Operator)
DC Johnston
 (Representative)
 Box 997

Address
Farmington, New Mexico



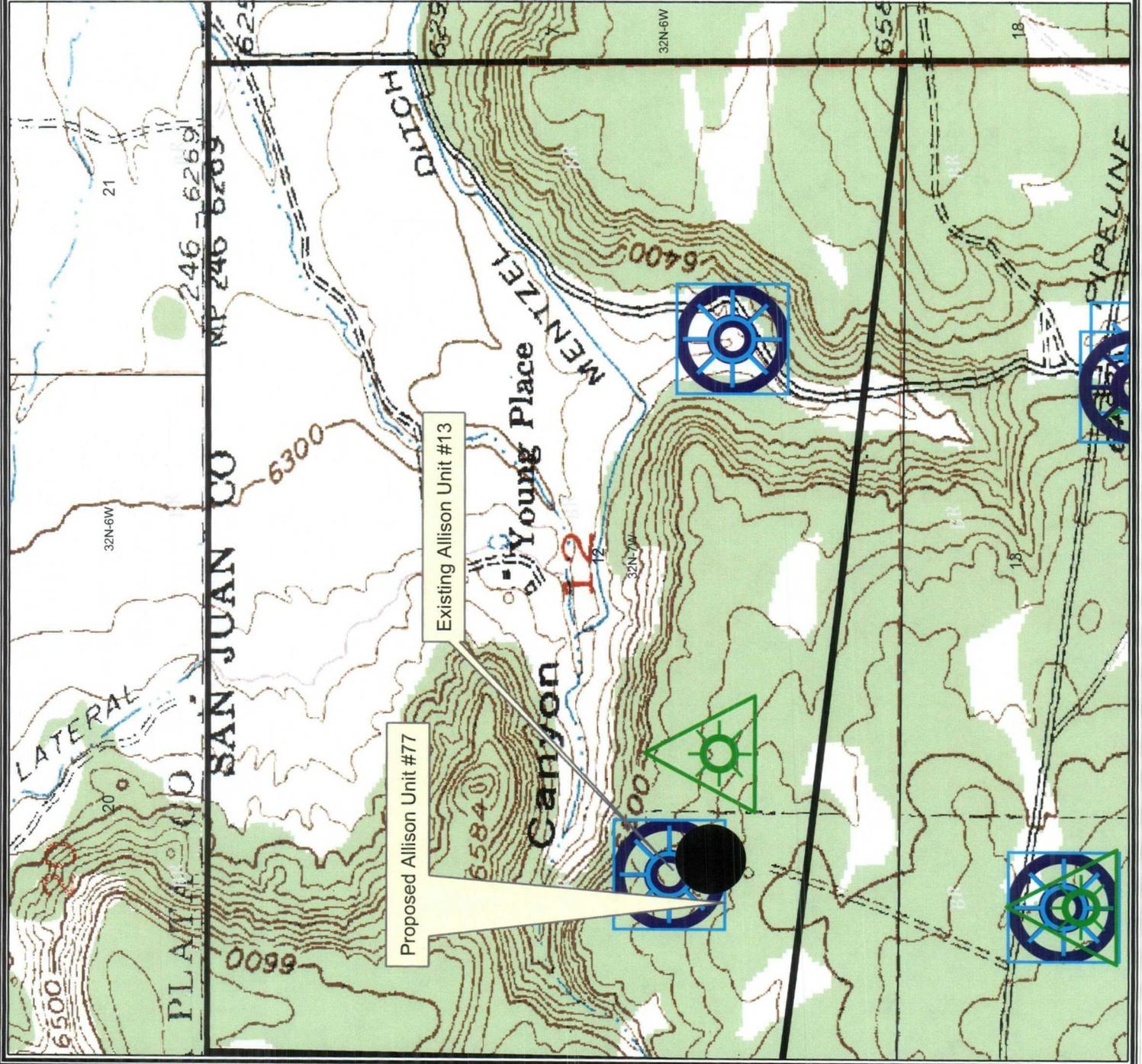
Scale 4 inches equal 1 mile

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

(Seal)

Farmington, New Mexico

Date Surveyed _____
L. O. Walker
 Registered Professional Engineer and/or Land Surveyor



BURLINGTON RESOURCES

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PLAT



1:11,489
1" equals 957'

GCS North American 1927

BURLINGTON RESOURCES

San Juan

Allison Unit #77 Topographic Map

Sec 12, T32N, R7W, NMPM

Prepared By: **ixc3** Date: **5/16/2006**

File Number: **ixc3** Revised Date: **5/16/2006**

File Name: **r:\plat\Public\Projects\Plat\Sundries_twl\Plat_Sundries_tlw.mxd**



Legend

-  Sections_(SJD)
-  Townships_(SJD)

San Juan Aerial Photography BLM

RGB

-  Red: Band_1
-  Green: Band_2
-  Blue: Band_3

BURLINGTON RESOURCES

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1:5,344 - 1" equals 445'
GCS North American 1927

BURLINGTON RESOURCES
San Juan

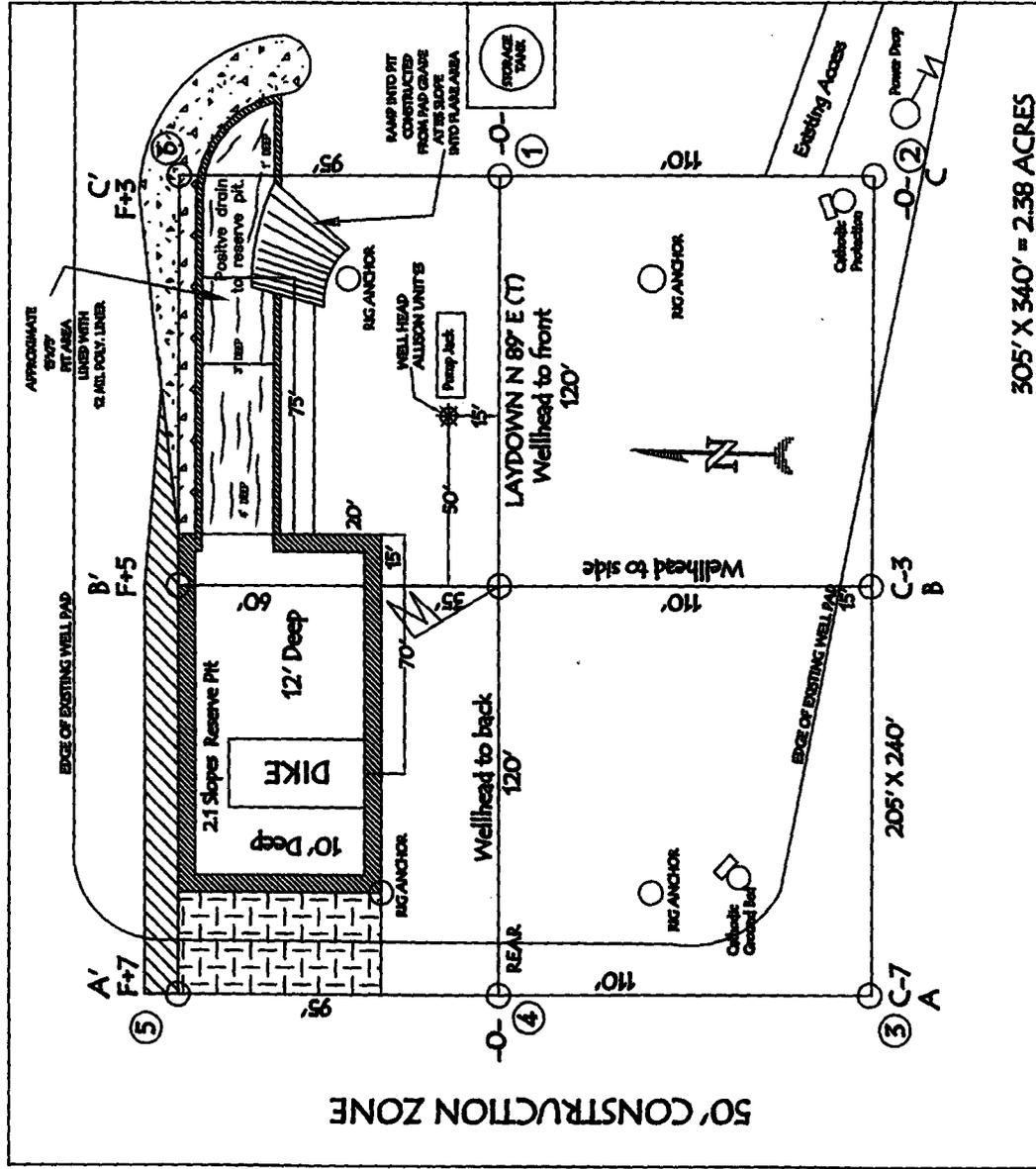
Allision Unit #77
Aerial Plat
Sec. 12, T32N, R7W, NMPM

Prepared By: *ixc3* Date: *5/16/2006*
File Number: *5/16/2006*
Revised Date: *5/16/2006*
File Name: *r:\plat\Public\Protects\PI\Sundries_tlv\PI\Sundries_tlv.mxd*

Proposed Allision Unit #77

BURLINGTON RESOURCES OIL & GAS COMPANY LP
ALLISON UNIT 77, 375' FSL & 865' FWL
SECTION 12, T-32-N, R-7-W, NMPM, SAN JUAN COUNTY, NM
GROUND ELEVATION: 6591', DATE: JANUARY 5, 2006

RESERVE PTT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).



LATITUDE: 36° 59.4181'N LONGITUDE: 107° 31.4074'W NAD27

NOTE: VECTOR SURVEYS IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES.
 CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED
 PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.