

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

Sec : 12 Twp : 32N Rng : 07W Section Type : NORMAL

05/23/06 09:04:39
OGOMES -TGG1
PAGE NO: 1

5 26.26 Federal owned U	3 19.74 Fee owned U	2 19.76 Fee owned U	1 19.79 Fee owned U
6 44.42 Federal owned U	K 40.00 Fee owned U	J 40.00 Fee owned U	I 40.00 Fee owned U
7 44.93 Federal owned U A A	N 40.00 Fee owned U A A	O 40.00 Fee owned U A C	P 40.00 Fee owned U

169.35

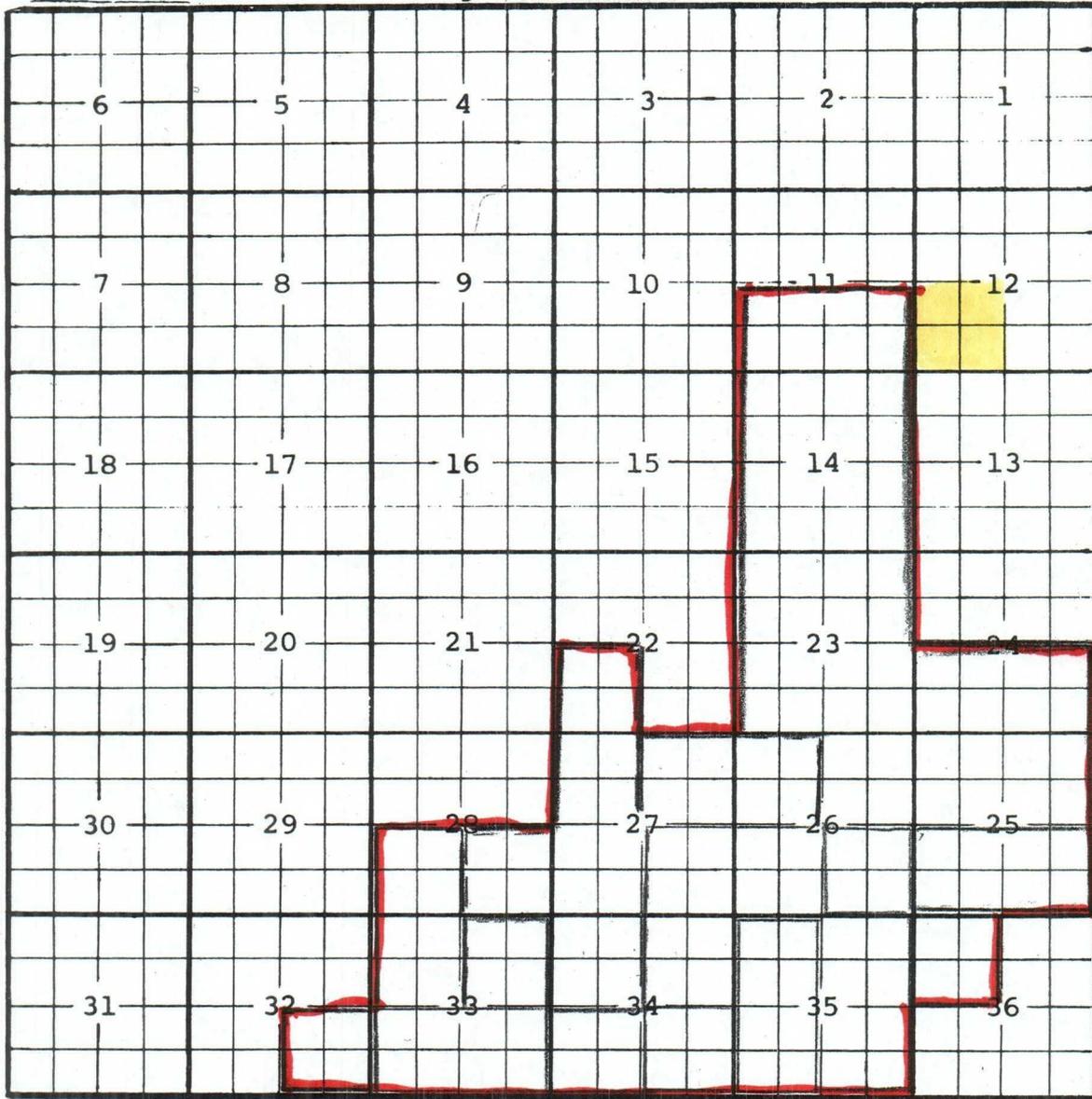
County San Juan pool South Los Pinos Fruitland & Pictured Cliffs

SAND

TOWNSHIP 32 North

Range 7 West

NMPM



Ext: $\frac{1}{2}$ Sec 35 (R-5772, 7-1-78) Ext: $\frac{1}{2}$ Sec. 33 (R-6056-A, 7-17-79) Ext: $\frac{SE}{4}$ Sec. 26, $\frac{SE}{4}$ Sec. 34 (R-6327, 5-1-80)

Ext: $\frac{SW}{4}$ Sec. 34 ~~Ext~~ $\frac{E}{2}$ Sec. 35 (R-6421, 8-1-80) Ext: $\frac{1}{2}$ sec 25, $\frac{SE}{4}$ sec 32, $\frac{NE}{4}$ sec 33 (R-6886, 1-22-82)

Ext: $\frac{SW}{4}$ Sec. 26, $\frac{SE}{4}$ Sec. 27, $\frac{NE}{4}$ Sec. 34, $\frac{NW}{4}$ Sec. 36 (R-7046, 8-6-82)

Ext: $\frac{SW}{4}$ Sec. 28, $\frac{NW}{4}$ Sec. 33 (R-8417, 3-24-87) REDESIGNATED (R-8769, 10/1/88)

Ext: $\frac{SW}{4}$ Sec. 22, $\frac{W}{2}$ Sec. 27, $\frac{SE}{4}$ Sec. 28, $\frac{NW}{4}$ Sec. 34 (R-11115, 1-7-99)

Ext: $\frac{NW}{4}$ Sec. 26, $\frac{NE}{4}$ Sec. 27 (R-11445, 9-5-00)

Ext: $\frac{1}{2}$ Sec. 11, All Secs. 14 and 23, $\frac{1}{2}$ Sec. 24, $\frac{1}{2}$ Sec. 25, $\frac{NE}{4}$ Sec. 26 (R-11540, 2-26-01)

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION COMMISSION OF THE
STATE OF NEW MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 224
ORDER NO. R-24

THE APPLICATION OF AMERADA PETROLEUM CORPORATION FOR AN ORDER FOR FINAL APPROVAL OF THE ALLISON UNIT AGREEMENT EMBRACING LANDS LOCATED AS DESCRIBED IN THE APPLICATION IN TOWNSHIP 32 NORTH, RANGE 6 WEST, AND TOWNSHIP 32 NORTH, RANGE 7 WEST, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO, AND OTHER LANDS LOCATED IN THE STATE OF COLORADO, ALL CONTAINING 13,774.22 ACRES.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause coming on for hearing at 10:00 o'clock a.m., on the 14th day of June, 1950 before the Oil Conservation Commission pursuant to notice heretofore duly given by said Commission;

The Commission having heard and considered testimony adduced at said hearing, being fully advised in said premises:

FINDS that the Allison Unit Plan will in principle tend to promote the conservation of oil and gas, and a prevention of waste;

IT IS THEREFORE ORDERED:

That the order herein shall be known as the:

"ALLISON UNIT AGREEMENT ORDER"

SECTION 1. (a) That the Unit herein shall be known as the Allison Unit Agreement, and shall hereinafter be referred to as the Unit.

(b) That the plan by which the unit shall be operated shall be embraced in the form of unit agreement for the development and operation of the Allison Unit Area referred to in the petitioner's petition and filed with said petition, and such plan shall be known as the Allison Unit Agreement Plan.

SECTION 2. That the Allison Unit Agreement Plan shall be and is hereby approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions, contained in said Unit Agreement, this approval of said agreement shall not be considered as waiving or relinquishing in any manner any rights, duties or obligations which are now or may hereafter be vested in the New Mexico Oil Conservation Commission by law relative to the supervision and control of operations for exploration and development of any lands committed to said Allison Unit Agreement or relative to the production of oil and gas therefrom.

SECTION 3. (a) That the Unit Area shall be:

NEW MEXICO PRINCIPAL MERIDIAN

TOWNSHIP 32 NORTH, RANGE 6 WEST, N.M.P.M., NEW MEXICO

	<u>ACRES</u>
Section 7: Lots 1,2,3,4,5,6,7; SE/4 NW/4 E/2 SW/4; S/2 NE/4; SE/4 All	549.74
" 8: Lots 1,2,3,4; S/2 N/2; S/2	544.82
" 9: SW/4	160.00
" 16: W/2	320.00
" 17: All	640.00
" 18: Lots 1,2,3,4; E/2 W/2; E/2 All	637.82
" 19: Lots 1,2,3,4; E/2 W/2; E/2 All	636.83
" 20: All	640.00
" 21: W/2	320.00
" 28: W/2	320.00
" 29: All	640.00
" 30: Lots 1,2,3,4; E/2 W/2; E/2 All	634.42
" 31: Lot 1; NE/4 NW/4; NE/4; N/2 SE/4	318.39

TOWNSHIP 32 NORTH, RANGE 7 WEST, N.M.P.M., NEW MEXICO

Section 9: Lots 1,2,3; SE/4; E/2 SW/4	298.15
" 10: Lots 1,2,3,4; S/2 (Fractional, All)	397.56
" 11: Lots 1,2,3,4; S/2 " "	398.25
" 12: Lots 1,2,3,4; S/2 " "	399.00
" 13: All	640.00
" 14: All	640.00
" 15: All	640.00
" 16: E/2	320.00
" 23: NW/4; E/2	480.00
" 24: All	640.00
" 25: NW/4; N/2 NE/4; S/2 NE/4	320.00
" 26: NE/4	160.00

TOWNSHIP 32 NORTH, RANGE 6 WEST, N.M.P.M., COLORADO

Section 19: Fractional, All	450.68
" 20: Lots 1,2,3,4; S/2 N/2; N/2 NE/4; N/2 NW/4 (Fractional, All)	448.96
" 21: Lots 1,2,3,4; S/2 N/2; NW/4 NW/4	328.40
" 22: Lots 1,2,3,4; SW/4 NE/4; S/2 NW/4	246.24

TOWNSHIP 32 NORTH, RANGE 7 WEST, N.M.P.M., COLORADO

Section 23: Lot 1; E/2 NE/4	119.60
" 24: Fractional, All	<u>475.36</u>

TOTAL ACRES 13,774.22

(b) The above reference to land in the State of Colorado shall not be construed as any attempt on the part of this Commission to exercise jurisdiction over such lands.

(c) The Unit area may be enlarged or diminished as provided in said Plan.

SECTION 4. That the Unit operator shall file with the Commission an executed original, or executed counterparts thereof, of the Allison Unit Agreement not later than 30 days after the effective date thereof.

SECTION 5. That any party owning rights in the unitized substances who does not commit such rights to said Unit Agreement before the effective date thereof may thereafter become a party thereto by subscribing to such Agreement or a counterpart thereof. The Unit Operator shall file with the Commission within 30 days an original of any such counterpart.

SECTION 6. That the order herein shall become effective on the first day of the calendar month next following the approval of Commissioner of Public Lands and the Secretary of the Interior and shall terminate ipso facto on the

termination of said Unit Agreement. The last Unit Operator shall immediately notify the Commission in writing of such termination.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

THOMAS J. MABRY, CHAIRMAN

GUY SHEPARD, MEMBER

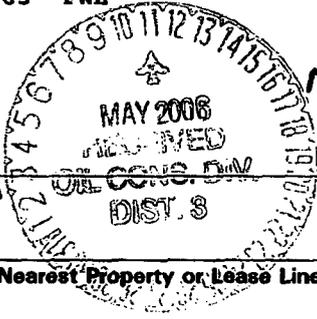
R. R. SPURRIER, SECRETARY

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

2006 APR 20 PM 2:49

<p>1a. Type of Work DRILL</p>	<p>5. Lease Number RECEIVED 078483A USA SF-078083-A Unit Reporting Number NM NM-0783272C</p>
<p>1b. Type of Well GAS</p>	<p>6. If Indian, All. or Tribe</p>
<p>2. Operator BURLINGTON RESOURCES Oil & Gas Company</p>	<p>7. Unit Agreement Name Allison Unit</p>
<p>3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700</p>	<p>8. Farm or Lease Name</p> <p>9. Well Number 77</p>
<p>4. Location of Well Unit M (SWSW), 375' FSL, 865' FWL Latitude 36° 59.4181 Longitude 107° 31.4074</p>	<p>10. Field, Pool, Wildcat Los Pinos Frt Snd PC, South</p> <p>11. Sec., Twn, Rge, Mer. (NMPM) M Sec. 12, T32N, R7W API # 30-045-33659</p>
<p>14. Distance in Miles from Nearest Town</p>	<p>12. County San Juan 13. State NM</p>
<p>15. Distance from Proposed Location to Nearest Property or Lease Line 375'</p>	<p>17. Acres Assigned to Well 175.7 W/2 PC 169.35</p>
<p>16. Acres in Lease</p>	<p>20. Rotary or Cable Tools Rotary</p>
<p>18. Distance from Proposed Location to Nearest Well, Drfg. Compl. or Applied for on this Lease 53' - Allison Unit #13</p>	<p>22. Approx. Date Work will Start</p>
<p>19. Proposed Depth 3423'</p>	<p>22. Approx. Date Work will Start</p>
<p>21. Elevations (DF, FT, GR, Etc.) 6591'</p>	<p>22. Approx. Date Work will Start</p>
<p>23. Proposed Casing and Cementing Program See Operations Plan attached</p>	<p>22. Approx. Date Work will Start</p>
<p>24. Authorized by: <u><i>Patsy Chugh</i></u> Sr. Regulatory Specialist</p>	<p><u><i>3/20/06</i></u> Date</p>



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.

NMOCDO

DISTRICT I
1626 N. French Dr., Hobbs, N.M. 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-10
Revised August 15, 2006

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

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

DISTRICT III
1000 Eho Bressow Rd., Aztec, N.M. 87410

OIL CONSERVATION DIVISION
2040 South Pacheco,
Santa Fe, NM 87505

MAR 20 PM 2 49

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87506

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-33659		*Pool Code 80690	*Pool Name Los Pinos; Frt Snd PC, South
*Property Code 6784	*Property Name ALLISON UNIT		*Well Number 77
*OGRD 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	7	375'	SOUTH	665'	WEST	SAN JUAN

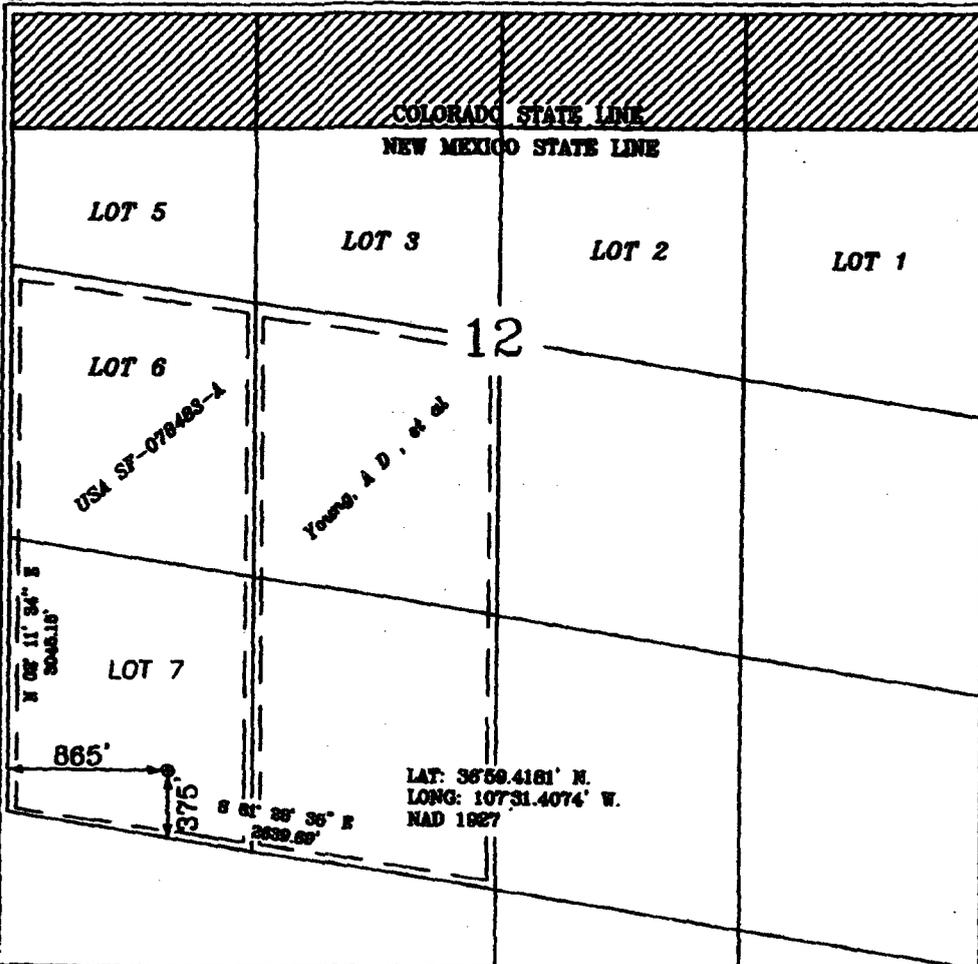
11 Bottom Hole Location if Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
21									

*Dedicated Acres: PC 175.7 ac w2 169.35
**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



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: 2/14/2006
Signature: *Alan Russell*
GLEN NEW MEXICO 15703
LICENSED PROFESSIONAL SURVEYOR
Certificate Number: 15703

Submit 3 Copies To Appropriate District Office

State of New Mexico

Form C-103

Energy, Minerals and Natural Resources

May 27, 2004

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

WELL API NO. 30-045-33659
5. Indicate Type of Lease STATE [] FEE []
6. State Oil & Gas Lease No. USA SF-078483-A
7. Lease Name or Unit Agreement Name Allison Unit
8. Well Number 77
9. OGRID Number 14538
10. Pool name or Wildcat Los Pinos Frt Snd PC, South

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)
1. Type of Well: Oil Well [] Gas Well [X] Other
2. Name of Operator BURLINGTON RESOURCES OIL & GAS COMPANY LP
3. Address of Operator 3401 E. 30TH STREET, FARMINGTON, NM 87402
4. Well Location Unit Letter M : 375' feet from the South line and 865' feet from the West line
Section 12 Township 32N Rng 7W NMPM County San Juan
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6591'
Fit or Below-grade Tank Application [] or Closure []
Pit type new drill Depth to Groundwater >100' Distance from nearest fresh water well >1000' Distance from nearest surface water >1000'
Pit Liner Thickness: n/a mil Below-Grade Tank: Volume bbls; Construction Material

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK [] PLUG AND ABANDON [] REMEDIAL WORK [] ALTERING CASING []
TEMPORARILY ABANDON [] CHANGE PLANS [] COMMENCE DRILLING OPNS. [] P AND A []
PULL OR ALTER CASING [] MULTIPLE COMPL [] CASING/CEMENT JOB []
OTHER: New Drill Pit [X] OTHER: []

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

New Drill, Unlined:

Burlington Resources proposes to construct a new drilling pit and an associated vent/flame pit. Based on Burlington's interpretation of the Ecosphere's risk ranking criteria, the new drilling pit and vent/flame pit will be an unlined pit as detailed in Burlington's Revised Drilling / Workover Pit Construction / Operation Procedures dated November 11, 2004 on file at the NMOCD office. A portion of the vent/flame pit will be designed to manage fluids, and that portion will be unlined, as per the risk ranking criteria. Burlington Resources anticipates closing these pits according to the Drilling / Workover Pit Closure Procedure dated August 2, 2004 on file that the NMOCD office.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines [], a general permit [X] or an (attached) alternative OCD-approved plan [].

SIGNATURE Patsy Clugston TITLE Sr. Regulatory Specialist DATE 2/23/2006

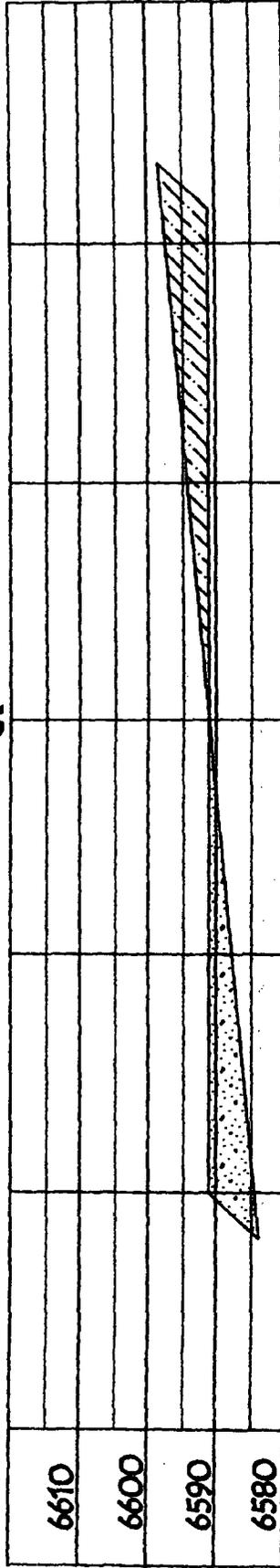
Type or print name Patsy Clugston E-mail address: pclugston@br-inc.com Telephone No. 505-326-9518

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 69 DATE MAY 11, 2006

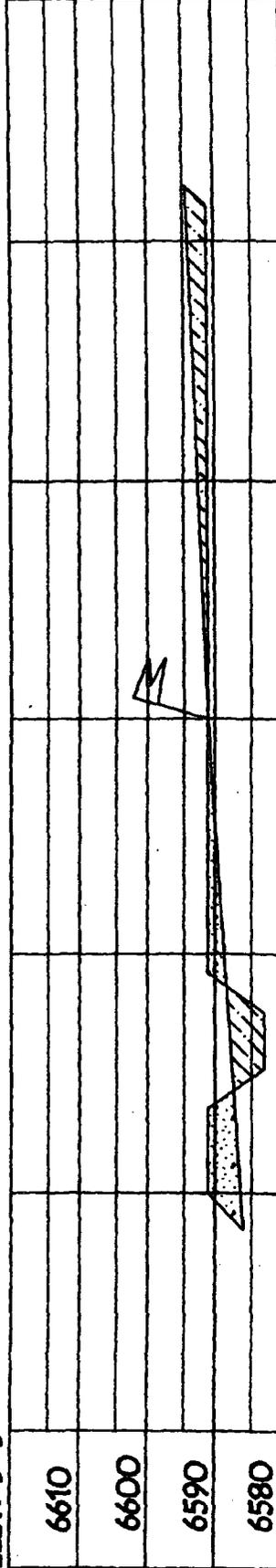
Conditions of Approval (if any):

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

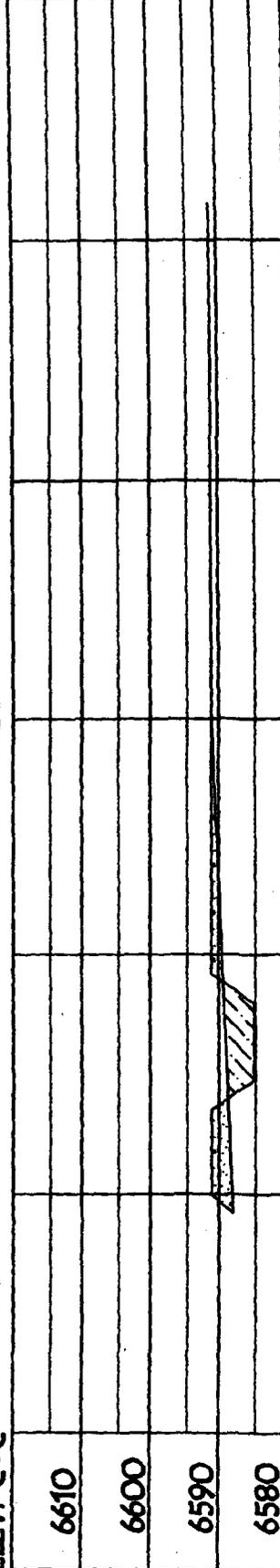
ELEV. A'-A



ELEV. B'-B



ELEV. C'-C



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.

March 1, 2006

OPERATIONS PLAN

Well Name: Allison Unit #77
Location: Unit M (SWSW) 375' FSL & 865' FWL, Section 12, T32N, R7W
 San Juan County, New Mexico
 Latitude 36° 59.4181'N; Longitude 107° 31.4074'W
Formation: Los Pinos Frt Sand PC, South
Elevation: 6591' GR

Formation:	Top	Bottom	Contents
Surface	San Jose		
Ojo Alamo	2376'		
Kirtland	2433'	3113'	gas
T/Fruitland	3113'		gas
Pictured Cliffs	3223'		
Total Depth	3423'		

Logging Program: None

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis. Fluid Loss</u>
0- 120'	Spud-Mud/Air/Air Mist	8.4-8.9	40-50 no control
120-3423'	Non-dispersed	8.4-9.5	30-60 no control

Casing Program:

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csg. Size</u>	<u>Wt.</u>	<u>Grade</u>
8 1/4"	0 - 120'	7"	20.0#	J-55
6 1/2"	0 - 3423'	4 1/2"	10.5#	J/K-55

Tubing Program:

0 - 3423'	2 3/8"	4.7#	J-55
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Float Equipment: 7" surface casing - guide shoe. Centralizers will be run in accordance with Onshore Order #2.

4 1/2" production casing - float shoe and float collar on bottom. Centralizers run every third joint above shoe to the base of the Ojo Alamo @ 2433'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 2433'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Wellhead Equipment: 7" x 4 1/2" x 2 3/8" x 11" 2000 psi xmas tree assembly.

March 1, 2006

Cementing:

7" surface casing Pre-Set Drilled - Cement with Type I, II cement with 20% flyash mixed at 14.5 ppg, 1.61 cu ft per sack yield. (Bring cement to surface). Wait on cement for 24 hours for pre-set holes before pressure testing or drilling out from under surface.

7" surface casing - Cement with 42 sx Type III cement with 0.25 pps Celloflake, 3% CaCl. (54cu ft of slurry @ 1.28 yield). 200% excess, bring cement to surface. Wait on cement for 8 hrs for conventionally set holes before pressure testing or drilling out from under surface. WOC until cement establishes 250 psi compressive strength prior to NU of BOPE.

4 1/2" production casing - Cement with 189sx (402 cf of slurry @ 2.13 yield) Premium Lite with 3% calcium chloride, 5 pps LCM-1, and 1/4#/sack celloflake, 0.4% FL-52, & 0.4% SMS. Tail with 90sx (124 cf of slurry @ 1.38 yield) Type III cmt with 1% calcium chloride, 1/4#/sack Celloflake and 0.2% FL-52. Total of 526 cf - 50% excess to circulate to surface.

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~~^{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 1500 psi/30 min.

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

Pipe rams will be actuated at 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 Fruitland Sands PC formation will be completed.
- * Anticipated pore pressure for the Fruitland is between 600 - 700 psi.
- * This gas is dedicated.
- * The SW/4 of the section is dedicated to Fruitland Sands PC.
- * New casing will be utilized.
- * Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.

Adam M. [Signature]
Drilling Engineer

3/1/2006
Date