State of New Mexico

Form C-101 Permit 118124

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | or Name and Address RCES OIL & GAS COMPANY LP | 2. OGRID Number 14538 |
|-----------------------|--|--------------------------|
| 3401 E. 30TH STREET | | 3. API Number |
| FARMINGTON , NM 87402 | | 30-045-35186 |
| 4. Property Code | 5. Property Name | 6. Well No. |
| 6849 | BROOKHAVEN COM | 007B |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|----------|
| H | 36 | 27N | 08W | H | 1689 | N | 931 | E | SAN JUAN |

8. Pool Information

| BLANCO-MESAVERDE (PRORATED GAS) | 72319 |
|---------------------------------|-------|
| BASIN DAKOTA (PRORATED GAS) | 71599 |

Additional Well Information

| 9. Work Type 10. Well Type New Well GAS 14. Multiple 15. Proposed Depth Y 6688 | | e 11. Cable/Rotary | 12. Lesse Type State | 13. Ground Level Elevation 5991 | | |
|--|-------|--------------------------------------|-------------------------|------------------------------------|--|--|
| | | epth 16. Formation Dakota Formation | | | | |
| Depth to Ground | water | Distance from nearest fresh water | well | Distance to nearest surface water | | |
| Liner: Synthetic Closed Loop Syste | mils | thick Clay Pit Volume: bbls | Drilling Method: | Diesel/Oil-based Gas/Air | | |

19. Proposed Casing and Cement Program

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC | | | |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|--|--|--|
| Surf | 12.25 | 9.625 | 32.3 | 200 | 113 | 0 | | | |
| Int1 | 8.75 | 7 | 23 | 2357 | 628 | 0 | | | |
| Prod | 6.25 | 4.5 | 11.6 | 6688 | 589 | 2257 | | | |

Casing/Cement Program: Additional Comments

This is a Type 3 as indicated in the BR/COPC Master Drilling Plan. Cement volumes are indicated in cubic feet instead of sacks of cement. Production Casing cement will be circulated a minimum of 100' inside the Intermediate Casing String. The C144 & DHC will be submitted after the APD is approved.

Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|-----------|------------------|---------------|--------------|
| DoubleRam | 2000 | 2000 | Schafer |

| I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to | OIL CONSERVATION DIVISION Approved By: Charlie Perrin | | | | |
|--|--|--|--|--|--|
| NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan . | | | | | |
| Printed Name: Electronically filed by Patsy Clugston | Title: District Supervisor | | | | |
| Title: Senior Regulatory Specialist | Approved Date: 8/11/2010 Expiration Date: 8/11/2012 | | | | |
| Email Address: patsy.1.clugston@conocophillips.com | | | | | |
| Date: 7/30/2010 Phone: 505-326-9518 | Conditions of Approval Attached | | | | |

District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

District II

1301 W. Grand Ave., Artesia, NM 88210 Phone:(505) 748-1283 Fax:(505) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico

Form C-102 Permit 118124

Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr.

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | TIEDE DO CITITOTI IN D ITO | TELLION DEDICATION IN | | |
|------------------|------------------------------------|------------------------|-------------------|--|
| 1. API Number | 2. Pool Code | Name | | |
| 30-045-35186 | 72319 BLANCO-MESAVERI | | DE (PRORATED GAS) | |
| 4. Property Code | 5. Property Name BROOKHAVEN COM | | 6. Well No. | |
| 6849 | | | 007B | |
| 7. OGRID No. | 8. Opera | 9. Elevation | | |
| 14538 | BURLINGTON RESOURCE | S OIL & GAS COMPANY LP | 5991 | |

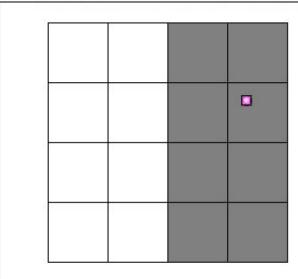
10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County | | |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|----------|--|--|
| H | 36 | 27N | 08W | | 1689 | N | 931 | E | SAN JUAN | | |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Township | Range | Lot | Idn | Feet From | N/S L | ine | Feet From | E/W Line | County |
|----------|-------------|----------|-------------------|-----|-----|-------------------|-------|-----|-----------|---------------|--------|
| | cated Acres | 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



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Patsy Clugston Title: Senior Regulatory Specialist

Date: 7/30/2010

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.

Surveyed By: Henry P Broadhurst, Jr.

Date of Survey: 12/8/2009 Certificate Number: 11393 District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

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Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr.

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

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|------------------|---------------------------------------|-----------------------|------------------|--|
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| 30-045-35186 | 71599 BASIN DAKOTA (5. Property Name | | A (PRORATED GAS) | |
| 4. Property Code | | | 6. Well No. | |
| 6849 | BROOKHA | VEN COM | 007B | |
| 7. OGRID No. | 8. Operato | 9. Elevation | | |
| 14538 | BURLINGTON RESOURCES | OIL & GAS COMPANY LP | 5991 | |

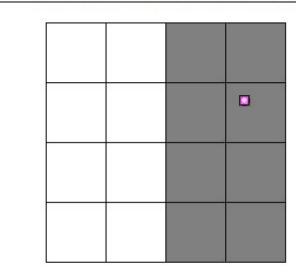
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|---|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|----------|---|--|
| , | Н | 36 | 27N | 08W | | 1689 | N | 931 | E | SAN JUAN | l | |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Township | | Range Lot | | Idn Feet From | | N/S Line | | Feet From | E/W Line | County |
|-------------------------------|---------|----------|---------------------|-----------|--|------------------------|--|----------|---------------|-----------|----------|--------|
| 12. Dedicated Acres 320.00 | | | 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



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Patsy Clugston Title: Senior Regulatory Specialist

Date: 7/30/2010

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.

Surveyed By: Henry P Broadhurst, Jr.

Date of Survey: 12/8/2009 Certificate Number: 11393

Permit Conditions of Approval

Operator: BURLINGTON RESOURCES OIL & GAS COMPANY LP, 14538
Well: BROOKHAVEN COM #007B

API: 30-045-35186

| OCD Reviewer | Condition |
|-----------------|---|
| SHAYDEN | A complete C-144 must be submitted to, and approved by, the NM OCD for: a pit, closed loop system, below grade tank, or proposed alternative method, pursuant to NMOCD part 16.15.17, prior to the use or construction of the above applications. |