

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	2004 JUN 25 PM 1 45 RECEIVED 070 FARMINGTON NM	5. Lease Number SF-079193 Unit Reporting Number MV-8910010510 DK-891001051B
1b. Type of Well GAS		6. If Indian, All. or Tribe
2. Operator BURLINGTON RESOURCES Oil & Gas Company		7. Unit Agreement Name San Juan 28-6 Unit
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700		8. Farm or Lease Name San Juan 28-6 Unit Well Number #127M
4. Location of Well SAG 1515' FSL, 1585' FEL BHL 1980/5 660/E Surface-Latitude 36°38.6218'N, Longitude 107°29.1760' Bottom Hole-Lat. 36°38.6983'N, Longitude 107°28.9865'		10. Field, Pool, Wildcat Blanco Mesaverde/Basin Dakota 11. Sec., Twn, Rge, Mer. (NMPM) W J Sec. 20, T28N, R06W W API # 30-039- 27815
14. Distance in Miles from Nearest Town 16 miles to Gobernador		12. County Rio Arriba ✓
15. Distance from Proposed Location to Nearest Property or Lease Line 1515'		13. State NM
16. Acres in Lease		17. Acres Assigned to Well 320 E/2
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 75'		
19. Proposed Depth 8193'		20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 6513' GR		22. Approx. Date Work will Start
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Joni Clark</u> Regulatory/Compliance Specialist		<u>11/29/04</u> Date

PERMIT NO.

APPROVAL DATE

APPROVED BY Mike Beaman

TITLE ACTING AFM

DATE 11/3/04

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.

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

NMOCB

HOLD C104 FOR

Directional Survey
This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4

District II
PO Drawer DD, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

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

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

District IV
PO Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-27815		Pool Code 72319/71599	Pool Name Blanco Mesaverde/Basin Dakota
Property Code 7462	Property Name SAN JUAN 28-6' UNIT		Well Number 127M
GRID No. 14538	Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY, LP		Elevation 6513'

10 Surface Location

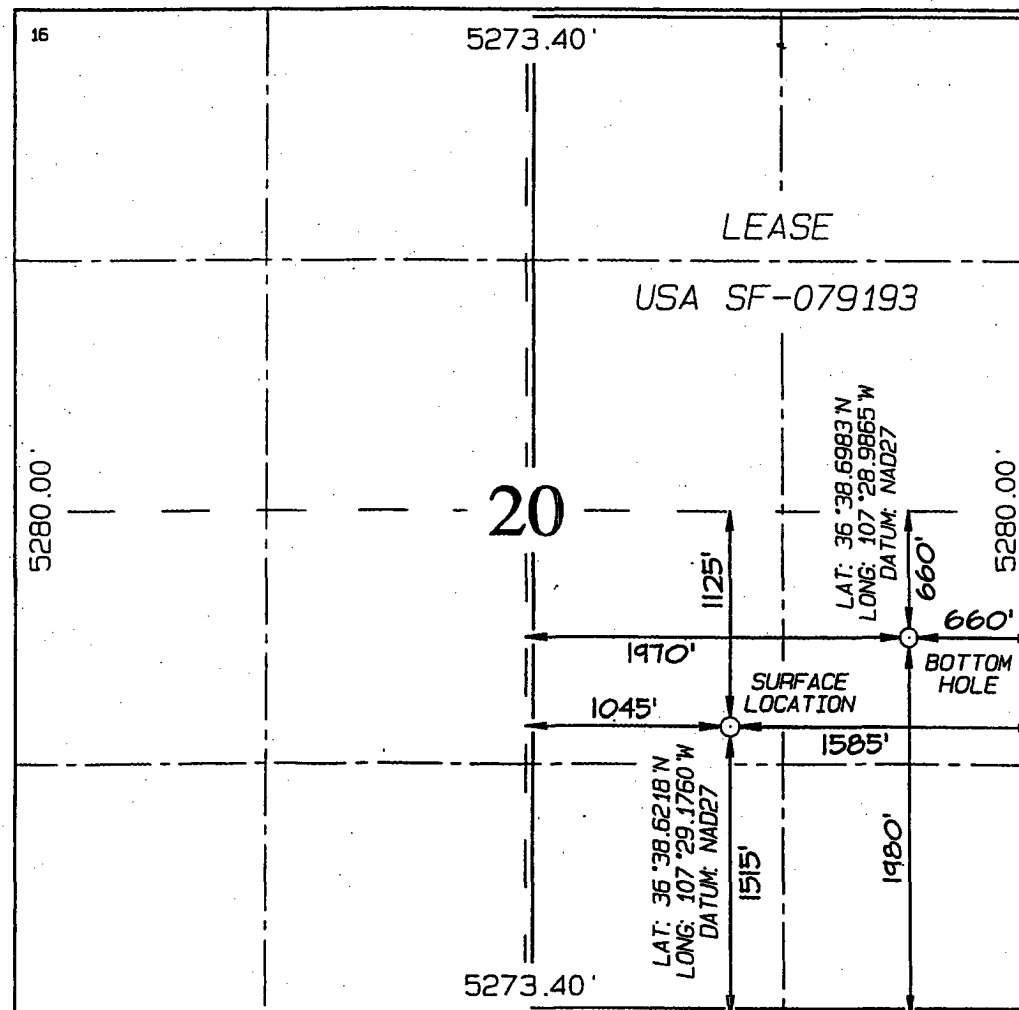
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	20	28N	6W		1515	SOUTH	1585	EAST	RIO ARriba

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
I	20	28N	6W		1980	SOUTH	660	EAST	RIO ARriba

12 Dedicated Acres MV-E/320 DK-E/320					13 Joint or Infill	14 Consolidation Code	15 Order No.
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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.

Joni Clark
Signature

Joni Clark
Printed Name

Regulatory Specialist
Title

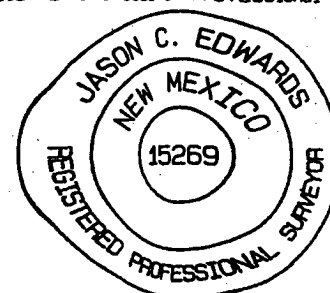
Date

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.

Survey Date: OCTOBER 23, 2003

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269

Submit 3 Copies To Appropriate District

Office

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

State of New Mexico

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-103

March 4, 2004

WELL API NO.

5. Indicate Type of Lease

STATE ☐

FEE ☐

6. State Oil & Gas Lease No.

SF-079193

7. Lease Name or Unit Agreement Name

San Juan 28-6 Unit

8. Well Number

#127M

9. OGRID Number

14538

10. Pool name or Wildcat

Blanco Mesaverde/Basin Dakota

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 ☒

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 I : 1515 feet from the South line and 1585 feet from the East line

Section 20 Township 28N Range 6W NMPM County Rio Arriba

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit Location: UL I Sect 20 Twp 28N Rng 6W Pit type New Drill Depth to Groundwater >100' Distance from nearest fresh water well >1000'

Distance from nearest surface water >1000' Below-grade Tank Location UL Sect Twp Rng ;

 feet from the line and feet from the line

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐

PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☐

PULL OR ALTER CASING ☐

MULTIPLE
COMPLETION ☐

OTHER:

New Drill Pit ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

PLUG AND
ABANDONMENT ☐

CASING TEST AND
CEMENT JOB ☐

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.

Burlington Resources proposes to construct a new drill pit. The new drill pit will be an unlined pit as detailed in Burlington's general plan dated April 26, 2004 on file at the NMOCD office. Burlington Resources anticipates closing the pit according to the general pit permit on file at 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 ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE

Joni Clark

TITLE Regulatory Specialist

DATE 6/25/2004

Type or print name

Joni Clark

E-mail address: jclark@br-inc.com

Telephone No. 505-326-9700

(This space for State use)

APPROVED BY

[Signature]

TITLE

DEPUTY OIL & GAS INSPECTOR, DIST. 68

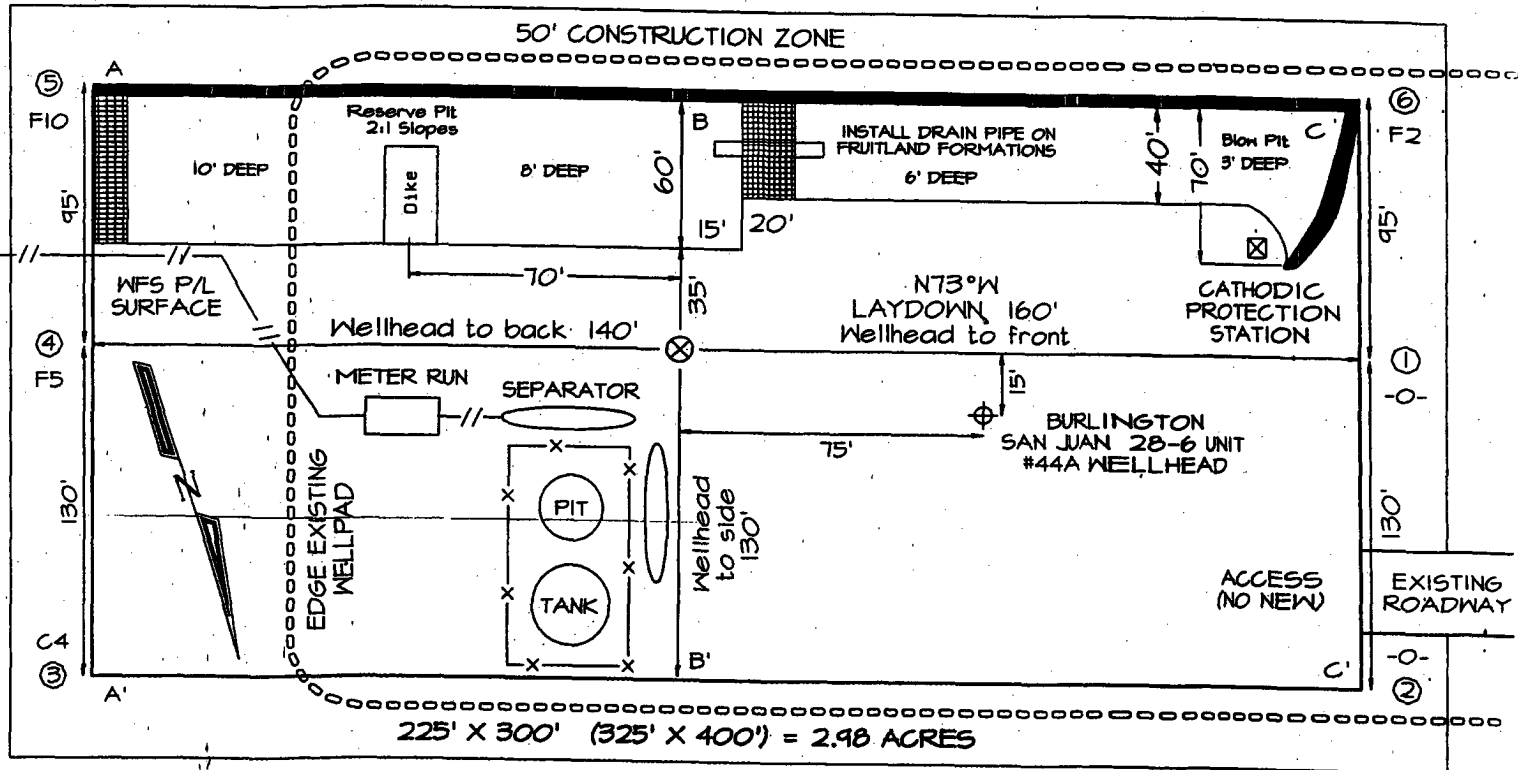
DATE

Conditions of approval, if any:

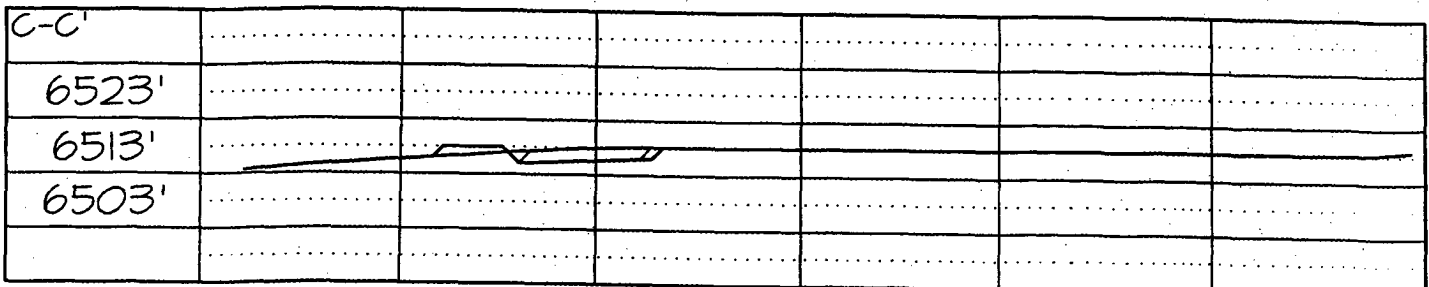
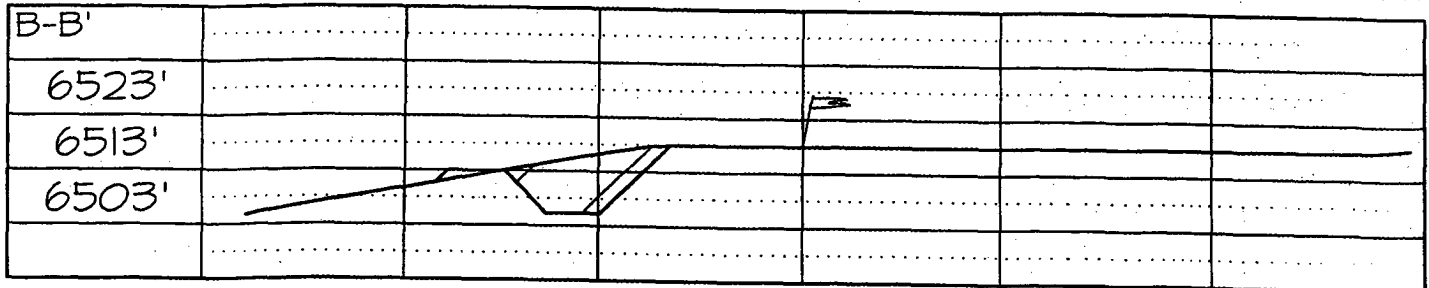
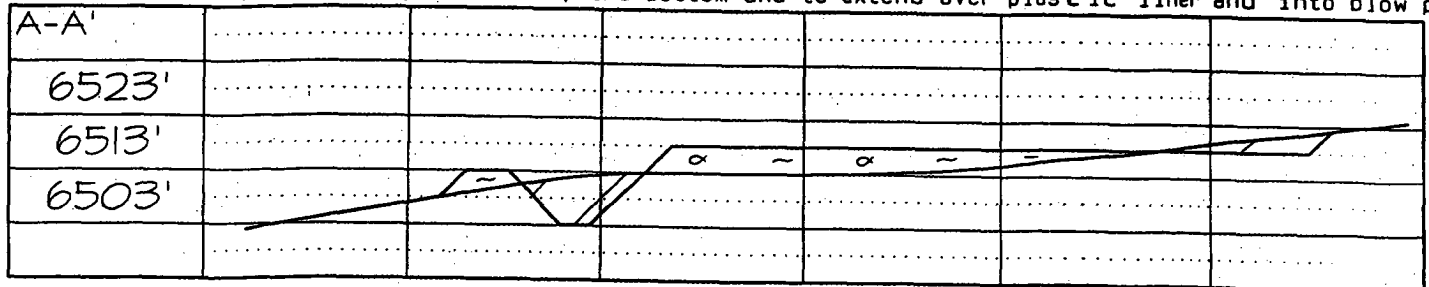
NOV - 8 2004

PLAT 1
 SAN JUAN 28-6 UNIT #127M, 1515' FSL & 1585' FEL
 SECTION 20, T28N, R6W, NMPM, RIO ARriba COUNTY, NM
 GROUND ELEVATION: 6513' DATE: OCTOBER 23, 2003

LA TTITUDE: 36°38'37"
 LONGITUDE: 107°29'11"
 DATUM: NAD1927



Reserve Pit Dike: to be 8' above Deep side (overflow ~ 3' wide and 1' above shallow side).
 Blow Pit: overflow pipe halfway between top and bottom and to extend over plastic liner and into blow pit



Note: 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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on Wells

2004 OCT 26 PM 1 45

1. Type of Well

GAS

2. Name of Operator

BURLINGTON

RESOURCES OIL & GAS COMPANY

3. Address & Phone No. of Operator

PO Box 4289, Farmington, NM 87499 (505) 326-9700

4. Location of Well, Footage, Sec., T, R, M

Surface 1515' FSL, 1585' FEL, Sec. 20, T28N, R6W, NMPM

Bottom Hole: 2274' FSL, 95' FEL, Sec. 20, T28N, R6W

5. Lease Number

SF-079193

6. If Indian, All. or

Tribe Name

7. Unit Agreement Name

San Juan 28-6 Unit

8. Well Name & Number

San Juan 28-6 Unit #127M

9. API Well No.

30-039- 27815

10. Field and Pool

Blanco Mesaverde/Basin Dakota

11. County and State

Rio Arriba Co, NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment

Type of Action

☐ Abandonment☐ Recompletion☐ Plugging Back☐ Casing Repair☐ Altering Casing☒ Other☐ Change of Plans☐ New Construction☐ Non-Routine Fracturing☐ Water Shut off☐ Conversion to Injection

13. Describe Proposed or Completed Operations

The bottom hole location has been changed on the above referenced well from:

1980' FSL, 660' FEL

TO:

2274' FSL, 95' FEL, Section 20, T28N, R6W, NMPM

14. I hereby certify that the foregoing is true and correct.

Signed

Title Regulatory Specialist Date 10/26/04

(This space for Federal or State Office use)

APPROVED BY

CONDITION OF APPROVAL, if any:

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 representations as to any matter within its jurisdiction.

NMOCD

District I.
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer 00, Artesia, NM 88211-0719

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

2004 OCT 26 PM 1 46

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

RECEIVED
WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039	*Pool Code 72319/71599	*Pool Name Blanco Mesaverde/Basin Dakota
*Property Code 7462	*Property Name SAN JUAN 28-6 UNIT	*Well Number 127M
*GRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY, LP	*Elevation 6513

¹⁰ Surface Location

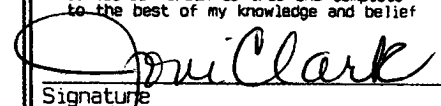
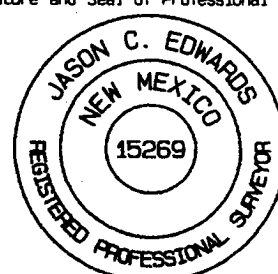
UL or lot no. J	Section 20	Township 28N	Range 6W	Lot Idn	Feet from the 1515	North/South line SOUTH	Feet from the 1585	East/West line EAST	County RIO ARriba
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. I	Section 20	Township 28N	Range 6W	Lot Idn	Feet from the 2274	North/South line SOUTH	Feet from the 95	East/West line EAST	County RIO ARriba
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¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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	5273.40'	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature Joni Clark Printed Name Regulatory Specialist Title 10-26-04 Date
5280.00'	LEASE USA SF-079193	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 Revised: JULY 27, 2004 Survey Date: OCTOBER 23, 2003 Signature and Seal of Professional Surveyor  JASON C. EDWARDS Certificate Number 15269
5280.00'	20 2535' 1045' 1125' 1515' 366' 2274' 5273.40'	BOTTOM-HOLE LAT: 36°38.7466' N LONG: 107°28.8711' W DATUM: NAD27 SURFACE LOCATION LAT: 36°38.6218' N LONG: 107°29.1760' W DATUM: NAD27

OPERATIONS PLAN

Well Name: San Juan 28-6 Unit #127M
Location: Surface - 1515' FSL, 1585' FEL, Section 20, T-28-N, R-6-W
Bottom Hole - 2274' FSL, 95' FEL
Rio Arriba County, New Mexico
Surface - Latitude 36° 38.62'N, Longitude 107° 29.18'W
Formation: Blanco Mesa Verde/Basin Dakota
Elevation: 6513' GL

2004 OCT 26 PM 1 46

RECEIVED
OTO FARMINGTON NM

<u>Formation Tops:</u>	<u>TMD</u> <u>Top</u>	<u>TVD</u> <u>Top</u>	<u>TMD</u> <u>Bottom</u>	<u>Contents</u>
Surface	San Jose		2488'	
Ojo Alamo	2518'	2488'	2625'	aquifer
Kirtland	2660'	2625'	2977'	gas
Fruitland	3025'	2977'	3310'	
Pictured Cliffs	3369'	3310'	3477'	gas
Lewis	3542'	3477'	3906'	gas
Huerfanito Bentonite	3986'	3906'	4269'	gas
Chacra	4466'	4269'	4868'	gas
UpperCliff House	4982'	4868'	5059'	
Massive Cliff House	5180'	5059'	5130'	
Menefee	5253'	5130'	5492'	gas
Point Lookout	5629'	5492'	5995'	gas
Mancos	6149'	5995'	6723'	gas
Gallup	6903'	6723'	7456'	gas
Greenhorn	7661'	7456'	7518'	gas
Graneros	7725'	7518'	7558'	gas
Dakota	7768'	7558'	7668'	gas
Upper Cubero	7881'	7668'	7703'	
Lower Cubero	7917'	7703'	77783'	
Oak Canyon		7783'		
TD	8010	7793'		

Logging Program:

Cased Hole - CBL-GR-TD to surface

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	<u>Fluid Loss</u>
0- 500'	Spud	8.4-9.0	40-50	no control
500- 8010'	Non-dispersed	8.4-9.0	30-60	less than 8

Drilling:

Surface Hole:

Drill to surface casing point of 500' and set 9 5/8" casing.

Production Hole:

Mud drill to kick off point of 1300'. At this point the well will be directionally drilled by building 3.0 degrees per 100' with an azimuth of 63 degrees. The end of the build will be at a TVD of 1794', a TMD of 1800', hd of 65' and an angle of 15 degrees. This angle and azimuth will be held to a total depth of 7793' TVD and 8010' TMD.

Materials:

Casing program:

<u>Hole Size</u>	<u>Interval</u>	<u>Size</u>	<u>Weight</u>	<u>Vis.</u>
	<u>TMD</u>	<u>TVD</u>		
12 1/4"	500'	500'	9 5/8"	32.3# H-40
7 7/8"	5000'	5000'	4 1/2"	10.5# J-55
7 7/8"	8010'	7793'	4 1/2"	11.6# L-80

Tubing Program:

2 3/8" 0' 7793' 2 3/8" 4.7# J-55

Wellhead Equipment

9 5/8" x 4 1/2" x 2 3/8" - 11" (2000 psi) wellhead assembly

Cementing:

9 5/8" surface casing conventionally drilled -
Cement with 220 sacks Type III cement with 0.25 pps Celloflake, 3% calcium chloride. (282 cu ft-200% excess, bring cement to surface). Wait on cement appropriate time until cement achieves 250 psi compressive strength at 60 degrees F. prior to nipple up of BOPE. Wait on cement for 8 hrs for conventionally set holes before pressure testing or drilling out from under surface.

Saw tooth guide shoe on bottom. Bowspring centralizers will be run in accordance with Onshore Order #2.

4 1/2" production casing - Lead w/1288 sxs Premium Lite HS FM cement w/3% calcium chloride, 0.25 pps celloflake, 5 pps LCM-1, 0.4% fluid loss, 0.4% SMS. Tail w/90 sxs Type III cmt w/1% calcium chloride, 0.25 pps celloflake, 0.2% fluid loss (2869 cu ft, 50% excess to circulate to surface). If cement does not circulate to surface, a CBL or a temperature survey will be run to determine TOC.

4 1/2" production casing alternative slurry- stage collar @ 5558' TMD'. First stage: pump 396 sxs Premium Lite HS FM w/ 3% calcium chloride, 0.25 pps celloflake, 5 pps LCM-1, 0.4% fluid loss, 0.4% SMS. Tail with 90 sxs Type III cmt w/1% calcium chloride, 0.25 pps celloflake, 0.2% fluid loss. Second stage: pump 891 sxs Premium Lite w/3% calcium chloride, 0.25 pps celloflake, 5 pps LCM-1, 0.4% fluid loss, 0.4% SMS (2869 cu ft of slurry, 50% excess).

BOP and Tests:

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

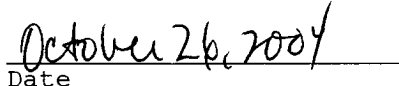
Surface to Total Depth - choke manifold (Reference Figure #2).

Pipe rams will be actuated at least once each day and blind rams will be actuated once each trip to test proper functioning. A Kelly cock valve and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

Additional Information:

- This gas is dedicated
- The east half of section 20 is dedicated to the Mesaverde and Dakota of this well.
- New casing will be utilized.
- Pipe movement (reciprocation) will be done if hole conditions permit.
- No abnormal pressure zones are expected.


Drilling Engineer

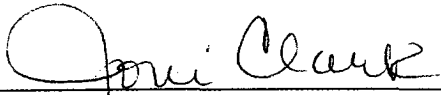

Date

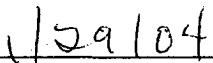
MULTI-POINT SURFACE USE PLAN

San Juan 28-6 Unit #127M

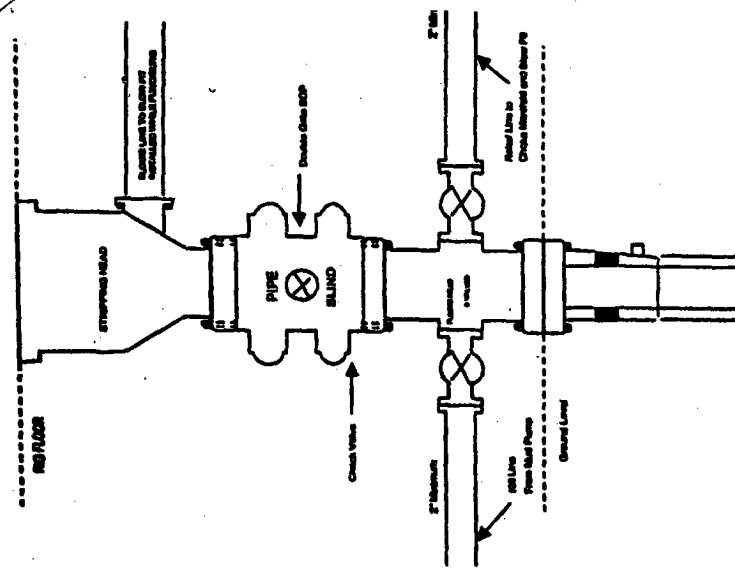
See San Juan 28-6 Unit Master Multi-point Surface Use Plan

- Anticipated pipeline facilities as shown on the attached plat from Williams Field Services.
- No new road will be built.
- Water Supply from San Juan 29-6 Water Well #1 in located in SW/4 Section 28, T-29-N, R-6-W, New Mexico.
- Surface Ownership: Bureau of Land Management
- Use existing slopes and diversions.
- Place large rock at bottom of fill slopes.
- Redefine existing diversions at bottom of existing slopes.
- BLM seed mix #2 at reclamation.
- Pits will be built 50% in cut.
- Any new slopes built at 3 to 1.
- Drop gravel in roadway (key hole areas) on location when setting production equipment per D. Schreiber.
- Archaeological Resources: See Archaeological Survey technical report #2003-28 from Aztec Contract Archaeology.


Regulatory Supervisor


Date

BURLINGTON RESOURCES
Completion/Workover Rig
BOP Configuration
2,000 psi System

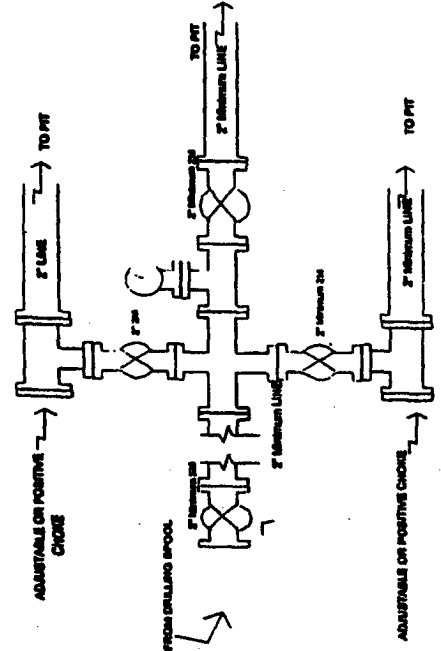


Minimum BOP Installation for all Completion/Workover Operations. 7-1/16" bore, 2000 psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A stripping head to be installed on the top of the BOP. All BOP equipment is 2000 psi working pressure or greater excluding 500 psi stripping head.

Figure #2

4-20-01

BURLINGTON RESOURCES
Drilling Rig
Choke Manifold Configuration
2000 psi System

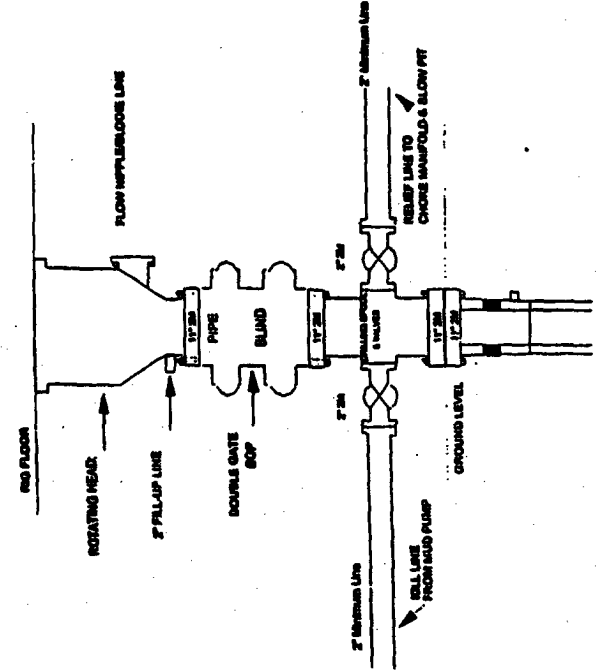


Choke manifold installation from Surface Casing Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure #3

4-20-01

Burlington Resources
Drilling Rig
2000 psi System



BOP Installation from Surface Casing Point to Total Depth. 11" Bore 10" Nominal, 2000 psi working pressure double gate BOP to be equipped with blind rams and pipe rams. A 500 psi ramming head on top of ram preventers. All BOP equipment is 2,000 psi working pressure.

Figure #1