UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

a.	Type of Work	5. Lease Number
••	DRILL	NMSF078358
		Unit Reporting Number
b.	Type of Well	6. If Indian, All. or Tribe
	GAS	
	Operator BURLINGTON On 2005	7. Unit Agreement Name
	RESOURCES Oil & Gas Company	Huerfanito Unit
3.	Address & Phone No. of Operator PO Box 4289, Farmington, N. 87499	8. Farm or Lease Name
	William CO 19	9. Well Number
_	(505) 326-9700	#175
4.	Location of Well Unit O (SWSE), 740' FSL & 1640' FEL,	10. Field, Pool, Wildcat Basin Fruitland Coal
	onic o (5052), 710 152 a 1510 122,	***************************************
	Latitude 36° 32.4536'N	11. Sec., Twn, Rge, Mer. (NMPM) Sec. 26, T27N, R9W
	Longitude 107° 45.2430'W	
		API# 30-045- 33063
14.	Distance in Miles from Nearest Town	12. County 13. State
	5.4 miles	
	5.4 miles	San Juan NM
15.	Distance from Proposed Location to Nearest Property or Lea 740'	
	Distance from Proposed Location to Nearest Property or Lea 740' Acres in Lease	
6.	Distance from Proposed Location to Nearest Property or Lea 740' Acres in Lease Fig. Distance from Proposed Location to Nearest Well, Drlg, Com	ase Line 17. Acres Assigned to Well 17. C - 320 E/2; PC & FS - 160 SE/4
18.	Distance from Proposed Location to Nearest Property or Lea 740' Acres in Lease Fig. Distance from Proposed Location to Nearest Well, Drlg, Com 1050' - Huerfanito Unit #79M	17. Acres Assigned to Well 17. C - 320 E/2; PC & FS - 160 SE/4 10. or Applied for on this Lease
16.	Distance from Proposed Location to Nearest Property or Lea 740' Acres in Lease Fig. Distance from Proposed Location to Nearest Well, Drlg, Com	ase Line 17. Acres Assigned to Well 17. C - 320 E/2; PC & FS - 160 SE/4
16. 18.	Distance from Proposed Location to Nearest Property or Lea 740' Acres in Lease Fig. Distance from Proposed Location to Nearest Well, Drlg, Com 1050' — Huerfanito Unit #79M Proposed Depth	17. Acres Assigned to Well C - 320 E/2; PC & FS - 160 SE/4 apl, or Applied for on this Lease 20. Rotary or Cable Tools
16. 18. 19.	Distance from Proposed Location to Nearest Property or Lea 740' Acres in Lease Figure 1050' - Huerfanito Unit #79M Proposed Depth 2319'	17. Acres Assigned to Well C - 320 E/2; PC & FS - 160 SE/4 Apl, or Applied for on this Lease 20. Rotary or Cable Tools Rotary
16. 18. 19.	Distance from Proposed Location to Nearest Property or Lea 740' Acres in Lease Figure 1050' - Huerfanito Unit #79M Proposed Depth 2319' Elevations (DF, FT, GR, Etc.) 6247' GL Proposed Casing and Cementing Program	17. Acres Assigned to Well C - 320 E/2; PC & FS - 160 SE/4 Apl, or Applied for on this Lease 20. Rotary or Cable Tools Rotary
16. 18. 19. 21.	Distance from Proposed Location to Nearest Property or Lea 740' Acres in Lease Figure 1050' - Huerfanito Unit #79M Proposed Depth 2319' Elevations (DF, FT, GR, Etc.) 6247' GL	17. Acres Assigned to Well C - 320 E/2; PC & FS - 160 SE/4 Apl, or Applied for on this Lease 20. Rotary or Cable Tools Rotary
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16. 19. 21.	Distance from Proposed Location to Nearest Property or Lea 740' Acres in Lease Fig. Distance from Proposed Location to Nearest Well, Drlg, Com 1050' - Huerfanito Unit #79M Proposed Depth 2319' Elevations (DF, FT, GR, Etc.) 6247' GL Proposed Casing and Cementing Program See Operations Plan attached	17. Acres Assigned to Well 17. Acres Assigned to Well 17. Acres Assigned to Well 18. The control of the control
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16. 18. 19. 21. 23.	Distance from Proposed Location to Nearest Property or Lea 740' Acres in Lease Distance from Proposed Location to Nearest Well, Drlg, Com 1050' - Huerfanito Unit #79M Proposed Depth 2319' Elevations (DF, FT, GR, Etc.) 6247' GL Proposed Casing and Cementing Program See Operations Plan attached Authorized by: Sr. Regulatory Specialist	17. Acres Assigned to Well 12 320 E/2; PC & FS - 160 SE/4 14. Apply or Applied for on this Lease 20. Rotary or Cable Tools Rotary 22. Approx. Date Work will Start 24. Date
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NMOCN

DISTRICT I 1625 N. French Dr., Hobbs, N.M. 88240

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000

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

DISTRICT III 1000 Rio Brazos Rd., Aztec, N.M. 87410 OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

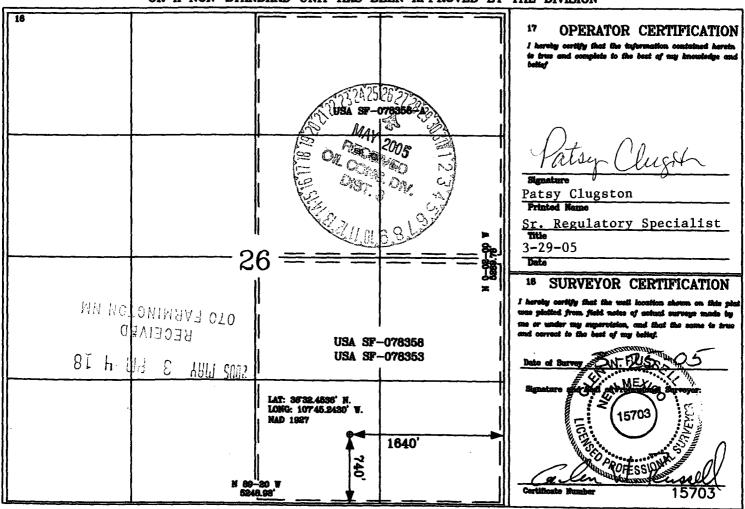
□ AMENDED REPORT

DISTRICT IV 2040 South Pacheco, Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

*Property Code **Pool Code 30-045-33063 71629/74280/97453 Basin Fruitland Coal/Aztec PC / WC#27NR9 **Property Code **Property Code **Property Code **Property Name **Prop									
30	-045-2	33.065	71629	/ 7128 0/	97453 Bas:	in Fruitland	Coal/ Azte	PC FYU	tiand Sand
⁴ Property Co	ode			72437 ⁶ Property Name		Digniosit		• Well Number	
	.38				HUERFANITO	UNIT		ļ. ļ	175
OGRED No					*Operator	Name			⁰ Elevation
14538			BURLIN	GTON RE	SOURCES OIL	AND GAS COMPA	NY LP		6247'
					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
0	26	27-N	9-W		740'	SOUTH	1640'	EAST	SAN JUAN
11 Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot kin	Feet from the	Horth/South line	Feet from the	East/West line	County
**Dedicated Acres FC-320 E/2 FS - 160 SE/4 PC - 160 SE/4		100	Joint or In	afil	¹⁴ Consolidation (¹⁵ Order No.	·	
		1.0	Joint or In	ıfiii	¹⁴ Consolidation (Code	¹⁵ Order No.	Ĺ.,	

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



Submit 3 Copies To Appropriate District Office	State of N	New Mexico		Form C-103
District I	Energy, Minerals	and Natural Resources		May 27, 2004
1625 N. French Dr., Hobbs, NM 88240	637		WELL API NO.	
District II 1301 W. Grand Ave., Artesia, NM 8821	0 OIL CONSERV	ATION DIVISION)-045-
District III		St. Francis Dr.	STATE STATE	FEE 🗍
1000 Rio Brazos Rd., Aztec, NM 87410		, NM 87505	6. State Oil & Gas Lease N	No.
District IV		,) I (CE	070050
1220 S. St. Francis Dr., Santa Fe, NM 8	7505 ICES AND REPORTS ON W	FLLS	7. Lease Name or Unit Agr	-078358 reement Name
(DO NOT USE THIS FORM FOR PROPOSAL			7. Doube i dine of other rigi	coment rame
DIFFERENT RESERVOIR. USE "APPLICAT	TION FOR PERMIT" (FORM C-101)	FOR SUCH	Huerfar	nito Unit
PROPOSALS.) 1. Type of Well:			8. Well Number	
Oil Well Gas Well X	Other		F .	.75
2. Name of Operator			9. OGRID Number	
	SOURCES OIL & GAS COM	PANY LP	10. Pool name or Wildcat	538
3. Address of Operator 3401 E. 30TH ST	REET, FARMINGTON, NM	87402		/ WC Fruitland Sands
4. Well Location	ACCES, THE MICH OF GIVE	. 07.102	J Duoin 1 O/ Times 1 O	We Hattaire Sures
Unit Letter O	740' feet from the	South line and 27N Range 9	1640' feet from the	<u>East</u> line
Section 26	Township 1. Elevation (Show whether Di		W NMPM Cou	inty San Juan
		6247' GL		100
Pit or Below-grade Tank Application	or Closure			
Pit typenew drillDepth to Ground	dwater >100' Distance from	m nearest fresh water well	>1000' Distance from near	rest surface water >1000'
Pit Liner Thickness: n/a	mil Below-Grade Ta	nnk: Volume	bbls; Construction Mate	erial
12. Check	Appropriate Box to Ir	ndicate Nature of N	otice, Report or Other l	Data
NOTICE OF	INTENTION TO:		SUBSEQUENT REP	PORT OF:
PERFORM REMEDIAL WORK	PLUG AND ABANDON		AL WORK	ALTERING CASING
TEMPORARILY ABANDON	CHANGE PLANS	— 1	NCE DRILLING OPNS.	P AND A
PULL OR ALTER CASING	MULTIPLE COMPL	L CASING	/CEMENT JOB	
OTHER: New	v Drill Pit	X OTHER:		
13. Describe proposed or comple				
	k). SEE RULE 1103. For M	ultiple Completions: Att	ach wellbore diagram of propo	sed completion
or recompletion.				
New Drill, Unlined:		`		
New Dim, Chimed.				
Burlington Resources proposes to	construct a new drilling pit an	d an associated vent/flare	pit. Based on Burlington's in	terpretation of the
Ecosphere's risk ranking criteria, t	he new drilling pit and vent/fla	are pit will be an unlined	pit as detailed in Burlington's	Revised Drilling / Workover
Pit Construction / Operation Proce				
manage fluids, and that portion wi			-	these pits according to the
Drilling / Workover Pit Closure Pr	ocedure dated August 2, 2004	on file that the NMOCL	office.	•
•				
Thomas and if that the information of	have to top and amorphism to t	h. h	11.1.6	
I hereby certify that the information a grade tank has been/will be constructed or c				
			11 or un (unuclicu) unternative och	approved plant
SIGNATURE		TITLE Sr.	Regulatory Specialist	DATE 4/1/2005
		-		
Type or print name Pats For State Use Only				
	sy Clugston E-ma	ail address: <u>pclugsto</u>	n@br-inc.com Telephone N	To. 505-326-9518
roi state use only	sy Clugston E-ma	-	-	A4 034 -
APPPROVED BY Conditions of Approval (if any)	sy Clugston E-ma	-	n@br-inc.com Telephone N GAS INSPECTOR, DIST. &	A4 034 -

BURLINGTON RESOURCES OIL & GAS COMPANY LP HUERFANITO UNIT 175, 740' FSL & 1640' FEL SECTION 26, T-27- N, R-9-W, NMPM, SAN JUAN COUNTY, NM GROUND ELEVATION: 6247', DATE: MARCH 18, 2005

ELEV. A'-A	5
6265	
6255	
6245	
6235	77 49 44
ELEV. B'-B	5
6265	
6255	<i>₹</i>
6245	
6235	
ELEV. C'-C	5
6265	
6255	
6245	
6235	

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

NIVINES OF CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PROR TO CONSTRUCTION.

WOTE: VECTOR SURVEYS IS NOT LIABLE FOR UNDERGROUND UTILITIES OR UNMARKED BUSIED

WOTE: VECTOR SURVEYS IS NOT LIABLE FOR UNDERGROUND UTILITIES OR UNMARKED BUSIED.

GAS COMPANY LP 740' FSL & 1640' FEL M. SAN JUAN COUNTY **20, CONSLIKACIJON SONE** BURLINGTON RESOUR 205' X 240 DIKE SECTION 26, **WILL**

LATITUDE: 36: 52.4536' LONGITUDÉ: 107.45.2430' NAD27

PEREVAE INL DIKE? JO DE 8, VROAE DEED RIDE (OAERFLOM - 3, MIDE VAD 1, VROAE RHVITOM RIDE).

OPERATIONS PLAN

Well Name:

Huerfanito Unit #175

Location:

Unit O, (SWSE) 740' FSL & 1640' FEL, Section 26, T27N, R9W

San Juan County, New Mexico

Latitude 36° 32.4536'N; Longitude 107° 45.2430'W

Formation:

Basin Fruitland Coal / Aztec Pictured Cliffs / WC Fruitland Sands

Elevation:

6247' GR

Formation:	Тор	Bottom Contents		
Surface	San Jose			
Ojo Alamo	1309	1364	aquifer	
Kirtland	1364	1939'	gas	
T/Fruitland	1939'		gas	
Pictured Cliffs	2119'		_	
Total Depth	2319'			

Note: The Total Depth for this well is into the Pictured Cliffs interval, but currently only have plans to complete the Fruitland Coal interval. We could in the near future perforate/stimulate the Pictured Cliffs interval, but only would once Regulatory approval was asked for and received.

Logging Program: None

Mud Program:

<u>Interval</u>	Type	<u>Weight</u>	Vis. Fluid Loss
0- 120'	Spudlair air-must	8.4-8.9	40-50 no control
120-2319'	Non-dispersed	8.4-9.5	30-60 no control

Casing Program:

<u>Hole Size</u>	Depth Interval	<u>Csg.Size</u>	<u>W†.</u>	<u>Grade</u>
8 3 "	0 - 120'	7"	20.0#	J-55
6 ¼"	0 - 2319'	4 1/2"	10.5#	J/K-55

Tubing Program:

0 - 2319'	2 3/8"	4.7#	J-55

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 @ 1364'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 1364'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Wellhead Equipment: $7" \times 4 \frac{1}{2}" \times 2 \frac{3}{8}" \times 11" 2000$ psi xmas tree assembly.

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. (54 cu 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 110 sx (236 cu ft 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 90 sacks (124 cu ft of slurry @ 1.38 yield) Type III cmt with 1% calcium chloride, 1/4#/sack Celloflake and 0.2% FL-52. Total of 360 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 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 Coal formation will be completed.
- Anticipated pore pressure for the Fruitland is between 600 700 psi.
- This gas is dedicated.
- New casing will be utilized.
- Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.
- The W/2 of the section is dedicated to the Fruitland Coal, and the SE/4 of the section is dedicated to the Fruitland Sands and Pictured Cliffs

Drilling Engineer Date

Completion/Workover Rig BOP Configuration 2,000 pai System

Burlington Resources

2000 psi System **Drilling Rig**

7

ROTATING HEAD:

2 MIT AN TIME

GROUND LEVEL

equipment with two chokes. Point to Total Depth. 2,000psi working pressure

Figure #3

4-20-01

Figure #1

pressure or greater excluding 500 pel stripping head.

Figure #2

the BCP. All BCP equipment is 2000 pal working

pipe rame. A stripping head to be installed on the top of

pressure double gate BCP to be equipped with blind and

Operations. 7-1/16" bore, 2000 pel minimum working

Minimum BOP installation for all Completion/Workover

4-20-01