

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 OCT 6 PM 2:28 RECEIVED 070 FARMINGTON	5. Lease Number SF-078505
1b. Type of Well GAS	6. If Indian, All. or Tribe	Unit Reporting Number
2. Operator BURLINGTON <i>Koch</i> RESOURCES Oil & Gas Company	7. Unit Agreement Name	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name Seymour	9. Well Number #722S
4. Location of Well <i>1400'</i> FNL, <i>1330'</i> FWL <i>880</i> <i>1035</i> Latitude 36° 53.1958' N, Longitude 107° 44.1470' W	10. Field, Pool, Wildcat Basin Fruitland Coal	11. Sec., Twn, Rge, Mer. (NMPM) 0 Sec. 24, T31N, R09W API # 30-045- <i>32608</i>
14. Distance in Miles from Nearest Town 18.3 miles to highway 550 and highway 173 in Aztec, NM	12. County San Juan	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1330'	17. Acres Assigned to Well W/2 314.74	
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 340'	20. Rotary or Cable Tools Rotary	
19. Proposed Depth 3353'	22. Approx. Date Work will Start	
21. Elevations (DF, FT, GR, Etc.) 6428' GR <i>6449</i>		
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <i>Joni Clark</i> Regulatory/Compliance Specialist	Date <i>10/6/04</i>	

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY *[Signature]* TITLE *AFM* DATE *6-27-05*

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".

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

NMOCDD

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, NM 87504-2088

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-32608		*Pool Code 71629	*Pool Name Basin Fruitland Coal
*Property Code 301240	*Property Name SEYMOUR		*Well Number 722S
*GRID No. 12807	*Operator Name KOCH EXPLORATION CO LLC		*Elevation 6449

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
D	24	31 N	9 W		880	NORTH	1035	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

*Dedicated Acres W/2 314.74	*Joint or Infill	*Consolidation Code	*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

<p>16</p> <p>5256.24'</p> <p>880'</p> <p>1035'</p> <p>S 89°26' W</p> <p>SECTION 24</p> <p>N 19°19' E</p> <p>S 89°36' W</p> <p>2604.36'</p>	<p>5225.88'</p> <p>5290.56'</p> <p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p>Signature Lance F. Harmon</p> <p>Printed Name Vice President - Land</p> <p>Title 3/30/05</p> <p>Date</p>

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.

5. Indicate Type of Lease

STATE ☐

FEE ☐

6. State Oil & Gas Lease No.

NMSF-078505

7. Lease Name or Unit Agreement Name

Seymour

8. Well Number

722S

9. OGRID Number

14538

10. Pool name or Wildcat

Basin Fruitland Coal

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 F : 1480 feet from the North line and 1375 feet from the West line

Section 24 Township 31N Range 9W NMPM County San Juan, NM

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 F Sect 24 Twp 31N Rng 9W 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 a lined pit as detailed in Burlington's general pit 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 ☐.

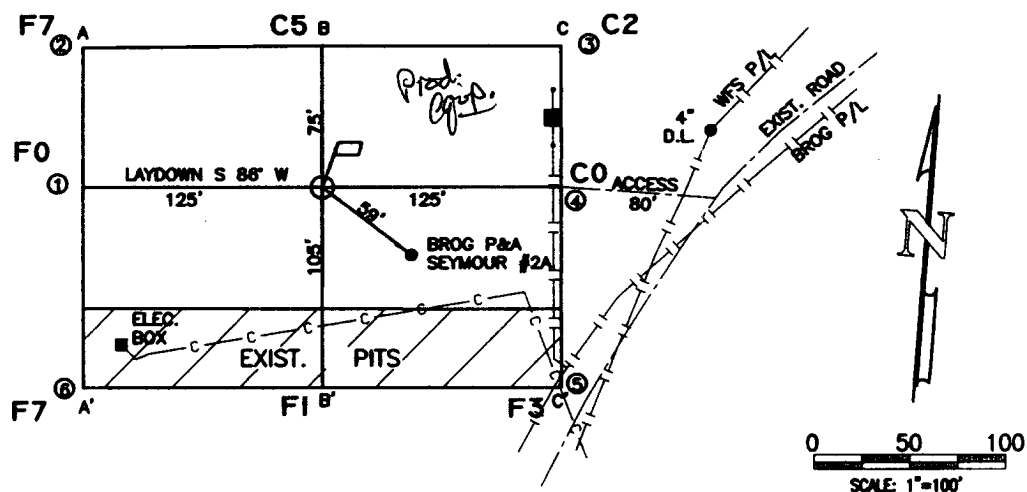
SIGNATURE Joni Clark TITLE Regulatory Specialist DATE 7/27/2004

Type or print name Joni Clark E-mail address: jclark@br-inc.com Telephone No. 326-9700

(This space for State use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #4 DATE JUL -1 2005

Conditions of approval, if any.



ELEVATION A-A'

£

6470	.	.	.	.	.	.	.	.	.
6460	.	.	.	.	.	.	.	.	.
6450	.	.	.	.	.	.	.	.	.
6440	.	.	.	.	.	.	.	.	.
6430	.	.	.	.	.	.	.	.	.

B-B'

£

6470	.	.	.	.	.	.	.	.	.
6460	.	.	.	.	.	.	.	.	.
6450	.	.	.	.	.	.	.	.	.
6440	.	.	.	.	.	.	.	.	.
6430	.	.	.	.	.	.	.	.	.

C-C'

£

6470	.	.	.	.	.	.	.	.	.
6460	.	.	.	.	.	.	.	.	.
6450	.	.	.	.	.	.	.	.	.
6440	.	.	.	.	.	.	.	.	.
6430	.	.	.	.	.	.	.	.	.

LEASE: SEYMOUR #722S

FOOTAGE: 880' FNL, 1035' FWL

SEC. 24 TWN. 31-N RNG. 9-W N.M.P.M.

LATITUDE: 36°53'17.7" LONGITUDE: 107°44'14.5"

ELEVATION: 6449

KOCH EXPLORATION AZTEC, NEW MEXICO

SURVEYED: 3/24/05

REV. DATE:

APP. BY R.P.

DRAWN BY: T.G.

DATE DRAWN: 3/25/05

FILE NAME: 5680C01

UNITED
FIELD SERVICES INC.

P.O. BOX 3651
FARMINGTON, NM 87499
OFFICE: (505) 334-0408

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **Koch Exploration Company, LLC**

3a. Address
PO Box 489, Aztec, NM 87410

3b. Phone No. (include area code)
505-334-9111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**1480' FNL & 1330' FWL, S24, T31N, R9W "D"
Lat 36.52.1958, Long 107.44.1470**

5. Lease Serial No.
SF-078505

6. If Indian, Allottee or Tribe Name
NA

7. If Unit or CA/Agreement, Name and/or No.
NA

8. Well Name and No.
Seymour 722S

9. API Well No.
30-045- 32608

10. Field and Pool, or Exploratory Area
Basin Fruitland Coal

11. County or Parish, State
San Juan, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

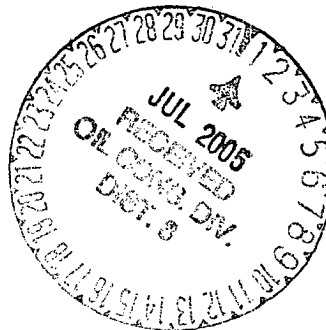
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Supplement to APD
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompletable horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletable in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Due to rough terrain we moved this location to a previously P&A location. With the guidance of Jeff Tafoya, BLM we have staked this location in a more conducive area.

Attached please find a new C-102, topo map, and platt.

New location: 880 FNL, 1035 FWL



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

John Clark

Title **District Superintendent**

Signature

Date

04/01/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)

NMOC

OPERATIONS PLAN

Well Name: Seymour #722S

Location: 1480' FNL, 1330' FWL, Sec 24, T-31-N, R-9-W
San Juan County, NM

Latitude 36° 53.1958'N, Longitude 107° 44.1470'W

Formation: Basin Fruitland Coal

Total Depth: 3353'

Logging Program: See Walker Koch Wells Master Operations Plan

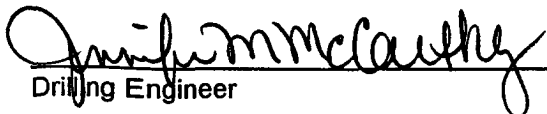
Mud Program: See Walker Koch Wells Master Operations Plan

Casing Program (as listed, the equivalent, or better):

Hole Size	Depth Interval	Csg	Wt.	Grade	Cement	
12 1/4	0' - 120	9.625"	32.3#	H-40	113	cu.ft
8 3/4	0' - 2928	7"	20.0#	J-55	654	cu.ft
6 1/4	2888 - 3353'	5 1/2"	15.5#	J-55	0	cu.ft

Tubing Program: See Walker Koch Wells Master Operations Plan

- * The Fruitland Coal formation will be completed.
- * The west half of Section 23 is dedicated to the Fruitland Coal formation in this well.
- * Gas is dedicated.


Drilling Engineer

8-29-04
Date

BURLINGTON RESOURCES

SAN JUAN DIVISION

September 8, 2004

BP America Production Company
ATTN: Bryan Anderson OSO Engineer
San Juan BU
West Lake 1 Room 19-114
501 Westlake Park Blvd
Houston, TX 77079

(Certified Mail – Return Receipt Requested)

Re: Seymour #722S
Basin Fruitland Coal
1480'FNL, 1330'FWL Section 24, T-31-N, R-09-W
San Juan County, New Mexico



To the Affected Persons:

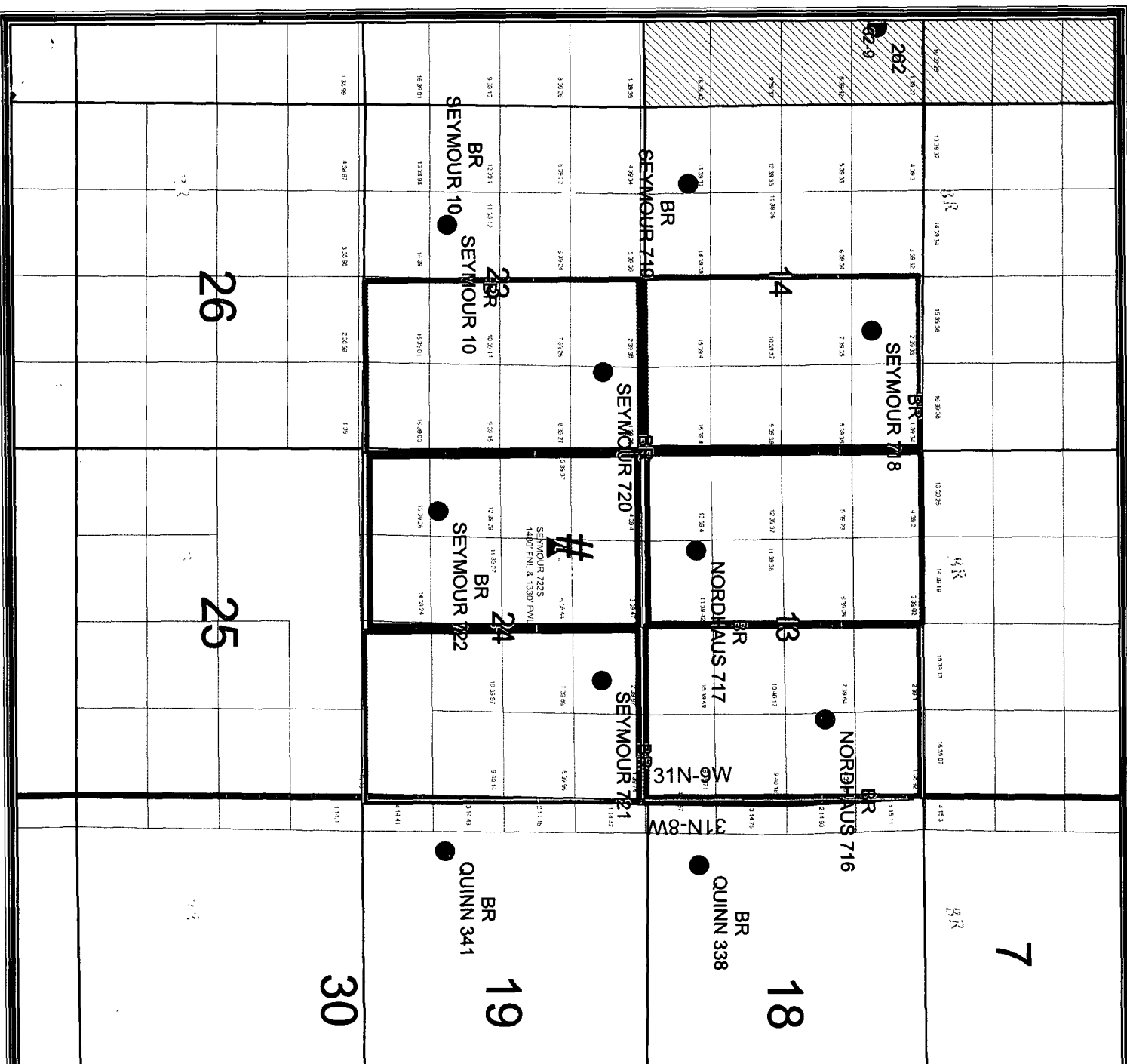
Burlington Resources Oil & Gas Company LP is submitting the enclosed Application for Permit to Drill to the appropriate regulatory agency(s) for approval. This well is located inside the High Productivity Area of the Basin-Fruitland Coal Pool as indicated on the attached plat. Notice is being made pursuant to New Mexico Oil Conservation Commission Order R-8768-F dated July 17, 2003.

The affected parties have twenty (20) days from receipt of this notice in which to file with the District Office of the New Mexico Oil Conservation Division written objection to the proposed Application for Permit to Drill.

Sincerely,

A handwritten signature in cursive script that reads "Joni Clark".

Joni Clark
Regulatory Specialist








Legend

FTC

Current Operator

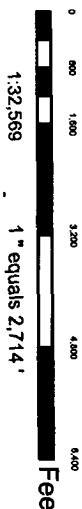
- BP AMERICA PROD
- BURLINGTON
- SJD State Names
- SJD County Names

-  Sections_(SJD)
 -  Townships_(SJD)
 -  New Mexico Lots
 -  San Juan Federal Units
 -  Counties (SJD)

PROPOSED WELL

OFFSET OPERATOR:
BURLINGTON (See attached
working interest owner list).

BURLINGTON
RESOURCES



GCS North American 1927


BURLINGTON RESOURCES

San Juan

SEYMOUR 722S FTC INFILL - HPA


SEC 24, T31N, R9W

Prepared By:	mlb	Date:	8/25/2004
File Number:		Revised Date:	8/25/2004
File Name:	c:\atmlb\Projects\HPA Seymour 7225\HPA Seymour 7225.mxd		

2. Article Number <div style="text-align: center;">  7110 6605 9590 0009 1913 </div>	COMPLETE THIS SECTION ON DELIVERY A. Signature <i>[Signature]</i> <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee B. Received by (Printed Name) _____ C. Date of Delivery _____ D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES enter delivery address below: <input type="checkbox"/> No
1. Article Addressed to: <p style="text-align: center;">FOUR STAR OIL & GAS COMPANY ATTN BARBARA NELMS PO BOX 36366</p> <p style="text-align: center;">HOUSTON, TX 77236</p> <p style="text-align: center;">9/7/2004 3:24 PM</p>	3. Service Type <input checked="" type="checkbox"/> Certified 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes
Code: SEYMOUR 722S - HPA	


PS Form 3811

Domestic Return Receipt

2. Article Number <div style="text-align: center;">  7110 6605 9590 0009 1920 </div>	COMPLETE THIS SECTION ON DELIVERY A. Signature X <i>[Signature]</i> <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee B. Received by (Printed Name) STANLEY ALI C. Date of Delivery SEP 16 2004 D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES enter delivery address below: <input type="checkbox"/> No
1. Article Addressed to: <p style="text-align: center;">WILLIAMS PRODUCTION COMPANY ONE WILLIAMS CENTER PO BOX 3102 MS25-3</p> <p style="text-align: center;">TULSA, OK 74101</p> <p style="text-align: center;">9/7/2004 3:24 PM</p>	3. Service Type <input checked="" type="checkbox"/> Certified 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes
Code: SEYMOUR 722S - HPA	

PS Form 3811

Domestic Return Receipt

2. Article Number <div style="text-align: center;">  7110 6605 9590 0009 1937 </div>	COMPLETE THIS SECTION ON DELIVERY A. Signature X <i>[Signature]</i> <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee B. Received by (Printed Name) _____ C. Date of Delivery SEP 14 2004 D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES enter delivery address below: <input type="checkbox"/> No
1. Article Addressed to: <p style="text-align: center;">BP AMERICA PRODUCTION COMPANY ATTN BRYAN ANDERSON OSO ENGINEER SAN JUAN BU WEST LAKE 1 ROOM 19-114 501 WESTLAKE PARK BLVD HOUSTON, TX 77079</p> <p style="text-align: center;">9/7/2004 3:28 PM</p>	3. Service Type <input checked="" type="checkbox"/> Certified 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes
Code: SEYMOUR 722S - HPA	

PS Form 3811

Domestic Return Receipt