

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| | | |
|--|---|---|
| 1a. Type of Work DRILL | 2005 MAY 18 10 4 13 RECEIVED OTC FARMINGTON | 5. Lease Number NMSF-04209 NMNMO4209 |
| 1b. Type of Well GAS | | 6. If Indian, All. or Tribe |
| 2. Operator BURLINGTON 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 Hancock A 9. Well Number #100 |
| 4. Location of Well Unit H (SENE), 2420' FNL, 1265' FEL Latitude 36° 37.1480'N Longitude 107° 45.1541'W | | 10. Field, Pool, Wildcat Basin Fruitland Coal 11. Sec., Twn, Rge, Mer. (NMPM) H Sec. 35, T28N, R09W API # 30-045- 33092 |
| 14. Distance in Miles from Nearest Town 24.4 miles to Interstate 550 & 64 Bloomfield, NM San Juan | 12. County NM | 13. State NM |
| 15. Distance from Proposed Location to Nearest Property or Lease Line 1265' | | |
| 16. Acres in Lease | 17. Acres Assigned to Well 320.15 E/2 | |
| 18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 557' - Hancock A #1R | | |
| 19. Proposed Depth 2504' | 20. Rotary or Cable Tools Rotary | |
| 21. Elevations (DF, FT, GR, Etc.) 6122' GL | 22. Approx. Date Work will Start | |
| 23. Proposed Casing and Cementing Program See Operations Plan attached | | |
| 24. Authorized by: <u>Amanda Sandora</u> Regulatory Compliance Assistant II | 5-18-05 Date | |

PERMIT NO.

APPROVED BY

APPROVAL DATE

TITLE

DATE

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.

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

NMOC

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

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

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 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

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

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|--|---|--|
| ¹ API Number 30-045- 33092 | ² Pool Code 71629 | ³ Pool Name Basin Fruitland Coal |
| ⁴ Property Code 7077 | ⁵ Property Name HANCOCK A | ⁶ Well Number 100 |
| ⁷ OGED No. 14538 | ⁸ Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP | ⁹ Elevation 6122' |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| H | 35 | 28-N | 9-W | | 2420' | NORTH | 1265' | EAST | 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 |
|---|---------|----------|-------------------------------|---------|----------------------------------|------------------|-------------------------|----------------|--------|
| H | | | | | | | | | |
| ¹² Dedicated Acres 320.15 E/2 | | | 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

| | | | |
|---|---|--|--|
| 16 | <p>N 0-00-E 5280'</p> <p>LAT: 36°37.1480' N. LONG: 107°45.1541' W. NAD 1987</p> <p>0480' NORTH</p> <p>1265'</p> <p>35</p> <p>USA NM-04209</p> <p>RECEIVED OIL CONSERVATION DIV. JUL 13 2005 DIST. 9</p> <p>RECEIVED OIL CONSERVATION DIV. JUL 13 2005 DIST. 9</p> <p>LOT 1</p> <p>LOT 2</p> <p>LOT 3</p> <p>LOT 4</p> | | 17 OPERATOR CERTIFICATION <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Patsy Clugston</i> Signature Patsy Clugston Printed Name Sr. Regulatory Specialist Title 4-4-05 Date</p> |
| 18 SURVEYOR CERTIFICATION <p>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.</p> <p>Date of Survey: JUL 13 2005</p> <p>Signature: <i>Calvin Russell</i> 15703 Certificate Number</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.

30-045-

5. Indicate Type of Lease

STATE ☐

FEE ☐

6. State Oil & Gas Lease No.

NMSF-04209

7. Lease Name or Unit Agreement Name

Hancock A

8. Well Number

100

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 H : 2420 feet from the North line and 1265 feet from the East line
Section 35 Township 28N Range 9W NMPM County San Juan

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

6122'

Pit 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:

na

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:

PERFORM REMEDIAL WORK ☐

TEMPORARILY ABANDON ☐

PULL OR ALTER CASING ☐

PLUG AND ABANDON ☐

CHANGE PLANS ☐

MULTIPLE COMPL ☐

OTHER:

New Drill Pit

☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

COMMENCE DRILLING OPNS. ☐

CASING/CEMENT JOB ☐

ALTERING CASING ☐

P AND A ☐

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 drilling pit and an associated vent/flare pit. Based on Burlington's interpretation of the Ecosphere's risk ranking criteria, the new drilling pit and vent/flare 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/flare 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 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

Amanda Sandoval

TITLE

Regulatory Compliance Assistant II

DATE

5/3/2005

Type or print name

Amanda Sandoval

E-mail address:

asandoval@br-inc.com

Telephone No.

505-326-9700

For State Use Only

DEPUTY OIL & GAS INSPECTOR, DIST. 3

JUL 13 2005

APPROVED BY

[Signature]

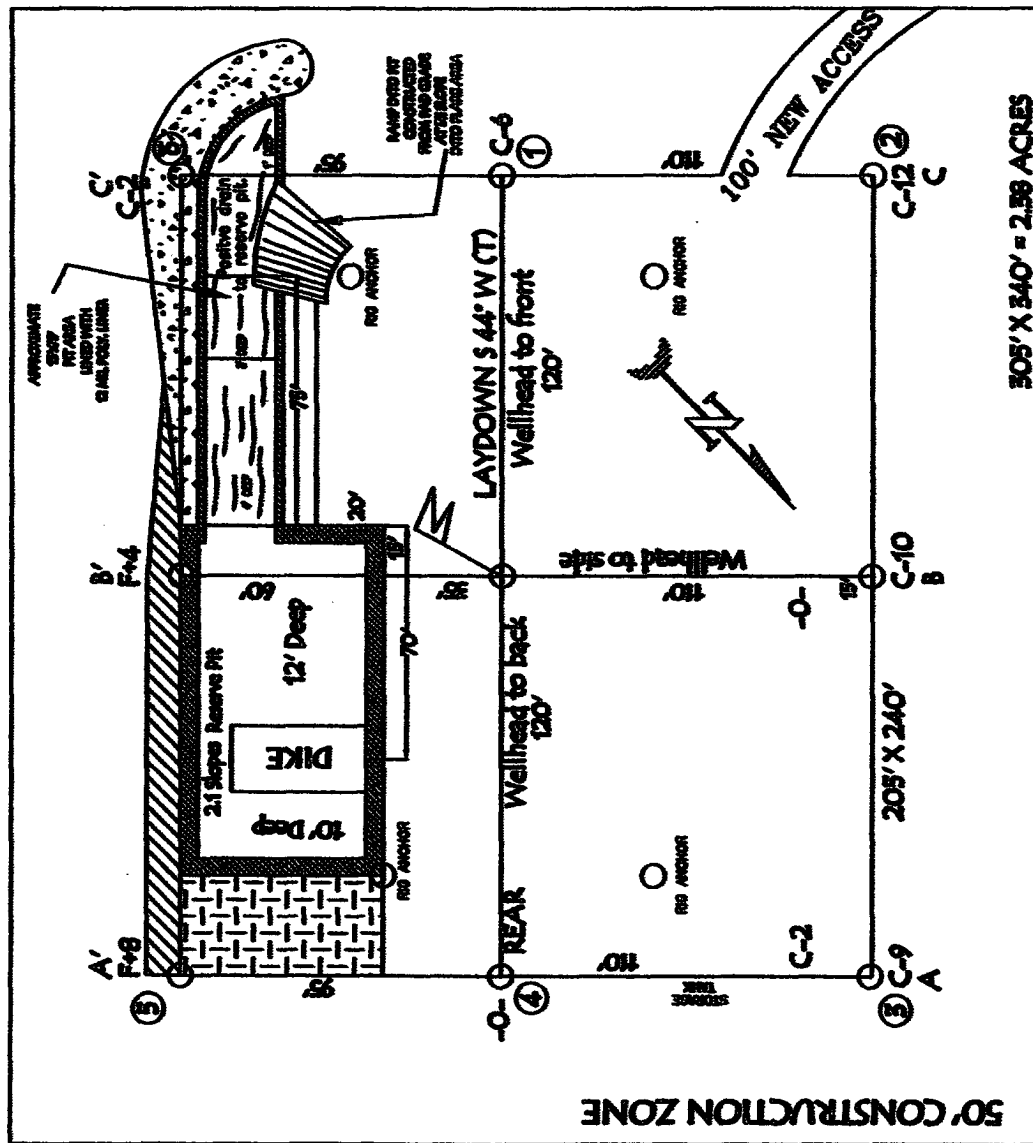
TITLE

DATE

Conditions of Approval (if any):

BURLINGTON RESOURCES OIL & GAS COMPANY LP
HANCOCK A 100, 2420' FNL & 1265' FEL
SECTION 35, T-28-N, R-9-W, NMPM, SAN JUAN COUNTY, NM
GROUND ELEVATION: 6122', DATE: MARCH 24, 2005

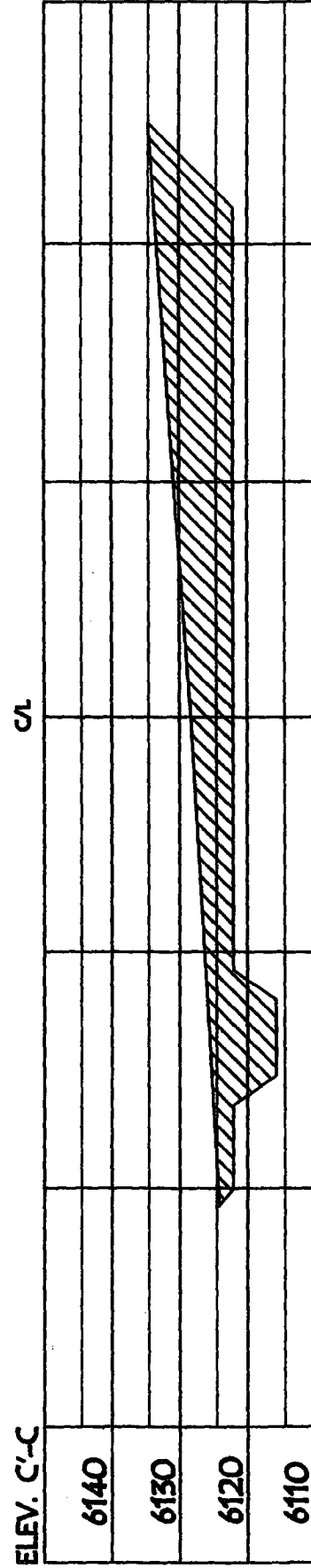
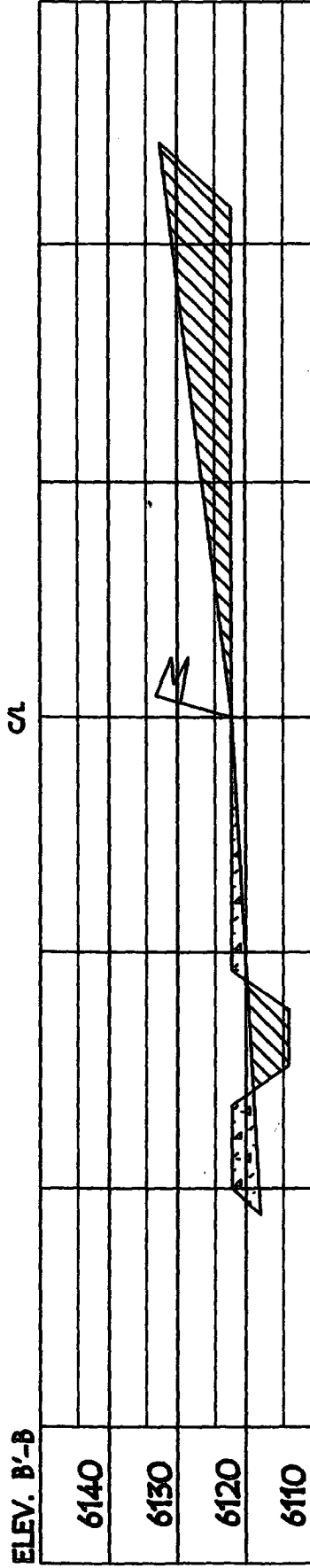
RESERVE PIT DIPS TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 5' WIDE AND 1' ABOVE SHALLOW SIDE).



LATITUDE: 36° 57.1480' LONGITUDE: 107° 45.1541' NAD27

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

HANCOCK A 100, 2420' FNL & 1265' FEL
SECTION 35, T-28- N, R-9-W, NMPM, SAN JUAN COUNTY, NM
GROUND ELEVATION: 6122', DATE: MARCH 24, 2005



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.

OPERATIONS PLAN

Well Name: Hancock A #100
Location: Unit H (SE/NE) 2420' FNL & 1265' FEL, Section 35, T28N, R09W
 San Juan County, New Mexico
 Latitude 36° 37.1480'N; Longitude 107° 45.1541'W
Formation: Basin Fruitland Coal
Elevation: 6122' GR

| Formation: | Top | Bottom | Contents |
|--------------------|--------------|--------|----------|
| Surface | San Jose | | |
| Ojo Alamo | 1339' | | |
| Kirtland | 1461' | 2094' | gas |
| T/Fruitland | 2094' | | gas |
| B/Fruitland Coal | 2304' | | gas |
| Pictured Cliffs | 2302' | | |
| Total Depth | 2504' | | |

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:

| Interval | Type | Weight | Vis. Fluid Loss |
|-----------|-----------------------|---------|------------------|
| 0- 200' | Spud / air / mist air | 8.4-8.9 | 40-50 no control |
| 200-2504' | Non-dispersed | 8.4-9.5 | 30-60 no control |

Casing Program:

| Hole Size | Depth Interval | Csg. Size | Wt. | Grade |
|-------------------|----------------|-----------|-------|--------|
| 8 $\frac{3}{4}$ " | 0 - 200' | 7" | 20.0# | J-55 |
| 6 $\frac{1}{4}$ " | 0 - 2504' | 4 1/2" | 10.5# | J/K-55 |

Tubing Program:

| | | | |
|-----------|--------|------|------|
| 0 - 2504' | 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 @ 1461'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 1461'. 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.

April 12, 2005

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 70 sx Type III cement with 0.25 pps Celloflake, 3% CaCl.
(90 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 122sx (260 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 385 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.

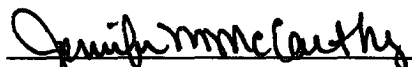
Completion - 6" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to completion operations, test rams and casing to 1500 psi/30 min.

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:

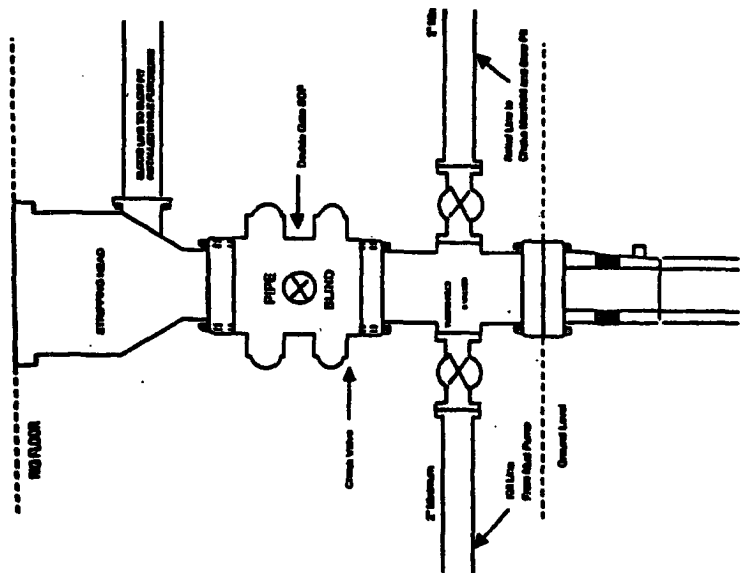
- * The Fruitland Coal formation will be completed.
- * Anticipated pore pressure for the Fruitland is between 600 - 700 psi.
- * This gas is dedicated.
- * The east half of the section is dedicated to Fruitland Coal and E/2 is dedicated to Fruitland Coal for this well.
- * New casing will be utilized.
- * Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.


Drilling Engineer

4-19-05
Date

BURLINGTON RESOURCES

Completion/Workover Rig
BOP Configuration
2,000 psi System

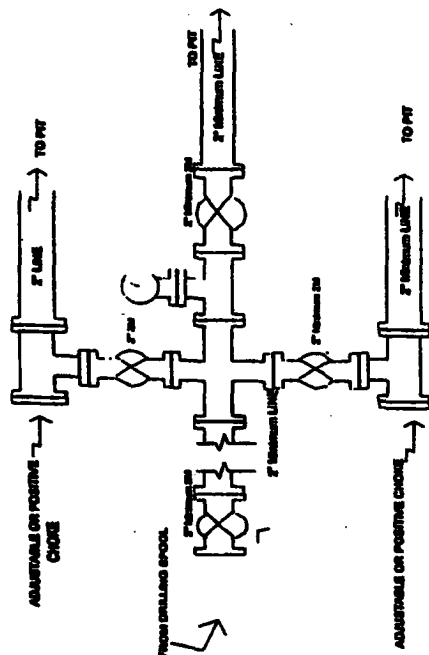


Minimum BOP Installation for all Completion/Workover Operations. 7-1/16" bore, 2000 psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A stripping head to be installed on the top of the BOP. All BOP equipment is 2000 psi working pressure or greater excluding 500 psi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

Figure #2

BURLINGTON RESOURCES

Drilling Rig
Choke Manifold Configuration
2000 psi System

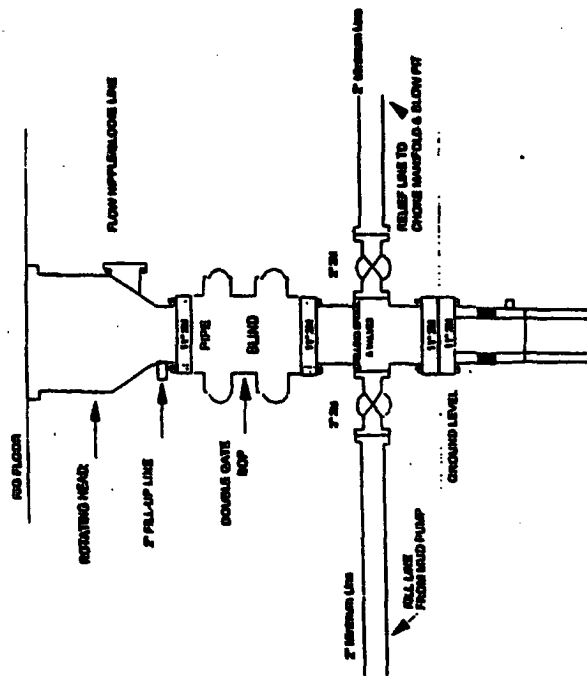


Choke manifold installation from Surface Casing Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure #3

Burlington Resources

Drilling Rig
2000 psi System



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

Figure #1