

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 AUG 17 PM 1 27 RECEIVED 070 FARMINGTON NM	5. Lease Number NMNM-6892 Unit Reporting Number
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 Reese Mesa 9. Well Number #101S
4. Location of Well Unit H (SENE), 1870' FNL, 805' FEL Latitude 36° 59.0373'N Longitude 107° 37.2216'W		10. Field, Pool, Wildcat Basin Fruitland Coal 11. Sec., Twn, Rge, Mer. (NMPM) H Sec. 13, T32N, R8W API # 30-045-33286
14. Distance in Miles from Nearest Town 33 miles from the Post Office in Blanco, NM	12. County San Juan	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 805'		
16. Acres in Lease	17. Acres Assigned to Well 320 E/2	
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 54' - Reese Mesa #3		
19. Proposed Depth 3433' 3344'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 6496' GL	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Amanda Sandoval</u> Regulatory Compliance Assistant II	<u>8-17-05</u> Date	

PERMIT NO.

APPROVAL DATE

APPROVED BY

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

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

NMOCD

DISTRICT I
1025 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

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

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

2005 AUG 17 PM 1 ☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045 - 33286	² Pool Code 71629	³ Pool Name 070 FARMINGTON NM Basin Fruitland Coal
⁴ Property Code 18606	⁵ Property Name REESE MESA	⁶ Well Number 101S
⁷ GRID No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP	⁹ Elevation 6496'

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	13	32-N	8-W		1870'	NORTH	805'	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 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	N 83° 01' 42" W 5241.66'		1870'	805'	S 07° 56' E 6124.06'	13	NM NM-6892	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Patsy Clugston</i> Signature Patsy Clugston Printed Name Sr. Regulatory Specialist Title 7/7/05 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. Date of Survey 7-6-05 Signature <i>Glen W. Russell</i> GLEN W. RUSSELL NEW MEXICO 15703 LICENSED PROFESSIONAL SURVEYOR Certificate Number 15703								

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

Energy, Minerals and Natural Resources

May 27, 2004

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.	30-045- 33286
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	NMNM-6892
7. Lease Name or Unit Agreement Name	Reese Mesa
8. Well Number	101S
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 : 1870 feet from the North line and 805 feet from the East line
Section 13 Township 32N Range 8W NMMPM County San Juan, NM

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6496'

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 > 200' / 1000'

Pit Liner Thickness: 12 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 ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: New Drill ☒ 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 will be a lined pit as detailed in Burlington's Revised Drilling / Workover Pit Construction / Operation Procedures dated November 11, 2004 on file at the NMOCDC office. A portion of the vent/flare pit will be designed to manage fluids and that portion will be lined 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 NMOCDC 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 NMOCDC guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

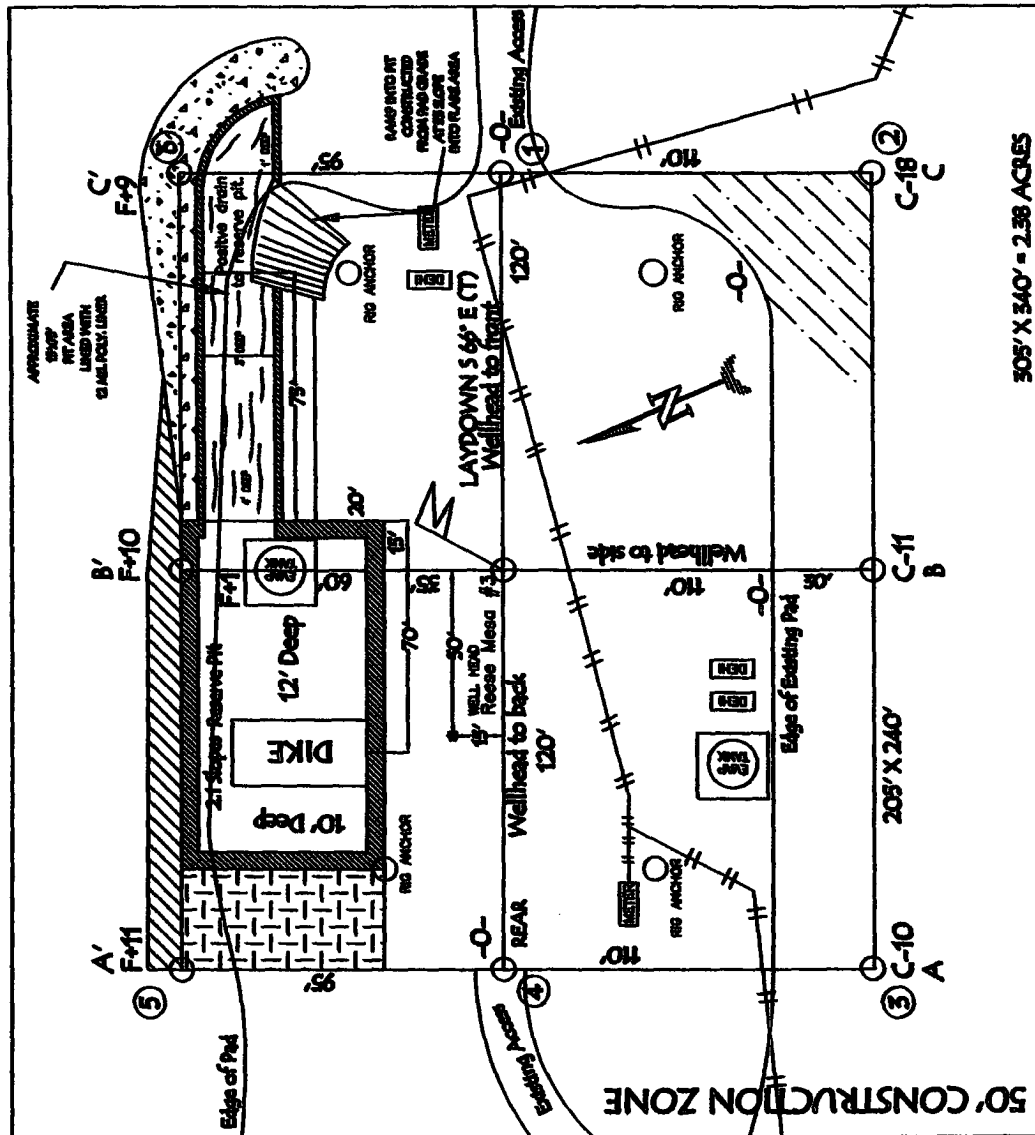
SIGNATURE Amanda Sandoval TITLE Regulatory Assistant II DATE 7/21/2005

Type or print name Amanda Sandoval E-mail address: asandoval@br-inc.com Telephone No. 326-9700

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE OCT 07 2005

Conditions of Approval (if any)

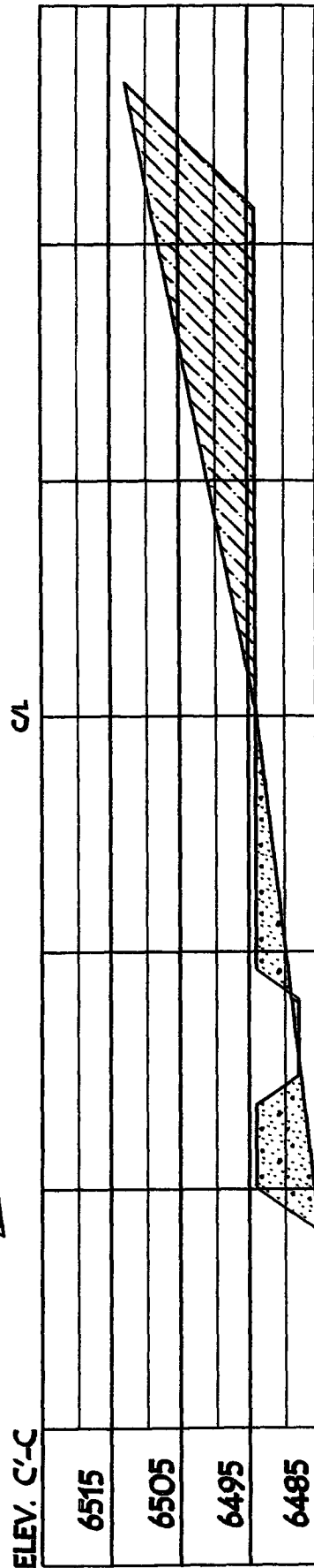
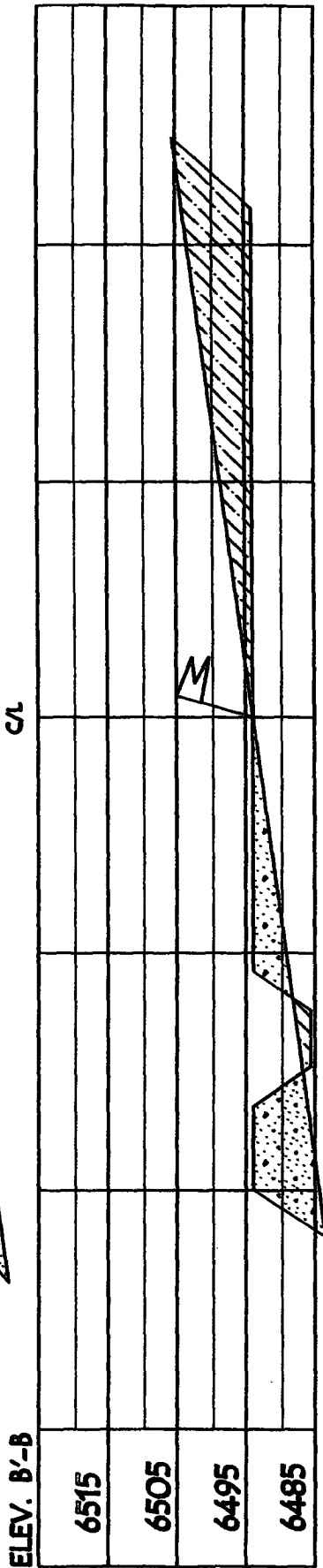
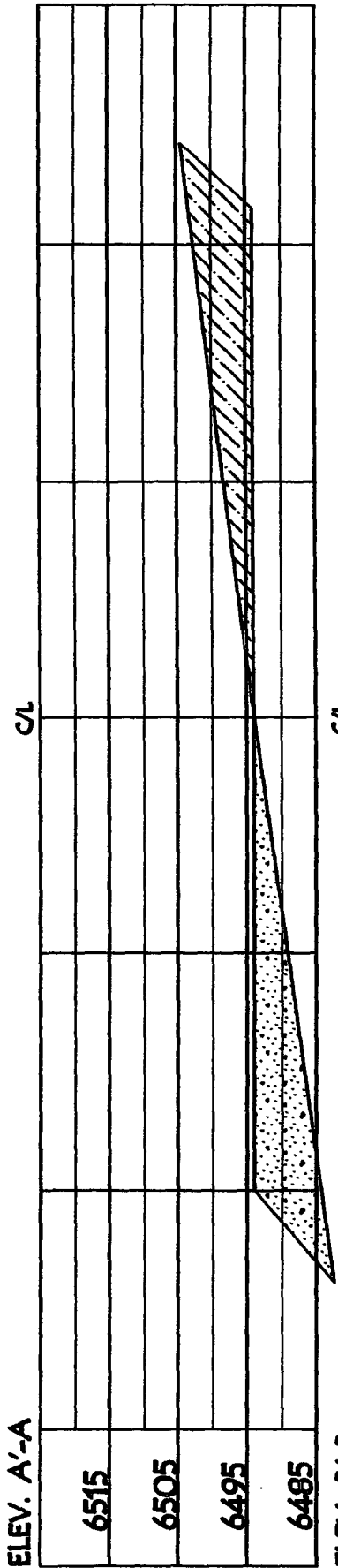
BURLINGTON RESOURCES OIL & GAS COMPANY LP
REESE MESA 101S, 1870' FNL & 805' FEL
SECTION 13, T-32- N, R-8-W, NMPM, SAN JUAN COUNTY, NM
GROUND ELEVATION: 6496', DATE: JUNE 22, 2005



RESERVE PIT DIKE TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).

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.

BURLINGTON RESOURCES OIL & GAS COMPANY LP
REESE MESA 101S, 1870' FNL & 805' FEL
SECTION 13, T-32- N, R-8-W, NMPM, SAN JUAN COUNTY, NM
GROUND ELEVATION: 6496', DATE: JUNE 22, 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.

submitted in lieu of Form 3160-5
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on Wells

2005 AUG 26 PM 8 42

1. Type of Well
GAS

RECEIVED
070 FARMINGTON NM

2. Name of Operator
BURLINGTON
RESOURCES OIL & GAS COMPANY LP

3. Address & Phone No. of Operator

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

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

Unit H (SENE), 1870' FNL & 805' FEL, Section 13, T32N, R8W, NMPM

5. Lease Number
NMNM-6892
6. If Indian, All. or
Tribe Name
7. Unit Agreement Name

8. Well Name & Number

Reese Mesa #101S
9. API Well No.

30-045- 33286

10. Field and Pool

Basin Fruitland Coal

11. County and State
San Juan 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

☐ Casing Repair

☐ Altering Casing

☒ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut off

☐ Conversion to Injection

13. Describe Proposed or Completed Operations

The subject well's sump was denied and therefore the drilling Operations Plan needs to be revised. See the new Operational Plan attached. Note that new TD is 3344'.

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

Signed Patsy Clugston Title Sr. Regulatory Specialist Date 8/25/05

(This space for Federal or State Office use)

APPROVED BY [Signature] Title AFM Date 10/5/05

CONDITION OF APPROVAL, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOC



OPERATIONS PLANS FOR FRUITLAND COAL WELLS

Well Name: Reese Mesa #101S
Location: Unit H, 1870' FNL, 805' FEL
Sec. 13 T-32-N, R-8-W
San Juan County, NM
Latitude 36° 59.0373'N
Longitude 107° 37.2216'W

Formation: Basin Fruitland Coal

<u>Formation Tops:</u>	<u>Top</u>	<u>Bottom</u>	<u>Contents</u>
Surface	San Jose	2140'	
Ojo Alamo	2140'	2172'	aquifer
Kirtland	2172'	3055'	gas
Top/Fruitland Coal	3055'		gas
Base/Fruitland Coal	3343'		
Intermediate TD	3106'		
Pictured Cliffs	3345'		gas
TD	3344		

Logging Program:

Mudlog from intermediate to TD
Cores - none

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	<u>Fluid Loss</u>
0- 120'	Spud Mud/Air/Air Mist	8.4-9.0	40-50	no control
120'- 3106'	LSND/Clear Water/ Starch-Polymer	8.4-9.0	30-60	no control
3106' - 3344'	Air/Mist			

Circulating media will be contractor dependent.

Pit levels will be visually monitored to detect gain or loss of fluid control.

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

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csq. Size</u>	<u>Wt.</u>	<u>Grade</u>
12 1/4"	0' - 120'	9 5/8"	32.3#	H-40
8 3/4"	120' - 3106'	7"	20.0#	J-55
6 1/4"	3106'- 3344'	5 1/2"	15.5#	J-55
			or open hole	

Tubing Program:

0' - 3344'	2 3/8"	4.7#	J-55
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BOP and tests:

Surface to intermediate TD - 11" 2000 psi (minimum) double gate BOP stack (Reference Figure #1). Prior to drilling out surface casing, test BOPE to 600 psi for 30 min.

Intermediate TD to Total Depth - 7 1/6" 2000 psi (minimum) completion BOP stack (Reference Figure #2). Prior to drilling out intermediate casing, test BOPE and casing to 1500 psi for 30 minutes.

From surface to 7" TD - a choke manifold will be installed in accordance with Onshore Order No. 2 (Reference Figure #3). When the cavitation completion rig drills the production hole, the completion rig configuration will be used (Reference Figure #4). ~~No choke manifolds will be used on cavitation rig operations.~~

Wellhead Equipment: 9 5/8" x 7" x 2 3/8" x 11" 2000 psi xmas tree assembly.

General -

- Pipe rams will be actuated once each day and blind rams will be actuated once each trip to test proper functioning.
- An upper kelly cock valve with handle available and drill string valves to fit each drill string will be available on the rig floors at all times.
- BOP pit level drill will be conducted weekly for each drilling crew.
- All BOP tests and drills will be recorded in daily drilling reports.
- Blind and pipe rams will be equipped with extension hand wheels.

Cementing:

9 5/8" surface casing Pre-Set ~~113cf (110cf) @ 1.28 yield.~~ 14.5ppg, 1.01 fl/sx
Cement with Type I, II cement with 20% flyash mixed at ~~15.0 ppg, 28.0 fl/sx~~ (Bring cement to surface). Wait on cement for 24 hours for pre-set holes before pressure testing or drilling out from under surface.

9 5/8" surface casing Conventionally w/88sx (113cf) @ 1.28 yield.
Cement with Type III cement with 0.25 pps Celloflake, 3% calcium chloride. (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. Test casing to 600 psi for 30 minutes.

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

7" intermediate casing w/316sx (673cf) @ 2.13 yield. Lead with Premium Lite HS FM w/3% CaCl₂, 0.25#/sx Floccelle, 5#/sx LCM-1, 0.4% FL-52 & 0.4% SMS (50% excess to circulate to surface). WOC minimum of 8 hours before drilling out intermediate casing. If cement does not circulate to surface, a CBL or a temperature survey will be run to determine TOC. Test casing to 1500 psi for 30 minutes.

Cement nose guide shoe on bottom with float collar spaced on top of shoe joint. Bowspring centralizers spaced every other joint off bottom, to the base of the Ojo Alamo. Two turbolating centralizers at the base of the Ojo Alamo. Bowspring centralizers spaced every fourth joint from the base of the Ojo Alamo to the base of the surface casing.

Cementing cont.


5 1/2" liner - will not be cemented if run.

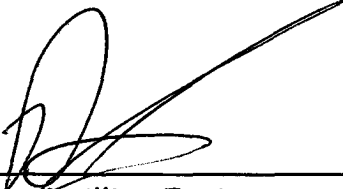
Note: If open hole logs are run, cement volumes will be based on 25% excess over caliper volumes.

- If hole conditions permit, an adequate water spacer will be pumped ahead of each cement job to prevent cement/mud contamination or cement hydration.

Additional information:

- * The Fruitland Coal formation will be completed.
- * No abnormal temperatures or hazards are anticipated.
- * Anticipated pore pressure for the Fruitland is less than 500 psi.
- * This gas is dedicated.

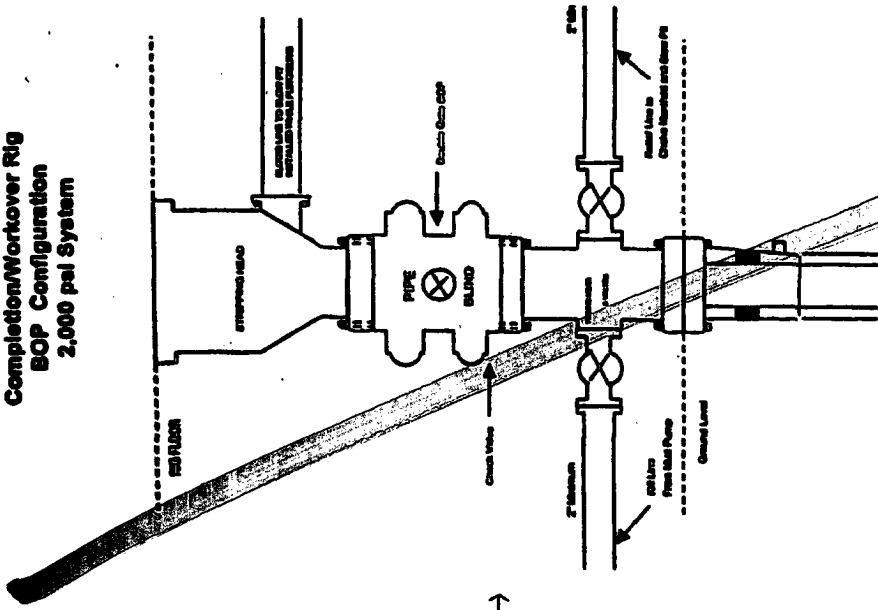

Daniel Braxton


- Drilling Engineer

8/25/05
Date

BURLINGTON RESOURCES

Completion/Workover Rig
BOP Configuration
2,000 psi System

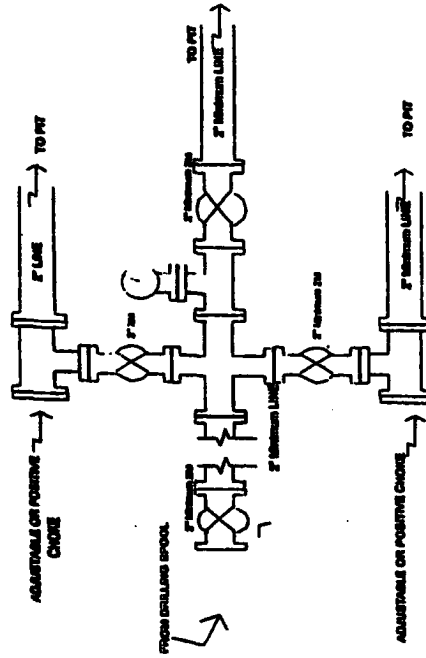


Minimum BOP installation for all Completion/Workover Operations. 7-1/16" bore, 2000 psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A stopping head to be installed on the top of the BOP. All BOP equipment is 2000 psi working pressure or greater excluding 500 psi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

Figure #2

BURLINGTON RESOURCES

Drilling Rig
Choke Manifold Configuration
2000 psi System

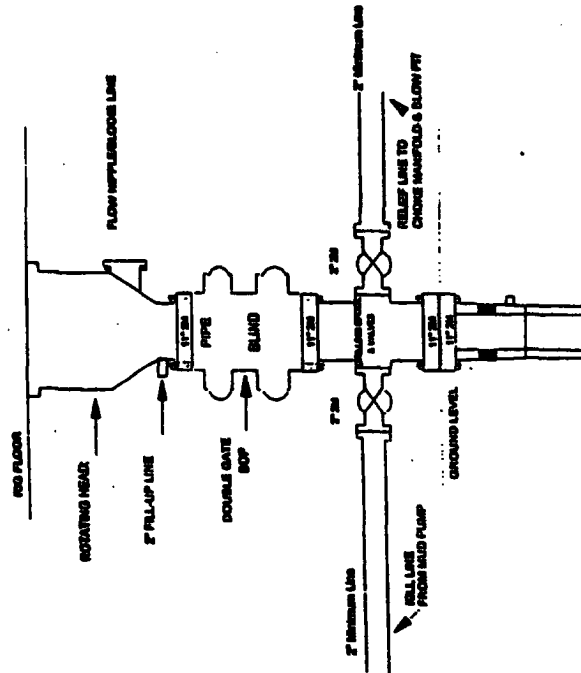


Choke manifold installation from Surface Casing Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure #3

Burlington Resources

Drilling Rig
2000 psi System



BOP installation from Surface Casing Point to Total Depth. 11" Bore 10" nominal, 2000 psi working pressure double gate BOP to be equipped with blind and pipe rams. All BOP equipment is 2,000 psi working pressure or greater. All BOP equipment is 2,000 psi working pressure or greater.

Figure #1

BURLINGTON RESOURCES

Figure #4
Cavitation Rig
BOP Configuration
2,000 psi Minimum System

