State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin

Cabinet Secretary-Designate

Jami Bailey, Division Director Oil Conservation Division



Brett F. Woods, Ph.D. **Deputy Cabinet Secretary**

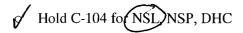
New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-3 APD form.

Operator Signature Date:	5/20/2014		
Well information; Operator Burlington (es, Well Name and Num	ber <i>In Tuan 28</i>	2-5 Unil # 72P
арі# <u>Э0 -0Э9 - Э12У</u>	7/ , Section 35, Towns	ship <u>28</u> 🔊S, Range	e <u> </u>
Conditions of Approval:			

Conditions of Approvai:

(See the below checked and handwritten conditions)

- Notify Aztec OCD 24hrs prior to casing & cement.
- Hold C-104 for directional survey & "As Drilled" Plat



- Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned
- Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:
 - A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A
 - A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A
 - A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C
- Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
- Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

а.	Type of Work		5. Lease Number	
a.	DRILL E	Page 1 mages	SF-079522	
	DRIHL	ECHVE	Unit Reporting Num	
	대 <i>개</i>	and when I was	NWNQ/J8HI1B(Or	/ vrwvlW ことに
).	Type of Well		6. If Indian, All. or Trik	VIOLENIAL LOSE
<i>)</i> .	GAS	MAY 21 2014	6. II Ilidian, All. Of The	Je
	GAS	T EALL		•
	Operator Fig.	mugion Field Office	7. Unit Agreement Na	me
	BURLINGTON Bureu	u of Land Managem	1271	
	RESCURCES Oil & Gas Company	, LP	San Juan 28-5	Unit
	Address & Phone No. of Operator		8. Farm or Lease Nam	ie
	PO Box 4289, Farmington, NM 874	499	San Juan 28-5	Unit
			9. Well Number	
	(505) 326-9700		72P	
	Location of Well		10. Field, Pool, Wildca	at .
	Surface: Unit N(SE/SW), 564' FS	SL & 2378' FWL	Blanco MV /	
	·			
	~ ~ ~		11. Sec., Twn, Rge, Me	•
	Surface: Latitude: 36.6111903 Longitude: 107.329465	•	Sec. 35, T28	BN, R5W
	(OIL CONS. DIV DIST	Г. 3 API# 30-039-	31241
1 .	Distance in Miles from Nearest Town		12. County	13. State
	44 miles from Bloomfield	AUG 1 4 2014	Rio Arriba	NM
5.	Distance from Proposed Location to Neare 564'	st Property or Lease I	Line	
6.	Acres in Lease		17. Acres Assigned to	Well
	411.570		345.82 (DK)	
		3	361.36 (MV(SEE PLAT	FOR DETAILS
3.	Distance from Proposed Location to Neare	st Well, Drlg, Compl.	or Applied for on this Leas	se (A
	840' to SJ 28-5 Unit 73M (MV/DI			Se SNO
Э.	Proposed Depth	•	20. Rotary or Cable To	ools 🛱
	7939′		Rotary	RA A
ı <u>.</u>	Elevations (DF, FT, GR, Etc.)		22. Approx. Date Wor	rk will Start
3.	6669' GL	BLM'S	APPROVAL OR ACCEPT	ANCE OF THIS
3.	Proposed Casing and Cementing Program	ACTIO	N DOES NOT RELIEVE T	HE LESSEE AN
	See Operations Plan attached	OPERA	TOR FROM OBTAINING	ANY OTHER
		AUTHÓ	ORIZATION REQUIRED F	OR OPERATION
l.	Authorized by:	ON FEI	DERAL AND 115/20/114 LAI	NDS
. .		Regulatory Tech		
	IIT NO.	APPROVAL D	ATF	/ ,
1 / 101	(1)/////	ا ۱۰۰۰ ا	···	~/:
PPR	OVED BY SHOWERS ()	TITLEAFN	7 DATE	8112/14

Example Master Plan Type 3

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

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. Bond Numbers NMB-000015 and NMB-000089

DISTRICT J
1625 N. French Dr., Hobbs, N.M. 88240
Phone: (675) 393-6161 Fax: (576) 393-0720
DISTRICT II
611 S. First St., Artesia, N.M. 88210
Phone: (675) 748-1283 Fax: (575) 748-9720
DISTRICT III
1000 Rto Brazos Rd., Aztec, N.M. 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 87505
Phone: (605) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

State of New Mexico
Form C-102
Revised August 1, 2011
Submit one copy to appropriate

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, N.M. 87505 MAY 21 2014 District Office

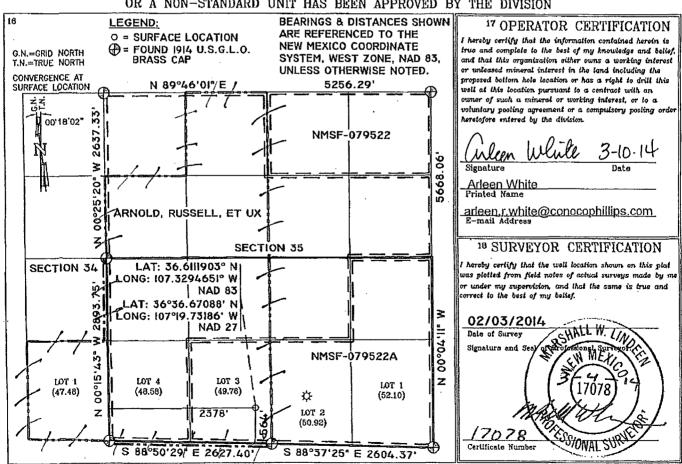
Featington Field Office Bureau of Land Menager AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code					
30-039 315 N	7#2319 / 71599	BLANCO MESA VERDE / I	BASIN DAKOTA			
Property Code	⁵ Prope	rty Name	• Well Number			
-7462 74 WC	27460 SAN JUAN 28-5 UNIT					
OGRID No.	⁰ Oper	ator Name	⁹ Elevation "			
14538	BURLINGTON RESOURCES	OIL & GAS COMPANY LP	6669			
	10 Surfa	ce Location				
III. or lot no. Section To	ownship Renge Lot Idn Feet from t	19 North South line Feet from the Rest	West line County			

35 28 N 5 W 564 SOUTH WEST RIO ARRIBA 2378 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 ¹² Dedicated Acres 345.82(DK)- Sec. ¹⁵ Joint or Infill 3 and 4, NE/4 NW/4, S/2 NW/4 and N/2 SW/4 Order No. R-2948 (13) <u>861.36(</u>MV)- S/2

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





PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 28-5 UNIT 72P

DEVELOPMENT

Lease:					AFE #: W/		AN.CDR.3062			AFE \$:		
Field Name: SAN JUAN Rig: 2015 2nd Rig			g Program			State	e: NM	County: RIO ARRIBA	API #:			
Geologist:					Geophysicist: Phone:				Phone:			
Geoscientist: Phone:				Prod. Engineer: Phone:				Phone:				
Res. Engineer: Phone:					Proj.	Field Lea	d:		Phone:			
Primary Objec	tive (Z	ones):							. ,			
Zone	Zone	Name										
RON	BLAN	CO MES	AVERDE (PF	RORAT	ED GAS)							
FRR	BASII	N DAKOT	A (PRORATE	ED GA	S)							
Location: Surfa	асе		Datum Co	de: N	AD 27							Straight Hole
Latitude: 36.611	181	Longitu	ude: -107.32	28864	X:			Y:			Section: 35	Range: 005W
Footage X: 237	8 FWL	Footag	e Y: 564 FSI		Elevation:	6669		(FT)	Townsh	ip: 028	V	
Tolerance:												
Location Type: 1	Restrict	ed		Start	Date (Est.):	1/1/20	15	Coi	mpletion	Date:	Date In	Operation:
Formation Data:	Assu	me KB =	= 6684	Units =	FT							•
Formation Call & Casing Points			Depth (TVD in Ft)	SS (Ft)	MD (Ft)	Deplet (Yes/N		BHP (PSIG)	внт		Rem	arks
SAN JOSE			0	668	1 1	`				Surface	geology	
Surface Casing			200	648						12-1/4	hole. 200' 9 5/8" 32.3	ppf, H-40, STC casing.
							<u> </u>			Cemen	t with 121 cuft. Circulat	e cement to surface.
NACIMIENTO			1668	501			<u>. </u>				·	
OJO ALAMO		-	2883	380		<u>_</u> _	<u> </u>					
KIRTLAND			3068	361			<u> </u>			D ' 111		
FRUITLAND			3168	351))			Possibl	e Gas	
PICTURED CLIFF	<u>S</u>		3533	315		<u> </u>	<u> </u>				<u>.</u>	
LEWIS			3679	300		<u>_</u> _	<u> </u>					
Intermediate Cas	ing		3829	285	5	L	ļ 			8 3/4" with 86	Hole. 7", 23/20 ppf, J- 3 cuft. Circulate cemer	55, LTC/LTC Casing. Cemernt to surface.
CHACRA	-		4477	220	7]					
MASSIVE CLIFF H	OUSE		5198	148	6]	464		Gas		
MENEFEE			5342	134	2 ·]					
POINT LOOKOUT			5705	979)]					
MANCOS			6205	479)]					
UPPER GALLUP			6852	-16	8]					
GREENHORN			7611	-92	7]					
GRANEROS			7674	-99	0	<u>L</u>	<u> </u>					
TWO WELLS			7711	-102	27	<u> </u>	<u> </u>	1876	5	Gas		
UPPER CUBERO		· · · · · · · · · · · · · · · · · · ·					I					
LOWER CUBERO			7812	-112			'					
			7812 7858	-112 -117	74		<u> </u>					
OAK CANYON			7812	-112	74		j]]					
OAK CANYON Total Depth			7812 7858	-112 -117	74 88		<u>)</u>]]			Cemer	t w/ 539 cuft. Circulate	N/L-80, LTC/BTC casing. e cement a minimum of 100'
			7812 7858 7922	-112 -117 -123	74 88 55)]]]			Cemer inside	t w/ 539 cuft. Circulate the previous casing stri	cement a minimum of 100'

Printed on: 5/20/2014 7:37:04 AM



PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 28	-5 UNII 12P	•	•	DEVELOPINENT		
Reference Type	Well Name		Comments			
Logging Progr						
Intermediate Lo	gs: Log only	if show 🔲 GR/ILD	Triple Com	ibo .		
	بعر ,					
TD Logs:	Triple Co	mbo 🔲 Dipmeter	☐ RFT ☐ Sc	onic VSP TDT 🗹 Othe	er	
	Mud log fron	n ~100' above the Up	per Gallup to TE	D. Mud loggers will call final TD.		
Additional Infor	mation:			,		
		· ·		•	•	
Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks	

K. All operations will be conducted in such a manner that full compliance is made with the applicable laws and regulations, the Application for Permit to Drill, and applicable Notice(s) to Lessees.

VII. Methods for Handling Waste

- A. Cuttings, Drilling Fluids, and Flowback Water The drill cuttings, drill water and completion fluids will be placed in a lined reserve pit. The pit will be lined with 20m gage pit liner. The reserve pit will be fenced on three sides away from the pad during drilling and the fourth side fenced as soon as the rig moves out. The free fluids will be removed after completion or may be trucked and reused in drilling operations or trucked to an approved disposal facility as indicated in Burlington Resources Drilling / Workover Pit Closure Procedure dated August 2, 2004 on file at the NMOCD office in Aztec, NM.
- B. Garbage and other waste material garbage, trash and other waste materials will be collected in a portable, self-contained and fully-enclosed trash container during drilling and completion operations. The accumulated trash will be removed, as needed, and will be disposed of at an authorized sanitary landfill. No trash will be buried or burned on location.
- C. Sewage self-contained, chemical toilets will be provided for human waste disposal. The toilet holding tanks will be pumped, as needed, and the contents thereof disposed of in an approved sewage disposal facility. The toilets will be onsite during all operations.
- D. Immediately after drilling and completing activities have ceased, all debris and other waste materials not contained in the trash containers will be cleaned up and removed from the well location.

VIII. Ancillary Facilities

A. The proposed areas and access roads listed below could be utilized for staging of construction, drilling, and completion equipment to facilitate drilling operations. Additionally, staging could occur, within the permitted right-of-way, along the route shown on Sheet B and described on Sheet C. Staging could take place when the rig moves in or off location. Any proposed temporary use area will be returned to same or better condition than before operations began and will comply with the BLM FFO Bare Soil Reclamation Procedures.

BURLINGTON RESOURCES OIL & GAS COMPANY LP

SAN JUAN 28-5 UNIT 72P

564' FSL & 2378' FWL

LATITUDE: 36.6111903° N

LONGITUDE: 107.3294651° W

NAD 83

SECTION 35, T-28-N, R-5-W, N.M.P.M. RIO ARRIBA COUNTY, NEW MEXICO

FROM THE INTERSECTION OF U.S. HIGHWAY 64
AND U.S. HIGHWAY 550 IN BLOOMFIELD, NEW MEXICO.

TRAVEL EASTERLY ON U.S. HIGHWAY 64 FOR 36.3 MILES.

TURN RIGHT ONTO GENERAL AMERICAN ROAD (C.R. 366),

TRAVEL SOUTHWESTERLY, THEN SOUTHEASTERLY 1.2 MILES.

CONTINUE STRAIGHT THROUGH "4-WAY" INTERSECTION,

TRAVEL SOUTH & EASTERLY 1.2 MILES ONTO "ARNOLD ROAD".

BEAR LEFT AT "Y-INTERSECTION", TRAVEL SOUTHEASTERLY 0.5 MILE.

CONTINUE STRAIGHT THROUGH "4-WAY" INTERSECTION

AND TRAVEL SOUTHERLY 0.8 MILE.

BEAR LEFT AT "Y-INTERSECTION" AND TRAVEL SOUTHERLY 1.1 MILES.

BEAR RIGHT AT "Y-INTERSECTION" AND TRAVEL SOUTHEAST 0.8 MILE.

CONTINUE STRAIGHT THROUGH "4-WAY" INTERSECTION,

TRAVEL SOUTHEASTERLY 1.0 MILE.

BEAR LEFT AT "Y-INTERSECTION", CONTINUE EASTERLY 0.4 MILE.

TURN RIGHT AT TEE, CROSS CATTLEGUARD AND TRAVEL SOUTHERLY 0.5 MILE

TO PROPOSED ACCESS ROAD SAN JUAN 28-5 UNIT 72P WELL LOCATION.

