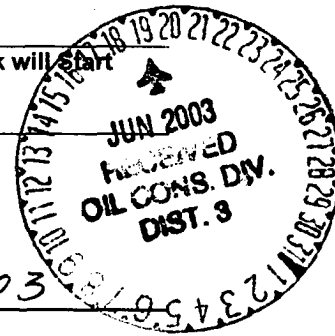


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

RECEIVED

| | |
|---|---|
| 1a. Type of Work DRILL | 5. Lease Number NMNM58887 Unit Reporting Number 070 Farmington, NM |
| 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 Newco 9. Well Number 101S |
| 4. Location of Well 1890' FNL, 845' FEL Latitude 36° 58.3255, Longitude 107° 48.8405 | 10. Field, Pool, Wildcat Basin Fruitland Coal 11. Sec., Twn, Rge, Mer. (NMPM) H Sec. 19, T-32-N, R-9-W API # 30-045-31421 |
| 14. Distance in Miles from Nearest Town 21 miles to int. Hwy 550 & Hwy 173 in Aztec, NM | 12. County San Juan 13. State NM |
| 15. Distance from Proposed Location to Nearest Property or Lease Line 845' | 17. Acres Assigned to Well 316.6 E/P |
| 16. Acres in Lease | |
| 18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 20' | |
| 19. Proposed Depth 3410' | 20. Rotary or Cable Tools Rotary |
| 21. Elevations (DF, FT, GR, Etc.) 6602' GR | 22. Approx. Date Work will start |
| 23. Proposed Casing and Cementing Program See Operations Plan attached | |
| 24. Authorized by: <u>Randy Cole</u> Regulatory/Compliance Supervisor | Date <u>1-2-03</u> |



PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY David J. Henderson TITLE _____ DATE JUN 16 2003

Archaeological Report to be submitted

Threatened and Endangered Species Report to be submitted

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".

NMOC

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---|--|--|
| ¹ API Number 30-045-31421 | ² Pool Code 71629 | ³ Pool Name Basin Fruitland Coal |
| ⁴ Property Code 7361 | ⁵ Property Name NEWCO | ⁶ Well Number 101S |
| ⁷ GRID No. 14538 | ⁸ Operator Name BURLINGTON RESOURCES OIL & GAS, INC. | ⁹ Elevation 6602' |

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 | 19 | 32-N | 9-W | | 1890' | NORTH | 845' | 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 |
|--|---------|----------|-------|---------|-------------------------------|------------------|----------------------------------|----------------|-------------------------|
| ¹² Dedicated Acres E/316.6 | | | | | 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 FD 3 1/4" B.L.M. BC 1969 LOT 8 | S 86-21-33 W LOT 7 | 4332.20' (M) LOT 6 | FD 3 1/4" B.L.M. BC 1969 LOT 5 |
| LOT 9 | LAT. 36°58.3255' N (NAD 27) LONG. 107°48.8405' W LOT 10 | LOT 11 | LOT 12 |
| LOT 16 | LOT 15 | LOT 14 | LOT 13 |
| LOT 17 | LOT 18 | LOT 19 | LOT 20 |

USA NM-58887

1890'
566'
845'
464'
758'
S 00-20-11 W
2648.30' (M)

¹⁷ OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief
JUN 2003
RECEIVED
OIL CONS. DIV.
DIST. 3
Signature
Peggy Cole
Printed Name
Regulatory Supervisor
Title
Date
1-2-03

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.
Nov. 5, 2002
Date of Survey
Signature and Seal of Professional Surveyor:
14827
REGISTERED PROFESSIONAL SURVEYOR
Certificate Number

OPERATIONS PLAN

Well Name: Newco #101S
Location: 1890' FNL, 845' FEL Section 19, T-32-N, R-9-W
Latitude 36° 58.3255' N, Longitude 107° 48.8405' W
San Juan County, NM
Formation: Basin Fruitland Coal
Elevation: 6602' GL

| Formation: | Top | Bottom | Contents |
|-----------------|----------|--------|----------|
| Surface | San Jose | 2036' | |
| Ojo Alamo | 2036' | 2157' | aquifer |
| Kirtland | 2157' | 2834' | |
| Fruitland | 2834' | 3364' | |
| Intermediate TD | 3334' | | |
| Fruitland Coal | 3364' | 3410' | gas |
| B/Basal Coal | 3410' | 3419' | gas |
| Total Depth | 3410' | | |
| Pictured Cliffs | 3419' | | |

Mudlog: with Softrock from 7" to TD
Coring Program: none

Mud Program:

| Interval | Type | Weight | Vis. | Fluid Loss |
|------------|---------------|---------|-------|------------|
| 0- 120' | Spud | 8.4-9.0 | 40-50 | no control |
| 120-3334' | Non-dispersed | 8.4-9.0 | 30-60 | no control |
| 3334-3410' | Air/Mist | | | |

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

| Hole Size | Depth Interval | Csg. Size | Wt. | Grade |
|-----------|----------------|-----------|-------|-------|
| 12 1/4" | 0' - 120' | 9 5/8" | 32.3# | H-40 |
| 8 3/4" | 0' - 3334' | 7" | 20.0# | J-55 |
| 6 1/4" | 3334' - 3410' | open hole | | |

Tubing Program:

| | | | |
|------------|--------|------|------|
| 0' - 3410' | 2 3/8" | 4.7# | J-55 |
|------------|--------|------|------|

Float Equipment: 9 5/8" surface casing - saw tooth guide shoe. Centralizers will be run in accordance with Onshore Order #2.

7" intermediate casing - guide shoe and self-fill float collar. Standard centralizers run every other joint above shoe. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 2157'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

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

Cementing:

9 5/8" surface casing - cement with 32 sx Class A, B Portland Type I, II cement (38 cu.ft. of slurry, bring cement to surface through 3/4" line) or equivalent. WOC 24 hours for pre-set holes or 8 hours for conventionally set holes before pressure testing or drilling out from under surface casing.

7" intermediate casing - lead w/410 sacks Premium Lite with 3% calcium chloride, 5 pps LCM-1, and 1/4#/sack flocele, 0.4% FL-52, & 0.4% SMS. Tail with 90 sacks Type III cmt with 1% calcium chloride, 1/4#/sack flocele and 0.2% FL-52 (997 cu.ft., 100% excess to circulate to surface).

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

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 rams to 600#/30 min.

Intermediate TD to Total Depth - 7 1/6" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to drilling out intermediate casing, test blind rams and casing to 1500 psi for 30 minutes; all pipe rams and casing to 1500 psi for 30 minutes each.

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 less than 500 psi.
- * This gas is dedicated.
- * The east half of section 19 is dedicated to the Fruitland Coal.

Date: 1/8/03

Drilling Engineer: Eric J. Giles