

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

RECEIVED
2003 JAN 13 PM 1:09
070 Farmington, NM

1a. Type of Work DRILL	5. Lease Number NMSF078459B 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 Allison Unit
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name Allison Unit 9. Well Number 128S
4. Location of Well 1075' FNL, 905' FEL Latitude 36° 59.0362, Longitude 107° 32.8637	10. Field, Pool, Wildcat Basin Fruitland Coal 11. Sec., Twn, Rge, Mer. (NMPM) A Sec. 15, T-32-N, R-7-W API # 30-045- 31336
14. Distance in Miles from Nearest Town Ignacio 14 miles, Allison 6 miles	12. County San Juan 13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 905'	17. Acres Assigned to Well 313.34 52
16. Acres in Lease	
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 75'	20. Rotary or Cable Tools Rotary
19. Proposed Depth 3400'	
21. Elevations (DF, FT, GR, Etc.) 6673' GR	22. Approx. Date Work will Start
23. Proposed Casing and Cementing Program See Operations Plan attached	
24. Authorized by: <u>[Signature]</u> Regulatory/Compliance Supervisor	Date <u>1-2-03</u>

PERMIT NO. _____ APPROVAL DATE 6/2/03
APPROVED BY Original Signed: Stephen Mason TITLE _____ DATE 6/2/02

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".

NMOCD

District I
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994

District II
PO Drawer DD, Artesia, NM 88211-0719

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

District III
1000 Rio Brazos Rd., Aztec, NM 87410

PO Box 2088
Santa Fe, NM 87504-2088

District IV
PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045- 31336	*Pool Code 71629	*Pool Name Basin Fruitland Coal
*Property Code 6784	*Property Name ALLISON UNIT	*Well Number 128S
*GRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY, LP	*Elevation 6673'

¹⁰ Surface Location

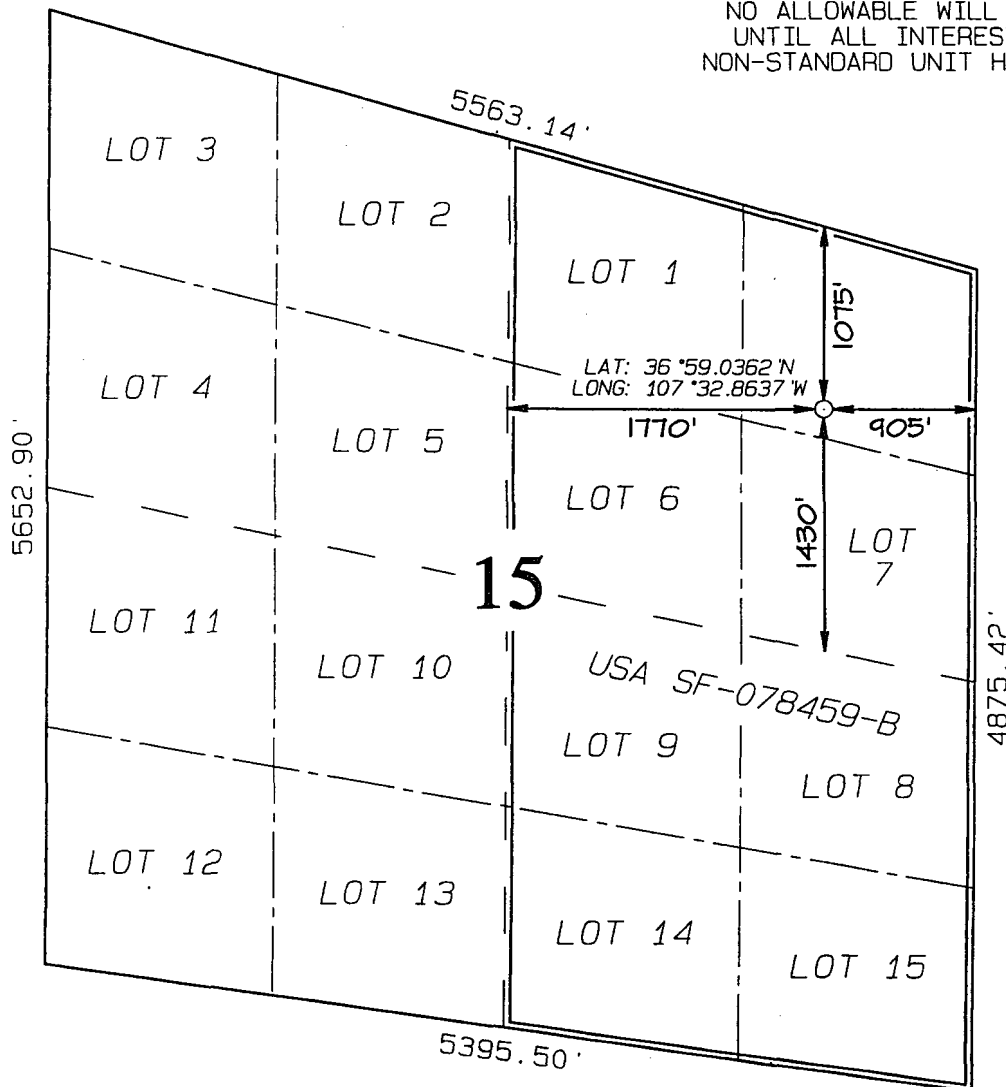
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	15	32N	7W		1075	NORTH	905	EAST	SAN JUAN

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/313.34	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information
contained herein is true and complete
to the best of my knowledge and belief

Peggy Cole
Signature

Peggy Cole
Printed Name

Regulatory Supervisor
Title

1-2-03
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.

Survey Date: AUGUST 26, 2002

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

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.

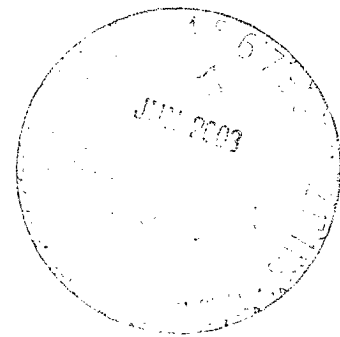
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMSF078459B
2. Name of Operator BURLINGTON RESOURCES O&G CO LP		6. If Indian, Allottee or Tribe Name
Contact: PEGGY COLE E-Mail: pcole@br-inc.com		7. If Unit or CA/Agreement, Name and/or No. NMNM78372C
3a. Address 3401 EAST 30TH FARMINGTON, NM 87499	3b. Phone No. (include area code) Ph: 505.326.9727 Fx: 505.326.9781	8. Well Name and No. ALLISON UNIT 128S
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 15 T32N R7W NENE 1075FNL 905FEL		9. API Well No. 30-045-31336-00-X1
		10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
		11. County or Parish, and State SAN JUAN COUNTY, NM

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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

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 recompleat 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 recompleat 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.)

It is intended to drill an additional 100' in this planned Basin Fruitland Coal well into the main Pictured Cliffs formation to a depth of 3500'. It is anticipated the Pictured Cliffs is not productive in this wellbore. An uncemented 5-1/2" 15.5# K-55 liner will be set @ 3135-3500'.



14. I hereby certify that the foregoing is true and correct. Electronic Submission #21769 verified by the BLM Well Information System For BURLINGTON RESOURCES O&G CO LP, sent to the Farmington Committed to AFMSS for processing by Chip Harraden on 05/13/2003 (03CXH0008SE)	
Name (Printed/Typed) PEGGY COLE	Title REGULATORY ADMINISTRATOR
Signature (Electronic Submission)	Date 05/13/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>CHIP HARRADEN</u>	Title <u>GEOLOGIST</u>	Date <u>05/13/2003</u>
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 Farmington

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

NMOC

OPERATIONS PLAN

Well Name: Allison Unit #128S
Location: 1075' FNL, 905' FEL Section 15, T-32-N, R-7-W
Latitude 36° 59.0362' N, Longitude 107° 32.8637' W
San Juan County, NM
Formation: Basin Fruitland Coal
Elevation: 6673' GR

Formation:	Top	Bottom	Contents
Surface	San Jose	2347'	
Ojo Alamo	2347'	2456'	aquifer
Kirtland	2456'	2956'	
Fruitland	2956'	3225'	
Intermediate TD	3175'		
Fruitland Coal	3225'	3520'	gas
B/Basal Coal	3520'	3522'	gas
Total Depth	3400'		
Pictured Cliffs	3522'		

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
120-3175'	Non-dispersed	8.4-9.0	30-60	no control
3175-3400'	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' - 3175'	7"	20.0#	J-55
6 1/4"	3175' - 3400'	open hole		

Tubing Program:

0' - 3400'	2 3/8"	4.7#	J-55
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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 @ 2456'. 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/387 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 (949 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 15 is dedicated to the Fruitland Coal.

Date: 1/8/03

Drilling Engineer:

Eric J. Giles