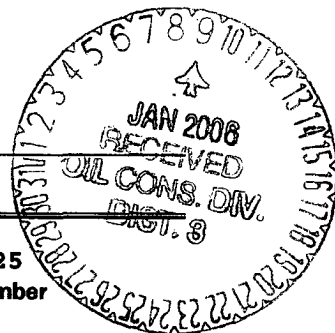


UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT



APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	2005 DEC 6 PM 3 56	5. Lease Number NMSF-078425
		Unit Reporting Number
1b. Type of Well GAS	RECEIVED 070 FARMINGTON NM	6. If Indian, All. or Tribe
2. Operator <b>BURLINGTON</b> RESOURCES Oil & Gas Company ✓		7. Unit Agreement Name San Juan 29-7 Unit
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700		8. Farm or Lease Name
		9. Well Number #5308
4. Location of Well Unit J (NWSE), 1780' FSL, 1505' FEL		10. Field, Pool, Wildcat Basin Fruitland Coal/ Blanco Pictured Cliffs
		11. Sec., Twn, Rge, Mer. (NMPM) Sec. 34, T29N, R07W
		API # 30-039- 29718
14. Distance in Miles from Nearest Town 17.9 miles to Post Office in Blanco, NM	12. County Rio Arriba	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1505'		
16. Acres in Lease	17. Acres Assigned to Well 320 E2 FC/PC-160 SE/4	
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 52' - San Juan 29-7 Unit #60A		
19. Proposed Depth 3651'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 6686' GL	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Armanda Sandovar</u> Regulatory Compliance Assistant II	<u>12-6-05</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.

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

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

NMOC

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

DISTRICT II  
1301 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV  
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised June 10, 2003

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

RECEIVED

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-29718		*Pool Code 71629/72359	*Pool Name Basin Fruitland Coal/ Blanco Pictured Cliffs
*Property Code 7465 ✓	*Property Name SAN JUAN 29-7 UNIT		*Well Number 530S ✓
*OGRID No. 14538 ✓	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP		*Elevation 6686' ✓

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	34	29-N	7-W		1780	SOUTH	1505	EAST	RIO ARriba

<sup>11</sup> 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
<sup>12</sup> Dedicated Acres 320 E2 FC/PC -160				<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> 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		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><u>Amanda Sandoval</u> Signature Amanda Sandoval Printed Name Regulatory Assistant II Title 9-15-05 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>JULY 22, 2005 Date of Survey Signature and Seal of Professional Surveyor: 8894 Professional Land Surveyor 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

<p><b>SUNDRIY NOTICES AND REPORTS ON WELLS</b> (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.)</p>		<p>WELL API NO. <b>30-039-29710</b></p>
<p>1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other</p>		<p>5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/></p>
<p>2. Name of Operator <b>BURLINGTON RESOURCES OIL &amp; GAS COMPANY LP</b></p>		<p>6. State Oil &amp; Gas Lease No. <b>NMSF-078425</b></p>
<p>3. Address of Operator <b>3401 E. 30TH STREET, FARMINGTON, NM 87402</b></p>		<p>7. Lease Name or Unit Agreement Name <b>San Juan 29-7 Unit</b></p>
<p>4. Well Location Unit Letter <b>J</b> : <b>1780</b> feet from the <b>South</b> line and <b>1505</b> feet from the <b>East</b> line Section <b>34</b> Township <b>29N</b> Range <b>7W</b> NMPM County <b>San Juan</b></p>		<p>8. Well Number <b>530S</b></p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) <b>6686'</b></p>		<p>9. OGRID Number <b>14538</b></p>
<p>Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/></p>		<p>10. Pool name or Wildcat <b>Basin Fruitland Coal/ Blanco Pictured Cliffs</b></p>
<p>Pit type <b>New Drill</b> Depth to Groundwater <b>&gt;100'</b> Distance from nearest fresh water well <b>&gt;1000'</b> Distance from nearest surface water <b>&gt;1000'</b></p>		
<p>Pit Liner Thickness: <b>12</b> mil Below-Grade Tank: Volume <b>_____</b> bbls; Construction Material <b>_____</b></p>		

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 ☐

OTHER: **New Drill Pit** ☒

SUBSEQUENT REPORT OF:

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

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 NMOCD 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 NMOCD office.

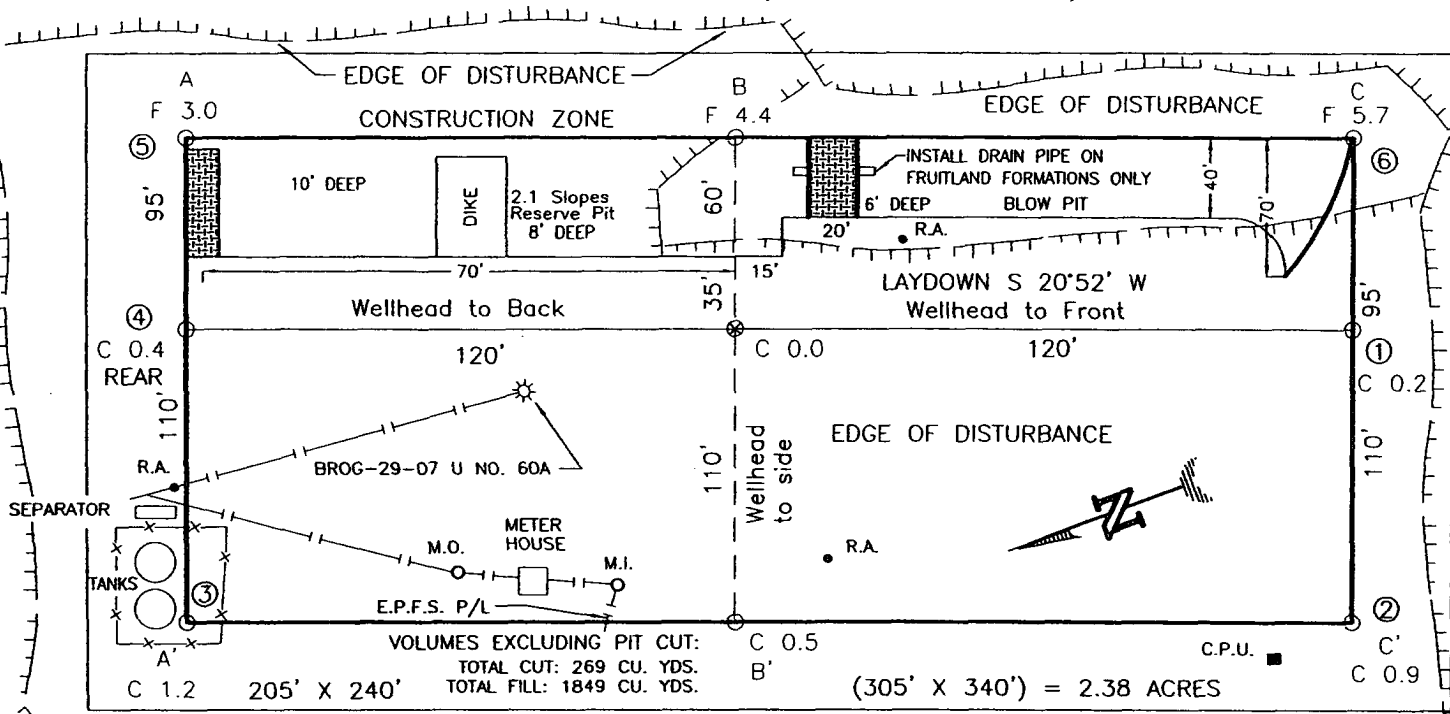
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Amanda Sandoval TITLE Regulatory Assistant II DATE 9/20/2005

Type or print name Amanda Sandoval E-mail address: asandoval@br-inc.com Telephone No. 505-326-9700  
For State Use Only

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 4 DATE JAN 09 2006  
Conditions of Approval (if any):

**BURLINGTON RESOURCES OIL & GAS COMPANY LP**  
**SAN JUAN 29-7 UNIT NO. 530S, 1780 FSL 1505 FEL**  
**SECTION 34, T-29-N, R-7-W, N.M.P.M., RIO ARriba COUNTY, NEW MEXICO**  
**GROUND ELEVATION: 6686, DATE: JULY 22, 2005**

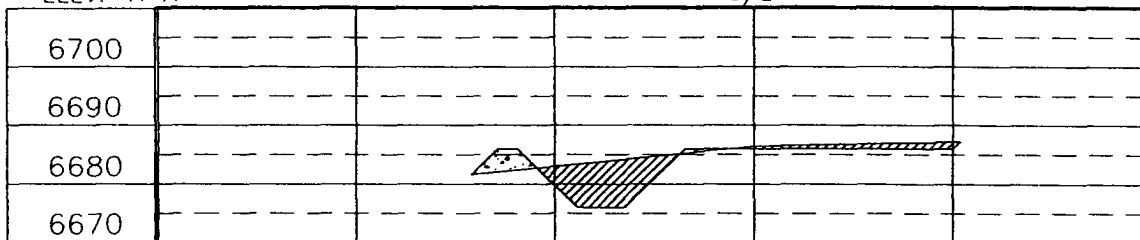


RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).  
 BLOW PIT: OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT.

NOTE: DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO EXCAVATION OR CONSTRUCTION.

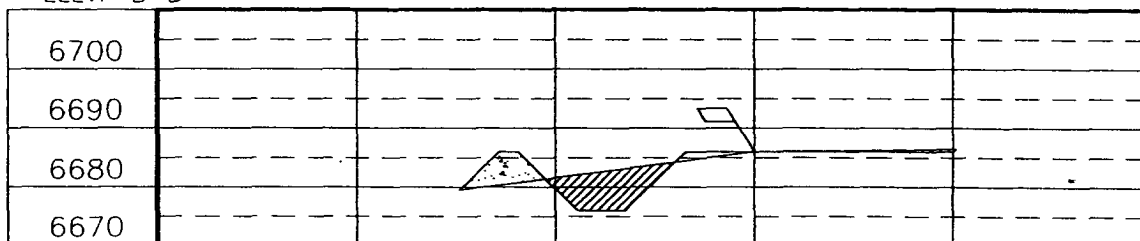
ELEV. A-A'

C/L



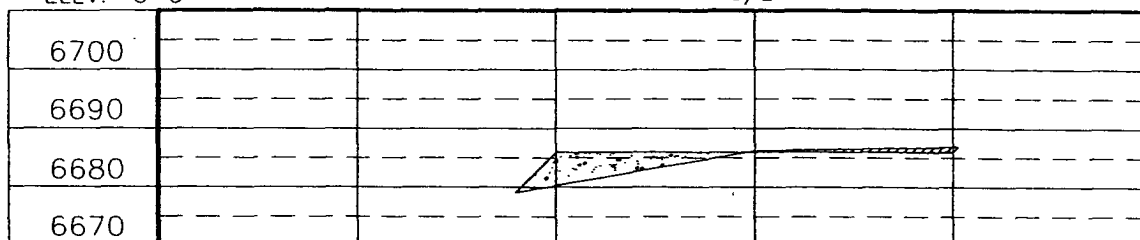
ELEV. B-B'

C/L



ELEV. C-C'

C/L



NOTE: 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.

REVISION:	DATE:	REVISED BY:
	DATE: 9/02/05	
<p align="center"><b>Daggett Enterprises, Inc.</b>                  Surveying and Oil Field Services                  P. O. Box 15068 • Farmington, NM 87401                  Phone (505) 326-1772 • Fax (505) 326-6019                  NEW MEXICO L.S. No. 8894                  COUNTY: BERNALILLO                  DRAWN BY: G.V.                  ROW#: BR582</p>		

## OPERATIONS PLAN

**Well Name:** SAN JUAN 29-7 UNIT 530S  
**Location:** Unit J (NWSE)1780' FSL & 1505' FEL, Section Sec 34-T29N-R07W  
Rio Arriba County, New Mexico  
Latitude 36 40.7989'N; Longitude 107 33.2304'W  
**Formation:** Basin Fruitland Coal/Blanco Pictured Cliffs  
**Elevation:** 6686' GL

<b><u>Formation Tops:</u></b>	<b><u>Top</u></b>	<b><u>Bottom</u></b>	<b><u>Contents</u></b>
Surface	San Jose	2589'	
Ojo Alamo	2589'	2675'	
Kirtland	2675'	3213'	gas
Fruitland Coal	3213'	3451'	gas
Pictured Cliffs	3451'	3651'	
<b>Total Depth:</b>	<b>3651'</b>		

**Logging Program:**  
None

<b><u>Interval</u></b>	<b><u>Type</u></b>	<b><u>Weight</u></b>	<b><u>Vis.</u></b>	<b><u>Fluid Loss</u></b>
0 - 120'	Spud	8.4 - 8.9	40 - 50	no control
120 - 3651'	Non-dispersed	8.4 - 9.5	30 - 60	no control

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

<b><u>Hole Size</u></b>	<b><u>Depth Interval</u></b>	<b><u>Csq. Size</u></b>	<b><u>Wt.</u></b>	<b><u>Grade</u></b>
8 3/4"	0' - 120'	7"	20.0#	J-55
6 1/4"	0' - 3651'	4 1/2"	10.5#	J/K-55

<b><u>Tubing Program:</u></b>	<b><u>Depth Interval</u></b>	<b><u>Csq. Size</u></b>	<b><u>Wt.</u></b>	<b><u>Grade</u></b>
	0' - 3651'	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 @ 2675'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 2675'. 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" 2000 psi xmas tree assembly.

**Cementing:**

7" surface casing pre-set drilled -

Cement with Type I, II cement with 20% flyash mixed at 14.5 ppg, 1.16 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 42 sacks Type III cement with 0.25 pps Celloflake, 3% CaCl<sub>2</sub>. (54 cu ft of slurry @ 1.28 yield). 200% excess, bring cement to surface. Wait on cement for 8hrs 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 w/205 sacks (437cu ft of slurry @ 2.13 yield) Prem Lite cement w/3% calcium chloride, 0.25 pps celloflake, 5 pps LCM-1, 0.4% fluid loss, 0.4% sodium metasilicate. Tail w/90 sacks Type III cement w/1% calcium chloride, 0.25 pps celloflake, and 0.2% fluid loss (125 cu. ft. of slurry @ 1.38 yield). Total of 526 cf - 50% excess to circulate to surface.

562

**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 BOP and casing to 600 psi for 30 minutes.

Completion -

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

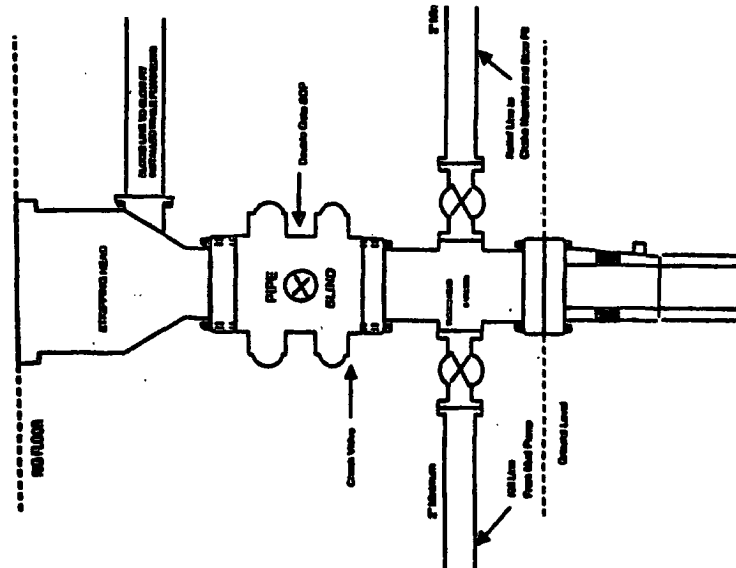
From surface to TD -

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.

# BURLINGTON RESOURCES

Completion/Workover Rig  
BOP Configuration  
2,000 psi System

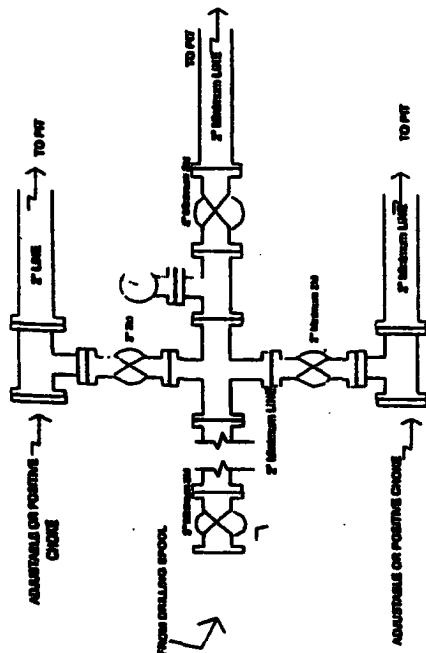


Minimum BOP installation for all Completion/Workover Operations. 7-1/8" bore, 2000 psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A stopping head to be installed on the top of the BOP. All BOP equipment is 2000 psi working pressure or greater excluding 500 psi stripping head.

Figure #2

# BURLINGTON RESOURCES

Drilling Rig  
Choke Manifold Configuration  
2000 psi System

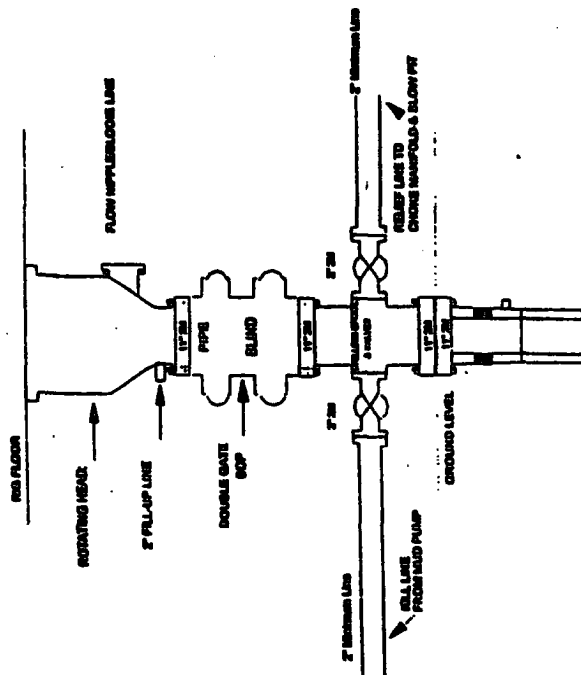


Choke manifold installation from Surface Casing Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure #3

# Burlington Resources

Drilling Rig  
2000 psi System



BOP installation from Surface Casing Point to Total Depth. 11" Bore 10" Nominal, 2000 psi working pressure double gate BOP to be equipped with blind rams and pipe rams. A 500 psi ramming head on top of ram preventers. All BOP equipment is 2,000 psi working pressure.

Figure #1

4-20-01

4-20-01