

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

APPROVAL DATE**TITLE**

DATE 3/7/06

~~SECRET~~



TRAINING OPERATIONS AUTHORITY IS
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

1 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
2 United States any false, fictitious or fraudulent statements or presentations as to any matter within its jurisdiction.

[illegible]

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

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-122

Revised February 21, 1991

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

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

OIL CONSERVATION DIVISION

PO Box 2088

Santa Fe, NM 87504-2088

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

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

☐ AMENDED REPORT

2006 MAR 1 PM 4 25

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-33621	*Pool Code 71629/ 97513	*Pool Name Basin Fruitland Coal/ Wildcat Fruitland Sand
*Property Code 7249	*Property Name LARGO FEDERAL	*Well Number 100S
*GRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY, LP	*Elevation 5780'

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
D	34	29N	9W		675	NORTH	765	WEST	SAN JUAN

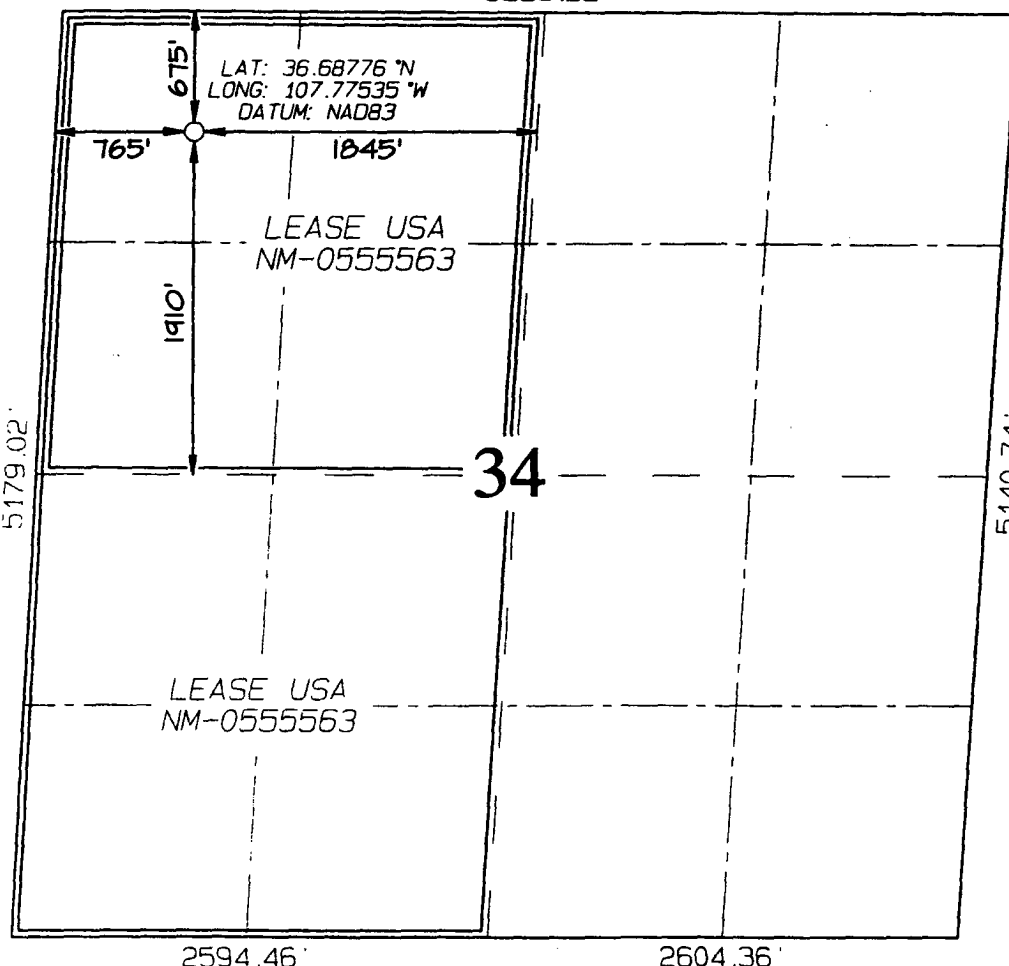
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

*Dedicated Acres 320 W2 FC/ 160 NW4 FS	*Joint or Infill	*Consolidation Code	*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

5225.22'



17 OPERATOR CERTIFICATION

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

Amanda Sandoval
Signature

Amanda Sandoval

Printed Name

Regulatory Assistant II

Title

2-1-06

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: **JANUARY 12, 2006**

Signature and Seal of Professional Surveyor



JASON C. EDWARDS

Certificate Number

15269

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

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

May 27, 2004

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.)		WELL API NO. 30-045-
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator BURLINGTON RESOURCES OIL & GAS COMPANY LP		6. State Oil & Gas Lease No. NMNM-0555563
3. Address of Operator 3401 E. 30TH STREET, FARMINGTON, NM 87402		7. Lease Name or Unit Agreement Name Largo Federal
4. Well Location Unit Letter <u>D</u> : <u>675</u> feet from the <u>North</u> line and <u>765</u> feet from the <u>West</u> line Section <u>34</u> Township <u>29N</u> Rng <u>9W</u> NMPM County <u>San Juan</u>		8. Well Number #100S
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5780'		9. OGRID Number 14538
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat Basin Fruitland Coal/ Wildcat Fruitland Sands
Pit type <u>new drill</u> Depth to Groundwater <u>>100'</u> Distance from nearest fresh water well <u>>1000'</u> Distance from nearest surface water <u>7200'</u> Pit Liner Thickness: <u>n/a</u> mil Below-Grade Tank: <u>Volume</u> 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 ☐

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.

New Drill, Unlined:

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

SIGNATURE Amanda Sandoval TITLE Regulatory Assistant II DATE 2/9/2006

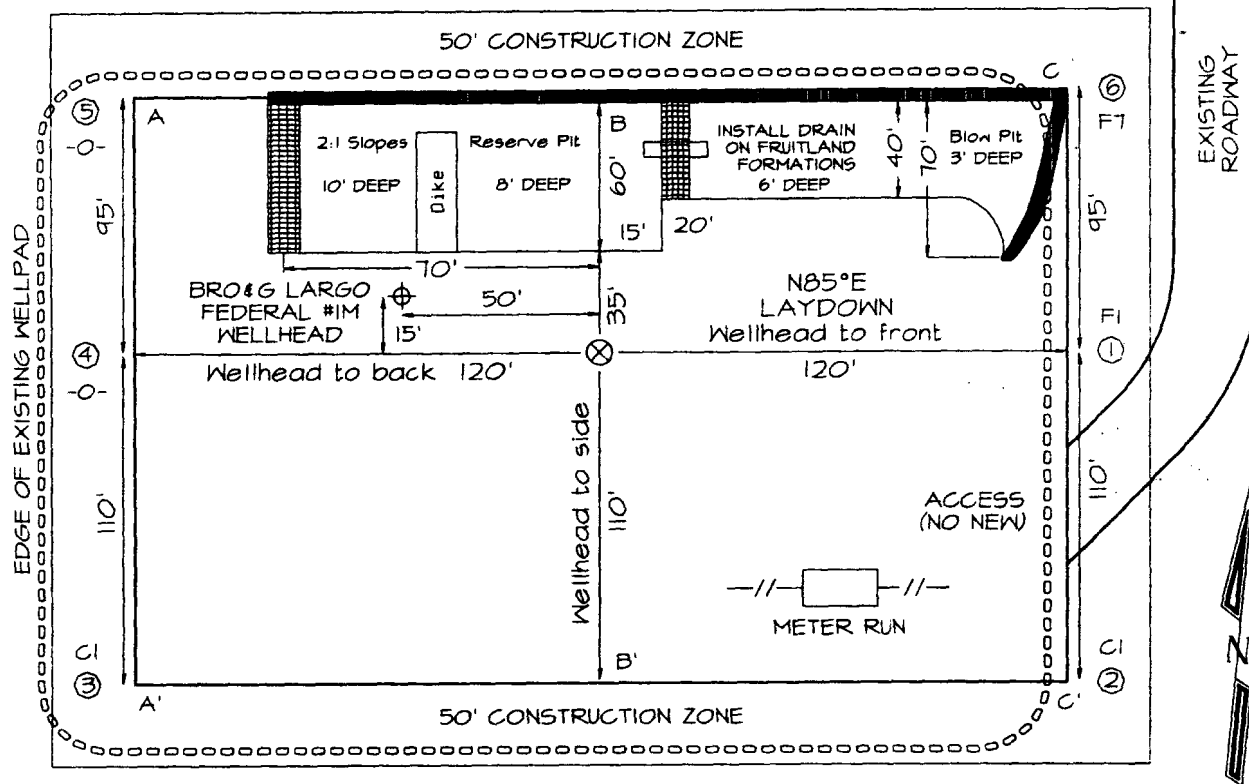
Type or print name Amanda Sandoval E-mail address: asandoval@br-inc.com Telephone No. 505-326-9891
For State Use Only

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. IV DATE MAR 07 2006
 Conditions of Approval (if any):

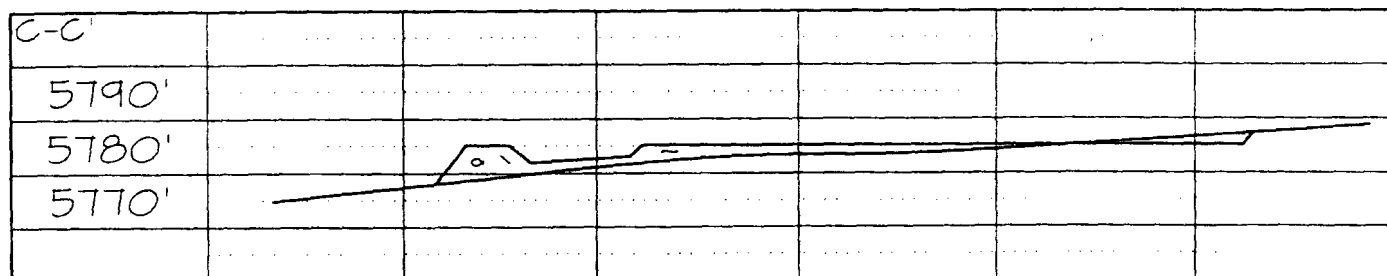
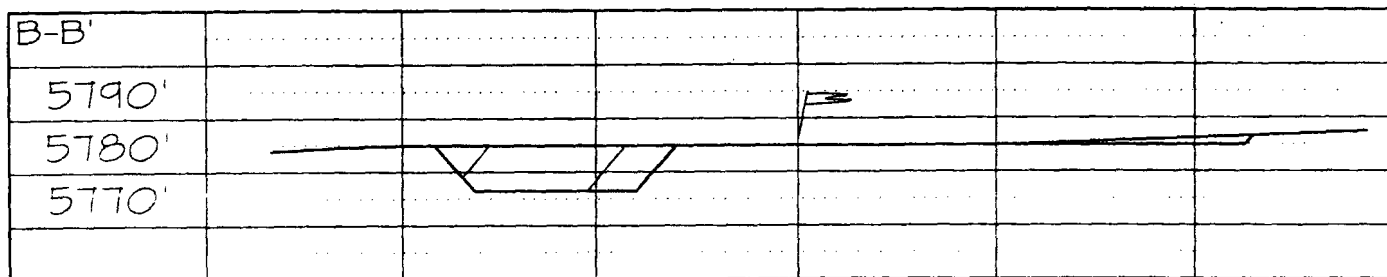
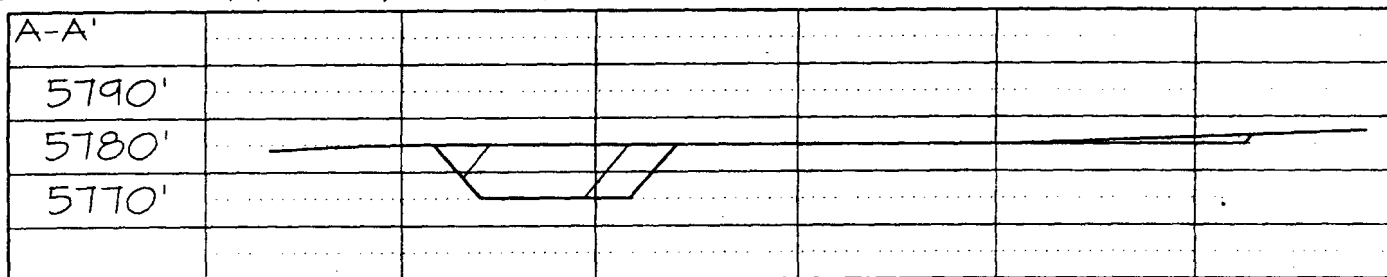
BURLINGTON RESOURCES OIL & GAS COMPANY LARGO FEDERAL #100S
675' FNL & 765' FWL, SECTION 34, T29N, R9W, NMPM, SAN JUAN COUNTY, NM
GROUND ELEVATION: 5780' DATE: JANUARY 12, 2006

205' X 240' 305' X 340' = 2.38 ACRES

LATITUDE: 36.68776° N
LONGITUDE: 107.77535° W
 DATUM: NAD1983



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: 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

OPERATIONS PLAN

Well Name: Largo Federal #100S
Location: Unit D (NWNW) 675' FNL & 765' FWL, Section 34, T29N, R9W
 San Juan County, New Mexico
 Latitude 36.68776° 'N; Longitude 107.77535°W
Formation: Basin Fruitland Coal/ Wildcat Fruitland Sands
Elevation: 5780' GR

Formation:	Top	Bottom	Contents
Surface	San Jose		
Ojo Alamo	1061'		
Kirtland	1225'	1900'	gas
T/Fruitland	1900'		gas
Pictured Cliffs	2162'		
Total Depth	2362'		

Note: The Total Depth for this well is into the Pictured Cliffs interval, but currently only have plans to complete the Fruitland Coal interval. We could in the near future perforate/stimulate the Pictured Cliffs interval, but only would once Regulatory approval was asked for and received.

Logging Program: Newton-Density to surface.

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis. Fluid Loss</u>
0- 120'	Spud/air/air-mist	8.4-8.9	40-50 no control
120-2362'	Non-dispersed	8.4-9.5	30-60 no control

Casing Program:

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csg. Size</u>	<u>Wt.</u>	<u>Grade</u>
8 $\frac{3}{4}$ "	0 - 120'	7"	20.0#	J-55
6 $\frac{1}{4}$ "	0 - 2362'	4 1/2"	10.5#	J/K-55

Tubing Program:

0 - 2362'	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 @ 1225'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 1225'. 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" x 11" 2000 psi xmas tree assembly.

February 9, 2006

Cementing:

7" surface casing Pre-Set Drilled - Cement with Type I, II cement with 20% flyash mixed at 14.5 ppg, 1.61 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 sx Type III cement with 0.25 pps Celloflake, 3% CaCl. (54 cu ft of slurry @ 1.28 yield). 200% excess, bring cement to surface. Wait on cement for 8 hrs 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 with 112 sx (239 cu ft of slurry @ 2.13 yield) Premium Lite with 3% calcium chloride, 5 pps LCM-1, and 1/4#/sack celloflake, 0.4% FL-52, & 0.4% SMS. Tail with 90 sacks (124 cu ft of slurry @ 1.38 yield) Type III cmt with 1% calcium chloride, 1/4#/sack Celloflake and 0.2% FL-52. Total of 363 cf - 50% excess to circulate to surface.

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 rams to 600 psi/30 min.

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

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 between 600 - 700 psi.
- * This gas is dedicated.
- * The west half of section 34 is dedicated to Fruitland Coal and NW4 is dedicated to Fruitland Sands for this well.
- * New casing will be utilized.
- * Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.

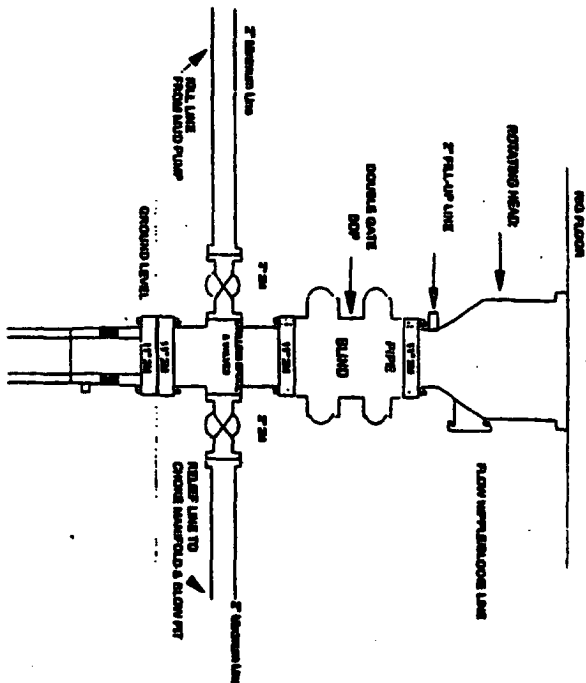
Drilling Engineer

Date

2/13/06

Burlington Resources

Drilling Rig 2000 psi System



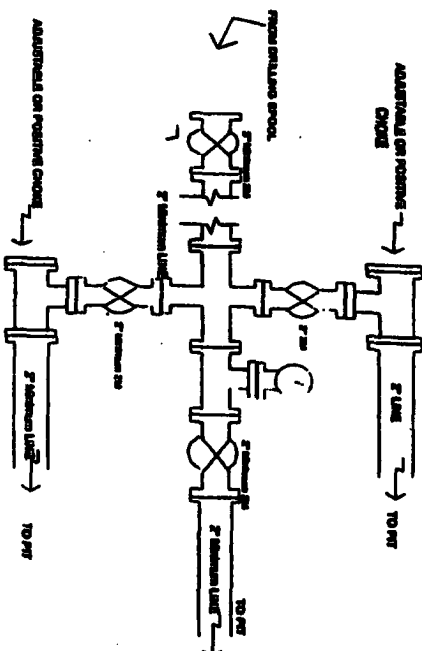
BCP Installation from Surface Casing Point to Total Depth. 17\"/>

Figure #1

4-20-01

BURLINGTON RESOURCES

Drilling Rig Coke Manifold Configuration 2000 psi System



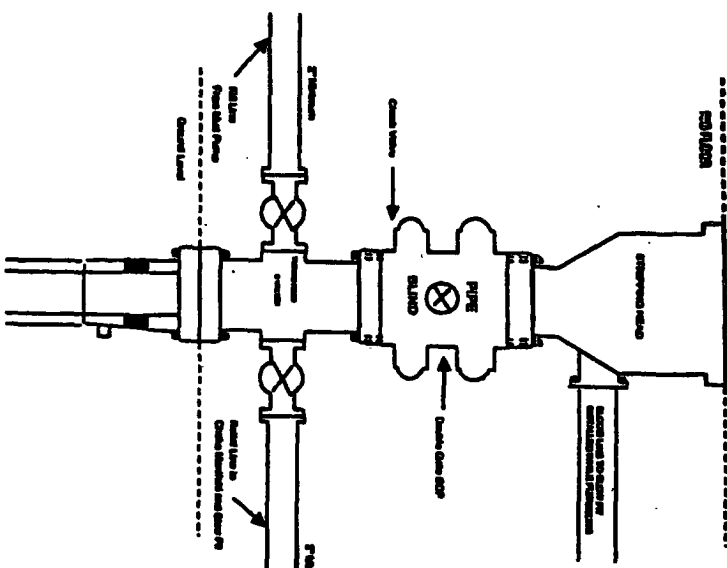
Coke manifold Installation from Surface Casing Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure #3

4-20-01

BURLINGTON RESOURCES

Completion/Workover Rig BCP Configuration 2000 psi System



Minimum BCP Installation for all Completion/Workover Operations. 7-1/16\"/>

Figure #2