Wilson #100 submitted 09/10/2008 API: 30-045-34790 - ***Can be cancelled***

San Juan 28-4 Unit #29M submitted 03/30/2007 API: 30-039-30240 - ***Can be cancelled***

(In white spotted owl) well was to be move or was moved

Jernigan #3B submitted 08/06/2012 API: 30-045-35394 – ***Can be cancelled***

Navajo Indian B #5P submitted 01/02/2013 API: 30-04534939 - ***Can be cancelled***

On last item per our conversation, we have a sundry notice submitted for the SJ 29-7 Unit #106P api 30-039-30287 Surface location is in T29N, R7W Sec. 35 SENE. The way the well bore is designed the well bore would penetrate Federal lease NMSF-078425A

If this well is not going to be drilled please send our office a sundry notice withdrawal the sundry notice or APD. - ***Request that the NOI be processed for approval.***

Cynthia Marquez

6251 College Blvd.

Farmington, NM 87402

505-564-7741

cmarquez@blm.gov

OCD- A - cancelled per operators request 8/1/14

Marquez, Cynthia <cmarquez@blm.gov>

Unapproved APD's

5 messages

Marquez, Cynthia <cmarquez@blm.gov> Thu, Jun 23, 2016 at 5:35 PM
To: "Busse, Dollie L" <Dollie.L.Busse@conocophillips.com>
Cc: Crystal.Walker@conocophillips.com, Troy Salyers <tsalyers@blm.gov>

Hi Dollie,

We have several wells that are in APD status and have never been approved. Email with Pasty stated Brandie Blakley would look into these wells and get back with us dated 01/30/2011.

Please let us know what ConocoPhillip's position is in regards to the list of APDs.

I found these records in my system and I am looking for file:

Lively #21P submitted 02/26/2013 API: 30-039-31188

San Juan 29-7 Unit #520S submitted 09/13/2006 API: Unknown (maybe it is a moved well?)

Tommy Bolack #1P submitted 11/08/2012 API: unknown

Heaton Com A #101 submitted 03/03/2010 API: unknown

I have well files for these:

Huerfano Unit HZDK #1H submitted 12/19/2014 API: 30-045-35626

Lively #6N submitted 02/26/2013 API: 30-045-35463

Nye #10P submitted 02/25/2013 API: 30-045-35464

Rock Island #1M submitted 02/26/2013 API: 30-045-35464

Michener #1N submitted 02/26/2013 API: 30-045-35462

San Juan 32-7 Unit #63N submitted 11/21/08 API: 30-045-34852

San Juan 31-6 Unit #36F submitted 08/03/2007 API: 30-039-30313

San Juan 31-6 Unit #39F submitted 04/18/2007 API: 30-039-30249

Wilson #100 submitted 09/10/2008 API: 30-045-34790

San Juan 28-4 Unit #29M submitted 03/30/2007 API: 30-039-30240
(In white spotted owl) well was to be move or was moved

Jernigan #3B submitted 08/06/2012 API: 30-045-35394

Navajo Indian B #5P submitted 01/02/2013 API: 30-04534939

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Cynthia Marquez
6251 College Blvd.
Farmington, NM 87402
505-564-7741
cmarquez@blm.gov

[Quoted text hidden]

Walker, Crystal <Crystal.Walker@conocophillips.com> Mon, Aug 1, 2016 at 3:18 PM
To: "Marquez, Cynthia" <cmarquez@blm.gov>
Cc: "Walker, Crystal" <Crystal.Walker@conocophillips.com>, "Roberts, Kelly G" <Kelly.Roberts@conocophillips.com>, "Notor, Lori" <Lori.R.Notor@conocophillips.com>, "Busse, Dollie L" <Dollie.L.Busse@conocophillips.com>

Good afternoon Cynthia,

Please find below an update on the APDs you requested. For the wells that can be cancelled do you want us to submit paperwork or will you return the APDs?

Please feel free to contact me at any time if you have any questions.

Thank you,

Crystal Walker

Regulatory Coordinator

ConocoPhillips Lower 48

T: 505-326-9837 | F: 505-599-4086 | M: 505-793-2398 | *crystal.walker@cop.com*

Visit the new Lower 48 website:

www.conocophillipsuslower48.com

From: Marquez, Cynthia [mailto:cmarquez@blm.gov]
Sent: Thursday, June 23, 2016 5:35 PM
To: Busse, Dollie L <Dollie.L.Busse@conocophillips.com>
Cc: Walker, Crystal <Crystal.Walker@conocophillips.com>; Troy Salyers <tsalyers@blm.gov>
Subject: [EXTERNAL]Unapproved APD's

Hi Dollie,

OIL CONS. DIV DIST. 3

MAR 01 2017

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

2017 MAR 20 PM 2:38

RECEIVED
TOR NM

1a. Type of Work
DRILL

5. Lease Number
NMSF-079732
Unit Reporting Number

1b. Type of Well
GAS

6. If Indian, All. or Tribe

2. Operator
BURLINGTON RESOURCES Oil & Gas Company, LP

7. Unit Agreement Name
San Juan 28-4 Unit

3. Address & Phone No. of Operator
PO Box 4289, Farmington, NM 87499

(505) 326-9700

8. Farm or Lease Name

9. Well Number
#29M

4. Location of Well
Surf:Unit A (NENE), 578' FNL & 288' FEL
BH: Unit D (NWNW), 1000' FNL & 700' FWL

SURF:Latitude 36° 37.39912883 N
Longitude 107° 18.08267 W
BH: Latitude 36° 37.2457093 N
Longitude 107° 17.7868463 W

10. Field, Pool, Wildcat
Basin Dakota

11. Sec., Twn, Rge, Mer. (NMPM)
Surf:Sec. 36, T28N, R5W
BH: Sec 31, T28N, R4W

API # 30-039- 30240

14. Distance in Miles from Nearest Town
55 mile/Aztec

12. County
Rio Arriba

13. State
NM

15. Distance from Proposed Location to Nearest Property or Lease Line
288'

16. Acres in Lease

17. Acres Assigned to Well
DK - 319.56 W/2

18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease
1500' Sand Juan 28-4 Unit 30

19. Proposed Depth
TMD 8479'/TVD 8151'

20. Rotary or Cable Tools
Rotary

21. Elevations (DF, FT, GR, Etc.)
6781' GL

22. Approx. Date Work will Start

23. Proposed Casing and Cementing Program
See Operations Plan attached

24. Authorized by: Rhonda Rogers (Regulatory Technician)

3-30-07
Date

Cancelled

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.

Example Master Plan Type 3

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

NMOCD

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

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. 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

Fee Lease - 3 Copies
State Lease - 7 Copies
Submit to Appropriate District Office
Revised June 10, 2003
Form C-102

OIL CONS. DIV DIST. 3
MAR 01 2017

2007 MAR 30 PM 2:38
RECEIVED
070 FARMINGTON NM

☐ AMMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code	3 Pool Name
30-039-	71599	BASIN DAKOTA (PRORATED GAS)

4 Property Code	5 Property Name	6 Well Number
7459	SAN JUAN 28-4 UNIT	#29M
7 OGRID No.	**8 Operator Name**	**9 Elevation**
14538	BURLINGTON RESOURCES OIL & GAS COMPANY LP	6778.1

10 SURFACE LOCATION

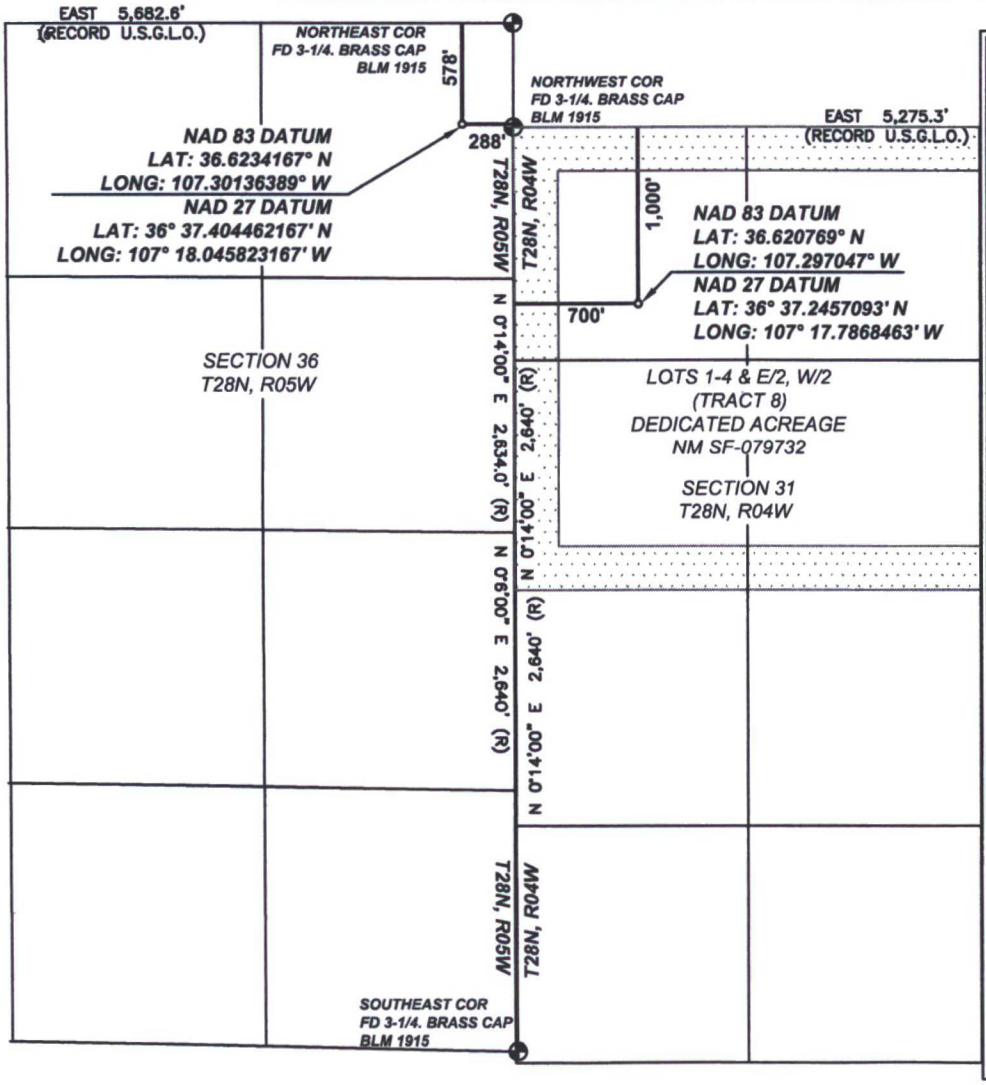
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	36	28-N	5-W		578	NORTH	288	EAST	RIO ARRIBA

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
D	31	28-N	4-W		1000'	NORTH	700'	WEST	RIO ARRIBA

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
319.56			

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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Kandis Roland
Signature

Kandis Roland
Printed Name

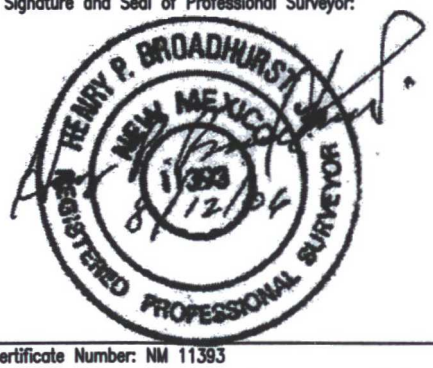
Regulatory Tech
Title and E-mail Address

March 30, 2007
Date

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from feild 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.

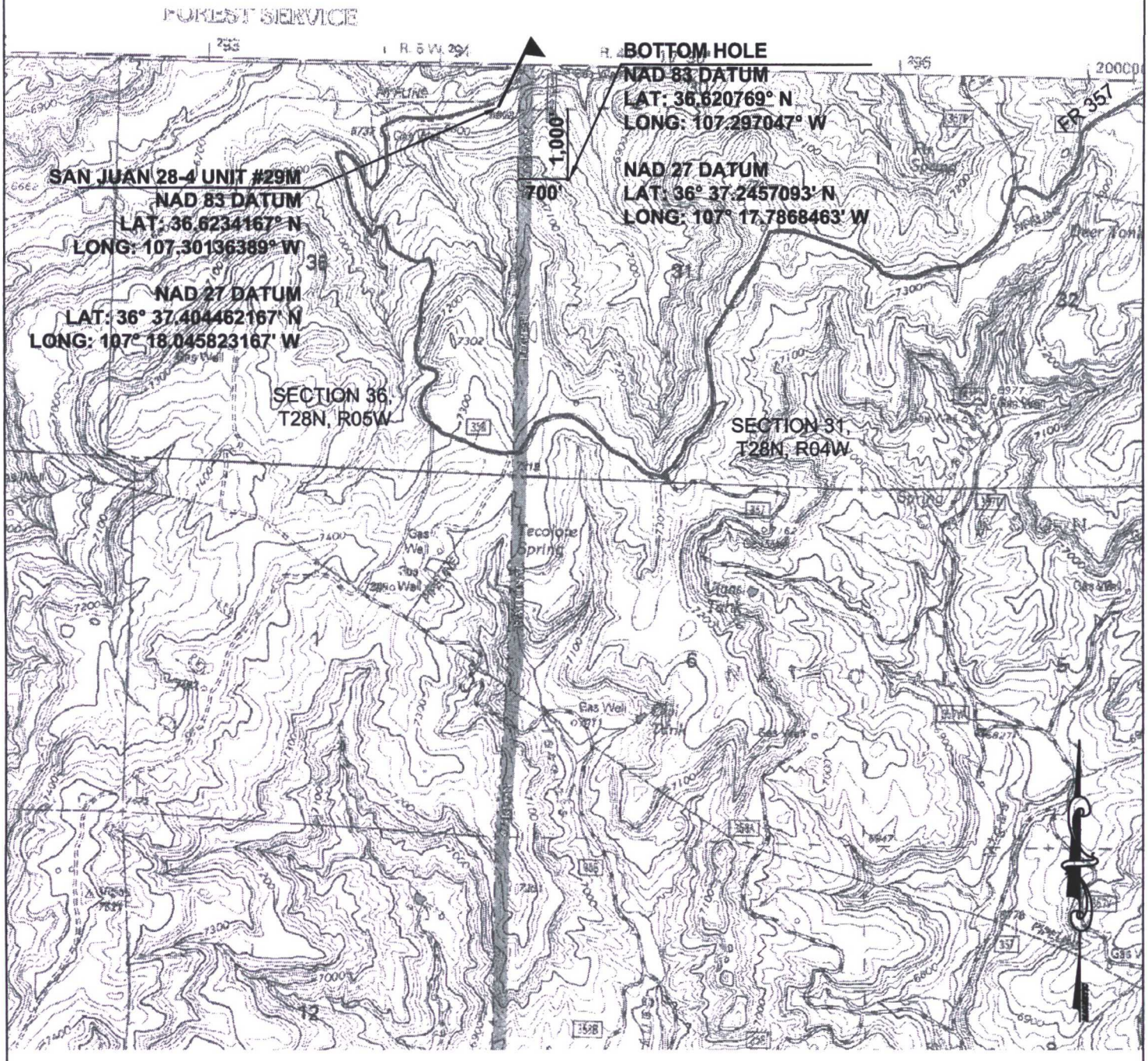
Date of Survey: 08/08/06
Signature and Seal of Professional Surveyor:



Certificate Number: NM 11393

BURLINGTON RESOURCES OIL & GAS COMPANY LP

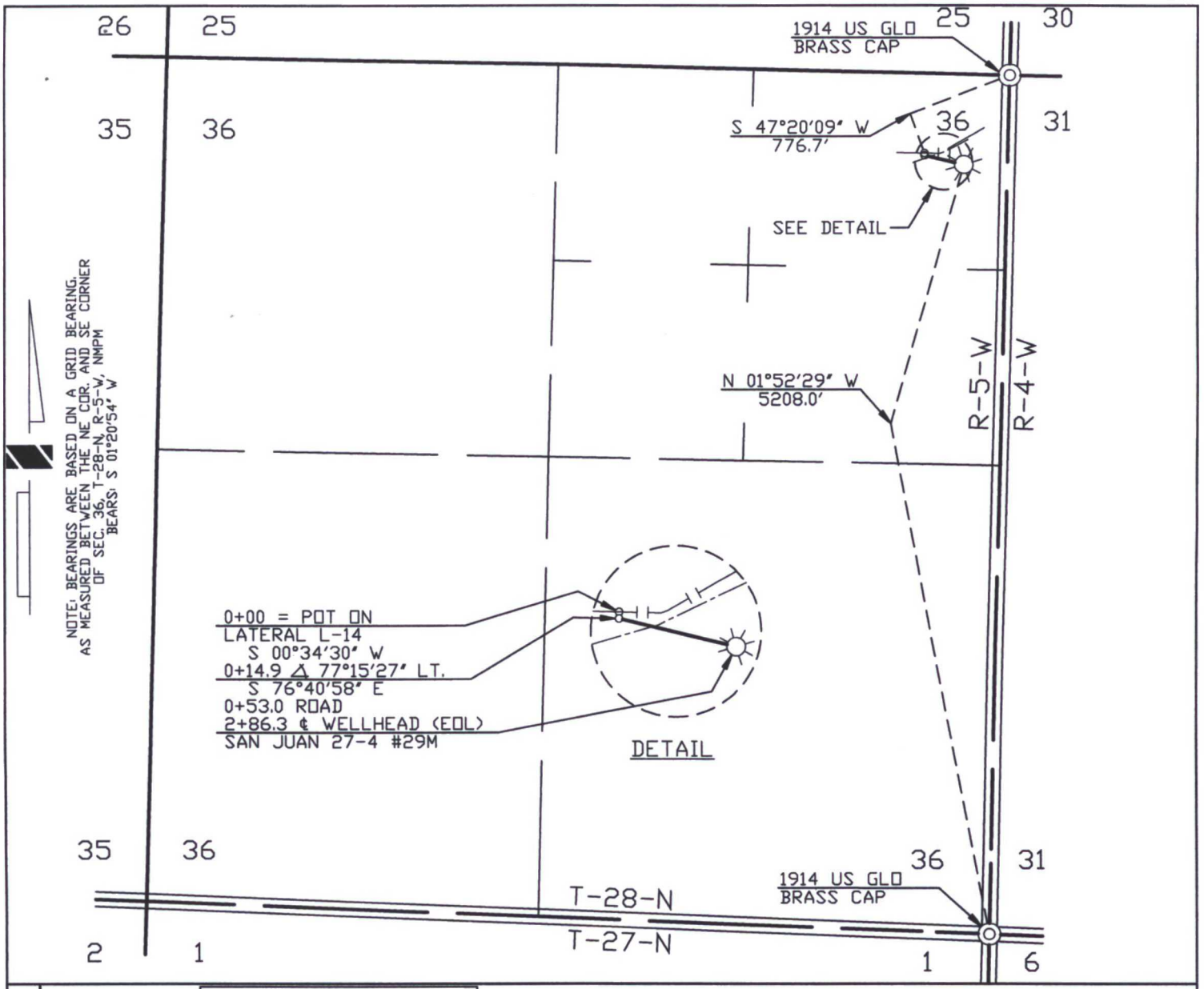
SAN JUAN 28-4 UNIT#29M
578' FNL, 288' FEL
SECTION 36, T28N, R05W, N.M.P.M.,
SECTION 31, T28N, R04W, N.M.P.M.,
RIO ARRIBA COUNTY, NEW MEXICO
ELEV.: 6,778.1' NADV88
NO NEW ACCESS



NOTE: .

REVISIONS			
NO.	DESCRIPTION	REVISED BY	DATE

CCI
1300 W. BROADWAY
BLOOMFIELD,NM, 87413
PHONE: (505)632-7777
CHENAULT CONSULTING INC.



PRELIMINARY DRAWING

PIPE DATA

OWNERSHIP

SUBDIVISION	OWNER	FEET	MILES	ACRES	RODS	
0+00 TO 2+86.3	RICHARD ARNOLD, et al	286.3	0.054	0.263	17.352	

REVISION

NO.	DATE	BY	DESCRIPTION	W.O.NO.	CHK.	APP.	NO.	DATE	BY	DESCRIPTION	W.O.NO.	CHK.	APP.
2	9/27/06	TJR	LINE CHANGE PER NOTES 7/29/06	1046501	PB								
1	6/11/01	SRB	ISSUED FOR REVIEW	1046501	PB		3	10/31/06	PB	REVISED OWNERSHIP	1046501	LB	

INFO		DRAFTING	BY	DATE
R/W #:	6559	DRAWN BY	TJR	9/27/06
METER #:		CHECKED BY	PB	9/27/06
SURVEYED:	6/07/01	APPROVED BY		
		ENGINEER	BY	DATE
		DESIGNED BY		
		PROJ. APPROVED		

STATE: NEW MEXICO
COUNTY: RIO ARRIBA

WILLIAMS FOUR CORNERS LLC
ONE OF THE WILLIAMS COMPANIES

SAN JUAN GATHERING SYSTEM
BROG - SAN JUAN 28-4 #29M
0+00 = POT ON LATERAL L-14
(REF DWG. 14L765.0-1)
SEC. 36, T-28-N, R-5-W, NMPM

SCALE: 1" = 1000'
W.O. NO. 1046501

DWG NO. 14L765.0-30-1

SHEET 1 OF 1 | REV 3

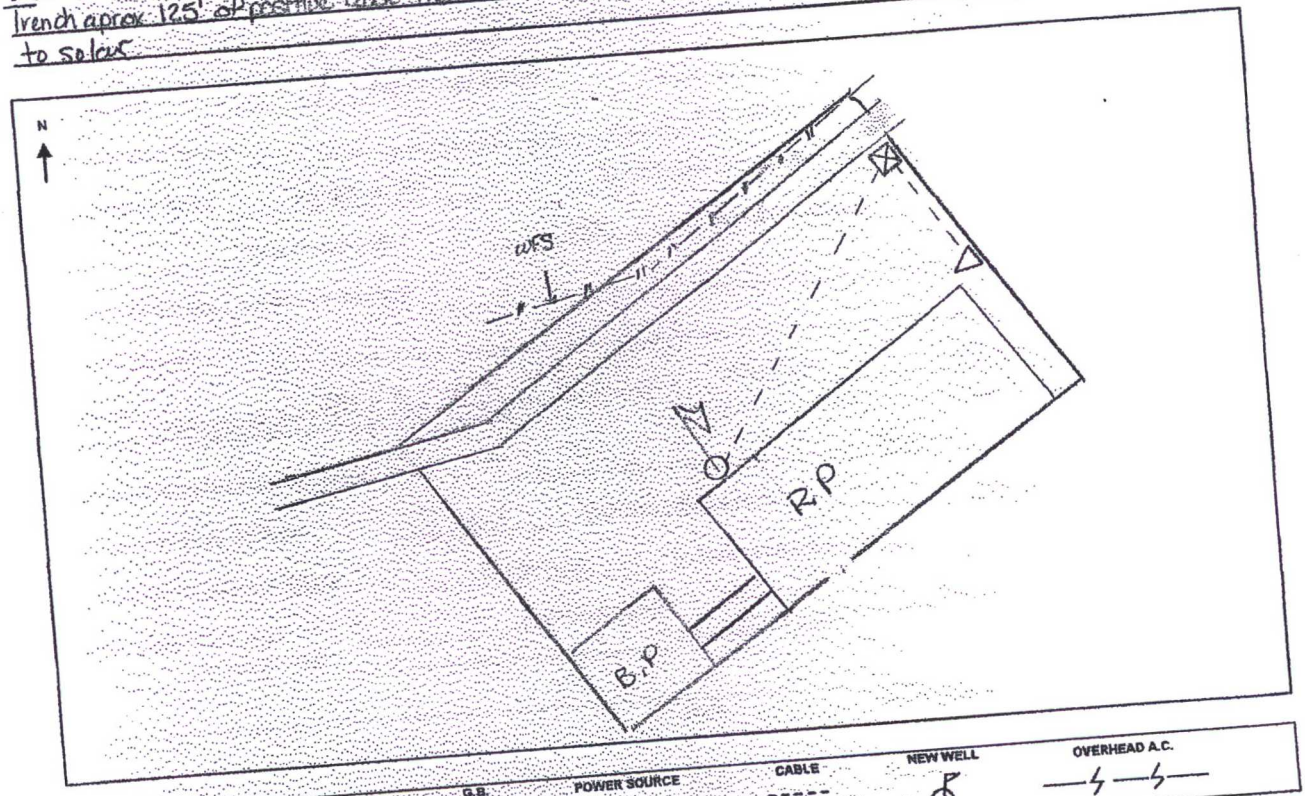
T:\DS\MAPPING\DRAWINGS\SANJUAN\765\00\14L7650-30-1_R03.DWG 10/31/2006 3:00PM PAULB

TECHNICAL SERVICES
A CORROSION COMPANY

CATHODIC PROTECTION PLAN FOR NEW WELLS

WELL NAME S.J. 28-4 # 29M **LEGALS** A-36-28-5 **COUNTY** Rio Arriba

PURPOSED C.P. SYSYTEM: Drill G.B on east edge of location and set solar on northeast edge. Trench aprox 125' of positive cable from GB to solar. Trench aprox 250' of #8 neg. cable from wellhead to solar



EXISITING WELLHEAD | METER HOUSE | G.B. | POWER SOURCE | CABLE | NEW WELL | OVERHEAD A.C.

COMMENTS: Use Solcias in forest areas

NEAREST POWER SOURCE Existing Rect 28-5 #47-36 **DISTANCE:** 1200'

PIPELINES IN AREA: WFS PL

TECHNICIAN: Michael Johnson **DATE:** 1/8/07

6 CR 5412 BLOOMFIELD, N.M. 87413
OFFICE: 505-634-0271 CELL: 505-793-6953

BURLINGTON RESOURCES

Multi-Point Surface Use Plan for San Juan 28-4 unit 29M

The following is required information concerning the possible effect, which the drilling of this well may have on the environment, existing road sites, and surrounding acreage. A copy will be posted on the derrick floor so all contractors and sub-contractors will be aware of all items on this plan.

1. Existing Roads and Well Locations
   A. The proposed Dakota well location site is Unit A (NENE), 578' FNL & 288' FEL, Sec. 36, T28N, R5W, Rio Arriba County, New Mexico. Existing roads used to access the location shall be maintained in the same or better condition than presently maintained.
   B. Directions to the location – see attached

2. Planned Access Road
   A. No new access road will have to be constructed to reach the proposed well pad.
   B. Turnouts as specified by the BLM on the on-site.
   C. Using the Plat 1 Map (cut & fill diagram) for reference of road direction and length.
   D. Gates, cattleguards or fences as specified by the BLM as indicated during onsite.

3. Wellsite Layout & Cross Sections
   See Cut & Fill plat for details. The proposed project will require a cut & fill slope as designated during on-site, or near to natural contour as possible during the interim reclamation phase of the project.

4. Topographic Map and Well Location
   See attached Topo for details.

5. Water Supply
   Water will be trucked to the location from the Knickerbocker Butte Water Well #1 located SE Section 23, T-30-N,R-10-W, New Mexico,

6. Source of Construction Materials:
   Construction materials for the location and access road will be obtained from the location site as needed.

7. Methods of Handling Waste Disposal
   A. The Drill cuttings, drill water and completion fluids will be placed in a lined reserve pit, if required. 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 reserve pit will be allowed to dry or the free fluids will be removed. The reserve pit will then be backfilled, leveled and returned back to natural contour. Upon completion, the pad will be leveled, contoured and reseeded with the appropriate seed mixture as specified by the BLM.
   B. All garbage and trash will be hauled away by Burlington.
   C. Chemical toilets will be provided and maintained during drilling operations.
   D. Any brush, small trees and limbs will be used as erosion control throughout the project area as discussed during the BLM on-site.

8. Ancillary Facilities

There is a slight possibility that the placement of a compressor unit or pumping unit will be needed on location during some stage in the life of this well. If and when a compressor is placed on location, it will abide by any noise restrictions in effect at that time.

9. Production Facility Layout

   A. See attachment to this plan. Production equipment will be painted the color designated by the BLM: Color Juniper Green.
   B. Any production equipment encompassed by a dirt berm or one in which fluids are present shall be adequately fenced and properly maintained in order to safeguard both livestock and wildlife.
   C. Location of Proposed New Facilities. - Williams Field Service will be the gas transporter for this well. A 4-1/2" OD buried steel pipeline that is approx. 286.3' in length of which all is on BLM Surface. Burlington wishes to use the BLM APD/ROW process for the pipeline on BLM surface. Please refer to the attached preliminary pipeline route map for additional information.

10. Plans for Restoration of Surface

Topsoil will be stockpiled within the edge of permitted location disturbance for later use in restoration. When the well is abandoned, the location and access road will be cleaned and restored to the natural topographical contours as much as possible. The area will be reseeded with the appropriate seed mixture. If the well is productive, areas not used in production will be contoured and seeded with stipulated mixture.

11. Surface Ownership

The surface ownership of the well location and pipeline is ~~all on Bureau of Land Management~~ fee surface. The BLM/Farmington Field Office has mineral jurisdiction on this project.

12. Other Information

1. The onsite for the proposed project was conducted on 12/13/06 w/ Bill Liess from the BLM as lead.
2. No invasive weeds were identified in the proposed project area.
3. DCA - Salmon Ruins has provided the Cultural Resource Survey Report -06-DCA-207 and there were no archaeological sites encountered during the survey.
4. Notification will be given to the BLM prior to construction of the well pad and access road.
5. The proposed action would impact no floodplains or stock ponds.
6. Ecosphere will be preparing the Threatened and Endangered Species Assessments for the BLM.
7. Diversion ditch above cut slope draining toward pond.
8. Round corner #5.

13. Operator's Representative and Certification

The person who can be contacted concerning compliance of this Surface Use Plan is:

Chuck Smith
Sr. Construction Supervisor
Burlington Company
P.O. Box 4289
Farmington, NM 87499-4289
505-326-9845

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drilling site; that I am familiar with the conditions which currently exist; that the statements made in the plan, are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Burlington and its contractors and subcontractors in conformity with this plan and terms and conditions under which it is approved. This statement is subject to the provision of 18 U.S.C. 1001 for filing of a false statement:

Kandis Roland

Kandis Roland
Regulatory Technician
On behalf of Chuck Smith

2/1/07

Date

SJ 28-4 Unit #29M OPERATIONS PLAN

Well Name: SJ 28-4 Unit #29M

Objective: Basin Dakota

Location: Rio Arriba NM

Elevation: 6781'

Surface Coordinates/Footages
T - 28 N R - 5 W Sec.: 36
578' FNL 288' FEL
Latitude: 36° 48.5970' N
Longitude: 107° 56.6770' W

Bottom Hole Coordinates/Footages
T - 28 N R - 4 W Sec.: 31
1000' FNL 700' FWL
Latitude: 36° 48.5575' N
Longitude: 107° 56.8944' W

Formation	Top (TMD)	Top (TVD)	Contents
Surface	San Jose	San Jose	
Ojo Alamo	3251'	3067'	aquifer
Kirtland	3439'	3240'	
Fruitland	3548'	3340'	gas
Pictured Cliffs	3928'	3690'	gas
Lewis	4160'	3904'	gas
Huerfanito Bentonite	4603'	4312'	gas
Chacra	4982'	4664'	gas
Massive Cliff House	5722'	5394'	gas
Menefee	5853'	5526'	gas
Massive Point Lookout	6192'	5864'	gas
Mancos Shale	6744'	6416'	gas
Gallup	7211'	6883'	gas
Greenhorn	8140'	7812'	gas
Graneros	8190'	7862'	gas
Two Wells	8257'	7929'	gas
Cubero	8342'	8014'	gas
Lower Cubero	8396'	8068'	gas
Encinal	8479'	8151'	gas
Total Depth:	***8479'***	***8151'***	

Logging Program:
Cased Hole: CBL-GR
Open Hole: None

Mud Program:

Interval (TMD)	Type	Weight (ppg)	Vis. (s/qt)	Fluid Loss (cc/30min)
0' - 320'	Spud	8.4-9.0	40-50	No control
320' - 5578'	Non-dispersed	8.4-9.0	30-60	Less than 8
5578' - 8479'	Air/Air Mist/Nitrogen	n/a	n/a	n/a

Casing program:

Interval (TMD)	Hole Size	Casing Size	Weight	Grade
0' - 320'	12 1/4"	9 5/8"	32.3#	H-40
320' - 5578'	8 3/4"	7"	23.0#	L-80
5578' - 8479'	6 1/4"	4 1/2"	11.6#	L-80

Tubing program:

Interval (TMD)	Hole Size	Casing Size	Weight	Grade
0' - 8479'	Cased	2 3/8"	4.7#	J-55

Wellhead Equipment
9 5/8" x 7" X 4 1/2" x 2 3/8" – 11" (2000 psi) wellhead assembly

Drilling: *Saw tooth guide shoe on bottom. Bowspring centralizers will be run in accordance with Onshore Order #2.*

Surface

Drill to surface casing point of 320' and set 9.625" casing.

Intermediate

Mud drill to kick off point of 400'. At this point the well will be directionally drilled by building 3 degrees per 100' with an azimuth of 122.43 degrees. The end of the build will be at a TVD of 1143', a TMD of 1163', a reach of 150', and an inclination of 22.88 degrees. This angle and azimuth will be held to a TVD of 4507', a TMD of 4815', and a reach of 1570'. At this point the well will be drilled with a drop of 3 degrees per 100'. The end of the drop will be at a TVD of 5250', a TMD of 5578', a reach of 1721', and an angle of 0.0 degrees. 7" casing will be set at this point.

Production

From the shoe of the intermediate string, the well will be drilled vertically with an air hammer to a TVD of 8151' (TMD of 8479'). 4.5" casing will be set at this point.

Cementing

9.625" surface casing conventionally drilled: **200%** excess cement to bring cement to surface.
Run 301 cu.ft. (235 sks) Type III cement with 3% CaCl2 and 1/4 pps celloflake (1.28 sks/ cu.ft.). Wait on cement appropriate time until cement achieves 250 psi compressive strength at 60° F prior to nipple up of BOPE. Wait on cement for 8 hrs for conventionally set holes before pressure testing or drilling out from under surface.

7" intermediate casing: **50%** excess cement to bring cement to surface.
Lead with 1134 cu.ft. (532 sks) Premium Lite w/ 3% CaCl2, 0.25 pps Cello-Flake, 5 pps LCM-1, 0.4% FL-52 and 0.4% SMS (2.13 sks/ft3). Tail with 124 ft3 (90 sks) Type III cmt. w/ 1% CaCl2, 0.25 pps Cello-Flake and 0.2% FL-52 (1.38 sks/ft3). If cement does not circulate to surface, a CBL or a temperature survey will be run to determine TOC.

4.5" production casing: **30%** excess cement to achieve 100' overlap with intermediate casing.
Run 399 cu.ft. (202 sks) Premium Lite HS FM + 0.25pps Cello-Flake, 0.3% CD-32, 6.25pps LCM-1, 1% FL-52 (1.98 sks/ft3.)

BOP and Tests

Surface to Total Depth – 11", 2000 psi double gate BOP stack (Reference Figure #1).
Surface to Total Depth – choke manifold (Reference Figure #2).
Prior to drilling out surface casing, test BOPE and casing to 600 psi for 30 minutes.
Pipe rams will be actuated at least once each day and blind rams will be actuated once each trip to test proper functioning. A Kelly cock valve and drill string safety valves to fit each drill string will be maintained and available on the rig floor.
BOPE tests will be performed using an appropriately sized test plug and test pump and will be recorded using calibrated test gauges and a properly calibrated strip or chart recorder. The test will be recorded in the driller's log and will include a low pressure test requirement of 250 psig held for five minutes and a high pressure test requirement held for ten minutes as described in Onshore Order No. 2 or otherwise noted in the APD. A successful BOPE test using a test plug is considered when no pressure drop occurs over the duration of the test. Test gauges and recorders must be of the proper range and resolution commensurate with the authorized test pressure. Where the intermediate casing strings are used, only one BOPE test will be necessary contingent upon the test being conducted to the highest approved test pressure to which BOPE will be exposed. Casing pressure tests must be held for 30 minutes with no more than 10 percent pressure drop during the duration of the test.

Additional Information:

- No gas dedication.
- New casing will be utilized.
- Pipe movement (reciprocation) will be done if hole conditions permit.
- No abnormal pressure zones are expected.
- BHP is expected to be 2000 psi.

Drilling Engineer

11/3/06
Date

Scientific Drilling

Project: Rio Arriba , NM
Site: SEC 36-T28N-R5W
Well: SAN JUAN 28-4 UNIT 29M
Wellbore: Wellbore #1
Plan: Plan #1 (SAN JUAN 28-4 UNIT 29M/Wellbore #1)

BURLINGTON RESOURCES

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	400.0	0.00	0.00	400.0	0.0	0.0	0.00	0.00	0.0	
3	1162.7	22.88	122.43	1142.6	-80.6	126.8	3.00	122.43	150.3	
4	4814.9	22.88	122.43	4507.4	-842.2	1325.4	0.00	0.00	1570.3	
5	5577.6	0.00	0.00	5250.0	-922.8	1452.2	3.00	180.00	1720.6	END OF DROP 29M
6	8478.6	0.00	0.00	8151.0	-922.8	1452.2	0.00	0.00	1720.6	PBHL 29M

WELLBORE TARGET DETAILS (MAP CO-ORDINATES AND LAT/LONG)

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
END OF DROP 29M	5250.0	-922.8	1452.2	2045648.99	657554.78	36° 37' 14.743 N	107° 17' 47.209 W	Point
PBHL 29M	8151.0	-922.8	1452.2	2045648.99	657554.80	36° 37' 14.743 N	107° 17' 47.209 W	Circle (Radius: 100.0)

PROJECT DETAILS: Rio Arriba , NM

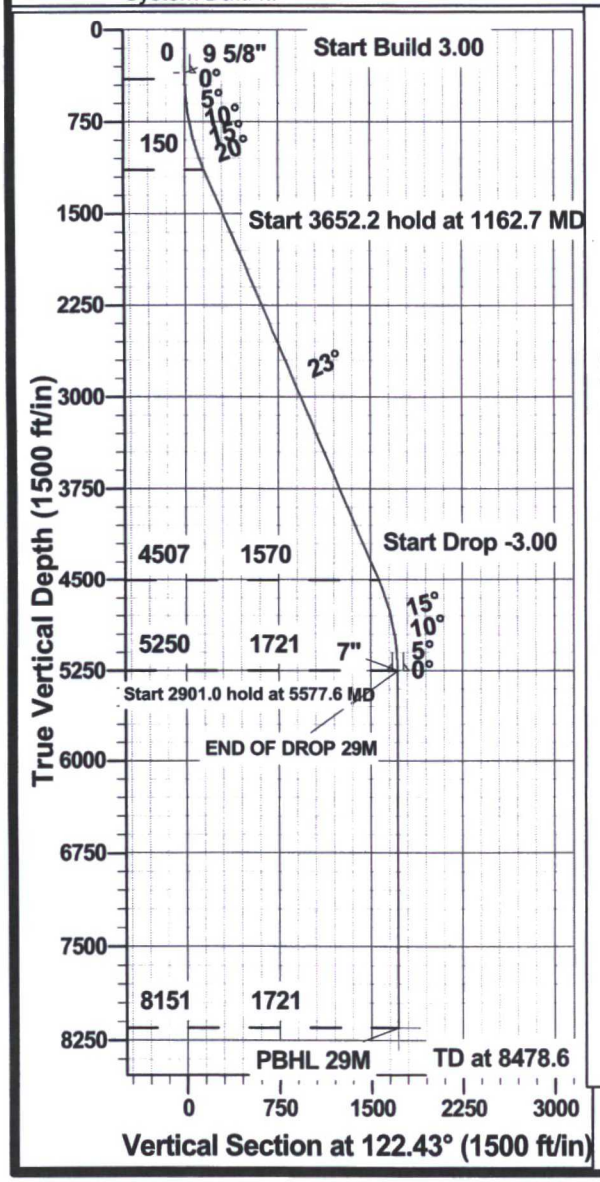
Geodetic System: US State Plane 1927 (Exact solution)
Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: Clarke 1866
Zone: New Mexico West 3003

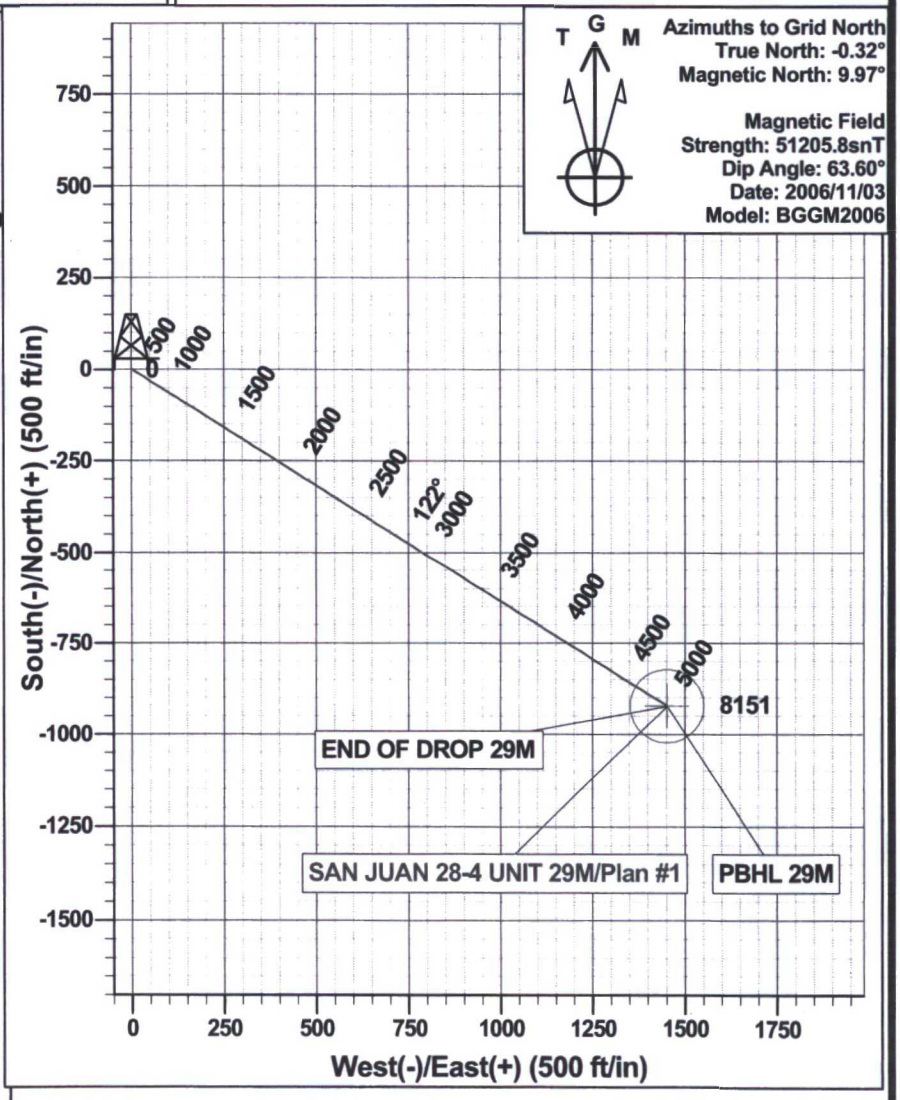
System Datum: Mean Sea Level

WELL DETAILS: SAN JUAN 28-4 UNIT 29M

Ground Level: 6781.0

Northing	Easting	Latitude	Longitude
2046571.79	656102.58	36° 37' 23.948 N	107° 18' 4.961 W





Burlington Resources

Rio Arriba , NM
SEC 36-T28N-R5W
SAN JUAN 28-4 UNIT 29M
Wellbore #1

Plan: Plan #1

Standard Planning Report

03 November, 2006

Scientific Drilling
Planning Report

Database:	EDM 2004.16 Database	**Local Co-ordinate Reference:**	Well SAN JUAN 28-4 UNIT 29M
Company:	Burlington Resources	**TVD Reference:**	WELL @ 6795.0ft (Original Well Elev)
Project:	Rio Arriba , NM	**MD Reference:**	WELL @ 6795.0ft (Original Well Elev)
Site:	SEC 36-T28N-R5W	**North Reference:**	Grid
Well:	SAN JUAN 28-4 UNIT 29M	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #1		

Project	Rio Arriba , NM, United States of America		
Map System:	US State Plane 1927 (Exact solution)	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico West 3003		

Site	SEC 36-T28N-R5W				
Site Position:		**Northing:**	2,045,727.36 ft	**Latitude:**	36° 37' 15.679 N
From:	Map	**Easting:**	654,615.25 ft	**Longitude:**	107° 18' 23.263 W
Position Uncertainty:	0.0 ft	**Slot Radius:**	"	**Grid Convergence:**	0.31 °

Well	SAN JUAN 28-4 UNIT 29M				
Well Position	**+N/-S**	0.0 ft	**Northing:**	2,046,571.79 ft	**Latitude:**	36° 37' 23.948 N
	+E/-W	0.0 ft	**Easting:**	656,102.58 ft	**Longitude:**	107° 18' 4.961 W
Position Uncertainty		0.0 ft	**Wellhead Elevation:**	6,795.0 ft	**Ground Level:**	6,781.0 ft

Wellbore	Wellbore #1			
Magnetics	**Model Name**	**Sample Date**	**Declination (°)**	**Dip Angle (°)**	**Field Strength (nT)**
	BGGM2006	2006/11/03	10.29	63.60	51,206

Design	Plan #1			
Audit Notes:				
Version:	**Phase:**	PLAN	**Tie On Depth:**	0.0

Vertical Section:	**Depth From (TVD) (ft)**	**+N/-S (ft)**	**+E/-W (ft)**	**Direction (°)**
	0.0	0.0	0.0	122.43

Plan Sections

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
400.0	0.00	0.00	400.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,162.7	22.88	122.43	1,142.6	-80.6	126.8	3.00	3.00	0.00	122.43	
4,814.9	22.88	122.43	4,507.4	-842.2	1,325.4	0.00	0.00	0.00	0.00	
5,577.6	0.00	0.00	5,250.0	-922.8	1,452.2	3.00	-3.00	0.00	180.00	END OF DROP 29M
8,478.6	0.00	0.00	8,151.0	-922.8	1,452.2	0.00	0.00	0.00	0.00	PBHL 29M

Database:	EDM 2004.16 Database	**Local Co-ordinate Reference:**	Well SAN JUAN 28-4 UNIT 29M
Company:	Burlington Resources	**TVD Reference:**	WELL @ 6795.0ft (Original Well Elev)
Project:	Rio Arriba , NM	**MD Reference:**	WELL @ 6795.0ft (Original Well Elev)
Site:	SEC 36-T28N-R5W	**North Reference:**	Grid
Well:	SAN JUAN 28-4 UNIT 29M	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #1		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
350.0	0.00	0.00	350.0	0.0	0.0	0.0	0.00	0.00	0.00
9 5/8"									
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	3.00	122.43	500.0	-1.4	2.2	2.6	3.00	3.00	0.00
600.0	6.00	122.43	599.6	-5.6	8.8	10.5	3.00	3.00	0.00
700.0	9.00	122.43	698.8	-12.6	19.8	23.5	3.00	3.00	0.00
800.0	12.00	122.43	797.1	-22.4	35.2	41.7	3.00	3.00	0.00
900.0	15.00	122.43	894.3	-34.9	54.9	65.1	3.00	3.00	0.00
1,000.0	18.00	122.43	990.2	-50.1	78.9	93.5	3.00	3.00	0.00
1,100.0	21.00	122.43	1,084.4	-68.0	107.1	126.9	3.00	3.00	0.00
1,162.7	22.88	122.43	1,142.6	-80.6	126.8	150.3	3.00	3.00	0.00
1,200.0	22.88	122.43	1,177.0	-88.4	139.1	164.8	0.00	0.00	0.00
1,300.0	22.88	122.43	1,269.1	-109.2	171.9	203.7	0.00	0.00	0.00
1,400.0	22.88	122.43	1,361.2	-130.1	204.7	242.5	0.00	0.00	0.00
1,500.0	22.88	122.43	1,453.3	-150.9	237.5	281.4	0.00	0.00	0.00
1,600.0	22.88	122.43	1,545.5	-171.8	270.3	320.3	0.00	0.00	0.00
1,700.0	22.88	122.43	1,637.6	-192.6	303.2	359.2	0.00	0.00	0.00
1,800.0	22.88	122.43	1,729.7	-213.5	336.0	398.1	0.00	0.00	0.00
1,900.0	22.88	122.43	1,821.9	-234.3	368.8	437.0	0.00	0.00	0.00
2,000.0	22.88	122.43	1,914.0	-255.2	401.6	475.8	0.00	0.00	0.00
2,100.0	22.88	122.43	2,006.1	-276.1	434.4	514.7	0.00	0.00	0.00
2,200.0	22.88	122.43	2,098.3	-296.9	467.2	553.6	0.00	0.00	0.00
2,300.0	22.88	122.43	2,190.4	-317.8	500.1	592.5	0.00	0.00	0.00
2,400.0	22.88	122.43	2,282.5	-338.6	532.9	631.4	0.00	0.00	0.00
2,500.0	22.88	122.43	2,374.7	-359.5	565.7	670.2	0.00	0.00	0.00
2,600.0	22.88	122.43	2,466.8	-380.3	598.5	709.1	0.00	0.00	0.00
2,700.0	22.88	122.43	2,558.9	-401.2	631.3	748.0	0.00	0.00	0.00
2,800.0	22.88	122.43	2,651.1	-422.0	664.1	786.9	0.00	0.00	0.00
2,900.0	22.88	122.43	2,743.2	-442.9	697.0	825.8	0.00	0.00	0.00
3,000.0	22.88	122.43	2,835.3	-463.7	729.8	864.7	0.00	0.00	0.00
3,100.0	22.88	122.43	2,927.5	-484.6	762.6	903.5	0.00	0.00	0.00
3,200.0	22.88	122.43	3,019.6	-505.4	795.4	942.4	0.00	0.00	0.00
3,251.5	22.88	122.43	3,067.0	-516.2	812.3	962.4	0.00	0.00	0.00
Ojo Alamo									
3,300.0	22.88	122.43	3,111.7	-526.3	828.2	981.3	0.00	0.00	0.00
3,400.0	22.88	122.43	3,203.8	-547.1	861.0	1,020.2	0.00	0.00	0.00
3,439.2	22.88	122.43	3,240.0	-555.3	873.9	1,035.4	0.00	0.00	0.00
Kirtland									
3,500.0	22.88	122.43	3,296.0	-568.0	893.9	1,059.1	0.00	0.00	0.00
3,547.8	22.88	122.43	3,340.0	-578.0	909.5	1,077.6	0.00	0.00	0.00
Fruitland									
3,600.0	22.88	122.43	3,388.1	-588.9	926.7	1,097.9	0.00	0.00	0.00
3,700.0	22.88	122.43	3,480.2	-609.7	959.5	1,136.8	0.00	0.00	0.00
3,800.0	22.88	122.43	3,572.4	-630.6	992.3	1,175.7	0.00	0.00	0.00
3,900.0	22.88	122.43	3,664.5	-651.4	1,025.1	1,214.6	0.00	0.00	0.00
3,927.7	22.88	122.43	3,690.0	-657.2	1,034.2	1,225.3	0.00	0.00	0.00
Pictured Cliffs									
4,000.0	22.88	122.43	3,756.6	-672.3	1,057.9	1,253.5	0.00	0.00	0.00
4,100.0	22.88	122.43	3,848.8	-693.1	1,090.8	1,292.4	0.00	0.00	0.00

Database:	EDM 2004.16 Database	**Local Co-ordinate Reference:**	Well SAN JUAN 28-4 UNIT 29M
Company:	Burlington Resources	**TVD Reference:**	WELL @ 6795.0ft (Original Well Elev)
Project:	Rio Arriba , NM	**MD Reference:**	WELL @ 6795.0ft (Original Well Elev)
Site:	SEC 36-T28N-R5W	**North Reference:**	Grid
Well:	SAN JUAN 28-4 UNIT 29M	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #1		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
4,160.0	22.88	122.43	3,904.0	-705.6	1,110.4	1,315.7	0.00	0.00	0.00
Lewis									
4,200.0	22.88	122.43	3,940.9	-714.0	1,123.6	1,331.2	0.00	0.00	0.00
4,300.0	22.88	122.43	4,033.0	-734.8	1,156.4	1,370.1	0.00	0.00	0.00
4,400.0	22.88	122.43	4,125.2	-755.7	1,189.2	1,409.0	0.00	0.00	0.00
4,500.0	22.88	122.43	4,217.3	-776.5	1,222.0	1,447.9	0.00	0.00	0.00
4,600.0	22.88	122.43	4,309.4	-797.4	1,254.8	1,486.8	0.00	0.00	0.00
4,602.8	22.88	122.43	4,312.0	-798.0	1,255.8	1,487.8	0.00	0.00	0.00
Hurfanito Bentonite									
4,700.0	22.88	122.43	4,401.6	-818.2	1,287.7	1,525.6	0.00	0.00	0.00
4,800.0	22.88	122.43	4,493.7	-839.1	1,320.5	1,564.5	0.00	0.00	0.00
4,814.9	22.88	122.43	4,507.4	-842.2	1,325.4	1,570.3	0.00	0.00	0.00
4,900.0	20.33	122.43	4,586.5	-859.0	1,351.8	1,601.6	3.00	-3.00	0.00
4,982.0	17.87	122.43	4,664.0	-873.4	1,374.4	1,628.5	3.00	-3.00	0.00
Chacra									
5,000.0	17.33	122.43	4,681.2	-876.3	1,379.0	1,633.9	3.00	-3.00	0.00
5,100.0	14.33	122.43	4,777.4	-890.9	1,402.1	1,661.2	3.00	-3.00	0.00
5,200.0	11.33	122.43	4,874.9	-902.8	1,420.8	1,683.4	3.00	-3.00	0.00
5,300.0	8.33	122.43	4,973.4	-912.0	1,435.2	1,700.5	3.00	-3.00	0.00
5,400.0	5.33	122.43	5,072.7	-918.4	1,445.2	1,712.3	3.00	-3.00	0.00
5,500.0	2.33	122.43	5,172.4	-922.0	1,450.9	1,719.0	3.00	-3.00	0.00
5,577.6	0.00	0.00	5,250.0	-922.8	1,452.2	1,720.6	3.00	-3.00	0.00
7" - END OF DROP 29M									
5,600.0	0.00	0.00	5,272.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
5,700.0	0.00	0.00	5,372.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
5,721.6	0.00	0.00	5,394.0	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
Massive Cliff House									
5,800.0	0.00	0.00	5,472.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
5,853.6	0.00	0.00	5,526.0	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
Menefee									
5,900.0	0.00	0.00	5,572.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
6,000.0	0.00	0.00	5,672.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
6,100.0	0.00	0.00	5,772.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
6,191.6	0.00	0.00	5,864.0	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
Point Lookout									
6,200.0	0.00	0.00	5,872.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
6,300.0	0.00	0.00	5,972.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
6,400.0	0.00	0.00	6,072.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
6,500.0	0.00	0.00	6,172.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
6,600.0	0.00	0.00	6,272.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
6,700.0	0.00	0.00	6,372.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
6,800.0	0.00	0.00	6,472.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
6,900.0	0.00	0.00	6,572.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
7,000.0	0.00	0.00	6,672.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
7,100.0	0.00	0.00	6,772.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
7,200.0	0.00	0.00	6,872.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
7,210.6	0.00	0.00	6,883.0	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
Gallup									
7,300.0	0.00	0.00	6,972.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
7,400.0	0.00	0.00	7,072.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
7,500.0	0.00	0.00	7,172.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
7,600.0	0.00	0.00	7,272.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00

Database:	EDM 2004.16 Database	**Local Co-ordinate Reference:**	Well SAN JUAN 28-4 UNIT 29M
Company:	Burlington Resources	**TVD Reference:**	WELL @ 6795.0ft (Original Well Elev)
Project:	Rio Arriba , NM	**MD Reference:**	WELL @ 6795.0ft (Original Well Elev)
Site:	SEC 36-T28N-R5W	**North Reference:**	Grid
Well:	SAN JUAN 28-4 UNIT 29M	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #1		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
7,700.0	0.00	0.00	7,372.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
7,800.0	0.00	0.00	7,472.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
7,900.0	0.00	0.00	7,572.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
8,000.0	0.00	0.00	7,672.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
8,100.0	0.00	0.00	7,772.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
8,139.6	0.00	0.00	7,812.0	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
Greenhorn									
8,192.6	0.00	0.00	7,865.0	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
Graneros									
8,200.0	0.00	0.00	7,872.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
8,256.6	0.00	0.00	7,929.0	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
TWO WELLS									
8,300.0	0.00	0.00	7,972.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
8,341.6	0.00	0.00	8,014.0	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
Upper Cubero									
8,395.6	0.00	0.00	8,068.0	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
Lower Cubero									
8,400.0	0.00	0.00	8,072.4	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
8,458.6	0.00	0.00	8,131.0	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
Oak Canyon									
8,478.6	0.00	0.00	8,151.0	-922.8	1,452.2	1,720.6	0.00	0.00	0.00
PBHL 29M									

Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
END OF DROP 29M - plan hits target - Point	0.00	0.00	5,250.0	-922.8	1,452.2	2,045,648.99	657,554.78	36° 37' 14.743 N	107° 17' 47.209 W
PBHL 29M - plan hits target - Circle (radius 100.0)	0.00	0.00	8,151.0	-922.8	1,452.2	2,045,648.99	657,554.80	36° 37' 14.743 N	107° 17' 47.209 W

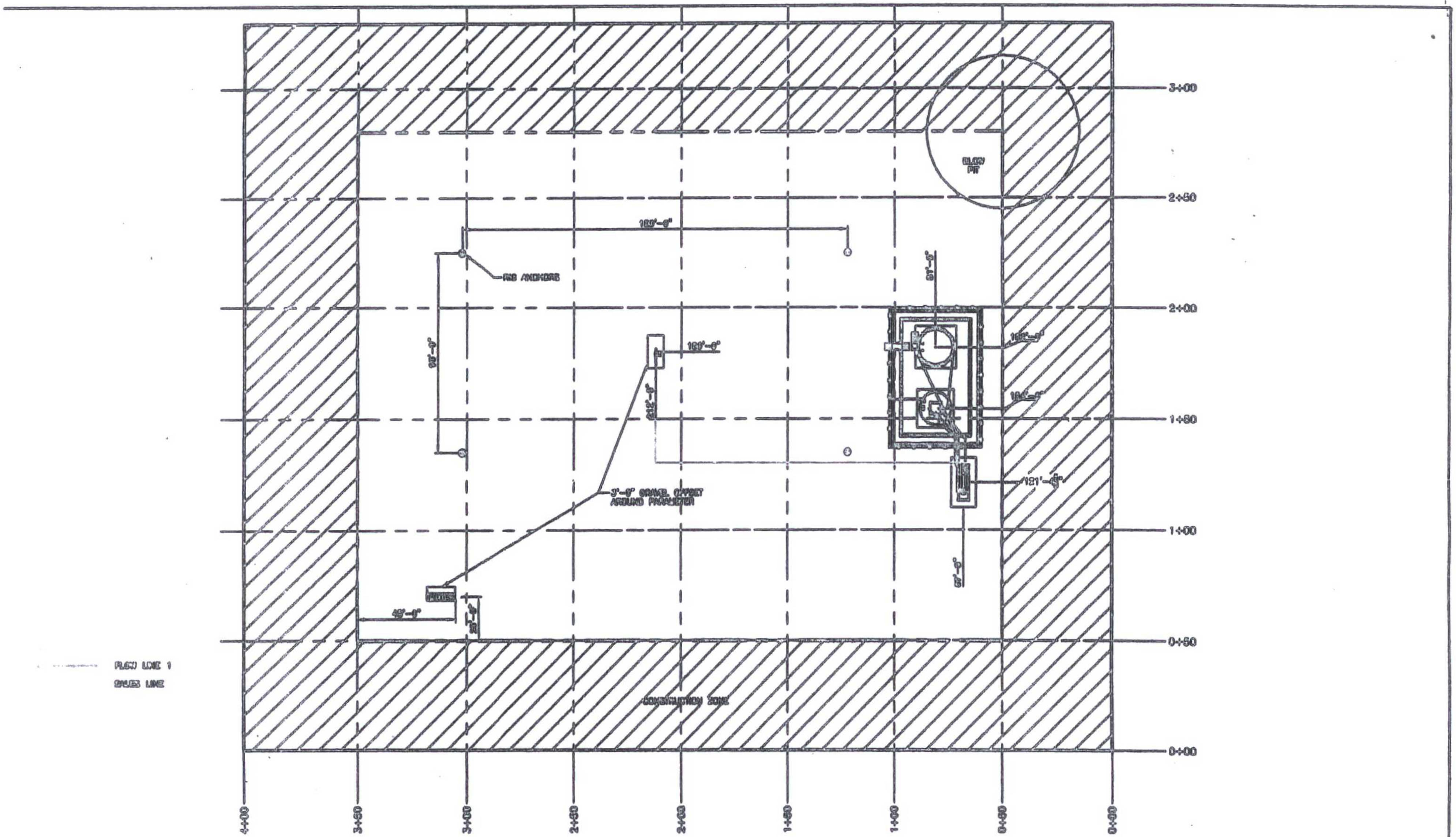
Casing Points

Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (")	Hole Diameter (")
350.0	350.0	9 5/8"	9-5/8	12-1/4
5,577.6	5,250.0	7"	7	7-1/2

Database:	EDM 2004.16 Database	**Local Co-ordinate Reference:**	Well SAN JUAN 28-4 UNIT 29M
Company:	Burlington Resources	**TVD Reference:**	WELL @ 6795.0ft (Original Well Elev)
Project:	Rio Arriba , NM	**MD Reference:**	WELL @ 6795.0ft (Original Well Elev)
Site:	SEC 36-T28N-R5W	**North Reference:**	Grid
Well:	SAN JUAN 28-4 UNIT 29M	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Plan #1		

Formations

Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
4,982.0	4,664.0	Chacra		0.00	80.67
5,721.6	5,394.0	Massive Cliff House		0.00	80.67
3,547.8	3,340.0	Fruitland		0.00	80.67
7,210.6	6,883.0	Gallup		0.00	80.67
6,191.6	5,864.0	Point Lookout		0.00	80.67
4,602.8	4,312.0	Hurfanito Bentonite		0.00	80.67
8,341.6	8,014.0	Upper Cubero		0.00	80.67
8,192.6	7,865.0	Graneros		0.00	80.67
3,439.2	3,240.0	Kirtland		0.00	80.67
3,251.5	3,067.0	Ojo Alamo		0.00	80.67
	8,151.0	ENCINAL		0.00	
3,927.7	3,690.0	Pictured Cliffs		0.00	80.67
8,395.6	8,068.0	Lower Cubero		0.00	80.67
8,139.6	7,812.0	Greenhorn		0.00	80.67
4,160.0	3,904.0	Lewis		0.00	80.67
8,256.6	7,929.0	TWO WELLS		0.00	80.67
8,458.6	8,131.0	Oak Canyon		0.00	80.67
5,853.6	5,526.0	Menefee		0.00	80.67



FARMINGTON, NEW MEXICO

HIGH PRESSURE MESA VERDE/DAKOTA

FACILITY DIAGRAM - SITE LAYOUT

SHEET 1 OF 4

ConocoPhillips

Joni Clark
PTRRC Agent
Property Tax, Real Estate, ROW & Claims

ConocoPhillips
3401 E. 30th Street
PO Box 4289
Farmington, NM 87401
(505)860-6202

February 13, 2007

Richard E. Arnold
P. O. Box 2372
Bloomfield, NM 87413

Re: **Surface Settlement Agreement**
San Juan 28-4 Unit #29M
Section 36, T28N, R05W, N.M.P.M.
Rio Arriba County, New Mexico

Dear Mr. Arnold,

By this letter, Richard E. Arnold, whose address is P. O. Box 2372, Bloomfield, NM 87413, hereinafter referred to as "Landowner", grant to Burlington Resources Oil & Gas Company, LP, an affiliate of ConocoPhillips Company, its successors and assigns, hereinafter referred to as "Operator", the exclusive rights and privileges to utilize lands owned by the Landowner in Section 36, Township 28 North, Range 05 West, N.M.P.M., Rio Arriba County, State of New Mexico (the "Subject Property"), as may be necessary and convenient to perform the operations herein stated.

It is agreed that the Operator shall have the right to construct a well pad, install cathodic protection system(s), and drill, complete, operate and abandon the above referenced well (the "Subject Well"), located on the Subject Property. Operator shall tender to Landowners consideration in the amount of [redacted], which shall be payment in full for the rights herein granted. Compensation for any additional surface damages, if any that may occur outside of the operations contemplated by this Agreement or the rights granted, shall be negotiated between Landowners and Operator. The Subject Well is more fully described in Exhibit "A" attached hereto and made a part hereof.

The Operator, its contractors, agents, and assigns shall have the nonexclusive right of ingress and egress to the location of the Subject Well, said location of ingress and egress being more fully described by Exhibit "B" attached hereto and made a part hereof. Operator shall tender to Landowners consideration in the amount of _____. Any newly constructed roadway surface shall be constructed from crushed sandstone and shall not exceed twenty (20') feet in width from edge to edge of such roadway. In addition, Landowners grants to the Operator the right, without any further duty of compensation to Landowners, to clear and use up to four feet (4') on each side of such road surface for construction, maintenance, bar ditches and other water diversions.

Upon completion and/or plugging and abandonment of the Subject Well, the Operator shall reclaim and restore all disturbed areas to their original condition as reasonably practicable and timely. A Bureau of Land Management recommended reseeding mixture shall be used for the onsite reclamation unless otherwise specified by the Landowners; provided that Operator shall only be required to reseed areas that are greater than ten feet outside of the established anchor pattern of the Subject Well and greater than ten feet outside of any equipment used by Operator in connection with the Subject Well.

This contract includes one pond to be cleaned out near Mr. Arnold's corrals, and one pond embankment reconstructed and wash rerouted when weather permits for both ponds.

THE OPERATOR, ITS CONTRACTORS, AGENTS, AND ASSIGNS DO HEREBY COVENANT AND AGREE TO INDEMNIFY AND HOLD LANDOWNERS FREE AND HARMLESS AGAINST ANY AND ALL LOSS, DAMAGE, CLAIMS, DEMANDS AND SUITS WHICH THE LANDOWNERS MAY SUFFER AS A RESULT OF OPERATOR'S OPERATIONS HEREUNDER, EXCLUDING ALL LOSS, DAMAGE, CLAIMS, DEMANDS AND SUITS RESULTING FROM THE NEGLIGENCE OR WILLFUL ACTS OF ANY OF THE LANDOWNERS.

The Operator's rights under this Agreement shall be in addition to, and shall not diminish, any and all rights under its Oil and Gas Leases covering all or any portion of the Subject Property.

The terms, conditions and provisions hereof shall extend to and be binding upon the heirs, executors, administrators, personal representatives, successors and assigns of the parties hereto.

If all Landowners find the terms and conditions contained herein acceptable and agreeable, please execute and date this Agreement in the presence of a witness in the spaces provided below. Upon execution of this Surface Settlement Agreement, please return this Agreement in the provided self-addressed envelope. We have provided you an extra copy of this Agreement and Exhibits for your records.

The terms of this Agreement shall be effective as of February 13, 2006.

Thank you,

Joni Clark

Joni Clark, PTRRC Agent

We acknowledge our acceptance to the terms and conditions of the above agreement.

Richard E. Arnold

Tax ID. No [redacted]

Submit 3 Copies To Appropriate District Office

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

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

WELL API NO. 30-039-

5. Indicate Type of Lease STATE ☐ FEE ☐

6. State Oil & Gas Lease No. Federal lease NMSF-079732

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.)

7. Lease Name or Unit Agreement Name: San Juan 28-4 Unit

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

8. Well Number: #29M

2. Name of Operator: BURLINGTON RESOURCES OIL & GAS COMPANY LP

9. OGRID Number: 14538

3. Address of Operator: 3401 E. 30TH STREET, FARMINGTON, NM 87402

10. Pool name or Wildcat: Basin Dakota

4. Well Location
Unit Letter A : 578 feet from the North line and 288 feet from the East line
Section 36 Township 28N Rng 5W NMPM County Rio Arriba

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 6778'

Pit or Below-grade Tank Application ☐ **or Closure** ☐

Pit type New Drill **Depth to Groundwater** <50 **Distance from nearest fresh water well** >1000 **Distance from nearest surface water** <1000

Pit Liner Thickness: N/A mil **Below-Grade Tank:** **Volume** _____ bbls; **Construction Material** _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
OTHER:		New Drill	☒	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 NMOCD 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 that 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 Rhonda Rogers TITLE Regulatory Technician DATE 3-30-07

Type or print name Rhonda Rogers E-mail address: rrogers@br-inc.com Telephone No. 505-599-4018

For State Use Only

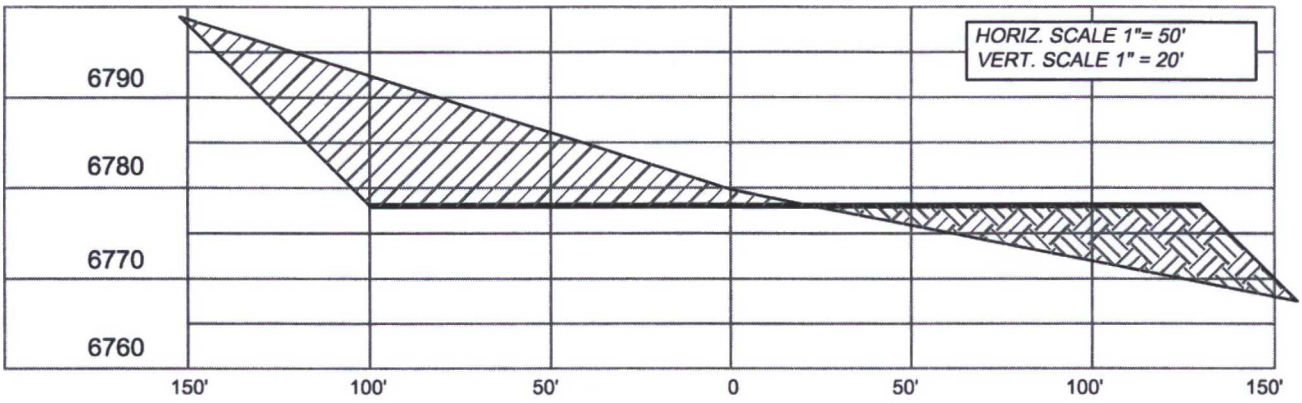
APPPROVED BY _____ TITLE _____ DATE _____

Conditions of Approval (if any):

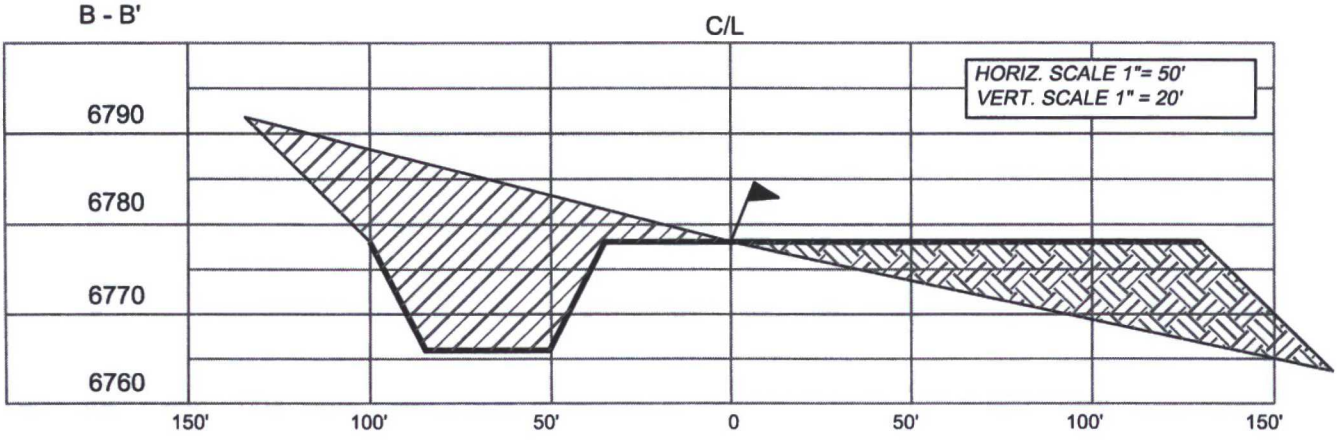
BURLINGTON RESOURCES OIL & GAS COMPANY LP

SAN JUAN 28-4 UNIT #29M
578' FNL, 288' FEL
SECTION 36, T28N, R05W, N.M.P.M.,
RIO ARRIBA COUNTY, NEW MEXICO
ELEV.: 6,778.1' NADV88

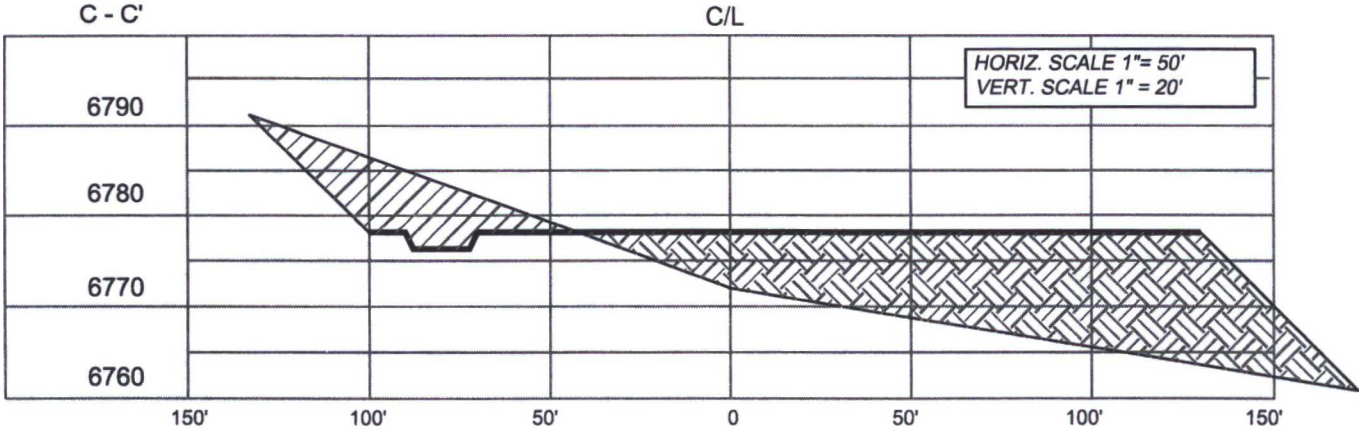
A - A'



B - B'



C - C'



NOTE: CCI IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES.

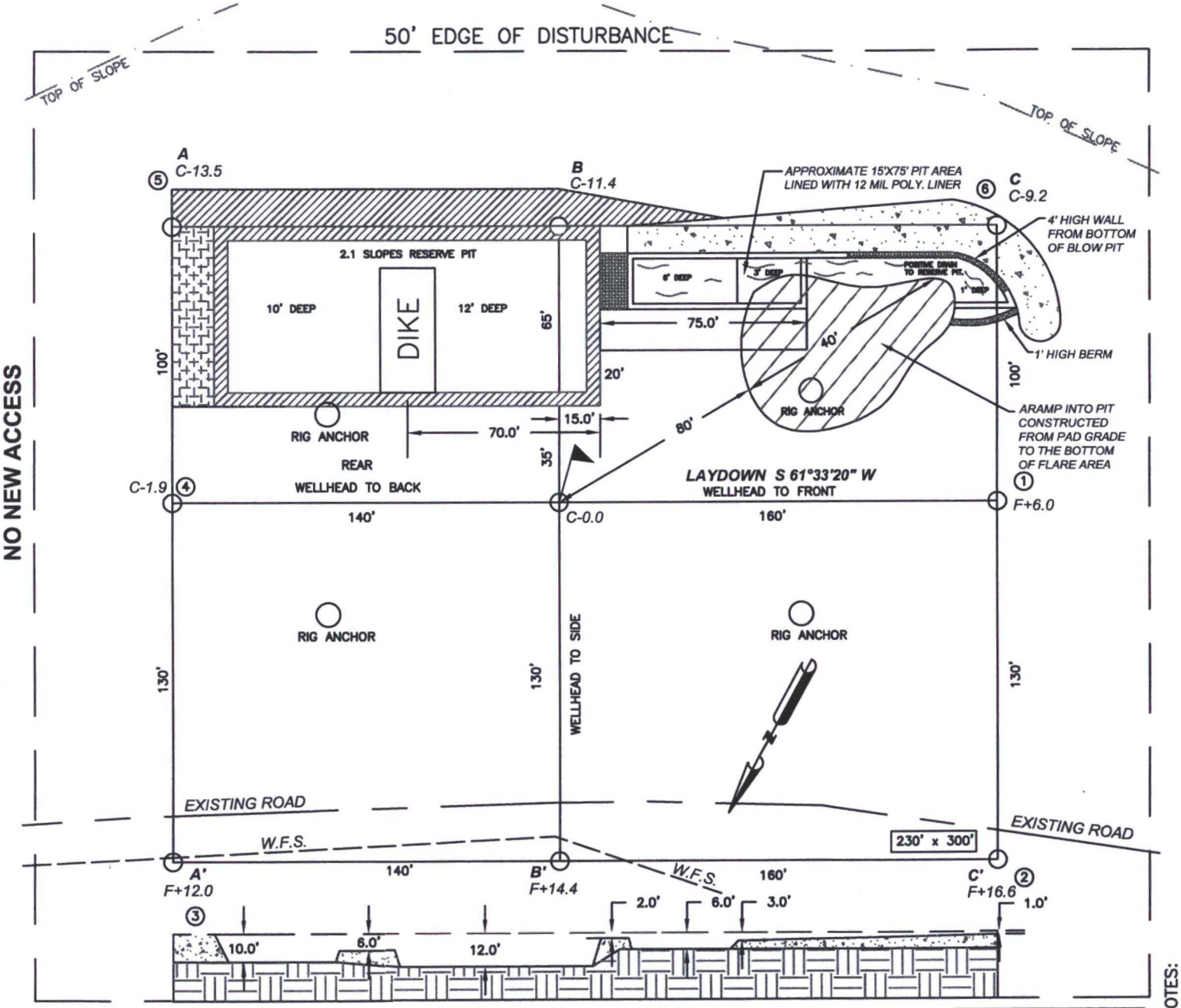
CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD PRIOR TO CONSTRUCTION.

REVISIONS			
NO.	DESCRIPTION	REVISED BY	DATE

CCI
1300 W. BROADWAY
BLOOMFIELD,NM, 87413
PHONE: (505)632-7777
CHENAULT CONSULTING INC.

BURLINGTON RESOURCES OIL & GAS COMPANY LP

SAN JUAN 28-4 UNIT #29M
578' FNL, 288' FEL
SECTION 36, T28N, R05W, N.M.P.M.,
RIO ARRIBA COUNTY, NEW MEXICO
GROUND ELEV.: 6,778.1' NADV88 DATE: AUGUST 8, 2006
NO NEW ACCESS



PIT CROSS SECTION

NAD 83 LAT.: 36.6234167° N LONG.: 107.30136389° W

330' x 400' = 3.03 ACRES

NOTES:

1. RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW-3' WIDE AND 1' ABOVE SHALLOW SIDE).
2. C.C.I. SURVEYS IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPLINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

CCI
CHENAULT CONSULTING INC.
1300 W. BROADWAY
BLOOMFIELD,NM, 87413
PHONE: (505)632-7777

BURLINGTON RESOURCES OIL & GAS COMPANY LP

SAN JUAN 28-4 UNIT#29M
578' FNL, 288' FEL
SECTION 36, T28N, R05W, N.M.P.M.,
SECTION 31, T28N, R04W, N.M.P.M.,
RIO ARRIBA COUNTY, NEW MEXICO
ELEV. 6,778.1' NADV88

Driving directions to: BROG 28-4 # 29 M: IN NE/4 SEC 36, T28N R5W,
Rio Arriba Co. N.M.

From Bloomfield N.M. @ Intersection of Hwy 550 & Hwy. 64:

Travel east on Hwy. 64 for 36.4 miles, (to mile post 101.1).

Turn right (by Gobernador School) and travel south on CR 366.

@ 1.0 miles from N.M. Hwy 64, TURN LEFT at –Y- in road, onto "Arnold road".

@ 1.8 miles: cross cattle guard. Arnold #1.

@ 2.2 miles: pass well location on right, and turn LEFT at –Y- in road.

@ 2.4 miles: cross cattle guard. Arnold #2.

@ 2.9 miles: TURN RIGHT at –Y- in road.

@ 3.6 miles: TURN LEFT at –Y- in road.

@ 5.2 miles: cross cattle guard. Arnold #3.

@ 5.5 miles: pass pipeline "dog leg" on left.

@ 6.4 miles: cross cattle guard. Marked "320 M-2" then cross small wash.

@ 6.6 miles: cross cattle guard. Marked "320 M-3"

@ 6.7 miles: cross cattle guard, then cross small wash.

@ 6.9 miles: TURN LEFT at –Y- in road, & cross under power lines.

@ 7.2 miles: cross small wash.

@ 7.5 miles: cross under power lines.

@ 7.9 miles: TURN RIGHT at –Y- in road, & cross wash.

@ 8.3 miles: cross small wash, & TURN LEFT on well access road.

@ 8.5 miles from N.M. Hwy 64, arrive at new well stake along road.. Access enters pad at corner (2)