
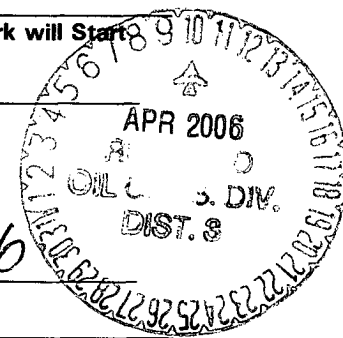



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	5. Lease Number SF678622 Unit Reporting Number 070 FARMINGTON NM	
1b. Type of Well GAS	6. If Indian, All. or Tribe	
2. Operator BURLINGTON RESOURCES Oil & Gas Company LP	7. Unit Agreement Name Luthy	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name 9. Well Number #3	
4. Location of Well Unit P (SESE) 890' FSL & 465' FEL, Lat. 36*29.7788'N Long. 107*37.6024'W	10. Field, Pool, Wildcat Ballard PC/ Basin FC 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 12, T26N, R8W API # 30-045-3 3585	
14. Distance in Miles from Nearest Town 23.6 miles to Blanco, NM	12. County San Juan	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 465'	17. Acres Assigned to Well FC 320 E2 / PC 160 SE4	
16. Acres in Lease	20. Rotary or Cable Tools Rotary	
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 52'	22. Approx. Date Work will Start	
19. Proposed Depth 2386'	23. Proposed Casing and Cementing Program See Operations Plan attached	
21. Elevations (DF, FT, GR, Etc.) 6216' GR	24. Authorized by:  Regulatory Compliance Associate III	



PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY  TITLE AFM DATE 4/7/06

Archaeological Report attached

Threatened and Endangered Species Report attached HOLD C104 FOR NSL

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 well is NOT in the HPA area.

This action is subject to technical and procedural review pursuant to 43 CFR 1155.3 and appeal pursuant to 43 CFR 3165.4

NMOCD

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045- 33585		*Pool Code 71439/71629	*Pool Name Ballard Pictured Cliffs/Basin Fruitland Coal
*Property Code 7275 ✓	*Property Name LUTHY ✓		*Well Number 3 ✓
*OGRID No. 14538 ✓	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP ✓		*Elevation 6216' ✓

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
P	12	26-N	8-W		890	SOUTH	465	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
P									
Dedicated Acres FC 320 E2 PC 160 ac SE4					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

18	FD 3 1/4" B.L.M. BC. 1954	N 00-09-29 E 5176.69' (M)	12	USA SF-078622	LAT. 36.49631° N. (NAD 83) LONG. 107.62730° W. (NAD 83)	LAT. 36°29.7788 N. (NAD 27) LONG. 107°37.6024 W. (NAD27)	FD 3 1/4" B.L.M. BC. 1954	S 88-41-07 W 2607.78' (M)	465'	890'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Patsy Clugston</i> Signature Patsy Clugston Printed Name Sr. Regulatory Specialist Title 01/26/2006 Date APR 2006	
												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. Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

Office

Energy, Minerals and Natural Resources

May 27, 2004

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

WELL API NO.

30-045-

5. Indicate Type of Lease

STATE ☐FEE ☐

6. State Oil & Gas Lease No.

--

Federal sf-78622

7. Lease Name or Unit Agreement Name

Luthy

8. Well Number

#3

9. OGRID Number

14538

10. Pool name or Wildcat

Ballard PC/ Basin FC

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.)

1. Type of Well:

Oil Well ☐Gas Well ☒

Other

2. Name of Operator

BURLINGTON RESOURCES OIL & GAS COMPANY LP

3. Address of Operator

3401 E. 30TH STREET, FARMINGTON, NM 87402

4. Well Location

Unit Letter P : 890 feet from the South line and 465 feet from the East line
 Section 12 Township 26N Rng 8W NMPM County San Juan

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

6216' GR

Pit or Below-grade Tank Application

☐ or Closure ☐Pit type new drill Depth to Groundwater <100 Distance from nearest fresh water well

>1000'

Distance from nearest surface water

>1000'

Pit Liner Thickness:

12

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:

PERFORM REMEDIAL WORK ☐TEMPORARILY ABANDON ☐PULL OR ALTER CASING ☐PLUG AND ABANDON ☐CHANGE PLANS ☐MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

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

OTHER:

New Drill Pit ☒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, Lined:

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 NMOCDD 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 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

TITLE

Regulatory Compliance Associate III

DATE

2/7/2006

Type or print name

Philana Thompson

E-mail address:

pthompson@br-inc.com

Telephone No.

505-326-9530

For State Use Only

APPROVED BY

TITLE

DEPUTY OIL & GAS INSPECTOR, DIST. III

DATE

APR 10 2006

Conditions of Approval (if any):

LUTHY No. 3, 890 FSL 465 FEL

SECTION 12, T-26-N, R-3-W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO

GROUND ELEVATION: 6216, DATE: JANUARY 12, 2006

NAD 83
LAT. = 36.49631° N.
LONG. = 107.62730° W.

ELEV. A-A'

C/L

[illegible]

ELEV. B-B'

C/L

[illegible]

FLEV. C-C'

C/L

[illegible]

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.

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.



Daggett Enterprises, Inc.
Surveying and Oil Field Services
 P. O. Box 15068 • Farmington, NM 87401
 Phone (505) 326-1772 • Fax (505) 328-6019

NEW MEXICO L.S. 14831

DRAWN BY: G.V.

BOOK # 8812

DATE: 01/16/08

DATE: 01/16/08

OPERATIONS PLAN

Well Name: Luthy #3
Location: Unit P (SESE) 890' FSL & 465' FEL, Section 12, T26N, R8W
 San Juan County, New Mexico
 Latitude 36° 29.7788'N; Longitude 107° 37.6024'W
Formation: Ballard Pictured Cliffs/ Basin Fruitland Coal
Elevation: 6216' GR

Formation:	Top	Bottom	Contents
Surface	San Jose		
Ojo Alamo	1400'		
Kirtland	1514'	4714'	gas
T/Fruitland	2008'		gas
Pictured Cliffs	2186'		
Total Depth	2386'		

Note:

Logging Program: None

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
120-2386'	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 - 2386'	4 1/2"	10.5#	J/K-55

Tubing Program:

0 - 2386'	2 3/8"	4.7#	J-55
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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 @ 1400'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 1400'. 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 7, 2006

Cementing:

7" surface casing Pre-Set Drilled - Cement with Type I, II cement with 20% flyash mixed at 14.5 ppg, 1.28 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. (54cu 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 114sx (243 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 90sx (124cu ft of slurry @ 1.38 yield) Type III cmt with 1% calcium chloride, 1/4#/sack Celloflake and 0.2% FL-52. Total of 367 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 southwest quarter of section 19 is dedicated to the Basin Fruitland Coal.
- * New casing will be utilized.
- * Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.

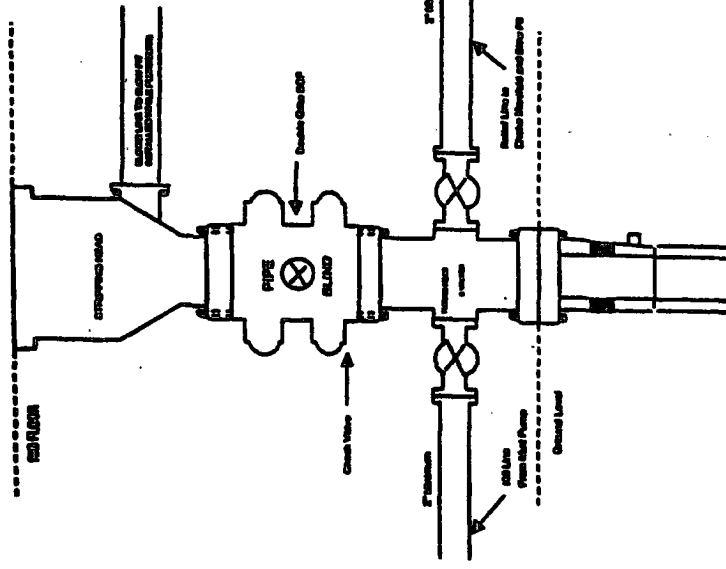
Drilling Engineer

Date

2/7/06

BURLINGTON RESOURCES

Completion/Workover Rig
BOP Configuration
2,000 psi System

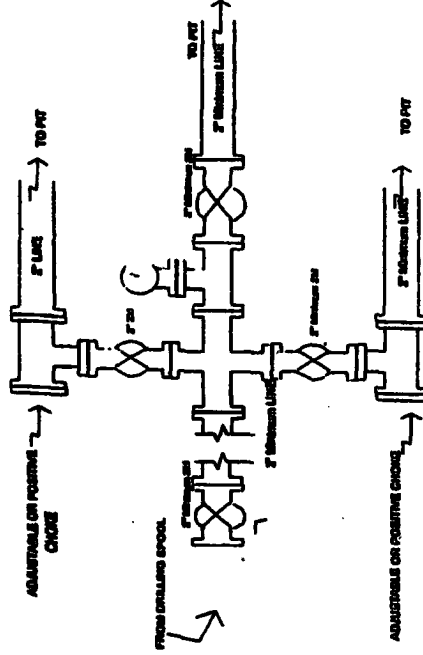


Minimum BOP installation for all Completion/Workover Operations. 7-1/16" bore, 2000 psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A stripping head to be installed on the top of the BOP. All BOP equipment is 2000 psi working pressure or greater excluding 600 psi stripping head.

Figure #2

BURLINGTON RESOURCES

Drilling Rig
Choke Manifold Configuration
2000 psi System

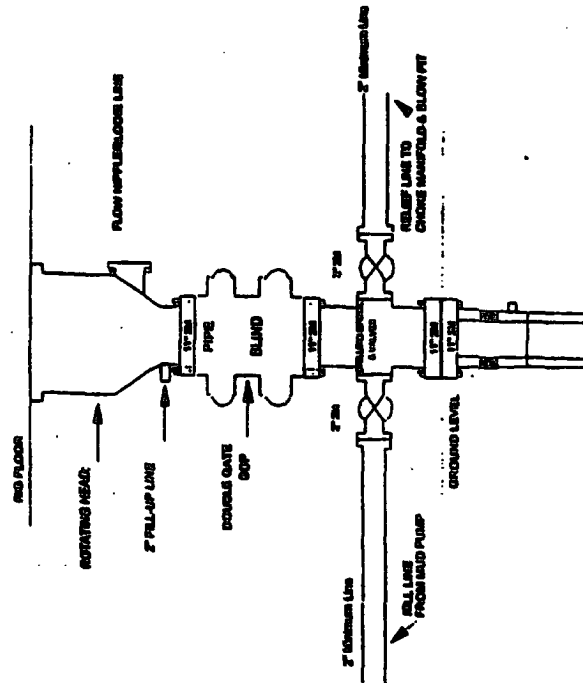


Choke manifold installation from Surface Casing Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure #3

Burlington Resources

Drilling Rig
2000 psi System



BOP installation from Surface Casing Point to Total Depth. 11\"/>

Figure #1