

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 SF-078198 Unit Reporting Number RECEIVED
1b. Type of Well GAS	6. (If Indian, All. or Tribe)
2. Operator BURLINGTON RESOURCES Oil & Gas Company	7. Unit Agreement Name Nye Src
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name
4. Location of Well Unit 1 (NWSW) 1865' FSL, 1155' FWL Lat. 36°50.3213'N, Longitude 107°56.8061'W <i>Lot 12</i>	9. Well Number 100S
	10. Field, Pool, Wildcat Basin FC / Aztec FS <i>North</i>
	11. Sec., Twn, Rge, Mer. (NMPM) Sec. 1, T30N, R11W
	API # 30-045- <i>33848</i>
14. Distance in Miles from Nearest Town 3.7 miles to Aztec, NM	12. County San Juan
	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1155'	
16. Acres in Lease 322.7 1.1 ac S2 FC	17. Acres Assigned to Well 161.4 1.1 ac SW4 FS
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 52' - Nye #11E ,	
19. Proposed Depth 2701'	20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 5932'	22. Approx. Date Work will Start
23. Proposed Casing and Cementing Program See Operations Plan attached	
24. Authorized by: <i>[Signature]</i> Regulatory Analyst	<i>7/7/06</i> Date

PERMIT NO.

APPROVAL DATE

APPROVED BY *[Signature]*

TITLE *Asst*

DATE *7/29/06*

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

NMOCB

DISTRICT I
1626 N. French Dr., Hobbs, N.M. 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

DISTRICT II
811 South First, Artesia, N.M. 88210

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045- 33848	² Pool Code 71629 / 71240	³ Pool Name Basin Fruitland Coal / Aztec Fruitland Sand <i>North</i>
⁴ Property Code 18592	⁵ Property Name NYE SRC	⁶ Well Number 100S
⁷ OGED No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP	⁹ Elevation 5932'

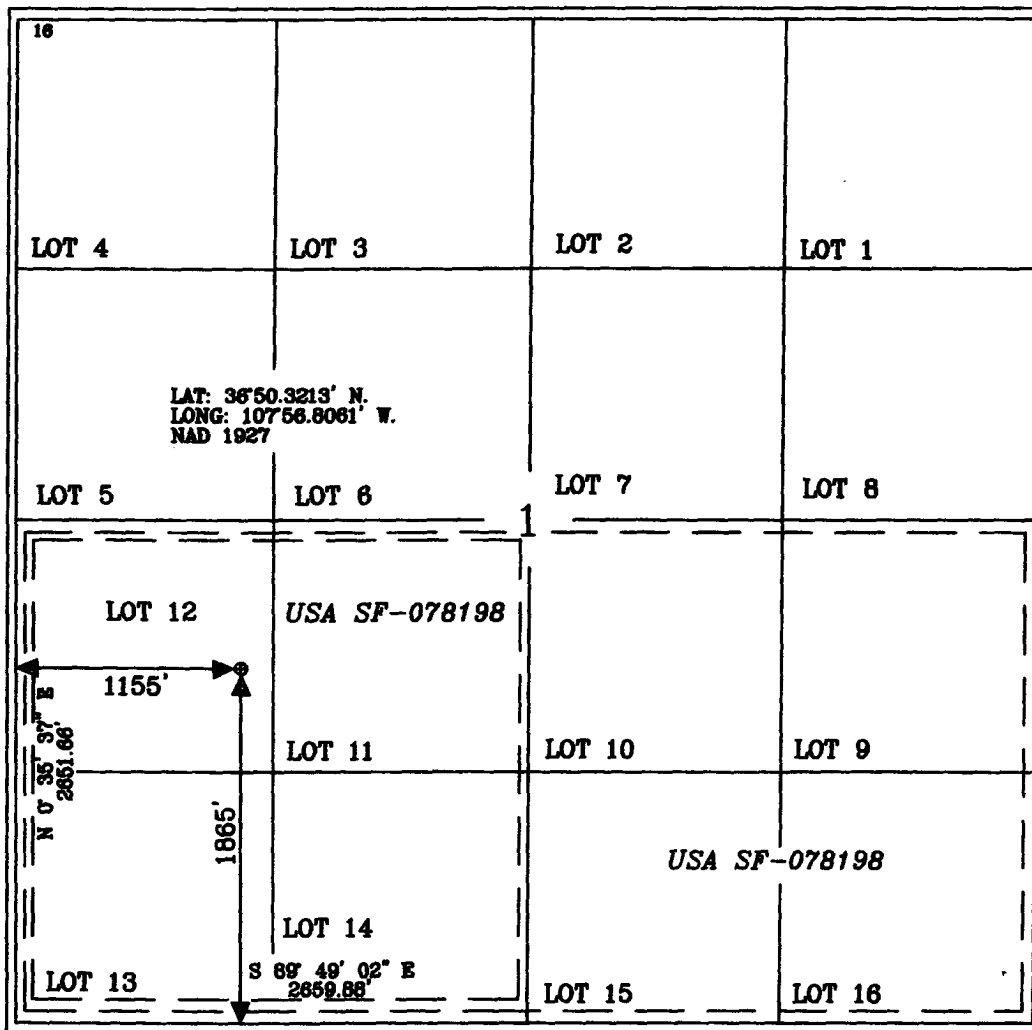
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot-Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	1	30-N	11-W	(12)	1865'	SOUTH	1155'	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
L									
¹² Dedicated Acres FC 322.7 <i>1/2</i> S2 FS 161.4 <i>1/2</i> SW4			¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ 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



17 OPERATOR CERTIFICATION

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

Philana Thompson
Signature

Philana Thompson
Printed Name

Regulatory Assistant IIT

Title

2/23/2006

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.

Date of Survey *2-20-06*

Signature *Calvin H. Russell* Surveyor

Calvin H. Russell
Certificate Number 15703

District I

Energy, Minerals and Natural Resources

May 27, 2004

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

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- 33848
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		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. SF-078198
3. Address of Operator 3401 E. 30TH STREET, FARMINGTON, NM 87402		7. Lease Name or Unit Agreement Name Nye Src
4. Well Location Unit Letter <u>L</u> : <u>1865</u> feet from the <u>South</u> line and <u>1155</u> feet from the <u>West</u> line Section <u>1</u> Township <u>30N</u> Rng <u>11W</u> NMPM County <u>San Juan</u>		8. Well Number 100S
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5932'		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 / Aztec 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>>200</u> Pit Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume <u> </u> bbls; Construction Material <u> </u>		

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 ☒

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, 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 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 Philana Thompson TITLE Regulatory Assistant III DATE 3/8/2006

Type or print name Philana Thompson E-mail address: pthompson@br-inc.com Telephone No. 505-326-9700
For State Use Only

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. IV DATE JUL 24 2006
 Conditions of Approval (if any):

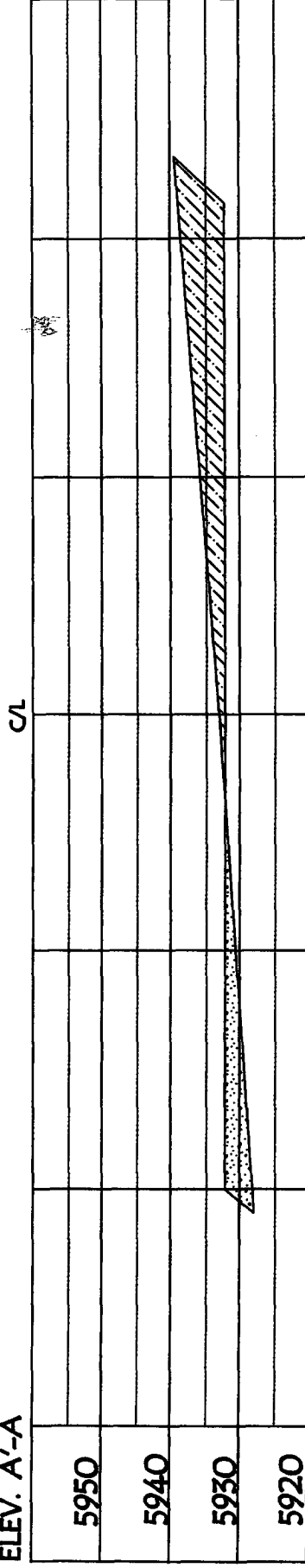
BURLINGTON RESOURCES OIL & GAS COMPANY LP

NYE SRC 1005, 1865' FSL & 1155' FWL

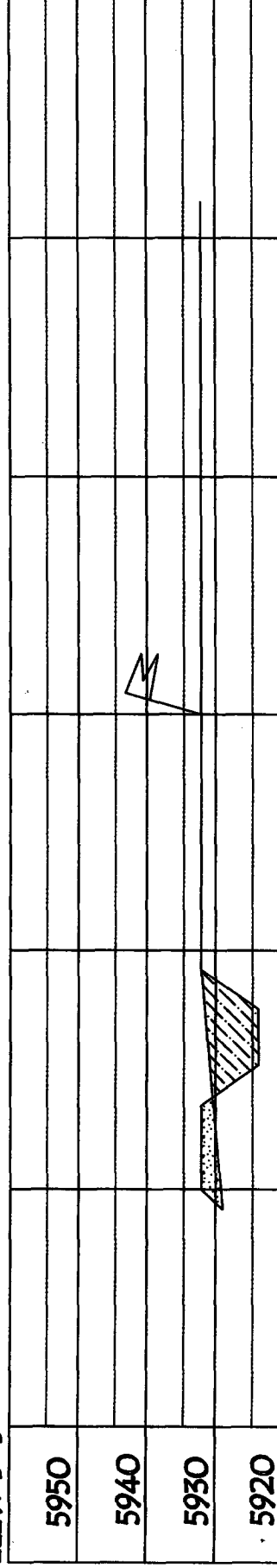
SECTION 1, T-30-N, R-11-W, NMPM, SAN JUAN COUNTY, NM

GROUND ELEVATION: 5932', DATE: FEBRUARY 7, 2006

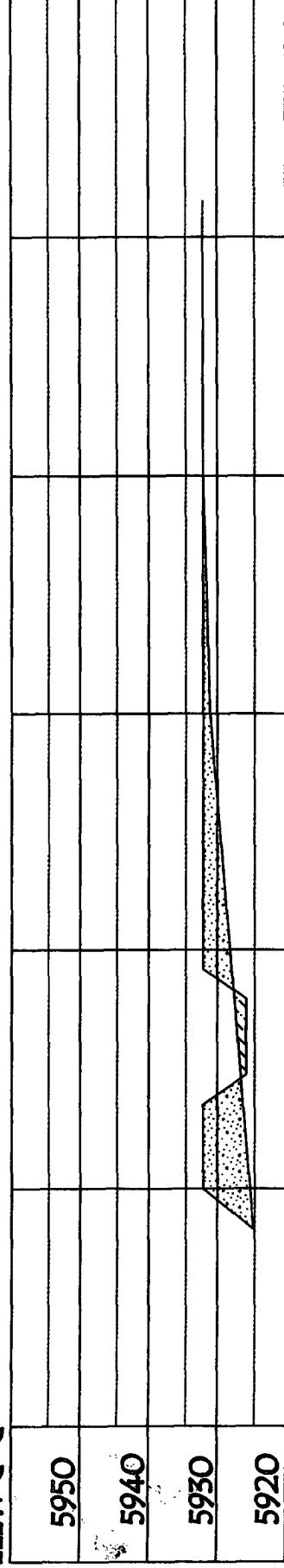
ELEV. A'-A



ELEV. B'-B



ELEV. C'-C



NOTE: VECTOR SURVEYS 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 AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

Year	Percentage of Total Population
1950	55
1960	65
1970	60
1980	70
1990	75

**NOTE: VECTOR SURVEYS 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 AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.**

OPERATIONS PLAN

Well Name: Nye SRC #100S
 Location: Unit L, 1865' FSL & 1155' FWL, Section 1, T30N, R11W
 San Juan County, New Mexico
 Latitude 36° 50.3213' N Longitude 107° 56.8061' W
 Formation: Basin Fruitland Coal / Aztec Fruitland Sand
 Elevation: 5932' GR

Formation:	Top	Bottom	Contents
Ojo Alamo	1097'		aquifer
Kirtland	1189		gas
T/Fruitland	2127'	2501'	gas
Pictured Cliffs	2501'		
Total Depth	2701'		

Logging Program: None

Mud Program:	Interval	Type	Weight	Vis.	Fluid Loss
	0 - 120'	Spud/Air/Air Mist	8.4-8.9	40-50	no control
	120-1753'	Non-dispersed	8.4-9.5	30-60	no control

Casing Program:	Hole Size	Depth Interval	Csg. Size	Wt.
Grade				
8 3/4"		0 - 120'	7"	20.0#
J-55				
6 3/4"		0 - 2701'	4 1/2"	10.5#
J/K-55				

Tubing Program:	Depth Interval	Csg. Size	Wt.
J-55	0 - 2701'	2 3/8"	4.7#

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 @ 1189' surface. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 1189' surface. 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.

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. (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 137 sx (291 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 415 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. BOPE

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/Fruitland Sand formations will be completed.
- * Anticipated pore pressure for the FC/FS is 600 - 700 psi.
- * This gas is dedicated.
- * The S2 of the section is dedicated to the FC & the SW4 is dedicated to the FS.
- * New casing will be utilized.
- * Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.

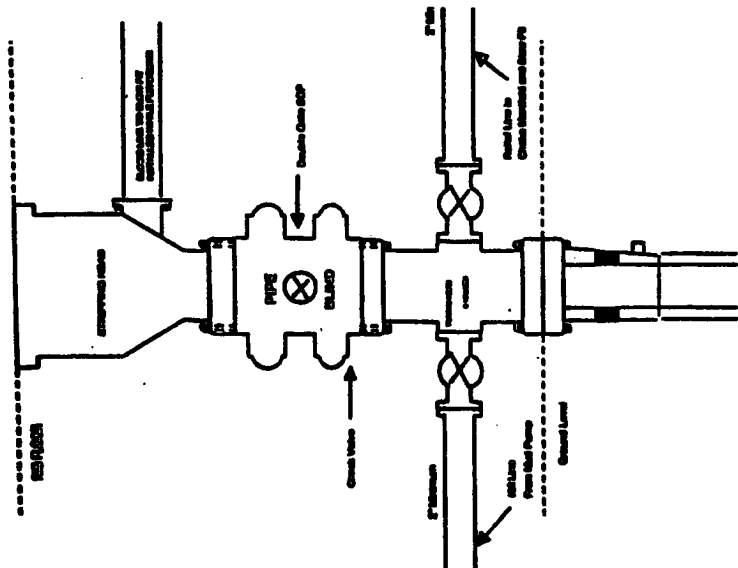
Drilling Engineer

Date

7/13/06

BURLINGTON RESOURCES

Completion/Workover Rig
BOP Configuration
2,000 psi System



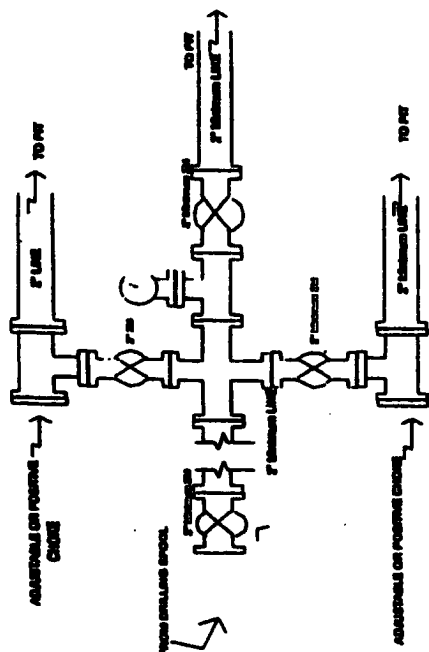
Minimum BOP Installation for all Completion/Workover Operations. 7-1/16" bore, 2000 psi minimum working pressure double gate BOP to be equipped with lifted and pipe rams. A shipping head to be installed on the top of the BOP. All BOP equipment to 2000 psi working pressure or greater excluding 400 psi shipping head.

Figure #2

4-20-01

BURLINGTON RESOURCES

Drilling Rig
Choke Manifold Configuration
2000 psi System



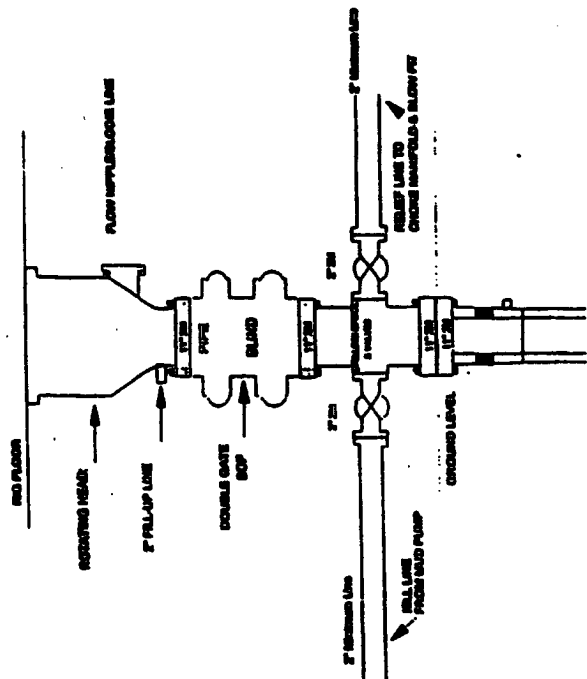
Choke manifold installation from Surface Casing Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure #3

4-20-01

Burlington Resources

Drilling Rig
2000 psi System



BOP Installation from Surface Casing Point to Total Depth. 1 1/2" Bore 20" Minimum Working Pressure Double Gate BOP to be equipped with lifted and pipe rams. A 400 psi shipping head on top of ram preventer. All BOP equipment to 2,000 psi working pressure.

Figure #1