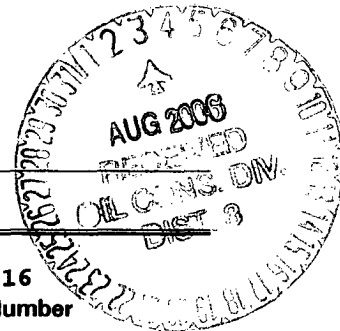


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	5. Lease Number NMNM-03416	
1b. Type of Well GAS	Unit Reporting Number 070 FARMINGTON III	
6. If Indian, All. or Tribe		
2. Operator BURLINGTON RESOURCES Oil & Gas Company	7. Unit Agreement Name San Juan 30-6 Unit	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name 9. Well Number 4038	
4. Location of Well Unit O (SWSE), 165' FSL & 1470' FEL Latitude 36° 49.2172' N Longitude 107° 27.8177' W	10. Field, Pool, Wildcat Basin Fruitland Coal 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 9, T30N, R6W API # 30-039-27763	
14. Distance in Miles from Nearest Town 14 miles from Gobernador	12. County Rio Arriba	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 165'		
16. Acres in Lease	17. Acres Assigned to Well FC - 320 acres E/2	
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 1060' MV - SJ 30-6 #24		
19. Proposed Depth 3282'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 6280' GL	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Joni Clark</u> Sr. Regulatory Specialist	Date <u>1/16/06</u>	

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.

HPA Notification needed.

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
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994

District II
PO Drawer 00, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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

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

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

2006 JAN 17 PM 3 24

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039- 27703	*Pool Code 71629	*Pool Name Basin Fruitland Coal
*Property Code 7469	*Property Name SAN JUAN 30-6 UNIT	*Well Number 403S
*GRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY, LP	*Elevation 6280'

10 Surface Location

UL or lot no. 0	Section 9	Township 30N	Range 6W	Lot Idn	Feet from the 165	North/South line SOUTH	Feet from the 1470	East/West line EAST	County RIO ARriba
--------------------	--------------	-----------------	-------------	---------	----------------------	---------------------------	-----------------------	------------------------	----------------------

11 Bottom Hole Location If Different From Surface

UL or lot no. 0	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
--------------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

12 Dedicated Acres FC - E/2 320 acres	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

16		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 10-6-05 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: SEPTEMBER 14, 2005 Signature and Seal of Professional Surveyor JASON C. EDWARDS Certificate Number 15269

5283.96'

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

<p>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.)</p>		<p>WELL API NO. <u>30-039-27763</u></p>
<p>1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/></p>		<p>5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/></p>
<p>2. Name of Operator BURLINGTON RESOURCES OIL & GAS COMPANY LP</p>		<p>6. State Oil & Gas Lease No. NMNM-03416</p>
<p>3. Address of Operator 3401 E. 30TH STREET, FARMINGTON, NM 87402</p>		<p>7. Lease Name or Unit Agreement Name San Juan 30-6 Unit</p>
<p>4. Well Location Unit Letter <u>O</u> : <u>165'</u> feet from the <u>South</u> line and <u>1470'</u> feet from the <u>East</u> line Section <u>9</u> Township <u>30N</u> Range <u>6W</u> NMPM County <u>Rio Arriba</u></p>		<p>8. Well Number #403S</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6280' GL</p>		<p>9. OGRID Number 14538</p>
<p>Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/></p>		<p>10. Pool name or Wildcat Basin Fruitland Coal</p>
<p>Pit type <u>New Drill</u> Depth to Groundwater <u><50'</u> Distance from nearest fresh water well <u>>1000'</u> Distance from nearest surface water <u>>200'</u></p>		
<p>Pit Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume <u> </u> bbls; Construction Material <u> </u></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.

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.

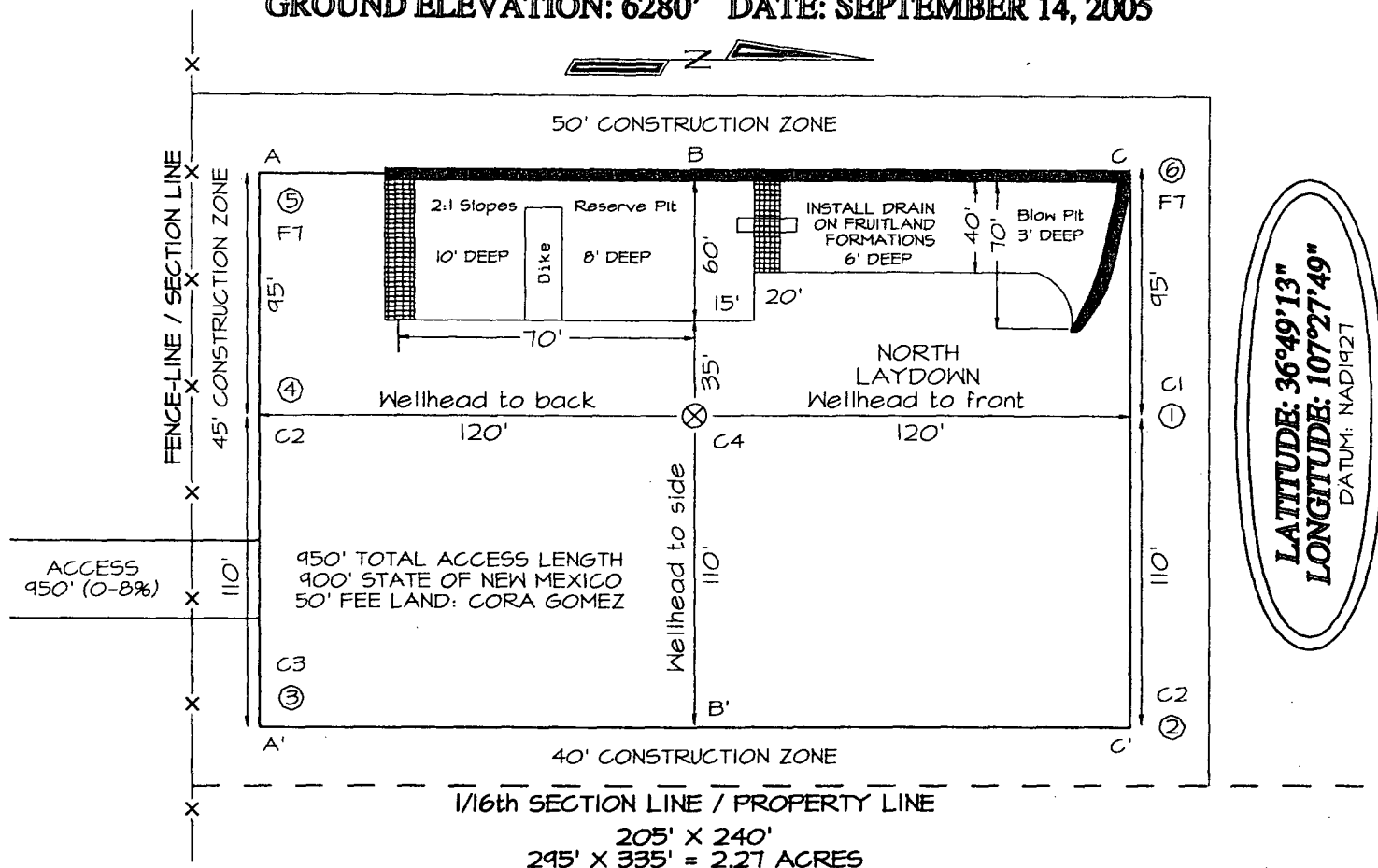
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Patsy Clugston TITLE Sr. Regulatory Specialist DATE 11/2/2005

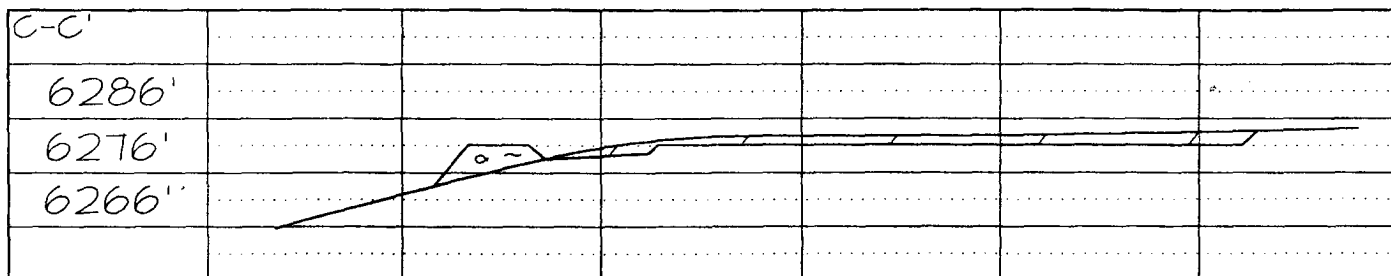
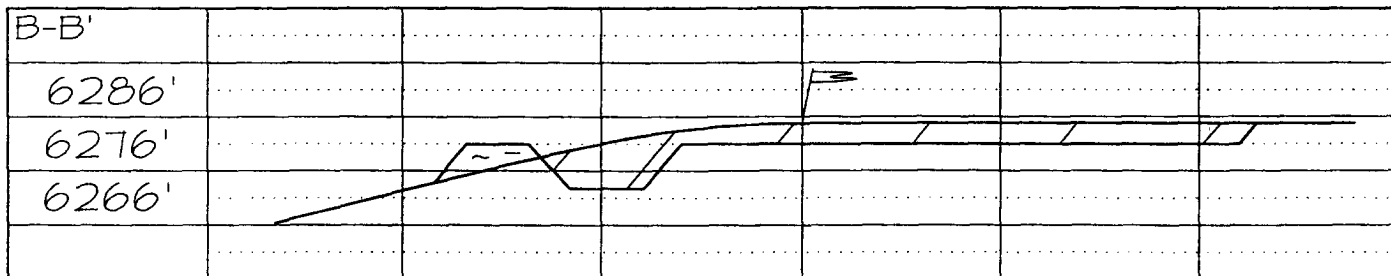
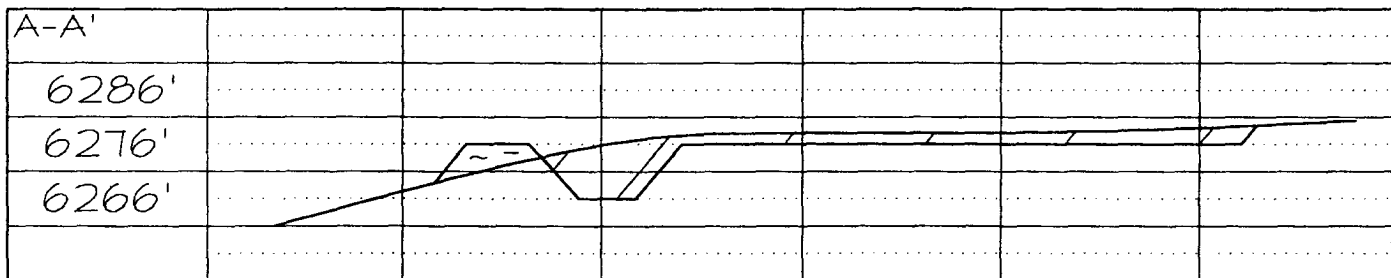
Type or print name Patsy Clugston E-mail address: pclugston@br-inc.com Telephone No. 505-326-9518
For State Use Only

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 68 DATE AUG 03 2006
Conditions of Approval (if any):

BURLINGTON RESOURCES OIL & GAS COMPANY SAN JUAN 30-6 UNIT #403S
165' FSL & 1470' FEL, SECTION 9, T30N, R6W, NMPM, RIO ARriba COUNTY, NM
GROUND ELEVATION: 6280' DATE: SEPTEMBER 14, 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: 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: San Juan 30-6 Unit #403S

Location: Unit O (SWSE), 165' FSL & 1470' FEL
Rio Arriba County, NM

Latitude 36° 49.2172'N, Longitude 107° 27.8177' W

Formation: Basin Fruitland Coal

Total Depth: 3282'

Burlington Resources is requesting a sump on this well.

Logging Program: See San Juan 30-6 Unit Wells Master Operations Plan

Mud Program: See San Juan 30-6 Unit Wells Master Operations Plan

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

Hole Size	Depth Interval	Csg	Wt.	Grade	Cement
12 1/4	0' - 120'	9.625"	32.3#	H-40	131 cu.ft
8 3/4	0' - 2910'	7"	20.0#	J-55	660 cu.ft
6 1/4	2890 - 3282'	5 1/2"	15.5#	J-55	uncemented

Tubing Program: See San Juan 30-6 Unit Wells Master Operations Plan

- * The Fruitland Coal formation will be completed.
- * The east half of Section 9 is dedicated to the Fruitland Coal formation in this well.
- * Gas is dedicated.

Drilling Engineer

Date

11/30/05

*Sent out
8/17/06*

BURLINGTON
RESOURCES

P.O. Box 4289
Farmington, NM 87499

August 16, 2006

(Certified Mail - Return Receipt Requested)

Re: San Juan 30-6 Unit #403S
Basin Fruitland Coal
165' FSL & 1470' FEL, Sesc. 9, T30N, R6W
Rio Arriba County, New Mexico

To the Affected Persons:

Burlington Resources Oil & Gas Company LP is submitting the enclosed Application for Permit to Drill to the appropriate regulatory agency(s) for approval. This well is located inside the High Productivity Area of the Basin-Fruitland Coal Pool as indicated on the attached plat. Notice is being made pursuant to New Mexico Oil Conservation Commission Order R-8768-F dated July 17, 2003.

The affected parties have twenty (20) days from receipt of this notice in which to file with the District Office of the New Mexico Oil Conservation Division written objection to the proposed Application for Permit to Drill.

Sincerely,



Patsy Clugston
Senior Regulatory Specialist