

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

RCVD OCT 2 '07
OIL CONS. DIV.
DIST. 3

FORM APPROVED
OMB No 1004-0137
Expires March 31, 2007

1a. Type of work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No I-22-IND-2772
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name Ute Mountain Ute
2. Name of Operator Burlington Resources Oil & Gas Company, LP		7. If Unit or CA Agreement, Name and No
3a. Address 3401 E. 30th St. Farmington, NM 87402-8807	3b. Phone No. (include area code) 505-326-9700	8. Lease Name and Well No Ute Mountain Ute #78
4. Location of Well (Report location clearly and in accordance with any State requirements *) At surface SFSW SWNW 1245 FSL & 1025 FWL At proposed prod zone same 1075 1340 Lot 100		9. API Well No 30-045-34471
14. Distance in miles and direction from nearest town or post office* 5 miles to La Plata		10. Field and Pool, or Exploratory Barker Creek-Dakota Pool
15. Distance from proposed* location to nearest* property or lease line, ft (Also to nearest drg unit line, if any) 1025'	16. No. of acres in lease 8400	11. Sec, T, R, M or Blk and Survey or Area N Sec 16-T32N-R14W
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft	19. Proposed Depth 3700'	12. County or Parish San Juan
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6318' GR	22. Approximate date work will start*	13. State NM
23. Estimated duration Venting / Flaring approved for 30 days per NTL-4A		24. Attachments

SEE ATTACHED
CONDITIONS OF APPROVAL

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No 1, must be attached to this form

- Well plat certified by a registered surveyor
- A Drilling Plan
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see item 20 above)
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM

25. Signature *Catherine Smith* Name (Printed Typed) Catherine Smith Date 10/23/2006

Title Huntington Energy, L.L.C., Agent for Burlington Resources Oil & Gas Company, LP

Approved by (Signature) */s/ Richard A. Rymerson* Name (Printed Typed) *Richard A. Rymerson* Title Acting Field Office Manager

APPROVED FOR A PERIOD
NOT TO EXCEED 2 YEARS
SEP 28 2007

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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 representations as to any matter within its jurisdiction

*(Instructions on page 2)

Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject lease which are committed hereto...

Obtain a pit permit from NMOCD prior to constructing location

NMOCD
RECEIVED

OCT 26 2006

NOTIFY APTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT

Bureau of Land Management
Durango, Colorado

OCT 18 2007

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos, Rd., Aztec, NM 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 87504-2088

Form C-102

Revised October 12, 2005

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-34471	Pool Code 71599	Pool Name Basin Dakota
Property Code 32660 18725	Property Name UTE MOUNTAIN UTE	Well Number 78
GRID No. 14538	Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP	Elevation 6318

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
N	16	32-N	14-W	100	1075	SOUTH	1340	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 W-160			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

FD 3 1/4" B.L.M. AC 1986	N 0-00-25 E 2640.03' (M)	1340'	1075'	LAT: 36.98364° N. (NAD 83) LONG: 108.31897° W. (NAD 83)	S 89-59-36 E 2641.63' (M)	FD 3 1/4" B.L.M. AC 1986

RECEIVED

MAR 19 2007

Bureau of Land Management
Durango Colorado

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.

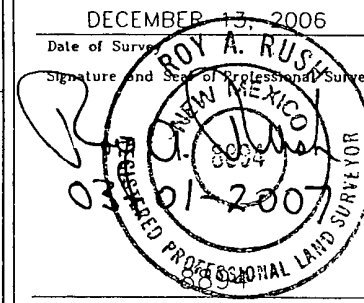
Catherine Smith 3/16/07
Signature Date
Catherine Smith
Printed Name
Agent for Burlington Res.

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

DECEMBER 13, 2006

Date of Survey
Signature and Seal of Professional Surveyor.



Certificate Number

OPERATIONS PLAN

Well Name: Ute Mountain Ute #78
Location: 1245' FSL, 1025' FWL, SWSW Sec 16, T-32-N, R-14-W NMPM
San Juan Co., New Mexico
Formation: Dakota
Elevation: 6318' GR 6334' KB

<u>Formation Tops:</u>	<u>Top</u>	<u>Bottom</u>	<u>RMSL</u>	<u>Contents</u>
Menefee	Surf	199'		
Point Lookout	199'	694'	6135'	
Mancos	694'	1584'	5640'	
Gallup (Niobrara)	1584'	2304'	4750'	oil or water
Greenhorn	2304'	2359'	4030'	
Graneros	2359'	2429'	3975'	
Dakota	2429'	2714'	3905'	gas or water
Morrison	2714'	3700'	3620'	gas
TD	3700'			

Logging Program:

Mud log – 300' to TD
Open hole logs – AIT/GR/SP - TD to surface casing; NEU/DEN – TD to 1500'
FMI/Dipmeter – interval to be determined
Cased hole logs – CBL/GR – TD to surface
Cores & DST's – none

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	<u>Fluid Loss</u>
0 – 300'	Spud	8.4-9.0	40-50	no control
0 - 3700'	LSND	8.4-9.0	40-60	no control

Pit levels will be visually monitored to detect gain or loss of fluid control.

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

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csg. Size</u>	<u>Wt.</u>	<u>Grade</u>
11"	0 – 300'	7 5/8"	29.7#	P-110
6 1/4"	0 – 3700'	4 1/2"	10.5#	J-55

Tubing Program:

0 – 3700'	2 3/8"	4.7#	J-55
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BOP Specifications, Wellhead and Tests:

Surface to TD –

11" 2000 psi minimum double gate BOP stack (Reference Figure #1). After nipple-up prior to drilling out surface casing, rams and casing will be tested to 600 psi for 30 minutes.

2" nominal, 2000 psi minimum choke manifold (Reference Figure #3).

Completion Operations:

7 1/16" 2000 psi double gate BOP stack (Reference Figure #2). After nipple-up prior to completion, pipe rams, casing and liner top will be tested to 2000 psi for 15 minutes.

Float Equipment:

7 5/8" surface casing – saw tooth guide shoe.
Centralizers will be run in accordance with Onshore Order #2.

4 1/2" intermediate casing – guide shoe and self-fill float collar. Standard centralizers run every other joint above shoe. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Wellhead:

7 5/8" x 4 1/2" x 2 3/8" x 2000 psi tree assembly.

General:

- Pipe rams will be actuated once each day and blind rams will be actuated once each trip to test proper functioning.
- An upper kelly cock valve with handle available and drill string valves to fit each drill string will be available on the rig floors at all times.
- BOP pit level drill will be conducted weekly for each drilling crew.
- All BOP tests and drills will be recorded in the daily drilling reports.
- Blind and pipe rams will be equipped with extension hand wheels.

Cementing:

7 5/8" surface casing –

Cement to surface w/174 sx Class A, B Portland Type I, II cement (244 cu. ft. of slurry). WOC 8 hours before pressure testing or drilling out from under surface casing.

4 1/2" production Casing -

Lead with 377 sx Premium Lite w/3% calcium chloride, 5pps LCM-1, and 1/4#/sack flocele, 0.4% FL-52, & 0.4% SMS. Tail w/90 sx Type III cement w/1% calcium chloride, 1/4#/sack flocele and 0.2% FL-52 (928 cu. ft., 50% excess to circulate to surface.)

Note: If open hole logs are run, cement volumes will be based on 25% excess over caliper volumes.

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

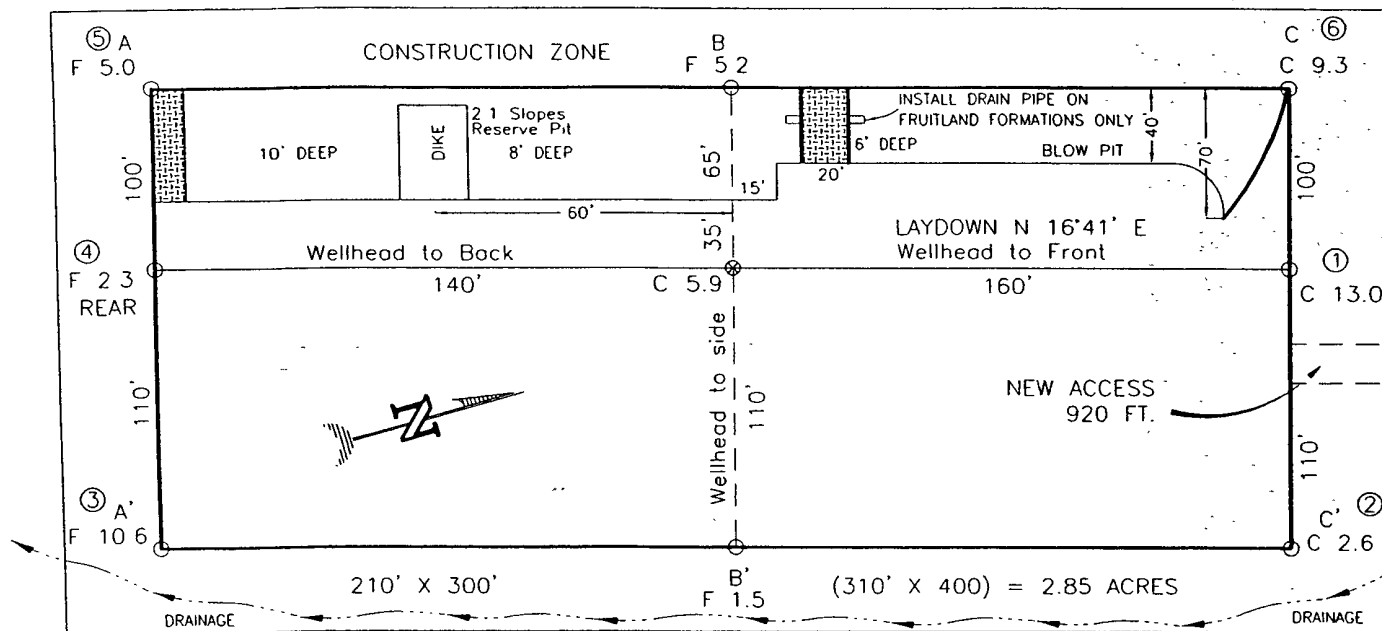
- If hole conditions permit, an adequate water space will be pumped ahead of each cement job to prevent cement/mud contamination or cement hydration.

Additional Information:

- The Dakota formation will be completed. If non-commercial, the Morrison and Gallup will be secondary objectives.
- No abnormal temperatures or hazards are anticipated.
- Anticipated pore pressure for the Dakota is 750 psi.
- Sufficient LCM will be added to the mud system to maintain well control, if lost circulation is encountered.
- The southwest quarter of Section 16 is dedicated to this well. This gas is dedicated.

BURLINGTON RESOURCES OIL & GAS COMPANY LP/HUNTINGTON ENERGY LLC
 UTE MOUNTAIN UTE NO. 78, 1075 FSL 1340 FWL
 SEC. 16, T-32-N, R-14-W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO
 GROUND ELEVATION: 6318, DATE: DECEMBER 13, 2006

NAD 83
 LAT. = 36.98364° N
 LONG. = 108.31897° W



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:

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

ELEV A-A'	C/L
6330	
6320	
6310	
6300	

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MAR 19 2007

Bureau of Land Management
 Durango Colorado

ELEV B-B'	C/L
6330	
6320	
6310	
6300	

ELEV C-C'	C/L
6330	
6320	
6310	
6300	

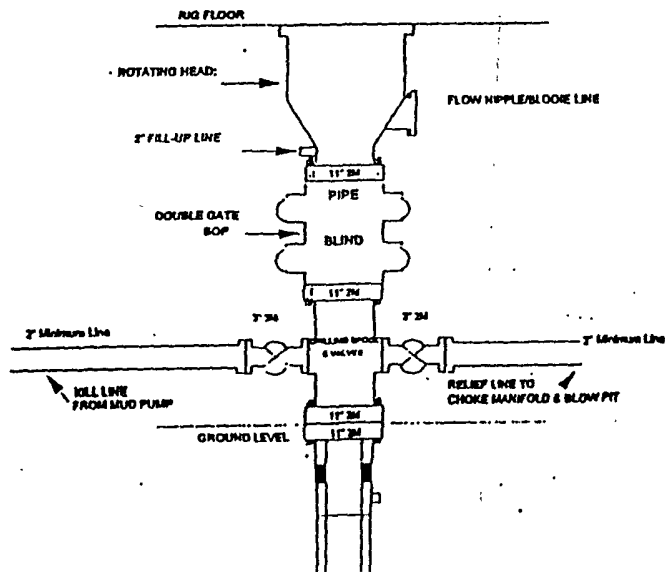
NOTE CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLESON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

REVISION	DATE	BY	REVISION	DATE	BY
1	2/23/07	G.V.	2	10/09/06	G.V.

Daggett Enterprises, Inc.
 Surveying and Oil Field Services
 P O Box 15068 Farmington, NM 87401
 Phone (505) 326-1772 • Fax (505) 326-6019
 NEW MEXICO L.S. No. 8894
 CDRLE HTG047_CFB

DRAWN BY: G.V.
 ROW: HTG047

Drilling Rig
2000 psi System

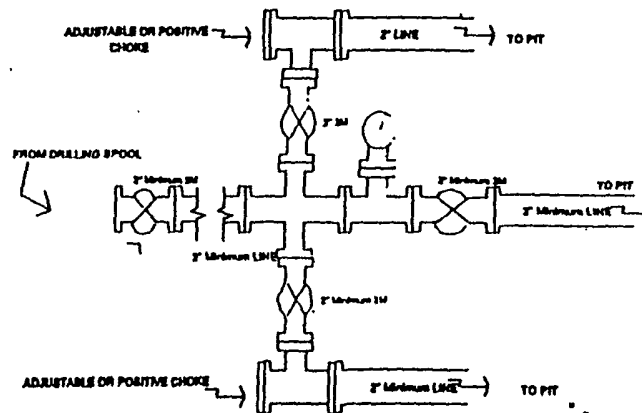


BOP Installation from Surface Casing Point to Total Depth. 11\"/>

Figure #1

4-20-01

Drilling Rig
Choke Manifold Configuration
2000 psi System

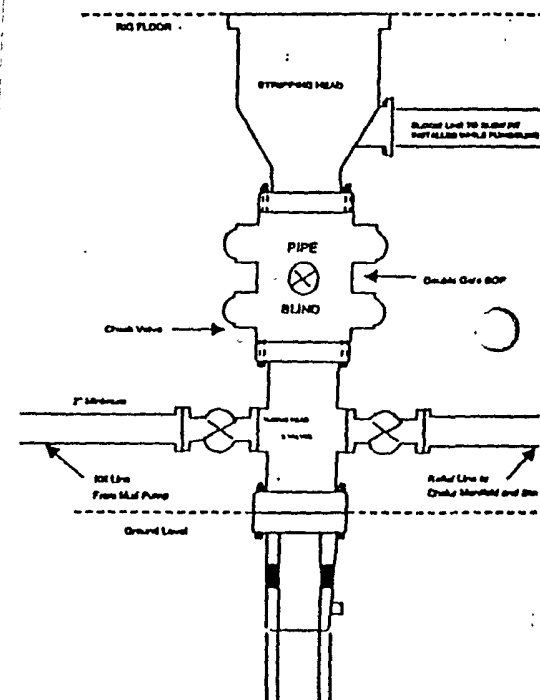


Choke manifold installation from Surface Casing Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure #3

4-20-01

Completion/Workover Rig
BOP Configuration
2,000 psi System



Minimum BOP installation for all Completion/Workover Operations. 7-1/16\"/>

Figure #2