

RCVD OCT 22 '07

OIL CONS. DIV.

DIST. 3

Form 3160-3
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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 #83
4. Location of Well (Report location clearly and in accordance with any State requirements *) At surface NENE Lot A, 710' FNL & 900' FEL At proposed prod zone same 1000		9. API Well No. 30-045-34482
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) 700'	16. No of acres in lease 8400	11. Sec., T. R. M. or Blk. and Survey or Area A Sec 29-T32N-R14W
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft	19. Proposed Depth 2800'	12. County or Parish San Juan
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6119' 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.

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see item 20 above) |
| 2. A Drilling Plan | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office) | 6. 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 09/12/2006
Title Huntington Energy, L.L.C., Agent for Burlington Resources Oil & Gas Company, LP		APPROVED FOR A PERIOD NOT TO EXCEED 2 YEARS
Approved by (Signature) /S/ Matt Janowiak	Name (Printed Typed)	Date OCT 18 2007
Title ACTING CENTER MANAGER	Office SAN JUAN PUBLIC LANDS CENTER	

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 USC 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...

NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT

RECEIVED

SEP 13 2006

Bureau of Land Management
Durango, Colorado

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

DISTRICT II
1301 W. Grand Avenue, 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 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

¹ API Number 30-045-34482	² Pool Code 71599 71620	³ Pool Name Burkev Creek Basin Dakota
⁴ Property Code 32660 18725	⁵ Property Name UTE MOUNTAIN UTE	⁶ Well Number 83
⁷ GRID No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP	⁹ Elevation 6138'

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	29	32-N	14-W		710	NORTH	1000	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
¹² Dedicated Acres E/160				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	FD 3 1/4" B.L.M. AC 1986	N 89-51-40 W 2639.8' (M)	¹⁷	OPERATOR CERTIFICATION	
	LAT: 36.96425° N. (NAD 83) LONG: 108.32697° W. (NAD 83)			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.	
				Signature <u>Catherine Smith</u> Date <u>12/21/06</u>	
				Printed Name <u>Catherine Smith</u>	
				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 <u>MAY 30, 2006</u>	
				Signature and Seal of Professional Surveyor:	
				Certificate Number	

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DEC 28 2006
Bureau of Land Management
Durango Colorado

ROY A. RUSH
REGISTERED PROFESSIONAL LAND SURVEYOR
NEW MEXICO
88894
07-06

OPERATIONS PLAN

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OCT 6 2006

Well Name: Ute Mountain Ute #83
Location: 710' FNL, 800' FEL, NENE Sec 29, T-32-N, R-14-W NMPM
San Juan Co., New Mexico
Formation: Basin Dakota
Elevation: 6119' GR 6135' KB

Bureau of Land Management
Durango Colorado

<u>Formation Tops:</u>	<u>Top</u>	<u>Bottom</u>	<u>RMSL</u>	<u>Contents</u>
Point Lookout	Surf	225'		
Mancos	225'	1410'	5910'	
Gallup (Niobrara)	1410'	2120'	4725'	oil or water
Greenhorn	2120'	2190'	4015'	
Graneros	2190'	2250'	3945'	
Dakota	2250'	2500'	3885'	gas or water
Morrison	2500'		3635'	gas
TD	2800'			

Logging Program:

Mud log – 300' to TD
Open hole logs – AIT/GR/SP - TD to surface casing; NEU/DEN – TD to 1400'
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 - 2800'	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 – 2800'	4 1/2"	10.5#	J-55

Tubing Program:

0 – 2800'	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.

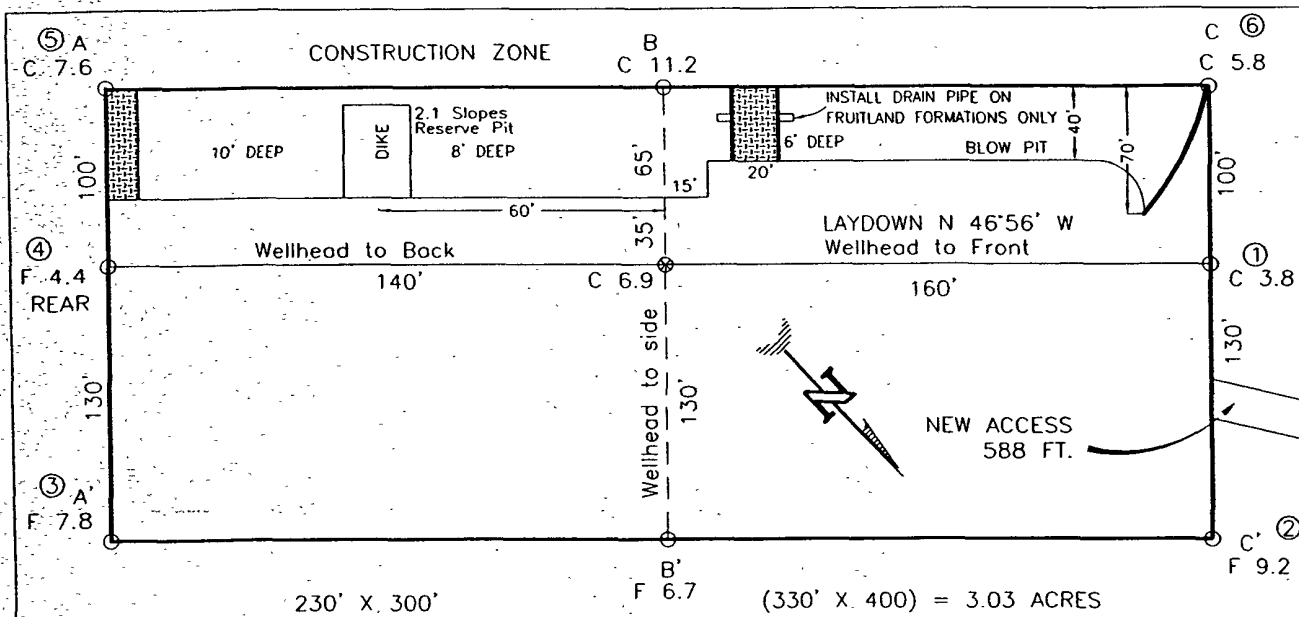
- If hole conditions permit, an adequate water space will be pumped ahead of each cement job to prevent cement/mud contamination or cement hydration.

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 northeast quarter of Section 29 is dedicated to this well. This gas is dedicated.

BURLINGTON RESOURCES OIL & GAS COMPANY/HUNTINGTON ENERGY LLC
 UTE MOUNTAIN UTE NO. 83, 710 FNL 1000 FEL
 SEC. 29, T-32-N, R-14-W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO
 GROUND ELEVATION: 6138, DATE: MAY 30, 2006

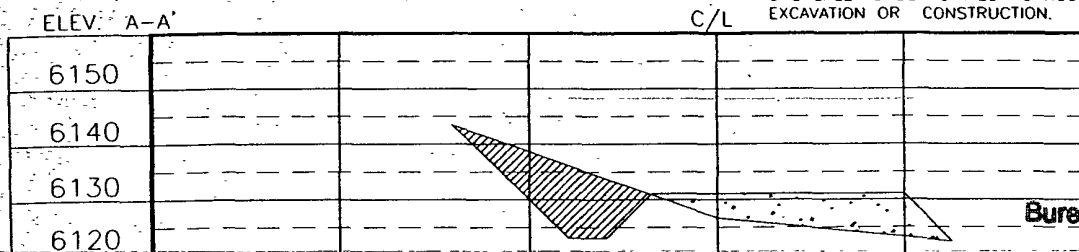
NAD 83
 LAT. = 36.96425° N
 LONG. = 108.32697° W



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:

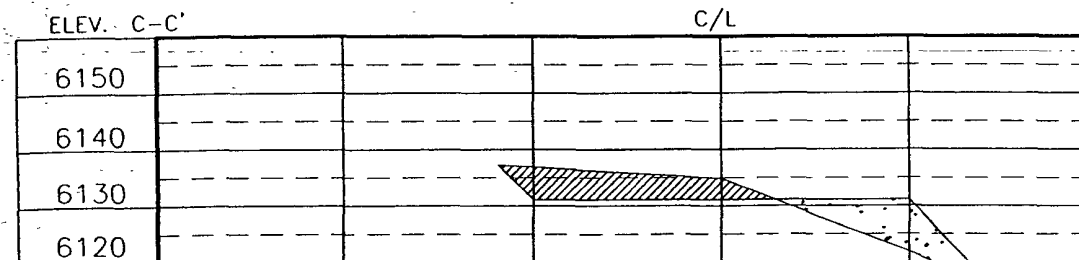
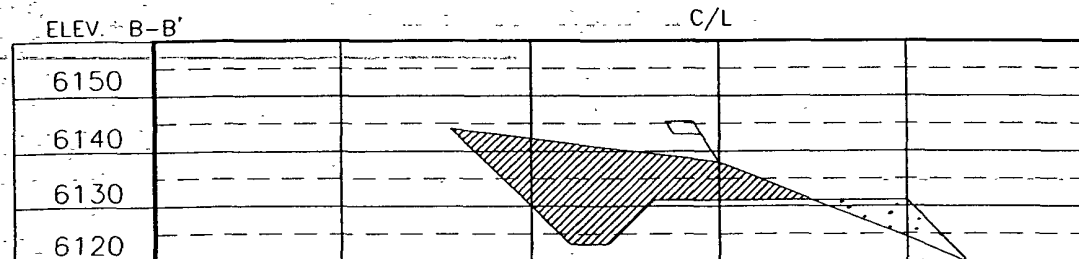
DAGGETT ENTERPRISES, INC IS NOT LIABLE FOR
 UNDERGROUND UTILITIES OR PIPELINES NEW MEXICO
 ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO
 EXCAVATION OR CONSTRUCTION.



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DEC 28 2006

Bureau of Land Management
 Durango Colorado



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	REVISED BY
CHANGED L.S. NO	12/04/06	C.V.
RESTAKE	6/20/06	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
 CADDLE HTG052-CFB
 DATE: 04/13/06

DRAWN BY: A.G.
 ROW: HTG052

Burlington Resources Oil & Gas Company
Tribal Lease: I-22-IND-2772
Well: Ute Mountain Ute #83
Location: 710' FNL & 800' FEL
Sec. 29, T. 32 N., R. 14 W.
San Juan County, New Mexico

Conditions of Approval - Drilling Plan:

1. All drilling locations must be built as drilled, not constructed back to back prior to drilling.
2. The BOP must have adjustable chokes.
3. No additional zones will be commingled without UMU Tribal and BLM approval.
4. Stabilized Bottom hole pressures must be taken from each perforated zone.
5. Notify this office during working hours **at least 72 hours** prior to:
 - a. spudding the well*
 - b. running casing strings and cementing
 - c. BOP tests
 - d. Drill Stem testing

* at this time provide phone numbers for the rig and your field representative (mobile and office) to facilitate the scheduling of BLM Technicians to witness the above operations.

6. All BOP tests will be performed with a test plug in place. BOP will be tested to full stack working pressure and annular preventer to 50% maximum stack working pressure. All accumulators will be function tested as per Onshore Order #2. All 2M or greater systems require **adjustable** chokes as per Onshore Order #2. 3M BOPs must have an Annular Preventer and the Choke line must be 3".
7. If a BLM Inspector is not present during the initial BOP test, please provide chart record.

Continued on page 2.

8. Cementing of the 7-5/8" Surface Casing: If cement does not circulate or cement circulates but falls back in the annular beyond visual sight, a temperature survey or other preferred method may be employed to determine the amount of fall back.

Cementing of the 4-1/2" Production Casing: A cement bond log will be run prior to perforating. A 360 degree cement evaluation log is recommended, but the conventional bond log would be acceptable. Whether or not the cement circulates to the surface, a cement bond log will be run prior to perforating for completion.

9. Submit copies of all logs to the BLM office in both paper and in Log ASCII Standard (LAS) format.

10. If any operations are to start over the weekend, notify this office by noon Friday. If any problems arise after hours or on weekends, call BLM personnel using the home phone numbers listed on the following 'INFORMATIONAL NOTICE - APD's'.

11. If commingling becomes a permanent part of the well completion and a change in production performance indicates that one particular zone's capacity becomes altered due to a drop in bottom hole pressure, a drop in fluid capacity, an inflow of water, or an inflow of either oil or gas, the BLM will have the authority to request sufficient testing to determine what particular zone and to what degree that zone is contributing to the decrease in production or change in fluids. The operator is on notice that after a three to five year period you could be requested to retest the producing zones if the BLM believes there is a significant change in one or more commingled zones. Should an unexpected change take place within a short period of time following the initial completion, it is required to provide a reason for that change and the technical data to support the cause of such change.

Additional Conditions Of Approval for Ute Mountain Ute Wells:

Well File Information: All tests and operations on any well in the subject lands shall be conducted at the Operators sole discretion, and the information requirements of Article 8.02(b) of the Agreement and this exhibit shall not be interpreted to obligate Lessee to conduct any tests or operations with respect to any well.

- a. All wire line logs – Field and Final Print (Electrical, Radioactive, Sonic, Porosity, Velocity, etc. with digitized and log analysis, if available).
- b. Drill Stem tests - field data
- c. Core analysis - field data
- d. Mud Log - final prints
- e. Drill Stem tests - final prints
- f. Core analysis - final prints
- g. Revised Structure and Isopach maps
- h. Location (Surveyor's Plat & Drilling Permit
- i. Daily Drilling Report, Daily Workover report and final Drilling Summary
- j. Directional Survey
- k. Geological Report
- l. Completion Report
- m. Production Test Data (AOF Potential, GOR, etc.)
- n. 30 Day Well Production Test Record
- o. Bottom Hole Pressure Surveys
- p. Gas, Oil, and/or Water Analysis
- q. Monthly Oil, Gas, and/or Plant Products Purchasing Statements
- r. MMS Monthly OGOR and/or 4054 Monthly Report of Operations
- s. Sundry Notices to the BLM
- t. Wellbore profile
- u. Division Orders/Title Opinion
- v. Plug and Abandon Reports
- w. AFEs
- x. Other Information Requested by the Tribal Energy Department.

EA of OIL and GAS Leasing & Development on UMUIR, Pg 49 #11 Water Resources Construction

- The reserve pit shall be replaced by a self contained mud system.

UMU/BIA standards and the EA of OIL and GAS Leasing & Development on UMUIR, P31,

- At the Ute Mountain Ute #79 site to allow adequate room for slope development an Exception Condition of Approval shall allow that Construction zones be 30' wide on all sides.

EA of OIL and GAS Leasing & Development on UMUIR, Pg 48 #5 Water Resources Construction

Crossings of drainages/ditch. Low water crossings may be used at each drainage crossing with adequate rock rip rap incorporated to grade-level to stabilize road where bedrock is not at surface.

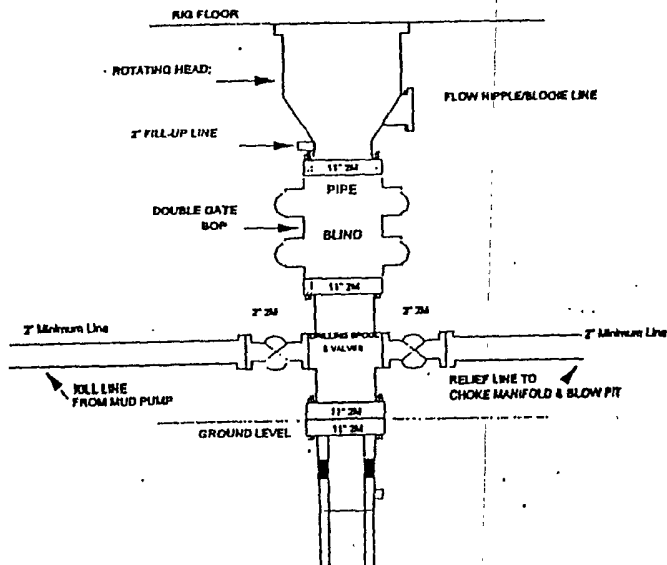
Approx. sta	Feature	Action	NWP
0+30	Ditch at Access rd/ service road jct	Install suitable culvert in ditch	none
2+00	Access road /existing service road jct	Low Water Crossing/rock added to stabilize, water turnout	#12, #14
4+25	Access road /existing service road jct	LWC/rock added to stabilize, water turnout	#12, #14
5+00	Access road /existing service road jct	LWC/rock added to stabilize, water turnout	#12, #14
6+00	Access road /existing service road jct	LWC/rock added to stabilize, water turnout	#12, #14
6+50	Access road /existing service road jct	LWC/rock added to stabilize, water turnout	#12, #14
8+00	Access road /existing service road jct	LWC/rock added to stabilize, water turnout	#12, #14
9+00	Access road /existing service road jct	LWC/rock added to stabilize, water turnout	#12, #14

At the UMU #80 well location, access and pipeline route:

Clean Water Act, & EA of OIL and GAS Leasing & Development on UMUIR, Pg 49 #8

- Spoil piles shall be separated and clearly marked, stabilized to prevent contributing sediment to adjacent drainages, silt fencing installed as required.

Drilling Rig
2000 psi System

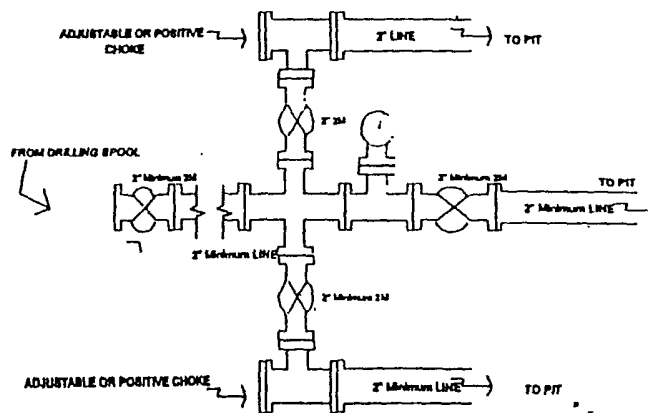


BOP Installation from Surface Casing Point to Total Depth. 11" Bore 10" Nominal, 2000 psi working pressure double gate BOP to be equipped with blind rams and pipe rams. A 500 psi rotating head on top of ram preventers. All BOP equipment is 2,000 psi working pressure

Figure #1

4-20-01

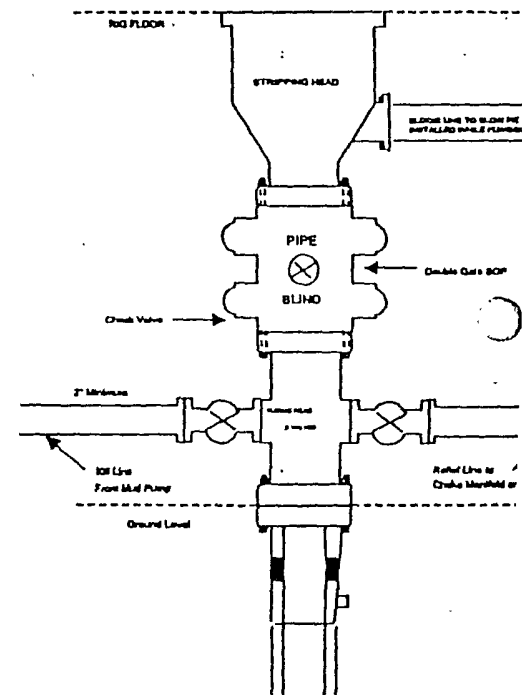
Drilling Rig
Choke Manifold Configuration
2000 psi System



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

Figure #3

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 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 500 psi stripping head

Figure #2

4-20-01