

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. 1-22-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 #77
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface SWNW, 1455' FNL & 800' FWL At proposed prod zone same 1425' <i>Set 400</i>		9. API Well No. 30-045-34512
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) 800'		11. Sec., T. R. M. or Blk. and Survey or Area E Sec 15-T32N-R14W
16. No. of acres in lease 8400	17. Spacing Unit dedicated to this well 160 NW/4	12. County or Parish San Juan
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 3700'	13. State NM
20. BLM/BIA Bond No. on file DIST. 8	21. Elevations (Show whether DF, KDB, RT, GL, etc.) 7128' GR	22. Approximate date work will start*
23. Estimated duration		

24. Attachments

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 09/12/2006

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

Approved by (Signature) */s/ Richard A. Rymerson*

Name (Printed/Typed)

APPROVED FOR A PERIOD
NOT TO EXCEED 2 YEARS
NOV 15 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 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)

NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT

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...

RECEIVED

SEP 13 2006

NOV 20 2007

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 87605

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 30045-34512	² Pool Code 71520	³ Pool Name Barker Creek-Dakota Pool
⁴ Property Code 18725	⁵ Property Name UTE MOUNTAIN UTE	⁶ Well Number 77
⁷ GRID No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP	⁹ Elevation 7130'

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
E	15	32-N	14-W	400	1425'	NORTH	800'	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
¹² Dedicated Acres W/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

FD 3 1/4" B.L.M. AC 1986	S 89-59-48 E 2643.0' (M)	FD 3 1/4" B.L.M. AC 1986
1425'		
800'	LAT: 36.99128° N. (NAD 83) LONG: 108.30275° W. (NAD 83)	
S 00-00-01 W 2639.9' (M)	15	
FD 3 1/4" B.L.M. AC 1986		

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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 11/6/07
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.

OCTOBER 16, 2007
Date of Survey

Signature and Seal of Professional Surveyor:

Professional Surveyor
8894

Certificate Number

OPERATIONS PLAN – Revised 11/13/2007

Well Name: Ute Mountain Ute #77
Location: 1455' FNL, 800' FWL, SWNW Sec 15, T-32-N, R-14-W NMPM
San Juan Co., New Mexico
Formation: Dakota
Elevation: 7128' GR 7144' KB

<u>Formation Tops:</u>	<u>Top</u>	<u>Bottom</u>	<u>RMSL</u>	<u>Contents</u>
Cliffhouse	Surface	284'		
Menefee	284'	894'	6860'	
Point Lookout	894'	1179'	6250'	
Mancos	1179'	2369'	5965'	
Gallup (Niobrara)	2369'	3084'	4775'	oil or water
Greenhorn	3084'	3139'	4060'	
Graneros	3139'	3194'	4005'	
Dakota	3194'	3444'	3950'	gas or water
Morrison	3444'	3700'	3700'	gas
TD	3700'			

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 - 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'	8 5/8"	24#	J-55
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.

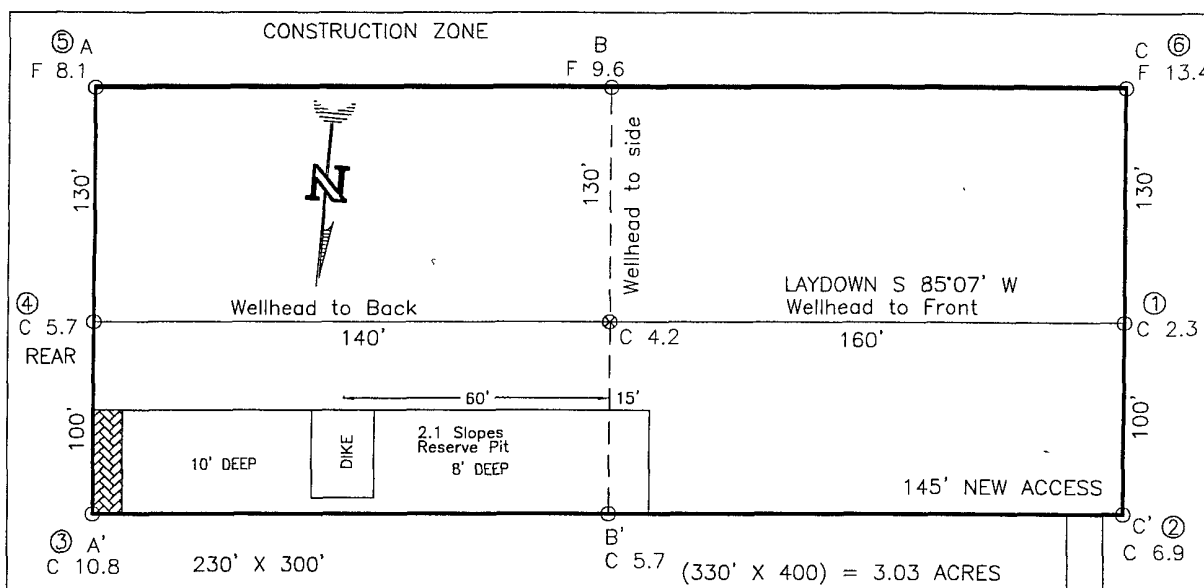
Float Equipment:

8 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.

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Denver, Colorado

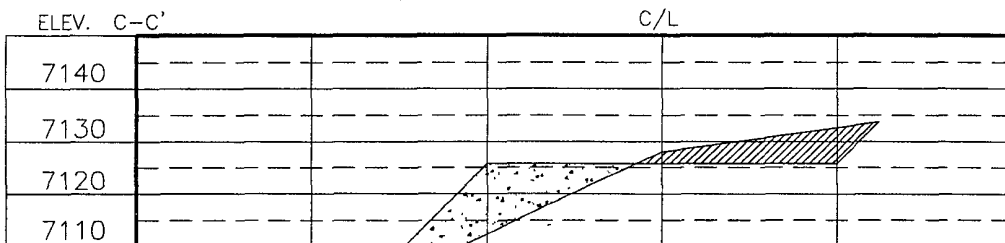
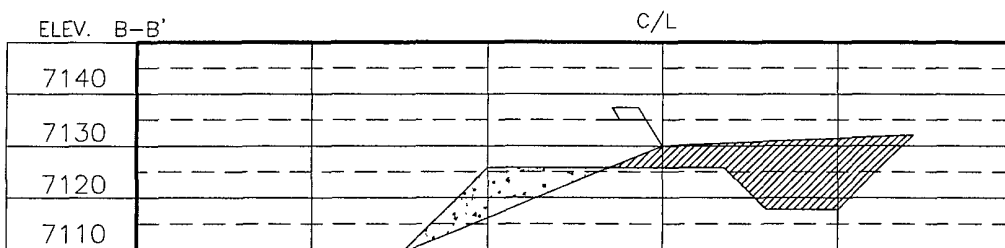
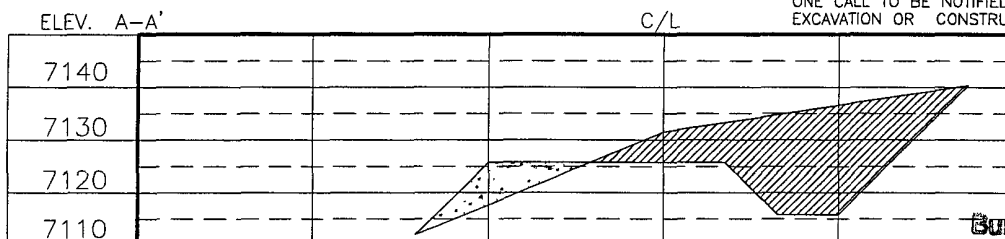
BURLINGTON RESOURCES OIL AND GAS COMPANY LP/HUNTINGTON ENERGY, LLC
 UTE MOUNTAIN UTE No. 77, 1425 FNL 800 FWL
 SECTION 15, T-32-N, R-14-W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO
 GROUND ELEVATION: 7130, DATE: OCTOBER 16, 2007



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.



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.

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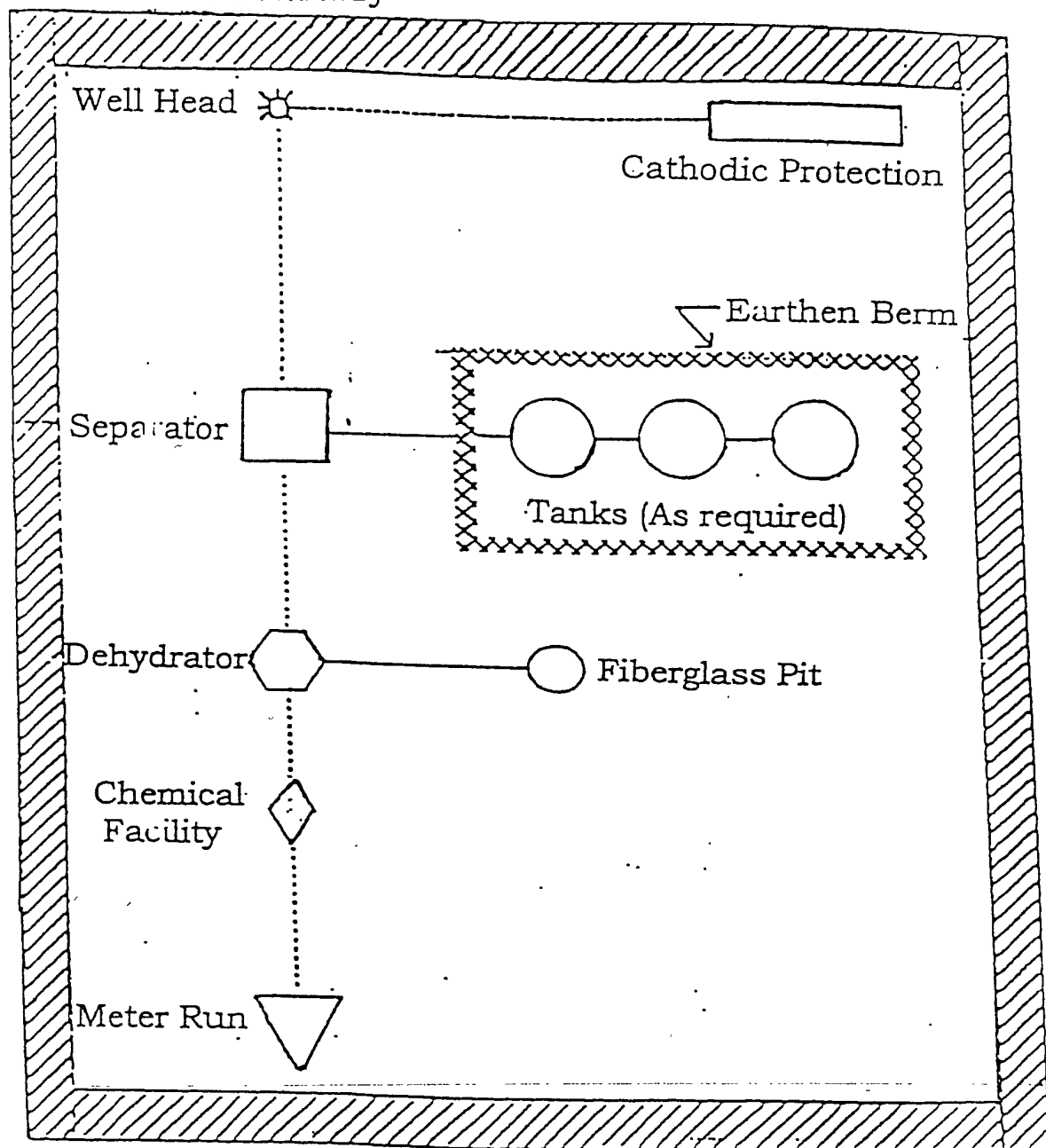
Bureau of Land Management
 Durango Colorado

REVISION	DATE	REMOVED BY	DATE
WELL RESTAKE	10/30/07	A.G.	

Daggett Enterprises, Inc.
 Surveying and Oil Field Services
 P. O. Box 510 • Farmington, NM 87499
 Phone (505) 326-1772 • Fax (505) 326-6019
 NEW MEXICO P.L.S. No. 8894
 CADD FILE: HTG045CF8
 DATE: 04/13/06

DRAWN BY: A.G.
 ROW#: HTG046

Well Pad Boundary



PLAT #1

ANTICIPATED
PRODUCTION FACILITIES
FOR A
DAKOTA WELL

9.0 SITE SPECIFIC MITIGATION MEASURES

As a Result of Environmental Assessment

And Onsite Consultation

For the **Ute Mountain Ute** gas wells

SPECIAL SITE CONSIDERATIONS:

SITE	TREE REMOVAL			ARROYOS/ Ephemeral washes	CWA #404 Informal notification	Cultural
	PAD	ACCESS	PIPELINE			
UMU #77	yes	NO	yes	Several small	yes	None
UMU #85	yes	no	no	no	no	no
UMU #86	no	no	no	no	no	Nearby on west
UMU #87	no	yes	yes	no	no	50' NE avoid
UMU #88	yes	no	yes	none	no	no

The Proposed Action shall include site specific additional Mitigation below:

At the **UMU #77** well location, access and pipeline route:

EA of OIL and GAS Leasing & Development on UMUIR, P53 #K

- Site LA159892 shall be avoided and protected from project impacts by placing 150 feet of temporary fence around the northeast corner of the construction zone for the well pad as illustrated in figure 5 (page 8) of the subject report. Placement of the fence shall be monitored by the reporting archaeological consultant.

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

- Spoil piles shall be stabilized to prevent contributing sediment to adjacent drainages.

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

- To allow adequate room for slope development and a ditch/berm at the top of cut slopes in the construction zone an Exception Condition of Approval is approved for 40' on all sides.

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 per Carl Burdick of Huntington Energy.

EA of OIL and GAS Leasing & Development on UMUIR, Pg 47 #2 Soil

- A continuous row of excelsior waddles shall be installed against a low (4-6") berm at the top of fill slopes and along the toe of fill slopes greater than 3' high. Fill slopes shall be stabilized with a geo-textile fabric cover between corners #5 & #6 toward #1 and #4 if insufficient rock is contained in the soil to stabilize the soils. At the point that grade is

achieved, the fill soils shall be stabilized for erosion protection as stormwater is channeled along the base of the fill slopes.

EA of OIL and GAS Leasing & Development on UMUIR, Pg 48 #7 Water Resources.

- A ditch and berm shall be constructed at the top of cut slopes in the construction zone to carry storm water to grade or natural drainages.

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

- A swale and culvert as required shall be placed at the access/pad junction to carry water from the ditch at the top of cut slope from corner #3 to #2 to #1 across access road to grade and prevent water from accumulating onto pad. Drainage ditch and berm shall run from corner #3 past corner #4 southward to grade toward #5.

EA of OIL and GAS Leasing & Development on UMUIR, Pg 47 #4 Soil

- The access road shall be graded, crowned, ditched with adequate culverts of minimum 18" diameter per BLM "Gold Book" standards if the well is completed.
- A culvert shall be placed at gas field road junction with access road.

At the UMU #85 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 stabilized to prevent contributing sediment to adjacent drainages.

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

- an Exception Condition of Approval is approved that Construction zones be 40' wide to allow for slope development and a ditch and berm at the top of cut slopes.

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

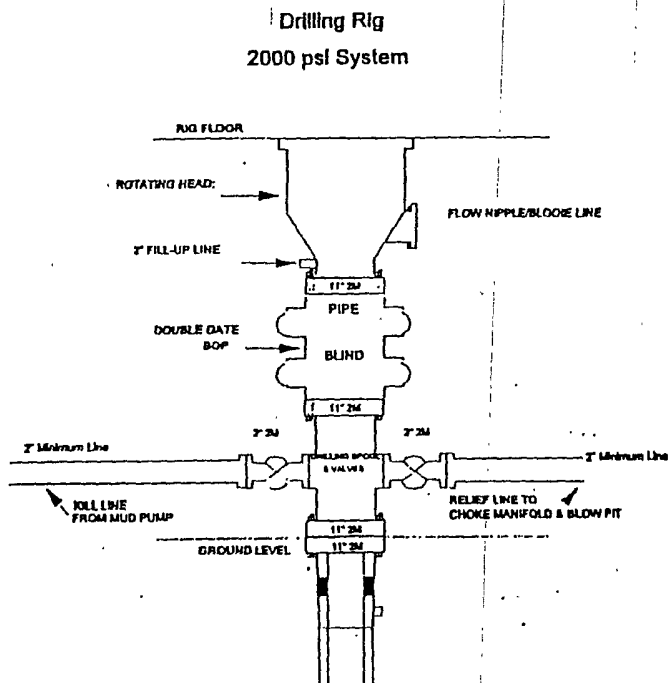
- All mud systems shall be self contained per Carl Burdick on Huntington Energy.

EA of OIL and GAS Leasing & Development on UMUIR, Pg 53 #1b Resource related pests

- Noxious weeds shall be controlled.

EA of OIL and GAS Leasing & Development on UMUIR, Pg 47 #2 Soil

- Fill slopes shall be stabilized with fabric covering the fill slope >3' if insufficient rock is present to stabilize soils and prevent loss of sediment. A continuous row of excelsior waddles shall be installed against a low berm at the top of fill slopes and along the toe of fill slopes greater than 3' high. At the point that grade is achieved, the fill soils shall be

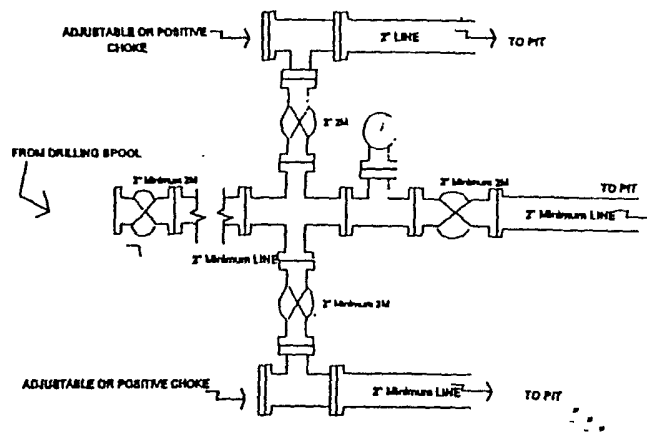


BOP Installation from Surface Casing Point to Total Depth. 11\"/>

Figure #1

4-20-01

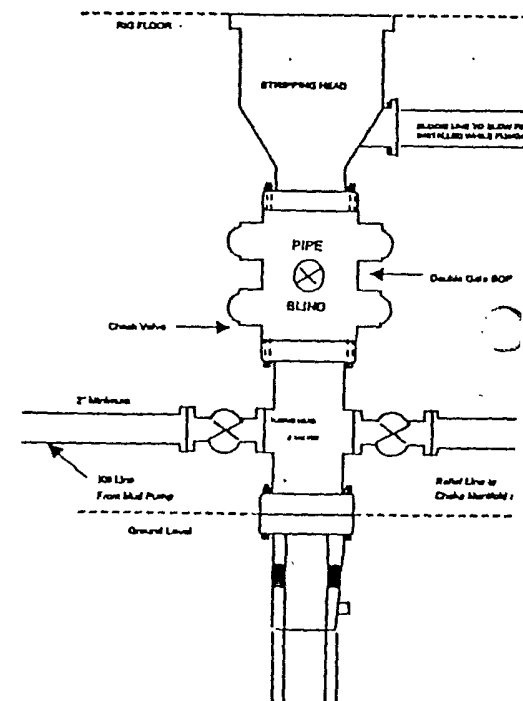
Drilling Rig Choke Manifold Configuration 2000 psi System



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

Figure #3

Completion/Workover Rig BOP Configuration 2,000 psi System



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

Figure #2

4-20-01