

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

| | | | | | |
|-----|---|--|--|-----|--|
| 1a. | Type of Work DRILL | RECEIVED | | 5. | Lease Number USA NM-4464 Unit Reporting Number |
| 1b. | Type of Well GAS | NOV 01 2007 | | 6. | If Indian, All. or Tribe |
| 2. | Operator BURLINGTON RESOURCES Oil & Gas Company, LP | Bureau of Land Management Farmington Field Office | | 7. | Unit Agreement Name |
| 3. | Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700 | | | 8. | Farm or Lease Name Carson SRC |
| 4. | Location of Well Unit K (NESW), 1370' FSL & 1875' FWL Latitude 36.83821 N Longitude 107.32931 W | | | 9. | Well Number #4E |
| 14. | Distance in Miles from Nearest Town 13 Miles/Blanco | | | 10. | Field, Pool, Wildcat Basin Dakota |
| 15. | Distance from Proposed Location to Nearest Property or Lease Line 1370' | | | 11. | Sec., Twn, Rge, Mer. (NMPM) K Sec. 2, T30N, R5W API # 30-045 30418 |
| 16. | Acres in Lease 637.72 | | | 12. | County Rio Arriba |
| 17. | Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 970' Carson SRC 101- FC | | | 13. | State NM |
| 18. | Proposed Depth 8096' | | | 14. | Acres Assigned to Well DK 318.790 (W/2) |
| 19. | Elevations (DF, FT, GR, Etc.) 6535' GL | | | 15. | Rotary or Cable Tools Rotary |
| 20. | Proposed Casing and Cementing Program See Operations Plan attached | | | 16. | Approx. Date Work will Start |
| 21. | Authorized by: <u>Jamie Goodwin</u> Jamie Goodwin (Regulatory Technician) | | | 17. | <u>11/01/07</u> Date |

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY D. M. McKeown TITLE AFM DATE 2/25/08

Bond Numbers NMB-000015 and NMB-000089

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

FEB 27 2008 *AL*

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, N.M. 88210

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

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

RECEIVED

Form C-102
Revised October 12, 2005

OIL CONSERVATION DIVISION NOV 01 2007

1220 South St. Francis Dr.

Santa Fe, NM 87505

Bureau of Land Management
Farmington Field Office

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|--|--|--|
| ¹ API Number 30-039- 30418 | ² Pool Code 71599 | ³ Pool Name Basin DAKOTA |
| ⁴ Property Code 18492 | ⁵ Property Name CARSON SRC | ⁶ Well Number 4E |
| ⁷ GRID No. 14538 | ⁸ Operator Name BURLINGTON RESOURCES O&G CO LP | ⁹ Elevation 6535' |

¹⁰ Surface Location

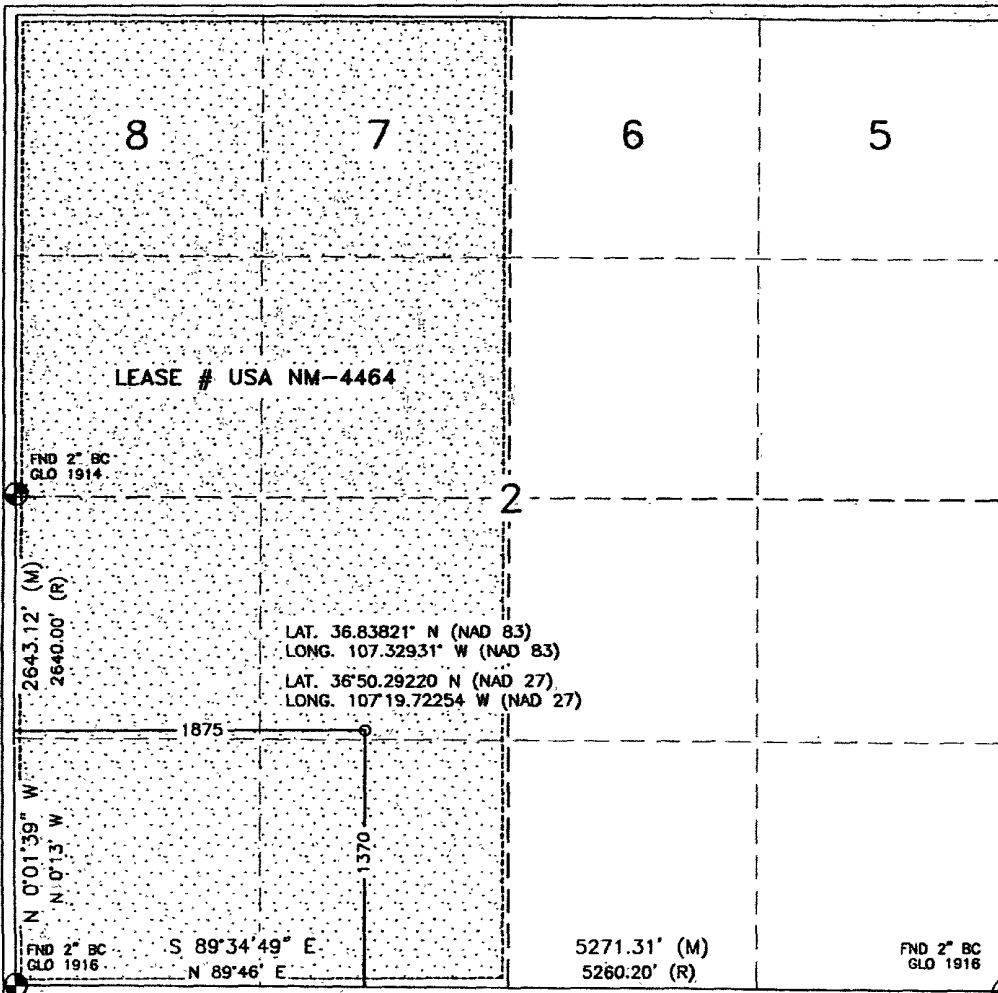
| | | | | | | | | | |
|--------------------|--------------|-----------------|-------------|---------|------------------------|---------------------------|------------------------|------------------------|----------------------|
| UL or lot no. K | Section 2 | Township 30N | Range 5W | Lot Idn | Feet from the 1370' | North/South line SOUTH | Feet from the 1875' | East/West line WEST | County RIO ARRIBA |
|--------------------|--------------|-----------------|-------------|---------|------------------------|---------------------------|------------------------|------------------------|----------------------|

¹¹ Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|--|---------|----------|-------------------------------|---------|----------------------------------|------------------|-------------------------|----------------|--------|
| UL or lot no. K | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| ¹² Dedicated Acres 318.790 Acres W/2 | | | 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, 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 or a compulsory pooling order heretofore entered by the division.

Jamie Goodwin 11/01/2007
Signature Date

Jamie Goodwin
Printed Name

¹⁸ SURVEYOR CERTIFICATION

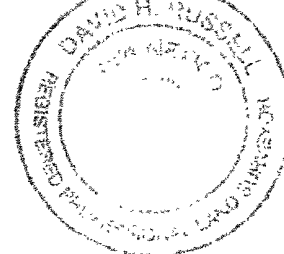
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

JANUARY 8, 2007

Date of Survey

Signature and Seal of Professional Surveyor:

David R. Russell



DAVID RUSSELL

Certificate Number 10201

Office

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

WELL API NO.

30-039-

30418

5. Indicate Type of Lease

STATE ☐FEE ☐

6. State Oil & Gas Lease No.

Federal Lease # USA NM-4464

7. Lease Name or Unit Agreement Name

Carson SRC

8. Well Number

#4E

9. OGRID Number

14538

10. Pool name or Wildcat

Basin Dakota

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.)

1. Type of Well:

Oil Well ☐Gas Well ☒

Other

2. Name of Operator

BURLINGTON RESOURCES OIL & GAS COMPANY LP

3. Address of Operator

3401 E. 30TH STREET, FARMINGTON, NM 87402

4. Well Location

Unit Letter K : 1370' feet from the South line and 1875' feet from the West line
Section 2 Township 30N Rng 5W NMPM County Rio Arriba

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

6535'

Pit or Below-grade Tank Application

☐ or Closure ☐Pit type New Drill Depth to Groundwater <100 Distance from nearest fresh water well>1000 Distance from nearest surface water<1000

Pit Liner Thickness:

12

mil

Below-Grade Tank:

Volume

bbls;

Construction Material

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐P AND A ☐CASING/CEMENT JOB ☐

OTHER:

New Drill ☒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, an associated vent/flare pit and a pre-set mud pit (if required). Based on Burlington's interpretation of the Ecosphere's risk ranking criteria, the new drilling pit and pre-set mud pit will be lined pits 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 Rhonda Rogers TITLE Regulatory Technician DATE Type or print name Rhonda Rogers E-mail address: rogerr@conocophillips.com Telephone No. 505-599-4018

For State Use Only

APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, DATE FEB 27 2008

Conditions of Approval (if any):

District #3

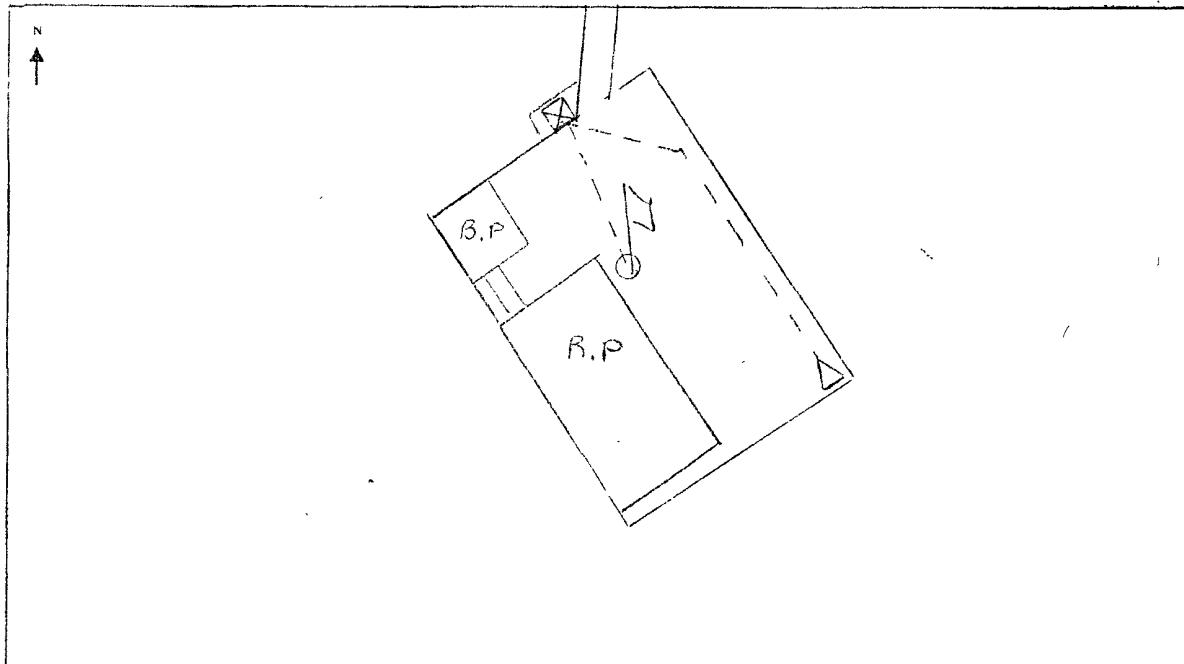


TECHNICAL SERVICES
A CORROSION COMPANY

CATHODIC PROTECTION PLAN FOR NEW WELLS

WELL NAME Carson SRC #4E LEGALS K-2-30-5 COUNTY Rio Arriba

PURPOSED C.P. SYSTEM: Drill GB on SE corner of location. Set solar on NE edge of location.
Trench approx. 225' of positive cable from GB to solar. Trench approx. 175' of #8 neg cable
from wellhead to solar.



| EXISTING WELLHEAD | METER HOUSE | G.B. | POWER SOURCE | CABLE | NEW WELL | OVERHEAD A.C. |
|-------------------|-------------|------|--------------|-------|----------|---------------|
| | | | | | | |

COMMENTS: _____

NEAREST POWER SOURCE _____ DISTANCE: _____

PIPELINES IN AREA: _____

TECHNICIAN: Michael Hingerson DATE: 2/28/07

6 CR 5412 BLOOMFIELD, N.M. 87413
OFFICE: 505-634-0271 CELL: 505-793-6953

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

CARSON SRC 4E

DEVELOPMENT

| Lease: | | AFE #: WAN.ZA2.7825 | | AFE \$: 647,565.76 | | | | | |
|---|-------------------|-----------------------------|--------------------------|--------------------|--------------------|------|-----------|--------|----------------|
| Field Name: hBR_SAN JUAN | | Rig: H&P Rig 283 | | State: NM | County: RIO ARRIBA | | | | |
| Geologist: | | Phone: | | Geophysicist: | | | | | |
| Geoscientist: Head, Chip F | | Phone: 505-326-9772 | | Prod. Engineer: | | | | | |
| Res. Engineer: Prabowo, Wahyu | | Phone: 505-326-9797 | | Proj. Field Lead: | | | | | |
| Primary Objective (Zones): <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Zone</th> <th>Zone Name</th> </tr> </thead> <tbody> <tr> <td>R20076</td> <td>DAKOTA(R20076)</td> </tr> </tbody> </table> | | | | | | Zone | Zone Name | R20076 | DAKOTA(R20076) |
| Zone | Zone Name | | | | | | | | |
| R20076 | DAKOTA(R20076) | | | | | | | | |
| Location: Surface Datum Code: NAD 27 Section: 02 Range: 005W Latitude: 36.838203 Longitude: -107.328709 X: Y: Section: 02 Range: 005W Footage X: 1875 FWL Footage Y: 1370 FSL Elevation: 6535 (FT) Township: 030N Tolerance: | | | | | | | | | |
| Location Type: Restricted | | Start Date (Est.): 1/1/2008 | | Completion Date: | | | | | |
| Formation Data: Assume KB = 6549 | | Units = FT | | | | | | | |
| Formation Call & Casing Points | Depth (TVD in Ft) | SS (Ft) | Depletion (Yes/No) | BHP (PSIG) | BHT | | | | |
| Surface Casing | 200 | 6349 | <input type="checkbox"/> | | | | | | |
| OJO ALAMO | 2699 | 3850 | <input type="checkbox"/> | | | | | | |
| KIRTLAND | 2836 | 3713 | <input type="checkbox"/> | | | | | | |
| FRUITLAND COAL | 3247 | 3302 | <input type="checkbox"/> | | | | | | |
| PICTURED CLIFFS | 3336 | 3213 | <input type="checkbox"/> | | | | | | |
| LEWIS | 3512 | 3037 | <input type="checkbox"/> | | | | | | |
| Intermediate Casing | 3612 | 2937 | <input type="checkbox"/> | | | | | | |
| HUERFANITO BENTONITE | 4306 | 2243 | <input type="checkbox"/> | | | | | | |
| CHACRA | 4686 | 1863 | <input type="checkbox"/> | | | | | | |
| MASSIVE CLIFF HOUSE | 5501 | 1048 | <input type="checkbox"/> | | | | | | |
| MENEFEE | 5551 | 998 | <input type="checkbox"/> | | | | | | |
| MASSIVE POINT LOOKOUT | 5776 | 773 | <input type="checkbox"/> | 558 | | | | | |
| MANCOS | 6271 | 278 | <input type="checkbox"/> | | | | | | |
| UPPER GALLUP | 7057 | -508 | <input type="checkbox"/> | | | | | | |
| GREENHORN | 7785 | -1236 | <input type="checkbox"/> | 2100 | | | | | |
| GRANEROS | 7834 | -1285 | <input type="checkbox"/> | | | | | | |
| TWO WELLS | 7942 | -1393 | <input type="checkbox"/> | | | | | | |
| UPPER CUBERO | 7962 | -1413 | <input type="checkbox"/> | | | | | | |
| LOWER CUBERO | 8009 | -1460 | <input type="checkbox"/> | | | | | | |
| ENCINAL | 8083 | -1534 | <input type="checkbox"/> | | | | | | |
| Total Depth | 8096 | -1547 | <input type="checkbox"/> | | | | | | |

12-1/4" hole, 9-5/8" 32.3 ppf, H-40, STC casing. Cement w/ 170 cu. ft. Circulate Cmt to surface.

8-3/4" hole, 7" 20 ppf, J-55, STC casing. Cement w/ 813 cu. ft. Circulate cmt to surface.

6-1/4" hole. 4-1/2", 10.5 ppf, J-55, ST&C casing. Cement with 610 cu. ft. Circulate cement a minimum of 100 ft. inside the previous casing string. No open hole logs. Cased hole TDT with GR to surface.

| Reference Wells: | | |
|------------------|-----------|----------|
| Reference Type | Well Name | Comments |

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

CARSON SRC 4E

DEVELOPMENT

Logging Program:

Intermediate Logs: ☐ Log only if show ☐ GR/ILD ☐ Triple Combo

TD Logs: ☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☐ TDT ☒ Other

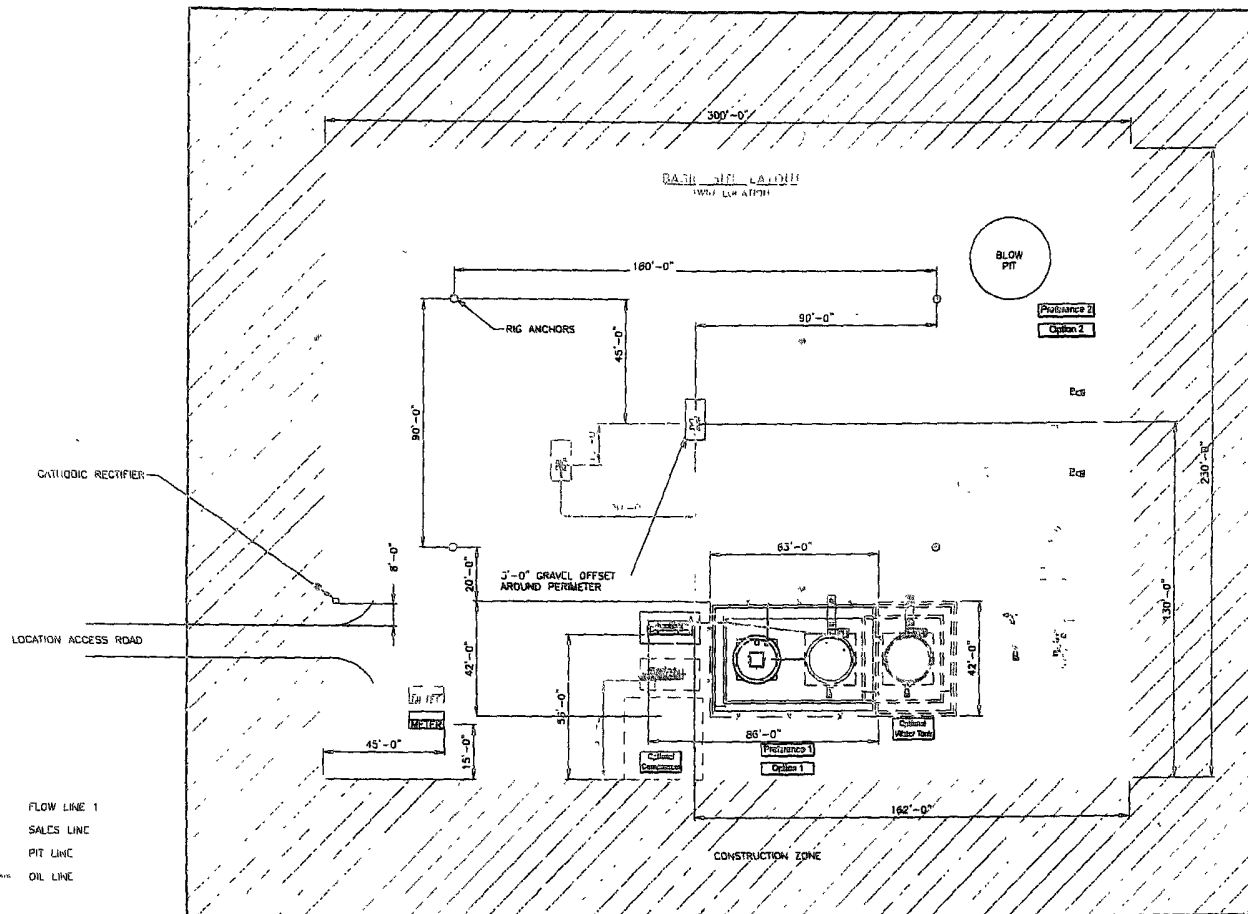
GR/CBL

Additional Information:

| Log Type | Stage | From (Ft) | To (Ft) | Tool Type/Name | Remarks |
|----------|-------|-----------|---------|----------------|---------|
|----------|-------|-----------|---------|----------------|---------|

Comments: Location/Tops/Logging - DmK 30N05W02SW1 Nearest DK offset is Schalk 54 1E SE02-30N-05W.

Zones - DK 30N05W02SW1



SEE SHEET 1 & 2 FOR HP3PH DETAILS
ALL UNDERGROUND PIPE IS TO BE BURIED A MIN OF 3'-0" TOP

SHEET 1 OF 3

| | | | | | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--------------------|----------|------|--------------------|-------------|------------|------------------------|--|-----------------------|--|-------------------------------|--|
| | | | | | | | | | | ENGINEERING REVIEW | | | REFERENCE DRAWINGS | | | CONOCO PHILLIPS | | HIGH PRESSURE 3 PHASE | | FACILITY DIAGRAM- SITE LAYOUT | |
| | | | | | | | | | | DISCIPLINE | REVIEWED | DATE | NO. | DESCRIPTION | | | | | | | |
| | | | | | | | | | | PROCESS | | | | | | | | | | | |
| | | | | | | | | | | TECHNICAL | | | | | | | | | | | |
| | | | | | | | | | | PIPING | | | | | | | | | | | |
| | | | | | | | | | | ELECTRICAL | | | | | | | | | | | |
| | | | | | | | | | | IS & C | | | | | | | | | | | |
| | | | | | | | | | | CIVIL/STRUCTURAL | | | | | | | | | | | |
| | | | | | | | | | | PROJECT | | | | | | | | | | | |
| | | | | | | | | | | DESCRIPTION | DATE | BY | CHK'D | DISC | PKT | SAN JUAN BUSINESS UNIT | | CLIENT APPR. | | APPRO. DATE | |
| | | | | | | | | | | | | | | | SCALE HERE | | | PROJECT DATE 4/20/07 | | | |
| | | | | | | | | | | | | | | | DESIGNER | | | HP3PHASE-REV1 | | | |
| | | | | | | | | | | | | | | | SHEET NO. | | | 1 OF 5 | | | |

Project: SAN JUAN BUSINESS UNIT Location: Site Layout, 06/28/2007 - 02/28/08

(505) 334-8637

BURLINGTON RESOURCES O&G CO LP

CARSON SRC #4E

1370' FSL & 1875' FWL

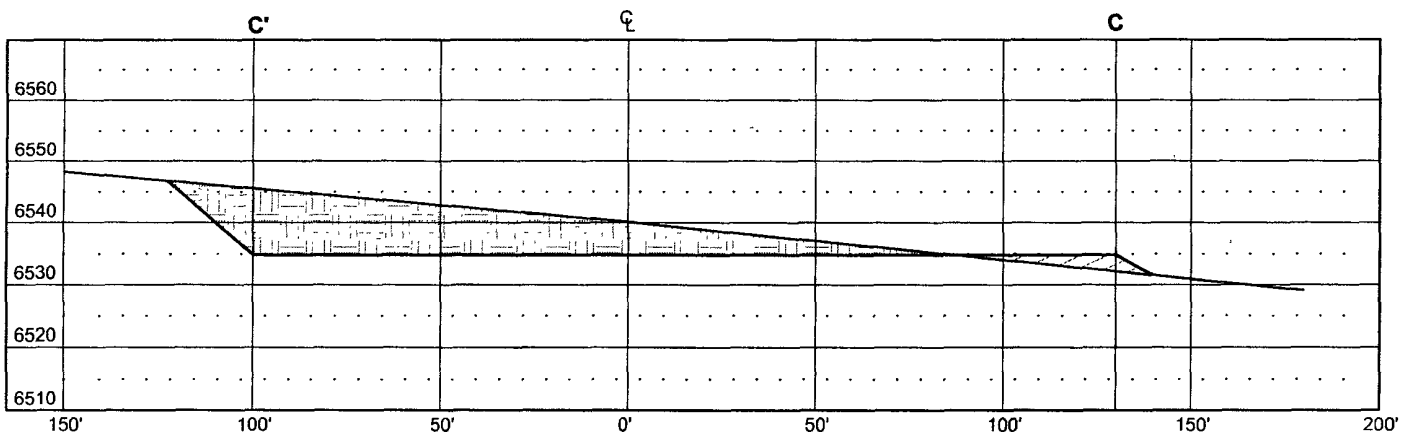
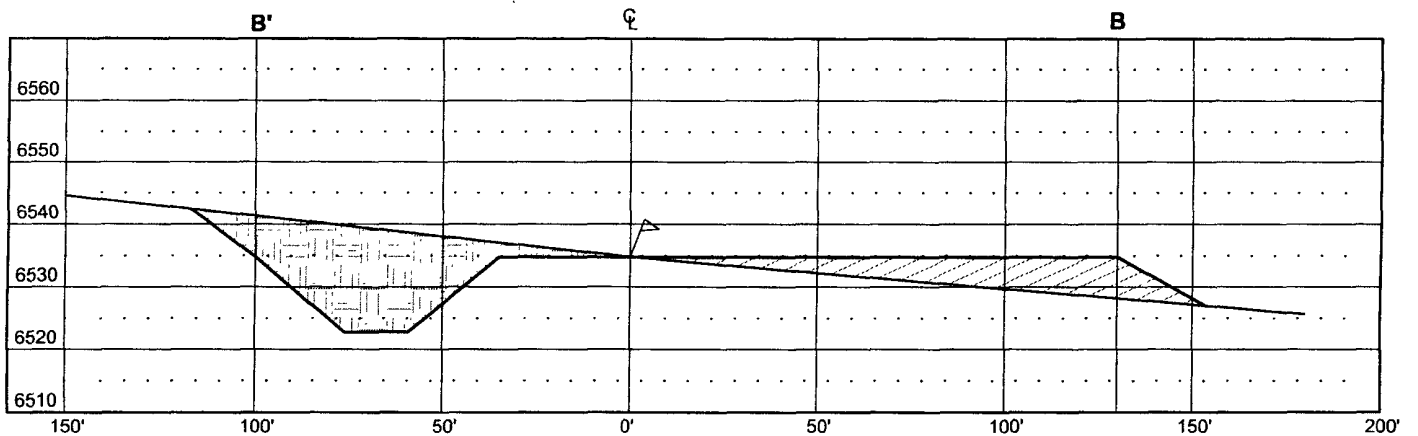
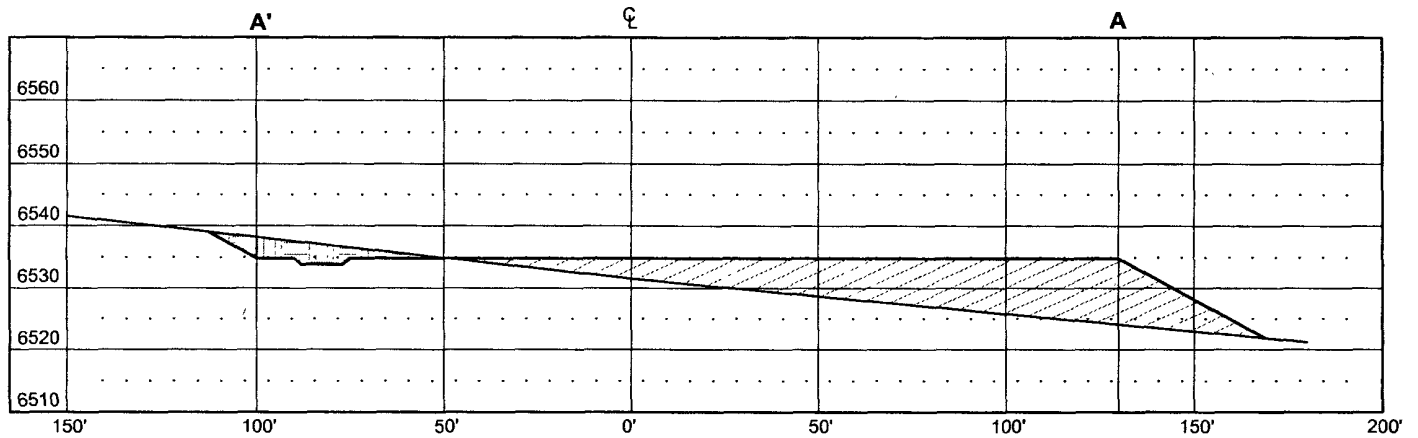
LOCATED IN THE NE/4 SW/4 OF

SECTION 2, T30N, R5W, N.M.P.M.,

RIO ARRIBA COUNTY, NEW MEXICO


GROUND ELEVATION: 6535', NAVD 88


FINISHED PAD ELEVATION: 6534.8', NAVD 88



THIS DIAGRAM IS AN ESTIMATE OF DIRT BALANCE AND IS NOT INTENDED TO BE AN EXACT MEASURE OF VOLUME

VERT. SCALE: 1" = 30'
HORIZ. SCALE: 1" = 50'
JOB No.: REV 2; COPC048
DATE: 01/12/07

 CUT

 FILL



Russell Surveying
1409 W. Aztec Blvd. #5
Aztec, New Mexico 87410
(505) 334-8637