

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

OCT 02 2008

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| | | |
|---|---|--|
| 1a. Type of Work DRILL | 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 | 5. Lease Number USA SF-079051-B Unit Reporting Number |
| 1b. Type of Well GAS | | 6. If Indian, All. or Tribe |
| 2. Operator BURLINGTON RESOURCES Oil & Gas Company, LP | | 7. Unit Agreement Name DIST. 3 San Juan 28-6 Unit |
| 3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700 | | 8. Farm or Lease Name 9. Well Number #98P |
| 4. Location of Well Surf: Unit F (SENW), 1330' FNL & 1820' FWL Surf: Latitude 36.606689 N Longitude 107.456688 W | | 10. Field, Pool, Wildcat Basin DK/Blanco MV 11. Sec., Twn, Rge, Mer. (NMPM) 7 Sec. 3, T27N, R6W API # 30-039-30567 |
| 14. Distance in Miles from Nearest Town 32 miles/Bloomfield | 12. County Rio Arriba | 13. State NM |
| 15. Distance from Proposed Location to Nearest Property or Lease Line 1820' | | |
| 16. Acres in Lease 640.00 486.36 | 17. Acres Assigned to Well 321.12 (N/2) DK 320.28 (W/2) MV 84 | |
| 18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 1204' from San Juan 28-6 Unit #98M Basin DK/Blanco MV | | |
| 19. Proposed Depth 7848' | 20. Rotary or Cable Tools Rotary | |
| 21. Elevations (DF, FT, GR, Etc.) 6653' GR | 22. Approx. Date Work will Start | |
| 23. Proposed Casing and Cementing Program See Operations Plan attached | | |
| 24. Authorized by: <u>Jamie Goodwin</u> Jamie Goodwin (Regulatory Technician) | Date <u>10/11/08</u> | |

PERMIT NO.

APPROVAL DATE

APPROVED BY D. Montenegro

TITLE AFM

DATE 10/9/08

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 any false, fictitious or fraudulent statement in any communication to, or with, the United States or any agency thereof, or to any person in the United States or any agency thereof, or to any person in the United States or any agency thereof, or to any person in the United States or any agency thereof.

Example Master Plan Type 3

DRILLING OPERATIONS AUTHORIZED AT
SUBJECT TO COMPLIANCE WITH ATTAC
"GENERAL REQUIREMENTS".

A COMPLETE C-144 MUST BE SUBMITTED TO AND APPROVED BY THE NMOC FOR: A PIT, CLOSED LOOP SYSTEM, BELOW GRADE TANK, OR PROPOSED ALTERNATIVE METHOD, PURSUANT TO NMOC PART 19.15.17, PRIOR TO THE USE OR CONSTRUCTION OF THE ABOVE APPLICATIONS.

NOTIFY AZTEC OCD 24 HRS.

PRIOR TO CASING & CEMENT

and NMB-000089

OCT 20 2008

is action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. 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 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 7 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---|---|--|
| ¹ API Number 30-039-30567 | ² Pool Code 71599/72319 | ³ Pool Name BASIN DAKOTA/ BLANCO MESAVERDE |
| ⁴ Property Code 7462 | ⁵ Property Name SAN JUAN 28-6 UNIT | ⁶ Well Number 98P |
| ⁷ OGRID No. 14538 | ⁸ Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP | ⁹ Elevation 6653 |

¹⁰ SURFACE LOCATION

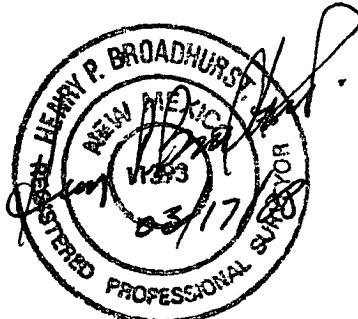
| | | | | | | | | | |
|--------------------|--------------|------------------|--------------|---------|-----------------------|---------------------------|-----------------------|------------------------|----------------------|
| UL or lot no. F | Section 3 | Township 27-N | Range 6-W | Lot Idn | Feet from the 1330 | North/South line NORTH | Feet from the 1820 | East/West line WEST | County RIO ARRIBA |
|--------------------|--------------|------------------|--------------|---------|-----------------------|---------------------------|-----------------------|------------------------|----------------------|

¹¹ Bottom Hole Location If Different From Surface

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

| | | | |
|---|---|----------------------------------|-------------------------|
| ¹² Dedicated Acres 321.12(DK) - 320.28(MV) - | ¹³ Joint or Infill (N/2) (W/2) | 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 N 89°57' E N 89°36'54" E 2638.02' (R) 2637.01' (M) 1330' 1820' N/2 DEDICATED ACREAGE USA SF-079051-B SECTION 3, T-27-N, R-6-W WELL FLAG NAD 83 LAT: 36.606689° N LONG: 107.456688° W NAD 27 LAT: 36°36.400872' N LONG: 107°27.365091' W USA SF-079049-A | 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. Signature Crystal Walker Printed Name Regulatory Technician Title and E-mail Address March 18th, 2008 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. Date of Survey: 3/08/08 Signature and Seal of Professional Surveyor:  Certificate Number: NM 11393 |

COMPANY
Charge Code
WELL NAME
DUAL WELL
TRIPLE WELL

| | | |
|------------------------|------|-----------|
| BURLINGTON RESOURCES | | |
| WAN.RFE.PDO8.16 | | |
| SAN JUAN 28 - 6 # 98 P | DATE | 3/18/2008 |
| WELL NAME | | |
| WELL NAME | | |

COORDINATES

COUNTY

| | | | | |
|-----|-------|-------|-------------|--------------|
| SEC | TNSHP | RANGE | LATITUDE | LONGITUDE |
| F 3 | 27 N | 6 W | 36.606689 N | 107.456688 W |

RIO ARRIBA

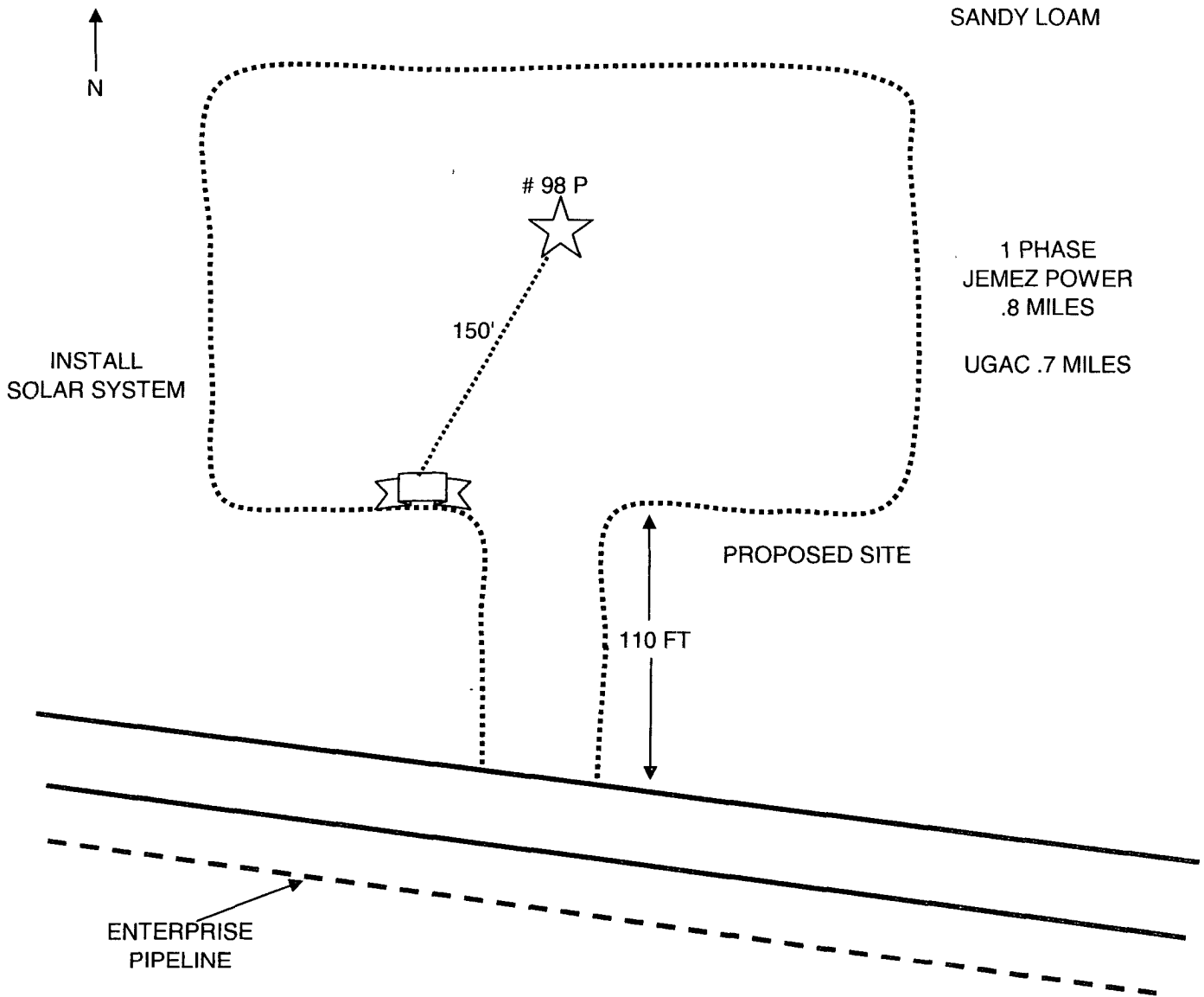
RECTIFIER
SOLAR
GROUND BED
240 V METER POLE
480 V METER POLE
D C CABLES
A C CABLES
PRIMARY POWER
DISTANCE TO POWER
UNDERGROUND
PUMPJACK
WATER PUMP

| SIZE | NEEDED | EXISTING | 1 PHASE | 3 PHASE |
|--------|--------|----------|-----------|---------|
| | | | | |
| (12/4) | X | | | |
| | X | | | |
| | | | | |
| # 8 | 200' | | | |
| | | | | |
| | | | JEMEZ | |
| | | | .85 MILES | |
| | | | | |
| | | | | |

COMMENTS

| |
|--|
| INSTALL SOLAR SYSTEM - SANDY LOAM SOIL |
| |
| |
| |
| |

| | |
|-----------|------------------------|
| WELL NAME | SAN JUAN 28 - 6 # 98 P |
|-----------|------------------------|



| | | | | | | |
|----------|-----------------|-----------|-----------------------|--------------------|----------------|--------------------|
| TANK | SEP OR DEHY | SOLAR | METER POLE | PUMP JACK | GND/BED | EXISTING CABLE |
| RECT | PIT | WELL | proposed solar/gb | PROPOSED CABLE | POWER LINE | CONOCO PL |
| | | | | FOREIGN PL | | |

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 28-6 UNIT 98P

DEVELOPMENT

| | | | | | |
|-------------------------------|--|------------------------|--|-------------------|--------------------|
| Lease: | | AFE #: WAN.CDR.8106 | | AFE \$: | |
| Field Name: hBR_SAN JUAN | | Rig: Aztec Riq 301 | | State: NM | County: RIO ARRIBA |
| Geologist: | | Phone: | | Geophysicist: | |
| Geoscientist: Riley, Brook | | Phone: +1 505-324-6108 | | Prod. Engineer: | |
| Res. Engineer: Prabowo, Wahyu | | Phone: +1-505-326-9797 | | Proj. Field Lead: | |

Primary Objective (Zones):

| Zone | Zone Name |
|------|---------------------------------|
| FRR | BASIN DAKOTA (PRORATED GAS) |
| RON | BLANCO MESAVERDE (PRORATED GAS) |

Location: Datum Code: NAD 27

| | | | | | |
|---------------------|------------------------|----------------------|----------------|-------------|-------------|
| Latitude: 36.606680 | Longitude: -107.456084 | X: | Y: | Section: 03 | Range: 006W |
| Footage X: 1820 FWL | Footage Y: 1330 FNL | Elevation: 6653 (FT) | Township: 027N | | |
| Tolerance: | | | | | |

Location Type: Year Round Start Date (Est.): 1/1/2009 Completion Date: Date In Operation:

Formation Data: Assume KB = 6667 Units = FT

| Formation Call & Casing Points | Depth (TVD in Ft) | SS (Ft) | Depletion (Yes/No) | BHP (PSIG) | BHT | Remarks |
|--------------------------------|-------------------|---------|--------------------------|------------|-----|--|
| Surface Casing | 214 | 6453 | <input type="checkbox"/> | | | 12-1/4 hole. 9 5/8" 32.3 ppf, H-40, STC casing. Cement with 159 cuft. Circulate cement to surface. |
| OJO ALAMO | 2725 | 3942 | <input type="checkbox"/> | | | |
| KIRTLAND | 2816 | 3851 | <input type="checkbox"/> | | | |
| FRUITLAND | 3025 | 3642 | <input type="checkbox"/> | | | Possible Gas |
| PICTURED CLIFFS | 3410 | 3257 | <input type="checkbox"/> | | | |
| LEWIS | 3515 | 3152 | <input type="checkbox"/> | | | |
| Intermediate Casing | 3615 | 3052 | <input type="checkbox"/> | | | 8 3/4" Hole. 7", 20 ppf, J-55, STC Casing. Cement with 815 cuft. Circulate cement to surface. |
| HUERFANITO BENTONITE | 3987 | 2680 | <input type="checkbox"/> | | | |
| CHACRA | 4349 | 2318 | <input type="checkbox"/> | | | |
| MASSIVE CLIFF HOUSE | 5044 | 1623 | <input type="checkbox"/> | 651 | | Gas |
| MENEFEE | 5165 | 1502 | <input type="checkbox"/> | | | |
| POINT LOOKOUT | 5579 | 1088 | <input type="checkbox"/> | | | |
| MANCOS | 5984 | 683 | <input type="checkbox"/> | | | |
| GALLUP | 6792 | -125 | <input type="checkbox"/> | | | |
| GREENHORN | 7522 | -855 | <input type="checkbox"/> | | | |
| GRANEROS | 7582 | -915 | <input type="checkbox"/> | | | |
| TWO WELLS | 7612 | -945 | <input type="checkbox"/> | 2700 | | Gas |
| CUBERO | 7730 | -1063 | <input type="checkbox"/> | | | |
| LOWER CUBERO | 7764 | -1097 | <input type="checkbox"/> | | | |
| Total Depth | 7848 | -1181 | <input type="checkbox"/> | | | 6-1/4" hole, 4-1/2" 10.5/11.6 ppf, J-55, STC/LTC casing. Cement w/ 576 cuft. Circulate cement a minimum of 100' inside the previous casing string. |

Reference Wells:

| Reference Type | Well Name | Comments |
|----------------|-------------|----------|
| Production | SJ 28-6 98 | |
| Production | SJ 28-6 98Y | |
| Production | SJ 28-6 98M | |

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 28-6 UNIT 98P

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. Bott perf 15' above TD.

Additional Information:

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

BURLINGTON RESOURCES OIL & GAS COMPANY LP

SAN JUAN 28-6 UNIT #98P

1330' FNL, 1820' FWL

SECTION 3, T-27-N, R-6-W, N.M.P.M.

RIO ARriba COUNTY, NEW MEXICO

NAD 83 LAT.: 36.606689°N LONG.: 107.456688°W

ELEV.: 6653 NAVD88

ACCESS 106.0'

DRIVING DIRECTIONS FROM BLOOMFIELD, N.M. AT THE INTERSECTION OF HWY 550 AND HWY 64: TRAVEL EAST ON HWY 64 FOR 31.7 MILES TO MILE POST 96.2 AND TURN RIGHT ON COUNTY ROAD #495, AT "29-6 WATER HOLE".

- GO: 3.4 MILES SOUTH EAST ON CR # 495. TURN RIGHT AT FORK IN ROAD.
- GO: 2.1 MILES TO "CROWS FOOT" ROAD INTERSECTION & CONTINUE SOUTH WEST ON MAIN ROAD.
- GO: 1.7 MILES SOUTH WEST. TURN LEFT ON WELL ACCESS ROAD.
- GO: 0.7 MILES SOUTH TO EXISTING WELL LOCATION, BROG SJ 28-6 # 98M. TURN LEFT AT SOUTH EDGE OF LOCATION.
- GO: 0.2 MILES SOUTH EAST. BEGIN 106.0' FOOT NEW ACCESS ON RIGHT (SW) SIDE ROAD.