

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RCVD APR 15 '09
OIL CONS. DIV.
DIST. 3

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	RECEIVED FEB 29 2008 Bureau of Land Management Farmington Field Office	5. Lease Number NM-03863 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	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name Valdez 9. Well Number #7M	
4. Location of Well Surf: Unit L(NWSW), 1885' FSL & 1228' FWL <i>BH: 2250' FSL & 700' FWL</i> Surf: Latitude 36.628978° N Longitude 107.26013611° W	10. Field, Pool, Wildcat Basin Dakota/Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) [Sec. 28, T28N, R4W API # 30-039-30496	
14. Distance in Miles from Nearest Town 36 miles/Blanco	12. County Rio Arriba	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1228'		
16. Acres in Lease 1,280 Acres	17. Acres Assigned to Well 320.00 (W/2)	
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 1055' from Valdez #7 - MV		
19. Proposed Depth 8760'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 7364.1' GR	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <i>Crystal Walker</i> Crystal Walker (Regulatory Technician)	2/29/08 Date	

PERMIT NO. APPROVAL DATE
APPROVED BY *D. Mantione* TITLE AFM DATE 4/16/09

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 to any department or agency of the United States any false, fictitious or fraudulent statements or presentations as to any matter within its jurisdiction.

Example Master Plan Type 3 Bond Numbers NMB-000015 and NMB-000089

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

Hold C104
for Directional Survey
and "As Drilled" plat
NMOCD APR 24 2009
Bo *OW*

NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT

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

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

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Bonitos 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

Fee Lease - 3 Copies
State Lease - 7 Copies
Submit to Appropriate District Office
Revised June 10, 2003
Form C-102

RECEIVED

FEB 29 2008

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

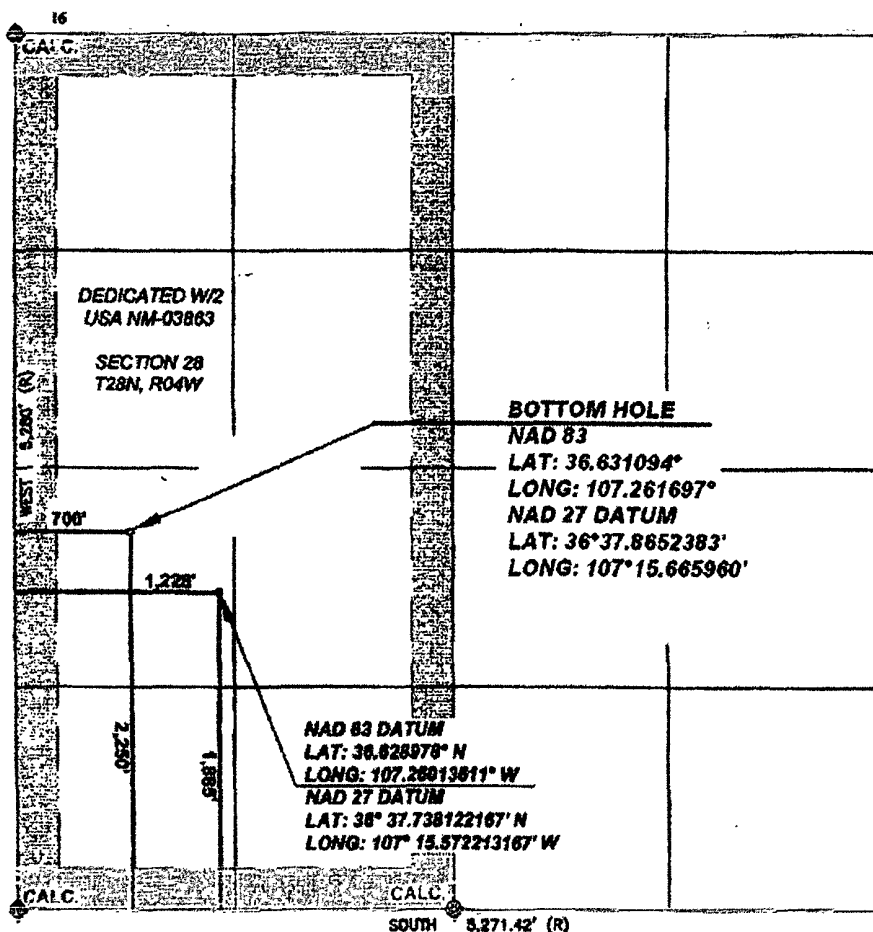
1 APT Number 30-039-30496		2 Pool Code 72319/71599		3 Pool Name Basin Dakota / Blanco Mesaverde	
4 Property Code 7620		5 Property Name VALDEZ			6 Well Number #7M
7 OGRID No. 14538		8 Operator Name BURLINGTON OIL AND GAS COMPANY LP			9 Elevation 7384.1'

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
L	28	28-N	04-W		1885	SOUTH	1228	WEST	RIO ARriba

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
L	28	28-N	04-W		2260	SOUTH	700	WEST	RIO ARriba

12 Dedicated Acres 320.0	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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



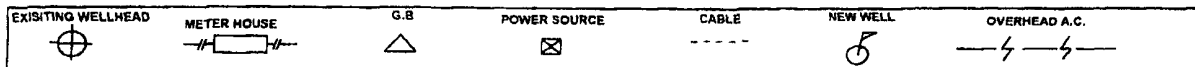
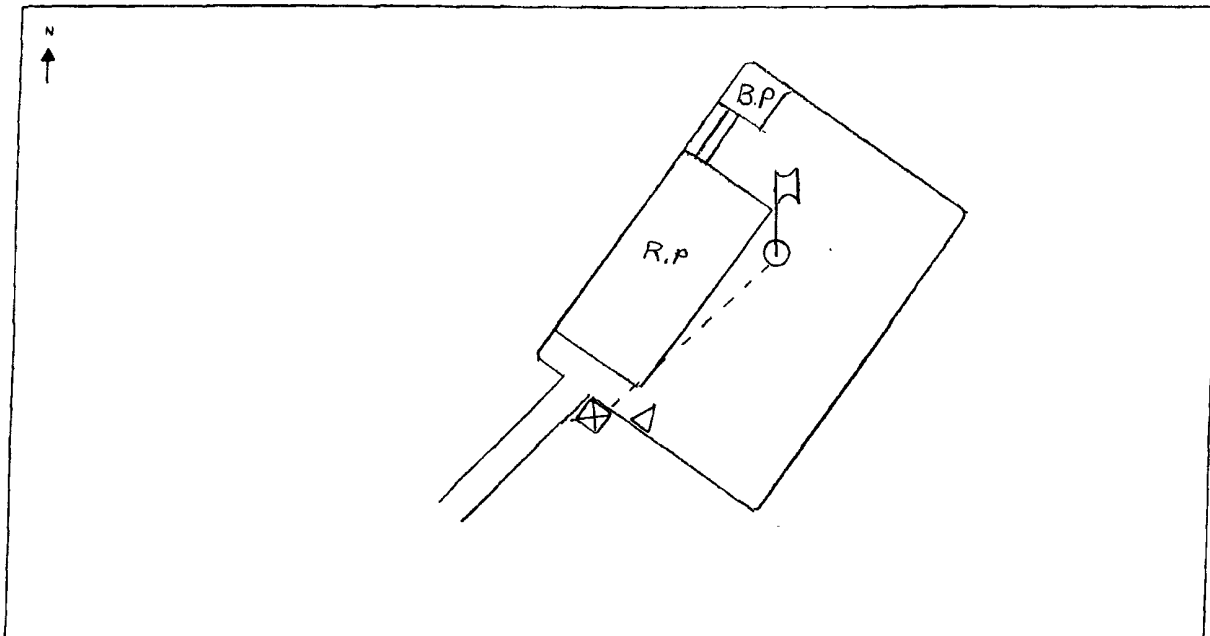
17 OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right 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.
<i>Crystal Walker</i> Signature
Crystal Walker Printed Name
Regulatory Technician Title and E-mail Address
2-28-08 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: 05/07/08 Signature and Seal of Surveyor:
<i>Henry P. Brundage</i> HENRY P. BRUNDAGE REGISTERED PROFESSIONAL SURVEYOR NEW MEXICO 11333 117108 Certificate Number: 88111381



CATHODIC PROTECTION PLAN FOR NEW WELLS

WELL NAME Valdez #7M LEGALS L-28-28-4 COUNTY Rio Arriba

PURPOSED C.P. SYSTEM: Drill GB and set solar on SW edge of location. Trench across 200' of #8 reg from proposed well to solar



COMMENTS: use 2 well solar

NEAREST POWER SOURCE N/A DISTANCE: _____
 PIPELINES IN AREA: N/A

TECHNICIAN: Michael Hargrave DATE: 9/25/07

Handwritten signature/initials

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

VALDEZ 7M

DEVELOPMENT

Lease:		AFE #: WAN.ZA2.6954/6955MV		AFE \$:	
Field Name: hBR_SAN JUAN		Rig: XXX Deferred PDT		State: NM	County: RIO ARRIBA
Geologist:		Phone:		Geophysicist:	
Geoscientist: Riley, Brook		Phone: +1 505-324-6108		Prod. Engineer:	
Res. Engineer: McKee, Cory J		Phone: 505-326-9826		Proj. Field Lead:	
Primary Objective (Zones):					
Zone	Zone Name				
FRR	BASIN DAKOTA (PRORATED GAS)				
RON	BLANCO MESAVERDE (PRORATED GAS)				
Location: Surface Datum Code: NAD 27					
Latitude: 36.628969	Longitude: -107.259537	X:	Y:	Section: 28	Range: 004W
Footage X: 1228 FWL	Footage Y: 1885 FSL	Elevation: 7364	(FT)	Township: 028N	
Tolerance:					
Location: Bottom Hole Datum Code: NAD 27					
Latitude: 36.631087	Longitude: -107.261099	X:	Y:	Section: 28	Range: 004W
Footage X: 700 FWL	Footage Y: 2250 FSL	Elevation:	(FT)	Township: 028N	
Tolerance:					
Location Type: Restricted		Start Date (Est.): 1/1/2020		Completion Date:	
				Date In Operation:	
Formation Data: Assume KB = 7376 Units = FT					
Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT
Surface Casing	200	7176	☐		
OJO ALAMO	3711	3665	☐		
KIRTLAND	3851	3525	☐		
FRUITLAND COAL	4113	3263	☐		Possible Gas
PICTURED CLIFFS	4303	3073	☐		
LEWIS	4432	2944	☐		
Intermediate Casing	4532	2844	☐		
HUERFANITO BENTONITE	4924	2452	☐		
CHACRA	5279	2097	☐		
MASSIVE CLIFF HOUSE	6098	1278	☐	875	Gas
MENEFEE	6155	1221	☐		
MASSIVE POINT LOOKOUT	6452	924	☐		
MANCOS	6879	497	☐		
UPPER GALLUP	7669	-293	☐		
GREENHORN	8436	-1060	☐		
GRANEROS	8494	-1118	☐		
TWO WELLS	8563	-1187	☐	1700	Gas
UPPER CUBERO	8631	-1255	☐		
LOWER CUBERO	8682	-1306	☐		
OAK CANYON	8738	-1362	☐		
TOTAL DEPTH DK	8760	-1384	☐		
10-5 6-1/4" Hole. 4-1/2", 10-5/11.6 ppf, J-55 STC/LTC casing. Cement with 576 cuft. Circulate cement a minimum of 100' inside the previous casing string.					

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

VALDEZ 7M

DEVELOPMENT

ENCINAL	8760	-1384	☐
Reference Wells:			
Reference Type	Well Name	Comments	

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

TD Logs:	☐ Triple Combo	☐ Dipmeter	☐ RFT	☐ Sonic	☐ VSP	☐ TDT	☒ Other
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GR/CBL. Est bottom perf: -1360' subsea.

Mudlog from ~100' above the Greenhorn to TD. TD should be ~198' below the top of Two Wells.

Additional Information:					
Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks

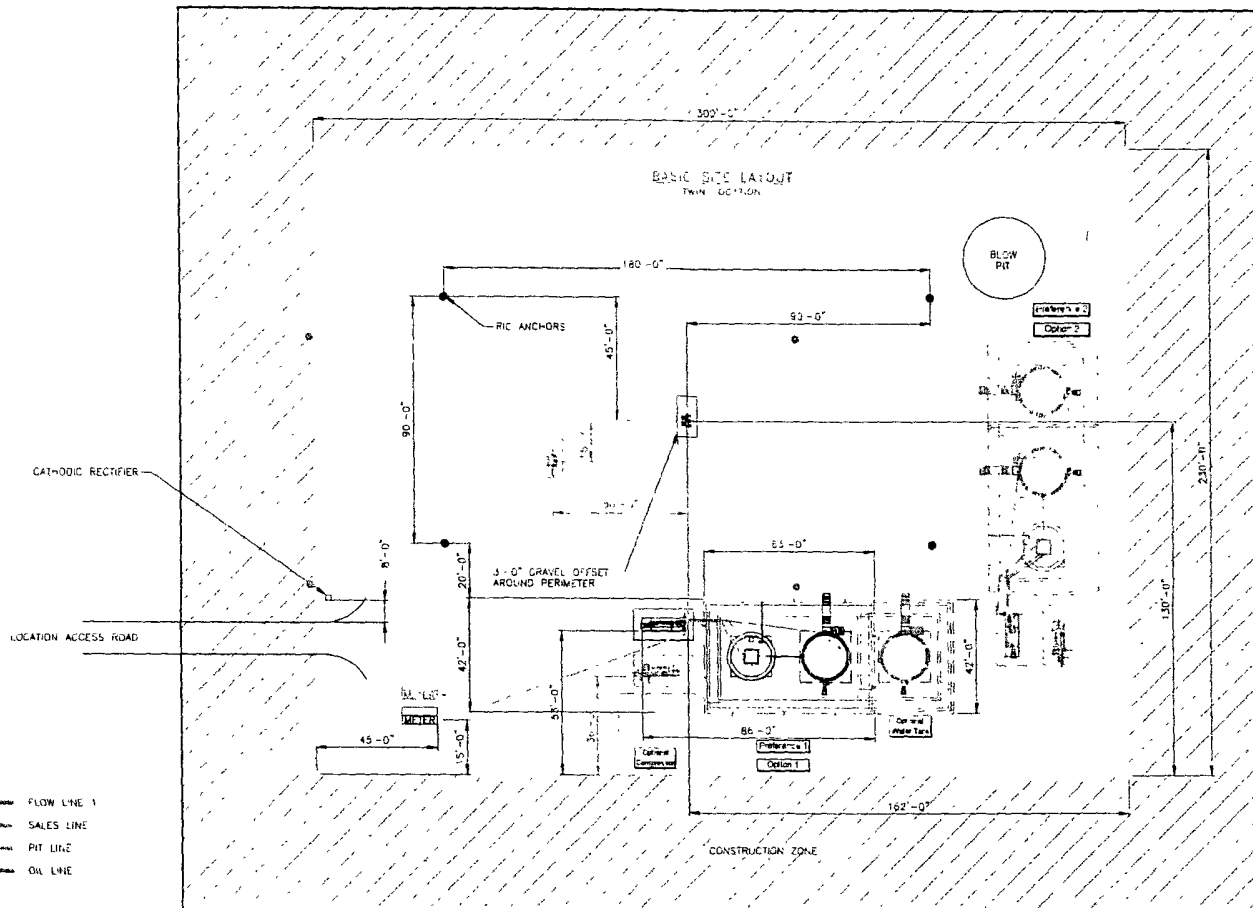
ConocoPhillips or its affiliates
Survey Report

Company:	ConocoPhillips SJB	Local Co-ordinate Reference:	Well Valdez #7M
Project:	San Juan Basin	TVD Reference:	WELL @ 7379 0ft (Original Well Elev)
Site:	Monty's Site for directional MV/DK wells	MD Reference:	WELL @ 7379 0ft (Original Well Elev)
Well:	Valdez #7M	North Reference:	True
Wellbore:	Valdez#7M	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1	Database:	EDM Central Planning

Targets									
Target Name	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- hit/miss target	(°)	(°)	(ft)	(ft)	(ft)	(m)	(m)		
- Shape									
Valdez #7M - PCP	0 00	0 00	8,760 0	365 0	-528 0	113.57	-159 35	30° 59' 28.125 N	109° 25' 50 160 W
- plan hits target									
- Point									
Valdez #7M - ICP	0 00	0 00	4,532 0	365 0	-528 0	113 57	-159 35	30° 59' 28 125 N	109° 25' 50 160 W
- plan hits target									
- Point									

Formations						
Measured Depth	Vertical Depth	Name	Lithology	Dip	Dip Direction	
(ft)	(ft)			(°)	(°)	
3,794 3	3,711 0	Ojo Alamo		0 00		
3,945 9	3,851 0	Kirtland		0 00		
4,219 8	4,113 0	Fruitland Coal		0 00		
4,412 7	4,303 0	Pictured Cliffs		0.00		
4,542 2	4,432 0	Lewis		0 00		
5,034 2	4,924 0	Huerf Bent		0 00		
5,389 2	5,279 0	Chacra		0 00		
6,208 2	6,098 0	Mass Cliff		0.00		
6,265 2	6,155 0	Menefee		0 00		
6,562 2	6,452 0	Pt Lookout		0 00		
6,989 2	6,879 0	Mancos Shale		0 00		
7,779 2	7,669 0	Gallup		0 00		
8,546 2	8,436 0	Greenhorn		0 00		
8,604 2	8,494 0	Graneros		0 00		
8,673 2	8,563 0	Two Wells		0 00		
8,741 2	8,631 0	Upper Cubero		0 00		
8,792 2	8,682 0	Lower Cubero		0 00		
8,848 2	8,738 0	Oak Canyon		0 00		
8,870.2	8,760 0	TD		0 00		

Checked By: _____	Approved By: _____	Date: _____
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SEE SHEET 3 & 4 FOR PIPING DETAILS
ALL UNDERGROUND PIPE IS TO BE BURIED A MIN. OF 3'-0" TOP

SHEET 1 OF 5

ENGINEERING REVIEW										REFERENCE DRAWINGS					CONOCO PHILLIPS HIGH PRESSURE 3 PHASE FACILITY DIAGRAM- SITE LAYOUT		
NO.	DESCRIPTION	DATE	BY	CHK'D	ENG	DES	PRJ	PROJ TO	MECHANICAL	ELECTRICAL	IT & C				CLIENT NO.	CLIENT ADDR	ISSUED DATE
												SAN JUAN BUSINESS UNIT			CLIENT NO.	CLIENT ADDR	ISSUED DATE
															CLIENT NO.	CLIENT ADDR	ISSUED DATE
												HP3PHASE-REV1			CLIENT NO.	CLIENT ADDR	ISSUED DATE
															CLIENT NO.	CLIENT ADDR	ISSUED DATE

Project: S:\GPH\BNCM\Andrew Argueta\yfter Location Site Layout.dwg 08/28/2007 10:52:39am

BURLINGTON RESOURCES OIL & GAS COMPANY LP

VALDEZ #7M

1,885' FSL, 1,228' FWL

**SECTION 28, T28N, R04W, N.M.P.M.,
RIO ARriba COUNTY, NEW MEXICO**

ELEV. 7,364.1' NADV88

NEW ACCESS ROAD 2,131'

DRIVING DIRECTIONS: FROM HWY 64 AT INTERSECTION FOREST ROAD (FR)314

- AT 2.6 MILES BLM GAME THEFT SIGN,
- AT 5.3 MILES FR 314 SIGN,
- AT 6.6 MILES STAY RIGHT, FR 314 SIGN,
- AT 7.5 MILES STAY RIGHT FR 314 SIGN,
- AT 7.8 MILES STAY LEFT AT -Y-
- AT 8.1 MILES FR SIGN, TURN RIGHT AT VIGAS MESA AT 357,
- AT 9.4 MILES FR 357 SIGN, STAY RIGHT AT 357, ONTO FR 357L ON LEFT.
- AT 9.6 MILES CROSS CATTLE GUARD 320 M-10 BR
- AT 10.2 VIGAS MESA SIGN
- AT 10.5 BEGINNING ACCESS TO BROG- VALDEZ #7M