

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

<p>1a. Type of Work DRILL</p> <p>1b. Type of Well GAS</p> <p>2. Operator BURLINGTON RESOURCES Oil & Gas Company</p> <p>3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700</p> <p>4. Location of Well 965' FNL, 2455' FEL Latitude 36° 45.5, Longitude 107° 52.3</p> <p>14. Distance in Miles from Nearest Town 3.5 miles from P.O. in Blanco, NM</p> <p>15. Distance from Proposed Location to Nearest Property or Lease Line 965'</p> <p>16. Acres in Lease</p> <p>18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 1248'</p> <p>19. Proposed Depth 2410' -</p> <p>21. Elevations (DF, FT, GR, Etc.) 5919' GR</p> <p>23. Proposed Casing and Cementing Program See Operations Plan attached</p> <p>24. Authorized by: <u><i>Joel Farrell</i></u> Regulatory/Compliance Supervisor</p>	<p>5. Lease Number 2001 APD 2 AM 0-42 SF-076958 Unit Reporting Number</p> <p>6. If Indian, All. or Tribe</p> <p>7. Unit Agreement Name</p> <p>8. Farm or Lease Name Hare</p> <p>9. Well Number #290</p> <p>10. Field, Pool, Wildcat Basin Fruitland Coal</p> <p>11. Sec., Twn, Rge, Mer. (NMPM) B Sec. 3, T-29-N, R-10-W API # 30-045-30614</p> <p>12. County San Juan 13. State NM</p> <p>17. Acres Assigned to Well 296.11</p> <p>20. Rotary or Cable Tools Rotary</p> <p>22. Approx. Date Work will Start</p> <p align="center">RECEIVED AUG 2001 OIL CON. DIV DIST. 3</p> <p align="center">2001 APD 2 AM 0-42</p> <p align="center">SEE OPERATIONS PLAN ATTACHED AND SUBJECT TO DISCHARGE WITH ATTACHED "GENERAL REQUIREMENTS".</p> <p>24. Date <u>2-13-01</u></p>
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PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY /s/ Joel Farrell TITLE _____ DATE AUG - 8 2001

Archaeological Report to be submitted
Threatened and Endangered Species Report to be submitted
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.

NMCCO

K/

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

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

DISTRICT II
811 South First, Artesia, N.M. 88210

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

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

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

2001 APR -2 AM 8:42
 AMENDED REPORT

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045- 30614		² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code 7091	⁵ Property Name HARE		⁶ Well Number 290
⁷ OGRID No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL & GAS INC.		⁹ Elevation 5919

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	3	29-N	10-W		965	NORTH	2455	EAST	SAN JUAN

¹¹Bottom 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 N/296.11			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

	<p>16</p> <p>FD 3 1/2" BLM 1987 BRASS CAP</p> <p>LOT 5</p> <p>FD 3 1/2" BLM 1987 BRASS CAP</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Peggy Cole</i></p> <p>Signature</p> <p>Peggy Cole</p> <p>Printed Name</p> <p>Regulatory Supervisor</p> <p>Title</p> <p>2-14-01</p> <p>Date</p>
	<p>LOT 7</p> <p>USA SF-076958</p> <p>LOT 8</p> <p>LOT 9</p> <p>LOT 10</p> <p>LOT 11</p> <p>LOT 12</p>	<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p><i>R. A. RUSH</i></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>PROFESSIONAL LAND SURVEYOR</p> <p>8894</p> <p>Certificate Number</p>
<p>LOT 13</p> <p>LOT 14</p> <p>LOT 15</p> <p>LOT 16</p> <p>LOT 17</p> <p>LOT 18</p> <p>LOT 19</p> <p>LOT 20</p>		

BURLINGTON RESOURCES OIL & GAS, INC.

HARE #290

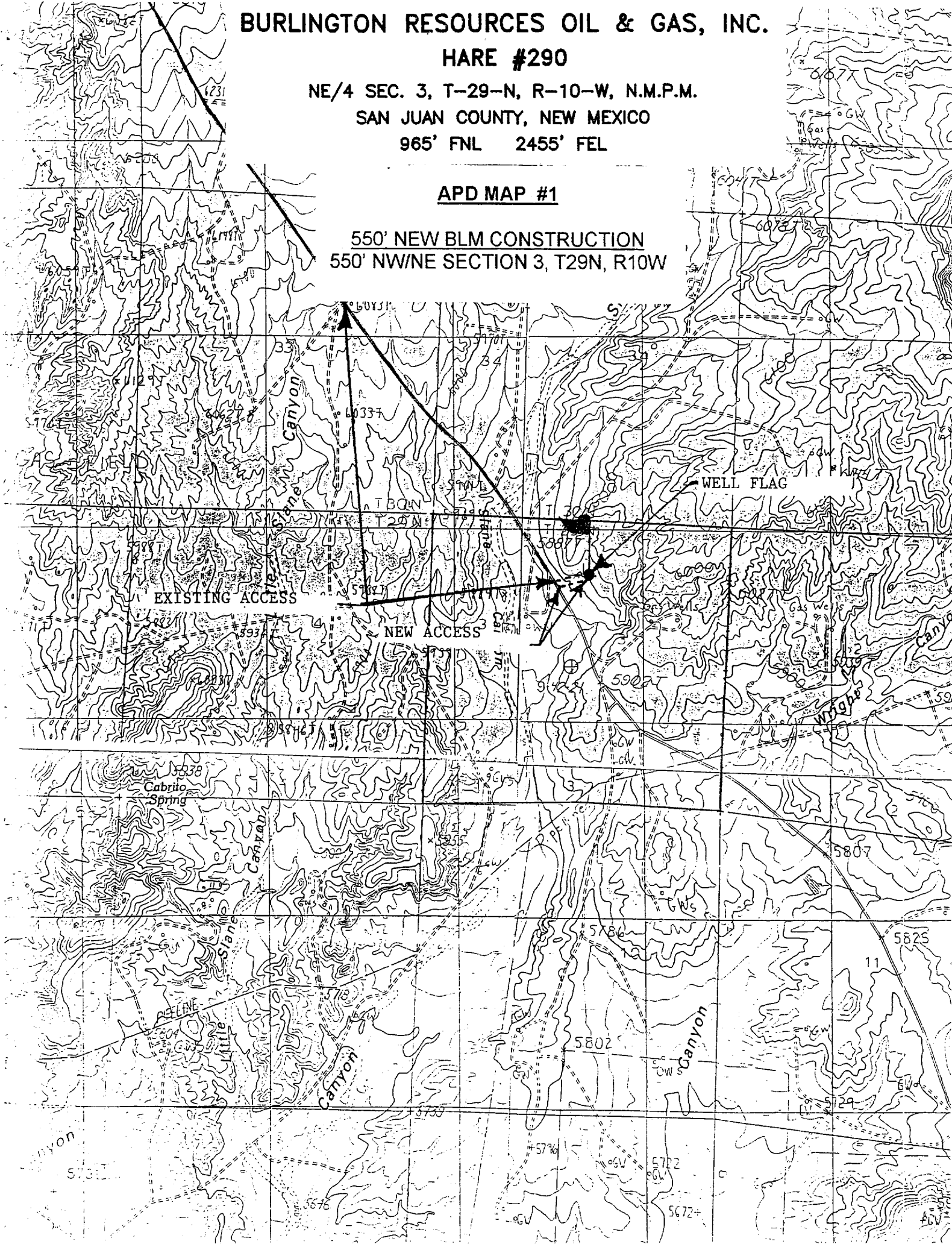
NE/4 SEC. 3, T-29-N, R-10-W, N.M.P.M.

SAN JUAN COUNTY, NEW MEXICO

965' FNL 2455' FEL

APD MAP #1

**550' NEW BLM CONSTRUCTION
550' NW/NE SECTION 3, T29N, R10W**



OPERATIONS PLAN

Well Name: Hare #290
Location: 965' FNL, 2455' FEL Section 3, T-29-N, R-10-W
Latitude 36° 45.5' N, Longitude 107° 52.3' W
San Juan County, NM
Formation: Basin Fruitland Coal
Elevation: 5919' GL

Formation:	Top	Bottom	Contents
Surface	San Jose	1162'	
Ojo Alamo	1162'	1281'	aquifer
Kirtland	1281'	2120'	gas
Fruitland	2120'	2360'	gas
Pictured Cliffs	2370'	2410'	gas
Total Depth	2410'		

Logging Program: Platform Express from TD to surface.

Mudlog: 2 Man unit from Ojo Alamo to TD.

Coring Program: none

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	<u>Fluid Loss</u>
0- 120'	Spud	8.4-9.0	40-50	no control
120-2410'	Non-dispersed	8.4-9.5	30-60	no 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>
8 3/4"	0' - 120'	7"	20.0#	J-55
6 1/4"	0' - 2410'	4 1/2"	10.5#	K-55

Tubing Program:

0' - 2410' — 2 3/8" 4.7# J-55

Float Equipment: 7" surface casing - saw tooth guide shoe. Centralizers will be run in accordance with Onshore Order #2.

4 1/2" production casing - guide shoe and self-fill float collar. Three centralizers run every fourth joint above shoe. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 1281'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Wellhead Equipment: 7" x 4 1/2" x 2 3/8" x 11" 2000 psi xmas tree assembly.

Hare #290

Cementing:

7" surface casing - cement with 46 sx Class "H" cement with 1/4# flocele/sx and 3% calcium chloride (54 cu.ft. of slurry, 200% excess to circulate to surface). WOC 8 hrs. Test casing to 600 psi/30 minutes.

4 1/2" production casing - Lead w/147 sacks Class "G" TXI lightweight cmt with 2.5%/sx sodium metasilicate, 0.5 pps flocele, 10 pps gilsonite, 2% calcium chloride, and 0.2% antifoam agent. Tail with 90 sacks 50/50 Class "G" Pozmix with 2% gel, 2% calcium chloride, 1/4#/sack flocele, 5 pps gilsonite, and 0.1% antifoam agent (495 cu.ft., 100% excess to circulate to surface).

Note: If open hole logs are run, cement volumes will be based on 25% excess over caliper volumes.

BOP and tests:

Surface to TD - 11" 2000 psi (minimum) double gate BOP stack (Reference Figure #1). Prior to drilling out surface casing, test rams to 600#/30 min.

Completion - 7 1/6" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to completion operations, test blind rams and casing to 1500 psi for 30 minutes; all pipe rams and casing to 1500 psi for 30 minutes each.

From surface to TD - choke manifold (Reference Figure #3).

Pipe rams will be actuated at least once each day and blind rams actuated once each trip to test proper functioning. An upper kelly cock valve with handle and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

Additional information:

- * The Fruitland Coal formation will be completed.
- * Anticipated pore pressure for the Fruitland is 500 psi.
- * This gas is dedicated.
- * The north half of section 3 is dedicated to the Fruitland Coal.

Date: 2/13/01

Drilling Engineer: E. J. Giles