

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|----------------------------------------------------------------------------------------------------------------------|--------------------------------------|-------------------------------|
| 1. Operator Name and Address BURLINGTON RESOURCES OIL & GAS COMPANY LP 3401 E. 30TH ST FARMINGTON, NM 87402 | | 2. OGRID Number 14538 |
| | | 3. API Number 30-045-33490 |
| 4. Property Code 6935 | 5. Property Name CULPEPPER MARTIN | 6. Well No. 107S |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|----------|
| P | 30 | 32N | 12W | P | 1160 | S | 1055 | E | SAN JUAN |

8. Pool Information

| | |
|----------------------------|-------|
| WC32N12W30; Fruitland Sand | 0 |
| BASIN FRUITLAND COAL (GAS) | 71629 |

Additional Well Information

| | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-----------------------------------------------|---------------------------|---------------------------------------------|
| 9. Work Type New Well | 10. Well Type GAS | 11. Cable/Rotary | 12. Lease Type Private | 13. Ground Level Elevation 5842 |
| 14. Multiple Y | 15. Proposed Depth 2368 | 16. Formation Fruitland Coal | 17. Contractor | 18. Spud Date |
| Depth to Ground water 50 | | Distance from nearest fresh water well 900 | | Distance to nearest surface water > 1000 |
| Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ miles thick Clay <input type="checkbox"/> Pit Volume: 0 _____ bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/> | | | | |

19. Proposed Casing and Cement Program

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 8.75 | 7 | 20 | 200 | 14 | 0 |
| Prod | 6.25 | 4.5 | 10.5 | 2368 | 114 | 0 |

Casing/Cement Program: Additional Comments

If the 7 inch surface casing is pre-set drilled (Mote), will cement 12 sx Type 1-2 cement w/20% flyash mixed (1.61 cfsx). Will bring cement to surface. Wait on cement for 24 hours fore pre-set hoels before pressure testing or drilling out.

Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|-----------|------------------|---------------|--------------|
| DoubleRam | 2000 | 2000 | schafer |

| | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|---------------------------------|
| I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCB guidelines <input type="checkbox"/> a general permit <input checked="" type="checkbox"/> or an (attached) alternative OCB-approved plan <input type="checkbox"/> . | OIL CONSERVATION DIVISION | |
| Printed Name: Electronically filed by Joni Clark | Approved By: Charlie Perrin | |
| Title: Specialist | Title: District Supervisor | |
| Email Address: jclark@br-inc.com | Approved Date: 1/12/2006 | Expiration Date: 1/12/2007 |
| Date: 12/20/2005 | Phone: 505-326-9701 | Conditions of Approval Attached |

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

District II
 1301 W. Grand Ave., Artesia, NM 88210
 Phone:(505) 748-1283 Fax:(505) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
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Santa Fe, NM 87505

Form C-102
 Permit 19948

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-------------------------------|---------------------------------------------------------------|--------------------------------------------|
| 1. API Number 30-045-33490 | 2. Pool Code | 3. Pool Name WC32N12W30; Fruitland Sand |
| 4. Property Code 6935 | 5. Property Name CULPEPPER MARTIN | 6. Well No. 107S |
| 7. OGRID No. 14538 | 8. Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP | 9. Elevation 5842 |

10. Surface Location

| | | | | | | | | | |
|---------------|---------------|-----------------|--------------|---------|-------------------|---------------|-------------------|---------------|--------------------|
| UL - Lot P | Section 30 | Township 32N | Range 12W | Lot Idn | Feet From 1160 | N/S Line S | Feet From 1055 | E/W Line E | County SAN JUAN |
|---------------|---------------|-----------------|--------------|---------|-------------------|---------------|-------------------|---------------|--------------------|

11. Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|-------------------------------|---------------------|------------------------|---------------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| 12. Dedicated Acres 160.00 | 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

| | | | | |
|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|
| | OPERATOR CERTIFICATION | | | |
| | <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> E-Signed By: Joni Clark Title: Specialist Date: 12/20/2005 | | | |
| | SURVEYOR CERTIFICATION | | | |
| | <i>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.</i> Surveyed By: Glen W. Russell Date of Survey: 12/2/2005 Certificate Number: 15703 | | | |

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| 4. Property Code 6935 | 5. Property Name CULPEPPER MARTIN | 6. Well No. 107S |
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|-------------------------------|---------------------|------------------------|---------------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| 12. Dedicated Acres 315.31 | 13. Joint or Infill | 14. Consolidation Code | 15. Order No. | | | | | | |

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| | | | | | | | | | | | | | | | | | |
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| | | | | | | | | | | | | | | | | | |
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Permit Comments

Operator: BURLINGTON RESOURCES OIL & GAS COMPANY LP , 14538

Well: CULPEPPER MARTIN #107S

API: 30-045-33490

| Created By | Comment | Comment Date |
|------------|----------------------------------------------------------------------------------------------------|--------------|
| PLCLUGSTON | This is not an HPA well. | 12/14/2005 |
| PLCLUGSTON | The pit sundry will be filed separately with the cut & fill diagram attached. | 12/14/2005 |
| SHAYDEN | Recent H2S problems just south of this area suggest the need for close monitoring during drilling. | 1/11/2006 |

Permit Conditions of Approval

Operator: BURLINGTON RESOURCES OIL & GAS COMPANY LP , 14538

Well: CULPEPPER MARTIN #107S

API: 30-045-33490

| OCD Reviewer | Condition |
|--------------|--------------------------------------------------------------------------------|
| CPerrin | Will require an OCD approved Hydrogen sulfide contingency plan posted on site. |