<u>District III</u> 1000 Rio Brazzos Rd., Azzec, NIM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

State of New Mexico

Form C-101 Permit 63176

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

| BURLINGTON RE | Operator Name and Address SOURCES OIL & GAS COMPANY LP | 2. OGRID Number 14538 | | |
|--------------------------|---|-------------------------------|--|--|
| | 401 E. 30TH STREET MINGTON , NM 87402 | 3. API Number 30-045-34478 | | |
| 4. Property Code 7306 | 5. Property Name MCDURMITT | 6. Well No. 001P | | |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|----------|
| В | 6 | 31N | 12W | 2 | 670 | И | 1740 | E | SAN JUAN |

8. Pool Information

| BASIN DAKOTA (PRORATED GAS) | 71599 |
|---------------------------------|-------|
| BLANCO-MESAVERDE (PRORATED GAS) | 72319 |

Additional Well Information

| | 77.7 | THE TOTAL THE TIME | | 127 |
|---|-------|-------------------------------------|---|--|
| 9. Work Type 10. Well Type New Well GAS | | 11. Cable/Rotary | 12. Lease Type Private | 13. Ground Level Elevation 5878 |
| 14. Multiple 15. Proposed Depth Y 7006 | | 16. Formation Dakota Formation | 17. Contractor | 18. Spud Date |
| Depth to Ground 49 | water | Distance from nearest fresh water w | rell | Distance to nearest surface water 600 |
| t: Liner: Synthetic D Closed Loop System | | | Drilling Method: Fresh Water Brine 1 | Diesel/Oil-based Gas/Air |

19. Proposed Casing and Cement Program

| | | | | | 8 | |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Туре | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
| Surf | 12.25 | 9.625 | 32.3 | 200 | 159 | 0 |
| Int1 | 8.75 | 7 | 20 | 2455 | 553 | 0 |
| Prod | 6.25 | 4.5 | 10.5 | 7006 | 619 | 2355 |

Casing/Cement Program: Additional Comments

This is a type 3 well as indicated BR/COPC master drilling plan. Cement Volumes are indicated in cubic feet instead of sacks to be used, the pit sundry and DHC application will be submitted after the APD is approved.

Proposed Blowout Prevention Program

| 1 | Туре | 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 | OIL CONSERVATION DIVISION | | | | |
|--|---|--|--|--|--|
| NMOCD guidelines \square , a general permit X , or an (attached) alternative OCD-approved plan \square . | Approved By: Charlie Perrin | | | | |
| Printed Name: Electronically filed by Philana Thompson | Title: District Supervisor | | | | |
| Title: Regulatory Technician | Approved Date: 11/19/2007 Expiration Date: 11/19/2008 | | | | |
| Email Address: thomppp@conocophillips.com | | | | | |
| Date: 10/23/2007 Phone: 505-326-9530 | | | | | |

District I

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

<u>District II</u>

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

<u>District III</u> 1000 Rio Brazos Rd., Azzec, NIM 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

Form C-102 Permit 63176

Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr.

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | E.IOE DEDICITION ID. | •• | | |
|------------------|----------------------|----------------------|------|--|--|
| 1. API Number | 2. Pool Code | 3. Pool Name | | | |
| 30-045-34478 | 71599 | PRORATED GAS) | | | |
| 4. Property Code | 5. Property | 5. Property Name | | | |
| 7306 | MCDUR | MITT | 001P | | |
| 7. OGRID No. | 8. Operator | 8. Operator Name | | | |
| 14538 | BURLINGTON RESOURCES | OIL & GAS COMPANY LP | 5878 | | |

10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|----------|
| В | 6 | 31N | 12W | | 670 | N | 1740 | E | SAN JUAN |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Т | 'ownship | Range | Lot | Idn | Feet From | N/S L | ine | Feet From | E/W Line | County |
|-----------|---------------------|---|----------|-----------------|-----|-----|-------------------|-------|-----|-----------|---------------|--------|
| 0.2512.25 | cated Acres 2.76 | | 13. 1 | 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

| | 0 | |
|--|---|--|
| | | |
| | | |
| | | |

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(s) 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.

E-Signed By: Philana Thompson Title: Regulatory Technician

Date: 10/23/2007

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.

Surveyed By: Glen Russell Date of Survey: 9/13/2007 Certificate Number: 15703 District I

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

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

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District IV

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

State of New Mexico

Form C-102 Pennit 63176

Energy, Minerals and Natural Resources Oil Conservation Division

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | 10.5 | | |
|------------------|------------------------|--|------|--|--|
| 1. API Number | 2. Pool Code | 2. Pool Code 3. Pool 72319 BLANCO-MESAVERD | | | |
| 30-045-34478 | 72319 | | | | |
| 4. Property Code | 5. Property | 6. Well No. | | | |
| 7306 | MCDURI | MITT | 001P | | |
| 7. OGRID No. | 8. Operator | 8. Operator Name | | | |
| 14538 | BURLINGTON RESOURCES (| OIL & GAS COMPANY LP | 5878 | | |

10. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County | |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|----------|--|
| В | 6 | 31N | 12W | | 670 | N | 1740 | E | SAN JUAN | |

11. Bottom Hole Location If Different From Surface

| UL - Lot | Section | Township | | Range | Lot Idn | | Feet From | N/S L | ine | Feet From | E/W Line | County |
|-------------------------------|---------|----------|-------|-----------------|---------|----|-------------------|-------|-----|-----------|---------------|--------|
| 12. Dedicated Acres 312.76 | | | 13. 1 | 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

| | | 0 | |
|-----|--|---|--|
| 200 | | | |
| | | | |
| 8 | | | |

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(s) 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.

E-Signed By: Philana Thompson Title: Regulatory Technician

Date: 10/23/2007

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.

Surveyed By: Glen Russell Date of Survey: 9/13/2007 Certificate Number: 15703