UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APR 19 2011

Farmington Field Office

| | APPLICATION FOR PERMIT TO DRILL, DEEP | EN, OR PLUG BÄCK ^{U OF Land Manageme} nt | | | | |
|--|--|---|--|--|--|--|
| 1a. | Type of Work | 5. Lease Number | | | | |
| | DRILL | SF-078883 | | | | |
| | | 5. Lease Number SF-078883 Unit Reporting Number | | | | |
| | | NMNM-78383D-DK | | | | |
| b. | Type of Well | 6. If Indian, All. or Tribe | | | | |
| | GAS | • | | | | |
| <u>. </u> | Operator | 7. Unit Agreement Name | | | | |
| | BURLINGTON | - | | | | |
| | RESCURCES Oil & Gas Company, LP | Canyon Largo Unit | | | | |
| | Address & Phone No. of Operator | 8. Farm or Lease Name | | | | |
| | PO Box 4289, Farmington, NM 87499 | | | | | |
| | | 9. Well Number | | | | |
| | (505) 326-9700 | 485E | | | | |
| | Location of Well | 10. Field, Pool, Wildcat | | | | |
| | Surface: Unit J(NWSE), 2515' FSL & 1890' FEL | Basin Dakota | | | | |
| | | 11. Sec., Twn, Rge, Mer. (NMPM) | | | | |
| | Surface: Latitude: 36.413931 N (NAD83) | Sec. 8, T25N, R6W | | | | |
| | Longitude: 107.487922° W | API# 30-039- <i>3/060</i> | | | | |
| 1. | Distance in Miles from Nearest Town | 12. County 13. State | | | | |
| | 44.3 miles from Bloomfield, NM | Rio Arriba NM | | | | |
| 5. | Distance from Proposed Location to Nearest Property or Lease I | Line | | | | |
| _ | 1890' | | | | | |
| 6. | Acres in Lease | 17. Acres Assigned to Well | | | | |
| | 2410.550 acres | 320.00 acres DK E/2 | | | | |
| 3. | Distance from Proposed Location to Nearest Well, Drlg, Compl, | or Applied for on this Lease | | | | |
| | 1555' from Canyon Largo Unit 486 (DK) | 00 D / 0 II T / | | | | |
| Э. | Proposed Depth This action is subject to technical and | 20. Rotary or Cable Tools | | | | |
| | 7219' procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 | Rotary | | | | |
| • | Elevations (DF, FT, GR, Etc.) | 22. Approx. Date Work will Start | | | | |
| | 6660' GL | DRILLING OPERATIONS AUTHORIZED ARE- SLIBJECT TO COMPLIANCE WITH ATTACHED | | | | |
| 3. | Proposed Casing and Cementing Program | "GENERAL REQUIREMENTS". | | | | |
| | See Operations Plan attached// | | | | | |
| 1. | Authorized by: | 4/19/11 | | | | |
| • | Dollie L. Busse (Staff Regulatory | Tech) Date | | | | |
| | ADDDOVAL D | | | | | |
| EKIVI | APPROVAL D | AIE. | | | | |
| PPR | OVED BY STATION COLLEGE TITLE TO A | $\frac{1}{2}$ DATE $\frac{23}{20}$ | | | | |
| | | may or may not be used on this location. | | | | |
| OTE. | tened and Endangered Species Report attached This format is issued in lieu of U.S. BLM Form 3160-3 | AZIEC OCD 24 HRS. | | | | |
| le 18 | U.S.C. Section 1001, makes it a crime for any person knowing and with the any false, fictitious or fraudulent statements or presentations as to any matter wit | Oka An Selan Topin Ser agency VI to Ohiled | | | | |
| | | 000015 and NMB-000089 | | | | |

H₂S POTENTIAL EXIST

JUL 2 5 2011 NMOCD

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

is of

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

RECEIVE State of New Mexico The Energy, Minerals & Natural Resources Department

Form C-102 Revised July 16,2010

DISTRICT II 1301 West Grand Avenue, Artesia, N.M. 88210

OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

APR 19 2011 Submit one copy to Appropriate District Office

DISTRICT III 1000 Rio Brazos Rd., Aztec, N.M. 87410 Santa Fe, NM 87505

Farmington Field Office Sureau of Land Management

☐ AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1 API Number 30-039-31060 | ² Pool Code 71599 | ³ Pool Name BASIN DAKOTA | | | | |
|---------------------------|---------------------------------|-----------------------------|------------------------|--|--|--|
| *Property Code | 5 | Property Name | ° Well Number | | | |
| 6886 | CANYON | N LARGO UNIT | 485E | | | |
| OGRID No. | 8 | Operator Name | ⁹ Elevation | | | |
| 14538 | BURLINGTON RESOUR | CES OIL & GAS COMPANY LP | 6660' | | | |

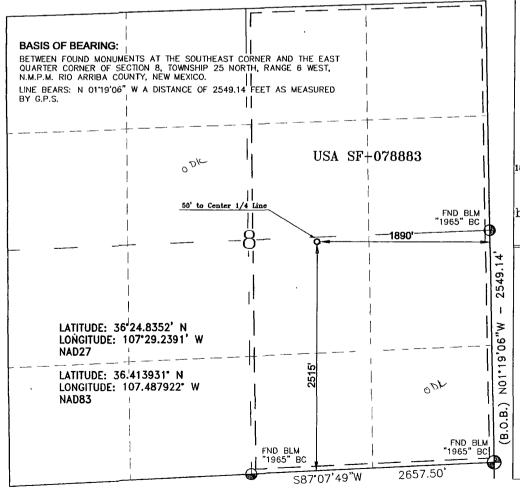
¹⁰ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|------------|
| J | 8 | 25-N | 6-W | | 2515 | SOUTH | 1890 | EAST | 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 |
|---------------------|---------|----------|------------------------|---------|-------------------------------|------------------|-------------------------|----------------|--------|
| J | | | | | | | | | |
| DK 320.00 ACRES E/2 | | | ¹³ Joint or | Infill | ¹⁶ Consolidation C | ode | 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



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 a working states or uncessed interest 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 a working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the

Signature Brandie Blakley Printed Name

blaklbn@conocophillips.com

E-mail Address

SURVEYOR CERTIFICATION

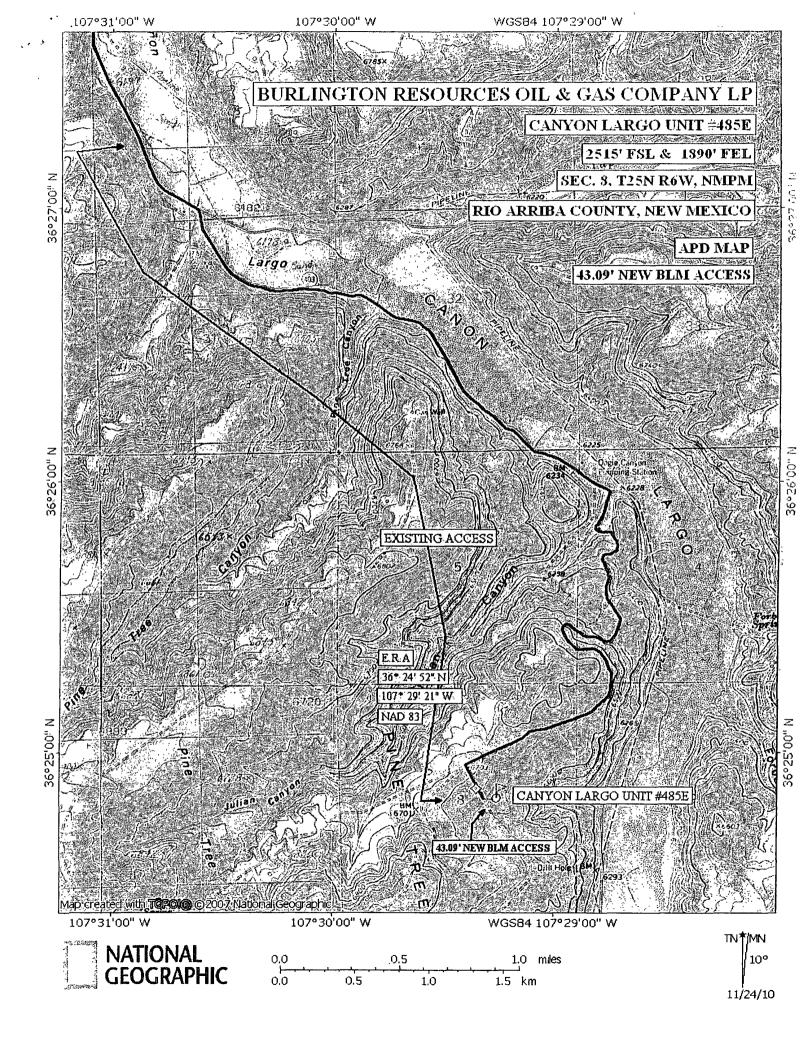
was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

NOVEMBER 23, 2010 GLEN Date of Survey Signature and Scal 15703 POFESSIONA

GLEN W. RU

Certificate Number

15703





PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

CANYON LARGO UNIT 485E

DEVELOPMENT

| Lease: | | | | | AFE #: W | AN.CDR | .0112 | | | AFE \$: 480,970.00 |
|-----------------------------------|--|---|-----------------|-------------------------|-----------------------|---------------|--------------|----------------|--|--|
| Field Name: SAN | JUAN | | Rig: A | Aztec Rig 67 | 73 | | Stat | te: NM | County: RIO ARRIBA | API #: |
| Geologist: | | | Phone | <u>:</u> : | - | Geopl | hysicist: | | P | hone: |
| Geoscientist: | | | Phone | : | | Prod. | Enginee | er: | Pl | hone: |
| Res. Engineer: | entario de la companya de la company | San | Phone | | | Proj. | Field Lea | ad: | P | hone: |
| Primary Object | 1 | | 共和 | | 1 | | | | | |
| Zone | Zone Name | | | | | | | | | |
| R20076 | DAKOTA(R2 | 0076) | | | | | | | | |
| Location: Surfac | | Datum Coc | 4 2 %N17 | ΛΩ-27 <i>4</i> ≥ | | | e e e | | | Straight Hole |
| The second second second second | Carlo a male distriction of the | ASSESSED BY AND ARTIC | Take Marketing | 1. PON 945 38/35 80 70- | | <u> </u> | | | | THE PROPERTY OF STATE AND THE STATE OF THE S |
| Latitude: 36.4139 | | itude: -107.48 | | X: | | Y: | - | | Section: 08 | Range: 006W |
| Footage X: 1890 Tolerance: | FEL FOOL | age Y: 2515 FS | L | Elevation: | 6660 | (FT) | Townsn | nip: 0251 | N | |
| Location Type: Ye | ear Round | | Start [| Date (Est.): | 1/1/2013 | Cor | mpletion | Date: | Date In O | peration: |
| Formation Data: | Assume KB | | Jnits = | FT | | | | | | |
| Formation Call & Casing Points | | Depth (TVD in Ft) | SS (Ft) | MD (Ft) | Depletion (Yes/No) | BHP (PSIG) | внт | | Remark | (S |
| Surface Casing | | 200 | 6475 | | | <u> </u> | | | hole. 9 5/8" 32.3 ppf, H-4 21 cuft. Circulate cement to | |
| OJO ALAMO | | 2070 | 4605 | , | | | | | | |
| KIRTLAND | | 2197 | 4478 | ; | | | | | | |
| FRUITLAND | | 2320 | 4355 | | | | | Possible | e Gas | |
| PICTURED CLIFFS | | 2703 | 3972 | | | | | | | |
| LEWIS | | 2753 | 3922 | | | | | | | |
| HUERFANITO BENT | FONITE | 3068 | 3607 | | | | | | | |
| CHACRA | | 3537 | 3138 | , | | | | | | |
| UPPER CLIFF HOUS | 5E | 4270 | 2405 | | | | | Gas; Cli | iffhouse is wet | |
| MASSIVE CLIFF HO | USE | 4290 | 2385 | | | | | Gas | | |
| MENEFEE | | 4338 | 2337 | | | | | | | |
| Intermediate Casin | g | 4488 | 2187 | | | | 128 | | Hole. 7", 20/23 ppf, J-55, t with 1011 cuft. Circulate | |
| POINT LOOKOUT | | 4903 | 1772 | | | | | . , | **** | |
| MANCOS | | 5225 | 1450 | | | | | | | |
| UPPER GALLUP | | 5971 | 704 | | | | | | | |
| GREENHORN | | 6872 | -197 | | | | | | | 14 |
| GRANEROS | | 6929 | -254 | | | | | | | |
| TWO WELLS | | 6978 | -303 | | | 3242 | | Gas | | |
| PAGUATE | | 7018 | -343 | | | | | | | |
| UPPER CUBERO | | 7095 | -420 | | | | | · · · · · | | |
| LOWER CUBERO | | 7127 | -452 | | | | | | | |
| ENCINAL | | 7169 | -494 | | | | | based o | below T/ENCN; Est. Btm on offset wells | |
| Total Depth | | 7219 | -544 | | | | | w/ 376 | hole, 4-1/2" 11.6 ppf, L-{ cuft. Circulate cement a n s casing string. | 80, LTC casing. Cement ninimum of 100' inside the |

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PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

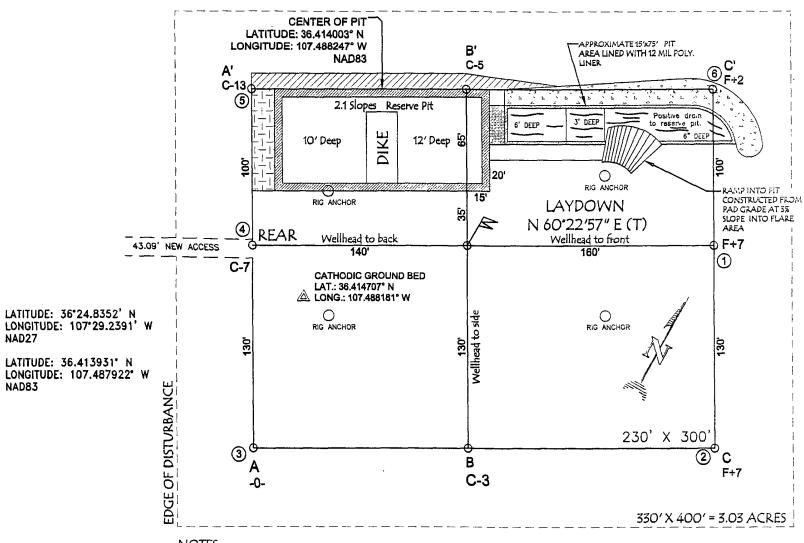
CANYON LARGO UNIT 485E

DEVELOPMENT

| Reference Well | S: | | | | | | | | | | | |
|---|-------------------|--------------|--------------------|-----------------|---------|--|--|--|--|--|--|--|
| Reference Type | Well Name | C | Comments | | | | | | | | | |
| Production | Canyon Largo Unit | 144 25 | 25N 6W 17 SE NW NW | | | | | | | | | |
| Production | Canyon Largo Unit | 486 25 | 25N 6W 8 SW SE NW | | | | | | | | | |
| Production | Canyon Largo Unit | 485 25 | 5N 6W 8 NW SE SE | | | | | | | | | |
| | | | | | | | | | | | | |
| Logging Progra | m: 🔭 | | | | | | | | | | | |
| Intermediate Log | | | ☐ Triple Combo | | | | | | | | | |
| <u></u> | | | | | | | | | | | | |
| TD Logs: | ☐ Triple Combo | ☐ Dipmeter ☐ | RFT Sonic | VSP TDT 🗹 Other | | | | | | | | |
| Cased Hole GR / CBL Mudlog from 100' above top of GLLP to TD - mudlogger will call TD. | | | | | | | | | | | | |
| Additional Inform | ation: | | | | | | | | | | | |
| | - | | | | | | | | | | | |
| Log Type | Stage | From (Ft) | To (Ft) | Tool Type/Name | Remarks | | | | | | | |

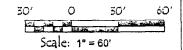
BURLINGTON RESOURCES OIL & GAS COMPANY LP

CANYON LARGO UNIT #485E, 2515' FSL & 1890' FEL SECTION 8, T-25-N, R-6-W, NMPM, RIO ARRIBA COUNTY, NM GROUND ELEVATION: 6660', DATE: OCTOBER 27, 2010



NOTES:

- 1. VECTOR SURVEYS IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.
- 2. RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW 3' WIDE AND 1' ABOVE SHALLOW SIDE).



Directions from the Intersection of Hwy 550 & Hwy 64 in Bloomfield, NM To:

Burlington Resources Oil & Gas Company LP CANYON LARGO UNIT #485E

2515' FSL & 1890' FEL, Section 8, T25N, R6W, N.M.P.M., Rio Arriba, New Mexico

Latitude: 36° 24′ 50.152″ N Longitude: 107° 29′ 16.520″ W NAD 1983

Take Hwy 550 (south) for 1.0 miles to CR 4900 (South Sullivan Road) turn left (easterly) on CR 4900 15.0 miles to 5 Mile Bridge, stay right @ intersection (southeasterly) for 3.2 miles, across 10 mile bridge continue (southeasterly) 18.2 miles to Old Largo Canyon School, Turn right (southerly) 2.5 miles to Truby's Ranch, turn right (southeasterly) 2.2 miles to Dogie Canyon pumping station, Turn right (southerly) 1.4 miles, to top of Pine Tree Mesa, Continue (southwest) 0.6 miles, Turn left (southeast) 0.2 miles, to beginning of new access on left side of road, turn left (east) 43.09' to the newly staked location.