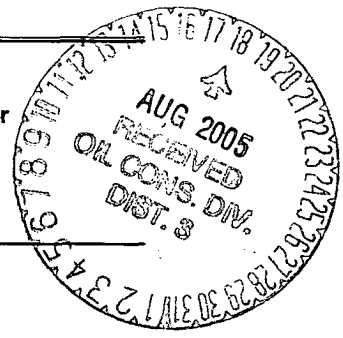
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK



1a. Type of Work
~~DRILL~~ Deepen

5. Lease Number
SF-078459-B
Unit Reporting Number

1b. Type of Well
GAS

6. If Indian, All. or Tribe

2. Operator
BURLINGTON RESOURCES Oil & Gas Company

7. Unit Agreement Name
Allison Unit

3. Address & Phone No. of Operator
PO Box 4289, Farmington, NM 87499

(505) 326-9700

8. Farm or Lease Name
Allison Unit
9. Well Number
8

4. Location of Well
1757' FNL, 990' FEL

Latitude 36° 58.92', Longitude 107° 32.92'

10. Field, Pool, Wildcat
Blanco MV/Basin DK
11. Sec., Twn, Rge, Mer. (NMPM)
Sec. 15, T-32-N, R-7-W
API # 30-045-11433

14. Distance in Miles from Nearest Town

12. County
San Juan

13. State
NM

15. Distance from Proposed Location to Nearest Property or Lease Line
990'

16. Acres in Lease

17. Acres Assigned to Well
~~320~~ E/2
313.34

18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease

19. Proposed Depth
8300'

20. Rotary or Cable Tools
Rotary

21. Elevations (DF, FT, GR, Etc.)
6676 GL

22. Approx. Date Work will Start

23. Proposed Casing and Cementing Program
See Operations Plan attached

24. Authorized by: Frances Bond
Regulatory Specialist

5-3-05
Date

2005 MAY 3 PM 4 09
RECEIVED
070 FARMINGTON NM

PERMIT NO.

APPROVAL DATE

APPROVED BY [signature] **TITLE** AFM **DATE** 8-16-05

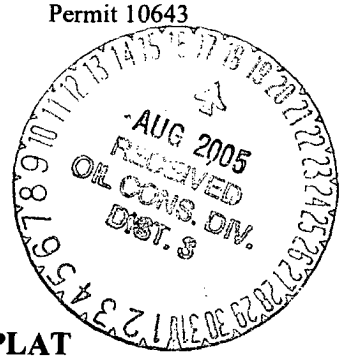
Archaeological Report Attached
Threatened and Endangered Species Report Attached
NOTE: This format is issued in lieu of U.S. BLM Form 3160-3
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or presentations as to any matter within its jurisdiction.

NMOCD

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

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

Form C-102
Permit 10643



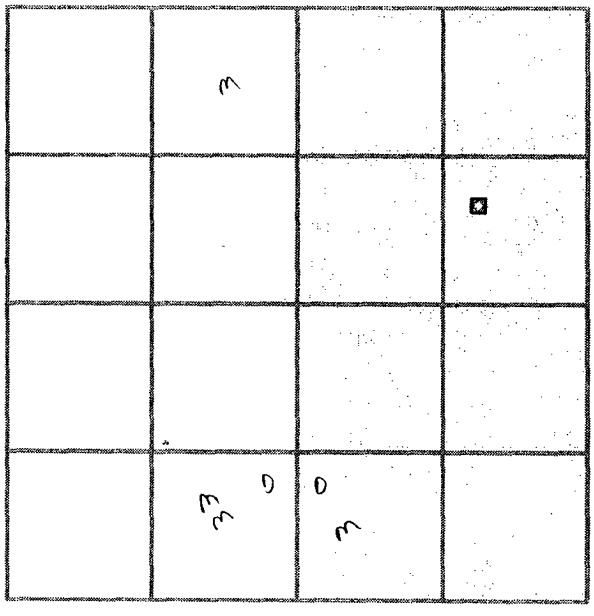
WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Name	Pool Code
30-045-11433	BASIN DAKOTA (PRORATED GAS)	71599
Property Code	**Property Name**	**Well No.**
6784	ALLISON UNIT	008
OGRID No.	**Operator Name**	**Elevation**
14538	BURLINGTON RESOURCES OIL & GAS CO	6676

Surface And Bottom Hole Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	15	32N	07W		1757	N	990	E	San Juan

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
313.34			



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signed By: Frances Bond

Title: Regulatory Specialist

Date: May 3, 2005

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: C O Walker

Date of Survey: 03/17/1955

Certificate Number: 1007

OPERATIONS PLAN FOR ALLISON UNIT #8

Well: Allison Unit #8
Location: T-32-N, R-7-W, Sect. 15, Unit H; 1757' FNL, 990' FEL
San Juan County, NM
Latitude 36° 58.92' Longitude 107° 32.92'

Formation: **Blanco Mesaverde and Basin Dakota**

Formation Tops:	Top	Bottom	Contents
Surface	San Jose		----
Ojo Alamo	2404'	2502'	aquifer
Kirtland	2502'	3200'	gas
Fruitland	3200'	3510'	gas
Pictured Cliffs	3510'	3729'	gas
Lewis	3729'	4378'	gas
Huerfanito Bentonite	4378'	4828'	gas
Chacra	4828'	5610'	gas
Massive Cliff House	5610'	5662'	gas
Menefee	5662'	5854'	gas
Massive Point Lookout	5854'	6294'	gas
Mancos	6294'	7215'	gas
Gallup	7215'	7940'	gas
Greenhorn	7940'	7990'	gas
Graneros	7990'	8104'	gas
Two Wells	8104'		gas
Total Depth	8300'		

Logging program:
Cased hole - CBL-CCL-GR - TD to 6850'

Mud Program:

Interval	Type	Weight	Vis.	Fluid Loss
6200' – 8300'	Air/Nitrogen	n/a	n/a	n/a

Casing Program:

Hole Size	Depth Interval	Csg.Size	Wt.	Grade
3-7/8"	~6100' – 8300'	3-1/2" Flush	9.3#/'	L-80

Tubing Program:

	Tbg.Size	Wt.	Grade
0' – total depth	2-1/16"	3.25#	J-55

Operations:
It is intended to deepen the subject well to the Dakota formation by the following procedure:

1. MIRU completion rig. TOOH with tubing.
2. Set retrievable bridge plug at +/- 4494'.
3. Pressure test casing to 1000 psi for 15 minutes. TOOH with bridge plug.
4. Lay in acid soluble cement across entire Mesaverde interval. WOC.
5. Drill out cement. Test casing to 500 psi for 15 minutes. Repeat cement work until pressure test holds.
6. Drill out shoe. Drill Dakota formation to approximately 8300' with mud logger to call final total depth. TOOH.
7. TIH with 3-1/2" flush joint pipe and set at total depth.
8. Cement with 30 sxs of type III cement (1.39 yield, 14.5 ppg). WOC. Run CBL. TOC @ 6904'.
9. Perforate and fracture stimulate the Dakota formation. Flow back Dakota.
10. Set composite plug 50' above top Dakota perforation.
11. Chemical cut 3-1/2" casing at +/- 6100'.
12. Acidize Mesaverde interval to restore production.

13. Drill out composite plug above the Dakota. Clean out to PBTD.
14. Land 2-1/16" IJ tubing.
15. RDMO rig. Return well to production as a commingled MV/DK producer.

BOP Specifications, Wellhead and Tests:

Surface to Total Depth:

2" nominal, 3000 psi minimum choke manifold (Reference Figure #3).

Completion Operations:

7 1/16" 3000 psi double gate BOP stack (Reference Figure #4). After nipple-up prior to completion, pipe rams, casing and liner top will be tested to 3000 psi for 15 minutes.

Wellhead:

9 5/8" x 7" x 4 1/2" x 2 1/16" x 3000 psi tree assembly.

General Information:

- Pipe rams will be actuated once each day and blind rams will be actuated once each trip to test proper functioning.
- An upper kelly cock valve with handle available and drill string valves to fit each drill string will be available on the rig floors at all times.
- All BOP tests and drills will be recorded in daily drilling reports.
- Blind and pipe rams will be equipped with hand wheels.

Cementing:

3-1/2" Production Liner

Cement to cover minimum of 1200' above the Dakota formation. Minimum TOC @ 6904'. 30 sxs type III cement (1.39 yield, 14.5 ppg). WOC a minimum of 18 hrs prior to completing.

Special Drilling Operations (Gas/Mist Drilling):

The following equipment will be operational while gas/mist drilling:

- An anchored blooie line will be utilized to discharge all cuttings and circulating medium to the blow pit a minimum of 100' from the wellhead.
- Compressors will be located a minimum of 100' from the wellhead in the opposite direction from the blooie line.
- Engines will have spark arresters or water-cooled exhaust.
- Deduster equipment will be utilized.
- The rotating head will be properly lubricated and maintained.
- A float valve will be utilized above the bit.
- Mud circulating equipment, water, and mud materials will be sufficient to maintain control of the well.

Additional Information:

- The Mesaverde and/or Dakota formations will be completed and commingled if both formations are completed.
- No abnormal temperatures or hazards are anticipated.
- Anticipated pore pressures are as follows:
  Dakota 2400 psi

Angela Ibara
Sr. Staff Engineer

4/25/05
Date

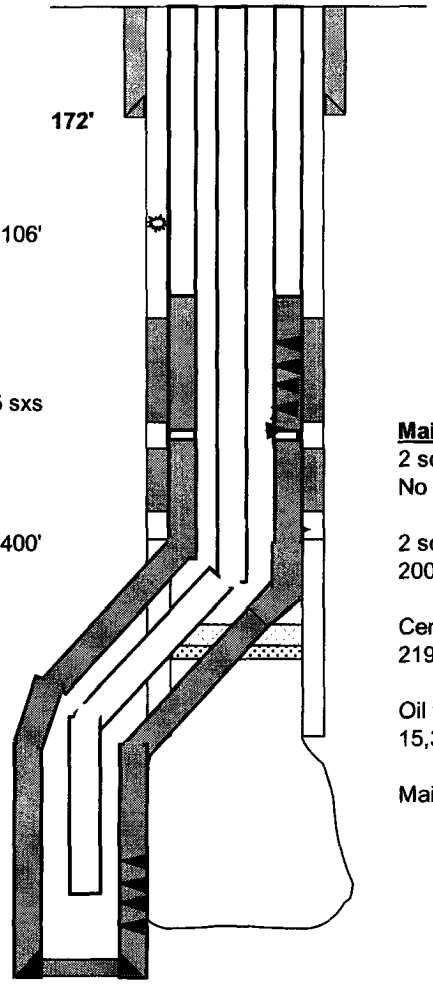
Allison Unit #8

1757' FNL , 990' FEL
Unit H, Section 15, T32N, R07W
San Juan County, NM

LAT: 36 deg 58.92 min LONG: 107 deg 32.92 min

GL = 6,674' KB= 6,682'

Current Wellbore Diagram



Surface Casing:
9-5/8" 25.4# ASW
Set @ 172'
TOC @ circ to surf

Intermediate Casing: Hole is 7" @ 1106'
7" 23#/20# J-55
Set @ 5,760'
TOC @ 4,300' sqz

2 sqz holes at 4620', 75 sxs

Tubing:
2-3/8" 4.7# J-55
Set @ 5990

Window cut in 7" @ 5392' - 5400'

Production Casing:
4-1/2" 10.5# J-55
Set @ 6,200'
TOC @ 4,030' CBL

Existing Stimulations:
Lewis
4544' - 5076'
200000# sand, 70Q foamed 30# linear gel

Point Lookout
5731' - 6020'
100000# sand, Slickwater

Ojo Alamo	2404
Kirtland	2502
Fruitland	3200
Pictured Cliffs	3510
Lewis	3729
Heur Bent.	4378
Chacra	4828
Cliff House	5610
Menefee	5662
Point Lookout	5854
Mancos	6294' est
Gallup	7215' est
Greenhorn	7940' est
Graneros	7990' est
Two Wells	8104' est

Main Hole P&A:
2 sqz holes @ 4300', 4700', cmt w/ 125 sxs
No test, perf 4300', sqz w/ 50 sxs

2 sqz holes @ 5150', cmt ret @ 5008'
200 sxs below, 1 bbl on top (drilled out)

Cement retainer @ 5542'
219 sxs below, 1 bbl on top

Oil frac 5760' - 6010'
15,370 gal oil, 12,100# sand

Main Hole TD - 6155' Open Hole

PBTD= 6,108'
TD= 6,200'

LW: 4544', 47', 50', 53', 56', 61', 64', 67', 84', 87', 93', 96', 99', 4604', 06', 4872', 75', 78', 87', 90', 93', 95', 4901', 04', 07', 65', 68', 71', 74', 77', 5020', 23', 26', 33', 36', 39', 72', 74', 76

PLO: 5731', 34', 37', 42', 44', 94', 97', 5856', 60', 72', 76', 81', 84', 90', 94', 5900', 06', 12', 17', 22', 34', 54', 59', 75', 6009', 12', 20'

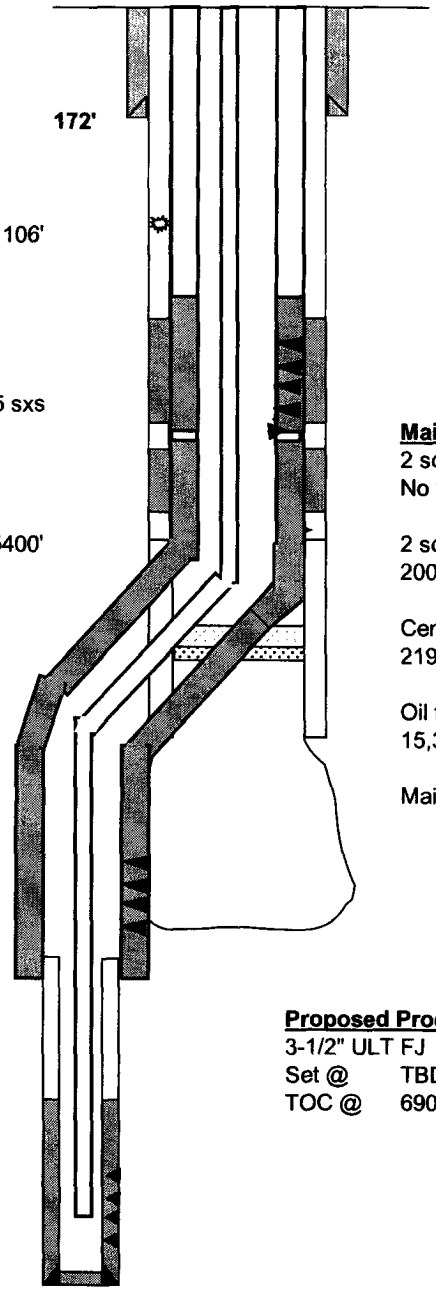
ARI 04/25/05

Allison Unit #8

1757' FNL , 990' FEL
Unit H, Section 15, T32N, R07W
San Juan County, NM

LAT: 36 deg 58.92 min LONG: 107 deg 32.92 min
GL = 6,674' KB= 6,682'

Proposed Wellbore Diagram



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7" 23#/20# J-55
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TOC @ 4,300' sqz

2 sqz holes at 4620', 75 sxs

Tubing:
2-1/16" 3.25# J-55
Set @ TBD

Window cut in 7" @ 5392' - 5400'

Production Casing:
4-1/2" 10.5# J-55
Set @ 6,200'
TOC @ 4,030' CBL

Existing Stimulations:
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4544' - 5076'
200000# sand, 70Q foamed 30# linear gel

Point Lookout
5731' - 6020'
100000# sand, Slickwater

Proposed Stimulation:
Dakota
TBD
40000# TLC, Slickwater frac

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Kirtland	2502
Fruitland	3200
Pictured Cliffs	3510
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Cement retainer @ 5542'
219 sxs below, 1 bbl on top

Oil frac 5760' - 6010'
15,370 gal oil, 12,100# sand

Main Hole TD - 6155' Open Hole

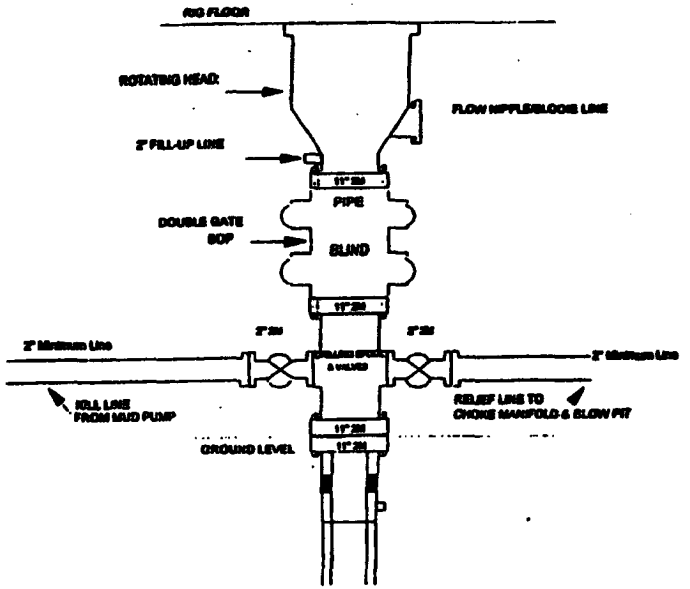
Proposed Production Liner:
3-1/2" ULT FJ 9.2# L-80
Set @ TBD
TOC @ 6904

PBTD= 8228' est
TD= 8300' est

ARI 04/25/05

Burlington Resources

Drilling Rig
2000 psi System



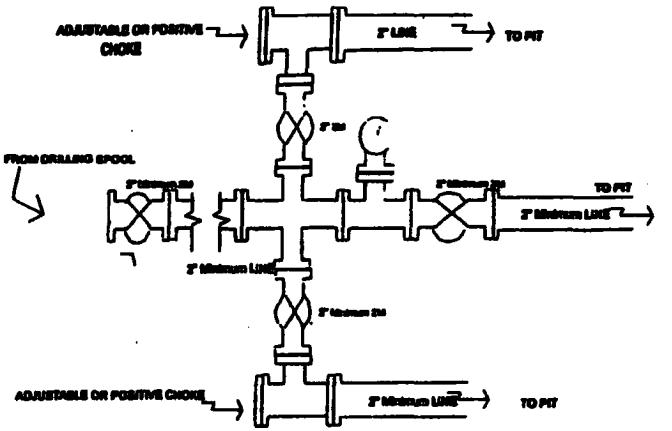
BOP installation from Surface Casing Point to Total Depth. 11" Bore 10" Nominal, 2000 psi working pressure double gate BOP to be equipped with blind rams and pipe rams. A 500 psi rotating head on top of ram preventers. All BOP equipment is 2,000 psi working pressure

4-20-01

Figure #1

BURLINGTON RESOURCES

Drilling Rig
Choke Manifold Configuration
2000 psi System

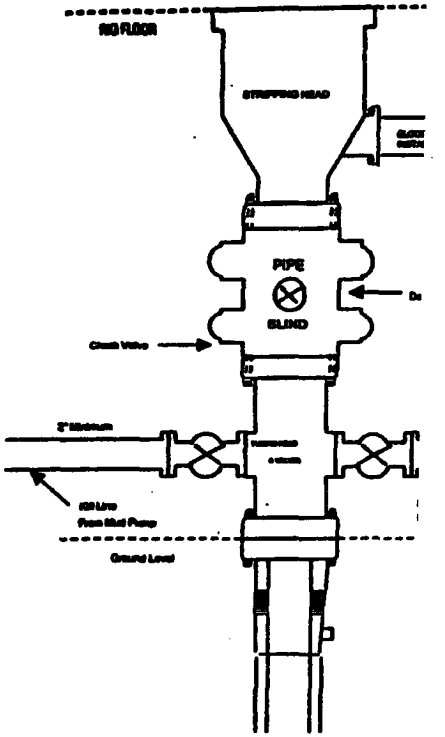


Choke manifold installation from Surface Casing Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure #3

BURLINGTON RESOUR

Completion/Workover Ri
BOP Configuration
2,000 psi System



Minimum BOP installation for all Completi Operations. 7-1/16" bore, 2000 psi minim pressure double gate BOP to be equipped pipe rams. A stripping head to be installe the BOP. All BOP equipment is 2000 psi pressure or greater excluding 500 psi strip

Figure 4

4-20-01