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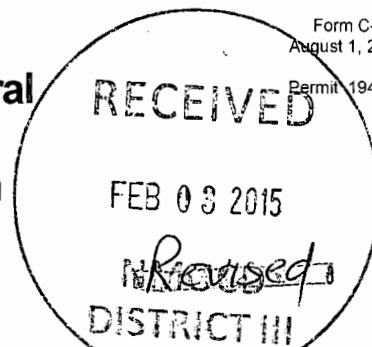
ATTACHED:

FORM C101 STATE OF NEW MEXICO
APPLICATION FOR PERMIT TO DRILL
(SURFACE LOCATION)

FORM 2 STATE OF COLORADO
APPLICATION FOR PERMIT TO DRILL
(BOTTOM HOLE LOCATION)
LETTER OF ATTACHMENTS

District I1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720**District II**811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 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
Energy, Minerals and Natural
Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011
Permit 194730**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 STREET FARMINGTON, NM 87402		2. OGRID Number 14538
4. Property Code		6. Well No. 138H
5. Property Name ALLISON UNIT COM		3. API Number 30-045-35034

(CO API # 05-067-09924)

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	8	32N	06W	3	176	N	2615	W	SAN JUAN

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	0				0	N	0	E	

9. Pool Information

BASIN FRUITLAND COAL (GAS)	71629
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Additional Well Information

11. Work Type New Well	12. Well Type GAS	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 6134
16. Multiple N	17. Proposed Depth 6910	18. Formation Fruitland Coal	19. Contractor	20. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits**21. Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	9.625	32.3	500	253	0
Int1	8.75	7	23	3249	717	0
Liner1	6.25	4.5	11.6	6910	0	0

Casing/Cement Program: Additional Comments

This is a horizontal well that has a surface location in New Mexico. The production interval starts in Colorado with no gas production coming from New Mexico. The State of NM will receive the normal Unit Royalties from this well since this well belongs to the Allison Unit. Cement volumes are indicated in CF instead of sx and Casing depths are measured in TVDs. Will utilize a closed loop system to handle drilling and completed fluids. The NM and Colorado plats and the drilling prognosis and directional plan will be delivered to the NMOCD. The Production Start point will be 435' FSL & 1978' FEL, Section 22, T32N, R6W, La Plata County, Colorado. The location exception was needed because the bottomhole location was less than 990' from the Allison boundary line per the Spacing orders in that covered that section. Location exception for the bottomhole placement was given by the COGCC. A copy of the COGCC APD approval will also be delivered on 1/26/15.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	2000	2000	Schafer

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.
 I further certify I have complied with 19.15.14.9 (A) NMAC ☐ and/or 19.15.14.9 (B) NMAC ☐ if applicable.

Signature:

Printed Name: PATSY CLUGSTON

Title: STAFF REGULATORY TECH.

Email Address: Patsy.L.Clugston@copec

Date: 2/2/15

Phone: 360-9518

OIL CONSERVATION DIVISION

Charles Kern 2-5-2015

Approved By:

Title: SUPERVISOR DISTRICT #3

Approved Date: FEB 05 2015

Conditions of Approval Attached

Expiration Date:

FEB 05 2017

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240
Phone: (575) 393-6181 Fax: (575) 393-0720

DISTRICT II
811 S. First St., Artesia, N.M. 88210
Phone: (575) 748-1283 Fax: (575) 748-8720

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410
Phone: (505) 334-6178 Fax: (505) 334-8170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, N.M. 87505
Phone: (505) 476-3460 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, N.M. 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045- 35634	*Pool Code 9774	*Pool Name FRUITLAND COAL Colorado
*Property Code 6785	*Property Name ALLISON UNIT COM	*Well Number 138H
*OGRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP	*Elevation 6134

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
C	8	32 N	6 W	LOT 3	176	NORTH	2615	WEST	SAN JUAN

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
D	22	32 N	6 W		675	NORTH	990	WEST	LA PLATA

¹² Dedicated Acres Production will be in Colorado only	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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>18 LEGEND:</p> <ul style="list-style-type: none">○ = SURFACE LOCATION● = FOUND 1961 B.L.M. BRASS CAP (CC)⊙ = FOUND 1961 B.L.M. BRASS CAP◇ = MILE POST (AS LABELED) <p>BEARINGS & DISTANCES SHOWN ARE REFERENCED TO THE NEW MEXICO COORDINATE SYSTEM, WEST ZONE, NAD 83, UNLESS OTHERWISE NOTED.</p> <p>BOTTOM HOLE LOCATION COURSE 1 - N 58°07'42" W, 1179.89' COURSE 2 - N 43°10'29" W, 3425.37'</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, and that this organization either owns a working interest or unleased mineral 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 working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Patsy Clugston</i> 1/23/15 Signature Date Patsy Clugston Printed Name Patsy.L.Clugston@conocophillips.com E-mail Address</p> <p>16 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>04/07/14 Date of Survey Signature and Seal of MARSHALL W. LINDEEN NEW MEXICO 17078 PROFESSIONAL SURVEYOR 17078 Certificate Number</p>	<p>18 LEGEND:</p> <ul style="list-style-type: none">○ = SURFACE LOCATION● = FOUND 1961 B.L.M. BRASS CAP (CC)⊙ = FOUND 1961 B.L.M. BRASS CAP◇ = MILE POST (AS LABELED) <p>BEARINGS & DISTANCES SHOWN ARE REFERENCED TO THE NEW MEXICO COORDINATE SYSTEM, WEST ZONE, NAD 83, UNLESS OTHERWISE NOTED.</p> <p>BOTTOM HOLE LOCATION COURSE 1 - N 58°07'42" W, 1179.89' COURSE 2 - N 43°10'29" W, 3425.37'</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, and that this organization either owns a working interest or unleased mineral 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 working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Patsy Clugston</i> 1/23/15 Signature Date Patsy Clugston Printed Name Patsy.L.Clugston@conocophillips.com E-mail Address</p> <p>16 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>04/07/14 Date of Survey Signature and Seal of MARSHALL W. LINDEEN NEW MEXICO 17078 PROFESSIONAL SURVEYOR 17078 Certificate Number</p>
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Burlington Resources Oil & Gas Company LP, a subsidiary of ConocoPhillips proposes to drill and complete the referenced horizontal well targeting a coal seam with in the Fruitland formation.

Technical Plan

1. Location

Allison Unit COM #138H

SHL: 176' FNL, 2,615' FWL -- T 32N, R 06W, Sec 08 (New Mexico)

BHL: 675' FNL, 990' FWL -- T 32N, R 06W, Sec 22 (Colorado)

GL: 6,134'

2. Geological Markers

Anticipated formation tops with comments of any possible water, gas, or oil shows are indicated below:

Formation	Depth (TVD)	Remarks
Nacimiento	277'	
Ojo Alamo	1,824'	
Kirtland	1,937'	
Fruitland	2,377'	Gas
Blue Mesa	2,583'	Gas

See attached directional plan for anticipated formation tops in measure depth.

3. Pressure Control Equipment

See Attached BOPE & Choke Manifold Schematic for a diagram of pressure control equipment.

- BOPE will be nipped up on top of wellhead after surface casing is set and cemented.
- Pressure control configuration will be designed to meet the minimum 2M standards.
- All equipment will have 3M pressure ratings.
- A rotating head will be rigged up on top of annular as seen in attached diagram.

4. Casing & Cement Program

A) The proposed casing program is outlined below:

Proposed Casing				
Casing	Hole Size	Casing Size	Weight/Grade	Set Depth TVD/MD
Surface	12-1/4"	9-5/8"	32.3#, H-40, STC, New	500' TVD/MD
Intermediate	8-3/4"	7"	23.0#, L-80, LTC, New	2,575' TVD / 3,249' MD
Production Liner (pre-perforated)	6-1/4"	4-1/2"	11.6#, J-55/L-80, BTC, New	2,548' TVD / 6,698' MD

The production liner will be landed back into the intermediate casing string at a minimum of 100' overlap by means of liner hanger with a pack-off element. Production liner will be pre-perforated and left in open hole.

If the 6-1/4" hole is not drilled to total MD, the production liner setting depth and length will be adjusted accordingly.

The 7" casing string will be set across setback boundary line and within drill block.

B) The proposed cement program is shown below:

Cement Program				
Interval	Depth (MD)	Volume	Slurry	Planned Cement Top
Surface	500'	253 ft ³	Lead Cmt: Type III Cmt 0.25% FL-52, 0.25 pps celloflake 1.25 ft ³ /sk -- 5.75 gal/sk 15.2 ppg	Surface
Intermediate	3,249'	717 ft ³	Lead Cmt: Premium Lite 3% CaCl, 0.25 pps celloflake, 5 ppm LCM-1, 0.4% FL-52, 8% Bentonite, 0.4% SMS 2.13 ft ³ /sk -- 11.29 gal/sk 12.1 ppg Tail Cmt: Type III 1% CaCl, 0.25 pps celloflake, 0.2% FL-52 1.38 ft ³ /sk -- 6.64 gal/sk 14.6 ppg	Surface
Production	6,698'	N/A	N/A – Open hole with pre-perforated liner.	N/A

Slurry additives may be adjusted as needed to accommodate required pump and compressive test times.

For the intermediate hole section a 2-stage cement job may be performed if hole conditions indicate during operations. Stage tool will be placed appropriately as conditions indicate.

C) The proposed centralizer program is shown below:

Centralizer Program	
Interval	Centralizers
Surface	1 per joint on bottom 3 joints
Intermediate	10' above shoe jnt w/ collar clamp On top of 2 nd , 4 th , 6 th , 8 th , 10 th jnts 1 every 4 th jnt (at min) to Ojo Alamo 1 Turbolizer at base of Ojo Alamo 1 every joint thru Ojo Alamo 1 Turbolizer will be placed mid-way into Ojo Alamo 1 every 4 th jnt from top of Ojo Alamo up to surface shoe 1 inside surface casing
Production	N/A

To allow adequate time for cement to achieve a minimum of 500 psi compressive strength, a minimum of 8 hours wait on cement time for each hole section will be observed. The wellhead will not be installed, casing will not be tested, and the prior casing shoe will not be drilled out until adequate wait on cement time is achieved.

5. Drilling Fluids

A) The proposed drilling fluid program is outlined below:

Mud Program			
Interval	Mud Type	Weight (ppg)	Fluid Loss (cc)
Surface	Air / Water Gel System	Air 8.3 - 9.2	NC
Intermediate	LSND / Gel System	8.4 - 9.5	6 - 16
Production	LSND Brine (if needed)*	8.5 - 10	4 - 14

*In the Production hole, Brine will be utilized only if a weighting agent is needed to raise MW (for either well control or wellbore stability purposes).

LCM may be added to the mud system if hole conditions indicate.

B) If brine is utilized, any cuttings drilled with brine will be hauled off to an approved disposal site.

6. Abnormal Pressures & Hazards

- No over-pressured intervals expected.
- Estimated Reservoir Pressure = 1,500 psi.
- Maximum Anticipated Surface Pressure = 1,300 psi

- No hydrogen sulfide gas is expected based off nearby well production.

7. Testing, Logging, Coring

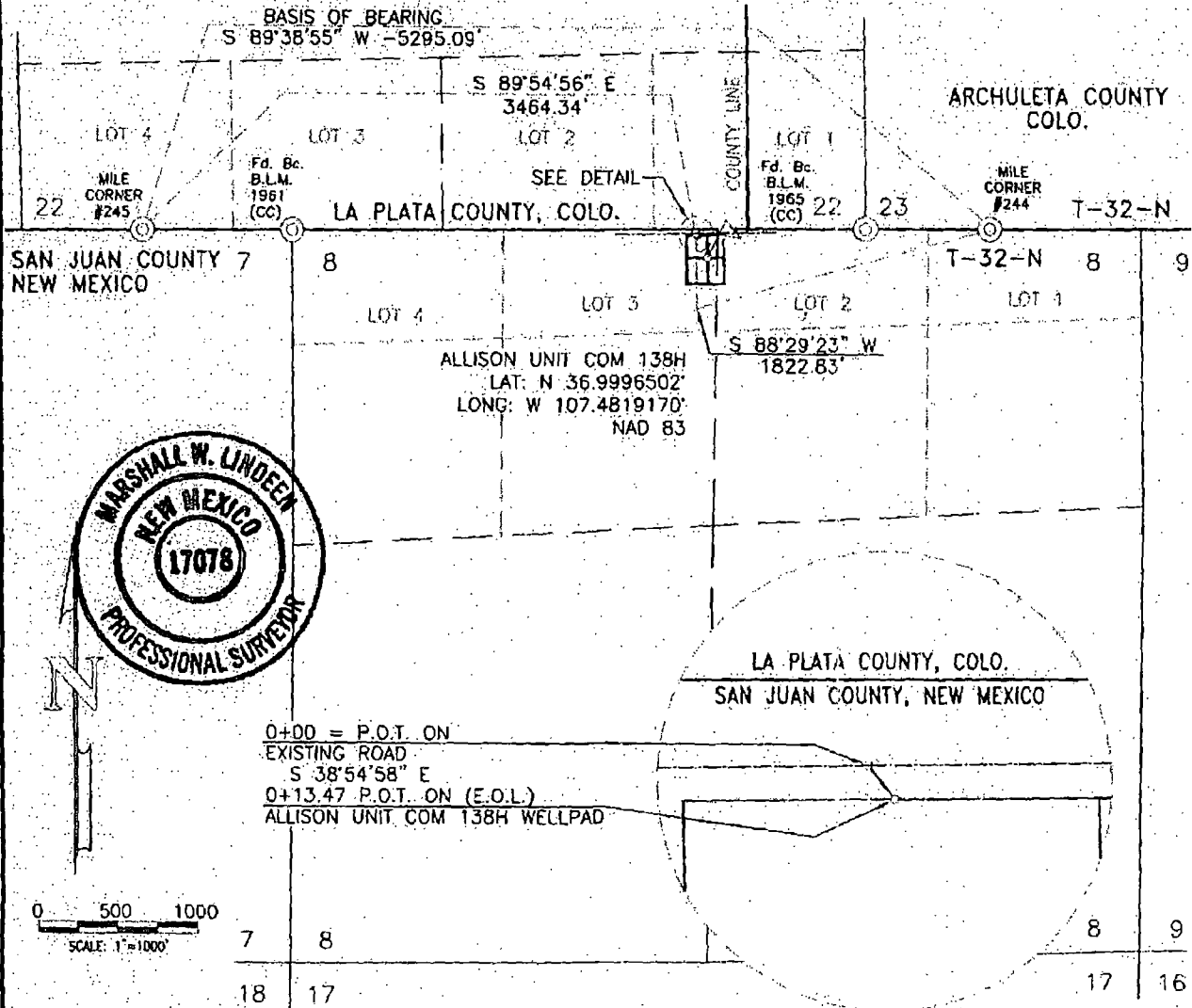
- Mud Logs: Mud loggers will be rigged up from above Fruitland coal to production hole TD.
- MWD: Directional tools from KOP to production hole TD.
- LWD: Gamma Ray utilized in production hole for well placement.
- Logs: No planned open hole logs (other than the previously identified LWD logs) will be ran.
- Cased Hole Logs: If cement is not circulated to surface on intermediate cement job, a Temp Survey will be ran to verify TOC.

8. Directional Plan

The planned wellbore directional plan and plot are attached.

The planned directional plan is built off geological targets from offset wells. The production hole will be landed and drilled within target formation horizontally utilizing LWD equipment to help steer the wellbore. On site adjustments will be made to the directional plan as formation and hole indicates.

BURLINGTON RESOURCES OIL & GAS COMPANY LP
ALLISON UNIT COM 138H PROPOSED ACCESS
NW/4 SEC. 8, T-32-N, R-6-W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO



- NOTES:
1. BASIS OF BEARING: AS MEASURED BETWEEN MILE CORNERS #244 & #245 ON THE NM/CO STATE LINE.
BEARS: S 89°38'55" W - 5295.09'
 2. ALL BEARINGS & DISTANCES SHOWN ARE BASED UPON THE NEW MEXICO COORDINATE SYSTEM, WEST ZONE, NAD 83.
(COMBINED SCALE FACTOR: 0.9996386)

OWNER	STATION	FEET/RODS
ROSA JOINT VENTURE	0+00 TO 0+13.47	13.47/0.816

I, MARSHALL W. LINDEEN, BEING A PROFESSIONAL SURVEYOR IN THE STATE OF NEW MEXICO, DO HEREBY CERTIFY THAT THE SURVEY REPRESENTED BY THIS PLAT WAS MADE UNDER MY DIRECT SUPERVISION AND THAT THIS PLAT ACCURATELY REPRESENTS THIS SURVEY TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Marshall W. Lindeen
 MARSHALL W. LINDEEN P.S. #17078

5-15-14
 DATE

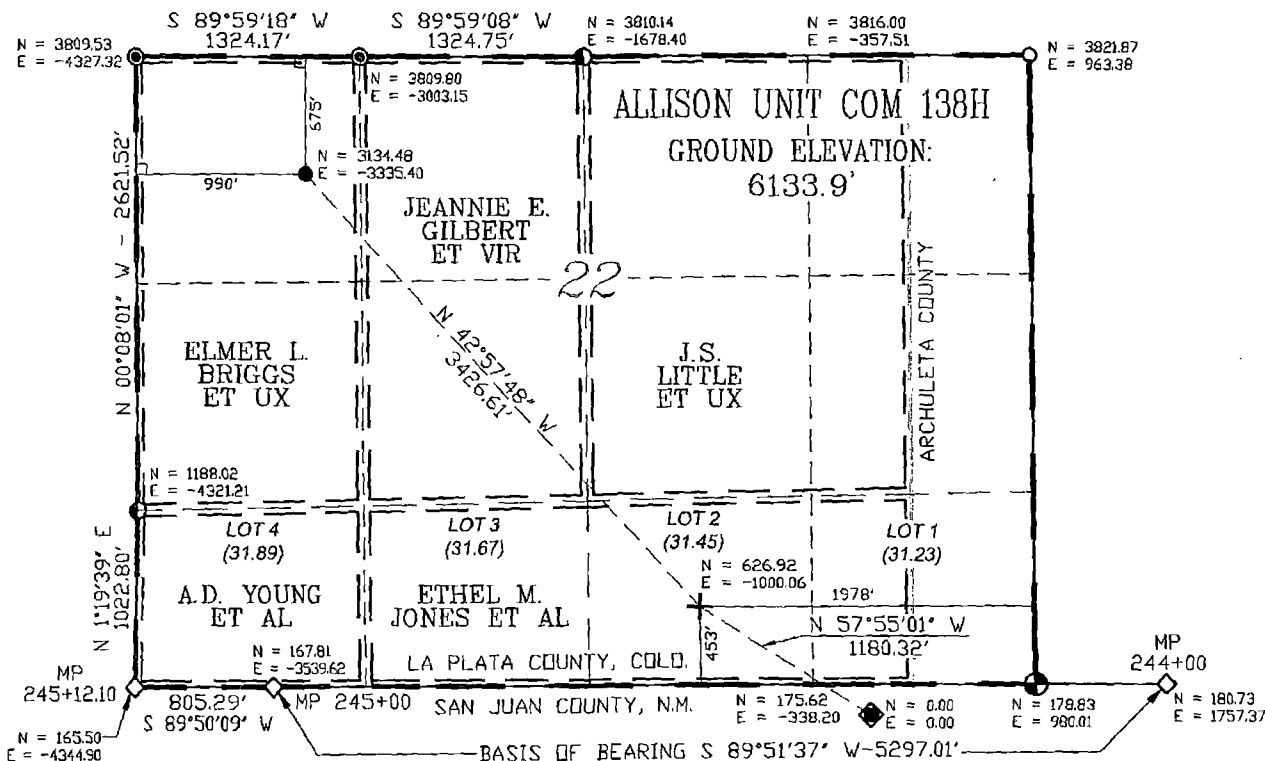
BURLINGTON
RESOURCES OIL & GAS COMPANY LP

UNITED
 FIELD SERVICES INC.

P.O. BOX 3651
 FARMINGTON, NM 87489
 OFFICE: (505) 334-0408

DWG. NO. 110730A01	REVISION: 1
DRAWN BY: HS	DATE DRAWN: 05/07/14
SURVEYED: 04/07/14	APP. BY: M.W.L.
	SHEET: 1

BURLINGTON RESOURCES OIL & GAS COMPANY LP
ALLISON UNIT COM 138H
 176' FNL & 2615' FWL (SURFACE), SEC. 8, SAN JUAN COUNTY, N.M.
 675' FNL & 990' FWL (BOTTOM HOLE) SEC. 22, LA PLATA COUNTY, COLO.
 OF T-32-N, R-6-W, N.M.P.M.,
 GROUND ELEVATION: 6133.9'



NOTES

1. SURFACE BEARINGS AND DISTANCES ARE SHOWN.
2. NORTHING & EASTING COORDINATES ARE REFERENCED TO LOCALIZED SYSTEM WITH THE SURFACE LOCATION DEFINED AS THE ORIGIN.
3. BEARINGS & DISTANCES SHOWN ARE BASED ON GPS OBSERVATIONS WITH A LOCALIZED TRANSVERSE MERCATOR PROJECTION, PROJECTED TO GROUND COORDINATES WITH THE ORIGIN AT THE WELL FLAG LOCATION.

LEGEND

- ◆ SURFACE LOCATION
- BOTTOM HOLE LOCATION
- ① 1965 B.L.M. BRASS CAP
- ② 1965 B.L.M. BRASS CAP (CC)
- ⊙ ALUMINUM CAP LS #17482
- ALUMINUM CAP LS #33648
- ◇ MILE POST (244+00, 245+00, 245+12.10)
- L DENOTES 90° TIE
- ⊕ PRODUCTION INTERVAL START

GEO. SURFACE VALUES

LATITUDE (NAD 83)
 NORTH 36.996502°
LONGITUDE (NAD 83)
 WEST 107.4819170°



SCALE: 1" = 1000'

BASIS OF BEARING

AS MEASURED BETWEEN MILE POSTS
 244 & 245 ON THE NEW MEXICO / COLORADO STATE LINE.
 BEARS: S 89°51'37" W - 5297.01'

BURLINGTON
 RESOURCES OIL & GAS COMPANY LP



P.O. BOX 3651
 FARMINGTON, NM 87499
 OFFICE: (505) 334-0408

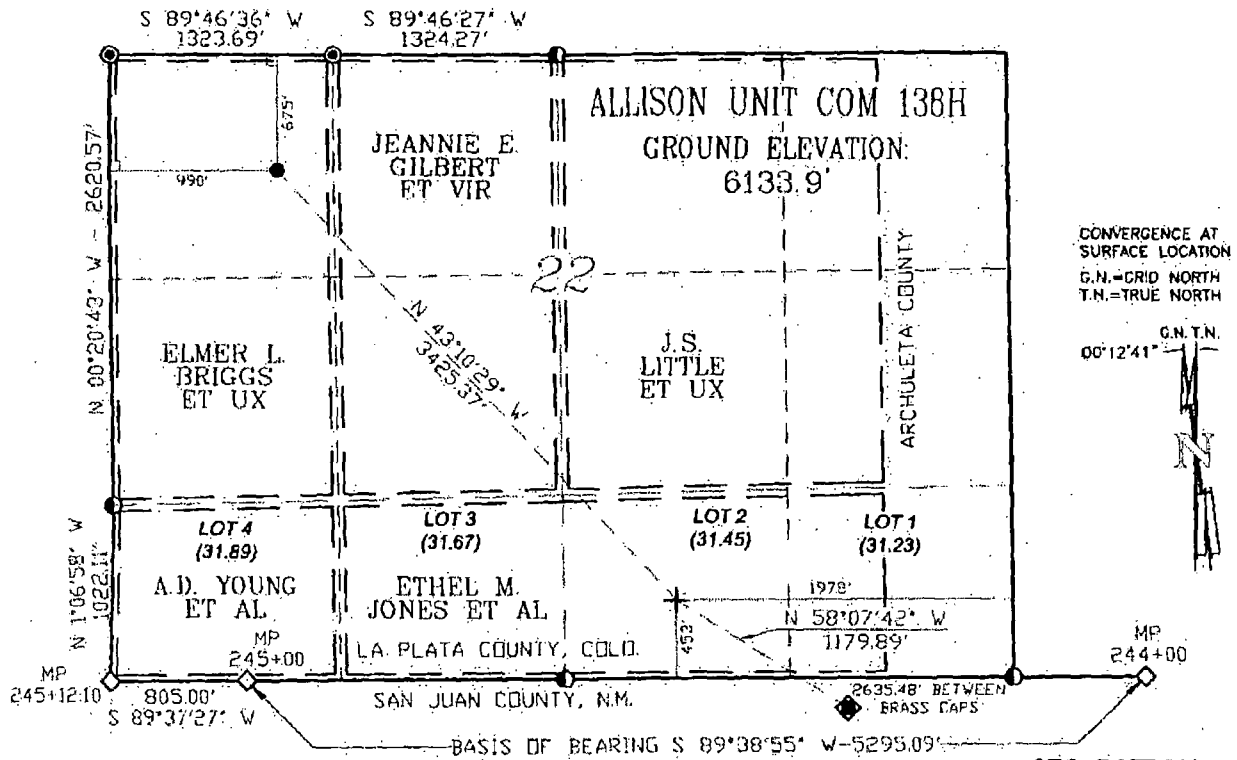
SCALE: 1" = 1000' JOB No. 10730 DATE: 05/12/14

DRILLER'S DIAGRAM FOR
BURLINGTON RESOURCES OIL & GAS COMPANY LP
ALLISON UNIT COM 138H

SURFACE: 176' F/NL & 2615' F/WL, SEC. 8,
T. 32 N, R. 6 W, N.M.P.M. SAN JUAN COUNTY, N.M.
BOTTOM HOLE: 675' F/NL & 990' F/WL, SEC. 22,
T. 32 N, R. 6 W, N.M.P.M. LA PLATA COUNTY, COLO.

BY: H.S. DWG.#: 107300S1 REV. DATE: 01/12/15

T. 32 N., R. 6 W.



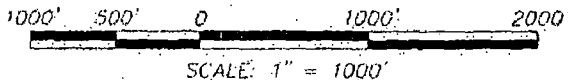
CONVERGENCE AT SURFACE LOCATION
G.N.=GRID NORTH
T.N.=TRUE NORTH



BASIS OF BEARING/DATUM

NM SP WEST (1983) - NAVD 88 ELEV., GPS OBSERVATIONS:
AS MEASURED BETWEEN MP 244 & MP 245 ON THE
NEW MEXICO/COLORADO STATE LINE

BASIS OF ELEVATION: AS MEASURED AT OPUS ADJUSTED CONTROL POINT
LOCATED IN THE SW¼ OF SECTION 9, ELEVATION: 6148.68'.
T-32-N, R-6-W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO



GEO. SURFACE VALUES

LATITUDE (NAD 83)
NORTH 36.9996502°
LONGITUDE (NAD 83)
WEST 107.4819170°
LATITUDE (NAD 27)
NORTH 36°59.97871'
LONGITUDE (NAD 27)
WEST 107°28.87870'

GEO. BOTTOM HOLE VALUES
(CALCULATED BOTTOM HOLE VALUES
DERIVED FROM COP DESIGN FOOTAGES)

LATITUDE (NAD 83)
NORTH 37.0082561°
LONGITUDE (NAD 83)
WEST 107.4833363°
LATITUDE (NAD 27)
NORTH 37°00.49507'
LONGITUDE (NAD 27)
WEST 107°29.56382'

SURVEYOR'S STATEMENT:

I, Marshall W. Lindeen, of Farmington, New Mexico, hereby state: This plat was made from notes taken during an actual survey under my direct supervision on APRIL 07, 2014, and it correctly shows the location of ALLISON UNIT COM 138H.

COLORADO PLS NO. 27271
1-13-15
DATE

LEGEND

- SURFACE LOCATION
- BOTTOM HOLE LOCATION
- 1965 B.L.M. BRASS CAP
- ALUMINUM CAP LS #17482
- ◇ MILE POST (244+00, 245+00, 245+12.10)
- L DENOTES 90° TIE
- PRODUCTION INTERVAL START

NOTE:

P.D.O.P. VALUE: N/A
BOTTOM HOLE IS CALCULATED
POSITION. SURFACE USE IS
NOT APPLICABLE.

BURLINGTON

RESOURCES OIL & GAS COMPANY LP

UNITED
FIELD SERVICES, INC.

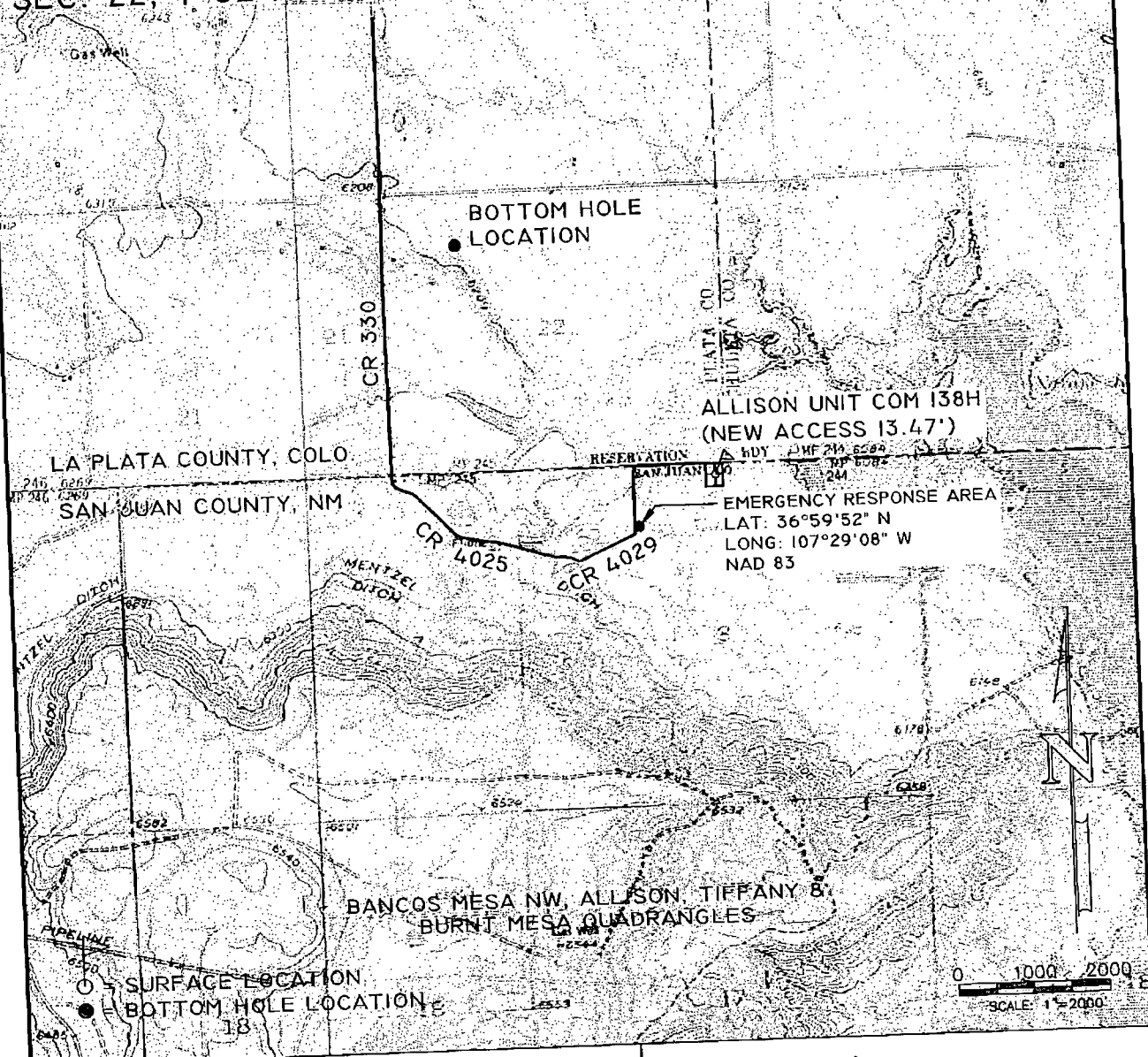
P.O. BOX 3651
FARMINGTON, NM 87499
OFFICE: (505) 334-0408

SCALE: 1" = 1000' JOB No. 10730 DATE: 05/07/14

**PLAT OF DRILLING LOCATION FOR
BURLINGTON RESOURCES OIL & GAS COMPANY LP
ALLISON UNIT COM 138H**

**SURFACE: 176' FINL & 2615' FWL, SEC. 8,
T. 32 N, R. 6 W, N.M.P.M. SAN JUAN COUNTY, N.M.
BOTTOM HOLE: 675' FINL & 990' FWL, SEC. 22,
T. 32 N, R. 6 W, N.M.P.M. LA PLATA COUNTY, COLO.**

BURLINGTON RESOURCES OIL & GAS COMPANY LP
ALLISON UNIT COM 138H - 176' FNL & 2615' FWL (SURFACE)
SEC. 8, T-32-N, R-6-W, N.M.P.M., SAN JUAN COUNTY, N.M.
675' FNL & 990' FWL (BOTTOM HOLE LOCATION)
SEC. 22, T-32-N, R-6-W, N.M.P.M., LA PLATA COUNTY, COLO.



SURFACE TYPE: ROSA JOINT VENTURE
 176' FNL, 2615' FWL (SURFACE) SEC. 8 (NM)
 FOOTAGES: 675 FNL, 990' FWL (BOTTOM HOLE) SEC. 22 (CO)
 8 (NM)
 SEC. 22 (CO) TWN. 32 N RNG. 6 W N.M.P.M.
 LAT: N 36.9996502° LONG: W 107.4819170° (NAD 83)
 ELEVATION: 6134

BURLINGTON
RESOURCES OIL & GAS COMPANY LP

UNITED
 FIELD SERVICES INC.

P.O. BOX 3651
 FARMINGTON, NM 87499
 OFFICE: (505) 334-0408

DWG. NO. : 10730T01	REVISION: 3
DRAWN BY: HS	DATE DRAWN: 05/07/14
SURVEYED: 04/07/14	APP. BY: M.W.L.
REV. DATE: 01/12/15	SHEET: 1

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David R. Catanach
Division Director
Oil Conservation Division



**New Mexico Oil Conservation Division Conditions of Approval
(C-101 Application for permit to drill)**

- ☒ Notify Aztec OCD 24hrs prior to casing & cement.
- ☒ Hold C-104 for directional survey & "As Drilled" Plat
 - ☐ Hold C-104 for NSL, NSP, DHC
 - ☐ Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned
 - ☐ Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:
 - A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A
 - A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A
 - A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C
 - ☐ Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
- ☒ Regarding Hydraulic Fracturing, review EPA Underground Injection Control Guidance 84
- ☒ Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.
- ☒ Well-bore communication is regulated under 19.15.29 NMAC. This requires well-bore Communication to be reported in accordance with 19.15.29.8.

FORM

2

Rev
08/13

State of Colorado

Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203

Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400720386

APPLICATION FOR PERMIT TO:

☒ Drill
 ☐ Deepen
 ☐ Re-enter
 ☐ Recomplete and Operate
TYPE OF WELL OIL ☐ GAS ☒ COALBED ☐ OTHER _____Refilling ☐

Date Received:

11/17/2014

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☐

Well Name: ALLISON UNIT COM

Well Number: 138H

Name of Operator: BURLINGTON RESOURCES OIL & GAS LP

COGCC Operator Number: 26580

Address: PO BOX 4289

City: FARMINGTON

State: NM

Zip: 87499

Contact Name: Patsy Clugston

Phone: (505)326-9518

Fax: (505)599-4062

Email: Patsy.L.Clugston@conocophillips.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 19920030

WELL LOCATION INFORMATION

QtrQtr: L 3 Sec: 8 Twp: 32N Rng: 6W Meridian: N

Latitude: 36.999650

Longitude: -107.481917

Footage at Surface: 176 feet FNL/FSL FNL 2615 feet FEL/FWL FWL

Field Name: IGNACIO BLANCO

Field Number: 38300

Ground Elevation: 6134

County: LA PLATA

GPS Data:

Date of Measurement: 04/07/2014 PDOP Reading: 1.0 Instrument Operator's Name: MARSHALL LINDEEN

If well is ☐ Directional ☒ Horizontal (highly deviated) submit deviated drilling plan.
 Footage at Top of Prod Zone: FNL/FSL FEL/FWL Bottom Hole: FNL/FSL FEL/FWL
 453 FSL 1978 FEL 675 FNL 990 FWL
 Sec: 22 Twp: 32N Rng: 6W Sec: 22 Twp: 32N Rng: 6W

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ IndianThe Surface Owner is: ☐ is the mineral owner beneath the location.(check all that apply) ☐ is committed to an Oil and Gas Lease.☐ has signed the Oil and Gas Lease.☐ is the applicant.The Mineral Owner beneath this Oil and Gas Location is: ☒ Fee ☐ State ☐ Federal ☐ Indian

The Minerals beneath this Oil and Gas Location will be developed by this Well: No

The right to construct the Oil and Gas Location is granted by: Surface Use Agreement

Surface damage assurance if no agreement is in place:

Surface Surety ID:

LEASE INFORMATION

Using standard QtrQtr, Sec, Twp, Rng format, describe one entire mineral lease that will be produced by this well (Describe lease beneath surface location if produced. Attach separate description page or map if necessary.)

SW NE, Lots 2 & 3, SW/NW, SENW, Lot 4, N/2 NW, NW/NE, Sec. 22, T32N, R6W,
COM Agreement 73972 covers all the acres in the lease. Note: Farmington BLM handles this COM Agreement for this section in Colorado because the bulk of the Allison Unit is in New Mexico.

Also no Form 2A will be submitted on this well since the Surface location is in New Mexico and is covered with a Surface Owner Agreement (see as an attachment)

Total Acres in Described Lease: 335 Described Mineral Lease is: ☒ Fee ☐ State ☐ Federal ☐ Indian

Federal or State Lease # COC 73972

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 453 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 1500 Feet
Building Unit: 1500 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 1000 Feet
Above Ground Utility: 1200 Feet
Railroad: 5280 Feet
Property Line: 176 Feet

INSTRUCTIONS:

- All measurements shall be provided from center of the Proposed Well to nearest of each cultural feature as described in Rule 303.a.(5).
- Enter 5280 for distance greater than 1 mile.
- Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.
- Building Unit, High Occupancy Building Unit, and Designated Outside Activity Area - as defined in 100-Series Rules.

DESIGNATED SETBACK LOCATION INFORMATION

Check all that apply. This location is within a: ☐ Buffer Zone
☐ Exception Zone
☐ Urban Mitigation Area

- Buffer Zone - as described in Rule 604.a.(2), within 1,000' of a Building Unit
- Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.
- Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: _____

Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: _____

SPACING and UNIT INFORMATION

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 2289 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 453 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): Allison Unit Unit Number: _____

SPACING & FORMATIONS COMMENTS

The APD is pending the results for the Waiver letters to offset owners which are being sent out and the final approval of the Director.

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
FRUITLAND COAL	FRLDC	112-61	335	W/2, W/2E/2

DRILLING PROGRAM

Proposed Total Measured Depth: 6910 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 2289 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H₂S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H₂S Drilling Operations Plan)

Will salt sections be encountered during drilling? No

Will salt based (>15,000 ppm Cl) drilling fluids be used? No

Will oil based drilling fluids be used? No

BOP Equipment Type: ☐ Annular Preventor ☒ Double Ram ☐ Rotating Head ☐ None

GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule N/A

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Commercial Disposal

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

A closed loop system will be used and the drilling fluid will be recycled to the next well unless it is unusable and then it will be hauled to a authorized Disposal Facility in NM - either the Basin Disposal or the Agua Moss Facility both in Bloomfield, NM.

Beneficial reuse or land application plan submitted? _____

Reuse Facility ID: _____ or Document Number: _____

CASING PROGRAM

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	12+1/4	9+5/8	32.3	0	500	253	500	0
2ND	8+3/5	7	23	0	3249	717	3249	0
1ST LINER	6+1/4	4+1/2	11.6	3149	6698	0		

☒ Conductor Casing is NOT planned

DESIGNATED SETBACK LOCATION EXCEPTIONS

Check all that apply:

- ☐ Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- ☐ Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
- ☐ Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
- ☐ Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
- ☐ Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

GREATER WATTENBERG AREA LOCATION EXCEPTIONS

Check all that apply:

- ☐ Rule 318A.a. Exception Location (GWA Windows).
- ☐ Rule 318A.c. Exception Location (GWA Twinning).

RULE 502.b VARIANCE REQUEST

☐ Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number _____

OTHER LOCATION EXCEPTIONS

Check all that apply:

- ☒ Rule 318.c. Exception Location from Rule or Spacing Order Number 112-61
☐ Rule 603.a.(2) Exception Location (Property Line Setback).

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

OPERATOR COMMENTS AND SUBMITTAL

Comments

This application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: _____

Is this application being submitted with an Oil and Gas Location Assessment application? No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: 

Print Name: Patsy Clugston

Title: Staff Regulatory Tech.

Date: 11/17/2014

Email: Patsy.L.Clugston@conocophilli

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: 

Director of COGCC

Date: 1/23/2015

Expiration Date: 01/22/2017

API NUMBER

05 067 09924 00

Conditions Of Approval

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

Best Management Practices

No BMP/COA Type

Description

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Attachment Check List

Att Doc Num	Name
1857526	SELECTED ITEMS REPORT
1857527	CORRESPONDENCE-new mexico & cogcc
2519612	WELL LOCATION PLAT
2519614	DEVIATED DRILLING PLAN
2519615	DEVIATED DRILLING PLAN
2519616	DRILLING PLAN
2519617	EXCEPTION LOC REQUEST
400720386	APD APPROVED
400737303	SURFACE AGRMT/SURETY
400775861	DIRECTIONAL DATA
400778961	FORM 2 SUBMITTED

Total Attach: 11 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed; no LGD or public comment received.	1/22/2015 2:19:59 PM
Permit	Exception Location request letter attached to permit.	1/22/2015 10:06:12 AM
Permit	Attached new drilling plan and well location plat for new bottom hole location.	1/20/2015 10:24:55 AM
Permit	Provided Northing and easting offsets are different directional data and the deviated drilling plan.	1/20/2015 9:53:14 AM
Permit	Operator is moving bottom hole. Waiting on attachments.	1/6/2015 2:51:05 PM
Engineer	<p>The surface location of this well in in NM. Refer to the attachment entitled CORRESPONDENCE-new mexico & cogcc</p> <p>The proposed gas well is located within an area where unconfined fresh water aquifers are mostly developed in bedrock formations consisting mainly of shale with intermittent sandstone stringers with limited areal extent or having pockets of isolated water reservoirs. Water wells found in these locations can vary in depth from 100' to 650'. These aquifers are commonly identified as the Animas formation. The depth of the surface casing is deemed adequate based on a review of the surrounding water wells.</p> <p>The casing in the lateral portion of the well will be a slotted liner and will not be cemented in place. These laterals will be completed naturally and will not be fracture stimulated. The Statewide HZ Offset Well Policy does not apply to horizontal wells not being fracture stimulated in the pay zone.</p> <p>For purposes of determining which water wells are to be sampled and analyzed, a plat map was prepared depicting the location of all the proposed gas well laterals and includes a 1320' envelope of investigation drawn around all the well bore trajectories (see attached SELECTED ITEMS REPORT or refer to COGIS well file API #067-09896 SELELCTED ITEMS REPORT-Offset gas wells doc #1857503). If any conventional gas wells are found encompassed by the envelope, the criteria for sampling extends from ¼ mile to ½ mile.</p> <p>There are no P&A wells within a quarter (1/4) mile of this well and its lateral; so, no PA assessment is required.</p>	12/10/2014 11:03:03 AM
Permit	Needs exception location request letter for encroachment to section 15 and 16.	11/21/2014 7:22:35 AM
Permit	<p>SURFACE LOCATION IS IN NEW MEXICO, Returned to draft: Spacing for section 22 is different depending on where the well is. 112-204 does not cover the wellbore. 112-46 appears to be the order covering section 22 outside the Allison Unit where the bottom hole of this well is located. Setback to spacing unit boundary is 990'. This well is 675' from the spacing unit boundary. At the very least this is an exception location requiring waivers from mineral interest owners in section 15,16, and 21. This form is missing the directional data template upload.</p> <p>Surface use agreement not signed by Burlington.</p>	11/18/2014 12:30:07 PM

Total: 8 comment(s)

BOPE & Choke Manifold Schematic

