UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 5 Lease Number Type of Work 1a. 2006 FEB NMSF-079382 079383 DRILL **Unit Reporting Number** RECEIVED NMNM-6784204MV 070 FARMINGTON 6.MIT Indian, All. or Tribe 1b. Type of Well GAS 2. 7. Unit Agreement Name Operator BURLINGTON RESCURCES Oil & Gas Company San Juan 30-6 Unit 8. Farm or Lease Name 3. Address & Phone No. of Operator nm)8.74994S. DI PO Box 4289, Farmington San Juan 30-6 9. Well Number (505) 326-9700 #95B 10. Field, Pool, Wildcat 4. Location of Well Blanco Mesaverde/ Basin Dakota Unit C (NENW), 750' FNL, 2170' FWL 11. Sec., Twn, Rge, Mer. (NMPM) Latitude 360 47.3290'N C Sec. 26, T30N, R7W Longitude 1070 32.4752'W API# 30-039-2 9807 14. Distance in Miles from Nearest Town 12. County 13. State 11 miles to Navajo City Rio Arriba NM 15. Distance from Proposed Location to Nearest Property or Lease Line 750 17. Acres Assigned to Well 16. Acres in Lease W/2 320 MV/DK 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 1200'- San Juan 30-6 Unit #418 19. 20. Rotary or Cable Tool **Proposed Depth** 7673 Rotary 21. Elevations (DF, FT, GR, Etc.) 22. Approx. Date Work will Start 6245'GL 23. **Proposed Casing and Cementing Program** See Operations Plan attached -9-06 24. Authorized by: MMMMM A Regulatory Compliance Assistant II APPROVAL DATE PERMIT NO. APPROVED BY TITLE

Archaeological Report attached

LANCE WITH ATTA

NSL in Basin Dakota Threatened and Endangered Species Report attached HOLD C194 FOR 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.

DRILLING OPERATIONS AUTHORIZED AND ACTION IS Subject to technical and

This action is subject to technical and procedural review pursuant to 43 OFF 3165 3 and appear pursuant to 43 OFF 3165 3

District I PO Box 1980, Hobbs. NM 88241-1980

State of New Mexico Energy, Minerals & Natural Resources Department Form C-102 Revised February 21, 1994 Instructions on back

Oistrict II PO Drawer DD. Artesia. NM 88211-0719

OIL CONSERVATION DIVISION

Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

District III 1000 Rio Brazos Rd. Aztec, NM 87410 PO Box 2088 Santa Fe, NM 87504 2088 PM 3 09

AMENDED REPORT

District IV PO Box 2088. Santa Fe, NM 87504-2088

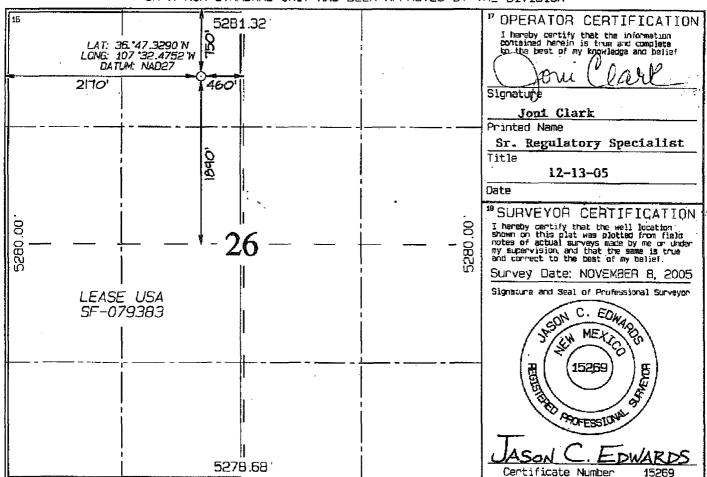
RECEIVED OTO FARMINGTON NM

WELL LOCATION AND ACREAGE DEDICATION PLAT

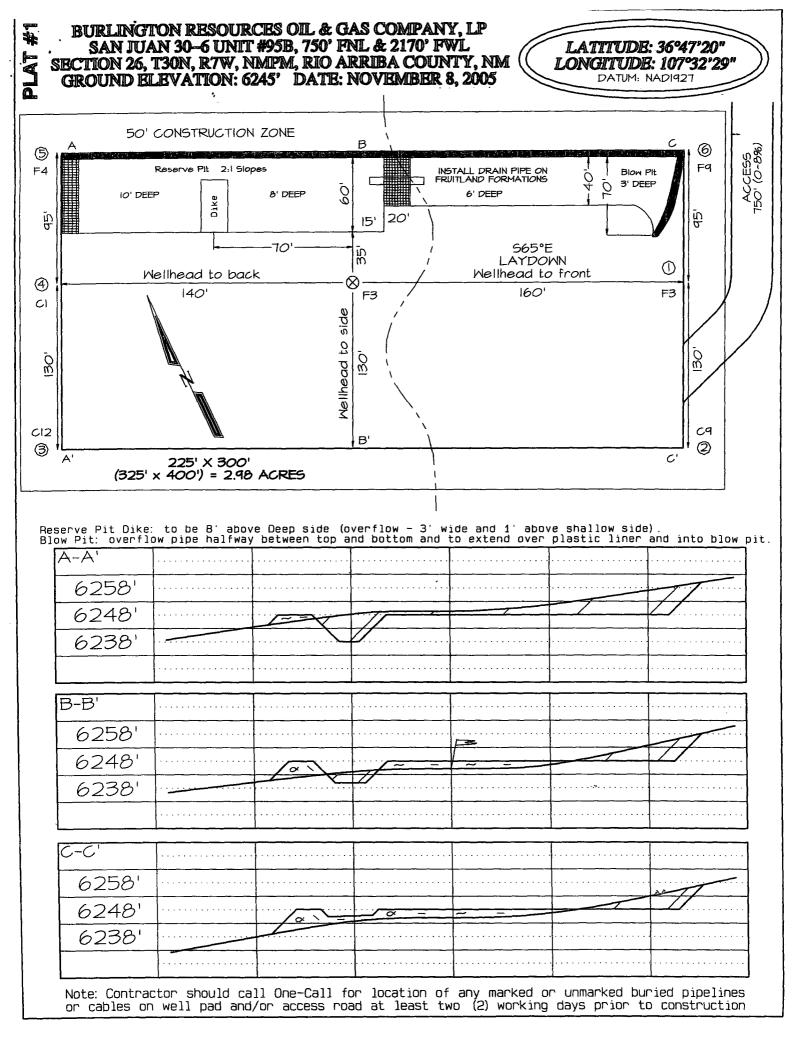
'API Number 30-039-2	Pcol Code 72319/71599	Pool Name Blanco Mesaverde/Basin Dakota	
*Property Code		Property Name	Well Number
7469	SAN	JUAN 30-6 UNIT	958
'CGRID No.		*Operator Name .	*Elevation
14538	BURLINGTON RES	DURCES OIL & GAS COMPANY, LP	6245 '
	10 5	urface Location	

UL or lot no. Section Morth/South line Township Hange Let Idn Feet from the Feet from the East/West Jine RIO C 26 JON 7W 750 NORTH 2170 WEST ARRIBA 11 Bottom Different Hole Location If From Surface UL or lot no. Section Taunsh:2 LOT ION feet from the North/South line Feet from the East/Mest line County ¹⁸ Dadicated Acres Dubint or Infill 14 Dancelidation Code ¹⁵ Order No. W/2 320 acres MV/DK

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



Submit 3 Copies To Appropriate District	State of New Mexico	Form C-103
Office District I	Energy, Minerals and Natural Resources	
1625 N. French Dr., Hobbs, NM 88240		WELL API NO.
District II	OIL CONSERVATION DIVISION	30-039-
1301 W. Grand Ave., Artesia, NM 88210 District III	1220 South St. Francis Dr.	5. Indicate Type of Lease STATE FEE
1000 Rio Brazos Rd., Aztec, NM 87410	Santa Fe, NM 87505	6. State Oil & Gas Lease No.
District IV	Santa Fe, INIVI 8/303	o. State on a das Lease No.
1220 S. St. Francis Dr., Santa Fe, NM 8750		NMSF-079382
	ES AND REPORTS ON WELLS TO DRILL OR TO DEEPEN OR PLUG BACK TO A	7. Lease Name or Unit Agreement Name
DIFFERENT RESERVOIR. USE "APPLICATIO		San Juan 30-6 Unit
PROPOSALS.)		Jan vaan 55 0 Jan
1. Type of Well:		8. Well Number
Oil Well Gas Well X	Other	95B
2. Name of Operator	URCES OIL & GAS COMPANY LP	9. OGRID Number 14538
3. Address of Operator	OKCES OIL & OAS COMPANY EI	10. Pool name or Wildcat
3401 E. 30TH STR	EET, FARMINGTON, NM 87402	Blanco Mesaverde/ Basin Dakota
4. Well Location	'50' feet from the North line and	2170) Fact from the West line
Unit Letter C : 7 Section 26	50' feet from the North line and Township 30N Range 7V	2170' feet from the West line NMPM County San Juan
	Elevation (Show whether DR, RKB, RT, GR, etc.)	
	6245'	
Pit or Below-grade Tank Application	or Closure	>200
Pit type New Drill Depth to Groundwa	ater <100 Distance from nearest fresh water well	>1000' Distance from nearest surface water <1000
Pit Liner Thickness: 12	mil Below-Grade Tank: Volume	bbls; Construction Material
12. Check A	Appropriate Box to Indicate Nature of No	otice, Report or Other Data
NOTICE OF IN	TENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK	I	AL WORK ALTERING CASING
TEMPORARILY ABANDON		NCE DRILLING OPNS. P AND A
PULL OR ALTER CASING	MULTIPLE COMPL CASING	/CEMENT JOB
OTHER: New	Drill X OTHER:	
	d operations. (Clearly state all pertinent details, and	
of starting any proposed work) or recompletion.	SEE RULE 1193. For Multiple Completions: Att	ach wellbore diagram of proposed completion
or recompletion.	,	
V 8011 V 1		
New Drill, Lined:		
Burlington Resources proposes to co	nstruct a new drilling pit and an associated vent/flar	e nit Based on Burlington's interpretation of the
		rlington's Revised Drilling / Workover Pit Construction /
		of the vent/flare pit will be designed to manage fluids and
		tes closing these pits according to the Drilling / Workover
Pit Closure Procedure dated August	2, 2004 on file at the NMOCD office	
	ove is true and complete to the best of my knowledge	
grade tank has been/will be constructed or clos	ed according to NMOCD guidelines, a general permit	X or an (attached) alternative OCD-approved plan .
SIGNATURE A. DOG .	S. I. D. MITTLE	DATE 1/10/2006
SIGNATURE Hymanda	Candoux TITLE Re	gulatory Assistant II DATE 1/10/2006
Type or print name Amand For State Use Only	a Sandoval E-mail address: <u>asandov</u>	al@br-inc.com Telephone No. 505-326-9530
1.	41/1	CAS INCENTION (1871 #1) FEB 2 7 200
APPPROVED BY	TITLE STON OR &	GAS INSPECTOR, DIST. 43 DATE
Conditions of Approval (if any):	/// /	



OPERATIONS PLAN

<u> Well Name:</u>

SAN JUAN 30-6 UNIT 95B

Location:

750' FNL & 2170' FWL, Section Sec 26 T30N R07W

Rio Arriba County, New Mexico

Formation:

Blanco Mesaverde/Basin Dakota

Elevation: 6245' GL

Formation Tops:	<u>Top</u>	Bottom	<u>Contents</u>
Surface	San Jose	2227 '	
Ojo Alamo	2227'	2339'	aquifer
Kirtland	2339'	2934'	gas
Fruitland Coal	2934'	3157'	gas
Pictured Cliffs	3157'	3282'	gas
Lewis	3282'	3837'	
Huerfanito Bentonite	3837'		
Chacra	4179'	4987 '	gas
Massive Cliff House	4987'	5024'	gas
Menefee	5024'	5362 '	gas
Massive Point Lookout	5362'	5707'	gas
Mancos Shale	5707'	6630'	
Upper Gallup	6630'	7358'	gas
Greenhorn	7358'	7 4 10'	gas
Graneros	7410'	7491'	gas
Two Wells	7491'	7556 '	gas
Upper Cubero	7556'	7592 '	gas
Lower Cubero	7592'	7658 '	gas
Encinal	7658'	, 7673 '	gas
Total Depth:	7673 '		qas

Logging Program:

Mud Logs/Coring/DST

Mud logs - none

Coring - none

DST - none

Open hole - none

Cased hole - Gamma Ray, CBL - surface to TD

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	Vis.	Fluid Loss
0 - 120'	Spud MUD/Air/Air Mist	8.4 - 9.0	40 - 50	no control
120- 3382'	LSND	8.4 - 9.0	30 - 60	no control
3382 - 7673'	Air/Air Mist/Nitrogen	n/a	n/a	n/a

Casing Program (as listed, the equivalent, or better):

<u>Hol</u>	<u>e Size</u>	Depth Interval	<u>Csg.Size</u>	<u>Wt.</u>	<u> Grade</u>
12	1/4"	0' - 120'	9 5/8"	32.3#	H-40
8	3/4"	0' - 3382'	7"	20/23#	J-55
6	1/4"	0' - 7673'	4 1/2"	10.5#	J-55
Tubing Program:					
		Depth Interval	<u>Csg.Size</u>	<u>Wt.</u>	<u>Grade</u>
		0! - 7673!	2 3/8"	4 7#	.T-55

BOP Specifications, Wellhead and Tests:

Surface to Intermediate TD -

11" 2000 psi minimum double gate BOP stack (Reference Figure #1). After nipple-up prior to drilling out surface casing, rams and casing will be tested to 600 psi for 30 minutes.

Intermediate TD to Total Depth -

11" 2000 psi minimum double gate BOP stack (Reference Figure #1). After nipple-up prior to drilling out intermediate casing, rams and casing will be tested to 1500 psi for 30 minutes.

Surface to Total Depth -

2" nominal, 2000 psi minimum choke manifold (Reference Figure #3).

Completion Operations -

7 1/16" 2000 psi double gate BOP stack (Reference Figure #2). After nipple up prior to completion, pipe rams, casing and liner top will be tested to 2000 psi for 15 minutes.

<u> Wellhead - </u>

9 5/8" x 7" x 4 $\frac{1}{2}$ " x 2 3/8" x 2000 psi tree assembly.

General -

- 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.
- BOP pit level drill will be conducted weekly for each drill crew.
- All BOP tests & drills will be recorded in daily drilling reports.
- Blind and pipe rams will be equipped with extension hand wheels.

Cementing:

9 5/8" surface casing -

Pre-Set Drilled - Cement with 23 sx Type I, II cement with 20% flyash mixed at 14.5 ppg, 1.61 cu ft per sack yield. (38 cu ft of slurry, bring cement to surface) Wait on cement for 24 hours for pre-set holes before pressure testing or drilling out from under surface.

Conventionally Drilled - Cement with 88 sx Type III cement with 0.25 pps Celloflake, 2% CaCl. (113 cu ft of slurry, 200% excess, bring cement to surface) Wait on cement for 8 hrs for conventionally set holes before pressure testing or drilling out from under surface. Wait on cement appropriate time until cement achieves 250 psi compressive strength at 60 degrees F. prior to nipple up of BOPE. Wait on cement for 8 hrs for conventionally set holes before pressure testing or drilling out from under surface. Test casing to 600 psi for 30 minutes.

Saw tooth guide shoe on bottom. Bowspring centralizers will be run in accordance with Onshore Order #2.

7" intermediate casing -

Lead with 297 sacks Premium Lite cement with 3% calcium chloride, 0.25 pps Celloflake, 5 pps LCM-1, 0.4% fluid loss, 0.4% sodium metasilicate. Tail w/90 sacks Type III cmt w/1% calcium chloride, 0.25 pps Celloflake, 0.2% fluid loss (124 cu ft 50% excess to circulate to surface). WOC minimum of 8 hours before drilling out intermediate casing. If cement does not circulate to surface, a CBL or a temperature survey will be run to determine TOC. Test casing to 1500 psi for 30 minutes.

7" intermediate casing alternative two stage -

Stage collar set 300' above the top of the Fruitland. First stage: Lead w/21 sacks Premium Lite cement with 3% calcium chloride, .25 pps celloflake, 5 pps LCM-1, 0.4% fluid loss. Tail w/90 sxs Type III cmt w/1% calcium chloride, 0.25 pps Celloflake, 0.2% fluid loss. Second stage: 276 sacks Premium Lite cement with 3% calcium chloride, .25 pps celloflake, 5 pps LCM-1, 0.4% fluid loss, 0.4% sodium metasilicate (588 cu ft - 50% excess to circulate to surface).

Cement nose guide shoe on bottom with float collar spaced on top of shoe joint. Bowspring centralizers spaced every other joint off bottom, to the base of the Ojo Alamo @ 2339'. Two turbolating centralizers at the base of the Ojo Alamo @ 2339'. Bowspring centralizers spaced every fourth joint from the base of the Ojo Alamo to the base of the surface casing.

4 1/2" Production Casing -

Pump 281 sxs Premium Lite HS FM w/0.25 pps celloflake, 0.3% CD-32, 6.25 pps LCM-1, 1% fluid loss, 6% gel, 7 pps CSE (556 cu.ft., 30% excess to achieve 100' overlap in 4-1/2" x 7" annulus). WOC a minimum of 18 hrs prior to completing.

Cementing: Continued

Cement float collar stacked on top of float shoe.

Note: If open hole logs are run, cement volumes will be based on 25% excess over caliper volumes.

Cement nose guide shoe on bottom with float collar spaced on top of shoe joint. The liner hanger will have a rubber packoff.

• If hole conditions permit, an adequate water spacer will be pumped ahead of each cement job to prevent cement/ mud contamination or cement hydration.

Special Drilling Operations (Air/Mist Drilling):

The following equipment will be operational while air/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.
- The blooie line will be equipped with an automatic igniter or pilot light.
- 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.
- 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 Mesa Verde and Dakota formations will be completed and commingled.
- No abnormal temperatures or hazards are anticipated.
- Anticipated pore pressures are as follows:

Fruitland Coal 300 psi
Pictured Cliffs 600 psi
Mesa Verde 700 psi
Dakota 2000 psi

- Sufficient LCM will be added to the mud system to maintain well control, if lost circulation is encountered below the top of the Pictured Cliffs.
- The west half of Section 26 is dedicated to the Dakota formation and Mesaverde formation.
- This gas is dedicated.



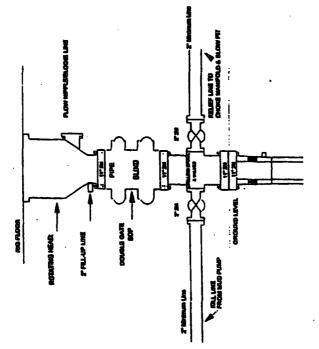
Completion/Workover Rig BOP Configuration 2,000 psi System

BURLINGTON RESOURCES

Dritting Rig Choise Manifold Configuration 2000 pel System

Burlington Resources

2000 psi System **Drilling Rig**

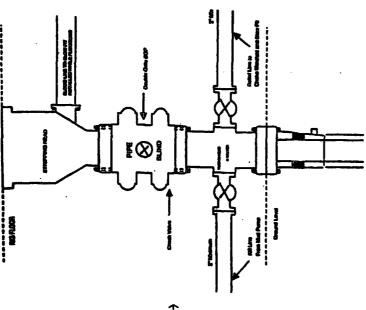


Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure #3

4-20-01

Figure #1



nure double gate BOP to be equipped with bilind and tpo rams. A stripping head to be installed on the top of presente or greater excluding 600 pal abitating head. he BOP. All BOP equipment to 2000 pel working erations. 7-1/16" bore, 2000 pel mini Minimum BOP installation for eil Com

Plgure #2

10-02-4