

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	5. Lease Number NM-01614 Unit Reporting Number 070 FARMINGTON	
1b. Type of Well GAS	6. If Indian, All. or Tribe	
2. Operator BURLINGTON RESOURCES Oil & Gas Company LP	7. Unit Agreement Name	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name Thompson 9. Well Number #12E	
4. Location of Well Unit K (NESW), 2230' FSL & 1650' FWL, Lat. 36°51.2757'N Long. 108°06.3995'W	10. Field, Pool, Wildcat Basin Dakota 11. Sec., Twn, Rge, Mer. (NMPM) K Sec. 33, T31N, R12W API # 30-045-33849	
14. Distance in Miles from Nearest Town 4 miles to INT HWY 564 CR 3535 in Flora Vista, NM	12. County San Juan	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1650'	17. Acres Assigned to Well DK 320 W/2	
16. Acres in Lease		
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 754' Thompson #1R		
19. Proposed Depth 6903'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 5971' GR	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <i>[Signature]</i> Regulatory Analyst	Date <i>7/14/06</i>	

PERMIT NO.

APPROVAL DATE

APPROVED BY *[Signature]*

TITLE *Acting HMA Minerals*

DATE *8/11/06*

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.

This well is NOT in the HPA area.

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.9
and appeal pursuant to 43 CFR 3165.4

NMOC

DISTRICT I
1626 N. French Dr., Hobbs, N.M. 88240

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

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

State of New Mexico
Energy, Minerals & Natural Resources Department

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

Form C-102
Revised October 12, 2005

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045- 33849	² Pool Code 71599	³ Pool Name Basin Dakota
⁴ Property Code 18628	⁵ Property Name THOMPSON	⁶ Well Number 12E
⁷ OGRID No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP	⁹ Elevation 5971'

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
K	33	31-N	12-W		2230'	SOUTH	1650'	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
K									
¹² Dedicated Acres DK 320.0 ac W2			¹³ 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

USA NM-01614

33

1650'

2230'

LAT: 36°51.2757' N.
LONG: 108°08.3995' W.
NAD 1927

LAT: 36°51'16.6" N.
LONG: 108°08'26.2" W.
NAD 1983

S 88°35' E
2616.90'

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 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 division.

Philana Thompson
Signature

Philana Thompson
Printed Name

18 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.

6-17-2006
Date of Survey
Signature and Seal of Professional Surveyor:

GLEN W. RUSSELL
NEW MEXICO
15703
LICENSED PROFESSIONAL SURVEYOR

Glen W. Russell
Certificate Number 15703

District I

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Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

<p align="center">SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)</p>		<p>WELL API NO. 30-045- 33849</p>
<p>1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/></p>		<p>5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/></p>
<p>2. Name of Operator BURLINGTON RESOURCES OIL & GAS COMPANY LP</p>		<p>6. State Oil & Gas Lease No. NM-01614</p>
<p>3. Address of Operator 3401 E. 30TH STREET, FARMINGTON, NM 87402</p>		<p>7. Lease Name or Unit Agreement Name Thompson</p>
<p>4. Well Location Unit Letter <u>K</u> : <u>2230'</u> feet from the <u>South</u> line and <u>1650'</u> feet from the <u>West</u> line Section <u>33</u> Township <u>31N</u> Rng <u>12W</u> NMPM County <u>San Juan</u></p>		<p>8. Well Number 12E</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.)</p>		<p>9. OGRID Number 14538</p>
<p>Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/></p>		<p>10. Pool name or Wildcat Basin Dakota</p>
<p>Pit type <u>New Drill</u> Depth to Groundwater <u>>100'</u> Distance from nearest fresh water well <u>>1000'</u> Distance from nearest surface water <u>>200'</u> Pit Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume <u> </u> bbls; Construction Material <u> </u></p>		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: New Drill ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

New Drill, Lined:

Burlington Resources proposes to construct a new drilling pit and an associated vent/flare pit. Based on Burlington's interpretation of the Ecosphere's risk ranking criteria, the new drilling pit will be a lined pit as detailed in Burlington's Revised Drilling / Workover Pit Construction / Operation Procedures dated November 11, 2004 on file at the NMOCD office. A portion of the vent/flare pit will be designed to manage fluids and that portion will be lined as per the risk ranking criteria. Burlington Resources anticipates closing these pits according to the Drilling / Workover Pit Closure Procedure dated August 2, 2004 on file at the NMOCD office.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Philana Thompson TITLE Regulatory Assistant DATE 7/12/2006

Type or print name Philana Thompson E-mail address: pthompson@br-inc.com Telephone No. 505-326-9700
For State Use Only

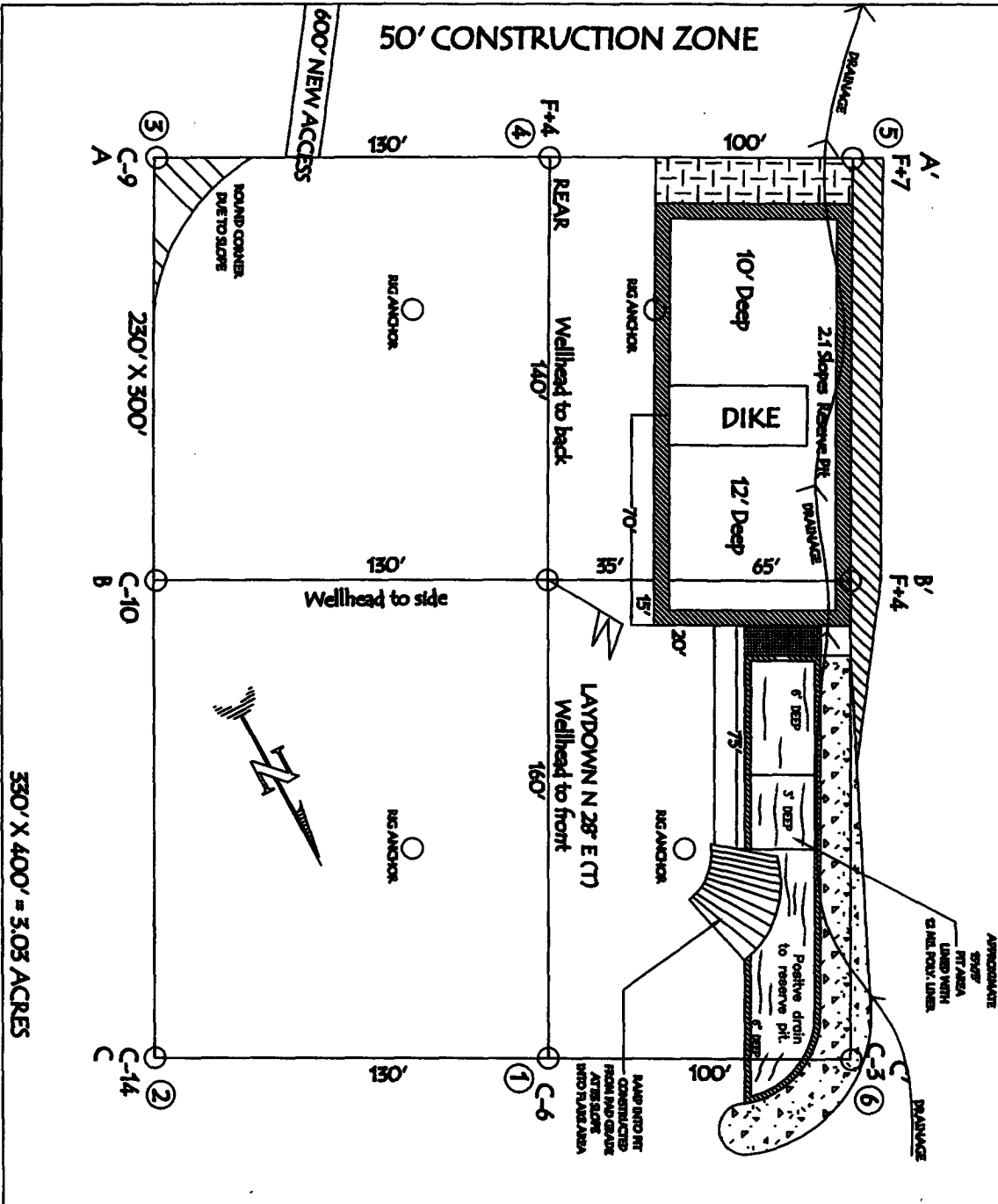
APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 63 DATE AUG 14 2006

Conditions of Approval (if any):

BURLINGTON RESOURCES OIL & GAS COMPANY LP
THOMPSON 12E, 2230' FSL & 1650' FWL
SECTION 33, T-31-N, R-12-W, NMPM, SAN JUAN COUNTY, NM
GROUND ELEVATION: 5971', DATE: JUNE 7, 2006

RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).

BLOW PIT: OVERFLOW PIPE 4' ABOVE BOTTOM OF BLOW PIT.



LAT: 36° 51.275' N LONG: 108° 06.3995' W NAD27

330' X 400' = 3.03 ACRES

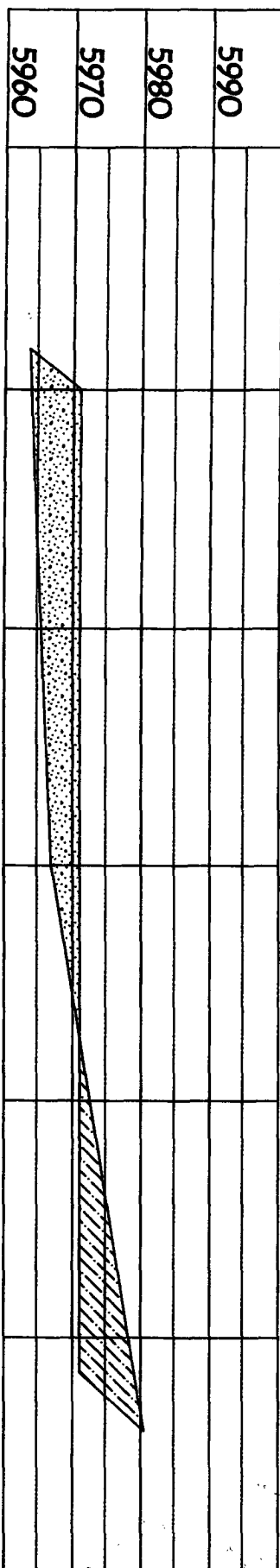
NOTE: VECTOR SURVEYS LLC IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES.

CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED

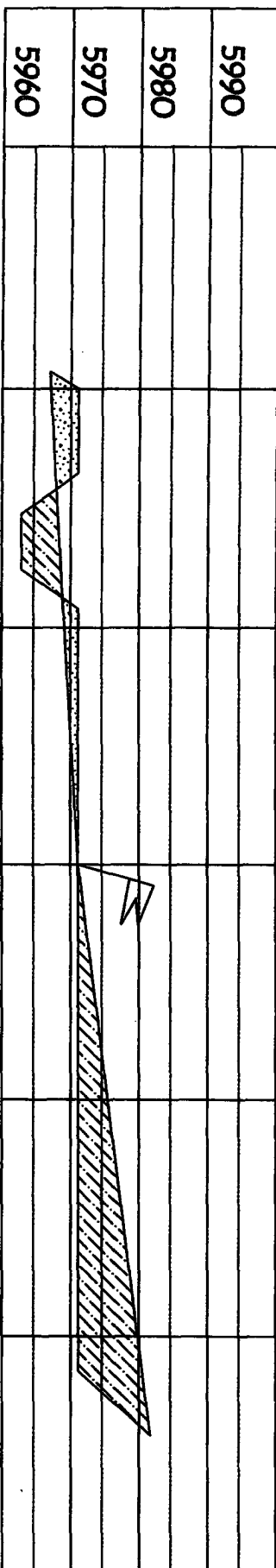
PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

BURLINGTON RESOURCES OIL & GAS COMPANY LP
 THOMPSON 12E, 2230' FSL & 1650' FWL
 SECTION 33, T-31-N, R-12-W, NMPM, SAN JUAN COUNTY, NM
 GROUND ELEVATION: 5971', DATE: JUNE 7, 2006

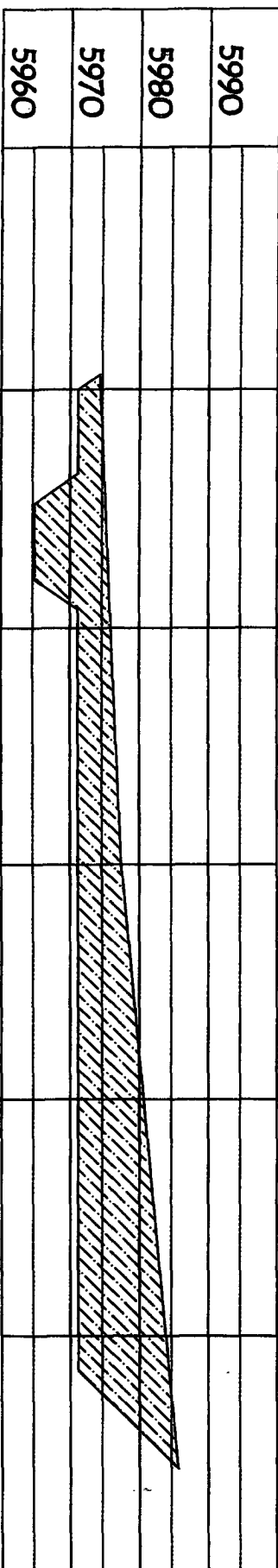
ELEV. A'-A



ELEV. B'-B



ELEV. C'-C



NOTE: VECTOR SURVEYS LLC 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.

OPERATIONS PLAN

Well Name: THOMPSON 12E
Location: 2230' FSL & 1650' FWL, Section 33 T31N R12W
San Juan County, New Mexico
Formation:
Elevation: Basin Dakota
5971' GL

Surface	San Jose		
Surface	San Jose	608'	
Ojo Alamo	608'	680'	aquifer
Kirtland	680'	1928'	gas
Fruitland Coal	1928'	2278'	gas
Pictured Cliffs	2278'	2358'	gas
Lewis	2358'	3008'	
Huerfanito Bentonite	3008'		
Chacra	3353'	3948'	gas
Massive Cliff House	3948'	3988'	gas
Menefee	3988'	4608'	gas
Massive Point Lookout	4608'	4960'	gas
Mancos Shale	4960'	5881'	
Upper Gallup	5881'	6637'	gas
Greenhorn	6637'	6695'	gas
Graneros	6695'	6763'	gas
Two Wells	6763'	6815'	gas
Paguate	6815'	6856'	gas
Cubero	6856'	6903'	gas
Encinal	6903'	6903'	gas
Total Depth:	6903'		gas

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>	<u>Vis.</u>	<u>Fluid Loss</u>
0 - 120' ²⁰⁰	Spud MUD/Air/Air Mist	8.4 - 9.0	40 - 50	no control
120 - 2458'	LSND	8.4 - 9.0	30 - 60	no control
2458' - 6903'	Air/Air Mist/Nitrogen	n/a	n/a	n/a

C. HARRADEN/ July 20, 2006 *CH*

BURLINGTON RESOURCES/ Thompson #12E APD
STIPULATION/CONDITION OF APPROVAL

This well is located within a 'vulnerable area'. In order to protect the integrity of the fresh water alluvium aquifer, a minimum surface csg. depth of 200' is stipulated as a condition of approval for this APD.

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

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csg. Size</u>	<u>Wt.</u>	<u>Grade</u>
12 1/4"	0' - 120' 200'	9 5/8"	32.3#	H-40
8 3/4"	0' - 2458'	7"	20#	J-55
6 1/4"	0' - 6903'	4 1/2"	10.5#	J-55

Tubing Program:

<u>Depth Interval</u>	<u>Csg. Size</u>	<u>Wt.</u>	<u>Grade</u>
0' - 6903'	2 3/8"	4.7#	J-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, BOPE 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, BOPE 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.

Wellhead -

9 5/8" x 7" x 4 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 ~~188~~ 188 Type I, II cement with 20% flyash mixed at 14.5 ppg, 1.61 cu ft per sack yield. (20% excess, 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 188 sxs 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 199 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/30 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: 169 sacks Premium Lite cement with 3% calcium chloride, .25 pps celloflake, 5 pps LCM-1, 0.4% fluid loss, 0.4% sodium metasilicate (548 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 @ 680'. Two turbolating centralizers at the base of the Ojo Alamo @ 680'. 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 291 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 (577 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 Dakota formation will be completed.
- No abnormal temperatures or hazards are anticipated.
- Anticipated pore pressures are as follows:

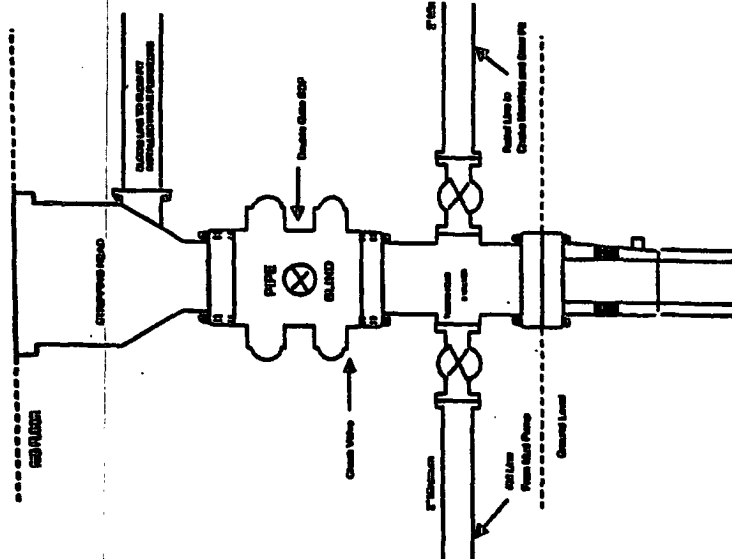
Fruitland Coal	300 psi
Pictured Cliffs	600 psi
Mesa Verde	700 psi
Dakota	2000 psi
- Sufficient LCM will be added to the mud system to maintain well control, if lost circulation is encountered below the top of the Pictured Cliffs.
- The West half of Section 15 is dedicated to the Dakota formation.
- This gas is dedicated.


Drilling Engineer

7/14/06
Date

BURLINGTON RESOURCES

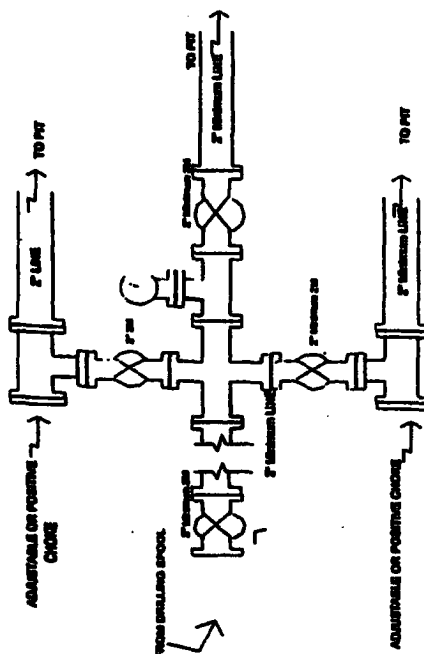
**Completion/Workover Rig
BOP Configuration
2,000 psi System**



Задача 1

BURLINGTON RESOURCES

**Drilling Rig
Choke Manifold Configuration
2000 psi System**



Flange #3

Burlington Resources

Drilling Rig 2000 psi System

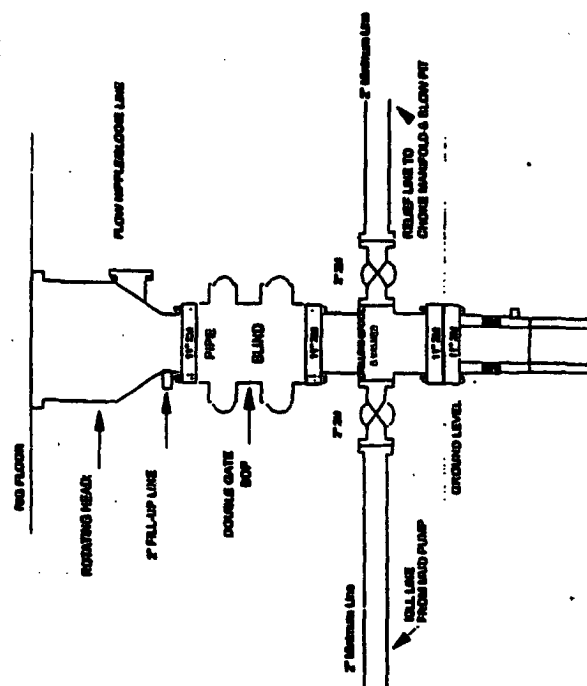


Figure #1