

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 SF-078125-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
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name Pierce A 9. Well Number #4N
4. Location of Well 1295' FSL, 2585' FEL 1330 Latitude 36° 48.4998'N, Longitude 107° 50.1197'W Lot 10	10. Field, Pool, Wildcat Blanco Mesaverde/Basin Dakota 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 13, T30N, R10W API # 30-045-33764
14. Distance in Miles from Nearest Town 11 miles to Aztec, NM	12. County San Juan 13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1295'	
16. Acres in Lease	17. Acres Assigned to Well S/2 314.22 acres
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 840'	
19. Proposed Depth 7636'	20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 6409' GR	22. Approx. Date Work will Start
23. Proposed Casing and Cementing Program See Operations Plan attached	
24. Authorized by: <u>Joni Clark</u> Regulatory Specialist	<u>5-25-06</u> Date

PERMIT NO.

APPROVAL DATE

APPROVED BY D. Martinez

TITLE AFM

DATE 9/24/06

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.

District I
PO Box 100, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District II
PO Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

District III
1000 Rio Brazos Rd., Aztec, NM 87410

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

2006 SEP 13 PM 4 11

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045- <u>33764</u>	*Pool Code 72319771599	*Pool Name Blanco Mesaverde/ Basin Dakota
*Property Code 7389	*Property Name PIERCE A	*Well Number 4N
*OGRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY, LP	*Elevation 6409'

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	13	30N	10W	10	1330	SOUTH	2585	EAST	SAN JUAN

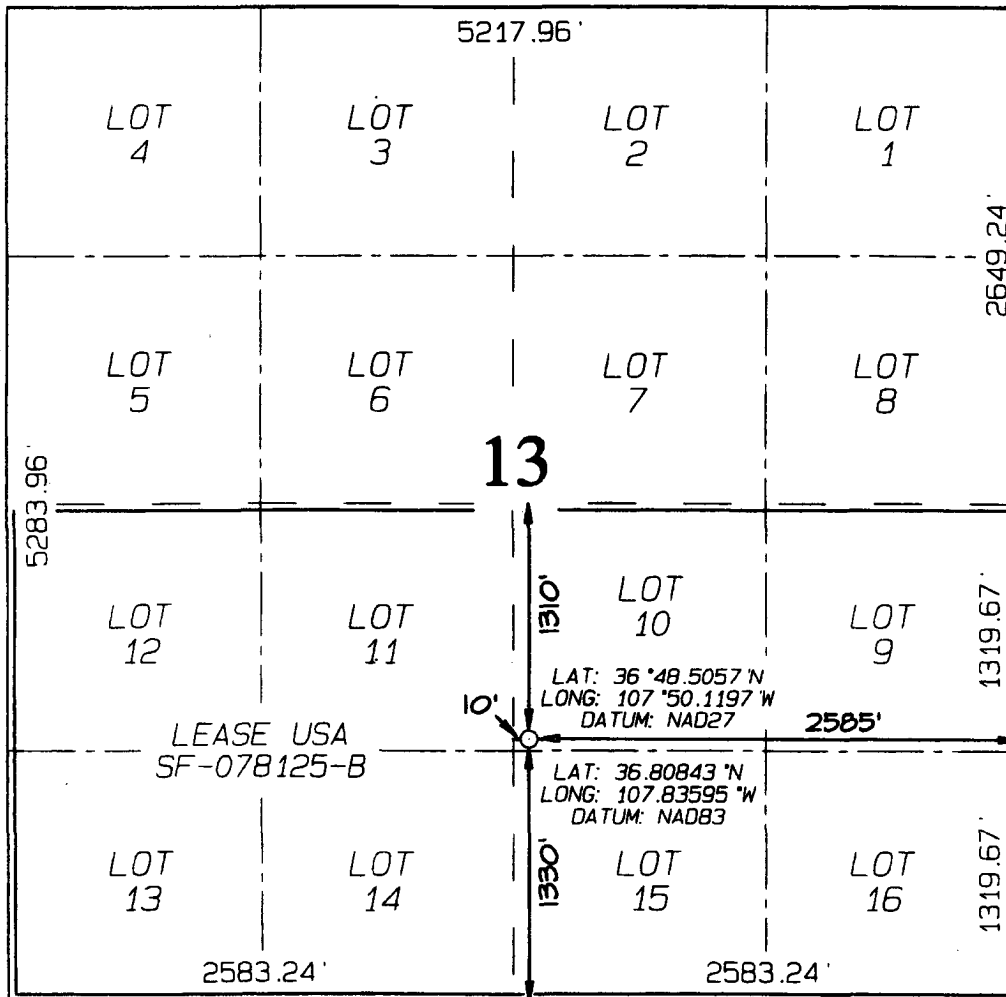
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J									

12 Dedicated Acres MV/DK 314/22 ac S2	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

16



17 OPERATOR CERTIFICATION

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

Patsy Clugston
Signature

Patsy Clugston
Printed Name

Sr. Regulatory Specialist
Title

August 29 2006
Date

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

August 4, 2006
Date of Survey

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269

State of New Mexico

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-103

May 27, 2004

<p>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- 33764</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. SF-078125-B</p>
<p>3. Address of Operator 3401 E. 30TH STREET, FARMINGTON, NM 87402</p>		<p>7. Lease Name or Unit Agreement Name Pierce A</p>
<p>4. Well Location Unit Letter O : 1295' feet from the South line and 2585' feet from the East line Section 13 Township 30N Rng 10W NMPM County San Juan</p>		<p>8. Well Number 4N</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6409'</p>		<p>9. OGRID Number 14538</p>
<p>10. Pool name or Wildcat Blanco Mesaverde / Basin Dakota</p>		
<p>Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/></p>		
<p>Pit type New Drill Depth to Groundwater >100 Distance from nearest fresh water well >1000 Distance from nearest surface water >1000</p>		
<p>Pit Liner Thickness: N/A mil Below-Grade Tank: Volume bbls; Construction Material </p>		

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>
OTHER: New Drill <input checked="" type="checkbox"/>	OTHER: <input type="checkbox"/>

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>	

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, Unlined:

Burlington Resources proposes to construct a new drilling pit and an associated vent/flame pit. Based on Burlington's interpretation of the Ecosphere's risk ranking criteria, the new drilling pit and vent/flame pit will be an unlined 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/flame pit will be designed to manage fluids, and that portion will be unlined, 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 *Joni Clark* TITLE Sr. Regulatory Specialist DATE 4/3/2006

Type or print name Joni Clark E-mail address: jclark@br-inc.com Telephone No. 505-326-9700
For State Use Only

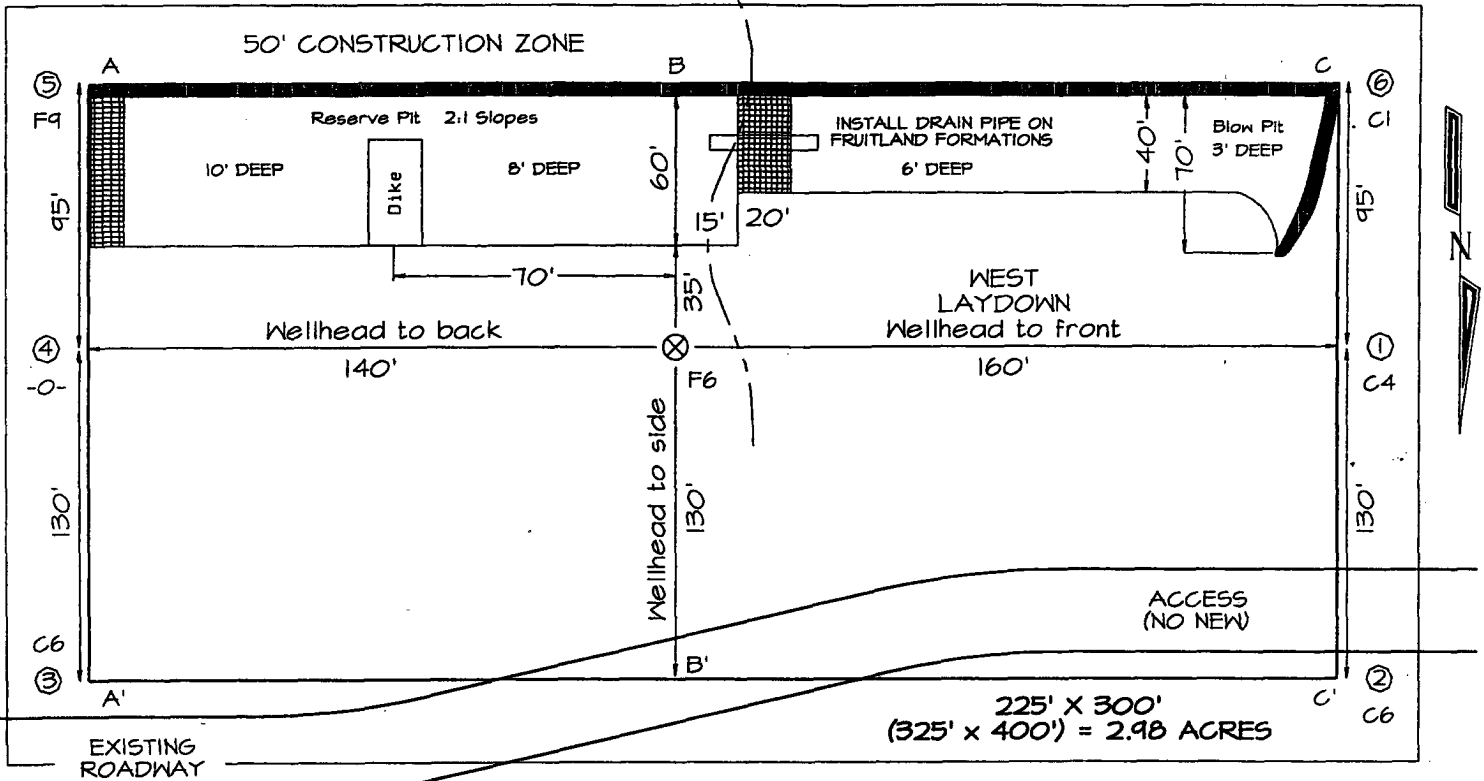
APPROVED BY *[Signature]* TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 1 DATE SEP 21 2006

Conditions of Approval (if any):

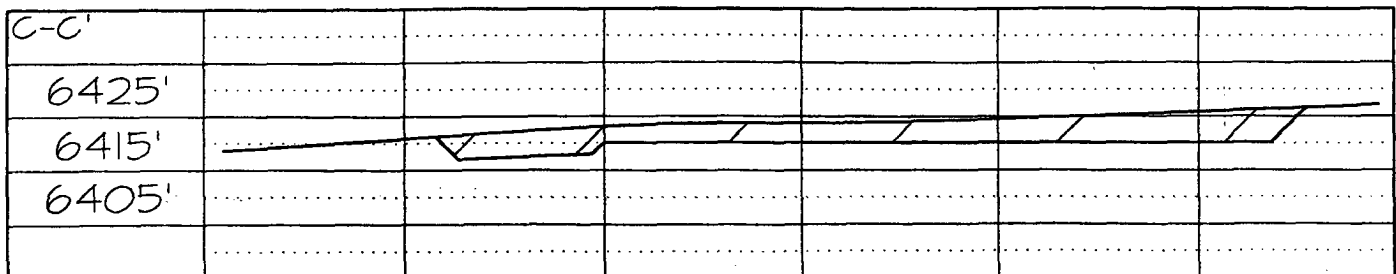
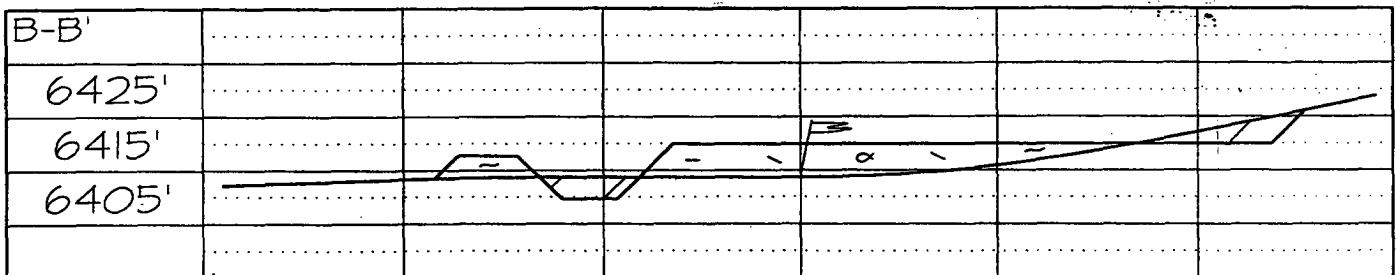
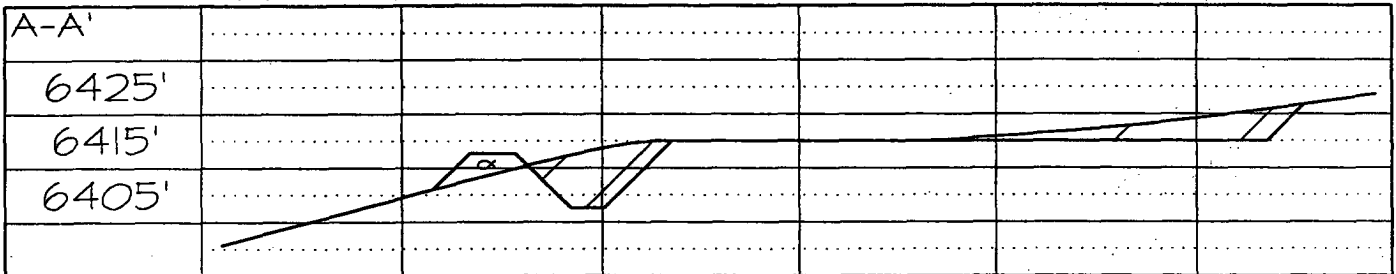
PLAT #1

BURLINGTON RESOURCES OIL & GAS COMPANY, LP
PIERCE A #4N, 1295' FSL & 2585' FEL
SECTION 13, T30N, R10W, NMPM, SAN JUAN COUNTY, NM
GROUND ELEVATION: 6409' DATE: DECEMBER 22, 2005

LATITUDE: 36°48.4998'
LONGITUDE: 107°50.1197'
 DATUM: NAD1927



Reserve Pit Dike: to be 8' above Deep side (overflow - 3' wide and 1' above shallow side).
 Blow Pit: overflow pipe halfway between top and bottom and to extend over plastic liner and into blow pit.



Note: 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: PIERCE A 4N
Location: 1295' FSL & 2585' FEL, Section 13 T30N R10W
San Juan County, New Mexico
Formation:
Elevation: Blanco Mesaverde/Basin Dakota
6409' GL

Surface	San Jose		
Surface	San Jose	1836'	
Ojo Alamo	1836'	1896'	aquifer
Kirtland	1896'	2786'	gas
Fruitland Coal	2786'	3063'	gas
Pictured Cliffs	3063'	3213'	gas
Lewis	3213'	3796'	
Huerfanito Bentonite	3796'		
Chacra	4096'	4674'	gas
Massive Cliff House	4674'	4891'	gas
Menefee	4891'	5311'	gas
Massive Point Lookout	5311'	5709'	gas
Mancos Shale	5709'	6591'	
Upper Gallup	6591'	7330'	gas
Greenhorn	7330'	7386'	gas
Graneros	7386'	7431'	gas
Two Wells	7431'	7533'	gas
Paguate	7533'	7577'	gas
Cubero	7577'	7636'	gas
Encinal	7636'	7636'	gas
Total Depth:	7636'		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'	Spud MUD/Air/Air Mist	8.4 - 9.0	40 - 50	no control
120- 3313'	LSND	8.4 - 9.0	30 - 60	no control
3313 - 7636'	Air/Air Mist/Nitrogen	n/a	n/a	n/a

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'	9 5/8"	32.3#	H-40
8 3/4"	0' - 3313'	7"	20/23#	J-55
6 1/4"	0' - 7636'	4 1/2"	10.5#	J-55

Tubing Program:

<u>Depth Interval</u>	<u>Csg. Size</u>	<u>Wt.</u>	<u>Grade</u>
0' - 7636'	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, 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.

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 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 290 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/29 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: 260 sacks Premium Lite cement with 3% calcium chloride, .25 pps celloflake, 5 pps LCM-1, 0.4% fluid loss, 0.4% sodium metasilicate (554 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 @ 1896'. Two turbolating centralizers at the base of the Ojo Alamo @ 1896'. 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 283 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 (560 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 South half of Section 13 is dedicated to the Mesa Verde formation and Dakota formation.
- This gas is dedicated.

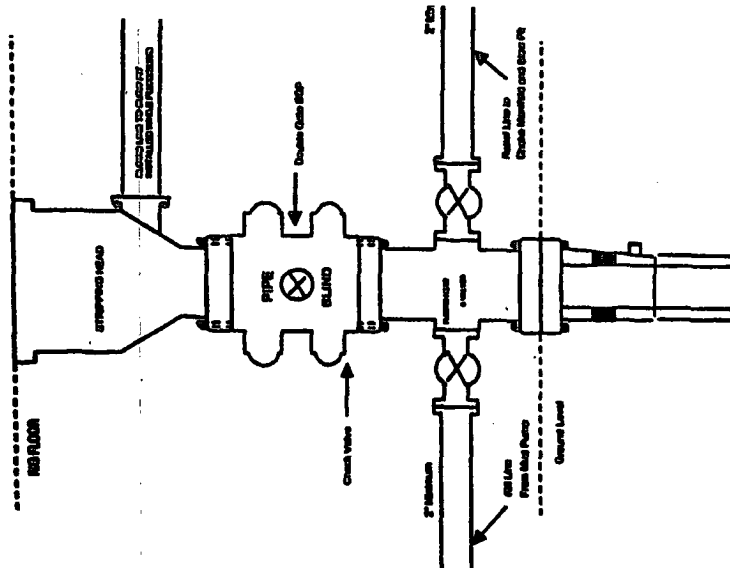

Drilling Engineer

4/3/06

Date

BURLINGTON RESOURCES

Completion/Workover Rig
BOP Configuration
2,000 psi System



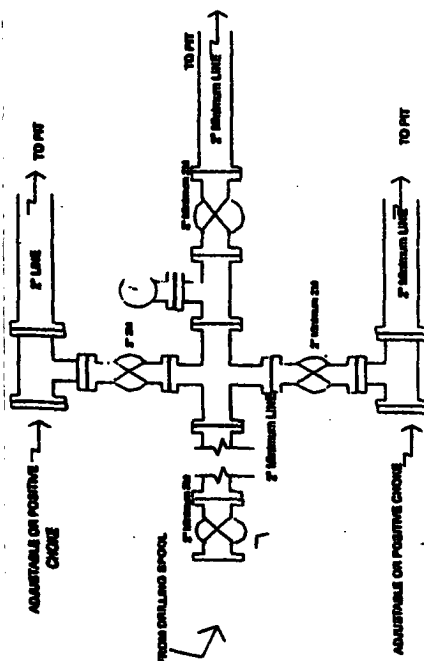
Minimum BOP Installation for all Completion/Workover Operations. 7-1/16" bore, 2000 psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A stripping head to be installed on the top of the BOP. All BOP equipment is 2000 psi working pressure or greater excluding 800 psi stripping head.

Figure #2

4-20-01

BURLINGTON RESOURCES

Drilling Rig
Choke Manifold Configuration
2000 psi System



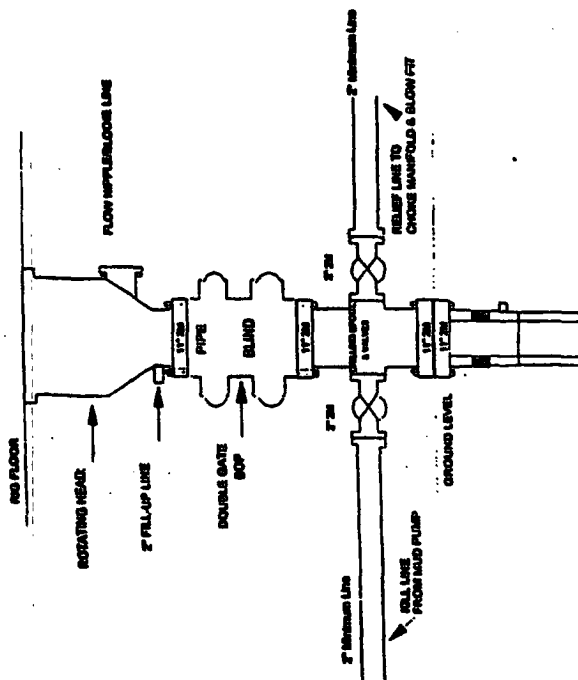
Choke manifold installation from Surface Casing Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure #3

4-20-01

Burlington Resources

Drilling Rig
2000 psi System



BOP Installation from Surface Casing Point to Total Depth. 11\"/>

Figure #1

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on Wells

1. Type of Well
GAS

2. Name of Operator
BURLINGTON
RESOURCES OIL & GAS COMPANY LP

3. Address & Phone No. of Operator

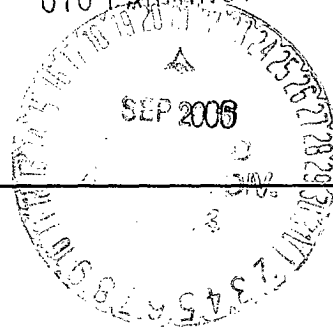
PO Box 4289, Farmington, NM 87499 (505) 326-9700

4. Location of Well, Footage, Sec., T, R, M
Sec., T--N, R--W, NMPM

Unit J (NWSE) 1330' FSL & 2585' FEL, Sec. 13, T30N, R10W NMPM

2006 SEP 13 PM 4 11

RECEIVED
070 FARMINGTON NM



5. Lease Number
SF-078125 B
6. If Indian, All. or
Tribe Name

7. Unit Agreement Name

8. Well Name & Number

Pierce A #4N

9. API Well No.

30-045 33764

10. Field and Pool

Blanco Mesa Verde/Basin Dakota

11. County and State
San Juan Co., NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission	Type of Action
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment <input checked="" type="checkbox"/> Change of Plans <input type="checkbox"/> Other -
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion <input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment	<input type="checkbox"/> Plugging <input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair <input type="checkbox"/> Water Shut off
	<input type="checkbox"/> Altering Casing <input type="checkbox"/> Conversion to Injection

13. Describe Proposed or Completed Operations

This location was moved due to avoid existing producer in same ¼ ¼.. The new footages are 1330' FSL and 2585' FEL. The old footages were 1295' FSL and 2585' FEL. This well remains in the same QRT/QRT.
Please see attached Plat C102.

14. I hereby certify that the foregoing is true and correct.

Signed Amanda Sanchez Amanda Sanchez Title Regulatory Analyst Date 9/13/06

(This space for Federal or State Office use)

APPROVED BY [Signature] Title AFM Date 9/21/06

CONDITION OF APPROVAL, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOCGD