

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 NMSF-077842
1b. Type of Well GAS	Unit Reporting Number NMNM-078417D-FC NMNM-078417C-PC
2. Operator BURLINGTON RESOURCES Oil & Gas Company	6. If Indian, All. or Tribe
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	7. Unit Agreement Name San Juan 29-7 Unit
4. Location of Well Unit P (SESE), 1145' FSL, 1040' FEL Basin Fruitland Coal/ Blanco Pictured Cliffs Latitude 36° 43.29740'N Longitude 107° 33.13490'W	8. Farm or Lease Name 9. Well Number #5858
	10. Field, Pool, Wildcat 11. Sec., Twn, Rge, Mer. (NMPM) P Sec. 15, T29N, R7W API # 30-039- 29682
14. Distance in Miles from Nearest Town 17.8 miles to Blanco, NM	12. County Rio Arriba
	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1040'	17. Acres Assigned to Well 320 E2 FC/160 SE/4 PC
16. Acres in Lease	
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 52' - San Juan 29-7 Unit #56A	
19. Proposed Depth 3266'	20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 6244' GL	22. Approx. Date Work will Start
23. Proposed Casing and Cementing Program See Operations Plan attached	
24. Authorized by: <u>Amanda Sanchez</u> Regulatory Analyst	<u>8-29-06</u> Date

RCVD NOV29'06
OIL CONS. DIV.

DIST. 3

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY [Signature] TITLE AFM DATE 11/22/06

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 action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

NMOCDC 11/30/06

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

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

1220 South St. Francis Dr.
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30- 39 - 29682		² Pool Code 71629/72359	³ Pool Name Basin Fruitland Coal/Blanco Pictured Cliffs
⁴ Property Code 7465	⁵ Property Name SAN JUAN 29-7 UNIT		⁶ Well Number 585S
⁷ OGRID No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP		⁹ Elevation 6244

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
P	15	29--N	7--W		1145	SOUTH	1040	EAST	RIO ARRIBA

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
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¹² Dedicated Acres S/E/4 160 PC E/2 320 EC	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

18	<div style="border: 1px dashed black; padding: 10px; text-align: center;">USA SF-077842</div>	<div style="border: 1px dashed black; padding: 10px; text-align: center;"> Horace, F M McKay, Horace F, Jr. ET UX </div>	<div style="border: 1px dashed black; padding: 10px;"> FD 2 1/2" G.L.O. BC 1913 </div>
<div style="border: 1px dashed black; padding: 10px; text-align: center;">USA SF-077842</div>	<div style="border: 1px dashed black; padding: 10px; text-align: center;">USA SF-077842</div>	<div style="border: 1px dashed black; padding: 10px;"> Demas, George P George, P D </div>	<div style="border: 1px dashed black; padding: 10px;"> N 00-00-06 W 2642.24' (M) </div>
	<div style="text-align: center;"> LAT. 36°43.29740' N. (NAD 27) LONG. 107°33.13490 W. (NAD 27) </div>	<div style="border: 1px dashed black; padding: 10px;"> 1145' </div>	<div style="border: 1px dashed black; padding: 10px;"> 1040' </div>
	<div style="text-align: center;"> FD 2 1/2" G.L.O. BC 1913 </div>	<div style="text-align: center;"> N 89-44-22 W 2589.50' (M) </div>	<div style="border: 1px dashed black; padding: 10px;"> FD 2 1/2" G.L.O. BC 1913 </div>

17 OPERATOR CERTIFICATION

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

Philana Thompson

Signature

Philana Thompson

Printed Name

Regulatory Associate II

Title

8/30/2005

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.

JULY 20, 2005

Date of Survey

Signature and Seal of Professional Surveyor

8894

Certificate Number

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 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103

May 27, 2004

WELL API NO.

30-039-29682

5. Indicate Type of Lease

STATE ☒

FEE ☐

6. State Oil & Gas Lease No.

NMSF-077842

7. Lease Name or Unit Agreement Name

San Juan 29-7 Unit

8. Well Number

585S

9. OGRID Number

14538

10. Pool name or Wildcat

Basin Fruitland Coal/ Blanco Pictured Cliffs

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.)

1. Type of Well:

Oil Well ☐

Gas Well ☒

Other

2. Name of Operator

BURLINGTON RESOURCES OIL & GAS COMPANY LP

3. Address of Operator

3401 E. 30TH STREET, FARMINGTON, NM 87402

4. Well Location

Unit Letter P : 1145 feet from the South line and 1040 feet from the East line

Section 15 Township 29N Range 7W NMPM County Rio Arriba

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

6244'

Pit or Below-grade Tank Application

☐ or Closure ☐

Pit type New Drill Depth to Groundwater >100' Distance from nearest fresh water well

>1000' Distance from nearest surface water >1000'

Pit Liner Thickness:

12

mil

Below-Grade Tank:

Volume

bbbs;

Construction Material

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

P AND A ☐

CASING/CEMENT JOB ☐

OTHER:

New Drill ☒

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.

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

Amanda Sandoval

TITLE

Regulatory Assistant II

DATE

10/6/2005

Type or print name

Amanda Sandoval

E-mail address:

asandoval@br-inc.com

Telephone No.

505-326-9891

For State Use Only

APPROVED BY

[Signature]

TITLE

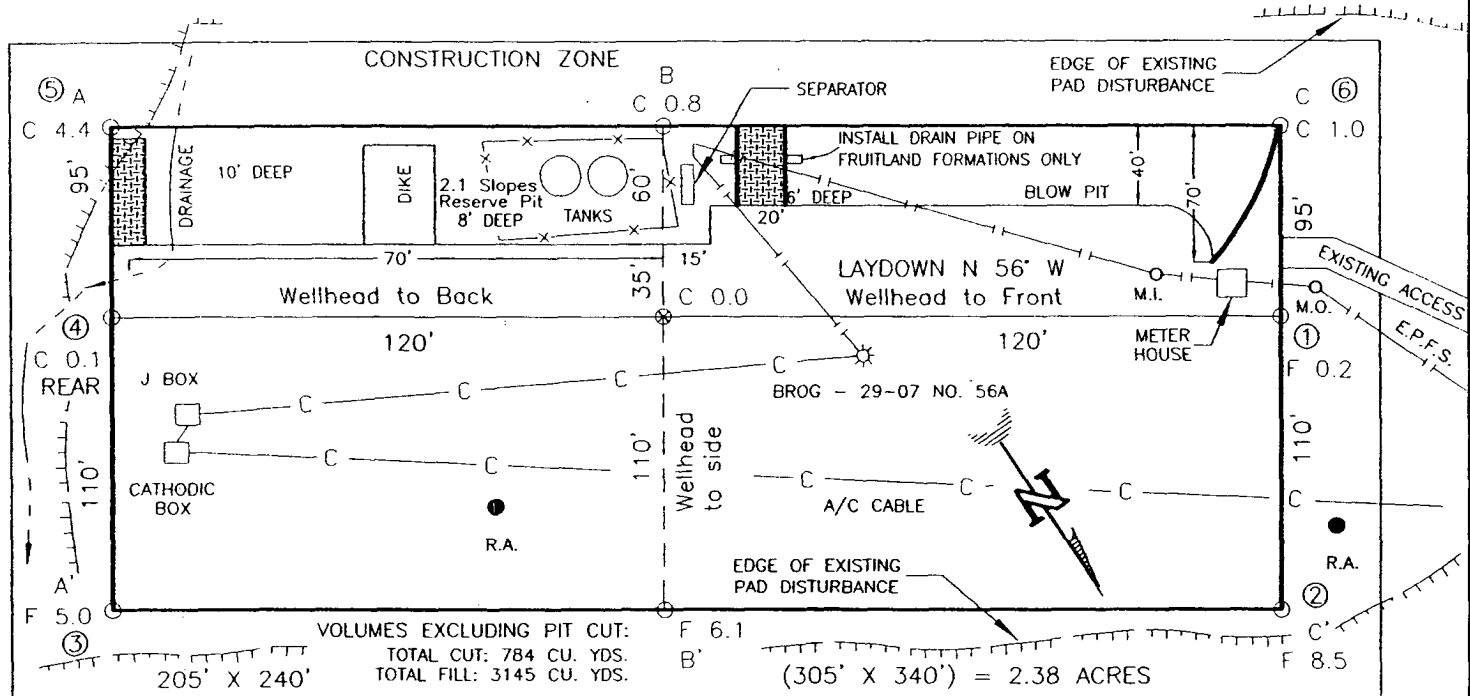
DEPUTY OIL & GAS INSPECTOR, DIST. IV

DATE

NOV 30 2005

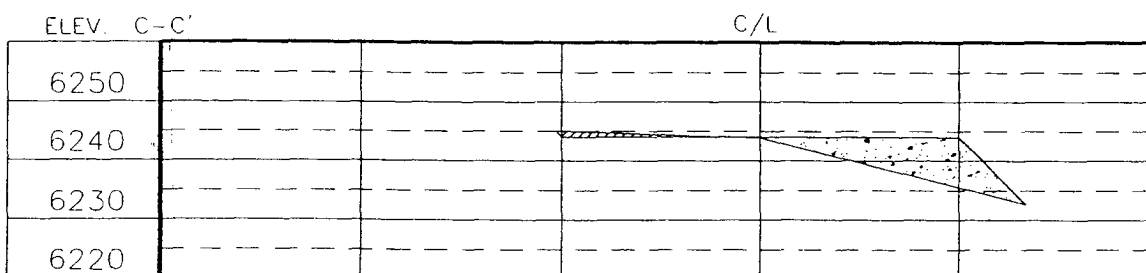
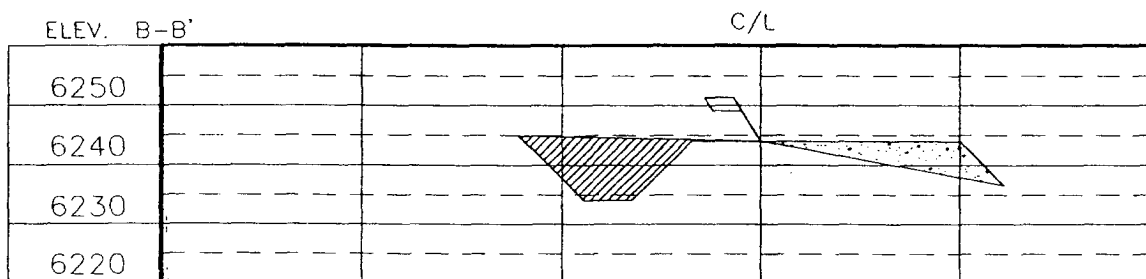
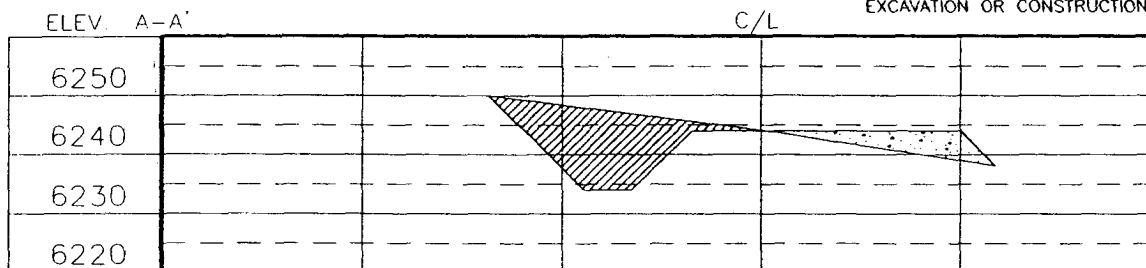
Conditions of Approval (if any):

BURLINGTON RESOURCES OIL & GAS COMPANY LP
 SAN JUAN 29-7 UNIT NO. 585S, 1145 FSL 1040 FEL
 SECTION 15, T-29-N, R-7-W, N.M.P.M., RIO ARriba COUNTY, NEW MEXICO
 GROUND ELEVATION: 6244, DATE: JULY 20, 2005



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: DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO EXCAVATION OR CONSTRUCTION.



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.

REVISION:	DATE:	REVISED BY:
<p>Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 15068 • Farmington, NM 87401 Phone (505) 326-1772 • Fax (505) 326-6019 NEW MEXICO L.S. No. 8894 CDPL: BR551_CFB DATE: 8/08/05</p>		
<p>DRAWN BY: G.V. ROW: BR581</p>		

October 6, 2005

OPERATIONS PLAN

Well Name: San Juan 29-7 Unit #585S
Location: Unit P (SESE) 1145' FSL & 1040' FEL, Section 15 T29N R7W
 Rio Arriba County, New Mexico
 Latitude 36° 43.29740'N; Longitude 107° 33.13490'W
Formation: Basin Fruitland Coal, Blanco Pictured Cliffs
Elevation: 6244' GR

Formation:	Top	Bottom	Contents
Surface	San Jose	2149'	
Ojo Alamo	2149'	2285'	
Kirtland	2285'	2824'	gas
T/Fruitland	2824'	3058'	gas
B/Fruitland	3058'	3066'	gas
Pictured Cliffs	3066'		
Total Depth	3266'		

Logging Program: None

Mud Program:

Interval	Type	Weight	Vis. Fluid Loss
0- 120'	Spud/Air/Air Mist	8.4-8.9	40-50 no control
120-3266'	Non-dispersed	8.4-9.5	30-60 no control

surface hole circulating media is dependent on rig contractor.

Casing Program:

Hole Size	Depth Interval	Csg. Size	Wt.	Grade
8 $\frac{3}{4}$ "	0 - 120'	7"	20.0#	J-55
6 $\frac{1}{4}$ "	0 - 3266'	4 1/2"	10.5#	J/K-55

Tubing Program:

0 - 3266'	2 3/8"	4.7#	J-55
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Float Equipment: 7" surface casing - guide shoe. Centralizers will be run in accordance with Onshore Order #2.

4 1/2" production casing - float shoe and float collar on bottom. Centralizers run every third joint above shoe to the base of the Ojo Alamo @ 2285'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 2285'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Wellhead Equipment: 7" x 4 1/2" x 2 3/8" x 11" 2000 psi xmas tree assembly.

San Juan 29-7 Unit #5855

Cementing:

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

7" surface casing - Cement with 42 sx Type III cement with 0.25 pps Celloflake, 3% CaCl. (54cu ft of slurry @ 1.28 yield). 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.

WOC until cement establishes 250 psi compressive strength prior to NU of BOPE. 15.2 ppg

4 1/2" production casing - Cement with 177sx (378cu ft of slurry @ 2.13 yield) Premium Lite with 3% calcium chloride, 5 pps LCM-1, and 1/4#/sack celloflake, 0.4% FL-52, & 0.4% SMS. Tail with 90sx (125cu ft of slurry @ 1.38 yield) Type III cmt with 1% calcium chloride, 1/4#/sack Celloflake and 0.2% FL-52. Total of 503 cf - 50% excess to circulate to surface. lead: 12.1 ppg tail: 14.5 ppg

BOP and tests:

Surface to TD - 11" 2000 psi (minimum double gate BOP stack (Reference Figure #1 and #2). Prior to drilling out surface casing, test rams to 600 psi/30 min.

Completion - 6" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to completion operations, test rams and casing to 1500 psi/30 min.

From surface to TD - choke manifold (Reference Figure #3).

Pipe rams will be actuated at least once each day and blind rams actuated once each trip to test proper functioning. An upper kelly cock valve with handle and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

Additional information:

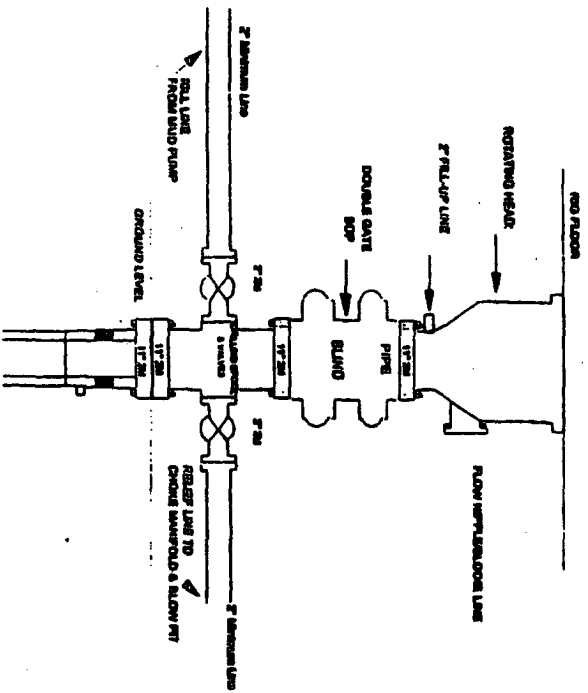
- * The Fruitland Coal and Pictured Cliffs formations will be completed.
- * Anticipated pore pressure for the Fruitland is between 600 - 700 psi.
- * This gas is dedicated.
- * The east half of section 15 is dedicated to Fruitland Coal and the southeast quarter of section 15 is dedicated to Pictured Cliffs.
- * New casing will be utilized.
- * Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.

Drilling Engineer

Date

Burlington Resources

Drilling Rig 2000 psi System



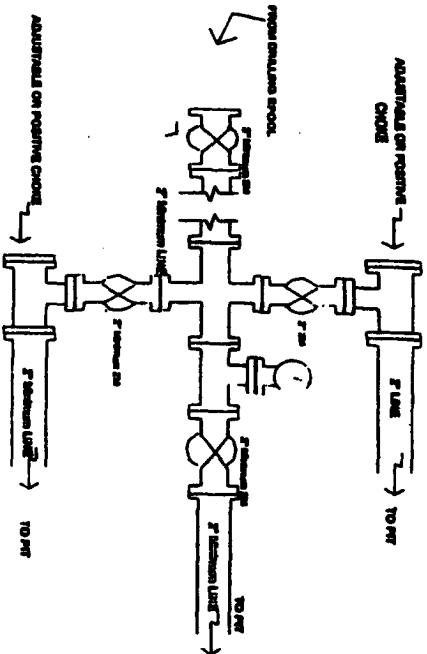
BOP installation from Surface Casing Point to Total Depth, 11" Bore 10" Minimum, 2000 psi working pressure double gate BOP to be equipped with drill rams and pipe rams. A 600 psi rotating head on top of ram prevention. All BOP equipment is 2,000 psi working pressure

Figure #1

4-20-01

BURLINGTON RESOURCES

Drilling Rig Choke Manifold Configuration 2000 psi System



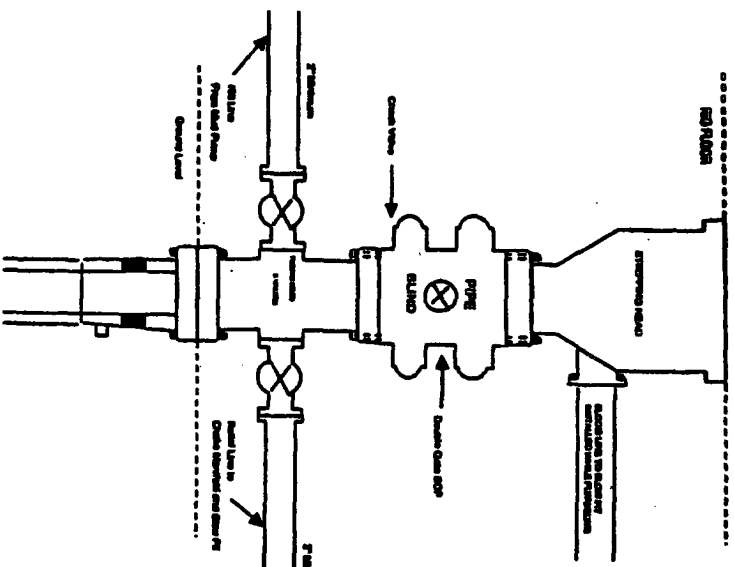
Choke manifold installation from Surface Casing Point to Total Depth, 2,000psi working pressure equipment with two chokes.

Figure #3

4-20-01

BURLINGTON RESOURCES

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 snubbing head to be installed on the top of the BOP. All BOP equipment is 2000 psi working pressure or greater excluding 600 psi snubbing head.

Figure #2