

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FEDERAL AND INDIAN LANDS

BLM'S APPROVAL OR ACCEPTANCE OF THIS
ACTION DOES NOT RELIEVE THE LESSEE AND
OPERATOR FROM OBTAINING ANY OTHER
AUTHORIZATION REQUIRED FOR OPERATIONS

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| | | |
|---|--|-----------------|
| 1a. Type of Work DRILL | 5. Lease Number USA SF-079391 Unit Reporting Number | |
| 1b. Type of Well GAS | 6. If Indian, All. or Tribal BCVD DEC 6 '07 OIL CONS. DIV. | |
| 2. Operator BURLINGTON RESOURCES Oil & Gas Company, LP | 7. Unit Agreement Name DIST. 3 San Juan 27-5 Unit | |
| 3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700 | 8. Farm or Lease Name | |
| 4. Location of Well Unit J(NWSE), 1536' FSL & 1757' FEL Latitude 36.584660 N Longitude 107.378894 W | 9. Well Number #911 10. Field, Pool, Wildcat Blanco MV/Basin DK 11. Sec., Twn, Rge, Mer. (NMPM) J Sec. 8, T27N, R5W API # 30-039-30422 | |
| 14. Distance in Miles from Nearest Town 36 mile/Blanco | 12. County Rio Arriba | 13. State NM |
| 15. Distance from Proposed Location to Nearest Property or Lease Line 1685' | | |
| 16. Acres in Lease 2563.120 | 17. Acres Assigned to Well MV/DK 320 (E/2) | |
| 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 52' from San Juan 27-5 Unit 910 | | |
| 19. Proposed Depth 7877' | 20. Rotary or Cable Tools Rotary | |
| 21. Elevations (DF, FT, GR, Etc.) 6646' GL | 22. Approx. Date Work will Start | |
| 23. Proposed Casing and Cementing Program See Operations Plan attached | | |
| 24. Authorized by: <u>Sasha Spangler</u> Sasha Spangler (Regulatory Technician) | 11-08-07 Date | |

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY Wayne Johnson TITLE Acting AFM DATE 12/8/07

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.

Example Master Plan Type 3

Bond Numbers NMB-000015 and NMB-000089

HOLD 0104 FOR Order for Pilot test
This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4

NMOC

DEC 13 2007

AV

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

NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. 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, N.M. 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

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

Submit to Appropriate District Office
Bureau of Land Management
Farmington Field Office

Form C-102
Revised October 12, 2005
State Lease - 4 Copies
Fee Lease - 3 Copies

RECEIVED
NOV 08 2007

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---|--|---|
| ¹ API Number 30-039-30422 | ² Pool Code 71599/72319 | ³ Pool Name Blanco Basin DAKOTA / MESA VERDE |
| ⁴ Property Code 7454 | ⁵ Property Name SAN JUAN 27-5 UNIT | ⁶ Well Number 911 |
| ⁷ GRID No. 14538 | ⁸ Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP. | ⁹ Elevation 6646 |

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 | 8 | 27 N | 5 W | | 1536 | SOUTH | 1757 | 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| J | | | | | | | | | |

| | | | |
|--|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 320 E/2 | 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

| | | | | | |
|---|-----------|--|----------|--|--|
| 2646.33' N 0°23'21" W 2616.10' N 0°35'07" W N 78°52'24" W | SECTION 8 | NAD 83 LAT: 36.584660° N LONG: 107.378894° W NAD 27 LAT: 36° 35.0791' N LONG: 107° 22.6975' W 1536' 1757' | 5280.18' | 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 working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <u>Sasha Spangler</u> Date: <u>11-08-07</u> Printed Name: <u>Sasha Spangler</u> | |
| | | | | 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. Date of Survey: <u>6/12/07</u> Signature and Seal of Professional Surveyor: <u>[Signature]</u> 17078 Certificate Number | |
| | | | | MARSHALL W. LINDEEN NEW MEXICO LICENSED PROFESSIONAL SURVEYOR 17078 | |
| | | | | 2689.32' S 1°25'51" E 2680.33' S 1°21'02" E 2670.27' | |

District I

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

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

| | |
|--------------------------------------|---|
| WELL API NO. | 30-039- 30422 |
| 5. Indicate Type of Lease | STATE <input type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. | USA SF-079391 |
| 7. Lease Name or Unit Agreement Name | San Juan 27-5 Unit |
| 8. Well Number | 911 |
| 9. OGRID Number | 14538 |
| 10. Pool name or Wildcat | Basin Dakota/Blanco Mesaverde |

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 J : 1536' feet from the South line and 1757' feet from the East line
Section 8 Township 27N Rng 5W NMPM County Rio Arriba

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6646'GL

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: N/A mil Below-Grade Tank: Volume bbls; 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 ☐

OTHER: New Drill Pit ☒

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, an associated vent/flare pit and a pre-set mud pit (if required). Based on Burlington's interpretation of the Ecosphere's risk ranking criteria, the new drilling pit and pre-set mud pit will be lined pits 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 Sasha Spangler TITLE Regulatory Technician DATE 11/5/2007

Type or print name Sasha Spangler E-mail address: spangs@conocophillips.com Telephone No. 505-326-9568
For State Use Only

APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE DEC 13 2007
Conditions of Approval (if any):

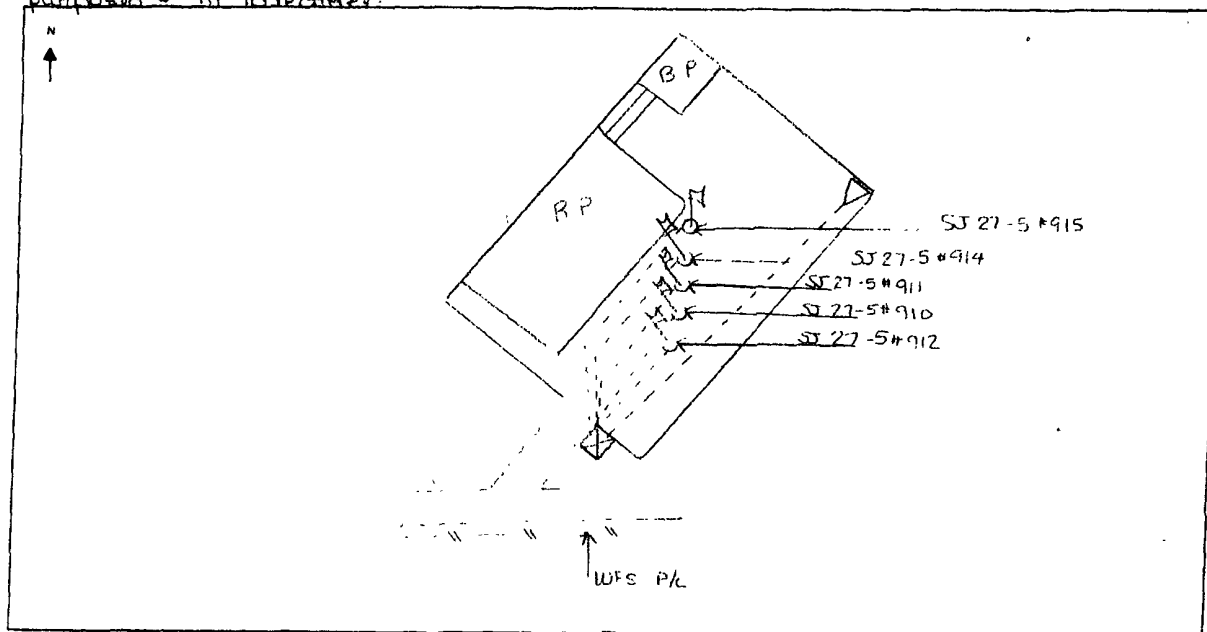


TECHNICAL SERVICES
A CORROSION COMPANY

CATHODIC PROTECTION PLAN FOR NEW WELLS

WELL NAME SJ 27-5 # 911 LEGALS J-8-27-5 COUNTY Rio Arriba

PURPOSED C.P. SYSTEM: Drill GB on NE corner of location. Set rectifier on SE edge of location. Trench approx 600' opposite cable from GB to rectifier. Trench approx 1000' of A/C from existing rectifier on SJ 27-5 # 70Y to rectifier. Trench approx 250' of #8 neg cable from proposed # 911 to rectifier.



| EXISTING WELLHEAD | METER HOUSE | GB | POWER SOURCE | CABLE | NEW WELL | OVERHEAD A.C. |
|-------------------|-------------|----|--------------|-------|----------|---------------|
| | | | | | | |

COMMENTS: Use GB + rectifier to maintain 500' S

NEAREST POWER SOURCE Existing rectifier SJ 27-5 # 70Y DISTANCE: 1,200'
PIPELINES IN AREA: WFS P/L

TECHNICIAN: Michael J. Finney DATE: 7/11/07

6 CR 5412 BLOOMFIELD, N.M. 87413
OFFICE: 505-634-0271 CELL: 505-793-6953

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 27-5 UNIT 911

DEVELOPMENT

| | | | | | |
|--|------------------------|-----------------------------|--------------------------|--------------------|--------------------|
| Lease: | | AFE #: WAN.CDR.7189 | | AFE \$: | |
| Field Name: hBR_SAN JUAN 27-5 UNIT | | Rig: Aztec Rig 673 | | State: NM | County: RIO ARriba |
| Geologist: | | Phone: | | Geophysicist: | |
| Geoscientist: Riley, Brook | | Phone: +1 505-324-6108 | | Prod. Engineer: | |
| Res. Engineer: McKee, Cory J | | Phone: 505-326-9826 | | Proj. Field Lead: | |
| Primary Objective (Zones): | | | | | |
| Zone | Zone Name | | | | |
| R20002 | MESAVERDE(R20002) | | | | |
| R20076 | DAKOTA(R20076) | | | | |
| Location: Surface Datum Code: NAD 27 | | | | | |
| Latitude: 36.584651 | Longitude: -107.378292 | X: | Y: | Section: 08 | Range: 005W |
| Footage X: 1757 FEL | Footage Y: 1536 FSL | Elevation: 6646 (FT) | Township: 027N | | |
| Tolerance: | | | | | |
| Location Type: Restricted | | Start Date (Est.): 1/1/2008 | | Completion Date: | |
| | | | | Date In Operation: | |
| Formation Data: Assume KB = 6662 Units = FT | | | | | |
| Formation Call & Casing Points | Depth (TVD in Ft) | SS (Ft) | Depletion (Yes/No) | BHP (PSIG) | BHT |
| Surface Casing | 216 | 6446 | <input type="checkbox"/> | | |
| OJAM | 2766 | 3896 | <input type="checkbox"/> | | |
| KRLD | 2925 | 3737 | <input type="checkbox"/> | | |
| FRLD | 3007 | 3655 | <input type="checkbox"/> | | Possible Gas |
| PCCF | 3445 | 3217 | <input type="checkbox"/> | | |
| LEWS | 3623 | 3039 | <input type="checkbox"/> | | |
| Intermediate Casing | 3723 | 2939 | <input type="checkbox"/> | | |
| HUERFANITO BENTONITE | 3978 | 2684 | <input type="checkbox"/> | | |
| CHRA | 4395 | 2267 | <input type="checkbox"/> | | |
| UCLFH | 5001 | 1661 | <input type="checkbox"/> | | Gas |
| MASSIVE CLIFF HOUSE | 5097 | 1565 | <input type="checkbox"/> | 702 | Gas |
| MENF | 5257 | 1405 | <input type="checkbox"/> | | |
| PTLK | 5604 | 1058 | <input type="checkbox"/> | | |
| MNCS | 6066 | 596 | <input type="checkbox"/> | | |
| GLLP | 6808 | -146 | <input type="checkbox"/> | | |
| GRHN | 7551 | -889 | <input type="checkbox"/> | | |
| GRRS | 7611 | -949 | <input type="checkbox"/> | | |
| TWLS | 7643 | -981 | <input type="checkbox"/> | 2600 | Gas |
| PAGU | 7743 | -1081 | <input type="checkbox"/> | | |
| CBRO | 7763 | -1101 | <input type="checkbox"/> | | |
| CBRL | 7807 | -1145 | <input type="checkbox"/> | | |
| OAK CANYON | 7877 | -1215 | <input type="checkbox"/> | | TD T/OKCN |
| TOTAL DEPTH DK | 7877 | -1215 | <input type="checkbox"/> | | |
| 12-1/4" hole. 9-5/8", 32.3 ppf, H-40, STC casing. Cement with 171 cu ft. Circulate cement to surface. | | | | | |
| 8-3/4" hole. 7", 20 ppf, J-55, STC Casing. Cement with 838 cu ft. Circulate cement to surface. | | | | | |
| 6-1/4" hole. 4-1/2", 10.5/11.6 ppf, J-55, STC/LTC casing. Cement with 566 cu ft. Circulate cement a minimum of 100' inside the previous casing string. | | | | | |

| Reference Wells: | | |
|------------------|-----------|----------|
| Reference Type | Well Name | Comments |

PROJECT PROPOSAL - New Drill / Sidetrack

SAN JUAN 27-5 UNIT 911

DEVELOPMENT

| | | |
|------------|-----------|-------------|
| Production | 27_5_112F | NW 8-27N-5W |
| Production | 27_5_70Y | SE 8-27N-5W |

| | | | |
|-------------------------|---|---------------------------------|---------------------------------------|
| Logging Program: | | | |
| Intermediate Logs: | <input type="checkbox"/> Log only if show | <input type="checkbox"/> GR/ILD | <input type="checkbox"/> Triple Combo |

| | | | | | | | |
|----------|---------------------------------------|-----------------------------------|------------------------------|--------------------------------|------------------------------|------------------------------|---|
| TD Logs: | <input type="checkbox"/> Triple Combo | <input type="checkbox"/> Dipmeter | <input type="checkbox"/> RFT | <input type="checkbox"/> Sonic | <input type="checkbox"/> VSP | <input type="checkbox"/> TDT | <input checked="" type="checkbox"/> Other |
| GR_CBL | | | | | | | |

| Additional Information: | | | | | |
|-------------------------|-------|-----------|---------|----------------|---------|
| Log Type | Stage | From (Ft) | To (Ft) | Tool Type/Name | Remarks |

Comments: Location/Tops/Logging - MVNM027N005W08SE4 DKNM027N005W08SE4 SHL as twin with 70F and BHL at 1880' FSL & 1685' FEL.

Zones - MVNM027N005W08SE4 DKNM027N005W08SE4

General/Work Description - Shared Pad 27-5 910, 911, 912, 914, & 915 DRILL TOGETHER

BHL: SE4, NW4, SE4

Target Intervals: OT1, OT2, CLFH, PNLK, TWLS, CBRO, CBRL (perms to be agreed w/ RAM Team, please)

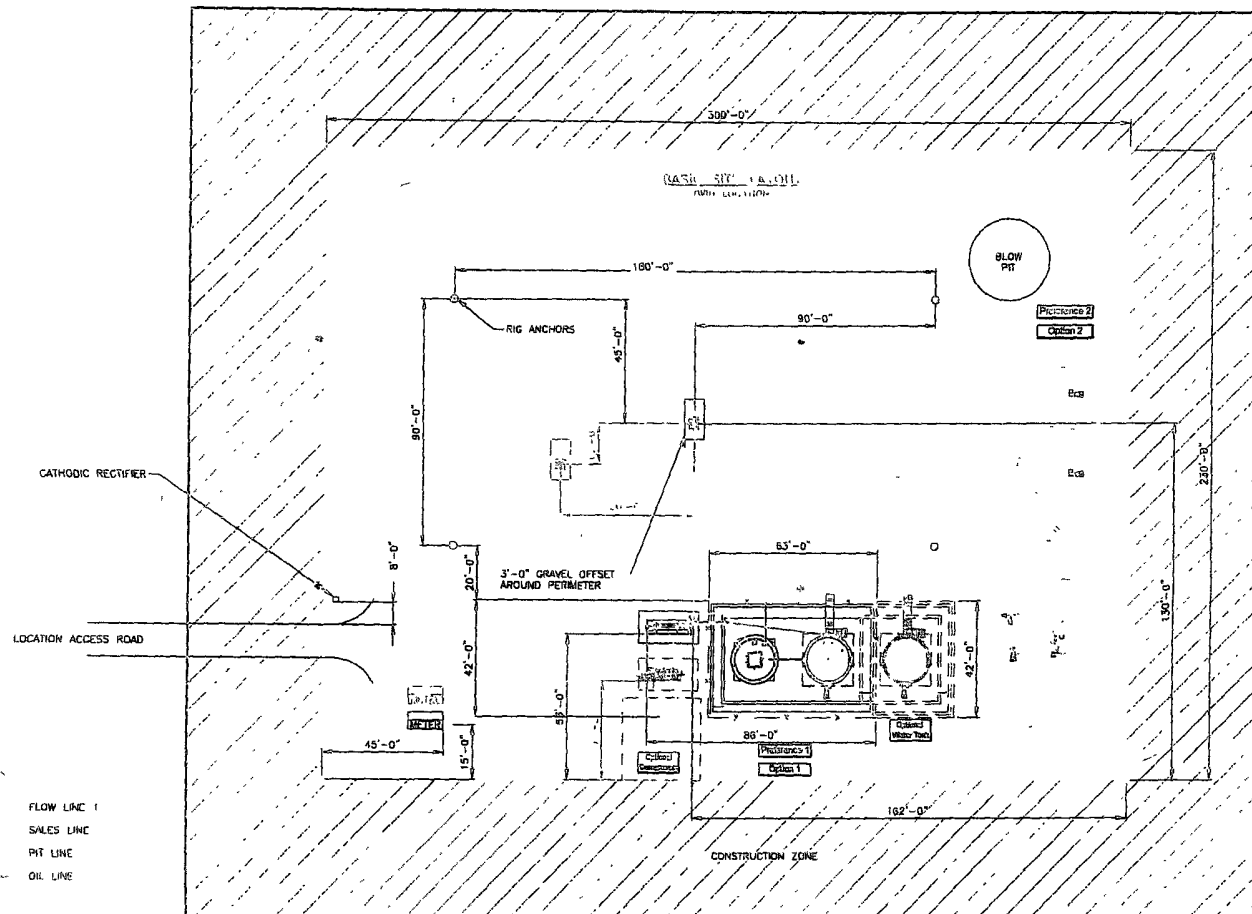
Data acquisition requirements: LPT, standard telemetry

Project year: 2008

NR 6/6/07

Name changed to the 27-5 Unit 911 from 70P11, Parent well is the 27-5 70 KJL- 4/15/07

SJ 27-5 MV/DK Infill Pilot. Corresponds to model well "P11". Reserves from modeled increment (pilot-base)/wellcount. This well should include LPT costs. NR - 2/2007



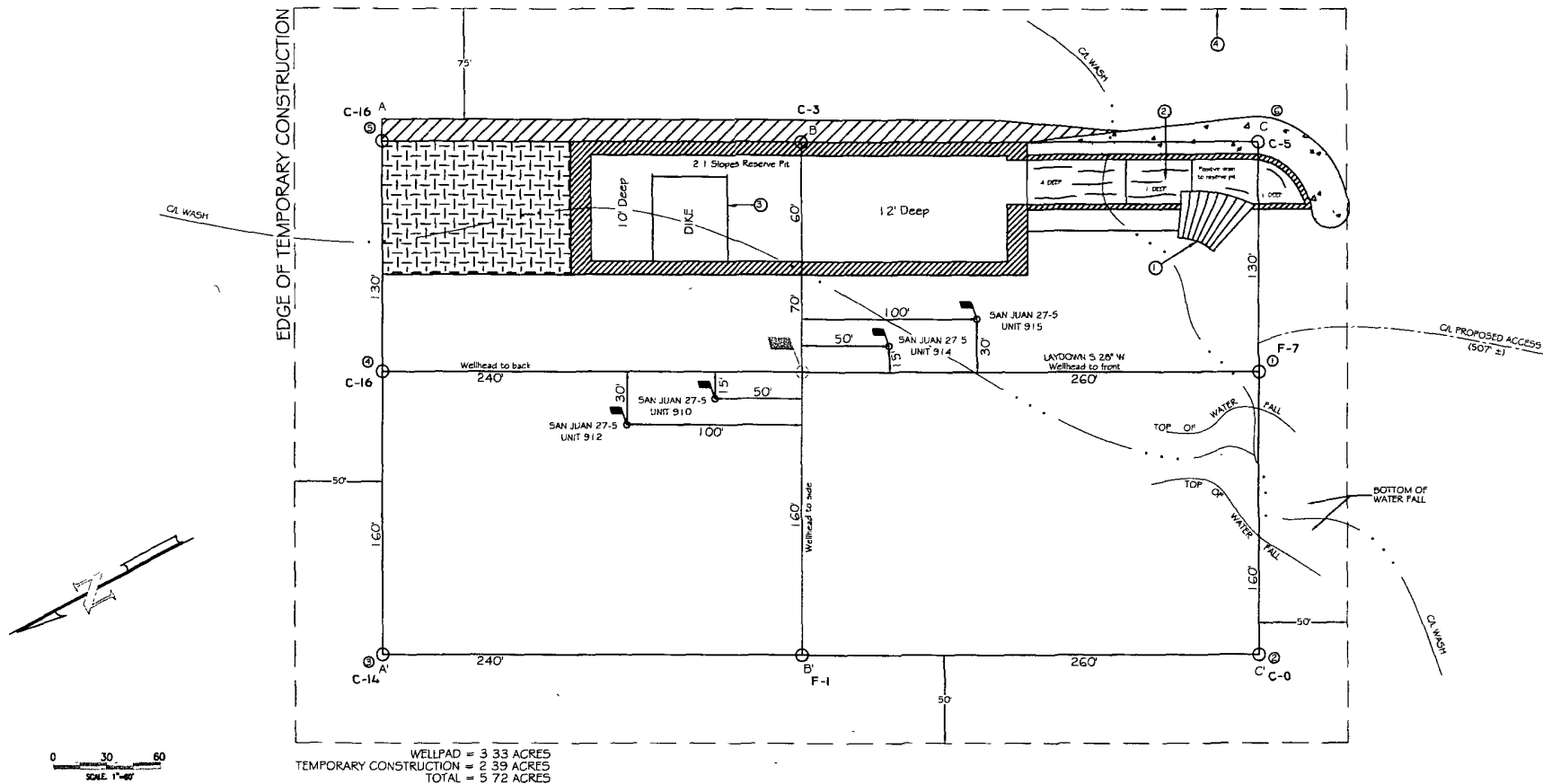
SEE SHEET 2 & 3 FOR PIPING DETAILS
ALL UNDERGROUND PIPE IS TO BE BURIED A MIN. OF 3'-0" TOP

SHEET 1 OF 5

| | | | | | | | | | | | | | | | | | | | |
|-------------|------|----|-------|-------|------|----|--|--|--|--------------------|----------|------|--------------------|--------------|--|---------------|-------------|--|--|
| | | | | | | | | | | ENGINEERING REVIEW | | | REFERENCE DRAWINGS | | CONOCOPhillips HIGH PRESSURE 3 PHASE FACILITY DIAGRAM- SITE LAYOUT | | | | |
| | | | | | | | | | | DESIGNED | REVIEWED | DATE | NO. | DESCRIPTION | | | | | |
| | | | | | | | | | | PROCESS | | | | | | | | | |
| | | | | | | | | | | MECHANICAL | | | | | | | | | |
| | | | | | | | | | | PIPING | | | | | | | | | |
| | | | | | | | | | | ELECTRICAL | | | | | | | | | |
| | | | | | | | | | | I & C | | | | | | | | | |
| | | | | | | | | | | CIVIL/STRUCTURAL | | | | | | | | | |
| | | | | | | | | | | PROJECT | | | | | | | | | |
| DESCRIPTION | DATE | BY | CHK'D | APP'D | DESC | PU | | | | | | | | CLIENT FILE: | CLIENT APPR: | HP3PHASE-REV1 | | | |
| | | | | | | | | | | | | | | SHEET NO: | 1 OF 5 | | | | |
| | | | | | | | | | | | | | | | | | SHEET DATE: | | |

Source: ConocoPhillips Regulatory Information Location Site Layout, 06/20/2007 - 06/30/2007

BURLINGTON RESOURCES OIL & GAS COMPANY LP.
 SAN JUAN 27-5 UNIT 911 - 1536' FSL & 1757' FEL
 SECTION 8, T-27-N, R-5-W, N.M.P.M., RIO ARriba COUNTY, N.M.
 GROUND ELEVATION: 6646 - DATE: JUNE 12, 2007



LATITUDE 36°35'07.91" N LONGITUDE 107°22'69.75" W NAD 27


NOTE
 GROUND ELEVATION BASED OFF SAN JUAN 27-5 UNIT 911

PAD CONST. SPECS.

- 1) RAMP INTO PIT CONSTRUCTED FROM PAD GRADE INTO FLARE AREA AT 5% SLOPE
- 2) APPROXIMATE 13x75' PIT AREA LINED WITH 12 MIL POLYLINER
- 3) RESERVE PIT DIKE TO BE 6' ABOVE DEEP SIDE (OVERFLOW-3' WIDE AND 1' ABOVE SHALLOW SIDE)
- 4) EDGE OF TEMPORARY CONSTRUCTION DEFINED IN FIELD W/6" T-POST

NOTES

- 1) CONTRACTOR SHOULD CALL "ONE-CALL" FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELLPAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONST
- 2) UNITED FIELD SERVICES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES

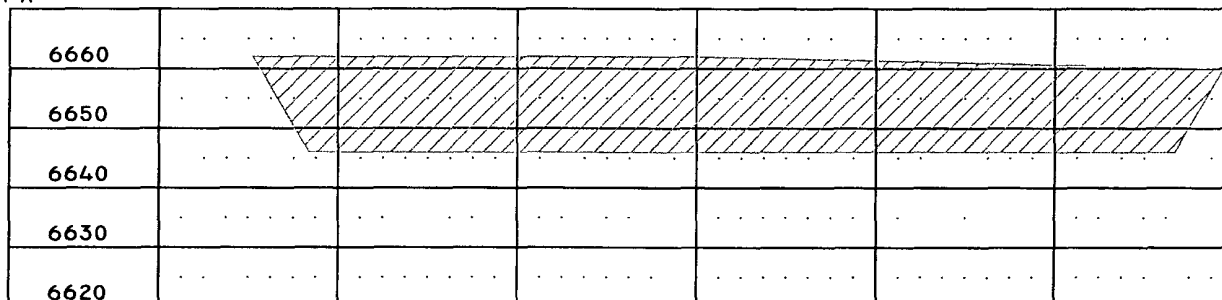
| | | |
|--|---------------------|--------------------|
| SURVEYED: 6/12/07 | REV. DATE: 7/23/07 | APP. BY: M.W.L. |
| DRAWN BY: H.S. | DATE DRAWN: 6/20/07 | FILE NAME: 7701L02 |
|  P.O. BOX 3651 FARMINGTON, NM 87499 OFFICE: (505)334-0408 | | |

BURLINGTON RESOURCES OIL & GAS COMPANY LP.

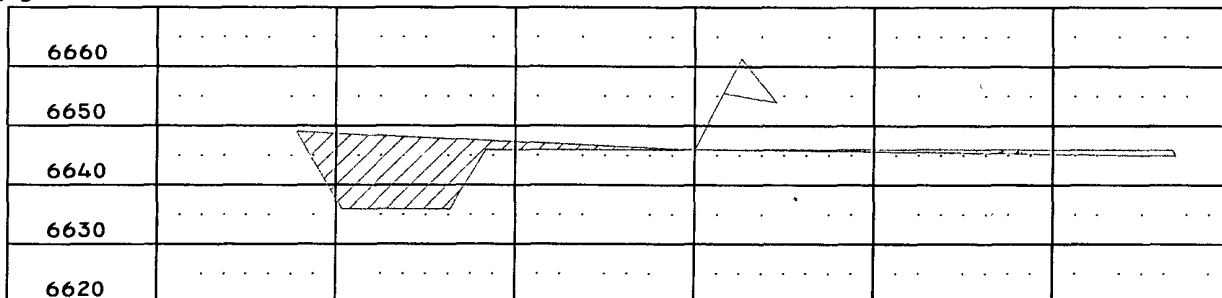
SAN JUAN 27-5 UNIT 911 - 1536' FSL & 1757' FEL
SECTION 8, T-27-N, R-5-W, N.M.P.M., RIO ARriba COUNTY, N.M.
GROUND ELEVATION: 6646 - DATE: JUNE 12, 2007

ELEVATION

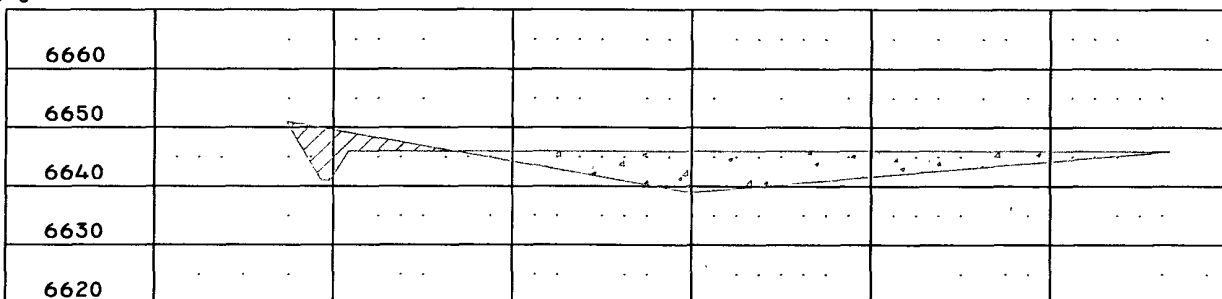
A-A'



B-B'



C-C'



1" = 60' - HORIZ.
1" = 30' - VERT.

NOTES.

- 1.) CONTRACTOR SHOULD CALL "ONE-CALL" FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELLPAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONST.
- 2.) UNITED FIELD SERVICES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES.

SURVEYED: 6/12/07

REV. DATE: 7/23/07

APP. BY M.W.L.

DRAWN BY: H.S.

DATE DRAWN: 6/20/07

FILE NAME: 7701C02



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