

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	RECEIVED	5. Lease Number USA SF-080675 Unit Reporting Number NMNM-78408A-MV NMNM-78408B-DK
1b. Type of Well GAS	DEC 13 2007 Bureau of Land Management Farmington Field Office	6. If Indian, All. or Tribe RCVD MAR 12 '08
2. Operator BURLINGTON RESOURCES Oil & Gas Company, LP		7. Unit Agreement Name OIL CONS. DIV. San Juan 27-4 Unit DIST. 3
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 E (SWNW), 1400' FNL & 1160' FWL Unit F (SENW), 1540' FNL & 1970' FWL Latitude 36.532806 N. Longitude 107.240657		9. Well Number #69N 10. Field, Pool, Wildcat Basin Dakota/Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) E Sec. 34, T27N, R04W API # 30-045- 039-30435
14. Distance in Miles from Nearest Town 58/Bloomfield	12. County Rio Arriba	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1540'		
16. Acres in Lease 2400.000	17. Acres Assigned to Well MV/DK 320.00 (W/2)	
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 58' from San Jaun 27-4 Unit 69		
19. Proposed Depth 8439'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 7170' GL	22. Approx. Date Work will Start BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS 12/12/07	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Jamie Goodwin</u> Jamie Goodwin (Regulatory Technician)		Date

PERMIT NO. APPROVAL DATE
APPROVED BY D. Montez TITLE AFM DATE 3/11/08

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 C104 FOR directional survey
AS drilled -102

NMOC

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

8 MAR 19 2008

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

1625 N French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Appropriate District Office
State Lease - 7 Copies
Fee Lease - 3 Copies

es Department Submit to Ap
VISION
Dr.
RECEIVED
DEC 13 2007
Bureau of Land Management
Farmington Field Office
DEDICATION PLAT

☐ AMMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAN

¹ API Number 30-039- 30435	² Pool Code 71599/72319	³ Pool Name <i>Blanco</i> MESAVERDE / DAKOTA
⁴ Property Code 7452	⁵ Property Name SAN JUAN 27-4 UNIT	⁶ Well Number 69N
⁷ OGRID No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP	⁹ Elevation 7170

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
E	34	27-N	04-W		1400	NORTH	1160	WEST	RIO ARRIBA

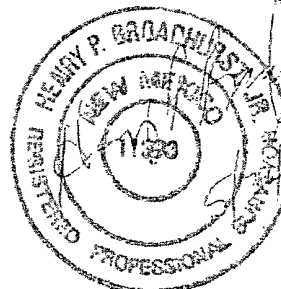
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	34	27-N	04-W		1540	NORTH	1970	WEST	RIO ARriba

¹² Dedicated Acres 320.00 W/2	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	WEST	5283.3' (R)	
5280.0' (R)	1400'	1540'	
1160'	1970'		
<p>WELL FLAG NAD 83 LAT: 36.533133° N LONG: 107.243556° W NAD 27 LAT: 36° 31.987388' N LONG: 107° 14.577421' W</p>		<p>BOTTOM HOLE NAD 83 LAT: 36.532806° N LONG: 107.240657° W NAD 27 LAT: 36° 31.967764' N LONG: 107° 14.403531' W</p>	
<p>W/2 DEDICATED ACREAGE USA SF-080675 SECTION 34 T27N, R04W</p>			
NORTH			

17	<p>OPERATOR CERTIFICATION</p> <p><i>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.</i></p> <p><i>Jamie Goodwin</i> Signature Jamie Goodwin Printed Name</p> <p>Printed Name Regulatory Technician</p> <p>Title and E-mail Address <i>12/12/07</i> Date</p>
18	<p>SURVEYOR CERTIFICATION</p> <p><i>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</i></p> <p>Date of Survey: 11/20/06 Signature and Seal of Professional Surveyor:</p> <div style="text-align: center;">  </div> <p>Certificate Number: NM 11393</p>

District I

Energy, Minerals and Natural Resources

May 27, 2004

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- 30435
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	Federal Lease SF-080675
7. Lease Name or Unit Agreement Name	San Juan 27-4 Unit
8. Well Number	#69N
9. OGRID Number	14538
10. Pool name or Wildcat	Basin Dakota / Blanco Mesaverde

SUNDY 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 E : 1400' feet from the North line and 1160' feet from the West line
Section 34 Township 27 Rng 4W NMPM County Rio Arriba

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
7169.7' GL

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type New Drill Depth to Groundwater >50' 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 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 Pit ☒ 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 10/1/2007

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 MAR 19 2008

Conditions of Approval (if any):



TECHNICAL SERVICES
A CORROSION COMPANY

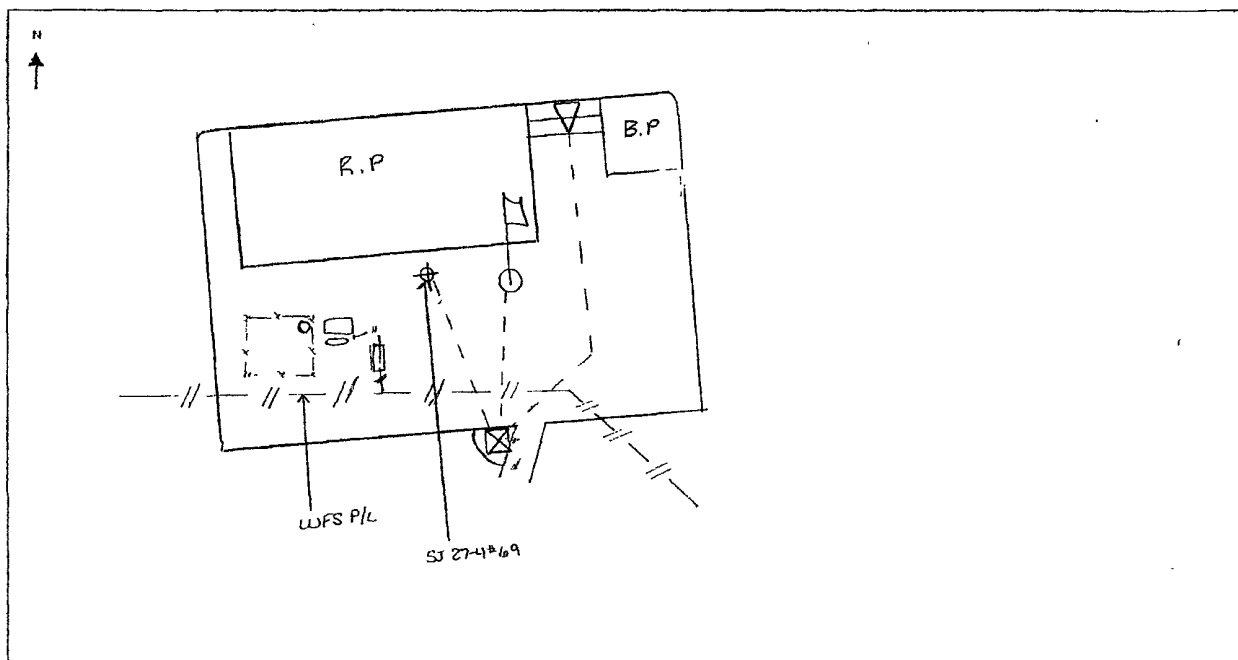
CATHODIC PROTECTION PLAN FOR NEW WELLS

WELL NAME SJ 27-4 # 69N

LEGALS E-34-27-4

COUNTY Rio Arriba

PURPOSED C.P. SYSTEM: Drill GB on North edge of location. Set 2-well solars on south edge on west side of lease access road. Trench approx 200' of positive cable from GB to solar. Trench approx 100' of #8 neg cable from #69 to solar. Trench approx 100' of #8 neg cable from #69N to solar.



EXISTING WELLHEAD	METER HOUSE	G.B.	POWER SOURCE	CABLE	NEW WELL	OVERHEAD A.C.

COMMENTS: Replace existing solar and GB

NEAREST POWER SOURCE _____

DISTANCE: _____

PIPELINES IN AREA: WFS P/L

TECHNICIAN: Michelle Finney

DATE: 2/23/07

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 27-4 UNIT 69N

DEVELOPMENT

Lease:		AFE #: WAN.ZA2.7207 /7208DK				AFE \$:	
Field Name: hBR_SAN JUAN 27-4 UNIT		Rig: Aztec Rig 711		State: NM	County: RIO ARRIBA		API #:
Geologist:		Phone:		Geophysicist:		Phone:	
Geoscientist: Head, Chip F		Phone: 505-326-9772		Prod. Engineer:		Phone:	
Res. Engineer: Prabowo, Wahyu		Phone: 505-326-9797		Proj. Field Lead:		Phone:	
Primary Objective (Zones):							
Zone	Zone Name						
R20002	MESAVERDE(R20002)						
R20076	DAKOTA(R20076)						
Location: Surface Datum Code: NAD 27 Deviated							
Latitude: 36.533123		Longitude: -107.242957		X:	Y:	Section: 34	Range: 004W
Footage X: 1160 FWL		Footage Y: 1400 FNL		Elevation: 7170 (FT)		Township: 027N	
Tolerance:							
Location: Bottom Hole Datum Code: NAD 27 Deviated							
Latitude: 36.532662		Longitude: -107.239668		X:	Y:	Section: 34	Range: 004W
Footage X: 1970 FWL		Footage Y: 1540 FNL		Elevation:		(FT) Township: 027N	
Tolerance:							
Location Type: Restricted		Start Date (Est.): 1/1/2008		Completion Date:		Date In Operation:	
Formation Data: Assume KB = 7184 Units = FT							
Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks	
SURFACE CSG	216	6968	<input type="checkbox"/>			12-1/4" hole, 9-5/8" 32.3 ppf, H-40, STC casing. Cement w/ 203 cuft. Circulate Cmt to surface.	
OJAM	3467	3717	<input type="checkbox"/>			Possible water flows.	
KRLD	3573	3611	<input type="checkbox"/>				
FRLD	3827	3357	<input type="checkbox"/>			Possible gas.	
PCCF	4027	3157	<input type="checkbox"/>				
LEWS	4134	3050	<input type="checkbox"/>				
Intermediate Casing	4234	2950	<input type="checkbox"/>			8 3/4" hole. 7" 20/23 ppf J-55, STC/LTC casing. Circulate cement to surface. Cement with 944 cu.ft.	
HURF	4483	2701	<input type="checkbox"/>				
CHRA	4955	2229	<input type="checkbox"/>				
UCLFH	5576	1608	<input type="checkbox"/>				
CLFH	5759	1425	<input type="checkbox"/>			Gas; possibly wet	
MENF	5833	1351	<input type="checkbox"/>			Gas.	
PTLK	6169	1015	<input type="checkbox"/>			Gas.	
MNCS	6667	517	<input type="checkbox"/>				
GLLP	7301	-117	<input type="checkbox"/>			Gas. Possibly wet.	
GRHN	8111	-927	<input type="checkbox"/>			Gas possible, highly fractured	
GRRS	8167	-983	<input type="checkbox"/>				
TWLS	8193	-1009	<input type="checkbox"/>			Gas	
CBBO	8330	-1146	<input type="checkbox"/>			Gas	
CBRL	8368	-1184	<input type="checkbox"/>				
ENCINAL	8439	-1255	<input type="checkbox"/>				

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 27-4 UNIT 69N

DEVELOPMENT

TD	8439	-1255	<input type="checkbox"/>	1400	6-1/4" Hole. 4-1/2", 10.5/11.6 ppf, J-55 STC/LTC casing. Cement with 573 cuft. Circulate cement a minimum of 100' inside the previous casing string.
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Reference Wells:		
Reference Type	Well Name	Comments
Production	27-4 #119	NW 34-27N-4W
Production	27-4 #69	NW 34-27N-4W

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 - DK 27N04W34NW2 and MVNM027N004W34NW2

Zones - DK 27N04W34NW2 and MVNM027N004W34NW2

General/Work Description - NO LEWIS

ConocoPhillips or its affiliates

Planning Report

Database:	EDM Central Planning	Local Co-ordinate Reference:	Well SJ 27-4 #69N
Company:	ConocoPhillips SJB	TVD Reference:	Generic Rig RKB @ 7185.0ft (Generic Rig)
Project:	San Juan Basin	MD Reference:	Generic Rig RKB @ 7185.0ft (Generic Rig)
Site:	Russell's Site for Directional MV/DK wells	North Reference:	True
Well:	SJ 27-4 #69N	Survey Calculation Method:	Minimum Curvature
Wellbore:	SJ 27-4 #69N		
Design:	APD Directional Plan		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N-S (ft)	+E-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
Encinal - TD - SJ 27-4 #69N - PCP									

Targets									
Target Name	hit/miss target	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N-S (ft)	+E-W (ft)	Northing (m)	Easting (m)	Latitude
SJ 27-4 #69N - ICP	- plan hits target	0.00	0.00	4,234.0	-167.8	966.5	613,769.44	205,562.26	36° 31' 57.584 N
SJ 27-4 #69N - PCP	- plan hits target	0.00	0.00	8,439.0	-167.8	966.5	613,769.43	205,562.26	36° 31' 57.584 N

Casing Points					
Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (in)	Hole Diameter (in)	
215.0	215.0	9 5/8"	9.625	12.250	
4,405.7	4,234.0	7	7.000	8.750	
8,610.6	8,438.9	4 1/2"	4.500	6.250	

Formations						
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
3,629.2	3,467.0	Ojo Alamo		0.00		
3,738.7	3,573.0	Kirtland		0.00		
3,997.3	3,827.0	Fruitland		0.00		
4,198.5	4,027.0	Pictured Cliffs		0.00		
4,305.7	4,134.0	Lewis		0.00		
4,654.7	4,483.0	Huerfano Bentonite		0.00		
5,126.7	4,955.0	Chacra		0.00		
5,747.7	5,576.0	Upper Cliffhouse		0.00		
5,930.7	5,759.0	Mass. Cliffhouse		0.00		
6,004.7	5,833.0	Menefee		0.00		
6,340.7	6,169.0	Pt. Lookout		0.00		
6,838.7	6,667.0	Mancos Shale		0.00		
7,472.7	7,301.0	Gallup		0.00		
8,282.7	8,111.0	Greenhorn		0.00		
8,338.7	8,167.0	Graneros		0.00		
8,364.7	8,193.0	Two Wells		0.00		
8,501.7	8,330.0	Upper Cubero		0.00		
8,539.7	8,368.0	Lower Cubero		0.00		
8,610.7	8,439.0	Encinal		0.00		
8,610.7	8,439.0	TD		0.00		

BURLINGTON RESOURCES OIL AND GAS COMPANY

SAN JUAN 27-4 UNIT #69N

1400' FNL, 1160' FWL

SECTION 34, T-27-N, R-4-W, N.M.P.M.,

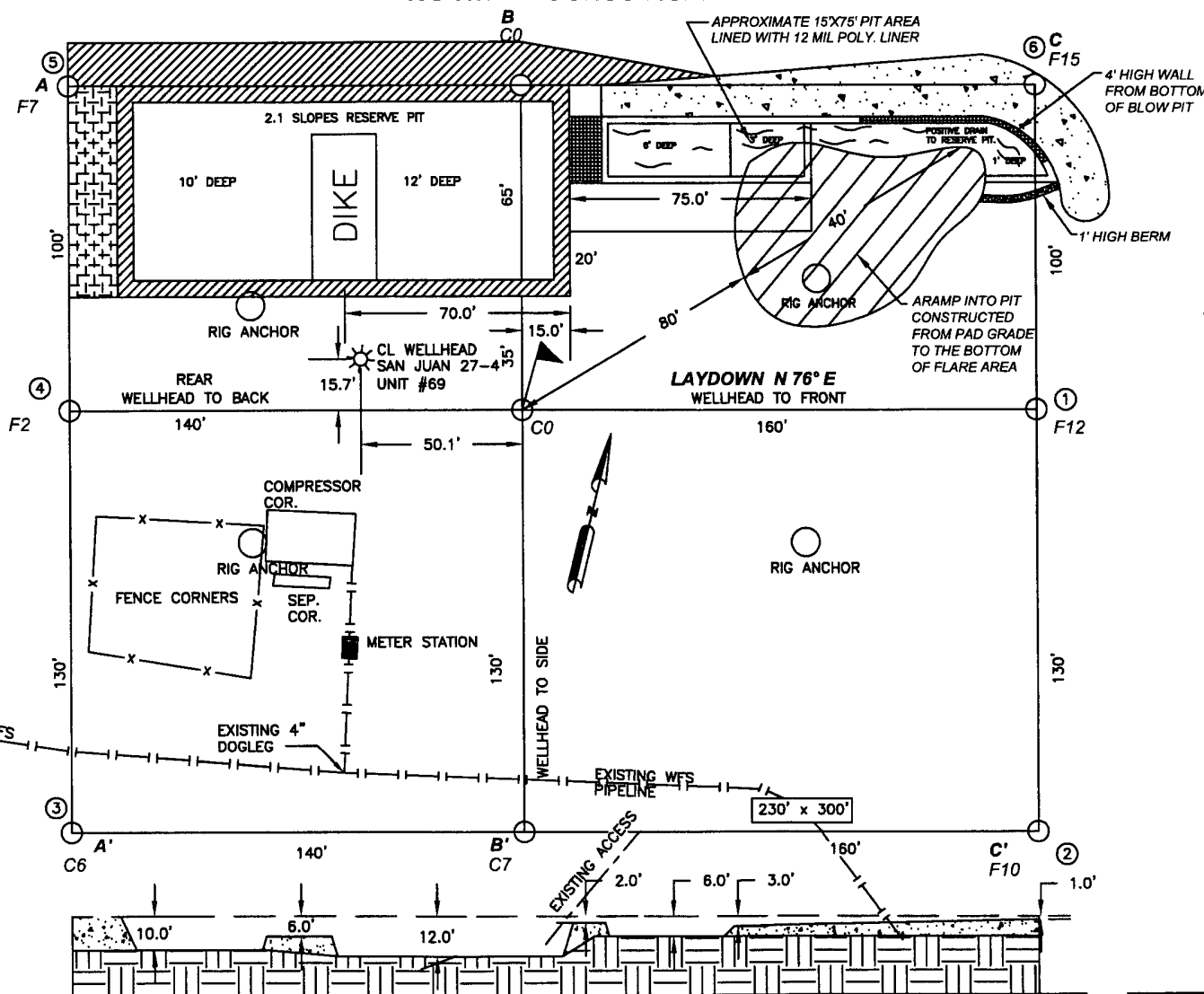
RIO ARriba COUNTY, NEW MEXICO

GROUND ELEV.: 7170 NAVD88

DATE: NOVEMBER 20, 2006

NO NEW ACCESS ROAD

50' EDGE OF DISTURBANCE



PIT CROSS SECTION

NAD 83 LAT.: 36.533133° N / LONG.: 107.243556° W

NOTES:

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

CCI

CHENAULT CONSULTING INC.

P.O. BOX 328
BLOOMFIELD, NM, 87413
PHONE: (505)325-7707

BURLINGTON RESOURCES OIL AND GAS COMPANY

SAN JUAN 27-4 UNIT #69N

1400' FNL, 1160' FWL

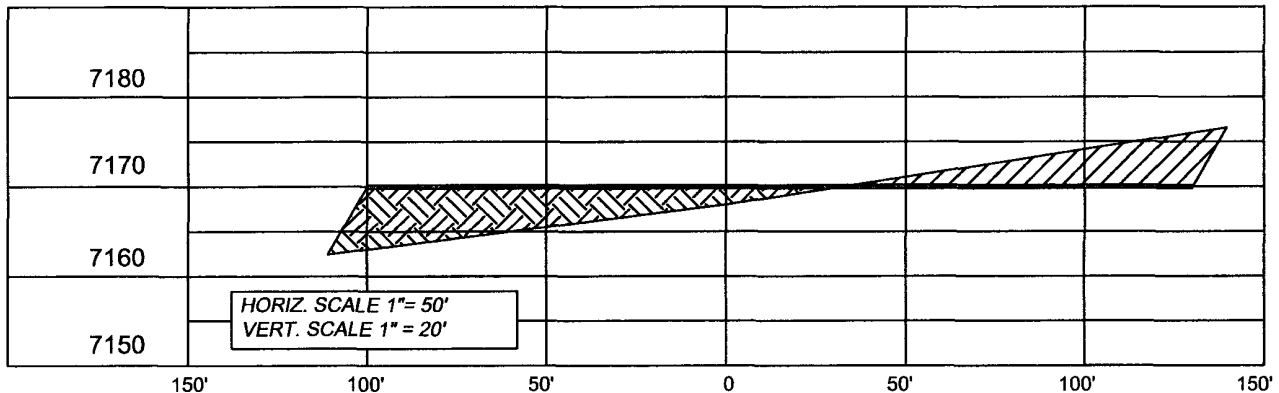
SECTION 34, T-27-N, R-4-W, N.M.P.M.,

RIO ARriba COUNTY, NEW MEXICO

ELEV.: 7170 NAVD88

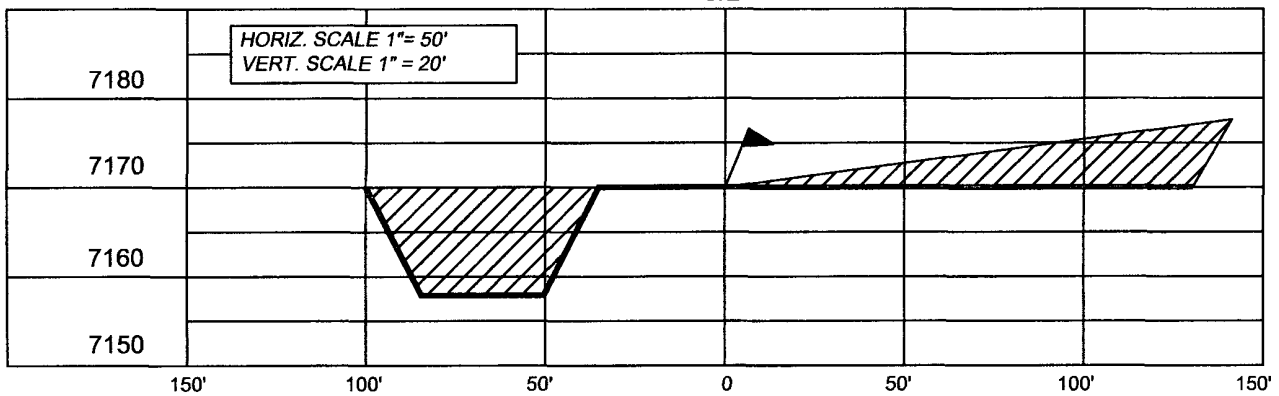
A - A'

C/L



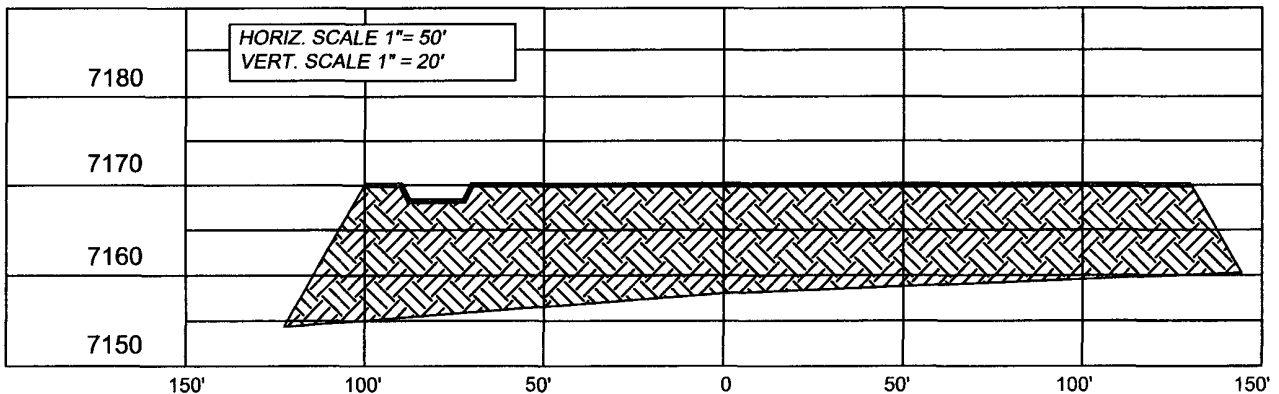
B - B'

C/L



C - C'

C/L



NOTE: CCI 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 PRIOR TO CONSTRUCTION.

REVISIONS

NO	DESCRIPTION	REVISED BY	DATE
1	ISSUED FOR REVIEW	L.H	11/20/06
2	BOTTOM HOLE / FORMATION	L.H	5/21/07

CCI

P.O. BOX 328
BLOOMFIELD, NM, 87413
PHONE: (505) 325-7707

CHENAULT CONSULTING INC.