

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL
1b. Type of Well GAS
2. 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 Surf: Unit O (SWSE), 805' FSL & 1920' FEL
5. Lease Number USA NM-03999 Unit Reporting Number
6. If Indian, All. or Tribe
7. Unit Agreement Name
8. Farm or Lease Name Grambling
9. Well Number #721S
10. Field, Pool, Wildcat Basin Fruitland Coal
11. Sec., Twn, Rge, Mer. (NMPM) Sec. 27, T29N, R9W API # 30-045-34595
12. County San Juan
13. State NM
14. Distance in Miles from Nearest Town 602 mile/Blanco
15. Distance from Proposed Location to Nearest Property or Lease Line 1675'
16. Acres in Lease 951.800
17. Acres Assigned to Well FC 320.00 E/2
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 80' from Grambling #5R FC
19. Proposed Depth 2250'
20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 5621' GL
22. Approx. Date Work will Start
23. Proposed Casing and Cementing Program See Operations Plan attached
24. Authorized by: Jamie Goodwin (Regulatory Technician)

RECEIVED

FEB 14 2008

Bureau of Land Management Farmington Field Office



H2S POTENTIAL EXIST

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

PERMIT NO. APPROVAL DATE APPROVED BY TITLE DATE

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

NOTIFY AZTEC OCD 24 HRS. PRIOR TO CASING & CEMENT

NMOCD

MAY 27 2008

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

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

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

DISTRICT II  
1301 W. Grand Ave., Artesia, N.M. 88210

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

DISTRICT IV  
1220 South 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, NM 87505

RECEIVED  
FEB 14 2008

Form C-102  
Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

AMENDED REPORT

Bureau of Land Management  
Farmington Field Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-34595		<sup>2</sup> Pool Code 71629	<sup>3</sup> Pool Name BASIN FRUITLAND COAL
<sup>4</sup> Property Code A721607-7054	<sup>5</sup> Property Name GRAMBLING		<sup>6</sup> Well Number 721S
<sup>7</sup> OGRID No. 14538	<sup>8</sup> Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY LP		<sup>9</sup> Elevation 5621

<sup>10</sup> Surface Location

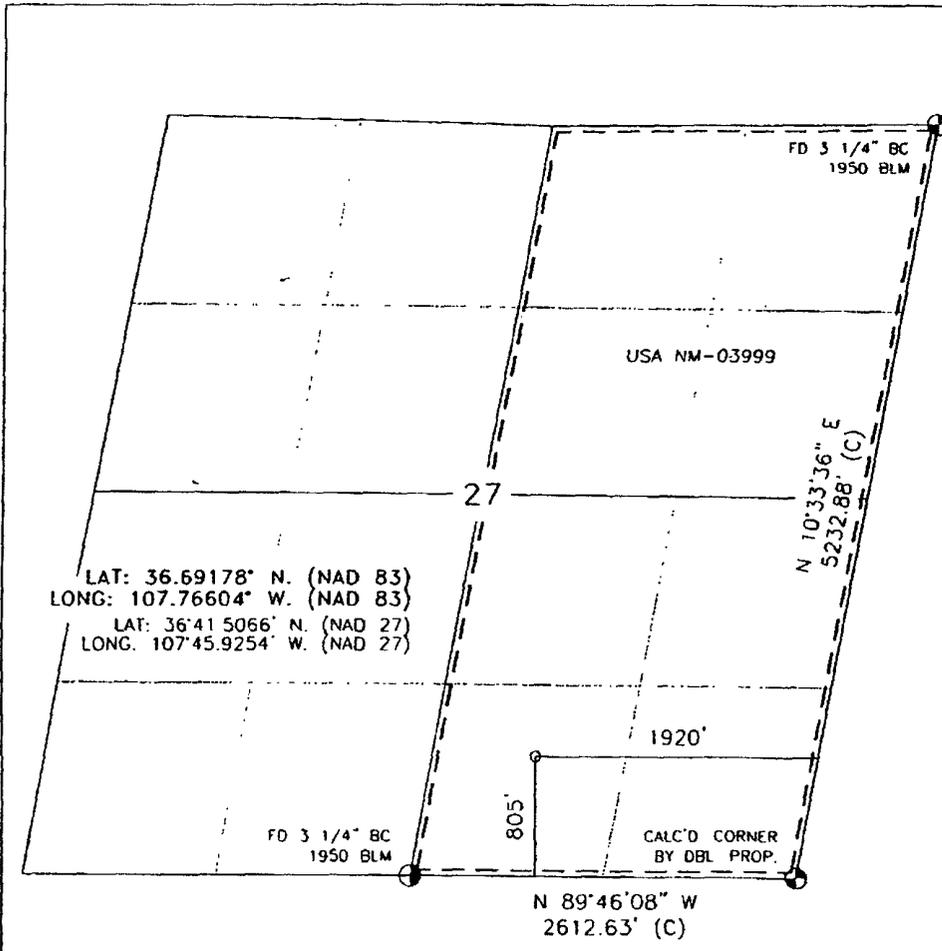
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	27	29-N	9-W		805	SOUTH	1920	EAST	SAN JUAN

<sup>11</sup> 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
0									
<sup>12</sup> Dedicated Acres - 320 E/2		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> 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

16



<sup>17</sup> OPERATOR CERTIFICATION

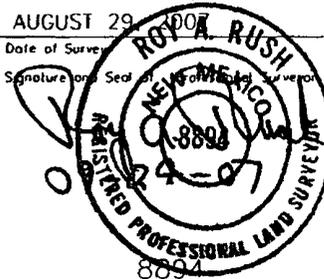
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well of this 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

*Jamie Goodwin* 02/14/2008  
Signature Date  
Printed Name

<sup>18</sup> 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 29 2008  
Date of Survey  
Signature and Seal of Registered Professional Land Surveyor  
*[Signature]*  
8094  
Certificate Number



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. 30-045- <b>34595</b>
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. USA NM-03999
7. Lease Name or Unit Agreement Name Grambling
8. Well Number 721S
9. OGRID Number 14538
10. Pool name or Wildcat Basin Fruitland Coal

**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 O : 805' feet from the South line and 1920' feet from the East line  
Section 27 Township 29N Rng 9W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
5621'

Pit or Below-grade Tank Application  or Closure

Pit type New Drill Depth to Groundwater 520 Distance from nearest fresh water well >1000' Distance from nearest surface water <200

Pit Liner Thickness: 1/2 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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <u>New Drill</u> <input checked="" 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, 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 12/5/2007

Type or print name Sasha Spangler E-mail address: sasas@conocoPhillips.com Telephone No. 505-326-9568

APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE MAY 27 2008

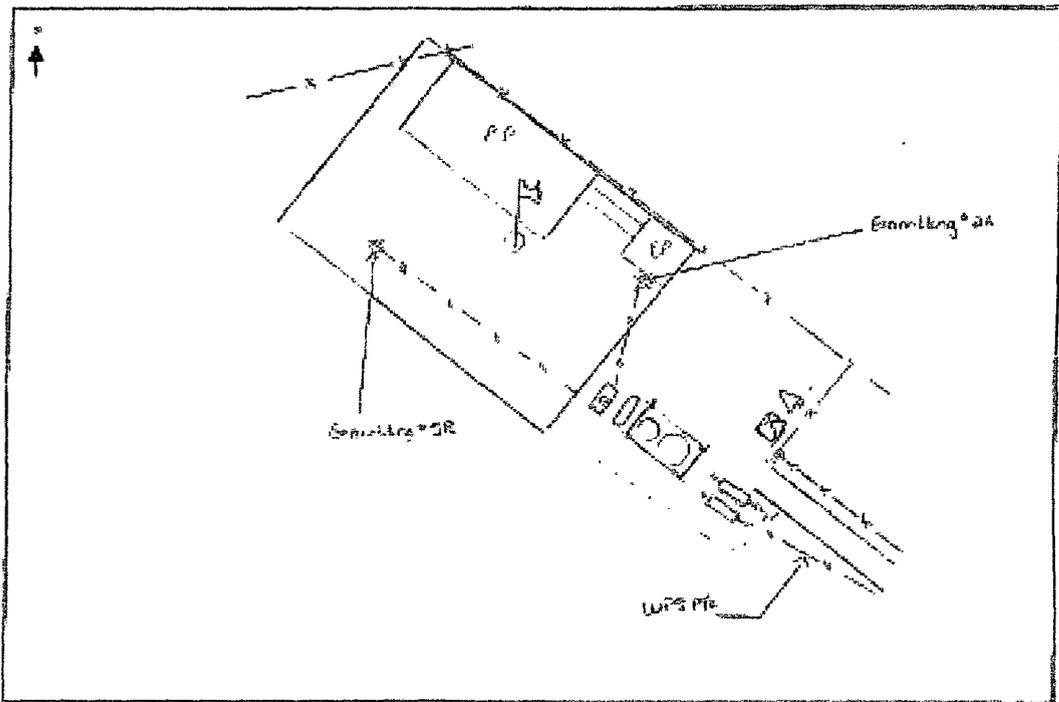
Conditions of Approval (if any): No below grade pits or tanks - closed loop systems



**CATHODIC PROTECTION PLAN FOR NEW WELLS**

WELL NAME Graveling #7015 LEGALS 0-17-29-9 COUNTY San Juan

PURPOSED C.P. SYSTEM: Drill c/s and set 4 well struts on 2F floor at existing location  
Install 150' of 2.5" galv. pipe with 500' of 3/4" galv. pipe. Trench over 300' SP + 200' from existing  
well system. Trench depth 12" and 2' 6" over 500' to 70' to 80'.



EXISTING WELLS	METRO-ROSE	DR	PIPE SOURCE	CABLE	SEA WALL	OVERHEAD AC

COMMENTS: \_\_\_\_\_

NEAREST POWER SOURCE NY DISTANCE: \_\_\_\_\_

PIPELINES IN AREA: 100' S of

TECHNICIAN: [Signature] DATE: 11/12/07

**PROJECT PROPOSAL - New Drill / Sidetrack**

**GRAMBLING 721S**

**DEVELOPMENT**

Lease:		AFE #: WAN.ZA2.5382		AFE \$: 192,978.39	
Field Name: hBR_SAN JUAN		Rig: Aztec Rig 580		State: NM	County: SAN JUAN
Geologist:		Phone:		Geophysicist:	
Geoscientist: Pippin, Eddie A		Phone: 505-326-9780		Prod. Engineer:	
Res. Engineer:		Phone:		Proj. Field Lead:	
				Phone:	

**Primary Objective (Zones):**

Zone	Zone Name
JCV	BASIN FRUITLAND COAL (GAS)

**Location: Datum Code: NAD 27**

Latitude: 36.691774		Longitude: -107.765425		X:		Y:		Section: 27		Range: 009W	
Footage X: 1920 FEL		Footage Y: 805 FSL		Elevation: 5621		(FT)		Township: 029N			
Tolerance:											

Location Type: Year Round			Start Date (Est.): 1/1/2008			Completion Date:			Date In Operation:		
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Formation Data: Assume KB = 5633 Units = FT

Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks
Surface Casing	120	5513	<input type="checkbox"/>			8-3/4 hole. 7" 20 ppf, J-55 STC csg. Cement with 50 cuft. Circulate cement to surface.
OJO ALAMO	928	4705	<input type="checkbox"/>			
KIRTLAND	1098	4535	<input type="checkbox"/>			
FRUITLAND	1750	3883	<input type="checkbox"/>			Gas
PICTURED CLIFFS	2050	3583	<input type="checkbox"/>	400		Gas
Total Depth	2250	3383	<input type="checkbox"/>			6-1/4" hole. 4-1/2" 10.5 ppf, J-55, STC casing. Cement with 346 cuft. Circulate cement to surface.

**Reference Wells:**

Reference Type	Well Name	Comments

**Logging Program:**

Intermediate Logs:  Log only if show  GR/ILD  Triple Combo

TD Logs:  Triple Combo  Dipmeter  RFT  Sonic  VSP  TDT  Other  
GR/CBL.

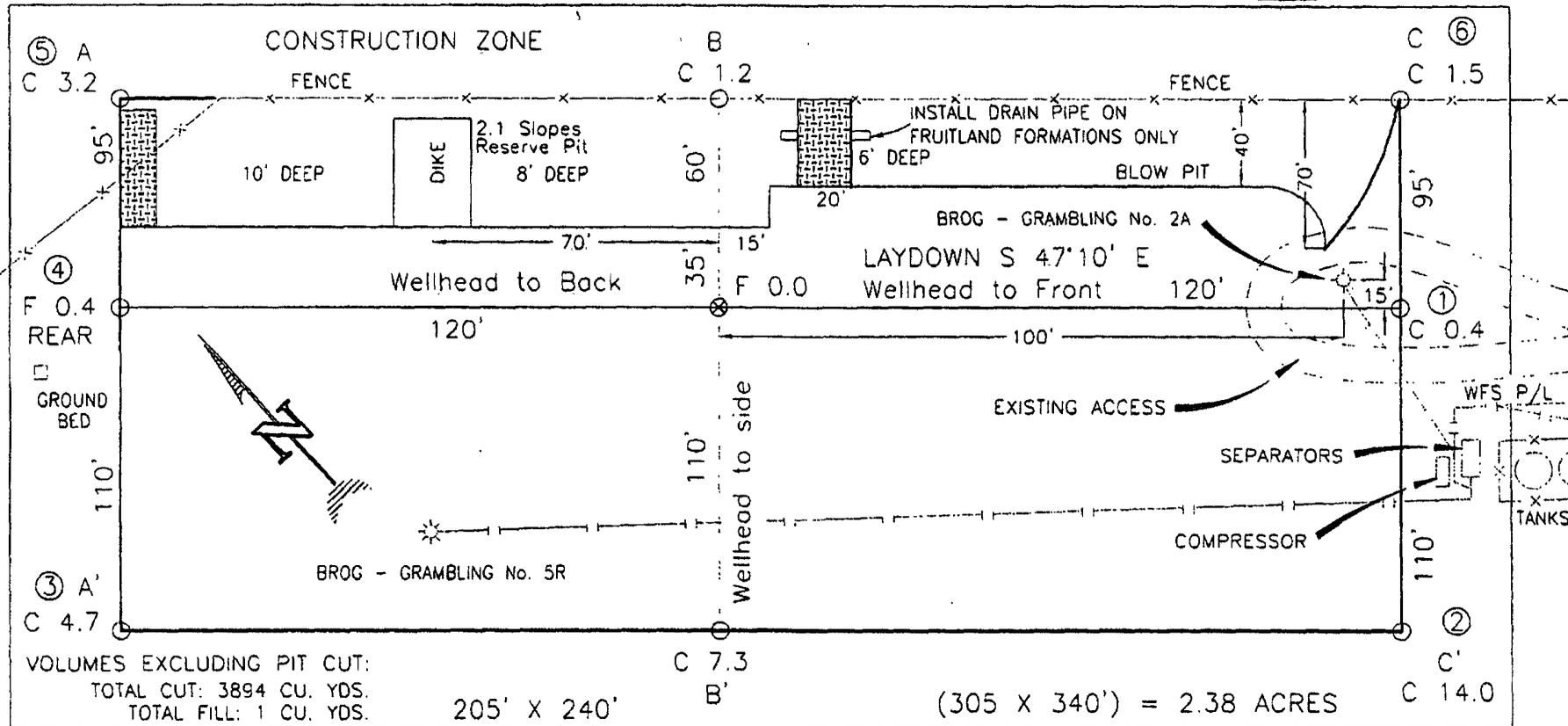
**Additional Information:**

Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks



**BURLINGTON RESOURCES OIL & GAS COMPANY LP**  
**GRAMBLING No. 721S, 805 FSL 1920 FEL**  
**SECTION 27, T-29-N, R-9-W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO**  
**GROUND ELEVATION: 5621', DATE: AUGUST 29, 2007**

NAD 83  
 LAT. = 36.69178° N.  
 LONG. = 107.76604° W.  
 NAD 27  
 LAT. = 36°41.5066' N.  
 LONG. = 107°45.9254' W.



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: ESTIMATED VOLUMES CALCULATED BY AVERAGE END AREA AT CROSS-SECTION SHOWN

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
 Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 510 Farmington, NM 87499 Phone (505) 326-1772 Fax (505) 326-6019 NEW MEXICO L.S. 8894		
DRAWN BY G.V.	CAD FILE BR683_PL8	
ROW# BR683	DATE 9/19/07	

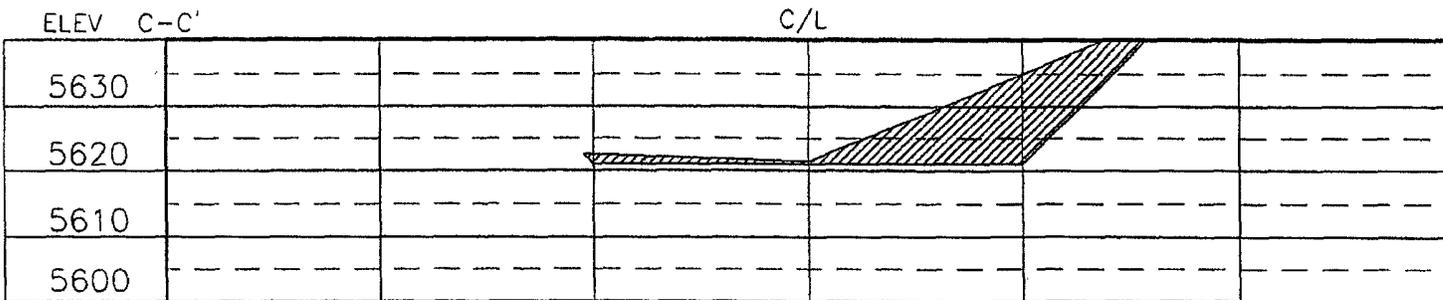
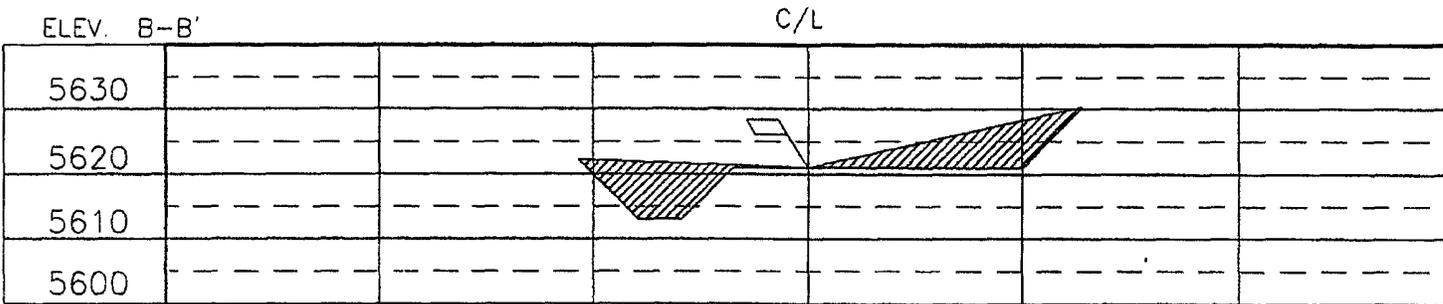
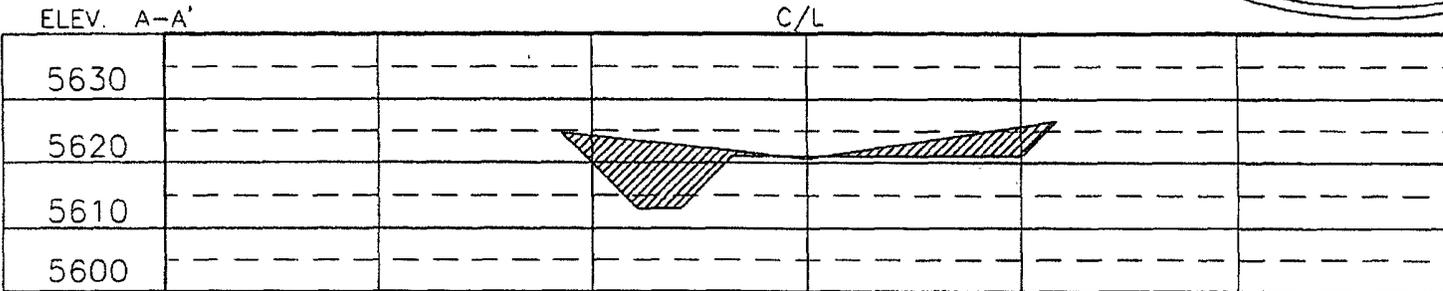
# BURLINGTON RESOURCES OIL & GAS COMPANY LP

GRAMBLING No. 721S, 805 FSL 1920 FEL

SECTION 27, T-29-N, R-9-W, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO

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NOTE:  
 DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. UTILITY NOTIFICATION CENTER OF COLORADO 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:
 Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 510 Farmington, NM 87499 Phone (505) 326-1772 • Fax (505) 326-6019 NEW MEXICO L.S. 8894		
DRAWN BY: C.V.		CADFILE: BR683_CFB
ROW#: BR683		DATE 9/19/07

**Directions from the Post Office in Bloomfield, New Mexico to the  
Burlington Resources Oil & Gas Company, LP**

**Grambling #721S well location**

**805' FSL 1920' FEL Section 27, T29N R9W, NMPM in San Juan County, NM**

From the Bloomfield, NM post office (Lat. 36.71139° N, Long. 107.99250° W):

Travel east on Hwy 64 0.4 mi to Hwy 550 (Lat. 36.71139° N, Long. 107.98472° W).

Turn right and travel south 1.0 mi to CR 4990 (Sullivan Road, Lat. 36.69639° N, Long. 107.98722° W).

Turn left on CR 4990 and travel easterly then southeasterly 14.5 mi (Lat. 36.68944° N, Long. 107.76361° W).

Turn left and travel northwesterly 0.2 mi to new location at the existing Grambling #2A well location (Lat. 36.69178° N, Long. 107.76604° W).