

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 JAN 4 2008 Bureau of Land Management Farmington Field Office	5. Lease Number USA NM-03863 Unit Reporting Number
1b. Type of Well GAS		6. If Indian, All. or Tribe
2. Operator BURLINGTON RESOURCES Oil & Gas Company, LP		7. Unit Agreement Name OIL CONS. DIV. DIST 3
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700		8. Farm or Lease Name Valdez 9. Well Number #8M
4. Location of Well Unit O (SWSE), 1255' FSL & 1855' FEL Unit P (SESE), 700', FSL & 700 FEL Latitude 36.627829 N. Longitude 107.253346 W. Latitude 36.626343 N. Longitude 107.249441 W.		10. Field, Pool, Wildcat Basin Dakota/Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) 0 Sec. 28, T28N, R04W Sec. 28, T28N, R04W API # 30-045- 30-039-30452
14. Distance in Miles from Nearest Town 53 Miles/Bloomfield, NM	12. County Rio Arriba	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 700'		
16. Acres in Lease 1280.000	17. Acres Assigned to Well MV/DK 320.00 E/2	
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 54' from Valdez 8A		
19. Proposed Depth 8623'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 7235' GL	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Jamie Goodwin</u> Jamie Goodwin (Regulatory Technician)	<u>1/4/08</u> Date	

PERMIT NO. APPROVAL DATE
APPROVED BY [Signature] TITLE AFM DATE 10/14/08

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 statement.

Example Master Plan Type 3

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

A COMPLETE C-144 MUST BE SUBMITTED TO AND
APPROVED BY THE NMCD FOR: A PIT, CLOSED
LOOP SYSTEM, BELOW GRADE TANK, OR
PROPOSED ALTERNATIVE METHOD, PURSUANT TO
NMCD PART 19.15.17, PRIOR TO THE USE OR
CONSTRUCTION OF THE ABOVE APPLICATIONS.

NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT

and NMB-000089 OCT 22 2008
ILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
GENERAL REQUIREMENTS.

Hold C104

for Directional Survey
and "As Drilled" plat

RECEIVED

JAN 4 2008

Bureau of Land Management
Farmington Field Office

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 7 Copies

Fee Lease - 3 Copies

District I

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-30452		² Pool Code 72319/71599		³ Pool Name Balanco MESAVERDE / DAKOTA	
⁴ Property Code 7620		⁵ Property Name VALDEZ			⁶ Well Number 8M
⁷ OGRID No. 14538		⁸ Operator Name BURLINGTON RESOURCES OIL AND GAS CO.			⁹ Elevation 7235

¹⁰ SURFACE LOCATION

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
O	28	28-N	4-W		1255	SOUTH	1855	EAST	RIO ARRIBA

¹¹ Bottom Hole Location if Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
P	28	28-N	4-W		700	SOUTH	700	EAST	RIO ARRIBA

¹² Dedicated Acres 320 E/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	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>Jamie Goodwin</u> Printed Name: <u>Jamie Goodwin</u> Title and E-mail Address: <u>Regulatory Tech.</u> Date: <u>01/04/2008</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>5/27/07</u> Signature and Seal of Professional Surveyor: Certificate Number: <u>NM 11393</u>

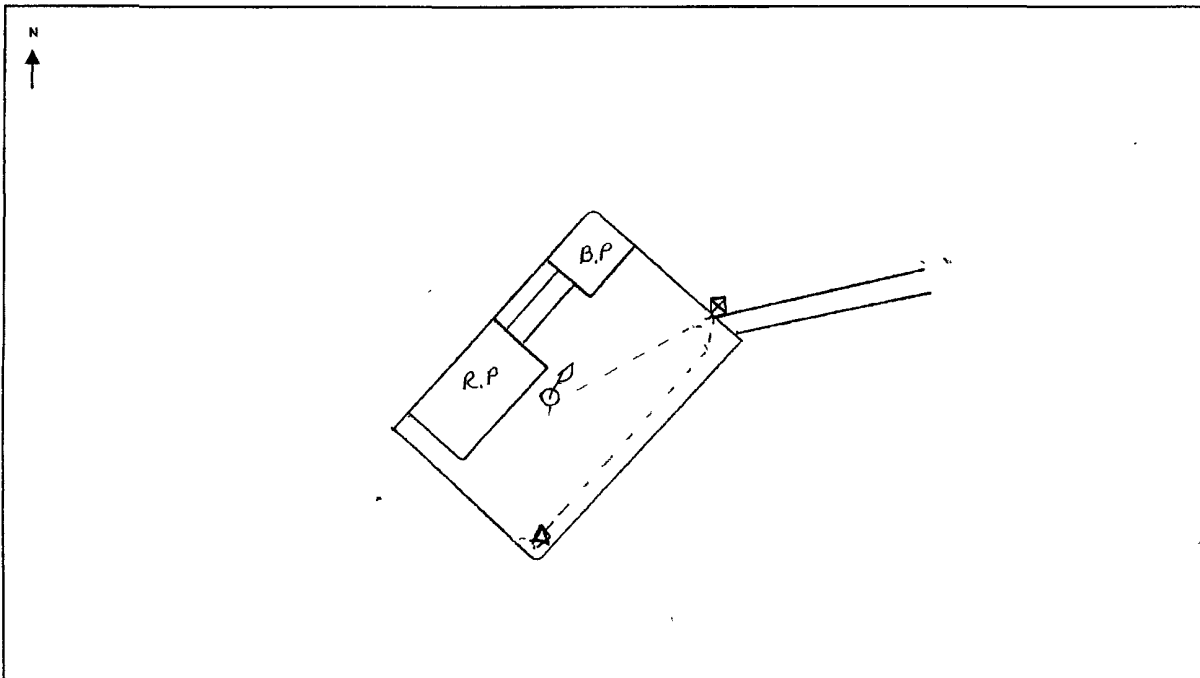


TECHNICAL SERVICES
A CORROSION COMPANY

CATHODIC PROTECTION PLAN FOR NEW WELLS

WELL NAME Valdez #84 LEGALS J-27-28-4 COUNTY Rio Arriba

PURPOSED C.P. SYSTEM: Drill G.B. on south corner of location and set solar on NE edge of location (northside of access road) Trench approx 215' of positive cable from G.B. to solar. Trench approx 175' of #8 neg cable from proposed wellhead to solar.



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

COMMENTS: _____

NEAREST POWER SOURCE N/A DISTANCE: _____

PIPELINES IN AREA: _____

TECHNICIAN: Michael H. Rojas DATE: 2/18/07

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

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

VALDEZ 8M

DEVELOPMENT

Lease:		AFE #: WAN.ZA2.6957/6958MV				AFE \$:	
Field Name: hBR_SAN JUAN		Rig: XXX Deferred PDT		State: NM	County: RIO ARRIBA		API #:
Geologist:	Phone:	Geophysicist:		Phone:			
Geoscientist: Riley, Brook	Phone: +1 505-324-6108	Prod. Engineer:		Phone:			
Res. Engineer: McKee, Cory J	Phone: 505-326-9826	Proj. Field Lead:		Phone:			
Primary Objective (Zones):							
Zone	Zone Name						
R20002	MESAVERDE(R20002)						
R20076	DAKOTA(R20076)						
Location: Surface Datum Code: NAD 27							
Latitude: 36.627820	Longitude: -107.252747	X:	Y:	Section: 28		Range: 004W	
Footage X: 1855 FWL	Footage Y: 1255 FSL	Elevation: 7235 (FT)		Township: 028N			
Tolerance:							
Location: Bottom Hole Datum Code: NAD 27							
Latitude: 36.626390	Longitude: -107.248885	X:	Y:	Section: 28		Range: 004W	
Footage X: 700 FEL	Footage Y: 700 FSL	Elevation:		Township: 028N			
Tolerance:							
Location Type: Restricted		Start Date (Est.): 1/1/2020		Completion Date:		Date In Operation:	
Formation Data: Assume KB = 7249		Units = FT					
Formation Call & Casing Points	Depth (TVD in Ft)	SS (Ft)	Depletion (Yes/No)	BHP (PSIG)	BHT	Remarks	
Surface Casing	200	7049	☐			12-1/4" hole, 9-5/8" 32.3 ppf, H-40, STC casing. Cement w/ 171 cuft.	
OJO ALAMO	3599	3650	☐			Possible water	
KIRTLAND	3720	3529	☐				
FRUITLAND COAL	3994	3255	☐			Possible gas	
PICTURED CLIFFS	4161	3088	☐			Gas	
LEWIS	4347	2902	☐				
Intermediate Casing	4447	2802	☐			8 3/4" hole. 7" 20/23 ppf J-55, STC/LTC casing. Circulate cement to surface. Cement with 1041 cu.ft.	
HUERFANITO BENTONITE	4792	2457	☐				
CHACRA	5144	2105	☐				
MASSIVE CLIFF HOUSE	5957	1292	☐			Gas	
MENEFEE	6019	1230	☐			Gas	
MASSIVE POINT LOOKOUT	6318	931	☐			Gas	
MANCOS	6796	453	☐				
UPPER GALLUP	7533	-284	☐				
GREENHORN	8305	-1056	☐				
GRANEROS	8358	-1109	☐				
TWO WELLS	8427	-1178	☐			Gas	
UPPER CUBERO	8493	-1244	☐			Gas	
LOWER CUBERO	8543	-1294	☐			Gas	
OAK CANYON	8603	-1354	☐				
TD	8623	-1374	☐			6-1/4" Hole. 4-1/2", 10.5/11.6 ppf, J-55 STC/LTC casing. Cement with 569 cuft. Circulate cement a minimum of 100' inside the previous casing string.	

PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

VALDEZ 8M

DEVELOPMENT

ENCINAL	8623	-1374	☐	1600
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Reference Wells:

Reference Type	Well Name	Comments
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Logging Program:

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

TD Logs: ☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☐ TDT ☒ Other

GR/CBL

Mudlog from ~100' above the T/Greenhorn to TD. TD should be ~196' below the T/Two Wells.

Additional Information:

Log Type	Stage	From (Ft)	To (Ft)	Tool Type/Name	Remarks
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Comments: Location/Tops/Logging - DK 28N04W28SE2 and MVNM028N004W28SE2 Nearest DK offset used is SJ 28-4 Unit 35 NE33-28N-04W.

Zones - DK 28N04W28SE2 and MVNM028N004W28SE2

General/Work Description - DRILLING: OPEN LOGS and 85Q foam frac. (R Wall/RAM Team)

Moved from 2007 to 2008 due to 2007 Capex program adjustments 3/15/07 - LM
NO LEWIS Directional Well

7/9/07: The economics for this well will support DD; moving location (dlb)

ConocoPhillips or its affiliates Survey Report

Company:	ConocoPhillips SJB	Local Co-ordinate Reference:	Well Valdez #8M
Project:	San Juan Basin	TVD Reference:	WELL @ 7250 0ft (Original Well Elev)
Site:	Monty's Site for directional MV/DK wells	MD Reference:	WELL @ 7250 0ft (Original Well Elev)
Well:	Valdez #8M	North Reference:	True
Wellbore:	Valdez #8M	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1	Database:	EDM Central Planning

Targets									
Target Name	hit/miss target	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	
- Shape		(°)	(°)	(ft)	(ft)	(ft)	(m)	(m)	Latitude Longitude
Valdez #8M - PCP		0 00	0 00	8,623.0	-555 0	1,155 0	-174 23	349 65	30° 59' 19 019 N 109° 25' 30 826 W
- plan hits target									
- Point									
Valdez #8M - ICP		0 00	0 00	4,447 0	-555 0	1,155 0	-174 23	349 65	30° 59' 19 019 N 109° 25' 30 826 W
- plan hits target									
- Point									

Formations						
Measured Depth	Vertical Depth	Name	Lithology	Dip	Dip Direction	
(ft)	(ft)			(°)	(°)	
3,790 5	3,599 0	Ojo Alamo		0 00		
3,919 8	3,720 0	Kirtland		0 00		
4,207 9	3,994 0	Fruitland Coal		0 00		
4,378 2	4,161 0	Pictured Cliffs		0 00		
4,565 2	4,347 0	Lewis		0 00		
5,010 3	4,792 0	Huerf Bent		0 00		
5,362 3	5,144 0	Chacra		0 00		
6,175 3	5,957 0	Mass Cliff		0 00		
6,237 3	6,019 0	Menefee		0 00		
6,536 3	6,318 0	Pt Lookout		0 00		
7,014 3	6,796 0	Mancos Shale		0 00		
7,751 3	7,533 0	Gallup		0 00		
8,523 3	8,305 0	Greenhorn		0 00		
8,576 3	8,358 0	Graneros		0 00		
8,645 3	8,427 0	Two Wells		0 00		
8,711 3	8,493 0	Upper Cubero		0 00		
8,761 3	8,543 0	Lower Cubero		0 00		
8,821 3	8,603 0	Oak Canyon		0 00		
8,841 3	8,623 0	TD		0 00		

Checked By: _____ Approved By: _____ Date: _____

BURLINGTON RESOURCES OIL & GAS COMPANY LP

VALDEZ 8M

1255' FSL, 1855' FEL

SECTION 28, T-28-N, R-4-W, N.M.P.M.,

RIO ARriba COUNTY, NEW MEXICO

GROUND ELEV.: 7235 NAVD88

NO NEW ACCESS ROAD

- FROM BLOOMFIELD, N.M. AT INTERSECTION OF HWY. 550 AND HWY. 64.
- TRAVEL EAST ON HWY. 64 APROX. 42.0 MI. TO RIGHT TURN ON FOREST ROAD #314 (MILE MARKER 105.8).
- TRAVEL SOUTHEAST, ON F.R. #314, 8.2 MI. TURN RIGHT ON F.R. 357.
- TRAVEL SOUTH ON F.R. 357 ONTO VIGAS MESA, FOR 1.3 MI. TO LEFT TURN ON F.R. 357L.
- TRAVEL SOUTHEAST ON F.R. 357L, THRU LOCKED GATE, FOR 0.5 MI. TO RIGHT TURN ON F.R. 357 L2.
- TRAVEL SOUTHWEST FOR 1.2 MI. TO EXISTING BROG VALDEZ 8A WELL PAD. STAKED AS TWIN WITH THIS WELL.