

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

MAR 10 2010

|                                                                                                                                |                                                                                                                                       |                                                      |
|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|
| 1a. Type of Work<br>DRILL                                                                                                      | 5. Lease Number<br>SF-078135<br>Unit Reporting Number<br>NMMNM-78394D                                                                 | Bureau of Land Management<br>Farmington Field Office |
| 1b. Type of Well<br>GAS                                                                                                        | 6. If Indian, All. or Tribe                                                                                                           |                                                      |
| 2. Operator<br><b>BURLINGTON</b><br>RESOURCES Oil & Gas Company, LP                                                            | 7. Unit Agreement Name<br>Huerfanito Unit                                                                                             |                                                      |
| 3. Address & Phone No. of Operator<br>PO Box 4289, Farmington, NM 87499<br><br>(505) 326-9700                                  | 8. Farm or Lease Name<br>RCVD APR 5 '10<br>OIL CONS. DIV.<br>DIST. 3                                                                  |                                                      |
| 4. Location of Well<br>Unit J(NWSE), 1405' FSL & 2215' FEL<br><br>Latitude: 36.513617° N (NAD83)<br>Longitude: 107.739763° W   | 10. Field, Pool, Wildcat<br>Basin Fruitland Coal<br><br>11. Sec., Twn, Rge, Mer. (NMPM)<br>J Sec. 1, T26N, R9W<br>API # 30-045- 35/23 |                                                      |
| 14. Distance in Miles from Nearest Town<br>28 miles / Bloomfield                                                               | 12. County<br>San Juan                                                                                                                | 13. State<br>NM                                      |
| 15. Distance from Proposed Location to Nearest Property or Lease Line<br>1405'                                                 | 17. Acres Assigned to Well<br>320.06 E/2 - FC                                                                                         |                                                      |
| 16. Acres in Lease<br>2,241.880                                                                                                |                                                                                                                                       |                                                      |
| 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease<br>70' from Huerfanito Unit 87M | 20. Rotary or Cable Tools<br>Rotary                                                                                                   |                                                      |
| 19. Proposed Depth<br>2108'                                                                                                    |  H <sub>2</sub> S POTENTIAL EXIST                  |                                                      |
| 21. Elevations (DF, FT, GR, Etc.)<br>6165' GL                                                                                  | 22. Approx. Date Work will Start                                                                                                      |                                                      |
| 23. Proposed Casing and Cementing Program<br>See Operations Plan attached                                                      |                                                                                                                                       |                                                      |
| 24. Authorized by: <u>Crystal Tafoya</u><br>Crystal Tafoya (Regulatory Technician)                                             | Date <u>3/10/2010</u>                                                                                                                 |                                                      |

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 2

Bond Numbers NMB-000015 and NMB-000089

This action is subject to technical and procedural review pursuant to 43 CFR 3165.5 and appeal pursuant to 43 CFR 3165.4

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

APR 08 2010

NMOC

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

NOTIFY AZTEC OCD 24 HRS.

P.R. PRIOR TO CASING & CEMENT

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

DISTRICT II  
1301 West 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, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr. MAR 09 2010  
Santa Fe, NM 87505

Bureau of Land Management  
Fairfield Field Office

Form C-102  
Revised October 12, 2005

Submit to Appropriate District Office  
2010 State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

|                              |                                                             |                                    |
|------------------------------|-------------------------------------------------------------|------------------------------------|
| 'API Number<br>30-045- 35123 | 'Pool Code<br>71629                                         | 'Pool Name<br>BASIN FRUITLAND COAL |
| 'Property Code<br>7138       | 'Property Name<br>HUERFANITO UNIT                           | 'Well Number<br>150S               |
| 'OGRID No.<br>14538          | 'Operator Name<br>BURLINGTON RESOURCES OIL & GAS COMPANY LP | 'Elevation<br>6165'                |

### <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   |
| J             | 1       | 26-N     | 9-W   |         | 1405          | SOUTH            | 2215          | EAST           | SAN JUAN |

## 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                                                    |         |          |                               |         |                                  |                  |                         |                |        |
| <sup>13</sup> Dedicated Acres<br>FC 320.06 ACRES E/2 |         |          | <sup>14</sup> Joint or Infill |         | <sup>15</sup> Consolidation Code |                  | <sup>16</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

18

LOT 4

LOT 3

LOT 2

LOT 1

USA  
SF-078135

FND GLO  
"1947" BC

LATITUDE: 36°30.8164' N  
LONGITUDE: 107°44.3490' W  
NAD27

LATITUDE: 36°51.3617' N  
LONGITUDE: 107°73.9763' W  
NAD83

1405'

2215'

2627.46'

5203.44'

S89°39'E

R-9-W

R-8-W

FND GLO  
"1947" BC

T-27-N

T-26-N

## 17 OPERATOR CERTIFICATION

I hereby certify that the information contained hereto 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 a community pooling agreement, or a compulsory pooling order heretofore entered by the Division.

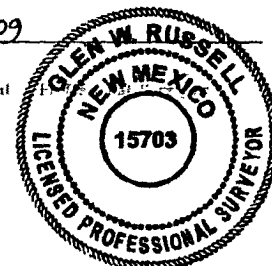
Signature  
Tracey N. Monroe 7/14/09  
Printed Name

## 18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plot 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 2, 2009  
Date of Survey

Signature and Seal



GLEN W. RUSSELL  
Certificate Number

15703

# PROJECT PROPOSAL - New Drill / Sidetrack

HUERFANITO UNIT 150S

DEVELOPMENT

|                      |  |                              |  |                    |                  |
|----------------------|--|------------------------------|--|--------------------|------------------|
| Lease:               |  | AFE #: WAN, CDR, 9073        |  | AFE \$: 949,876.20 |                  |
| Field Name: SAN JUAN |  | Rig: XXX 2011 Holding Rig #2 |  | State: NM          | County: SAN JUAN |
| Geologist:           |  | Phone:                       |  | Geophysicist:      |                  |
| Geoscientist:        |  | Phone:                       |  | Prod. Engineer:    |                  |
| Res. Engineer:       |  | Phone:                       |  | Proj. Field Lead:  |                  |
|                      |  |                              |  | Phone:             |                  |

## Primary Objective (Zones):

| Zone | Zone Name                  |
|------|----------------------------|
| JCV  | BASIN FRUITLAND COAL (GAS) |

|                     |                        |                    |      |                |             |
|---------------------|------------------------|--------------------|------|----------------|-------------|
| Location: Surface   |                        | Datum Code: NAD 27 |      | Straight Hole  |             |
| Latitude: 36.513608 | Longitude: -107.739150 | X:                 | Y:   | Section: 01    | Range: 009W |
| Footage X: 2215 FEL | Footage Y: 1405 FSL    | Elevation: 6165    | (FT) | Township: 026N |             |
| Tolerance:          |                        |                    |      |                |             |

|                                             |  |                             |  |                  |  |                    |  |
|---------------------------------------------|--|-----------------------------|--|------------------|--|--------------------|--|
| Location Type: Year Round                   |  | Start Date (Est.): 1/1/2012 |  | Completion Date: |  | Date In Operation: |  |
| Formation Data: Assume KB = 6176 Units = FT |  |                             |  |                  |  |                    |  |

| Formation Call & Casing Points | Depth (TVD in Ft) | SS (Ft) | Depletion (Yes/No)       | BHP (PSIG) | BHT | Remarks                                                                                            |
|--------------------------------|-------------------|---------|--------------------------|------------|-----|----------------------------------------------------------------------------------------------------|
| Surface Casing                 | 120               | 6056    | <input type="checkbox"/> |            |     | 8-3/4 hole. 7" 20 ppf, J-55 STC csg. Cement with 50 cuft. Circulate cement to surface.             |
| OJO ALAMO                      | 1084              | 5092    | <input type="checkbox"/> |            |     |                                                                                                    |
| KIRTLAND                       | 1230              | 4946    | <input type="checkbox"/> |            |     |                                                                                                    |
| FRUITLAND                      | 1512              | 4664    | <input type="checkbox"/> | 302        |     | Gas                                                                                                |
| FRUITLAND COAL                 | 1724              | 4452    | <input type="checkbox"/> |            |     |                                                                                                    |
| PICTURED CLIFFS                | 1908              | 4268    | <input type="checkbox"/> |            |     | Gas; TD - 200' below T/PCCF                                                                        |
| Total Depth                    | 2108              | 4068    | <input type="checkbox"/> |            |     | 6-1/4" hole. 4-1/2" 10.5 ppf, J-55, STC casing. Cement with 324 cuft. Circulate cement to surface. |

## Reference Wells:

| Reference Type | Well Name       | Comments          |
|----------------|-----------------|-------------------|
| Production     | Huerfanito 14-1 | 26N 9W 1 NE SW SE |
| Production     | Huerfanito 87M  | 26N 9W 1 SE       |
| Production     | Huerfanito 87E  | 26N 9W 1 NE SW SE |

## Logging Program:

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

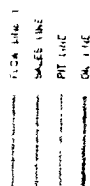
TD Logs: ☐ Triple Combo ☐ Dipmeter ☐ RFT ☐ Sonic ☐ VSP ☐ TDT ☒ Other

Cased Hole GR / CBL

## Additional Information:

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

Comments:

[illegible][illegible]

Directions from the Intersection of Hwy 550 and Hwy 64  
in Bloomfield, NM

To:

Burlington Resources Oil & Gas Company LP

HUERFANITO UNIT 150S

1405' FSL & 2215' FEL,

Section 1, T26N, R9W, N.M.P.M., San Juan County,

New Mexico

Latitude: 36° 30' 49.020" N

Longitude: 107° 44' 23.145" W

Nad 1983

From the Intersection of Hwy 550 and Hwy 64,  
Take Hwy 550 (south) for 15.8 miles to CR 7225,  
Turn left (east) on CR 7225 for 4.5 miles,  
Turn right (easterly) for 4.2 miles,  
Turn right (southerly) 0.1 miles,  
Turn left (easterly) 2.4 miles,  
Turn right (south) 0.3 miles,  
Turn left (southeast) 0.3 miles,  
Turn left (north) 250' To newly Staked Location Twinned with  
existing Location (Huerfanito Unit #87M)