UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

RECEIVED

| - | APPLICATION FOR PERMIT TO DRILL, DEEP | | - - |
|-------|--|--|--|
| 1a. | Type of Work DRILL BLM'S APPROVAL OR ACCEPTANCE OF ACTION DOES NOT RELIEVE THE LESS OPERATOR FROM OBTAINING ANY OT | | |
| 1b. | Type of Well GAS AUTHORIZATION REQUIRED FOR OPER ON FEDERAL AND INDIAN LANDS | RATION Indian, All. or Tribe |) |
| 2. | Operator | 7. Unit Agreement Nam | ie |
| | BURLINGTON RESCURCES Oil & Gas Company, LP | San Juan 28-5 U | Jnit |
| 3. | Address & Phone No. of Operator | 8. Farm or Lease Name | |
| | PO Box 4289, Farmington, NM 87499 (505) 326-9700 | 9. Well Number { | CVD SEP 20'10 JIL CONS. DIV. DIST. 3 |
| 4. | Location of Well Surface: Unit E(SWNW), 1861' FNL & 261' FWL | 10. Field, Pool, Wildcat Blanco MV | |
| | Surface: Latitude: 36.66334° N (NAD83) Longitude: 107.37264° W | 11. Sec., Twn, Rge, Mer Unit E, Sec. 16 | 5, T28N, R5W |
| , | | API# 30-039- 30 | 991 |
| 14. | Distance in Miles from Nearest Town | 12. County | 13. State |
| | 30 miles from Blanco, NM | Rio Arriba | NM |
| 15. | Distance from Proposed Location to Nearest Property or Lease 261' | Line | |
| 16. | Acres in Lease 2453.700 | 17. Acres Assigned to 320.00 N/2 (MV) | |
| 18. | Distance from Proposed Location to Nearest Well, Drlg, Compl, 1082' from SJ 28-5 Unit 28 (MV/DK) | or Applied for on this Lease | • |
| 19. | Proposed Depth 6144' | 20. Rotary or Cable Too Rotary | ols |
| 21. | Elevations (DF, FT, GR, Etc.) 6537' GL | 22. Approx. Date Work | will Start |
| 23. | Proposed Casing and Cementing Program See Operations Plan attached | | |
| 24. | Authorized by: Dollie L. Busse (Staff Regulatory) | | /10 |
| PERM | IIT NO. APPROYAL I | DATE | |
| APPR | OVED BY ADMICE LOTE TITLE AFM | DATE | 9/14/10 |
| Archa | eological Report attached A gas recovery unit | may or may not be used on | this location. |

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.

SED 0 0

Bond Numbers NMB-000015 and NMB-000089

SEP 2 9 2010

NOTIFY AZTEC OCD 24 HRS.

PRIOR ATIOS CASING: & CEMENT procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4



Example Master Plan Type 3



NWOCD

Form C-102 Revised October 12, 2005

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

DISTRICT IV 1220 S. St. Francis Dr., Santa Fe, NM 87606

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

Submit to Appropriate District Office AUG 27 2010

State Lease - 4 Copies Fee Lease - 3 Copies

1220 South St. Francis Dr. Santa Fe, NM 87505

Farmington Field Office AMENDED REPORT Bureau of Land Management

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ⁴ API Number 30-039-3099 | | *Pool Code 72319 | Pool Name BLANCO MESAVERDE | | | | |
|--|--|---------------------|--|---------------------------------|--|--|--|
| Property Code 7460 | | | poperty Name *Well Number* UAN 28-5 UNIT 16A | | | | |
| YOGRID No. 14538 | | • | erator Name CES OIL & GAS COMPANY LP | ⁹ Elevation 6537° | | | |

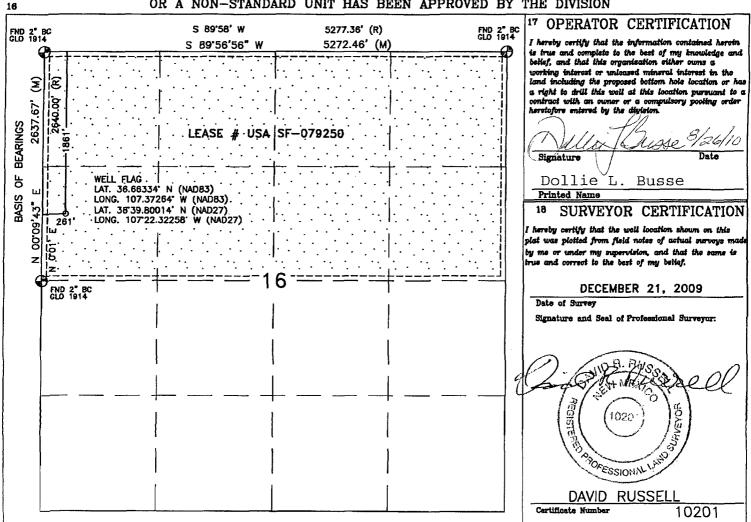
¹⁰ Surface Location

| UL or lot no. | Section 16 | Township 28N | Range 5W | Lot Idn | Feet from the 1861' | North/South line NORTH | Feet from the 261' | East/West line WEST | County RIO ARRIBA |
|---------------|---------------|-----------------|-------------|---------|---------------------|---------------------------|--------------------|------------------------|----------------------|
| | | | 11 5 | ** * | | 4 5144 1 5 | ~ . | | |

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 |
|--------------------|---------|----------|----------|---------|-------------------------------|------------------|---------------|----------------|--------|
| 15 Dedicated Acres | | | Joint or | infill | ¹⁴ Consolidation C | ode | 19 Order No. | | |
| 320.00 AC | N/2 | | | | | | | | |

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





PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 28-5 UNIT 16A

DEVELOPMENT

| Lease: | - | | | | AFE #: W | AN.CDR. | .9402 | | | AFE \$: 480,970.00 |
|--|----------------|--|------------|----------------------|-----------------------|---|-----------|-----------|---|----------------------|
| Field Name: SAN | JUAN | | Rig: A | ztec Rig 92 | ! 0 | | Stat | e: NM | County: RIO ARRIBA | API #: |
| Geologist: | | | Phone | F . | | Geopl | hysicist: | | P | hone: |
| Geoscientist: | | | Phone | | | Prod. | Enginee | er: | Р | hone: |
| Res. Engineer: | | | Phone | : | | Proj. I | Field Lea | ad: | P | hone: |
| Primary Object | ive (Z | ones): | | | | | | | | |
| Zone | Zone | Name | | | | | | | | |
| RON | BLANG | CO MESAVERDE (PF | RORATE | ED GAS) | | | | | | |
| | | | | | | | | | | |
| I santioni Ciurtae | | Datum Co | aa Niv | in 27 | | | | 20.50.50 | | Straight Hole:% |
| Company of the Compan | a Peropolitica | Name of the state | EARCH COR | Control State of the | | | | 4.6 | T | |
| Latitude: 36.6633 | | Longitude: -107.37 | | X: | | Y: | | | Section: 16 | Range: 005W |
| Footage X: 261 F | WL | Footage Y: 1861 F | 1L | Elevation: | 6537 | (FT) | Townsh | nip: 0281 | V | |
| Tolerance: | | Market Market Market and Company and a graph to a first the same of the same o | | | | | | | | |
| Location Type: Ye | ear Rou | und | Start [| Date (Est.): | 1/1/2012 | Con | mpletion | Date: | Date In O | peration: |
| Formation Data: | Assur | me KB = 6552 | Units = | FT- | | | | | | • |
| Formation Call & Casing Points | | Depth (TVD in Ft) | SS (Ft) | MD (Ft) | Depletion (Yes/No) | BHP (PSIG) | внт | | Remarl | ks |
| Surface Casing | | 200 | 6352 | | | | | | hole. 200' 9 5/8" 32.3 p t with 119 cuft. Circulate | |
| NACIMIENTO | | 1438 | 5114 | | | | | Comon | - Trial 115 care circulate | continue to surface. |
| OJO ALAMO | | 2679 | 3873 | | | | | | | |
| KIRTLAND | | 2876 | 3676 | | | | | | | |
| FRUITLAND | | 2986 | 3566 | | | | | Possible | e Gas | |
| PICTURED CLIFFS | | 3432 | 3120 | | | 1081 | 117 | | | |
| LEWIS | | 3549 | 3003 | | | | | | | |
| Intermediate Casin | g | 3649 | 2903 | | | | | | Hole. 7", 23 ppf, J-55, LT ft. Circulate cement to sur | |
| HUERFANITO BENT | FONITE | E 4198 | 2354 | | | - | | | | |
| CHACRA | | 4426 | 2126 | | | | | | | |
| UPPER CLIFF HOUS | SE | 5067 | 1485 | | | *************************************** | | Gas | | |
| MASSIVE CLIFF HC | USE | 5207 | 1345 | | | 617 | 155 | Gas | | |
| MENEFEE | | 5300 | 1252 | | | | | | | |
| POINT LOOKOUT | | 5606 | 946 | | | | | | | |
| MANCOS | | 6084 | 468 | | | | 174 | | | |
| Total Depth | | 6144 | 408 | | | | | Cement | hole, 4-1/2" 10.5/11.6 p t w/421 cuft. Circulate cer he previous casing string. | |
| Reference Wells | 5 | | | | | | | | | |
| Reference Type | Well N | | | Comme | nts | | | | | |
| Production | SAN J | UAN 28-5 83M | | 1 | | | | | | Į. |

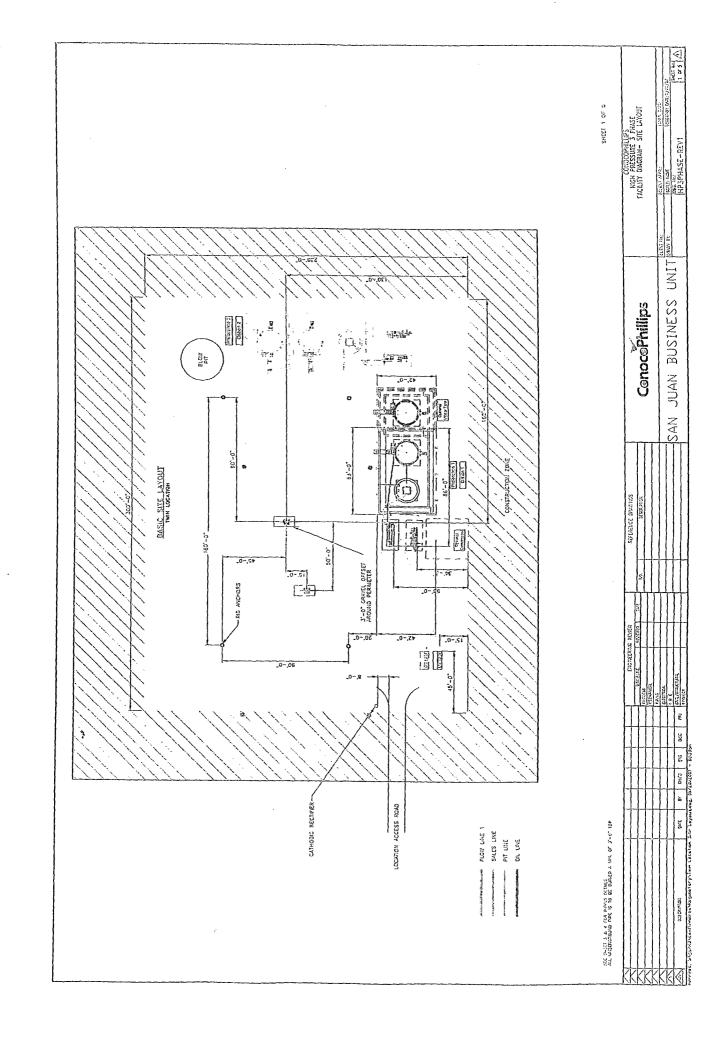
Printed on: 8/26/2010 11:04:30 AM



PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

| SAN JUAN 28 | 3-5 UNIT 16A | | | DEVELOPMEN | Т |
|------------------|-----------------|---------------------|--------------|--------------------|---------|
| Logging Prog | ram: | | | | |
| Intermediate Lo | ogs: 🔲 Log only | if show GR/ILD | ☐ Triple Com | nbo | |
| | | | | | |
| TD Logs: | ☐ Triple Co | ombo 🗌 Dipmeter | RFT Sc | onic VSP TDT 🗸 Ott | ner |
| | TD 60' into | Mancos and Perf 100 | ' above TD. | | |
| Additional Infor | mation: | | | | |
| | | | | | |
| Log Type | Stage | From (Ft) | To (Ft) | Tool Type/Name | Remarks |



BURLINGTON RESOURCES OIL & GAS COMPANY LP

SAN JUAN 28-5 UNIT #16A 1861' FNL & 261' FWL LOCATED IN THE SW/4 NW/4 OF SECTION 16, T28N, R5W, N.M.P.M., RIO ARRIBA COUNTY, NEW MEXICO

DIRECTIONS

- 1) FROM POST OFFICE IN BLANCO, TRAVEL EAST ON HWY 64 FOR 27 MILES.
- 2) TURN RIGHT OF GENERAL AMERICAN ROAD (AT GOBERNADOR) AND TRAVEL 1.1 MILES TO A "Y" INTERSECTION.
- 3) CONTINUE STRAIGHT FOR 1.5 MILES, THROUGH A CATTLE GUARD, TO THE FLAGGED ACCESS ON THE LEFT.

WELL FLAG LOCATED AT LAT. 36.66334° N, LONG.107.37264° W (NAD 83).

R

Russell Surveying 1409 W. Aztec Blvd. #2 Aztec, New Mexico 87410 (505) 334-8637