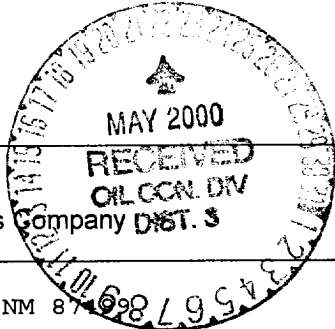


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

2000 JAN 13 PM 3:55

070 T...



<p>1a. Type of Work DRILL ✓</p>	<p>5. Lease Number SF-078510</p> <p>Unit Reporting Number</p>
<p>1b. Type of Well GAS ✓</p>	<p>6. If Indian, All. or Tribe</p>
<p>2. Operator BURLINGTON RESOURCES Oil & Gas Company</p>	<p>7. Unit Agreement Name</p>
<p>3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87401 (505) 326-9700</p>	<p>8. Farm or Lease Name Blanco</p> <p>9. Well Number #3</p>
<p>4. Location of Well 1018' FNL, 1791' FWL Latitude 36° 55.9 , Longitude 107° 42.1</p>	<p>10. Field, Pool, Wildcat Albino Pictured Cliffs Ext</p> <p>11. Sec., Twn, Rge, Mer. (NMPM) Sec.5, T-31-N, R-8-W API # 30-045-30113</p>
<p>14. Distance in Miles from Nearest Town 10 miles to Navajo Dam</p>	<p>12. County San Juan</p> <p>13. State NM</p>
<p>15. Distance from Proposed Location to Nearest Property or Lease Line 1018'</p>	<p>17. Acres Assigned to Well 161.36 NW</p>
<p>16. Acres in Lease</p>	<p>18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 2000'</p>
<p>19. Proposed Depth 3680'</p>	<p>20. Rotary or Cable Tools Rotary</p>
<p>21. Elevations (DF, FT, GR, Etc.) 6463' GR ✓</p>	<p>22. Approx. Date Work will Start</p>
<p>23. Proposed Casing and Cementing Program See Operations Plan attached</p>	<p>DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"</p>
<p>24. Authorized by: <u><i>Regan Cole</i></u> Regulatory/Compliance Administrator</p>	<p><u>1-12-00</u> Date</p>

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY *As/ Jim Lovato* TITLE _____ DATE MAY 17 2000

Archaeological Report to be submitted
Threatened and Endangered Species Report to be submitted
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.

OK JA GP
NMOCD

DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, N.M. 88211-0719

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

DISTRICT IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-30113	² Pool Code 70120	³ Pool Name Albino Pictured Cliffs Ext
⁴ Property Code 6830	⁵ Property Name BLANCO	
⁶ OCGRID No. 14538	⁷ Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY	⁸ Well Number 3
		⁹ Elevation 6463'

¹⁰ Surface Location

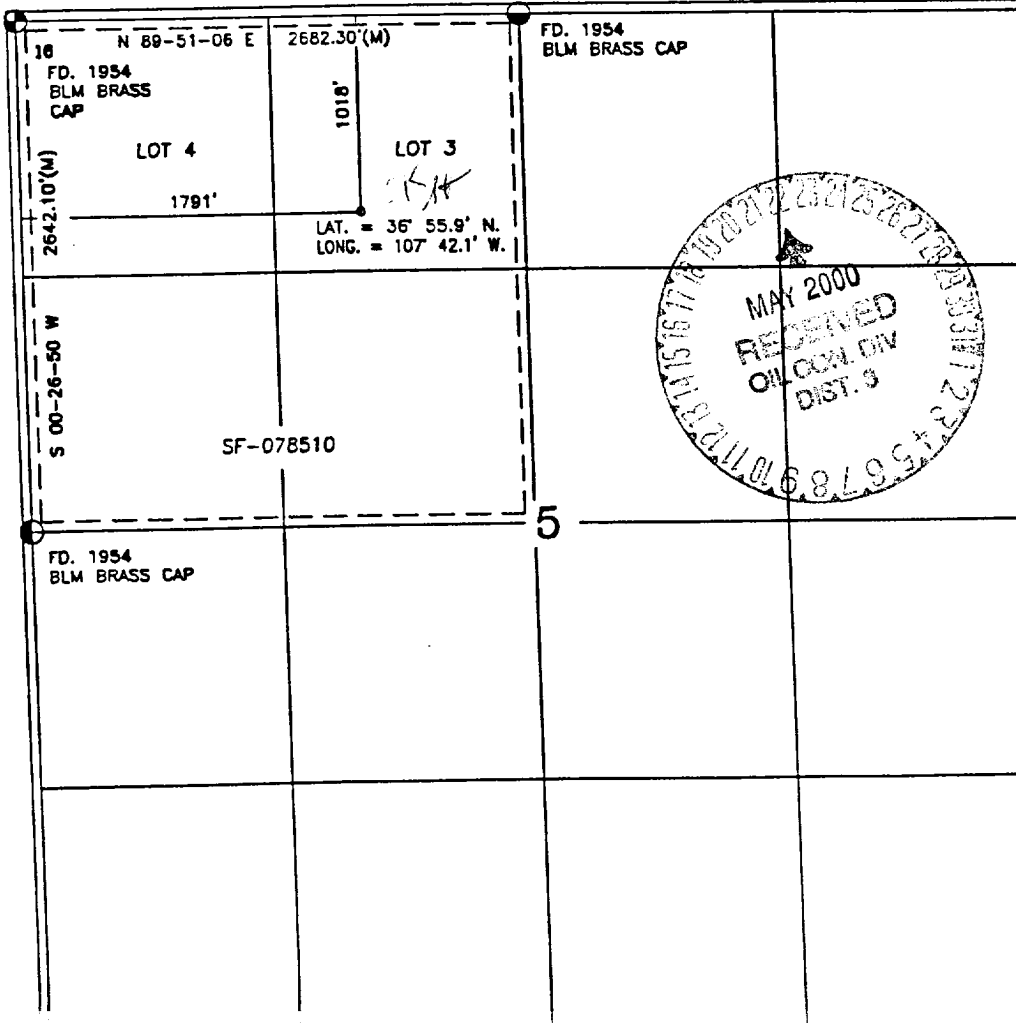
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	5	31-N	8-W		1018	NORTH	1791	WEST	SAN JUAN

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

¹² Dedicated Acres NW/161.36	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Peggy Cole
Signature
Peggy Cole
Printed Name
Regulatory Administrator
Title
1-12-00
Date

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 knowledge and belief.

10-6
Date of Survey
Signature and Title of Professional Surveyor
8894
Certificate Number



OPERATIONS PLAN

Well Name: Blanco #3
Location: 1018' FNL, 1791' FWL, Section 5, T-31-N, R-8-W
San Juan County, New Mexico
Latitude 36° 55.9, Longitude 107° 42.1
Formation: Albino Pictured Cliffs Ext
Elevation: 6463' GL

Formation:	Top	Bottom	Contents
Surface	San Jose	2124'	
Ojo Alamo	2124'	2163'	aquifer
Kirtland	2163'	3013'	gas
Fruitland	3013'	3384'	gas
Pictured Cliffs	3384'	3584'	gas
Lewis	3584'		
Total Depth		3680'	

Logging Program: ~~None~~ Csd. hole GR/Neut./CCL per P. Cole CEH 1/26/00

Coring Program: None

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	<u>Fluid Loss</u>
0- 200'	Spud	8.4-9.0	40-50	no control
200-3680'	LSND	8.4-9.0	40-60	no control

Casing Program (as listed, equivalent, or better):

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csq. Size</u>	<u>Wt.</u>	<u>Grade</u>
12 1/4"	0 - 200'	8 5/8"	24.0#	K-55
6 1/4"	0 - 3680'	4 1/2"	10.5#	K-55

Tubing Program: 2 3/8" 4.7# J-55 to TD

Float Equipment: 8 5/8" surface casing - saw tooth guide shoe.
Centralizers will be run in accordance with Onshore Order #2.

4 1/2" production casing - float shoe on bottom. Three centralizers run every other joint above shoe. Seven centralizers run every 3rd joint to the base of the Ojo Alamo @ 2163'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 2163'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Wellhead Equipment: 8 5/8" x 4 1/2" 2000 psi screw on independent wellhead.

Cementing:

8 5/8" surface casing - cement with 210 sx Class "B" cement with 1/4# flocele/sx and 3% calcium chloride (248 cu.ft. of slurry, 200% excess to circulate to surface). WOC 8 hrs. Test casing to 600 psi for 30 minutes.

4 ½" production casing - Lead w/540 sx Class "B" w/3% sodium metasilicate, 1/2 pps cellophane and 7 pps gilsonite. Tail w/90 sx 50/50 Class "B" Poz w/2% gel, 1/2 pps cellophane, 7 pps gilsonite and 2% calcium chloride (1677 cu.ft. of slurry, 100% excess to circulate to surface). WOC 8 hrs. If cement does not circulate to surface, a CBL will be run during completion to determine TOC.

BOP and tests:

Surface to TD - 11" 2000 psi (minimum double gate BOP stack (Reference Figure #1 and #2)). Prior to drilling out surface casing, test rams to 600 psi/30 min.

Completion - 6" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to completion operations, test rams and casing to 2000 psi/15 min.

From surface to TD - choke manifold (Reference Figure #3).

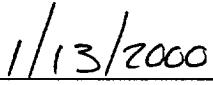
Pipe rams will be actuated to least once each day and blind rams actuated once each trip to test proper functioning. An upper kelly cock valve with handle and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

Additional information:

- * The Pictured Cliffs formation will be completed.
- * Anticipated pore pressure for the Pictured Cliffs is 600 psi.
- * This gas is dedicated.
- * The northwest quarter of section 5 is dedicated to the Pictured Cliffs.



Drilling Engineer



Date

BURLINGTON RESOURCES OIL & GAS COMPANY

BLANCO #3

NW/4 SEC. 5, T-31-N, R-8-W, N.M.P.M.,

SAN JUAN COUNTY, NEW MEXICO

1018' FNL, 1791' FWL

APD MAP

1500' NEW CONSTRUCTION

1000' NW/4 NW/4 SEC. 5, T-31-N, R-8-W,

500' NE/4 NW/4 SEC. 5, T-31-N, R-8-W

