<u>District III</u> 1000 Rio Brazzos Rd., Azzec, NIM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

State of New Mexico

Form C-101 Permit 71928

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

ZHI BICZIIIOI I OIL	in the control of the									
1.	Operator Name and Address	2. OGRID Number								
	SOURCES OIL & GAS COMPANY LP	14538								
22107	401 E. 30TH STREET MINGTON , NM 87402	3. API Number								
TAN	1011 (1011 , 1111 87402	30-045-34664								
4. Property Code	5. Property Name	6. Well No.								
37086	HEATON COM A	100								

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	30	31N	11W	4	877	S	928	W	SAN JUAN

8. Pool Information

BASIN FRUITLAND COAL (GAS)	71629
pasin from Land Coal (Gas)	/1023

Additional Well Information

	501		I I I I I I I I I I I I I I I I I I I		10.00	
9. Work Type New Well			11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 5957	
14. Montriple N	100000000000000000000000000000000000000	osed Depth 615	16. Formation Fruitland Coal	17. Contractor	18. Spud Date	
Depth to Ground	water		Distance from nearest fresh water w	•11	Distance to nearest surface water > 1000	
Pit: Liner: Synthetic D Closed Loop System	_	mils thick		Orilling Method: Fresh Water Brine 1	Diesel/Oil-based Gas/Air	

19. Proposed Casing and Cement Program

Туре	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	8.75	7	20	120	50	0
Prod	6.25	4.5	10.5	2615	402	0

Casing/Cement Program: Additional Comments

The cement volumes are in cubic feet instead of sacks. The pit form will be filed after the APD has been approved. This well falls under Master Operational Plan number 2.

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer		
DoubleRam	2000	2000	Schafer		

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to	OIL CONSERVATION DIVISION				
NMOCD guidelines \Box , a general permit X , or an (attached) alternative OCD-approved plan \Box .	Approved By: Charlie Perrin				
Printed Name: Electronically filed by Philana Thompson	Title: District Supervisor				
Title: Regulatory Technician	Approved Date: 4/1/2008 Expiration Date: 4/1/2010				
Email Address: thomppp@conocophillips.com					
Date: 3/25/2008 Phone: 505-326-9530					

District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

District II

1301 W. Grand Ave., Artesia, NM 88210 Phone:(505) 748-1283 Fax:(505) 748-9720

<u>District III</u> 1000 Rio Brazos Rd., Azzec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico

Form C-102 Permit 71928

Energy, Minerals and Natural Resources Oil Conservation Division

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

	TILLED BO CHILIOTTE D TICH	THE PROPERTY OF THE				
1. API Number	l Name					
30-045-34664	71629	BASIN FRUITLAND COAL (GAS)				
4. Property Code	5. Property	5. Property Name				
37086	HEATON (COM A	100			
7. OGRID No.	8. Operator	Name	9. Elevation			
14538	BURLINGTON RESOURCES (BURLINGTON RESOURCES OIL & GAS COMPANY LP 5957				

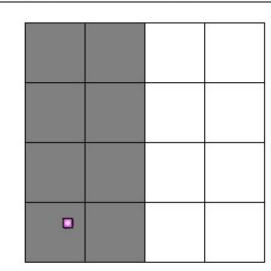
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County		
M	30	31N	11W		877	S	928	w	SAN JUAN		

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	To	ownship	Range	Lot	Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
1075111071377	Dedicated Acres 13. Joint or Infill 323.40			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



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(s) 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.

E-Signed By: Philana Thompson Title: Regulatory Technician

Date: 3/25/2008

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.

Surveyed By: Marshall W. Lindeen

Date of Survey: 12/4/2007 Certificate Number: 17078