

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

07/29/05 13:05:03
OGOMES -TQAA
PAGE NO: 1

Sec : 01 Twp : 31N Rng : 08W Section Type : NORMAL

8 38.48 Federal owned	7 38.04 Federal owned	6 37.36 Federal owned	5 36.94 Federal owned
9 37.73 Federal owned	10 37.57 Federal owned	11 36.69 Federal owned	12 36.55 Federal owned
16 38.00 Federal owned	15 37.97 Federal owned	14 37.20 Federal owned	13 37.18 Federal owned
17 38.21 Federal owned	18 38.16 Federal owned	19 37.90 Federal owned	20 37.87 Federal owned

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	2005 PMR 4 27 4 14	5. Lease Number NMNM-111921
	RECEIVED OTO FARMINGTON NM	Unit Reporting Number MV-8910010510 DK-891001051B
1b. Type of Well GAS		6. If Indian, All. or Tribe
2. Operator BURLINGTON RESOURCES Oil & Gas Company		7. Unit Agreement Name
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700		8. Farm or Lease Name Negro Canyon 9. Well Number #103S
4. Location of Well 1395' FNL, 170' FEL surface Sec 2 2510' FSL, 2425' FEL bottom hole Sec 1 Surface-Latitude 36°55.7380'N, Longitude 107°38.1505' W Bottom Hole-Lat. 36°55.5152'N, Longitude 107°37.5874' W		10. Field, Pool, Wildcat Basin Fruitland Coal 11. Sec., Twn, Rge, Mer. (NMPM) W H Sec. 2, T31N, R08W J Sec 1 API # 30-045-32937
14. Distance in Miles from Nearest Town 30.2 miles to Blanco, NM Post Office	12. County San Juan	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 170'		
16. Acres in Lease	17. Acres Assigned to Well 302.49 S/2 Sec 1	
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 2125'		
19. Proposed Depth 3914'	20. Rotary or Cable Tools Rotary	
21. Elevations (DF, FT, GR, Etc.) 6940' GR	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Jon Clark</u> Senior Regulatory Specialist	3-3-05 Date	

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE 6-15-05

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.

and appeal pursuant to 43 CFR 3165.4

NMOCD

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

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

DISTRICT II
611 South First, Artesia, N.M. 88210

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

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

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-32937		*Pool Code 71629	*Pool Name Basin Fruitland Coal
*Property Code 34287	*Property Name NEGRO CANYON		*Well Number 103S
*OGED No. 14538	*Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP		*Elevation 6940'

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
H	2	31-N	8-W		1395'	NORTH	170'	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	1	31-N	8-W		2510'	SOUTH	2425'	EAST	SAN JUAN
Dedicated Acres S/2 302.49 ac			Joint or Infill		Consolidation Code		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

2005 MAR 4 2 4 14
RECEIVED
070 EADUNING

USA NMNM-111921

LAT: 36°55.7380' N.
LONG: 107°38.1505' W.
MAD 1927

LAT: 36°55.6152' N.
LONG: 107°37.5874' W.
MAD 1927

N 88-23-54 W
2813.48'

S 88-23-51 W
2828.05'

N 88-09-42 W
2828.32'

170'

2425'

2510'

1

2

LOT 1 LOT 2 LOT 3 LOT 4 LOT 5 LOT 6 LOT 7 LOT 8 LOT 9 LOT 10 LOT 11 LOT 12 LOT 13 LOT 14 LOT 15 LOT 16 LOT 17 LOT 18 LOT 19 LOT 20

17 OPERATOR CERTIFICATION

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

Signature Joni Clark

Printed Name Joni Clark

Title Sr. Regulatory Specialist

Date 2-22-05

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 1-29-05

Signature and Seal of Registered Surveyor Carla Russell

Certificate Number 15703

NEW MEXICO
LICENSED PROFESSIONAL SURVEYOR
15703

Office

Energy, Minerals and Natural Resources

May 27, 2004

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

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

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-045-

5. Indicate Type of Lease

STATE ☐FEE ☐

6. State Oil & Gas Lease No.

NMNM-111921

7. Lease Name or Unit Agreement Name

Negro Canyon

8. Well Number

103S

9. OGRID Number

14538

10. Pool name or Wildcat

Basin Fruitland Coal

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH
PROPOSALS.)

1. Type of Well:

Oil Well ☐Gas Well ☒

Other

2. Name of Operator

BURLINGTON RESOURCES OIL & GAS COMPANY LP

3. Address of Operator

3401 E. 30TH STREET, FARMINGTON, NM 87402

4. Well Location

Unit Letter H : 1395 feet from the North line and 170 feet from the East lineSection 2 Township 31N Range 8W NMPM County San Juan, NM

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

Pit or Below-grade Tank Application

☒ or Closure ☐Pit type New Drill Depth to Groundwater >100' Distance from nearest fresh water well>1000' Distance from nearest surface water >1000'

Pit Liner Thickness:

mil

Below-Grade Tank:

Volume

bbls;

Construction Material

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐TEMPORARILY ABANDON ☐PULL OR ALTER CASING ☐PLUG AND ABANDON ☐CHANGE PLANS ☐MULTIPLE COMPL ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐COMMENCE DRILLING OPNS. ☐CASING/CEMENT JOB ☐ALTERING CASING ☐P AND A ☐OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Burlington Resources proposes to construct a new drilling pit and an associated vent/flare pit. Based on Burlington's interpretation of the Ecosphere's risk ranking criteria, the new drilling pit and vent/flare pit will be an unlined pit as detailed in Burlington's Revised Drilling / Workover Pit Construction / Operation Procedures dated November 11, 2004 on file at the NMOCDD office. A portion of the vent/flare pit will be designed to manage fluids, and that portion will be unlined, as per the risk ranking criteria. Burlington Resources anticipates closing these pits according to the Drilling / Workover Pit Closure Procedure dated August 2, 2004 on file at the NMOCDD office.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCDD guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE

TITLE

Regulatory Specialist

DATE

2/4/2005

Type or print name
For State Use Only

Joni Clark

E-mail address:

jclark@br-inc.com

Telephone No.

326-9700

APPROVED BY

TITLE

DEPUTY OIL & GAS INSPECTOR, DIST. 08

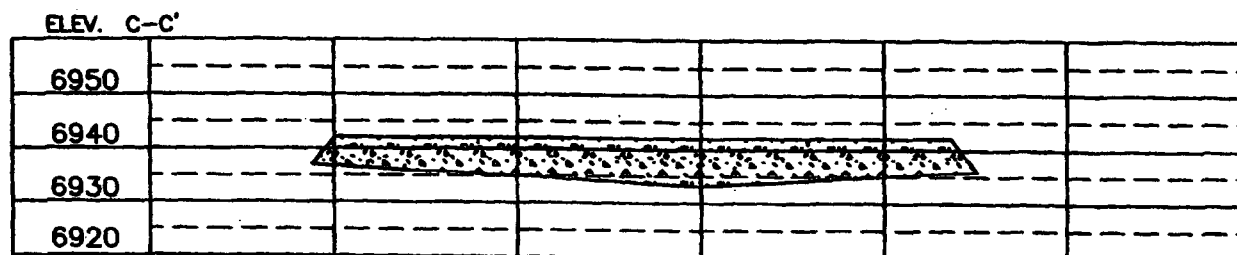
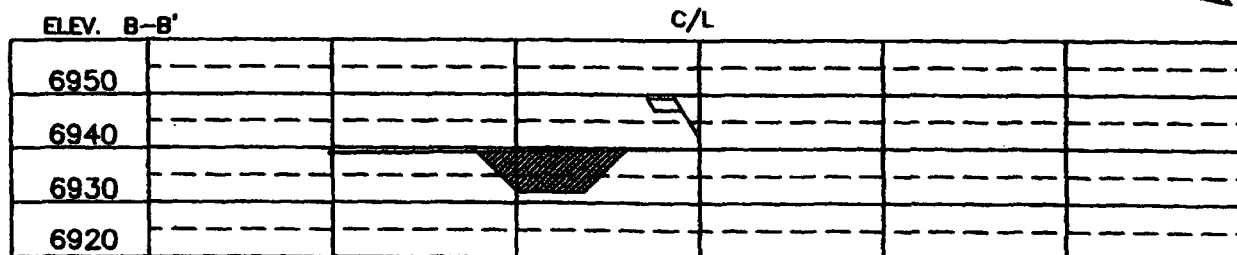
DATE

JUN 17 2005

Conditions of Approval (if any):

[illegible]

RESERVE PIT DIKE: TO BE 8' ABOVE DEEP SIDE (OVERFLOW - 3' WIDE AND 1' ABOVE SHALLOW SIDE).
BLOW PIT: OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT.



NOTE: VECTOR SURVEYS IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

WELL PAD SKETCH
NOT TO SCALE

OPERATIONS PLAN

Well Name: Negro Canyon #103S
Location: Surface - 1395' FNL, 170' FEL, Section 2, T-31-N, R-8-W
Bottom Hole - 2510' FSL, 2425' FEL, Section 1, T-31-N, R-8-W
San Juan County, New Mexico
Surface - Latitude 36° 55.7380'N, Longitude 107° 38.1505'W
Bottom Hole - Latitude 36° 55.5152'N, Longitude 107° 37.5874'W
Formation: Basin Fruitland Coal
Elevation: 6940' GL

<u>Formation Tops:</u>	<u>TVD</u>	<u>TMD</u>	<u>TVD</u> <u>Bottom</u>	<u>Contents</u>
Surface		San Jose	2664'	
Ojo Alamo	2664'	3957'	2764'	aquifer
Kirtland	2764'	4115'	3291'	gas
Fruitland	3291'	4618'	3491'	
Intermediate TD	3451'	4882'		
T/Coal	3491'	4922'	3829'	
B/Coal	3829'	5260'	3830'	
Pictured Cliffs	3830'	5261'		gas
TD	3914'	5345'		

Burlington Resources requests a sump on this well

Logging Program:

Mudlog from 7" csg to 3914' (TVD).

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis</u>	<u>Fluid Loss</u>
0-200'	Spud Mud	8.4-9.0	40-50	no control
200'-3451'	LSND	8.4-9.0	30-60	less than 12
3451'-3914'	Air/Mist			

Drilling:

Surface Hole:

Drill to surface casing point of 200' and set 9 5/8" casing.

Intermediate Hole:

Mud drill to kick off point of 300'. At this point the well will be directionally drilled by building 6.0 degrees per 100' with an azimuth of 116.11 degrees. The end of the build will be at a TVD of 1080', a TMD of 1212', and an angle of 54.74 degrees. This angle and azimuth will be held to a total depth of 2671' TVD and 3969' TMD. To enter the productive interval vertical, the well will be dropped 6.0 degrees per 100'. The well will be vertical at 7" casing point of 3451' TVD and 4882' TMD.

Production Hole:

Production hole will be drilled vertical from 3451' TVD to 3914' TVD.

Materials:

Casing program: (as listed, the equivalent, or better)

<u>Hole Size</u>	<u>Interval</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>
	<u>TOP</u>	<u>Bottom (TVD)</u>		
12 1/4"	0'	200'	9 5/8"	32.3# H-40
8 3/4"	0'	3451'	7"	20#/23.0# J-55/L-80
6 1/4"	3351'	3914'	5 1/2"	15.5# J-55

<u>Casing program: (alternate)</u>					
<u>Hole Size</u>	<u>Interval</u>		<u>Size</u>	<u>Weight</u>	<u>Grade</u>
	<u>TOP</u>	<u>Bottom (TVD)</u>			
12 3/4"	0'	200'	9 5/8"	32.3#	H-40
8 3/4"	0'	3451'	7"	20#/23.0#	J-55/L-80

<u>Tubing Program:</u>					
6 1/4"	0'	3914'	2 3/8"	4.7#	J-55

<u>Tubing Program: (alternate)</u>					
6 1/4"	0'	3914'	2 7/8"	9.2#	J-55

Float Equipment: 9 5/8" surface casing - saw tooth guide shoe. Centralizers will be run in accordance with Onshore Order #2.

7" intermediate casing - guide shoe and self-fill float collar. Standard centralizers run every other joint above shoe. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 2764' (TVD). Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Wellhead Equipment

9 5/8" x 7" x 2 3/8" - 11" (2000 psi) wellhead assembly

Cementing:

9 5/8" surface casing -

Pre-Set Drilled Cement with 39 sx Type I, II cement with 20% flyash mixed at 14.5 ppg, 1.61 cu ft per sack yield. (63 cu ft of slurry, bring cement to surface) Wait on cement for 24 hours for pre-set holes before pressure testing or drilling out from under surface.

Conventionally Drilled

Cement with 147 sxs Type III cement with 0.25 pps Celloflake, 3% CaCl. (188 cu ft of slurry, 200% excess, bring cement to surface) Wait on cement for 8 hrs for conventionally set holes before pressure testing or drilling out from under surface. **WOC until cement establishes 250 psi compressive strength prior to NU of BOPE.**

7" intermediate casing - lead w/458 sacks Premium Lite with 3% calcium chloride, 5 pps LCM-1, and 1/4#/sack flocele, 0.4% FL-52, & 0.4% SMS. Tail with 90 sacks Type III cmt with 1% calcium chloride, 1/4#/sack flocele and 0.2% FL-52 (1101 cu.ft., 50% excess to circulate to surface).

Note: If open hole logs are run, cement volumes will be based on 25% excess over caliper volumes.

5 1/2" liner - will not be cemented if run.

BOP and tests:

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

Intermediate TD to Total Depth - 7 1/6" 2000 psi (minimum) completion BOP stack (Reference Figure #2). Prior to drilling out intermediate casing, test BOPE and casing to 1500 psi for 30 minutes.

From surface to 7" TD - a choke manifold will be installed in accordance with Onshore Order No. 2 (Reference Figure #3). When the cavitation completion rig drills the production hole, the completion rig configuration will be used (Reference Figure #4). ~~No choke manifolds will be used on completion rig operations.~~

Pipe rams will be actuated at 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 Fruitland Coal formation will be completed.
- * Anticipated pore pressure for the Fruitland is less than 1600 psi.
- * This gas is dedicated.
- * The south half of Section 1 is dedicated to the Fruitland Coal.

Griffin McCauley
Drilling Engineer

3-2-05
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Top of Coal
Expected
@
3320

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

2005 MAR 4 PM 4 15

1a. Type of Work
DRILL

RECEIVED
070 FARMINGTON NM

5. Lease Number
NMNM-111921
Unit Reporting Number
MV-8910010510
DK-891001051B

1b. Type of Well
GAS

6. If Indian, All. or Tribe

2. Operator
BURLINGTON
RESOURCES Oil & Gas Company

7. Unit Agreement Name

3. Address & Phone No. of Operator
PO Box 4289, Farmington, NM 87499
(505) 326-9700

8. Farm or Lease Name
Negro Canyon
9. Well Number
#103

4. Location of Well
1445' FNL, 150' FEL *Sec* surface
1875' FSL, 710' FWL *Sec* bottom hole

10. Field, Pool, Wildcat
Basin Fruitland Coal

Surface-Latitude 36°55.7294'N, Longitude 107°38.1468'
Bottom Hole-Lat. 36°55.4152'N, Longitude 107°37.9858'

11. Sec., Twn, Rge, Mer. (NMPM)
W 4 Sec. *Q*, T31N, R08W
W
API # 30-045- *32938*

14. Distance in Miles from Nearest Town
30.2 miles to Blanco, NM Post Office

12. County San Juan 13. State NM

15. Distance from Proposed Location to Nearest Property or Lease Line
150'

16. Acres in Lease

17. Acres Assigned to Well
302.49 S/2 *Sec 1*

18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease
2179'

19. Proposed Depth
3718'

20. Rotary or Cable Tools
Rotary

21. Elevations (DF, FT, GR, Etc.)
6938' GR

22. Approx. Date Work will Start

23. Proposed Casing and Cementing Program
See Operations Plan attached

24. Authorized by: *Joni Clark*
Senior Regulatory Specialist

3-4-05
Date

PERMIT NO.

APPROVAL DATE

APPROVED BY *[Signature]*

TITLE *AFM*

DATE *6-15-05*

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.

procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4

NMOC

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

DISTRICT II
811 South First, Artesia, N.M. 88210

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

DISTRICT IV
8040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-32938	² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code 34287	⁵ Property Name NEGRO CANYON	⁶ Well Number 103
⁷ OGSD No. 14538	⁸ Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP	⁹ Elevation 6938'

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
H	2	31-N	8-W		1445'	NORTH	150'	EAST	SAN JUAN


¹¹ Bottom Hole Location If Different From Surface

UL or lot no. L	Section 1	Township 31-N	Range 8-W	Lot Idn	Feet from the 1875'	North/South line SOUTH	Feet from the 710'	East/West line WEST	County SAN JUAN
²² Dedicated Acres S/2 302.49 acres			²³ Joint or Infill		²⁴ Consolidation Code		²⁵ 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

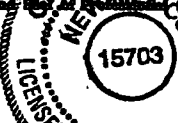

Signature _____
Joni Clark
Printed Name _____
Regulatory Specialist
Title _____
2-1-05
Date _____

18 SURVEYOR CERTIFICATION

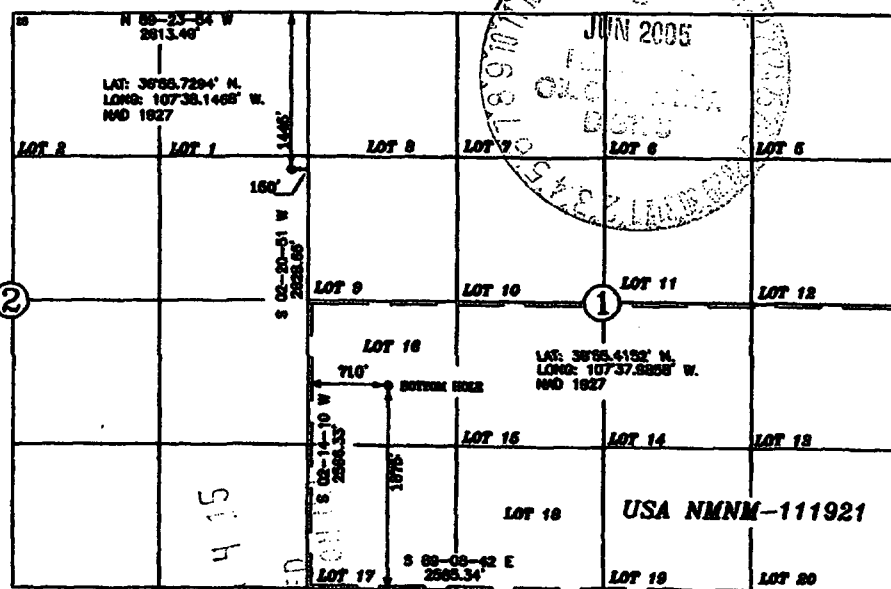
I hereby certify that the well location shown on this plan was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey 3/1/05

Signature and Title of Licensed Surveyor Carlton J. Gmel

A circular seal for a Licensed Professional Surveyor in New Mexico. The outer ring contains the text "NEW MEXICO" at the top and "LICENSED PROFESSIONAL SURVEYOR" at the bottom, separated by small stars. In the center is a smaller circle containing the license number "15703".

Certificate Number 15703



Office

Energy, Minerals and Natural Resources

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

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

OIL CONSERVATION DIVISION

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

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
BURLINGTON RESOURCES OIL & GAS COMPANY LP

3. Address of Operator
3401 E. 30TH STREET, FARMINGTON, NM 87402

4. Well Location
Unit Letter H : 1445 feet from the North line and 150 feet from the East line
Section 2 Township 31N Range 8W NMPM County San Juan, NM

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type New Drill Depth to Groundwater >100' Distance from nearest fresh water well >1000' Distance from nearest surface water >1000'
Pit Liner Thickness: mill Below-Grade Tank: Volume bbbls Construction Material

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: New Drill ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Burlington Resources proposes to construct a new drilling pit and an associated vent/flare pit. Based on Burlington's interpretation of the Ecosphere's risk ranking criteria, the new drilling pit and vent/flare pit will be an unlined pit as detailed in Burlington's Revised Drilling / Workover Pit Construction / Operation Procedures dated November 11, 2004 on file at the NMOCDD office. A portion of the vent/flare pit will be designed to manage fluids, and that portion will be unlined, as per the risk ranking criteria. Burlington Resources anticipates closing these pits according to the Drilling / Workover Pit Closure Procedure dated August 2, 2004 on file at the NMOCDD office.

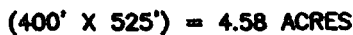
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCDD guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Joni Clark TITLE Regulatory Specialist DATE 2/4/2005

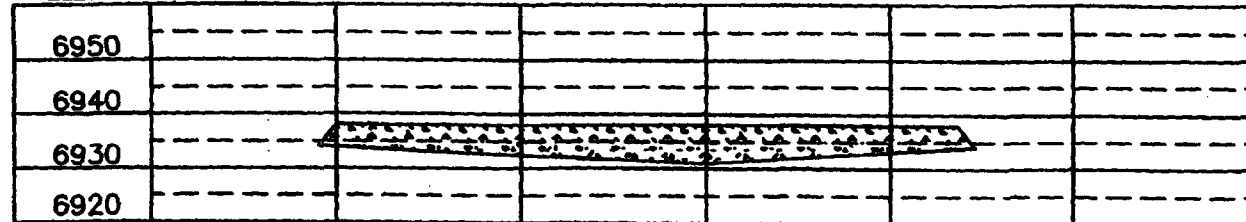
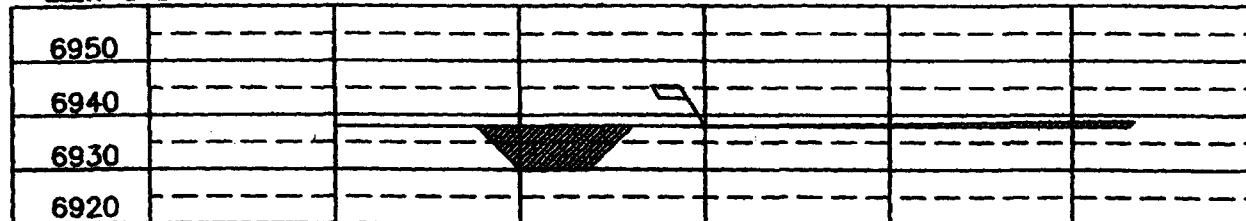
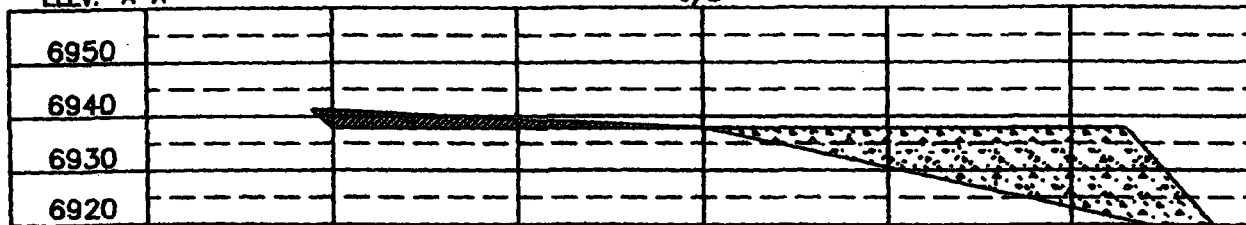
Type or print name Joni Clark E-mail address: jclark@br-inc.com Telephone No. 326-9700
For State Use Only

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 03 DATE JUN 17 2005
Conditions of Approval (if any):

GROUND ELEVATION: 6938', DATE: JANUARY 24, 2005



BLOW PIT: OVERFLOW PIPE HALFWAY BETWEEN TOP AND BOTTOM AND TO EXTEND OVER PLASTIC LINER AND INTO BLOW PIT.



CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

WELL PAD SKETCH
NOT TO SCALE

OPERATIONS PLAN

Well Name: Negro Canyon #103
Location: Surface - 1445' FSL, 150' FEL, Section 2, T-31-N, R-8-W
 Bottom Hole - 1875' FSL, 710' FWL, Section 1, T-31-N, R-8-W
 San Juan County, New Mexico
 Surface - Latitude 36° 56.7294'N, Longitude 107° 38.1468'W
 Bottom Hole - Latitude 36° 55.4152'N, Longitude 107° 37.9858'W
Formation: Basin Fruitland Coal
Elevation: 6938' GL

<u>Formation Tops:</u>	<u>TVD</u>	<u>TMD</u>	<u>TVD Bottom</u>	<u>Contents</u>
Surface		San Jose	2657'	
Ojo Alamo	2657'	3206'	2747'	aquifer
Kirtland	2747'	3321'	3322'	gas
Fruitland	3322'	3982'	3522'	
Intermediate TD	3482'	4178'		
T/Coal	3522'	4182'	3832'	
B/Coal	3832'	4492'	3833'	
Pictured Cliffs	3833'	4493'		gas
TD	3869'	4577'		

Burlington Resources requests a sump on this well

Logging Program:

Mudlog from 7" csg to 3729' (TVD).

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis</u>	<u>Fluid Loss</u>
0-200'	Spud Mud	8.4-9.0	40-50	no control
200' - 3482'	LSND	8.4-9.0	30-60	less than 12
3482' - 3869'	Air/Mist			

Drilling:

Surface Hole:

Drill to surface casing point of 200' and set 9 5/8" casing.

Intermediate Hole:

Mud drill to kick off point of 250'. At this point the well will be directionally drilled by building 5.0 degrees per 100' with an azimuth of 157.64 degrees. The end of the build will be at a TVD of 1001', a TMD of 1069', and an angle of 40.94 degrees. This angle and azimuth will be held to a total depth of 3359' TVD and 2731' TMD. To enter the productive interval vertical, the well will be dropped 5.0 degrees per 100'. The well will be vertical at 7" casing point of 3482' TVD and 4178' TMD.

Production Hole:

Production hole will be drilled vertical from 3482' TVD to 3869' TVD.

Materials:

Casing program: (as listed, the equivalent, or better)

<u>Hole Size</u>	<u>Interval</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>
	<u>TOP</u>	<u>Bottom (TVD)</u>		
12 1/4"	0'	200'	9 5/8"	32.3# H-40
8 3/4"	0'	3482'	7"	20#/23.0# J-55/L-80
6 1/4"	3382'	3869'	5 1/2"	15.5# J-55

<u>Casing program: (alternate)</u>					
<u>Hole Size</u>	<u>Interval</u>		<u>Size</u>	<u>Weight</u>	<u>Grade</u>
	TOP	Bottom (TVD)			
12 1/4"	0'	200'	9 5/8"	32.3#	H-40
8 3/4"	0'	3482'	7"	20#/23.0#	J-55/L-80
<u>Tubing Program:</u>					
6 1/4"	0'	3869'	2 3/8"	4.7#	J-55
<u>Tubing Program: (alternate)</u>					
6 1/4"	0'	3869'	2 7/8"	9.2#	J-55

Float Equipment: 9 5/8" surface casing - saw tooth guide shoe. Centralizers will be run in accordance with Onshore Order #2.

7" intermediate casing - guide shoe and self-fill float collar. Standard centralizers run every other joint above shoe. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 2747' (TVD). Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Wellhead Equipment

9 5/8" x 7" x 2 3/8" - 11" (2000 psi) wellhead assembly

Cementing:

9 5/8" surface casing -

Pre-Set Drilled Cement with 39 sx Type I, II cement with 20% flyash mixed at 14.5 ppg, 1.61 cu ft per sack yield. (63 cu ft of slurry, bring cement to surface) Wait on cement for 24 hours for pre-set holes before pressure testing or drilling out from under surface.

Conventionally Drilled

Cement with 147 sxs Type III cement with 0.25 pps Celloflake, 3% CaCl. (188 cu ft of slurry, 200% excess, bring cement to surface) Wait on cement for 8 hrs for conventionally set holes before pressure testing or drilling out from under surface. **WOC until cement establishes 250 psi compressive strength prior to NU of BOPE.**

7" intermediate casing - lead w/383 sacks Premium Lite with 3% calcium chloride, 5 pps LCM-1, and 1/4#/sack flocele, 0.4% FL-52, & 0.4% SMS. Tail with 90 sacks Type III cmt with 1% calcium chloride, 1/4#/sack flocele and 0.2% FL-52 (942 cu.ft., 50% excess to circulate to surface).

Note: If open hole logs are run, cement volumes will be based on 25% excess over caliper volumes.

5 1/2" liner - will not be cemented if run.

BOP and tests:

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

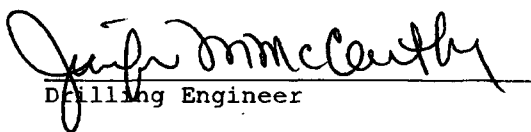
Intermediate TD to Total Depth - 7 1/6" 2000 psi (minimum) completion BOP stack (Reference Figure #2) Prior to drilling out intermediate casing, test BOPE and casing to 1500 psi for 30 minutes.

From surface to 7" TD - a choke manifold will be installed in accordance with Onshore Order No. 2 (Reference Figure #3). When the cavitation completion rig drills the production hole, the completion rig configuration will be used (Reference Figure #4). ~~Choke manifold will be used on cavitation rig operations.~~

Pipe rams will be actuated at 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.

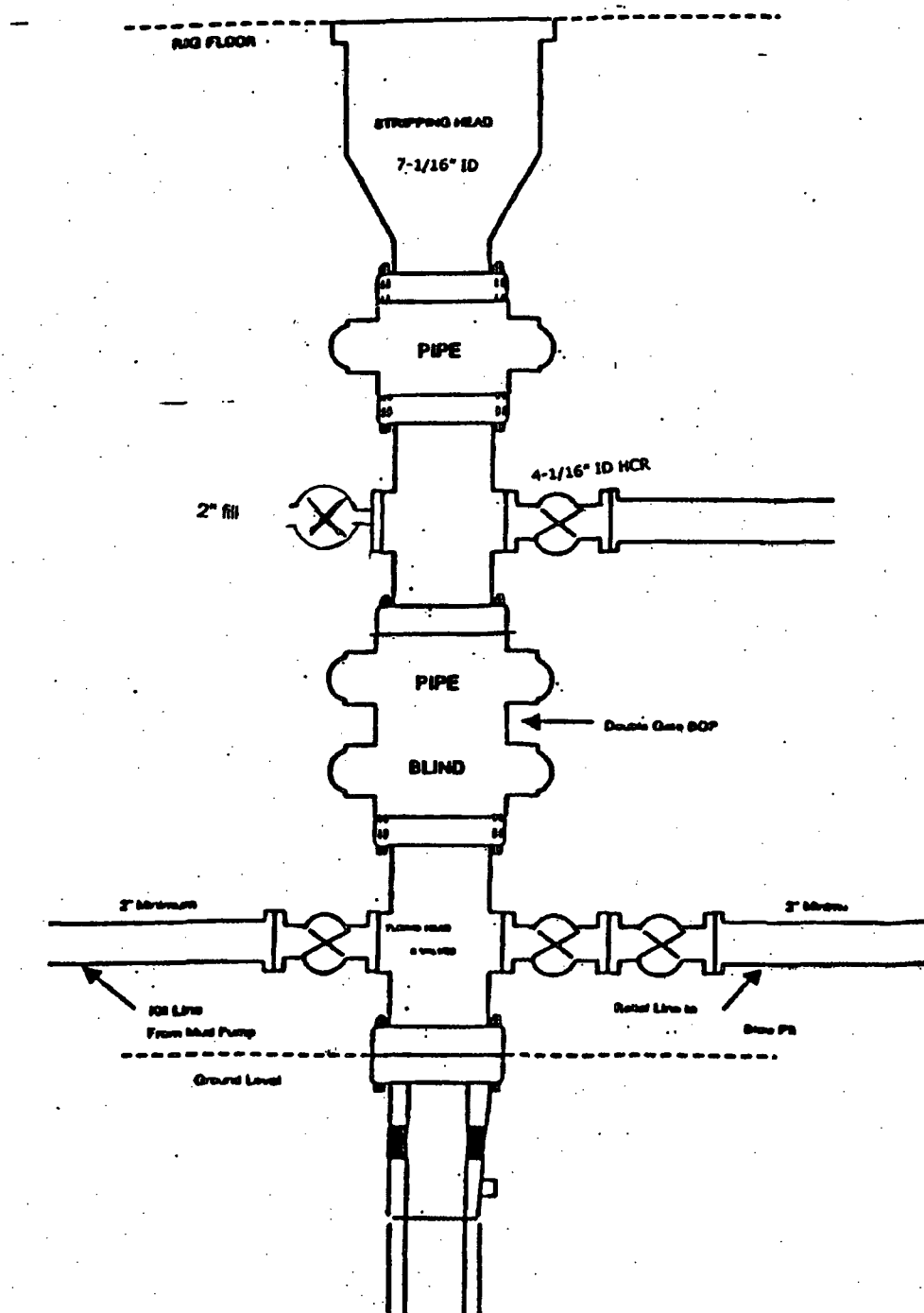
Additional information:

- * The Fruitland Coal formation will be completed.
- * Anticipated pore pressure for the Fruitland is less than 1600 psi.
- * This gas is dedicated.
- * The south half of Section 1 is dedicated to the Fruitland Coal.


Drilling Engineer

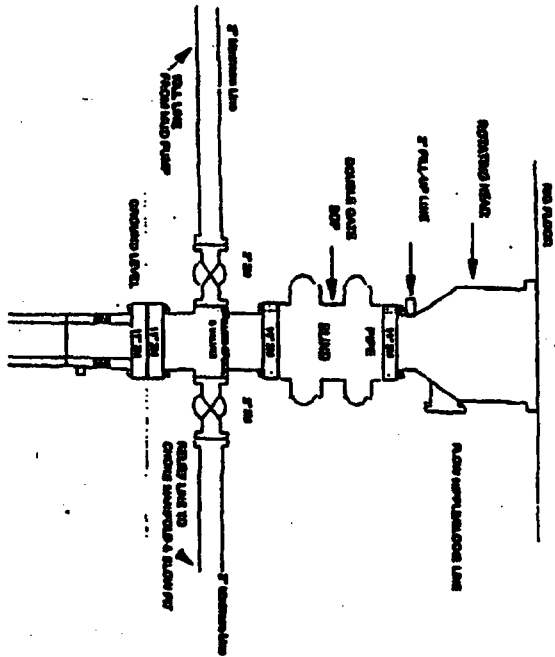
3-8-05
Date

Figure #4
Cavitation Rig
BOP Configuration
2,000 psi Minimum System



Burlington Resources

Drilling Rig 2000 psi System



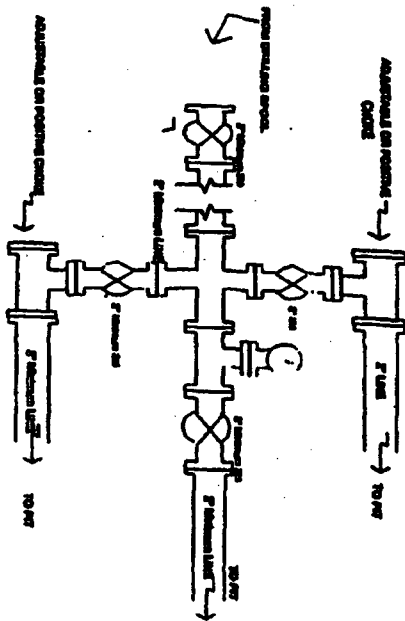
BCP installation from Surface Casing Point to Total Depth, 1" Bore
10" Rotating, 2000 psi working pressure, 2000 psi BCP to be
equipped with 1000 psi and 2000 psi working pressure on top of
the BCP. At BCP equipment is 2000 psi working pressure.

Figure #1

4-20-01

BURLINGTON RESOURCES

Drilling Rig Cable Manifold Configuration 2000 psi System



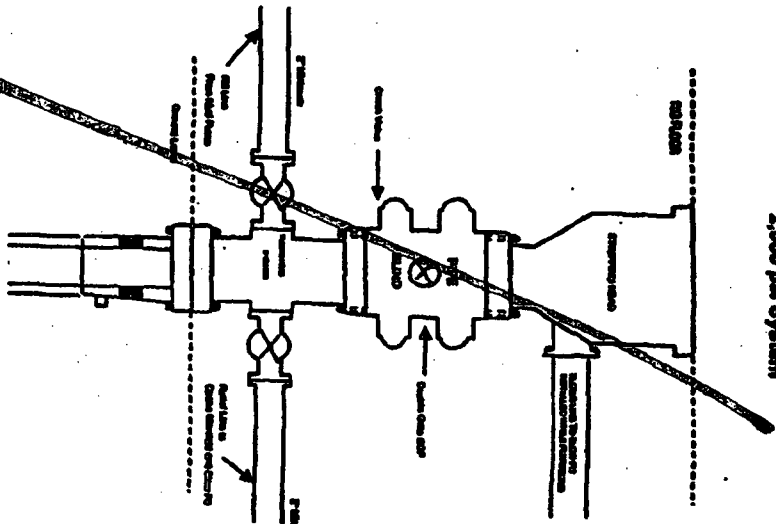
Cable manifold installation from Surface Casing
Point to Total Depth, 2,000 psi working pressure
equipment with two cables.

Figure #3

4-20-01

BURLINGTON RESOURCES

Completion/Workover Rig BCP Configuration 2,000 psi System



Minimum BCP installation for all Completion/Workover
Operations, 7-1/4" Bore, 2000 psi minimum working
pressure, 2000 psi BCP to be equipped with 1000 psi and
2000 psi working pressure on top of the BCP. At BCP equipment is 2000 psi working
pressure or greater, including 2000 psi rotating head.

Figure #2

submitted in lieu of Form 3160-5

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

2005 JUN 24 PM 2 58

Sundry Notices and Reports on Wells

RECEIVED

070 FARMINGTON NM

1. Type of Well
GAS

Lease Number
NMNM-111921
6. If Indian, All. or
Tribe Name

2. Name of Operator

BURLINGTON

RESOURCES OIL & GAS COMPANY

7. Unit Agreement Name

3. Address & Phone No. of Operator

PO Box 4289, Farmington, NM 87499 (505) 326-9700

8. Well Name & Number

Negro Canyon #103

9. API Well No.

30-045-32938

4. Location of Well, Footage, Sec., T, R, M

1445' FNL, 150' FEL, Sec. 2, T31N, R8W, NMPM surface

1875' FSL, 710' FWL, Sec. 1, T31N, R8W, NMPM bottom

10. Field and Pool

Basin Fruitland Coal

11. County and State

San Juan Co, NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission

Type of Action

☐ Notice of Intent

☐ Abandonment

☐ Change of Plans

☒ Subsequent Report

☐ Recompletion

☐ New Construction

☐ Final Abandonment

☐ Plugging Back

☐ Non-Routine Fracturing

☐ Casing Repair

☐ Water Shut off

☐ Altering Casing

☐ Conversion to Injection

☐ Other - Spud Notice

13. Describe Proposed or Completed Operations

6/22/05 MIRU. Spud well at 11:30 am on 6/22/05. Drilling ahead.

11/3/04 Drill to 240'. Circ hole clean. TOOH. TIH w/5 jts 9 5/8" 32.3# H-40
8rd ST&C csg set @ 236'.

6/23/05 Cmtd w/11 sxs Type III Scavenger cmt w/3% calcium chloride, .25 pps
celloflake (26 cu ft). Tail w/147 sxs Type III w/3% calcium chloride, .25-pps (188 cu
ft). Circ 16 bbls cmt to surface. WOC. NU BOP. PT BOP & csg to 600 psi for 30 min. OK.
Rig down. Rig released.

APD ROW related

14. I hereby certify that the foregoing is true and correct.

Signed

Joni Clark

Title Regulatory Specialist Date 6/24/05

(This space for Federal or State Office use)

APPROVED BY

Title

Date

JUN 27 2005

CONDITION OF APPROVAL, if any:

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 representations as to any matter within its jurisdiction.

ACCEPTED FOR RECORD

FARMINGTON FIELD OFFICE

NMOCD