

BURLINGTON RESOURCES

San Juan Division
Post Office Box 4289
Farmington, New Mexico, 87499

AUTHORITY FOR EXPENDITURE

AFE No.: _____ Property Number: _____ Date: 05/19/1999
Lease/Well Name: San Juan 30-6 Unit #128 DP Number: _____
Field Prospect: Basin Dakota Region: Farmington
Location: Unit P, Section 29, T30N, R6W County: Rio Arriba State: New Mexico
AFE Type: Developmental (01) Original ☒ Supplement ☐ Addendum ☐ API Well Type _____
Operator: BURLINGTON RESOURCES
Objective Formation: Basin Dakota Authorized Total Depth: 8000'
Project Description: 1999 Dakota Newdrill.

Estimated Start Date: Aug-99 Prepared By: A. White
Estimated Completion Date: Aug-99

GROSS WELL DATA

	Drilling		Workover/ Completion	Construction Facility	Total
Days:	Dry Hole	Suspended			
This AFE:		14	6		20
Prior AFE's:		\$396,458	\$171,289	\$41,000	\$608,747
					\$0
Total Costs:	\$0	\$396,458	\$171,289	\$41,000	\$608,747

JOINT INTEREST OWNERS

Company:	Working Interest Percent	Dry Hole \$	Completed \$
BR Oil & Gas Co.:	30.554445%	\$0	\$185,999
SJB TRUST	0.000000%	\$0	\$0
Others:	69.445555%	\$0	\$422,747
AFE TOTAL:	100.000000%	\$0	\$608,747

BURLINGTON RESOURCES APPROVAL

Recommended: [Signature] Date: 5/19/99 Recommended: [Signature] Date: 5/19/99
Dakota Team Dakota Team
Approved: [Signature] Date: 5-24-99 Approved: [Signature] Date: 6-1-99
Regional Team Leader Land Manager Team

PARTNER APPROVAL

Company Name: _____
Authorized By: _____ Date: _____
Title: _____

BURLINGTON RESOURCES

San Juan Division
Post Office Box 4289
Farmington, New Mexico, 87499

AUTHORITY FOR EXPENDITURE

AFE No.: _____ Property Number: _____ Date: 1/6/99
Lease/Well Name: San Juan 30-6 Unit #128 DP Number: _____
Field Prospect: Basin Dakota Region: Farmington
Location: Unit P, Section 29, T30N, R6W County: Rio Arriba State: New Mexico
AFE Type: Developmental (01) Original ☒ Supplement ☐ Addendum ☐ API Well Type _____
Operator: BURLINGTON RESOURCES
Objective Formation: Basin Dakota Authorized Total Depth: 8000'
Project Description: 1999 Dakota Newdrill.
Estimated Start Date: Apr-99 Prepared By: S. Dobson
Estimated Completion Date: Apr-99

GROSS WELL DATA

	Drilling		Workover/ Completion	Construction Facility	Total
Days:	Dry Hole	Suspended			
This AFE:		<u>14</u>	<u>6</u>		<u>20</u>
Prior AFE's:		<u>\$396,458</u>	<u>\$171,289</u>	<u>\$41,000</u>	<u>\$608,747</u>
					<u>\$0</u>
Total Costs:	<u>\$0</u>	<u>\$396,458</u>	<u>\$171,289</u>	<u>\$41,000</u>	<u>\$608,747</u>

JOINT INTEREST OWNERS

Company:	Working Interest Percent	Dry Hole \$	Completed \$
BR Oil & Gas Co.:	<u>22.22112%</u>	<u>\$0</u>	<u>\$135,270</u>
SJB TRUST	<u>0.000000%</u>	<u>\$0</u>	<u>\$0</u>
Others:	<u>77.778888%</u>	<u>\$0</u>	<u>\$473,476</u>
AFE TOTAL:	<u>100.000000%</u>	<u>\$0</u>	<u>\$608,747</u>

BURLINGTON RESOURCES APPROVAL

Recommended: Pinda Donohue Date: 1/13/99 Recommended: CE Han Date: 1/13/99
Dakota Team Dakota Team
Approved: BT Zink Date: 1-13-99 Approved: [Signature] Date: 1-15-99
Regional Team Leader Land Manager

PARTNER APPROVAL

Company Name: _____
Authorized By: _____ Date: _____
Title: _____

Facility Cost Estimate

Well Name: San Juan 30-6 Unit #128
 Location: Unit P, Section 29, T30N, R6W
 AF : Developmental (01)
 Formation: Basin Dakota

Prepared By: S. Dobson
 Date: 09/21/98
 Approved By: B. Voiles
 Date: 09/21/98

Intangible Costs

Estimated Days:

Account Number		Total Estimated Cost
247		
02	Labor, Consultants, Roustabout	6,000
03	Company Vehicles	100
08	Location Cost	750
12	Overhead	0
17	Damages, Property Losses	0
20	Equip. Coating and Insulation	750
26	SWD Filtering	0
27	Separators	13,500
28	Gas Sweetening	0
29	Pumping Units	0
31	Prime Mover	0
32	Tanks	6,500
33	Metering Equipment	0
34	Flow Line	0
35	Compressors	0
36	Building	0
39	Flowlines, Piping, Valves & Fittings	5,300
3	Safety	0
44	Technical Contract Services	0
47	Rental Compressor & Maintenance	0
48	Rental Equipment	0
49	Cathodic Protection	6,000
50	Right Of Way	0
51	Minor Pipelines	0
53	Surface Pumps	0
54	Electrical Accessories	0
55	Miscellaneous-Facility Expense	800
57	Pulling Unit Cost @	0
60	Operator Owned Equip. / Facilities (District Tools)	0
62	Env. Compliance (Assessment)	0
63	Env. Compliance (Remediation)	0
68	Direct Labor	500
69	Benefits	0
70	Payroll Taxes and Insurance	0
72	Employee Expenses	300
73	Freight / Water Transportation	500
81	Tubing	0
82	Rods	0
83	Downhole Pumps	0
84	Alternative Artificial Lift Equip.	0
86	Convent Artificial Lift Wellhead Equip.	0
88	Communication Systems	0
3	Gas Dehydrator	0
Total Facilities Cost		41,000

**Burlington Resources
Cost Estimate**

Well Name: San Juan 30-6 Unit #128
 Location: SE Section 29, T-30-N, R-06W
 AFE Type: (01) Development
 Formation: Basin Dakota
 Proposed TD: 8000
 Comments: Platform Express, NMR, DSI, Sidewall Cores and Core Analysis

Prepared By: John P. Hosford
 Date: 11/19/98
 Approved By: *[Signature]*
 Date: 11/19/98
 Int. TD: 3800
 Cost/ft \$49.56

Will TD well in Morrison Formation

Intangible Costs

Estimated Days: 14.0

Total
Estimated
Cost

Account
Number
248

03	Location Cost		14,000
05	Move-in, Move-out		6,000
07	Rig Cost	(14 days @ \$6,000/day)	84,000
08	Safety Equipment		0
10	Air Drilling Fluid	(14 days @ \$1,600/day)	22,400
	Drilling Mud		20,000
16	Fresh Water		8,000
17	Bits		18,000
18	Cementing		49,000
22	Coring and Analysis		10,000
23	Fuel		2,000
25	Rentals (Subsurface)		1,500
26	Fishing		0
28	Other Rental (Surface)		2,000
29	Transportation		8,000
32	Directional Svc.		0
33	Inspection		2,600
34	Logging Services	Open Hole Logging & Mudlogger	56,600
36	Production Testing		0
37	Swabbing, Snubbing, Coiled Tubing		0
39	Stimulation		0
43	Consultants	(14 days @ \$400/day)	5,600
44	Technical Contract Svc.		0
45	Roustabout Labor		5,000
46	Miscellaneous		0
49	Packer Rental		0
53	Env. Cost		1,000
54	Disposal Cost		1,000
60	District Tools		0
72	Overhead Rig Days - 248, \$141	(14 days @ \$134/day)	1,300
	Total Intangibles		318,000

Tangible Costs

80	Casing		76,458
	9-5/8", 32.3 H-40	200' @ \$15.84/ft	3,168
	7", 20.0#, J-55	3800' @ \$8.57/ft	32,566
	4-1/2" 10.5# J-55 ST&C	7600' @ \$5.06/ft	38,456
	4-1/2" 11.6# J-55 ST&C	400' @ \$5.67/ft	2,268
81	Tubing		0
84	Casing & Tubing Equipment		0
86	Wellhead Equipment		2,000
	Total Tangibles		78,458

Total Cost

396,458

*Assume 6% sales tax where appropriate

Burlington Resources
Cost Estimate

Well Name: San Juan 30-6 Unit #128
Location: Unit P, Section 29, T30N, R6W
AFE #: Developmental (01)
Formation: Basin Dakota

Prepared By: S. Dobson
Date: 1/6/99
Approved By: C. McCracken
Date: 1/6/99
2-3/8" Tbg: 8000'

Intangible Costs

Estimated Days: 6.0

Total
Estimated
Cost

Account Number			
249			
03	Location Cost		10,000
05	Move-in, Move-out		5,000
07	Rig Cost (6 days @ \$4,320/day)		25,920
08	Safety Equipment		0
10	Air Drilling Fluid (6 days @ \$1,250/day)		7,500
16	Fresh Water (8 tanks @ \$700/tank)		5,600
17	Bits (1 3-7/8 @ \$750/bit)		750
18	Cementing		0
22	Coring and Analysis		0
23	Fuel		1,200
25	Rentals (Subsurface)		1,500
26	Fishing		1,250
27	Tank Rentals (8 tanks @ \$20/tank/day)		960
28	Other Rental (Surface)		750
29	Transportation (8 tanks @ \$300/tank)		2,400
32	Directional Svc.		0
	Inspection		0
34	Cased Hole Services (GR/CBL and perforating)		16,500
36	Production Testing		0
37	Swabbing, Snubbing, Coiled Tubing		0
39	Fracturing (Single Stg Slickwater)		45,000
43	Consultants (6 days @ \$500/day)		3,000
44	Technical Contract Svc.		5,600
45	Roustabout Labor		2,500
46	Miscellaneous		500
49	Packer Rental		0
53	Env. Cost		0
54	Disposal Cost		300
60	District Tools		0
68	Direct Labor		1,000
72	Overhead Rig Days (Contingency) (6 days @ \$135/day)		859
	Total Intangibles		138,089
	Tangible Costs		
80	Casing		0
81	Tubing (8000ft @ \$2.97/ft)		25,200
84	Casing & Tubing Equipment (1.81" Seat nipple and pump out plug)		1,500
86	Wellhead Equipment		6,500
	Total Tangibles		33,200
	Total Cost		171,289

BURLINGTON RESOURCES

San Juan Division
Post Office Box 4289
Farmington, New Mexico, 87499

AUTHORITY FOR EXPENDITURE

AFE No.: _____ Property Number: _____ Date: 11/15/99
Lease/Well Name: San Juan 27-5 Unit #83M DP Number: _____
Field Prospect: Blanco Mesaverde Region: Farmington
Location: Unit F, Sec. 09, T27N, R05W County: Rio Arriba State: New Mexico
AFE Type: Development (01) Original ☒ Supplement _____ Addendum _____ API Well Type _____
Operator: BURLINGTON RESOURCES
Objective Formation: Mesaverde Authorized Total Depth: 8000'
Project Description: Initial Infill Development of MV and DK intervals.

Estimated Start Date: Jul-00 Prepared By: S. Woolverton
Estimated Completion Date: Jul-00

GROSS WELL DATA

	Drilling		Workover/ Completion	Construction Facility	Total
	Dry Hole	Suspended			
Days:		12	0	2	14
This AFE:		\$136,570	\$222,723	\$22,500	\$381,793
Prior AFE's:					\$0
Total Costs:	\$0	\$136,570	\$222,723	\$22,500	\$381,793

JOINT INTEREST OWNERS

	Working Interest Percent	Dry Hole \$	Completed \$
Company:			
BR Oil & Gas Co.:	74.709063%	\$0	\$285,234
SJB TRUST	0.000000%	\$0	\$0
Others:	25.290937%	\$0	\$96,559
AFE TOTAL:	100.000000%	\$0	\$381,793

BURLINGTON RESOURCES APPROVAL

Recommended: _____ Date: _____ Recommended: _____ Date: _____
MV PUD Team MV PUD Team

Approved: _____ Date: _____ Approved: _____ Date: _____
Regional Team Leader Land Manager

PARTNER APPROVAL

Company Name: _____
Authorized By: _____ Date: _____
Title: _____

BURLINGTON RESOURCES

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AUTHORITY FOR EXPENDITURE

AFE No.: _____ Property Number: _____ Date: 11/15/99
Lease/Well Name: San Juan 27-5 Unit #83M DP Number: _____
Field Prospect: Basin Dakota Region: Farmington
Location: Unit F, Sec. 09, T27N, R05W County: Rio Arriba State: New Mexico
AFE Type: Development (01) Original X Supplement _____ Addendum _____ API Well Type _____
Operator: BURLINGTON RESOURCES
Objective Formation: Dakota Authorized Total Depth (Feet): 8000'
Project Description: Initial Infill Development of MV and DK intervals.

Estimated Start Date: Jul-00 Prepared By: S. Woolverton
Estimated Completion Date: Jul-00

GROSS WELL DATA

	Drilling		Workover/ Completion	Construction Facility	Total
Days:	Dry Hole	Suspended			
This AFE:		12	0	2	14
Prior AFE's:		\$181,430	\$106,898	\$22,500	\$310,828
Total Costs:	\$0	\$181,430	\$106,898	\$22,500	\$310,828

JOINT INTEREST OWNERS

Company:	Working Interest Percent	Dry Hole \$	Completed \$
BR Oil & Gas Co.:	61.216916%	\$0	\$190,279
SJB TRUST	0.000000%	\$0	\$0
Others:	38.783084%	\$0	\$120,549
AFE TOTAL:	100.000000%	\$0	\$310,828

BURLINGTON RESOURCES APPROVAL

Recommended: _____ Date: _____ Recommended: _____ Date: _____
MV PUD Team MV PUD Team
Approved: _____ Date: _____ Approved: _____ Date: _____
Regional Team Leader Land Manager

PARTNER APPROVAL

Company Name: _____
Authorized By: _____ Date: _____
Title: _____

**Burlington Resources
Facility Cost Estimate**

Well Name: San Juan 27-5 Unit #83M
Location: Unit F, Sec. 09, T27N, R05W
AFE Type: Developmental (01)
Formation: Blanco Mesaverde/Basin Dakota

Prepared By: DTV
Date: 11/15/99
Approved By: _____
Date: _____

Intangible Costs

Estimated Days: 2.0				
Account Number		Mesaverde Cost	Dakota Cost	Total Estimated Cost
247				
2	Labor, Consultants, Roustabout	3,000	3,000	6,000
03	Company Vehicles	50	50	100
08	Location Cost	375	375	750
12	Overhead			0
17	Damages, Property Losses			0
20	Equip. Coating and Insulation	375	375	750
26	SWD Filtering			0
27	Separators	7,000	7,000	14,000
28	Gas Sweetening			0
29	Pumping Units			0
31	Prime Mover			0
32	Tanks	3,250	3,250	6,500
33	Metering Equipment			0
34	Flow Line			0
35	Compressors			0
36	Building			0
39	Flowlines, Piping, Valves & Fittings	2,650	2,650	5,300
43	Safety			0
44	Technical Contract Services			0
47	Rental Compressor & Maintenance			0
48	Rental Equipment			0
49	Cathodic Protection	3,000	3,000	6,000
50	Right Of Way			0
51	Minor Pipelines			0
53	Surface Pumps			0
54	Electrical Accessories			0
55	Miscellaneous-Facility Expense	400	400	800
57	Pulling Unit Cost @			0
60	Operator Owned Equip. / Facilities (District Tools)			0
62	Env. Compliance (Assessment)			0
63	Env. Compliance (Remediation)			0
68	Direct Labor	250	250	500
69	Benefits			0
70	Payroll Taxes and Insurance			0
72	Employee Expenses	150	150	300
73	Freight / Water Transportation	250	250	500
81	Tubing			0
82	Rods			0
83	Downhole Pumps			0
84	Alternative Artificial Lift Equip.			0
86	Convent Artifical Lift Wellhead Equip.	1,750	1,750	3,500
88	Communication Systems			0
96	Gas Dehydrator			0
Total Facilities Cost		22,500	22,500	45,000

**Burlington Resources
Cost Estimate**

Well Name: San Juan 27-5 Unit #83M
 Location: Unit F, Sec. 09, T27N, R05W
 AFE Type: Developmental (01)
 Formation: Blanco Mesaverde/Basin Dakota
 Proposed TD: 8000'

Prepared By: DWS
 Date: 11/15/99
 Approved By: _____
 Date: _____
 Int. TD: 4000'
 Cost/ft: \$39.75

Intangible Costs

Estimated Days: 12.0

Account Number		Mesa Verde Cost	Dakota Cost	Total Estimated Cost
248				
03	Location Cost	7,000	7,000	14,000
05	Move-in, Move-out	5,000	5,000	10,000
07	Rig Cost (12 days @ \$6,600/day)	31,680	47,520	79,200
08	Safety Equipment	0	0	0
10	Drilling Fluid (12 days @ \$1,600/day) + mud	8,400	12,600	21,000
16	Stimulation Fluids	4,000	4,000	8,000
17	Bits	8,000	12,000	20,000
18	Cementing	12,000	18,000	30,000
22	Coring and Analysis	0	0	0
23	Fuel	2,500	2,500	5,000
25	Rentals	2,000	2,000	4,000
26	Fishing	0	0	0
28	Other Rentals	1,000	1,000	2,000
29	Transportation	4,000	4,000	8,000
32	Directional Service	0	0	0
33	Inspection	1,500	1,500	3,000
34	Logging Services	0	0	0
36	Production Testing	0	0	0
37	Swabbing, Snubbing, Coiled Tubing	0	0	0
39	Stimulation	0	0	0
43	Consultants (12 days @ \$500/day)	2,400	3,600	6,000
44	Technical Services	0	0	0
45	Roustabout Labor	2,400	3,600	6,000
46	Miscellaneous	0	0	0
49	Packer Rentals	0	0	0
53	Environmental Costs	0	0	0
54	Disposal Costs	400	600	1,000
60	District Tools	2,000	3,000	5,000
72	Overhead (12 days @ \$134/day)	640	960	1,600
	Contingency	6,920	10,380	17,300
	Total Intangibles	101,840	139,260	241,100
	Tangible Costs			
80	Casing			73,900
	9-5/8" 32.3# WC-50 200' @ \$12.78/ft	1,300	1,300	
	7.0" 20.0# J-55 4000' @ \$8.53/ft	17,050	17,050	
	4-1/2" 10.5# J-55 7800' @ \$4.64/ft	14,480	21,720	
	4-1/2" 11.6# J-55 required over 7800' 200' @ \$5.20/ft	400	600	
81	Tubing	0	0	0
84	Casing & Tubing Equipment	0	0	0
86	Wellhead Equipment	1,500	1,500	3,000
	Total Tangibles	34,730	42,170	76,900
	Total Cost	136,570	181,430	318,000

Burlington Resources
Cost Estimate for Lewis/Mesaverde/Dakota Commingled Producer

Well Name: San Juan 27-5 Unit #83M
Location: Unit F, Sec. 09, T27N, R05W
AFE Type: Developmental (01)
Formation: Blanco Mesaverde/Basin Dakota

Prepared By: BWF
Date: 11/15/99
Approved By: _____
Date: _____

249 Account Number		Mesaverde Cost	Dakota Cost	Total Estimated Cost
Intangible Costs				
03	Location Cost	3,750	3,750	7,500
05	Move-in, Move-out	2,500	2,500	5,000
07	Rig Cost	34,500	11,500	46,000
08	Safety Equipment	100	100	200
10	Air Drilling Fluid	11,250	3,750	15,000
16	Stimulation Fluids	16,500	5,500	22,000
17	Bits	750	750	1,500
18	Cementing			0
22	Coring and Analysis			0
23	Fuel	1,450	1,450	2,900
25	Rentals (Subsurface)	1,350	1,350	2,700
26	Fishing	0	0	0
28	Other Rental (Surface)	750	750	1,500
29	Transportation	3,000	3,000	6,000
32	Directional Svc.			0
33	Inspection	550	550	1,100
34	Logging Services	15,375	5,125	20,500
36	Production Testing	0	0	0
37	Swabbing, Snubbing, Coiled Tubing			0
39	Stimulation	94,950	31,650	126,600
43	Consultants	2,750	2,750	5,500
44	Technical Contract Svc.	400	400	800
45	Roustabout Labor	1,200	1,200	2,400
46	Miscellaneous	1,250	1,250	2,500
49	Packer Rental	1,650	1,650	3,300
53	Env. Cost			0
54	Disposal Cost	300	300	600
60	District Tools	1,750	1,750	3,500
68	Direct Labor			0
72	OH Rig Days - 249,\$134	1,350	1,350	2,700
	Total Intangibles	197,425	82,375	279,800
Tangible Costs				
80	Casing			0
81	Tubing	8,813	14,687	23,500
84	Casing & Tubing Equip.	250	250	500
86	Wellhead Equipment	3,450	3,450	6,900
	Total Tangibles	12,513	18,387	30,900
	Sub-Total	209,938	100,762	310,700
	Contingency	12,785	6,136	18,921
	Total	222,723	106,898	329,621

BURLINGTON RESOURCES

San Juan Division
Post Office Box 4289
Farmington, New Mexico, 87499

AUTHORITY FOR EXPENDITURE

AFE No.: _____ Property Number: _____ Date: 11/15/99
Lease/Well Name: Sunray #1B DP Number: _____
Field Prospect: Basin Dakota Region: Farmington
Location: Unit C, Sec. 05, T29N, R08W County: San Juan State: New Mexico
AFE Type: Development (01) Original ☒ Supplement _____ Addendum _____ API Well Type _____
Operator: BURLINGTON RESOURCES
Objective Formation: Dakota Authorized Total Depth (Feet): 8200'
Project Description: Initial Infill Development of MV and DK intervals.

Estimated Start Date: Jul-00 Prepared By: S. Woolverton
Estimated Completion Date: Jul-00

GROSS WELL DATA

	Drilling		Workover/ Completion	Construction Facility	Total
	Dry Hole	Suspended			
Days:		12	0	2	14
This AFE:		\$210,700	\$130,645	\$29,175	\$370,520
Prior AFE's:					
Total Costs:	\$0	\$210,700	\$130,645	\$29,175	\$370,520

JOINT INTEREST OWNERS

	Working Interest Percent	Dry Hole \$	Completed \$
Company:			
BR Oil & Gas Co.:	100.000000%	\$0	\$370,520
SJB TRUST	0.000000%	\$0	\$0
Others:	0.000000%	\$0	\$0
AFE TOTAL:	100.000000%	\$0	\$370,520

BURLINGTON RESOURCES APPROVAL

Recommended: _____ Date: _____ Recommended: _____ Date: _____
MV PUD Team Regional Team Leader
Approved: _____ Date: _____ Approved: _____ Date: _____
Asset Manager Land Manager

PARTNER APPROVAL

Company Name: _____
Authorized By: _____ Date: _____
Title: _____

BURLINGTON RESOURCES

San Juan Division
Post Office Box 4289
Farmington, New Mexico, 87499

AUTHORITY FOR EXPENDITURE

AFE No.: _____ Property Number: _____ Date: 11/15/99
Lease/Well Name: Sunray #1B DP Number: _____
Field Prospect: Blanco Mesaverde Region: Farmington
Location: Unit C, Sec. 05, T29N, R08W County: San Juan State: New Mexico
AFE Type: Development (01) Original ☒ Supplement ☐ Addendum ☐ API Well Type _____
Operator: BURLINGTON RESOURCES
Objective Formation: Mesaverde Authorized Total Depth: 8200'
Project Description: Initial Infill Development of MV and DK intervals.

Estimated Start Date: Jul-00 Prepared By: S. Woolverton
Estimated Completion Date: Jul-00

GROSS WELL DATA

	Drilling		Workover/ Completion	Construction Facility	Total
Days:	Dry Hole	Suspended			
This AFE:		12	0	2	14
Prior AFE's:		\$151,300	\$261,782	\$29,175	\$442,257
					\$0
Total Costs:	\$0	\$151,300	\$261,782	\$29,175	\$442,257

JOINT INTEREST OWNERS

Company:	Working Interest Percent	Dry Hole \$	Completed \$
BR Oil & Gas Co.:	100.000000%	\$0	\$442,257
SJB TRUST	0.000000%	\$0	\$0
Others:	0.000000%	\$0	\$0
AFE TOTAL:	100.000000%	\$0	\$442,257

BURLINGTON RESOURCES APPROVAL

Recommended: _____ Date: _____ Recommended: _____ Date: _____
MV PUD Team Regional Team Leader
Approved: _____ Date: _____ Approved: _____ Date: _____
Asset Manager Land Manager

PARTNER APPROVAL

Company Name: _____
Authorized By: _____ Date: _____
Title: _____

**Burlington Resources
Facility Cost Estimate**

Well Name: Sunray #1B
 Location: Unit C, Sec. 05, T29N, R08W
 AFE Type: Developmental (01)
 Formation: Blanco Mesaverde/Basin Dakota

Prepared By: DTV
 Date: 11/15/99
 Approved By: _____
 Date: _____

Intangible Costs

		Estimated Days: 2.0		
Account Number		Mesaverde Cost	Dakota Cost	Total Estimated Cost
247				
2	Labor, Consultants, Roustabout	4,250	4,250	8,500
03	Company Vehicles	100	100	200
08	Location Cost	400	400	800
12	Overhead			0
17	Damages, Property Losses			0
20	Equip. Coating and Insulation	500	500	1,000
26	SWD Filtering			0
27	Separators	13,000	13,000	26,000
28	Gas Sweetening			0
29	Pumping Units			0
31	Prime Mover			0
32	Tanks	4,875	4,875	9,750
33	Metering Equipment			0
34	Flow Line			0
35	Compressors			0
36	Building			0
39	Flowlines, Piping, Valves & Fittings	2,000	2,000	4,000
43	Safety			0
44	Technical Contract Services			0
47	Rental Compressor & Maintenance			0
48	Rental Equipment			0
49	Cathodic Protection	3,000	3,000	6,000
50	Right Of Way			0
51	Minor Pipelines			0
53	Surface Pumps			0
54	Electrical Accessories			0
55	Miscellaneous-Facility Expense	300	300	600
57	Pulling Unit Cost @			0
60	Operator Owned Equip. / Facilities (District Tools)			0
62	Env. Compliance (Assessment)			0
63	Env. Compliance (Remediation)			0
68	Direct Labor	375	375	750
69	Benefits			0
70	Payroll Taxes and Insurance			0
72	Employee Expenses			0
73	Freight / Water Transportation	375	375	750
81	Tubing			0
82	Rods			0
83	Downhole Pumps			0
84	Alternative Artificial Lift Equip.			0
86	Convent Artificial Lift Wellhead Equip.			0
88	Communication Systems			0
96	Gas Dehydrator			0
Total Facilities Cost		29,175	29,175	58,350

Burlington Resources
Cost Estimate

Well Name: Sunray #1B
Location: Unit C, Sec. 05, T29N, R08W
AFE Type: Developmental (01)
Formation: Blanco Mesaverde/Basin Dakota
Proposed TD: 8200'

Prepared By: DWS
Date: 11/15/99
Approved By: _____
Date: _____
Int. TD: 3800'
Cost/ft: \$44.15

Intangible Costs

		Estimated Days: 12.0				
Account Number				Mesa Verde Cost	Dakota Cost	Total Estimated Cost
248						
03	Location Cost			7,000	7,000	14,000
05	Move-in, Move-out			5,000	5,000	10,000
07	Rig Cost	(12 days @ \$6,600/day)		31,680	47,520	79,200
08	Safety Equipment			0	0	0
10	Drilling Fluid	(12 days @ \$1,600/day) + mud		8,400	12,600	21,000
16	Stimulation Fluids			4,000	4,000	8,000
17	Bits			8,000	12,000	20,000
18	Cementing			12,000	18,000	30,000
22	Coring and Analysis			0	0	0
23	Fuel			2,500	2,500	5,000
25	Rentals			2,000	2,000	4,000
26	Fishing			0	0	0
28	Other Rentals			1,000	1,000	2,000
29	Transportation			4,000	4,000	8,000
32	Directional Service			0	0	0
33	Inspection			1,500	1,500	3,000
34	Logging Services			0	18,000	18,000
36	Production Testing			0	0	0
37	Swabbing, Snubbing, Coiled Tubing			0	0	0
39	Stimulation			0	0	0
43	Consultants	(12 days @ \$500/day)		2,400	3,600	6,000
44	Technical Services			0	0	0
45	Roustabout Labor			2,400	3,600	6,000
46	Miscellaneous			0	0	0
49	Packer Rentals			0	0	0
53	Environmental Costs			0	0	0
54	Disposal Costs			400	600	1,000
60	District Tools			2,000	3,000	5,000
72	Overhead	(12 days @ \$134/day)		640	960	1,600
	Contingency			4,280	6,420	10,700
	Total Intangibles			99,200	153,300	252,500

Tangible Costs

80	Casing					106,500
	9-5/8" 32.3# WC-50	200'	@ \$12.78/ft)	1,300	1,300	
	7.0" 20.0# J-55	3800'	@ \$8.53/ft)	16,200	16,200	
	5-1/2" 17# K-55 Flush Jt.	4500'	@ \$10.00/ft)	22,500	22,500	
	5-1/2" 17# K-55 LTC	3700'	@ \$7.17/ft)	10,600	15,900	
81	Tubing			0	0	0
84	Casing & Tubing Equipment			0	0	0
86	Wellhead Equipment			1,500	1,500	3,000
	Total Tangibles			52,100	57,400	109,500

Total Cost	151,300	210,700	362,000
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Burlington Resources
Cost Estimate for Lewis/Mesaverde/Dakota Commingled Producer

Well Name: Sunray #1B
Location: Unit C, Sec. 05, T29N, R08W
AFE Type: Developmental (01)
Formation: Blanco Mesaverde/Basin Dakota

Prepared By: BWF
Date: 11/15/99
Approved By: _____
Date: _____

249 Account Number		Mesaverde Cost	Dakota Cost	Total Estimated Cost
Intangible Costs				
03	Location Cost	3,750	3,750	7,500
05	Move-in, Move-out	2,500	2,500	5,000
07	Rig Cost	48,000	16,000	64,000
08	Safety Equipment	100	100	200
10	Air Drilling Fluid	15,000	5,000	20,000
16	Stimulation Fluids	16,500	5,500	22,000
17	Bits	750	750	1,500
18	Cementing			0
22	Coring and Analysis			0
23	Fuel	1,600	1,600	3,200
25	Rentals (Subsurface)	2,300	2,300	4,600
26	Fishing	0	0	0
28	Other Rental (Surface)	750	750	1,500
29	Transportation	3,650	3,650	7,300
32	Directional Svc.			0
33	Inspection	1,400	1,400	2,800
34	Logging Services	17,925	5,975	23,900
36	Production Testing	0	0	0
37	Swabbing, Snubbing, Coiled Tubing			0
39	Stimulation	94,950	31,650	126,600
43	Consultants	3,350	3,350	6,700
44	Technical Contract Svc.	400	400	800
45	Roustabout Labor	1,100	1,100	2,200
46	Miscellaneous	2,250	2,250	4,500
49	Packer Rental			0
53	Env. Cost			0
54	Disposal Cost	400	400	800
60	District Tools	5,200	5,200	10,400
68	Direct Labor			0
72	OH Rig Days - 249,\$134	2,750	2,750	5,500
	Total Intangibles	224,625	96,375	321,000
Tangible Costs				
80	Casing			0
81	Tubing	13,929	18,571	32,500
84	Casing & Tubing Equip.	2,050	2,050	4,100
86	Wellhead Equipment	6,150	6,150	12,300
	Total Tangibles	22,129	26,771	48,900
	Sub-Total	246,754	123,146	369,900
	Contingency	15,028	7,499	22,527
	Total	261,782	130,645	392,427

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285

TELEFAX (505) 982-2047

W. THOMAS KELLAHIN*

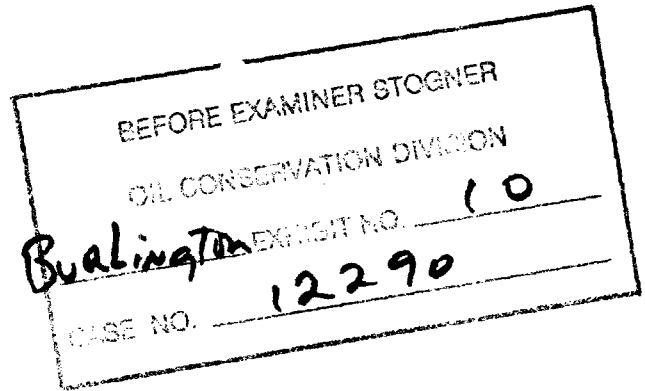
*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

December 29, 1999

VIA FACSIMILE
(505) 334-6170

Mr. Frank Chavez
District Supervisor
Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410



Re: NMOCD Case 12290
Application of Burlington Resources Oil & Gas Company to
amend the rules for the Basin-Dakota Gas Pool for purposes
of changing the well location requirements.

Dear Mr. Chavez:

The referenced case deals with a request by Burlington Resources Oil & Gas Company ("Burlington") to conform the rules for the Basin-Dakota Gas Pool to the recently revised rules for the Blanco-Mesaverde Gas Pool (Order R-10987-A, issued February 1, 1999).

At the November 18, 1999, Examiner hearing of the referenced case, on behalf of Burlington, I introduced a computer generated map of the boundary of the Basin-Dakota Gas Pool which Burlington had obtained from New Mexico Tech-Socorro. (See enclosure 1, hearing Exhibit 4). I advised Mr. Stogner that there were Basin-Dakota Gas Pool wells in the pool but not within the boundary of this map.

At the conclusion of Burlington's presentation, Mr. Stogner continued the case to January 6, 2000 and requested Burlington to return and explain why it has used a map which did not accurately reflect the boundary for this pool. I would appreciate your assistance in helping me respond to Mr. Stogner's request.

Mr. Frank Chavez
December 29, 1999
-Page 2-

As you know, in Southeastern New Mexico, after the Division's district office creates a new pool, it will periodically expand the pool boundary to include new wells as they are drilled and completed. However, it is my understanding that the Aztec-OCD has a different procedure for wells to be "added" to the Basin-Dakota Gas Pool. Please confirm for me if the following is a correct understanding of what occurs:

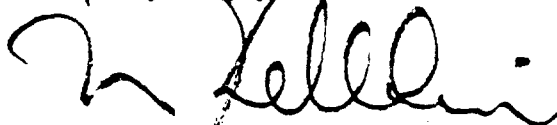
(1) On November 4, 1960, by Order R-1670-C, the Commission established gas prorationing for the Dakota producing interval in the San Juan Basin, abolished some 13 different Dakota pools and created the Basin-Dakota Gas Pool and described its horizontal limits to be "San Juan and Rio Arriba Counties, New Mexico, with the exception of the Baker-Creek-Dakota Gas Pool and the Ute Dome-Dakota Gas Pool together with any extensions thereof."

(2) Because of the particular language of this order, OCD-Aztec does not have a current pool map which shows all of the wells in the Basin-Dakota Gas Pool. Instead, OCD-Aztec simply maintains records showing any Dakota gas well in either of these counties as a Basin-Dakota Gas Pool well provided it is not in either the Barker-Creek-Dakota Gas Pool or the Ute Dome-Dakota Gas Pool.

I do not know how New Mexico Tech generated its pool map and I do not know how to correct it so that I can provide Mr. Stogner with an accurate pool map which will include all the wells dedicated to the Basin-Dakota Gas Pool. Any assistance you can provide would be most appreciated.

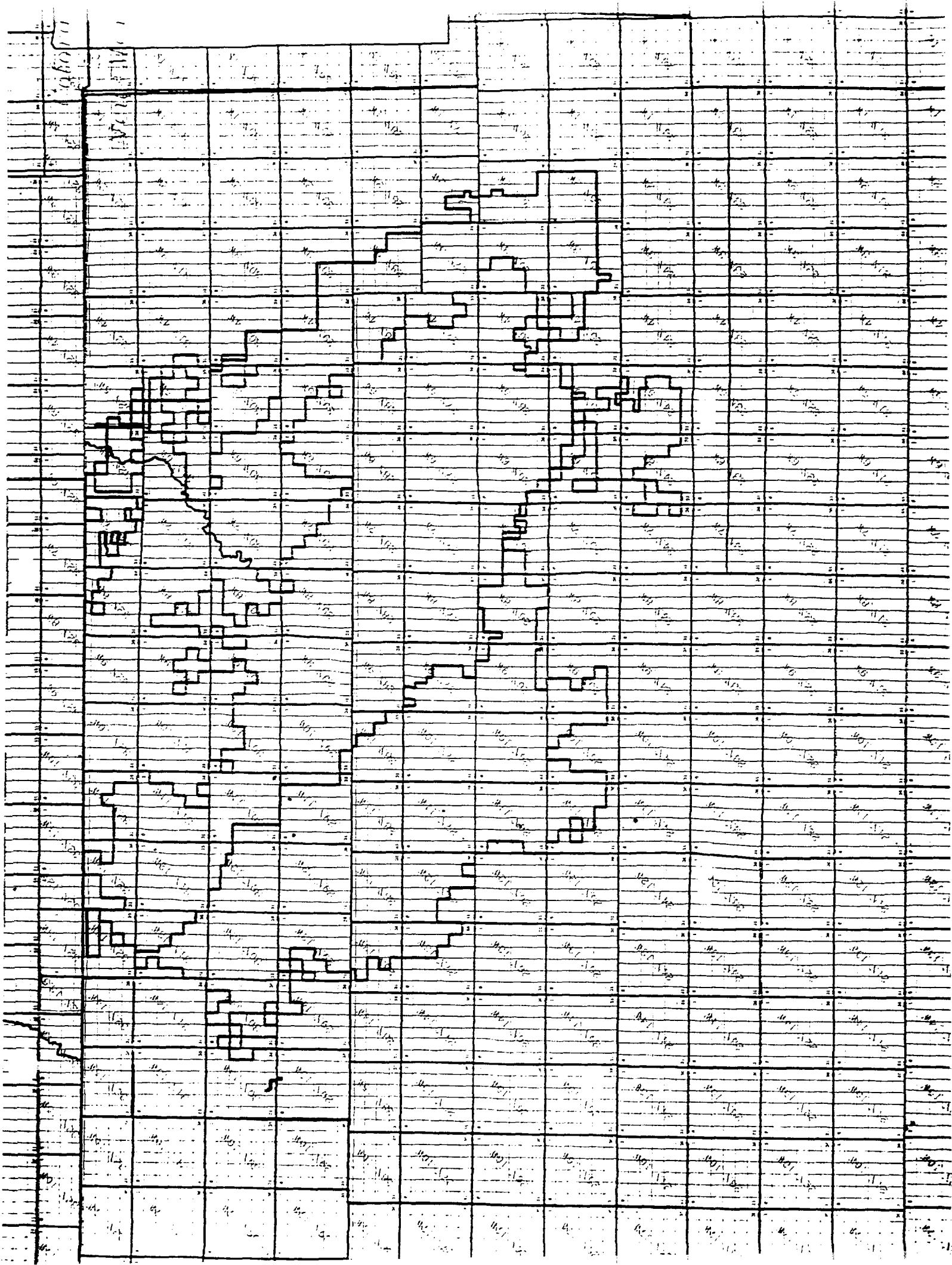
In addition, this same topic raised an issue about the accuracy of the notice list Burlington used to notify all operators in the Basin-Dakota Gas Pool of this proposed rule change. For notification purposes, Burlington sent notice to all operators in the Basin-Dakota Gas Pool based upon a list provided to them by the Aztec office of the Division. Please confirm for me that the OCD-Aztec list of operators for this pool is accurate for the intended notice purpose.

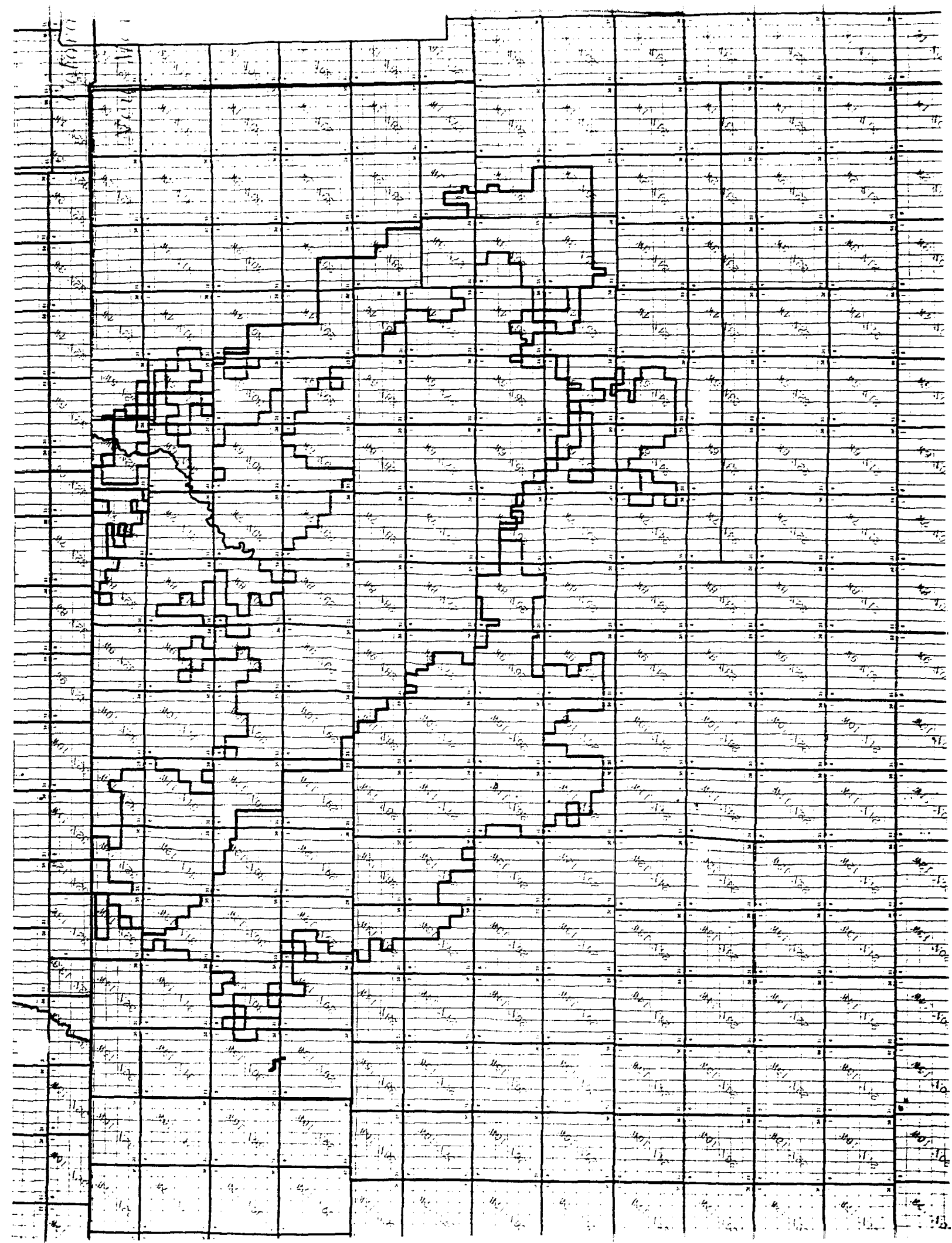
Very truly yours,

A handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', written over a horizontal line.

W. Thomas Kellahin

cfx: Division (Santa Fe)
Attn: Michael E. Stogner
cfx: Burlington Resources
Attn: Alan Alexander





STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

JENNIFER A. SALISBURY
CABINET SECRETARY

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 354-6178 FAX (505) 354-6179

FAX TRANSMITTAL SHEET

Tom Kelleher FROM: Frank T. Chavez

REMARKS: _____

NUMBER OF PAGES INCLUDING COVER: 3

103311210 P. 62

Tom:

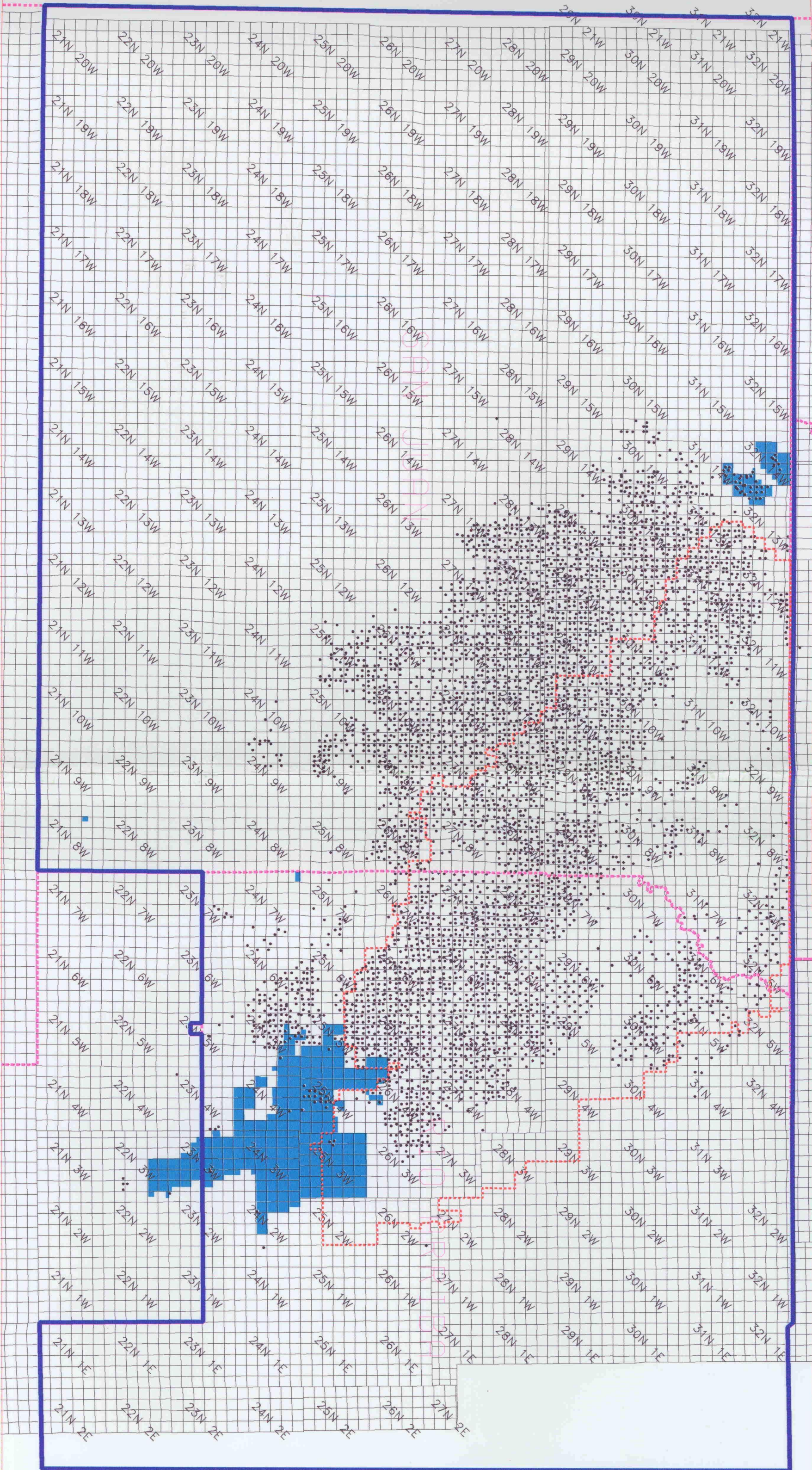
The particular language of Order R-1670C has been interpreted to exclude Dakota formation production from several Dakota oil and comingled Dakota oil pools, too. Also, Section 21 of T23N R5W in Sandoval County is part of the pool.

I would recommend that a pool map show the outline of both counties plus that small portion of Sandoval and show the other Dakota pool boundaries as exclusions.

The list of Basin Dakota operators below was generated from the latest ONGARD data.

AMOCO PRODUCTION CO
BENSON-MONTIN-GREER DRILLING CORP
BLED SOE PETRO CORP
BONNEVILLE FUELS CORP
BRUCE ANDERSON
BURLINGTON RESOURCES OIL & GAS CO
CAULKINS OIL CO
CENTRAL RESOURCES INC
COLT RESOURCES CORPORATION
CONOCO INC
CROSS TIMBERS OPERATING COMPANY
D N C ENTERPRISES INC
DAVID H ARRINGTON OIL & GAS INC
DEVON ENERGY CORP (NEVADA)
DUGAN PRODUCTION CORP
E L FUNDINGSLAND
ELLIOTT OIL CO
ELM RIDGE RESOURCES INC
ENERGEN RESOURCES CORPORATION
FLOYD OIL CO
FLOYD OPERATING CO
FORCENERGY GAS EXPLORATION INC
FOUR STAR OIL & GAS CO
FULLER PRODUCTION INC.
GREAT WESTERN DRILLING CO
GREYSTONE ENERGY INC
HALLWOOD PETROLEUM INC
HARVEST ENERGY COMPANY
JIMMY ROBERSON ENERGY CORPORATION
KIMBELL OIL CO OF TEXAS
KOCH EXPLORATION CO
LITTLE OIL AND GAS, INC.
LIVELY EXPLORATION CO

LOUIS DREYFUS NATURAL GAS CORP.
M & G DRLG CO INC
M & M PRODUCTION & OPERATION
MANANA GAS INC
MARATHON OIL CO
MCELVAIN OIL AND GAS PROPERTIES INC
MERRION OIL & GAS CORP
NASSAU RESOURCES INC
P-R-O MANAGEMENT INC
PHILLIPS PETROLEUM CO NW
PRO NM ENERGY INC
QUESTAR EXPLORATION & PRODUCTION CO
RC RESOURCES CORP
REDWOLF PRODUCTION INC
RICHARDSON OPERATING CO
ROBERT C DINTELMAN
ROBERT L BAYLESS
ROBERT L BAYLESS PRODUCER LLC
ROCANVILLE CORP
RODDY PRODUCTION CO INC
SAN JUAN RESOURCES OF COLORADO INC
SCHALK DEVELOPMENT CO
SMOKEY OIL COMPANY
SOUTHWEST PRODUCTION CO
THOMAS OPERATING CO INC
THOMPSON ENGR & PROD CORP
TURNER PRODUCTION CO
UNION OIL CO OF CALIFORNIA
W B HAMILTON ESTATE
W M GALLAWAY
WILLIAMS PRODUCTION COMPANY



Blanco Mesaverte Pool

Excluded Areas

Basin Dakota Pool

Basin Dakota Gas Pool

R.W. Byram & Co.
Oct. 1998

BEFORE EXAMINER STOGNER

OIL CONSERVATION DIVISION

Exhibit No. 9

CASE NO. 12290

Jacque Dehart
Jan. 2000