

BURLINGTON
RESOURCES

Memorandum

Date: April 7, 2004

To: Charlie Perrin-NMOCD, Aztec

From: Brett Adams

Re: San Juan 28-6 Unit #75
API 30-039-07153

Charlie, this letter is to summarize the meeting that Ken Johnson and I had with you on Wednesday, April 6, 2004, concerning the above referenced well and the NMOCD's demand letter to Burlington Resources (BR), from September 2001 regarding a potential intermediate casing failure.

This well was completed in 1957. The BR well file and operations records show that this well was completed in 1957 utilizing 7-5/8" casing with a 5-1/2" liner set from 3,150' to 5,400'. A wellbore diagram is attached for your records.

The bradenhead test data that Burlington Resources submitted to the NMOCD dated July 26, 2001, was filed incorrectly. BR speculates that since the wellhead does have a spool for intermediate casing that the field operator assumed that the well had a full intermediate casing string. The casing spool in question appears as being utilized as a spacer due to the wellhead is below ground level. The data recorded by BR's operator was measured correctly, however both the intermediate and the casing are the same annulus pressure.

Also attached for your records is a digital photo of the wellhead taken April 6, 2004 by BR.

Please advise if there is any other information that may be helpful to resolve this issue.

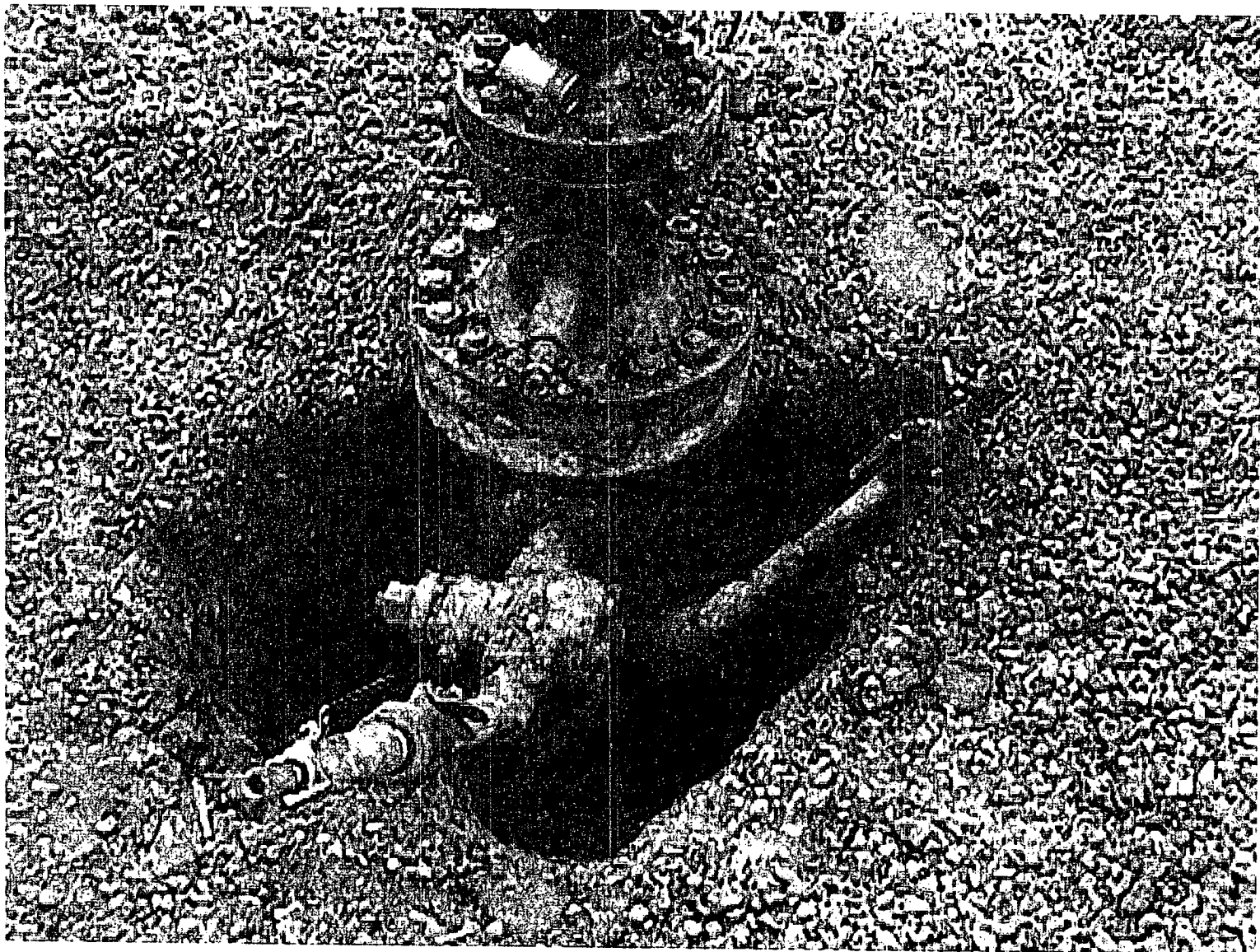
Thank you,



Brett Adams
Production Engineer

Cc: Nancy Oltmanns
BR well file

SJ 28-6 #75
april 6, 2004



-----Original Message-----

From: Jaramillo Wilfred
Sent: Monday, April 05, 2004 2:12 PM
To: johnson ken
Cc: Oltmanns Nancy
Subject: RE: San Juan 28-6 Unit #75

Ken this is what I found. Intermediate=356, Braden Head=0. Braden Head was open. I shut it in for 10 min then took BH pressure again, it still showed no pressure, also well was in shut in cycle. Let me know if any thing else is needed. This well is scheduled for braden head testing in June 2004.

THANKS

Wilfred J.

-----Original Message-----

From: johnson ken
Sent: Mon 4/5/2004 6:33 AM
To: Jaramillo Wilfred
Cc: Oltmanns Nancy
Subject: FW: San Juan 28-6 Unit #75

Wilfred

Please take a look at this BH and let me know if this is correct, and what the PSI is on the BH at this time.

Thanks

Ken J.

-----Original Message-----

From: Oltmanns Nancy
Sent: Friday, April 02, 2004 4:00 PM
To: Stanfield Rob; johnson ken; Silseth Dolores
Subject: San Juan 28-6 Unit #75

Charlie Perrin at the OCD just called about the bradenhead tests for the San Juan 28-6 Unit #75. The BH test from 1998 shows no pressure on the intermediate casing. The BH test for 2001 shows 347 psi on the intermediate casing. He thinks there is something wrong. I have to agree. Please let me know what I can tell Charlie.

*Nancy Oltmanns
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