UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

la.	Type of Work	5. Lease Number 2007 14 24 PM
	DRILL	NMSF-080781 Unit Reporting Number
b.	Type of Well GAS	6. If Indian, All. or Tribe
).	Operator BURLINGTON RESCURCES OIL & GAS COMPANY LP APR 2003	7. Unit Agreement Name
.	Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name Cain 9. Well Number 724
		· 3
1.	Location of Well 1845' FSL, 660' FWL	710. Field, Pool, Wildcat Basin Fruitland Coal 11. Sec., Twn, Rge, Mer. (NMPM)
	Latitude 36 ^O 40.50, Longitude 107 ^O 49.32	API # 30-045- 3/577
14.	Distance in Miles from Nearest Town 11 miles from Bloomfield	12. County 13. State San Juan NM
15.	Distance from Proposed Location to Nearest Property or Lease Li	ine
16.	Acres in Lease	17. Acres Assigned to Well 251.01 S/2
18.	Distance from Proposed Location to Nearest Well, Drlg, Compl, or 700'	r Applied for on this Lease
19.	Proposed Depth 2301'	20. Rotary or Cable Tools Rotary
21.	Elevations (DF, FT, GR, Etc.) 5809' GR	22. Approx. Date Work will Start
23.	Proposed Casing and Cementing Program See Operations Plan attached	
24.	Authorized by: Jeggy all	3-10-03
	Regulatory/Compliance Supervisor	Date
PERM	IT NO APPROVAL DA	ATF

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.

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



This action is subject to technical and procedural review pursuant to 43 CFR 3165.8 and appeal pursuant to 43 CFR 3165.4

District II PQ Drawer DD, Artesia NM 88211-0719

District III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV PO Box 2088. Santa Fe, NM 87504-2088

FTC - S/251.01

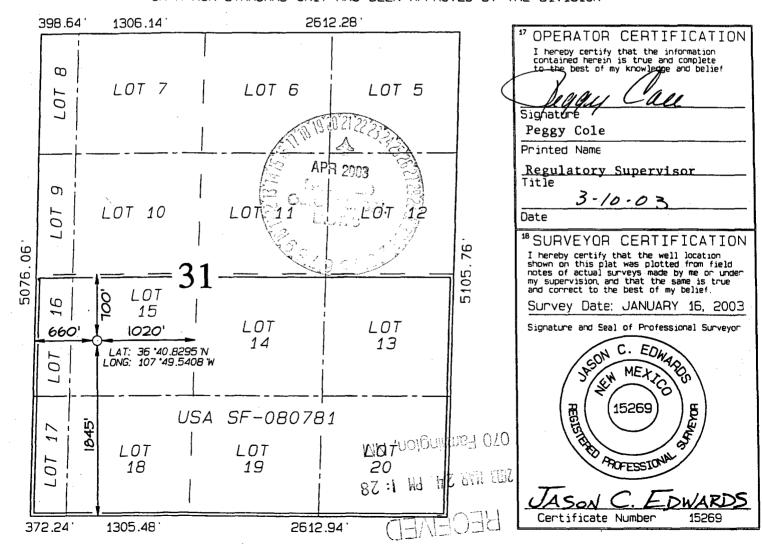
OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number			*Pool Cod	de 'Pool Name						
30-045- 31577 71629)	Basin Fruitland Coal						
*Property Code				Property Name			• Me	*Well Number		
18487	CAIN						724			
'OGRID N	'OGRID No.				*Operator Name			*6	*Elevation	
. 14538	BURLINGTON P			RESOURCES OIL & GAS COMPANY, LP				5809		
				:	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	
K	31	29N	9W		1845	SOUTH	660	WEST	SAN JUAN	
		11 E	ottom	Hole L	ocation I	f Different	From Surf	ace		
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	<u> </u>	L	·	·	13 Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.	J		

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



OPERATIONS PLAN

Well Name: Cain #724

Location: 1845'FSL, 660'FWL Section 31, T-29-N, R-9-W

Latitude 36° 40.8295, Longitude 107° 49.5408

San Juan County, NM

Formation: Basin Fruitland Coal

Elevation: 5809'GL

Formation:	Тор	Bottom	Contents
Surface	San Jose	974'	
Ojo Alamo	974 1.	1132'	aquifer
Kirtland	1132'	1763'	gas
Fruitland	1763'	2099'	gas
Base of Basal Coal	2099'	2101'	gas
Pictured Cliffs	2101'		gas
Total Depth	2301'		-

Logging Program: Platform Express from TD to surface.

Mudlog: 1132' to TD.
Coring Program: none

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	Vis.	Fluid Loss
0- 120'	Spud	8.4-9.0	40-50	no control
120-2301'	Non-dispersed	8.4-9.5	30-60	no control

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

Hole Size	Depth Interval	Csg.Size	Wt.	Grade
8 3/4"	0' - 120'	7"	20.0#	J-55
6 1/4"	0' - 2301'	4 1/2"	10.5#	J-55

Tubing Program:

0' - 2301' 2 3/8" 4.7# J-55

Float Equipment: 7" surface casing - saw tooth guide shoe. Centralizers will be run in accordance with Onshore Order #2.

4 ½" production casing - guide shoe and self-fill float collar. Three centralizers run every fourth joint above shoe. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 1132'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Wellhead Equipment: $7" \times 4 \times " \times 2 3/8" \times 11"$ 2000 psi xmas tree assembly.

Cementing:

7" surface casing - cement with 38 sx Class "B" Type III cement with 0.25 pps Celloflake and 3% calcium chloride (54 cu.ft. of slurry, 200% excess to circulate to surface). WOC 24 hours for pre-set holes or 8 hours for conventionally set holes before pressure testing or drilling out from under surface casing. Test casing to 600 psi/30 minutes.

- 4 1/2" production casing lead w/108 sacks Premium Lite cement with 3% calcium chloride, 0.25 pps Celloflake, 5 pps LCM-1, 0.4% fluid loss, 0.4% sodium metasilicate. Tail with 90 sacks Type III cement with 1% calcium chloride, 0.25 pps Celloflake, 0.2% fluid loss (354 cu.ft., 50% excess to circulate to surface).
- 4 1/2" production casing alternative two stage: Stage collar 1663'. First stage: cement with w/71 sx Type III cmt w/1% calcium chloride, 0.25 pps Flocele, 0.2% fluid loss. Second stage: 120 sx Premium Lite cmt with 3% calcium chloride, 0.25 pps Flocele, 5 ps LCM-1, 0.4% fluid loss, 0.4% SMS (354 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.

BOP and tests:

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

Completion - 7 1/6" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to completion operations, test blind rams and casing to 1500 psi for 30 minutes; all pipe rams and casing to 1500 psi for 30 minutes each.

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

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 570 psi.
- * This gas is dedicated.
- * The south half of section 31 is dedicated to the Fruitland Coal.

Drilling Engineer: Juntum McCattly Date: 3/13/2003