

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	5. Lease Number SF-079037 Unit Reporting Number Farmington, NM
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 Hale 9. Well Number #351S
4. Location of Well 1825' FNL, 765' FWL Latitude 36° 51.3859'N, Longitude 107° 40.1026' W	10. Field, Pool, Wildcat Basin Fruitland Coal 11. Sec. Twn, Rge, Mer. (NMPM) Sec. 34, T31N, R08W API # 30-045- <u>30025</u>
14. Distance in Miles from Nearest Town 31.9 miles to Blanco, NM	12. County San Juan 13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 765'	
16. Acres in Lease	17. Acres Assigned to Well 320 <u>W/2</u>
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 22'	
19. Proposed Depth 3165'	20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 6230' GR	22. Approx. Date Work will Start
23. Proposed Casing and Cementing Program See Operations Plan attached	
24. Authorized by: <u>Joni Clark</u> Regulatory/Compliance Specialist	<u>10-20-03</u> Date

PERMIT NO.

APPROVAL DATE

APPROVED BY B. Mantel

TITLE AFM

DATE 8-10-04

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.

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

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4

NMOC

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

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

DISTRICT IV
2040 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

*API Number 30-045 30025	*Pool Code 71629	*Pool Name Basin Fruitland Coal
*Property Code 18534	*Property Name HALE	*Well Number 351S
*OGRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP	*Elevation 6230'

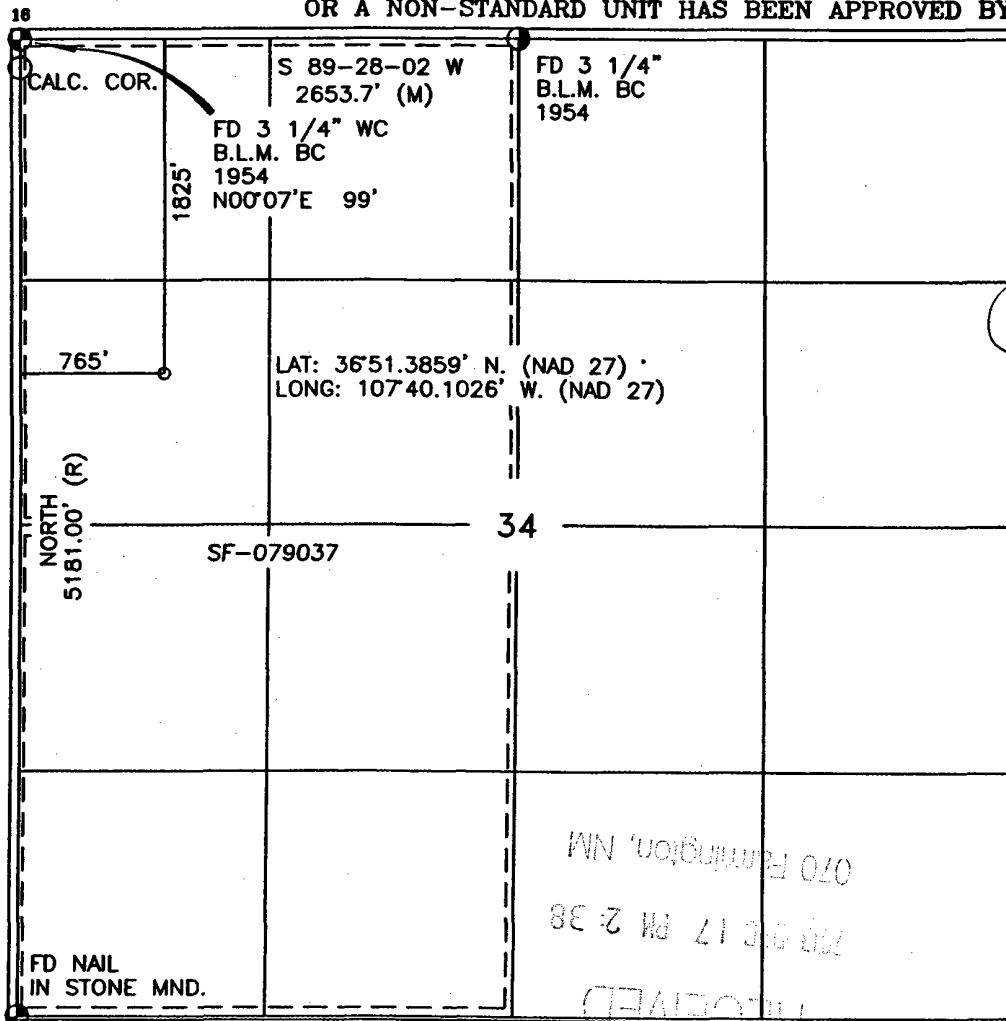
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	34	31-N	8-W		1825'	NORTH	765'	WEST	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
*Dedicated Acres 320			*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



17 OPERATOR CERTIFICATION

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

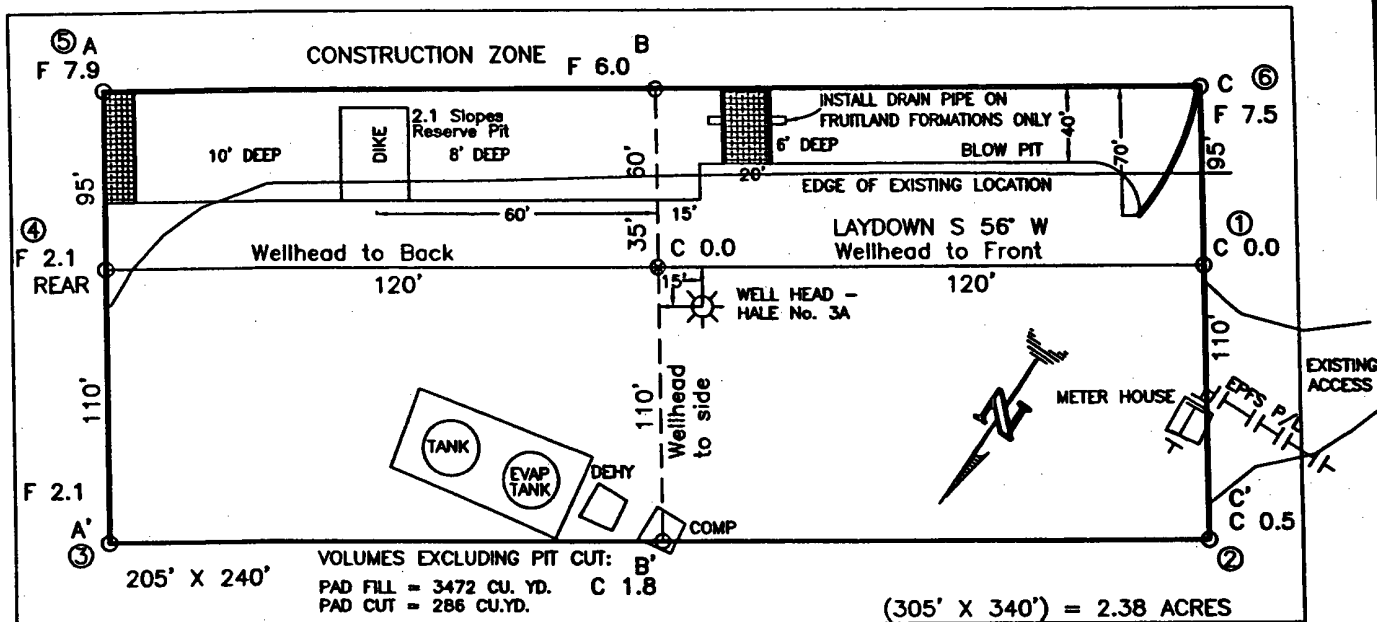
Joni Clark
Signature
Joni Clark
Printed Name
Regulatory Specialist
Title
10-20-03
Date

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.

9-
Date of Survey
Signature and Seal of Professional Surveyor
14827
14827
Certificate Number

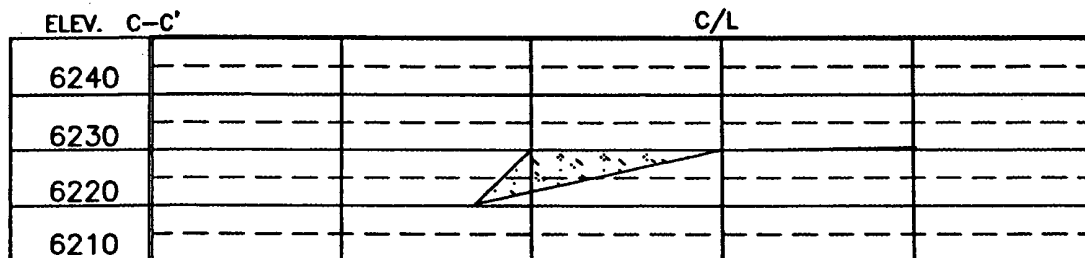
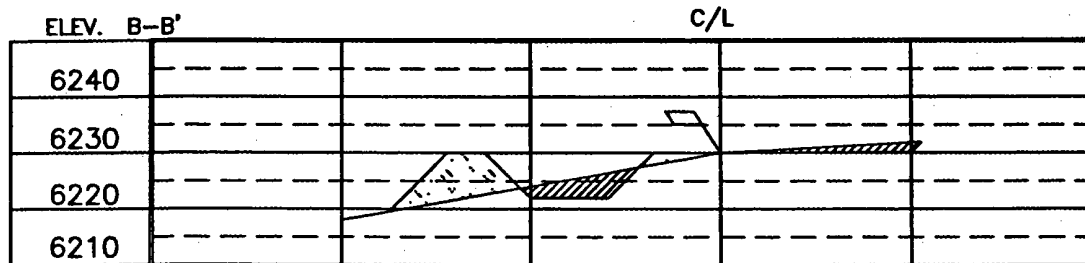
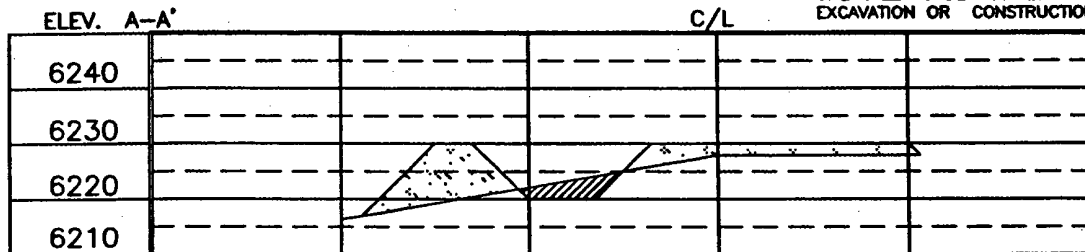
BURLINGTON RESOURCES OIL & GAS COMPANY LP
 HALE No. 351S, 1825 FNL 765 FWL
 SECTION 34, T-31-N, R-8-W; N.M.P.M., SAN JUAN COUNTY, NEW MEXICO
 GROUND ELEVATION: 6230, DATE: AUGUST 26, 2003



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:

DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO EXCAVATION OR CONSTRUCTION.



NOTE: 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.

DRAWN BY: A.G.

ROW#: BR452

CADFILE: BR452CF8

DATE: 09/3/03

Daggett Enterprises, Inc.
 Surveying and Oil Field Services
 P. O. Box 15088 Farmington, NM 87401
 Phone (505) 326-1772 Fax (505) 326-6019

OPERATIONS PLAN

Well Name: Hale #351S
Location: 1825' FNL, 765' FWL Section 34, T-31-N, R-08-W
Latitude 36° 51.3859'N, Longitude 107° 40.1026'W
San Juan County, NM
Formation: Basin Fruitland Coal
Elevation: 6230' GR

Formation:	Top	Bottom	Contents
Surface	San Jose	1960'	
Ojo Alamo	1960'	2061'	aquifer
Kirtland	2061'	2588'	
Fruitland	2588'	2814'	
Intermediate TD	2880'		
Fruitland Coal	2814'	3080'	gas
B/Basal Coal	3080'	3104'	gas
Pictured Cliffs	3104'		
Total Depth	3165'		

Logging Program: none
Mudlog: from 7" to 3165'
Coring Program: none

Mud Program:

Interval	Type	Weight	Vis.	Fluid Loss
0- 120'	Spud Mud/Air/Air Mist	8.4-9.0	40-50	no control
120-2880'	Non-dispersed	8.4-9.0	30-60	no control
2880-3165'	Air/Mist			

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

Hole Size	Depth Interval	Csg. Size	Wt.	Grade
12 1/4"	0' - 120'	9 5/8"	32.3#	H-40
8 3/4"	0' - 2880'	7"	20.0#	J-55
6 1/4"	2880' - 3165'	open hole		

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

Hole Size	Depth Interval	Csg. Size	Wt.	Grade
12 1/4"	0' - 120'	9 5/8"	32.3#	H-40
8 3/4"	0' - 2880'	7"	20.0#	J-55
6 1/4"	2840' - 3165'	5 1/2"	15.5#	J-55

Tubing Program:

0' - 3165'	2 3/8"	4.7#	J-55
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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 @ 2061'. 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" x 11" 2000 psi xmas tree assembly.

Cementing:

9 5/8" surface casing -

Pre-Set Drilled Cement with 23 sx Type I, II cement with 20% flyash mixed at 14.5 ppg, 1.61 cu ft per sack yield. (37 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 80 sx Type III cement with 0.25 pps Celloflake, 2% CaCl. (113 cu ft of slurry, 200% excess, bring cement to surface) Wait on cement for 8 hrs for conventionally set holes before pressure tessting or drilling out from under surface.

~~Waive the 6 hours WOC in lieu of 4 hours prior to NG of BOPE. See BLM General Requirements~~

7" intermediate casing - lead w/247 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 (649 cu.ft., 50% excess to circulate to surface).

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

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

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 rams to 600#/30 min.

Intermediate TD to Total Depth - 7 1/6" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to drilling out intermediate casing, 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).

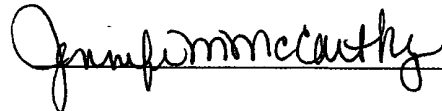
Pipe rams will be actuated at least once each day and blind rams actuated once each trip to test proper functioning. An upper kelly cock valve with handle and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

Additional information:

- * The Fruitland Coal formation will be completed.
- * Anticipated pore pressure for the Fruitland is less than 500 psi.
- * This gas is dedicated.
- * The west half of Section 34 is dedicated to the Fruitland Coal.

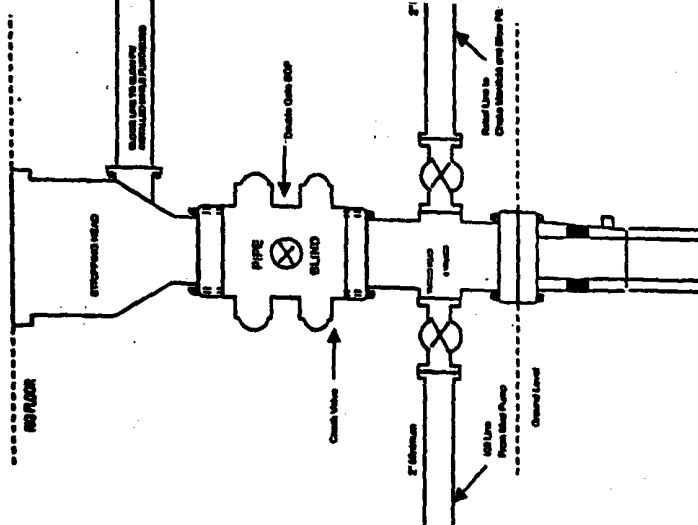
Date: 12-16-03

Drilling Engineer:



BURLINGTON RESOURCES

Completion/Workover Rig BOP Configuration 2,000 psi System

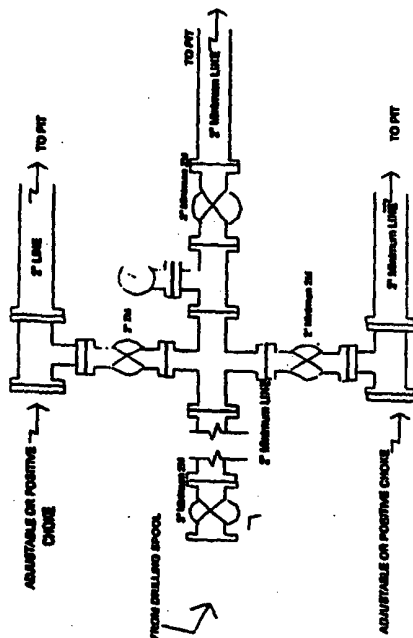


Minimum BOP Installation for all Completion/Workover Operations. 7-1/16" bore, 2000 psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A stripping head to be installed on the top of the BOP. All BOP equipment is 2000 psi working pressure or greater excluding 500 psi stripping head.

Figure #2

BURLINGTON RESOURCES

Drilling Rig Choke Manifold Configuration 2000 psi System

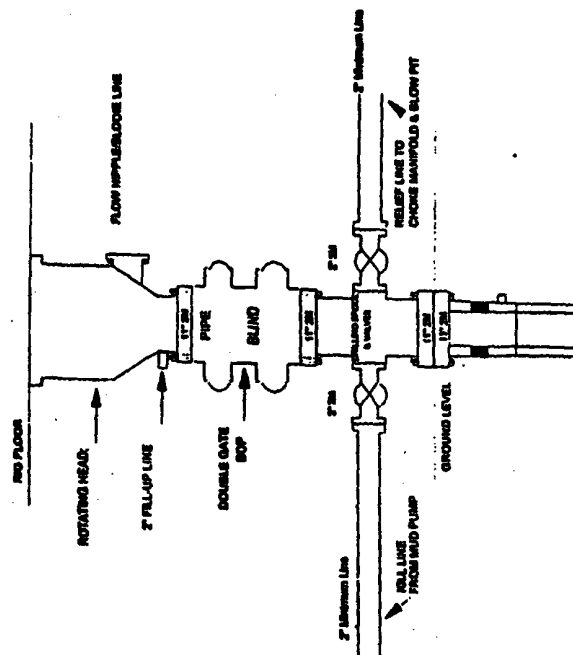


Choke manifold installation from Surface Casing Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure #3

Burlington Resources

Drilling Rig 2000 psi System



BOP Installation from Surface Casing Point to Total Depth. 11" Bore 10" Nominal, 2000 psi working pressure double gate BOP to be equipped with blind rams and pipe rams. A 500 psi stripping head on top of ram preventers. All BOP equipment is 2,000 psi working pressure.

Figure #1

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on Wells

2004 APR 27 PM 3:48

070 FARMINGTON, NM

Lease Number
SF-079037If Indian, All. or
Tribe Name

7. Unit Agreement Name

1. Type of Well
GAS

2. Name of Operator

**BURLINGTON
RESOURCES**

OIL & GAS COMPANY

3. Address & Phone No. of Operator

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

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

1825' FNL, 765' FWL, Sec. 34, T31N, R8W, NMPM

8. Well Name & Number

Hale #351S

9. API Well No.

B0-045-30025

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

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment

Type of Action

☐ Abandonment☐ Recompletion☐ Plugging Back☐ Casing Repair☐ Altering Casing☐ Other☒ Change of Plans☐ New Construction☐ Non-Routine Fracturing☐ Water Shut off☐ Conversion to Injection

13. Describe Proposed or Completed Operations

The BOP configuration has been revised for the subject well according to the following and attached diagram:

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).

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.

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

Signed Tammy Wimsatt Title Regulatory Specialist Date 04/013/04
fsb

(This space for Federal or State Office use)

APPROVED BY B. Mankowski Title AFM Date 8-10-04

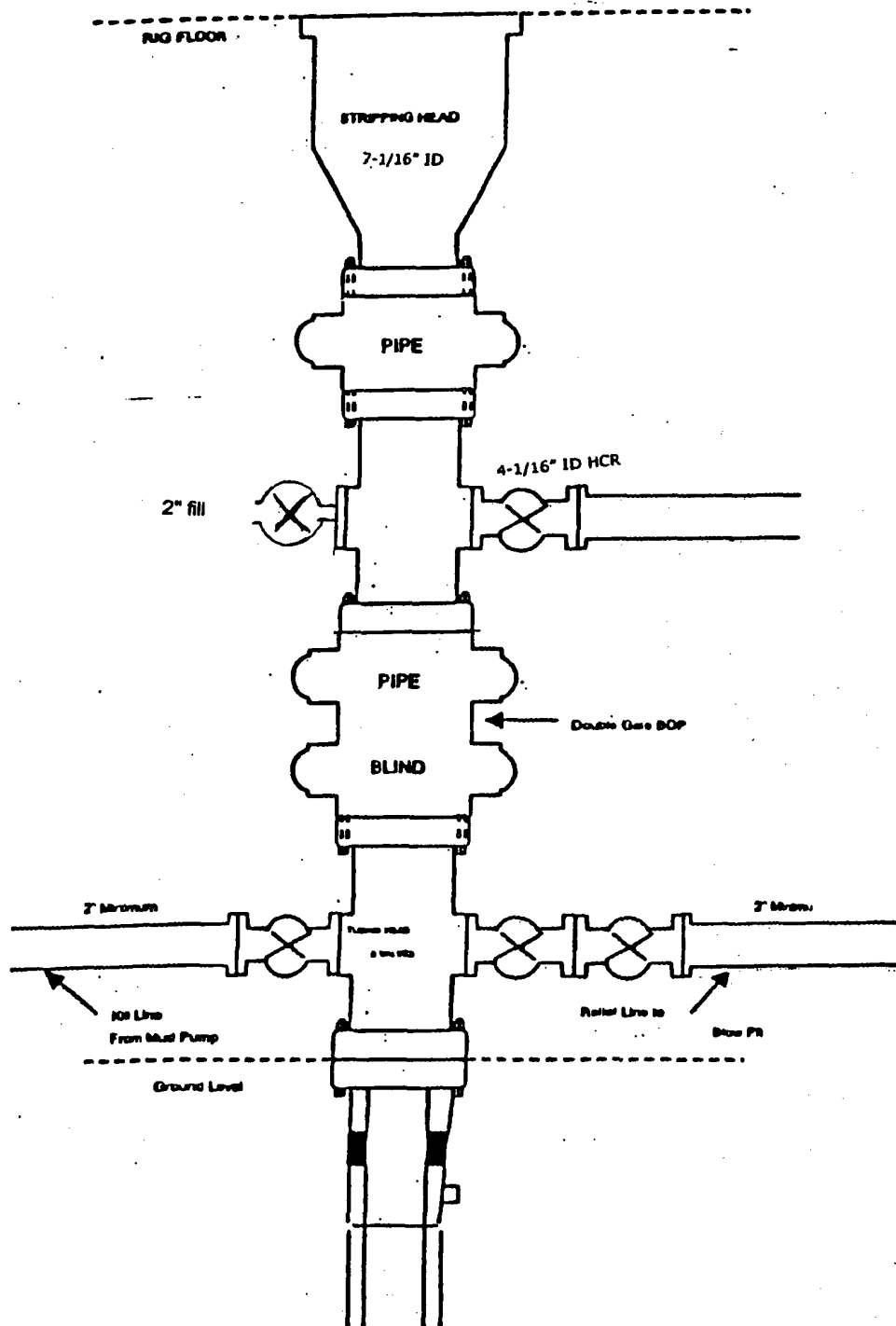
CONDITION OF APPROVAL, if any:

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.

NMOCD

BURLINGTON RESOURCES

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



BURLINGTON RESOURCES

SAN JUAN DIVISION

*Released
12-19-03*

November 14, 2003

(Certified Mail – Return Receipt Requested)

Re: Hale 351S
Basin Fruitland Coal
1825'FNL, 765'FWL Section 34, T-31-N, R-8-W
San Juan County, New Mexico



To the Affected Persons:

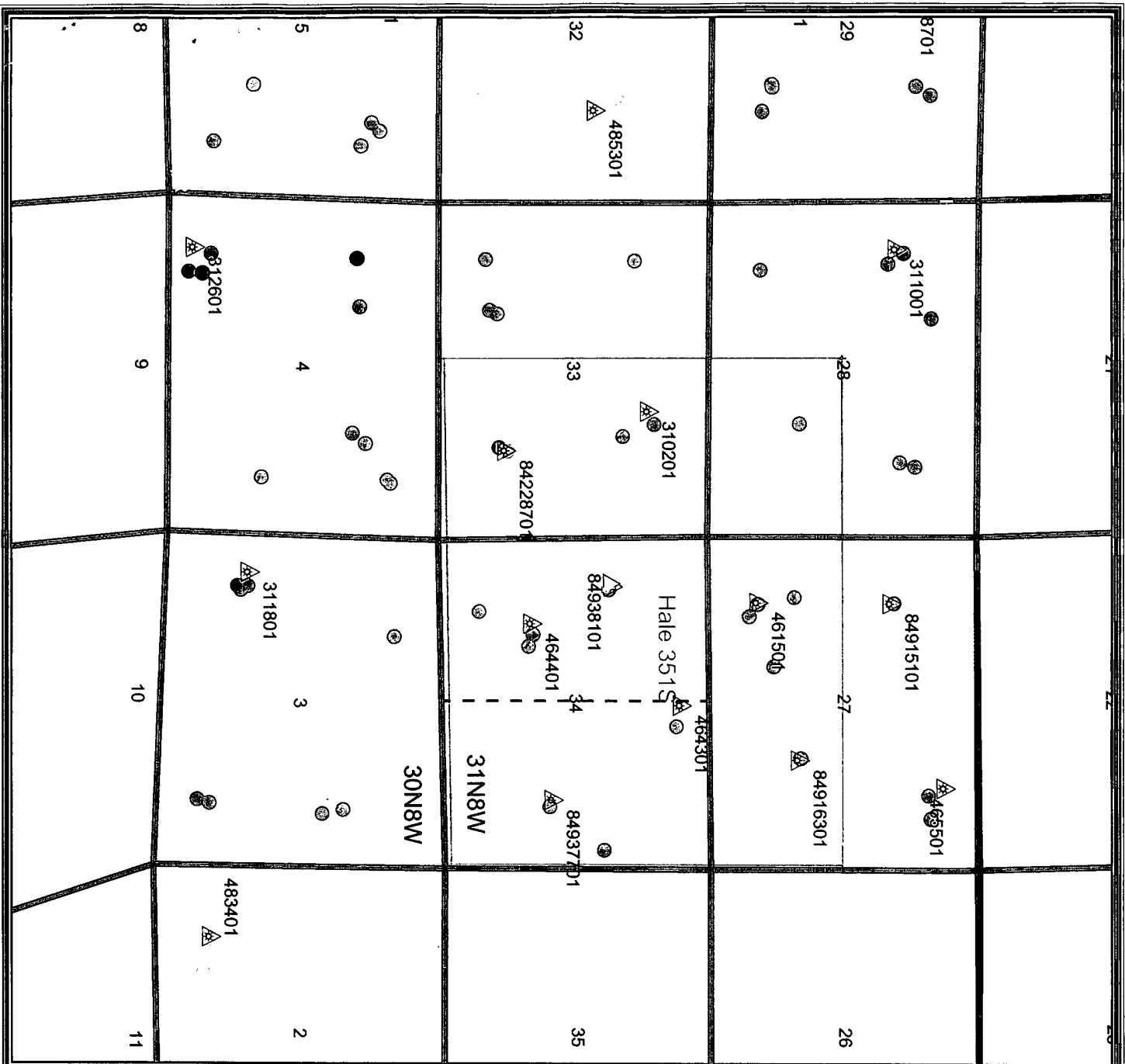
Burlington Resources Oil & Gas Company LP is submitting the enclosed Application for Permit to Drill to the appropriate regulatory agency(s) for approval. This well is located inside the High Productivity Area of the Basin-Fruitland Coal Pool as indicated on the attached plat. Notice is being made pursuant to New Mexico Oil Conservation Commission Order R-8768-F dated July 17, 2003.

The affected parties have twenty (20) days from receipt of this notice in which to file with the District Office of the New Mexico Oil Conservation Division written objection to the proposed Application for Permit to Drill.

Sincerely,

Frances Bond

Frances Bond
Regulatory Assistant



Legend

▲ FRUITLAND COAL

● Current Operator

▲ Current Operator

○ UNKNOWN

● BP AMERICA

● BROG

CONOCOPHILLIPS

● ENERGEN

KOCH EXPLORATION

□ Sections

□ Townships

□ San Juan Federal Units Outlines

**BURLINGTON
RESOURCES**



BURLINGTON RESOURCES

San Juan

Hale 351S

T31N R8W

Prepared By: mlb Date: 10/20/2003
 File Number: 10/20/2003
 Revised Date: 10/20/2003
 File Name: Public\Projects\1 San Juan Basin Users\1 San Juan Basin Users.mxd

2. Article Number

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ AddresseeB. Received by (Printed Name) ☐ C. Date of Delivery

11-14-03

1. Article Number
ATTN BRYAN ANDERSON OSO ENGINEER2. Is delivery address different from item 1? ☐ Yes
YES enter (City/State/Zip) 00000 N.H. 21BPA/AMERICA PRODUCTION COMPANY
SAN JUAN BU
WEST LAKE 1 ROOM 19-114
501 WESTLAKE PARK BLVD
HOUSTON, TX 770793. Service Type ☒ Certified4. Restricted Delivery? (Extra Fee) ☐ Yes

PS Form 3811

1-43 PM 10/27/2003

Code: Hale 5015

File: HPA INE11

2. Article Number

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ AddresseeB. Received by (Printed Name) ☐ C. Date of Delivery

11-18-03

1. Article Number
ATTN LISA LAVIN2. Is delivery address different from item 1? ☐ Yes
YES enter (City/State/Zip) 00000 N.H. 21ARISTOCRATIC INSTITUTIONAL INVESTORS
C/O THE DEERPATH OIL & GAS PARTNERS
ATTN LISA LAVIN
800 E NORTHWEST HWY STE 203
MOUNT PROSPECT, IL 600563. Service Type ☒ Certified4. Restricted Delivery? (Extra Fee) ☐ Yes

PS Form 3811

1-43 PM 10/27/2003

Code: Hale 5015

File: HPA INE11