

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	2001 DEC 20 PM 2 1	5. Lease Number NMSF-080133 Unit Reporting Number
1b. Type of Well GAS	RECEIVED OTC BLM	6. If Indian, All. or Tribe
2. Operator BURLINGTON RESOURCES Oil & Gas Company	RECEIVED OTC BLM	7. Unit Agreement Name San Juan 32-9 Unit
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700		8. Farm or Lease Name San Juan 32-9 Unit 9. Well Number 261S
4. Location of Well 905' FNL, 1545' FWL Latitude 36° 55.0292'N, Longitude 107° 46.2507'W		10. Field, Pool, Wildcat Basin Fruitland Coal 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 10, T-31-N, R-9-W API # 30-045- 32775
14. Distance in Miles from Nearest Town 17 miles to Aztec		12. County San Juan 13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1545'		
16. Acres in Lease		17. Acres Assigned to Well 312.32 W/2
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 50'		
19. Proposed Depth 3531'		20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 6596' GR		22. Approx. Date Work will Start
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Tammy Jones</u> Regulatory/Compliance Specialist		<u>12-14-04</u> Date

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY [Signature] TITLE AFM DATE 3-18-05

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.

NMOCD

District II
PO 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

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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- 32775		*Pool Code 71629	*Pool Name Basin Fruitland Coal
*Property Code 7473	*Property Name SAN JUAN 32-9 UNIT		*Well Number 261S
*GRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY, LP		*Elevation 6596'

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
C	10	31N	9W		905	NORTH	1545	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

¹² Dedicated Acres W/312.32	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

Tammy Jones

Signature

Tammy Jones

Printed Name

Regulatory Specialist

Title

12-14-04

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.

Date of Survey: MAY 27, 2004

Signature and Seal of Professional Surveyor

JASON C. EDWARDS

Certificate Number 15269

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

Energy, Minerals and Natural Resources

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.

NMSF080133

7. Lease Name or Unit Agreement Name

San Juan 32-9 Unit

8. Well Number

261S

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 C

: 905

feet from the

North

line and

1545

feet from the

West

line

Section

10

Township

31N

Range

9W

NMPM

County

San Juan

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

6596' GR

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:

na

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

COMMENCE DRILLING OPNS. ☐

CASING/CEMENT JOB ☐

ALTERING CASING ☐

P AND A ☐

OTHER:

New Drill Pit

☒

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 NMOCD 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 NMOCD 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 NMOCD guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE

Tammy Jones

TITLE

Regulatory Specialist

DATE

12/14/2004

Type or print name
For State Use Only

Tammy Jones

E-mail address:

tjones3@br-inc.com

Telephone No.

505-326-9700

APPROVED BY

[Signature]

TITLE

DEPUTY OIL & GAS INSPECTOR, DIST. #

DATE

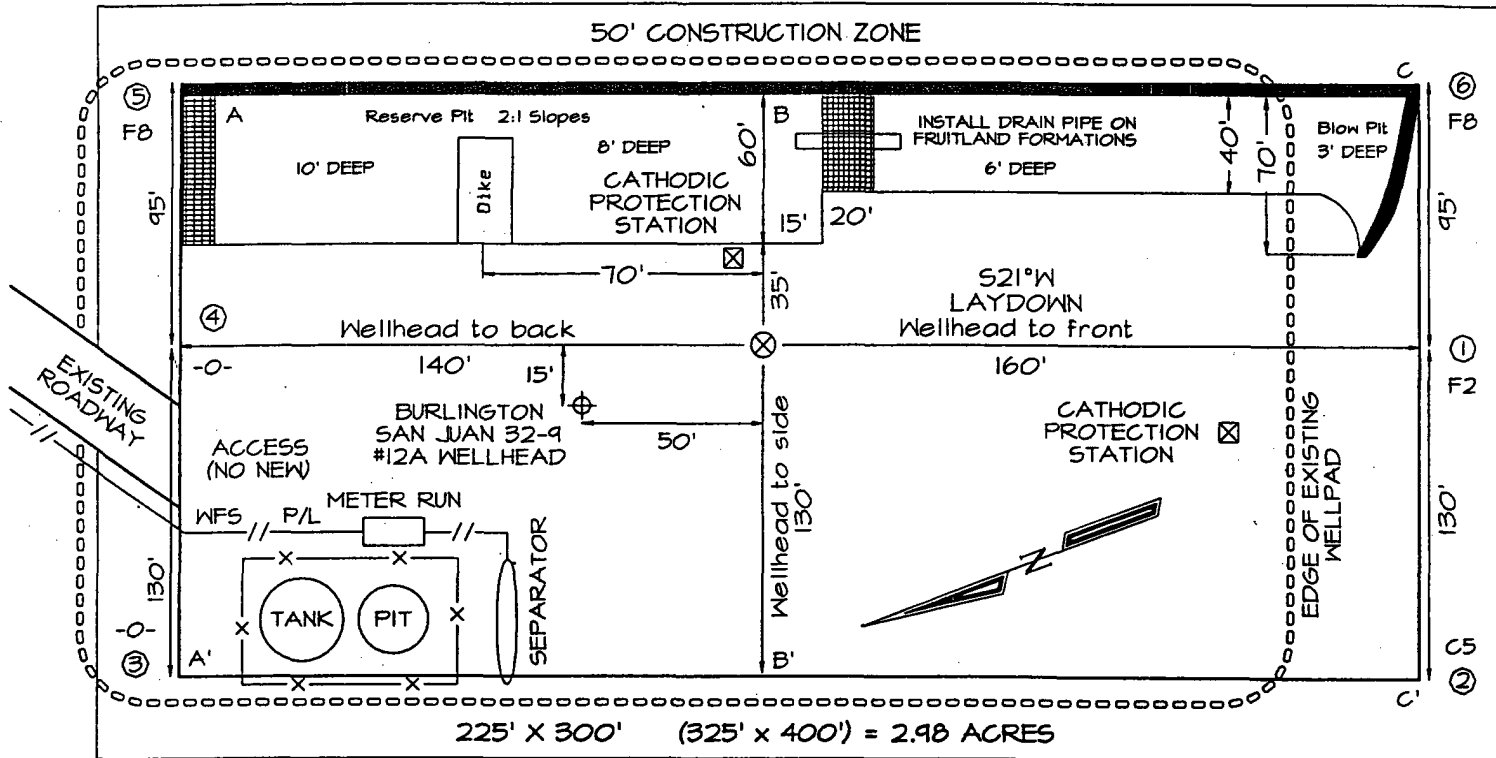
MAR 22 2005

Conditions of Approval (if any):

PLAT #

BURLINGTON RESOURCES OIL & GAS COMPANY, L.P.
 SAN JUAN 32-9 UNIT #261S, 905' FNL & 1545' FWL
 SECTION 10, T31N, R9W, NMPM, SAN JUAN COUNTY, NM
 GROUND ELEVATION: 6596' DATE: MAY 27, 2004

LATITUDE: 36°55'02"
 LONGITUDE: 107°46'15"
 DATUM: NAD1927



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.

A-A'						
6606'						
6596'						
6586'						

B-B'						
6606'						
6596'						
6586'						

C-C'						
6606'						
6596'						
6586'						

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

OPERATIONS PLAN

Well Name: SAN JUAN 32-9 UNIT 261S
Location: 905' FNL & 1545' FWL, Section Sec 10-T31N-R09W
San Juan County, New Mexico

Formation: Basin Fruitland Coal
Elevation: 6596' GL

<u>Formation Tops:</u>	<u>Top</u>	<u>Bottom</u>	<u>Contents</u>
Surface	San Jose	2093'	
Ojo Alamo	2093'	2143'	aquifer
Kirtland	2143'	3183'	gas
Fruitland Coal	3183'	3446'	gas
B/Fruitland Coal	3446'	3448'	gas
Pictured Cliffs	3448'	3531'	gas
Total Depth:	3531'		gas

Logging Program:

Mudlog: from 7" to 3531'
Coring: none

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	<u>Fluid Loss</u>
0 - 120'	Spud MUD/Air/Air Mist	8.4 - 9.0	40 - 50	no control
120 - 3133'	Non-dispersed	8.4 - 9.0	30 - 60	no control
3133' - 3531'	Air/Mist	n/a	n/a	n/a

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

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csq.Size</u>	<u>Wt.</u>	<u>Grade</u>
12 1/4"	0' - 120'	9 5/8"	32.3#	H-40
8 3/4"	0' - 3133'	7"	20.0#	J-55
6 1/4"	3133' - 3531'	open hole		

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

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csq.Size</u>	<u>Wt.</u>	<u>Grade</u>
12 1/4"	0' - 120'	9 5/8"	32.3#	H-40
8 3/4"	0' - 3133'	7"	20.0#	J-55
6 1/4"	3093' - 3531'	5 1/2"	15.5#	J-55

Tubing Program:

<u>Depth Interval</u>	<u>Csq.Size</u>	<u>Wt.</u>	<u>Grade</u>
0' - 3531'	2 3/8"	4.7#	J-55

Float Equipment:

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

Float Equipment: continued

7" intermediate casing - guide shoe and 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 @ 2143'. 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 103 sacks Type III cement with 0.25 pps Celloflake, 3% CaCl. (131 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/275 sacks Premium Lite with 3% calcium chloride, 5 ps LCM-1, and 1/4#/sack celloflake, 0.4% FL-52, & 0.4% SMS. Tail with 90 sacks Type III cmt with 1% calcium chloride, 1/4#/sack celloflake and 0.2% FL-52 (709 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 to 600 psi for 30 minutes.

Intermediate TD to Total Depth -

7 1/16" 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.

BOP and Tests: continued

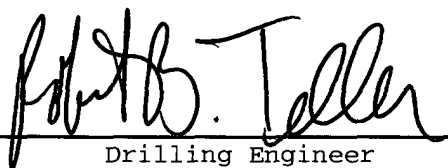
From surface to 7" TD -

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 cavitation rig operations.

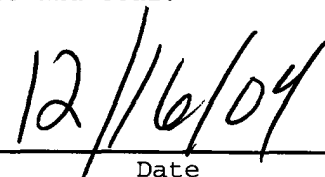
Pipe rams will be actuated at least once each day and blind rams actuated once each trip to test proper functioning. An upper kelly cock valve with handle and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

Additional Information:

- The Fruitland Coal formation will be completed.
- Anticipated pore pressure for the Fruitland is less than 500 psi.
- This gas is dedicated.
- The west half of Section 10 is dedicated to the Fruitland Coal.

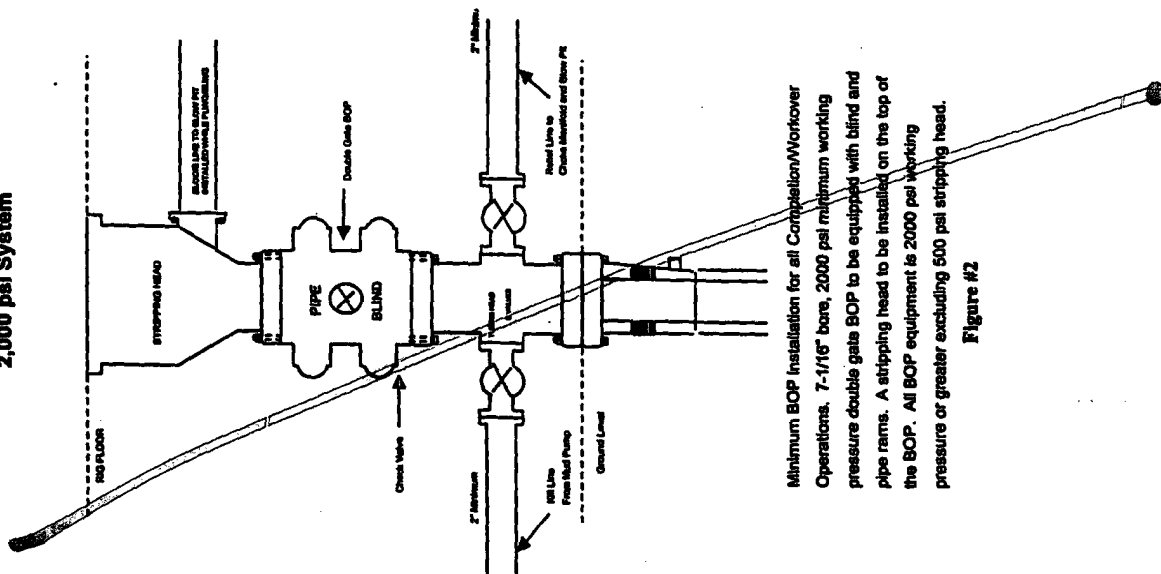


Drilling Engineer



Date

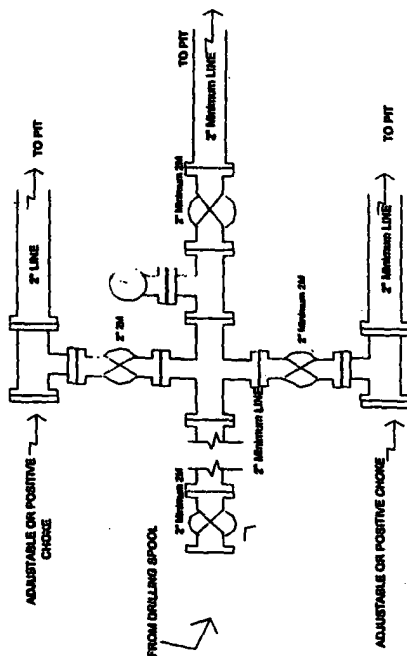
Completion/Workover Rig
BOP Configuration
2,000 psi System



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

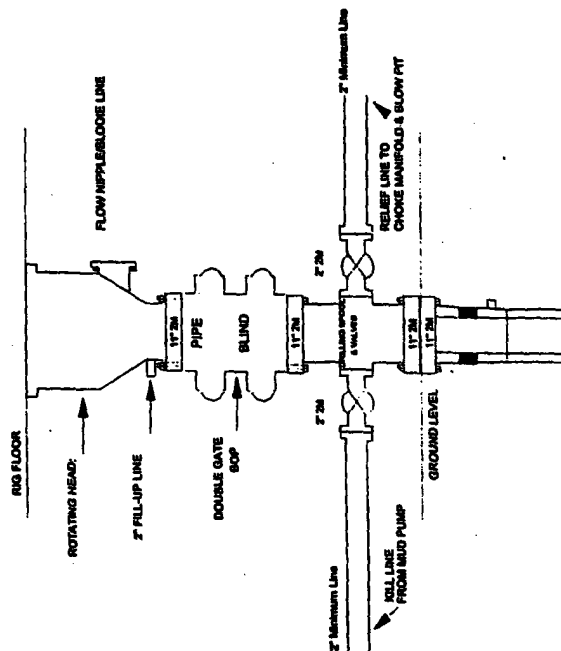
Drilling Rig
Choke Manifold Configuration
2000 psi System



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

Figure #3

Drilling Rig
2000 psi System



BOP Installation from Surface Casing Point to Total Depth. 11\"/>

Figure #1

BURLINGTON RESOURCES

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

