UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

	Type of Work	5. Lease Number NMSF077652
	DRILL	070 Passers Supplied NMSF077652 Unit Reporting Number
1b.	Type of Well GAS	6. If Indian, All. or Tribe
2.	Operator BURLINGTON RESOURCES Oil &	7. Unit Agreement Name
3.	Address & Phone No. of Operator	8. Farm or Lease Name
	PO Box 4289, Farmington	
	(505) 326-9700	6M
4.	Location of Well	0)10. Field, Pool, Wildcat
	1065'FSL, 665'FWL	Blanco Mesa Verde/ Basin Dakota
	Latitude 36 ^O 52.49, Long	11. Sec., Twn, Rge, Mer. (NMPM) itude 108° 04.25
14.	Distance in Miles from Nearest To 7.1 miles from int. of H	wn 12. County 13. State wy 550 & Hwy 173 in Aztec, NM San Juan NM
15.	Distance from Proposed Location	to Nearest Property or Lease Line
15.		to hearest Property of Lease Line
16.	665' Acres in Lease	17. Acres Assigned to Well 321.06 W/2
	Acres in Lease Distance from Proposed Location	17. Acres Assigned to Well 321.06 W/2 to Nearest Well, Drlg, Compl, or Applied for on this Lease
16.	Distance from Proposed Location 934' Proposed Depth Distance from Proposed Location procedura	17. Acres Assigned to Well 321.06 W/2
16. 18.	Distance from Proposed Location 934' Proposed Depth Distance from Proposed Location procedura	to Nearest Well, Drig, Compl, or Applied for on this Lease of its subject to restricted and all review pursuant to 45 CFR 216520. Rotary or Cable Tools
16. 18. 19.	Distance from Proposed Location 934' Proposed Depth 7241' Elevations (DF, FT, GR, Etc.) 6144' GR Proposed Casing and Cementing	17. Acres Assigned to Well 321.06 W/2 to Nearest Well, Drig, Compl, or Applied for on this Lease on its subject to restaurate and all review pursuant to 45 CFR 3165.4. Rotary or Cable Tools all pursuant to 43 CFR 3166.4. Rotary 22. Approx. Date Work will Start
16. 18. 19. 21.	Distance from Proposed Location 934' Proposed Depth 7241' Elevations (DF, FT, GR, Etc.) 6144' GR	17. Acres Assigned to Well 321.06 W/2 to Nearest Well, Drig, Compl, or Applied for on this Lease on its subject to restaurate and all review pursuant to 45 CFR 3165.4. Rotary or Cable Tools all pursuant to 43 CFR 3166.4. Rotary 22. Approx. Date Work will Start
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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.

DISTRICT I 1625 N. French Dr., Hobbs, N.M. 88240

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000

811 South First, Artesia, N.M. 88210

1000 Rio Brazos Rd., Aztec, N.M. 87410

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

Submit to Appropriate District Office State Lease - 4 Copies

State Lease - 4 Copies Fee Lease - 3 Copies

2040 South Pacheco, Santa Fe, NM 87505

2582.25' (M)

1952

1951

☐ AMENDED REPORT

Certificate Number

2001 REC 12

WELL LOCATION AND ACREAGE DEDICATION PLAT Pool Name Pool Code API Number 2094 Blanco MesaVerde/Basin Dakota 30-045 2319/71599 Veli Number Property Code Property Name **6M EAST** 18517 • Elevation OGRID No. *Operator Name BURLINGTON RESOURCES OIL AND GAS, INC. 6144 14538 ¹⁰ Surface Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line 23 31-N 12-W SOUTH 665 WEST SAN JUAN 1065 ¹¹ Bottom Hole Location If Different From Surface Lot Idn Feet from the North/South line Feet from the Bast/West line UL or lot no. Section Township County Dedicated Agres 19 Joint or Infill ¹⁴ Consolidation Code 16 Order No. MV-W/321.06DK-W/321.06NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION OPERATOR CERTIFICATION by certify that the information contain LOT 2 LOT 1 LOT 3 Peggy Cole LOT 4 Printed Name FD 3 1/4" | B.L.M. AC Regulatory Supervisor Title 1951 - USA SF-077652 SURVEYOR CERTIFICATION LOT 5 LOT 6 LAT: 36'52'49" N. LONG: 108'04'25" W. 224 NAD 1927 z 626 665 LOT 7 LOT 8 SSICHAL 1/4 FD 3 1/4" 8894 S 88-20-19 E IB.L.M. B.L.M. ÁC

OPERATIONS PLAN

Well Name: East #6M

Location: 1065'FSL, 665'FWL, Sec 23, T-31-N, R-12-W

San Juan County, NM

Latitude 36° 52.49, Longitude 108° 04.25

Formation: Blanco Mesaverde/Basin Dakota

Elevation: 6144'GL

Formation Tops:	Top	Bottom	<u>Contents</u>
Surface	San Jose	836'	- .
Ojo Alamo	836'	886 ′	aquifer
Kirtland	886 ′	1996′	gas
Fruitland	1996'	2596'	gas
Pictured Cliffs	2596'	2726'	gas
Lewis	2726'	3331'	gas
Mesa Verde	3331 ′	3676 ′	gas
Chacra	3676 ′	4236 ′	gas
Massive Cliff House	4236'	4376'	gas
Menefee	4376'	4906 ′	gas
Intermediate TD	4526'		
Massive Point Lookout	4906'	5286'	gas
Mancos	5286 '	6202 '	gas
Gallup	6202 '	6946 '	gas
Greenhorn	6946'	7006'	gas
Graneros	7006'	7066'	gas
Dakota	7066 ′		gas
TD	7241'		

Logging Program:

Cased hole - CBL-CCL-GR - TD to surface Open hole - none

Cores - none

Mud Program:

Interval	Type	Weight	Vis.	Fluid Loss
0- 320'	Spud	8.4-9.0	40-50	no control
320- 4526'	LSND	8.4-9.0	30-60	no control
4526- 7241'	Air/N2	n/a	n/a	n/a

Pit levels will be visually monitored to detect gain or loss of fluid control.

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

Hole Size	Depth Interval	Csg.Size	Wt.	Grade
12 1/4"	0' - 320'	9 5/8"	32.3#	H-40
8 3/4"	0' - 4526'	7"	20/23#	J55
6 1/4"	4426' - 7241'	4 1/2"	10.5#	J-55

Tubing Program:

0' - 7241' 2 3/8" 4.7# J-55

BOP Specifications, Wellhead and Tests:

Surface to Intermediate TD -

11" 3000 psi minimum double gate BOP stack (Reference Figure #1). After nipple-up prior to drilling out surface casing, rams and casing will be tested to 600 psi for 30 minutes.

Intermediate TD to Total Depth -

11" 3000 psi minimum double gate BOP stack (Reference Figure #1). After nipple-up prior to drilling out intermediate casing, rams and casing will be tested to 1500 psi for 30 minutes.

Surface to Total Depth -

2" nominal, 3000 psi minimum choke manifold (Reference Figure #3).

Completion Operations -

7 1/16" 3000 psi double gate BOP stack (Reference Figure #2). After nipple-up prior to completion, pipe rams, casing and liner top will be tested to 2000 psi for 15 minutes.

Wellhead -

9 5/8" x 7" x 2 3/8" x 3000 psi tree assembly.

General ·

- Pipe rams will be actuated once each day and blind rams will be actuated once each trip to test proper functioning.
- An upper kelly cock valve with handle available and drill string valves to fit each drill string will be available on the rig floors at all times.
- BOP pit level drill will be conducted weekly for each drilling crew.
- All BOP tests and drills will be recorded in daily drilling reports.
- Blind and pipe rams will be equipped with extension hand wheels.

Cementing:

9 5/8" surface casing - cement with 255 sx Class "B" cement with 1/4# celloflake/sx and 3% calcium chloride (301 cu.ft. of slurry, 200% excess to circulate to surface). WOC 8 hrs. Test casing to 600 psi for 30 minutes.

Saw tooth guide shoe on bottom. Bowspring centralizers will be run in accordance with Onshore Order #2.

7" intermediate casing -

Lead w/569 sx 50/50 Class G/TXI lightweight w/1.75% sodium metasilicate, 8# gilsonite/sx, 1/2# celloflake/sx, 0.2% defoamer, 0.15% retarder. Tail w/95 sx 50/50 Class "G" Poz w/2% gel, 1/4 pps celloflake, 5 pps gilsonite, 0.1% antifoam agent, 0.1% dispersant, 0.1% retarder (1360 cu.ft. of slurry, 100% excess to circulate to surface.) WOC minimum of 8 hours before drilling out intermediate casing. If cement does not circulate to surface, a CBL will be run during completion operations to determine TOC. Test casing to 1500 psi for 30 minutes.

See attached alternative intermediate lead slurry.

7" intermediate casing alternative two stage: Stage collar at 1896'. First stage: cement with 618 sx 50/50 Class "G" Poz w/2% calcium chloride, 2% gel, 1/4 pps celloflake, 5 pps gilsonite, 0.1% antifoam agent. Second stage: 221 sx 50/50 Class G/TXI lightweight w/2.5% sodium metasilicate, 2% calcium chloride, 10% gilsonite/sx and 1/2# celloflake/sx (1360 cu.ft., 100% excess to circulate to surface).

Cement nose guide shoe on bottom with float collar spaced on top of shoe joint. Bowspring centralizers spaced every other joint off bottom, to the base of the Ojo Alamo at 886'. Two turbolating centralizers at the base of the Ojo Alamo at 886'. Bowspring centralizers spaced every fourth joint from the base of the Ojo Alamo to the base of the surface casing.

- 4 1/2" Production Casing Cement to cover minimum of 100' of 4 1/2" x 7" overlap. Lead
 with 281 sx 50/50 Class "G" Poz with 5% gel, 0.25#
 celloflake/sx, 5# gilsonite/sx, 0.1% retardant and 0.25% fluid
 loss additive, 0.15% dispersant, 0.1% antifoam agent (404
 cu.ft.), 40% excess to cement 4 1/2" x 7" overlap). WOC a
 minimum of 18 hrs prior to completing.
- 4 1/2" production casing alternative: Lead w/83 sx 9.5 PPG
 Litecrete Blend w/0.11% dispersant, 0.5% fluid loss. Tail w/156
 sx Class G 50/50 poz w/5% gel, 0.25 pps celloflake, 5 pps
 gilsonite, 0.25% fluid loss, 0.15% dispersant, 0.1% retarder,
 0.1% antifoam (433 cu.ft., 50% excess to cement 4 ½" x 7"
 overlap).

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

Cement float shoe on bottom with float collar spaced on top of float shoe.

- Note: To facilitate higher hydraulic stimulation completion work, no liner hanger will be used. In its place, a long string of 4 1/2" casing will be run and cemented with a minimum of 100' of cement overlap between the 4 1/2" x 7" casing strings. After completion of the well, a 4 1/2" retrievable bridge plug will be set below the top of cement in the 4 1/2" x 7" overlap. The 4 1/2" casing will then be backed off above the top of cement in the 4 1/2" x 7" overlap and laid down. The 4 1/2" bridge plug will then be retrieved and the production tubing will be run to produce the well.
- If hole conditions permit, an adequate water spacer will be pumped ahead of each cement job to prevent cement/ mud contamination or cement hydration.

Special Drilling Operations (Gas/Mist Drilling):

The following equipment will be operational while gas/mist drilling:

- An anchored blooie line will be utilized to discharge all cuttings and circulating medium to the blow pit a minimum of 100' from the wellhead.
- The blooie line will be equipped with an automatic igniter or pilot light.
- Compressors will be located a minimum of 100' from the wellhead in the opposite direction from the blooie line.
- Engines will have spark arresters or water cooled exhaust.
- Deduster equipment will be utilized.
- The rotating head will be properly lubricated and maintained.
- A float valve will be utilized above the bit.
- Mud circulating equipment, water, and mud materials will be sufficient to maintain control of the well.