

# BURLINGTON RESOURCES

af SAN JUAN DIVISION

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

January 7, 1999

Bolack Minerals Company  
Route 3 South, Box 47  
3901 Bloomfield Hwy  
Farmington, NM 87401

Re: Plug & Abandon  
Sheets C #4 m  
SW/4 SW/4 Section 1, T25N, R8W  
San Juan County, NM

RECEIVED  
JAN - 8 1999  
OIL CON. DIV.  
DIST. 3

Gentlemen:

On December 28, 1998, Burlington received a letter (copy enclosed) from the BLM advising us that we have thirty days to inform the BLM as to when the referenced well is scheduled to be plugged and abandoned. Burlington has previously solicited Bolack's consent to the plugging of this well under three separate letters (copies of each enclosed). To date we have not received a reply from Bolack.

This letter shall serve as Burlington's final attempt to solicit Bolack's approval of the plugging procedure. However, if Bolack desires to attempt to return the well to production, Burlington is willing to assign its interest and operatorship in the wellbore to Bolack. Bolack would then be responsible for either returning the well to production or assuming 100% of the costs and liability associated with plugging the well. In light of the BLM deadline, Burlington requests a response from Bolack within seven (7) days of its receipt of this letter.

Absent a response from Bolack within the specified time frame, Burlington will plug and abandon the referenced well at its earliest opportunity. Without waiving its position on Bolack's liability for costs, the plugging costs will be paid initially by Burlington with ultimate liability for the plugging cost to be determined in the pending litigation. Burlington will submit an invoice to Bolack for its proportionate share of the plugging costs.

**Bolack Minerals Company**  
**January 7, 1999**  
**Page 2**

Any questions may be directed to the undersigned at 599-4010.

Sincerely,

*Shannon Nichols*

Shannon Nichols  
Landman

\_\_\_\_\_ Bolack Minerals Company consents to and agrees to participate in the plugging and abandoning of the Sheets C #4 well.

\_\_\_\_\_ Bolack Minerals Company desires to receive an assignment of all of Burlington's interest and operatorship in the Sheets C #4 well. Bolack will assume full responsibility for either returning the well to production or plugging the well at its the sole cost and expense.

GLA 190  
NM 4899

xc: BLM – Farmington Office (in reply to NMSF-080375E (WC) 3162.3-4 (7100))  
NMOCD – Aztec Office  
Mr. John Zent  
Mr. John Bemis  
Mr. Michael Campbell  
Mr. Richard Tully

RECEIVED  
JAN - 8 1999  
OIL CON. DIV.  
JAN 8



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Farmington District Office  
1235 La Plata Highway, Suite A  
Farmington, New Mexico 87401

IN REPLY REFER TO:

NMSF-080375E (WC)  
3162.3-4 (7100)

DEC 23 1998

Ms. Peggy Bradfield  
Burlington Resources Oil & Gas Co.  
PO Box 4289  
Farmington, NM 87499

Dear Ms. Bradfield:

Reference is made to your well No. 4 Sheets C, 1000' FSL & 1075' FWL sec. 1, T. 25 N., R. 8 W., San Juan County, New Mexico, Lease NMSF-080375E. Also referenced is your Sundry Notice approved on December 19, 1997. This well has been approved for plugging for over a year. If the well has been plugged you are required to submit a subsequent report of abandonment. If the well has not been plugged, you are required to inform this office when the work is scheduled to be performed.

You have 30 days to comply with this order. The 30 days commences upon receipt of this letter or seven days from the date it is mailed, whichever is less. Failure to comply within the 30 days may result in an assessment in accordance with 43 CFR 3163.1.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the orders described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such requests shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et seq.

If you have any questions please contact Stephen Mason with this office at (505) 599-6364.

Sincerely,

Duane Spencer  
Team Leader; Petroleum Management Team

# BURLINGTON RESOURCES

SAN JUAN DIVISION

## CERTIFIED MAIL – RETURN RECEIPT REQUESTED

September 11, 1998

Bolack Minerals Company  
Route 3 South, Box 47  
3901 Bloomfield Hwy  
Farmington, NM 87401

Re: Plug & Abandon AFE Second Follow-Up  
Sheets C #4  
SW/4 SW/4 Section 1, T25N, R8W  
San Juan County, NM

Gentlemen:

This letter is Burlington's third attempt to solicit Bolack Minerals Company (Bolack) consent in the proposed plugging and abandoning procedure for the referenced well. Copies of our previous letters are enclosed for your review.

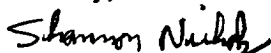
In previous contact, Mr. Richard Tully has advised Burlington that Bolack has no intention of signing any Burlington AFE due to pending litigation. Regardless of the nature of the Burlington/Bolack relationship, we still need to conduct operations in compliance with NMOCD regulations. This well is subject to a produce or plug demand from the NMOCD.

As previously communicated, Burlington does not feel that this well will ever produce and has recommended that the well be plugged and abandoned. As an interest owner your consent is requested prior to Burlington plugging this well. In regard to the pending litigation, Burlington will not assert that your concurrence to the plugging and abandoning of this well is a waiver or admissible as to the claims related to costs under the GLA. Moreover, without waiving its position on Bolack's liability for costs, the plugging costs will be paid initially by Burlington with ultimate liability for the plugging cost to be determined in the pending litigation.

Please advise if you concur to the plugging and abandonment under the terms set out in this letter.

Any questions may be directed to the undersigned at 599-4010

Sincerely,



Shannon Nichols  
Landman

GLA 190  
NM 4899

xc: NMOCD – Aztec Office  
Mr. Richard Tully  
Mr. Michael Campbell

# **BURLINGTON RESOURCES**

---

SAN JUAN DIVISION

June 15, 1998

Bolack Minerals Company  
Route 3 South, Box 46  
3901 Bloomfield Hwy.  
Farmington, NM 87401

**RE: Plug & Abandon AFE FOLLOW-UP  
Sheets C #4 Well  
SW SW Sec. 1, T25N, R8W  
San Juan County, New Mexico**

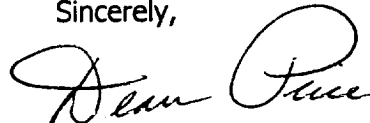
Dear Mr. Bolack:

By letter dated December 18, 1997, Burlington Resources Oil & Gas Company forwarded to Bolack Minerals Company an AFE to plug and abandon the referenced Fruitland Coal well at a gross estimated cost of \$18,206 (copy enclosed). To date, we have not received your response as to your concurrence to plugging this well. Bolack's interest in this well is 24.145314%, with Burlington owning the remaining 75.854686%.

We would like to proceed with the plugging and abandoning as soon as possible, as this well has never produced from the Fruitland. Please review the attached AFE and make your election as to your participation as soon as possible. You may return your response to the undersigned.

Please call me at (505) 599-4027 if there are any questions regarding this matter.

Sincerely,



Dean Price, CPL  
Senior Staff Landman

DDP/cj  
NM-4899 WF

# BURLINGTON RESOURCES

SAN JUAN DIVISION

December 18, 1997

Bolack Minerals Company  
Attn: Tom Bolack & Tommy Bolack  
Route 3 South, Box 47  
3901 Bloomfield Highway  
Farmington, NM 87401

**RE: Plug & Abandon AFE  
Sheets C #4 Well  
SW/4 SW/4 Sec. 1, T25N, R8W  
San Juan County, New Mexico**

Dear Mr. Bolack:

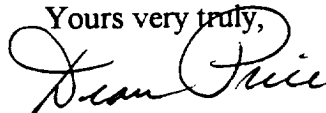
The referenced well was originally drilled and completed as a Pictured Cliffs producer in 1956, then recompleted to the Fruitland Coal formation in November, 1990. The Fruitland Coal has never produced. Therefore, it is recommended to permanently plug and abandon this well pursuant to regulatory requirements.

The total estimated cost to plug this well is \$18,206. Your ownership in this drillblock is 24.145314%, with Burlington owning the remaining 75.854686%.

Enclosed for your information and approval is the AFE, procedure and wellbore schematics. Please indicate your approval of our recommendation by executing a copy of this letter and attached AFE.

Please call me at (505) 599-4027 if there are any questions regarding this well.

Yours very truly,



Dean Price  
Senior Landman

DDP/cj  
NM-4899 WF

The undersigned this \_\_\_\_\_ day of \_\_\_\_\_, 1997, agrees to participate in the plug & abandonment of the Sheets C #4 Fruitland Coal well.

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

COMPANY: Bolack Minerals Company



STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DIVISION  
OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

cc: area 1 - PMO  
area 2 - SDD  
area 3 - JEM  
area 4 - JIM  
area 5 - JBK  
area 6 - JAS  
area 7 - JCG  
area 8 - KS  
area 9 - BPA  
4-29-94,  
JOG

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

April 19, 1994

State L #1

~~Ms Susan Dolan~~  
Meridian Oil Inc  
PO Box 4289  
Farmington NM 87499

RE: Temporarily Abandoned Wells

Dear Susan:

Our records indicate that the following wells are inactive and require P&A or TA approval under Rules #201, 202 & 203.

Please review your records and contact this office indicating the current status of listed wells and your intentions for bringing these wells into compliance.

Rule #203 requires that a notice of intent to temporarily abandon a well, P&A or return well to production be filed with the OCD or BLM for approval.

Sincerely,

Johnny Robinson  
Deputy Oil & Gas Inspector

cc: operator file

## MERIDIAN OIL INC

area 3 - Canyon Largo Ut #58 PC - Unit E, Sec. 22, 224N R06W	SI eval 51134A, SI - Internal, 12
area 9 Hill #10-PC, Unit A, Sec. 22, 225N R03W	SI BP 51297A, SI - Internal, 12-14
area 9 Leeson #1 PC, Unit D, Sec. 27, 225N, R03W	SI BP 51233A, SI - Eval Pend, 2-1
area 3 CLU #152 Chacra, Unit O, Sec. 1, 225N R06W   52325A	Pending csg rpt 1992 - JA, 1-4-85
area 3 CLU #138 Chacra, Unit I, Sec. 4, 225N, R06W	SI BP 51590A, Down Csg/Csg, 3-
area 3 CLU #140 Chacra, Unit A, Sec. 9, 225N R06W	SI BP 51705A, SI - No Contract, 11-
area 3 CLU #280 PC, Unit K, Sec. 14, 225N, R06W	SI BP 44408A, SI - Pend Eval
area 3 CLU #41 PC, Unit P, Sec. 24, 225N R06W   51051A	5-27-92 NIT rcmp Frt C cancelled SI BP 51051A - SI - Internal, 12-12-90
area 3 CLU #63 PC, Unit O, Sec. 9, 225N, R01W	SI BP 51478A, SI - Pend Eval, 6-9-
area 1 SHEETS C #4 PC, Unit M, Sec. 1, 225N, R08W	RC Ft Coal 51046A, P/A, 11-26-
area 9 Jicarilla 119N #13 PC, Unit E, Sec. 8, 226N, R04W	SI BP 52193A, JA, 11-1-88
area 9 Jicarilla 120C #14 PC, Unit P, Sec. 30, 226N, R04W	SI BP 52032A, JA, 11-1-88
area 3 Johnson A Com #1 PC = A, Unit N, Sec. 32, 226N R06W	No Response 531038 = SI - Internal, 5-1-88
area 3 Johnson A #14 Chacra, Unit M, Sec. 36, 226N, R06W	No Response 44596A, SI - Eval, 10-
area 1 Huerfano Ut #92 PC - B, Unit Z, Sec. 07, 226N, R09W	SI BP 530458 = SI - No Contract
area 1 Huerfano Ut #111 PC, Unit Z, Sec. 20, 226N, R09W	SI eval 53057A, SI - Internal, 11-1-
area 1 J W Goddard #4 PC, Unit C, Sec. 11, 226N, R12W - O: 1	SI eval 12102A, SI - Pend Eval, 10-
area 1 Frew Fed #6 PC, Unit Z, Sec. 19, 226N, R12W	SI HLP 11378A, Disconnected by Pip 8-25-93
area 9 SJ 27-4 Ut #36 PC - B, Unit K, Sec. 36, 227N, R04W	SI BP 533208 = SI - Pend Eval, 2-23-
area 8 SJ 27-5 Ut #107 PC, Unit L, Sec. 13, 227N, R05W	SI eval 51651A, JA, 11-1-88
area 8 SJ 27-5 Ut #108 PC, Unit I, Sec. 15, 227N, R05W	SI eval 51660A, JA, 1-30-89
area 3 SJ 27-5 Ut #157 PC, Unit O, Sec. 24, 227N, R05W	SI BP 44629A, Down Csg/Csg, 11-
area 1 SJ 27-5 Ut #5 PC, Unit G, Sec. 34, 227N, R05W	SI BP (HPL) 48963A, SI - Pend Eval, 5-
area 8 SJ 28-6 Ut #189 PC, Unit O, Sec. 2, 227N, R06W	SI eval 44448A, SI - Pend Eval, 4-
area 3 Ripley #1 PC, Unit D, Sec. 24, 227N, R07W	SI BP 449370A, SI - Pend Eval, 4-11-
area 2 Huerfano Ut #18 PC - B, Unit M, Sec. 32, 227N, R10W	SI BP 509458 - 510458 - Status Unknown
area 1 Douthit A Fed Com #7 PC, Unit P, Sec. 27, 227N, R11W	SI HLP 17515A, SI - Pend Eval, 3-5-
area 2 Thompson C #2 PC, Unit P, Sec. 02, 227N, R12W	SI BP 50846A, JA, 12-12-88
area 8 Valdez #1 PC, Unit O, Sec. 9, 228N, R04W	SI eval 45570A, SI - Pend Eval, 4-
area 8 Valdez #3 PC, Unit I, Sec. 16, 228N, R04W	SI eval 45568A, SI - Pend Eval, 4-1-
area 8 SJ 28-4 Ut #15 PC, Unit M, Sec. 29, 228N, R04W	SI eval 52075A, SI - Pend Eval, 9-2-
area 8 SJ 28-4 Ut #16 PC, Unit H, Sec. 30, 228N, R04W	SI eval 50163A, SI - Pend Eval, 4-1-
area 8 SJ 29-4 Ut NP #4 PC, Unit B, Sec. 35, 229N, R04W	SI eval 49508A, JA, 5-2-91
area 2 Nye #5 PC, Unit M, Sec. 09, 229N, R10W	Will PA by 12-31-93 52411A, SI - Pend Eval
area 2 Schultz Com A #5 PC, Unit D, Sec. 16, 229N, R10W	SI BP 51060A, Pipeline, Disconnected by 5-
area 2 Murphy A Com #1 PC, Unit L, Sec. 02, 229N, R11W	SI BP 48591A, SI - Manual Csg
area 2 McClure #1 PC - B, Unit O, Sec. 03, 229N, R11W	SI BP 48589A - SI - Pend Eval, 2-10-90
area 2 Fifield #3 Chacra, Unit O, Sec. 05, 229N, R11W	SI BP 48589B - Status Unknown
area 2 Lloyd A #3 (CK) Chacra, Unit H, Sec. 09, 229N, R11W	SI BP 43899A, SI - Pend Eval, 2-10-
area 2 Lloyd A #3 (PC) PC, Unit H, Sec. 09, 229N, R11W	SI BP 53144A, " " 2-25-
area 2 Lloyd A #4 PC - B, Unit K, Sec. 09, 229N, R11W	SI BP 53144A, " " 2-25-
area 2 Cornell #7 PC, Unit C, Sec. 10, 229N, R12W	SI BP 53145A - SI - Internal, 1-1-91
area 7 Carson #2 PC, Unit K, Sec. 07, 230N, R04W	SI BP 49589A - JA, 3-20-89
	SI eval 45488A - JA, 11-1-89



Meridian Oil Inc  
Page 2

area 5	Riddle #4 <sup>2</sup> armington Unit M Sec. 04 T30N R09W	SI eval 43741A, JA, 7-25-92
area 6	Shaw #3 PC Unit H, Sec. 13, T30N R09W	SI eval 54252A, JA, 6-20-8
area 5	Sunray H #5 PC Unit O, Sec. 11, T30N R10W	SI eval 44476A, SI Pend Eval, 6-1-91
area 5	Atlantic D Com B #3 MU, Unit A, Sec. 16, T30N R10W	SI eval 48912A, <sup>Disconnected by P. 8-19-91</sup>
area 5	Helms Fed #2 PC Unit A, Sec. 22, T30N R10W	SI eval 32225A, <sup>blowing 3-15</sup>
area 5	Riddle B #5 DK Unit O, Sec. 23, T30N R10W	SI eval 51767A, SI Pend Eval, 6-1-91
area 2	Albright A #1 PC Unit A, Sec. 25, T30N R11W	SI BP 1916, SI Pend Eval, 4-10-9
area 2	Murphy E #2 PC Unit C, Sec. 34, T30N R11W	SI BP 49105A, <sup>blowing 3-4-9</sup>
area 2	Martin #2 PC Unit J, Sec. 34, T30N R11W	SI BP 48592A, SI Pend Eval, 2-1-91
area 2	Payne #2 PC Unit O, Sec. 35, T30N R11W	SI BP 30238A, SI " " , 2-1-91
area 2	(Jose) Jaquez #1 DK Unit K, Sec. 24, T30N R12W	SI BP 36790, JA, 3-20-90
area 6	Quinn #9 PC Unit P, Sec. 20, T31N R08W	SI eval 32274A, SI Pend Eval, 8-2-91
area 6	SJ 32-9 Ut #57 MU, Unit H, Sec. 02, T31N R09W	SI eval 69956, SI-Internal E-2
area 5	SJ 32-9 Ut NP #8 MU, Unit A, Sec. 20, T32N R09W	SI eval 69973, SI-Pend Eval, 6-1-91
area 4	Wright St Com #1 <sup>1-11-94</sup> MU, Unit B, Sec. 36, T32N, R13W	No response <sup>32343A, down - some 3-1-91</sup>
area 2	(James) Scott #1 <sup>3-1-91</sup> DK Unit A, Sec. 18, T30N, R11W	No production in 1991 or 1992 <sup>11008A, SI-Pend Eval</sup>