

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARAMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO SANTA FE, NEW MEXICO 87505 (505) 827-7131

March 17, 1997

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OIL COM. DIV.

Burlington Resources 3535 East 30th Street Farmington, New Mexico 87499-4289 Attention: Peggy Bradfield

Administrative Order TX-266

Dear Mr. Prichard:

Reference is made to your request for an exception to the tubing setting requirements as contained in Division Rule 107 (j) for the below-named wells.

Pursuant to the authority granted me by Rule 107 (d) (4), you are hereby authorized to make tubingless completions in the following wells:

Well Name and Number:

| Ballard Pictured Cliffs | P 10-26-09 | 30-045-05902 |
|------------------------------|---|--|
| Ballard Pictured Cliffs | P 14-26-09 | 30-045-05823 |
| Ballard Pictured Cliffs | M 11-26-09 | 30-045-05909 |
| W. Kutz Pictured Cliffs | P 26-27-11 | 30-045-06213 |
| S. Blanco Pictured Cliffs | P 31-27-07 | 30-045-06848 |
| Fulcher Kutz Pictured Cliffs | I 30-28-10 | 30-045-07141 |
| Ballard Pictured Cliffs | D 12-26-09 | 30-045-05962 |
| Ballard Pictured Cliffs | D 10-26-09 | 30-045-05968 |
| S. Blanco Pictured Cliffs | H 01-26-08 | 30-045-06040 |
| Ballard Pictured Cliffs | P 30-26-08 | 30-045-05654 |
| Ballard Pictured Cliffs | M 33-26-08 | 30-045-05604 |
| Fulcher Kutz Pictured Cliffs | J 19-28-10 | 30-045-07312 |
| Ballard Pictured Cliffs | D 03-25-08 | 30-045-05565 |
| Ballard Pictured Cliffs | F 11-25-08 | 30-045-05500 |
| Ballard Pictured Cliffs | P 11-25-08 | 30-045-05469 |
| Ballard Pictured Cliffs | O 03-25-08 | 30-045-05532 |
| Ballard Pictured Cliffs | M 03-25-08 | 30-045-05536 |
| S. Blanco Pictured Cliffs | B 11-27-08 9 | 30-045-06710 |
| Fulcher Kutz Pictured Cliffs | B 20-28-10 | 30-045-07364 |
| Ballard Pictured Cliffs | D 32-26-08 | 30-045-05630 |
| Ballard Pictured Cliffs | K 32-26-08 | 30-045-05611 |
| | Ballard Pictured Cliffs Ballard Pictured Cliffs W. Kutz Pictured Cliffs S. Blanco Pictured Cliffs Fulcher Kutz Pictured Cliffs Ballard Pictured Cliffs Ballard Pictured Cliffs S. Blanco Pictured Cliffs Ballard Pictured Cliffs Ballard Pictured Cliffs Ballard Pictured Cliffs Fulcher Kutz Pictured Cliffs Ballard Pictured Cliffs S. Blanco Pictured Cliffs Fulcher Kutz Pictured Cliffs Fulcher Kutz Pictured Cliffs Ballard Pictured Cliffs | Ballard Pictured Cliffs Ballard Pictured Cliffs W. Kutz Pictured Cliffs Ballard Pictured Cliffs W. Kutz Pictured Cliffs Ballard Pictured Cliffs |

Conditions:

The operator shall place adequate cement prior to running 3 ½" casing, or alternatively at the time of plugging and abandonment to insure that the Ojo Alamo Formation is completely sealed off with cement. The methodology to be employed shall be approved by the division's Aztec office prior to commencement of any remedial work.

Administrative Order TX-266 Burlington Resources March 17, 1997 Page 2

The Division reserves the right to rescind this authority in the event that waste appears to be resulting

Sincerely,

therefrom.

William J. LeMay

Director

WJL/RJ/kv

cc: Oil Conservation Division - Aztec

BURLINGTON RESOURCES

SAN JUAN DIVISION

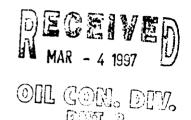
March 3, 1997

New Mexico Oil Conservation Division 2040 South Pacheco Street Santa Fe, New Mexico 87505

Att:

Mr. Roy Johnson

Dear Roy:



As we discussed February 27 by phone, this letter serves as application for variance to Rule 107 Sections J. We intend to workover and drill additional hole in the following wells in the Pictured Cliffs formation, run 3 1/2" casing and cement, and run no tubing.

| Ballard #2 | Ballard Pictured Cliffs | P 10-26-09 | 30-045-05902 |
|---------------------|--------------------------------|------------|-----------------|
| Ballard #5 | Ballard Pictured Cliffs | P 14-26-09 | 30-045-05823 |
| Crandell #1 | Ballard Pictured Cliffs | M 11-26-09 | 30-045-05909 |
| -Douthit-#3 | W:Kutz Pictured Cliffs | P-26-27-11 | 30-045-062 3 |
| | S.Blanco Pictured Cliffs | P 31-27-07 | 30-045-06848 |
| Hubbell SRC #2 | Fulcher Kutz Pictured Cliffs | I 30-28-10 | 30-045-07141 |
| Huerfanito Unit #64 | Ballard Pictured Cliffs | D 12-26-09 | 30-045-05962 |
| Huerfanito Unit #69 | Ballard Pictured Cliffs | D 10-26-09 | 30-045-05968 |
| Carthy A #1 | S.Blanco Pictured Cliffs | H 01-26-08 | 30-045-06040 |
| Luthy #2 | S.Blanco Pictured Cliffs | K 01-26-08 | 30-045-060251 |
| McManus #1 | Ballard Pictured Cliffs | P 30-26-08 | 30-045-05654 |
| McManus #9 | Ballard Pictured Cliffs | M 33-26-08 | 30-045-05604 |
| Newman A #6 | Fulcher Kutz Pictured Cliffs | J 19-28-10 | 30-045-07312 |
| Quitzau #1 | Ballard Pictured Cliffs | D 03-25-08 | 30-045-05565 / |
| Quitzau #2 | Ballard Pictured Cliffs | F 11-25-08 | 30-045-05500 |
| Quitzau #3 | Ballard Pictured Cliffs | P 11-25-08 | 30-045-054691 |
| Quitzau #4 | Ballard Pictured Cliffs | 0 03-25-08 | 30-045-05532 |
| Quitzau #5 | Ballard Pictured Cliffs | M 03-25-08 | 30-045-05536 / |
| Turner Hughes #10 | S.Blanco Pictured Cliffs | B 11-27-08 | 30-045-067101// |
| White Kutz #3 | Fulcher Kutz Pictured Cliffs | B 20-28-10 | 30-045-07364 |
| Wilson A #1 | Ballard Pictured Cliffs | D 32-26-08 | 30-045-05630 |
| Wilson A #2 | Ballard Pictured Cliffs | K 32-26-08 | 30-045-05611 V |
| | | | |

These tubingless completions are desirable as they allow Burlington to economically produce reserves from the tight, low pressure Pictured Cliffs formation. Significant cost savings are realized using this method. The 3 1/2" casing string will allow the wells to produce at a higher rate than can be realized through smaller tubulars, and also carry less risk during any subsequent workover operations.

New Mexico Oil Conservation Division Page Two March 3, 1997 Tubingless Completion Application

All the listed wells meet the following criteria:

- are in proven fields
- are less than 5000' total depth
- · do not have corrosive or pressure problems
- are not dual completions
- will not produce any liquids or condensate (dry gas only)

Attached is a copy of the C102 well location plat and wellbore schematic for each well. Please let me know if you require any further information for these wells.

Sincerely,

BURLINGTON RESOURCES

Peggy Bradfield

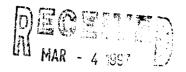
Regulatory/Compliance Administrator

xc: NMOCD Aztec District Office

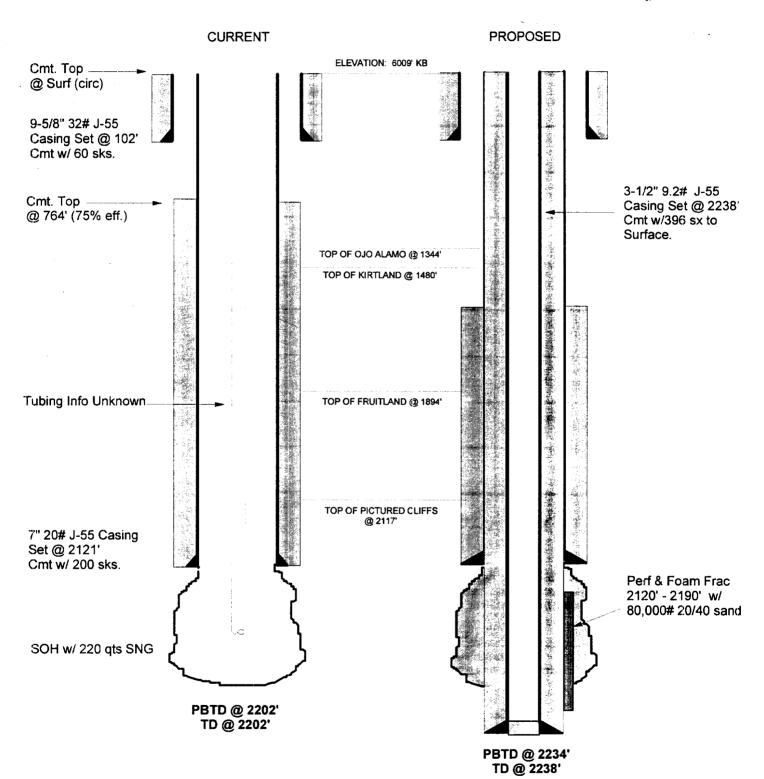
Harrington #3

Section 31P, T-27-N, R-7-W Rio Arriba County, NM

SOUTH BLANCO PICTURED CLIFFS WELLBORE SCHEMATIC



OIL COM. DIV. DIST. 3



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| | | Registered : | Professional Land Surveyor. | |