



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

September 6, 1996

Burlington Resources Oil & Gas Company/Meridian Oil, Inc.

P. O. Box 4289

Farmington, New Mexico 87499-4289

Attention: Peggy Bradfield

Administrative Order NSL-3706

Dear Ms. Bradfield:

Reference is made to your application dated August 19, 1996 for an unorthodox "infill" gas well location for both the Blanco-Mesaverde and Basin-Dakota Pools for the proposed San Juan "27-5" Unit Well No. 100-M to be drilled 2380 feet from the South line and 905 feet from the East line (Unit I) of Section 1, Township 27 North, Range 5 West, NMPM, Rio Arriba County, New Mexico.

Production from the Basin-Dakota Pool is to be included in an existing standard 320-acre gas spacing and proration unit comprising the S/2 of said Section 1 which is currently dedicated to Meridian's San Juan "27-5" Unit Well No. 100 (API No. 30-039-08114), located at a standard gas well location 1090 feet from the South line and 825 feet from the West line (Unit M) of said Section 1 and production from the Blanco-Mesaverde Pool is to be included in an existing standard 320.08-acre gas spacing and proration unit comprising Lots 1 and 2, the S/2 NE/4, and the SE/4 (E/2 equivalent) of said Section 1 which is currently dedicated to Meridian's San Juan "27-5" Unit N-P Well No. 55 (API No. 30-039-07205), located at a standard gas well location 1040 feet from the North line and 990 feet from the East line (Lot 1/Unit A) of said Section 1.

By the authority granted me under the provisions of Rule 2(d) of the "General Rules For The Prorated Gas Pools of New Mexico/Special Rules and Regulations For The Blanco-Mesaverde Pool/Special Rules and Regulations for the Basin-Dakota Pool", as promulgated by Division Order No. R-8170, as amended, the above-described unorthodox "infill" gas well location for the San Juan "27-5" Unit Well No. 100-M is hereby approved.

Sincerely,

William J. LeMay

Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Farmington

SEP 1 1 1996

OIL CON. DIV.

BURLINGTON RESOURCES

SAN JUAN DIVISION

August 19, 1996

Sent Federal Express

Mr. William LeMay New Mexico Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505



Re:

San Juan 27-5 Unit #100M

2380'FSL, 905'FEL Section 1, T-27-N, R-5-W, Rio Arriba County, New Mexico

API # 30-039-(not yet assigned)

Dear Mr. LeMay:

Burlington Resources is applying for administrative approval of a non-standard location for the above location in both the Mesa Verde and Dakota formations. This application for the referenced location is due to terrain, the presence of archaeology, and at the request of the Bureau of Land Management.

The following attachments are for your review:

- 1. Application for Permit to Drill.
- 2. Completed C-102 at referenced location.
- 3. Offset operators/owners plat Burlington Resources is the operator of the surrounding proration unit
- 4. 7.5 minute topographic map showing the orthodox windows, and enlargement of the map to define topographic features.

We appreciate your earliest consideration of this application.

Sincerely,

Peggy Bradfield

Regulatory/Compliance Administrator

encs.



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT



		/AL DATE		
24.	Authorized by: State State Auda Auda Regulatory/Compliance Administ	8-/2-96 Date		
23.	Proposed Casing and Cementing Program See Operations Plan attached			
21.	Elevations (DF, FT, GR, Etc.) 7286' GR	22. Approx. Date Work will Start		
19.	Proposed Depth 8569'	20. Rotary or Cable Tools Rotary		
18.	Distance from Proposed Location to Nearest Well, Drlg, Com	pl, or Applied for on this Lease		
16.	905' Acres in Lease	17. Acres Assigned to Well S/2 (Dk) E/2 (MV)		
15.	Distance from Proposed Location to Nearest Property or Lea	se Line		
4.	Distance in Miles from Nearest Town 9 miles to Gobernador	12. County 13. State Rio Arriba NM		
	Latitude 36° 36.1, Longitude 107° 18.2	Sec 1,T-27-N,R-5-W API # 30-039-		
••	Location of Well 2380'FSL, 905'FEL	10. Field, Pool, Wildcat Blanco MV/Basin Dk 11. Sec., Twn, Rge, Mer. (NMPM)		
	(505) 326-9700	100M		
•	Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499	8. Farm or Lease Name San Juan 27-5 Unit 9. Well Number		
	BURLINGTON RESOURCES Oil & Gas Company	San Juan 27-5 Unit		
	Operator	7. Unit Agreement Name		
b.	Type of Well GAS	Unit Reporting Number 6. If Indian, All. or Tribe		
	DRILL			
١.	Type of Work	5. Lease Number SF-079491		



PO Bes 4980, Hobbs, NM 88241-1988

PO Drawer OD. Artesia, NM 88211-6719

District III

1000 Rio Brozen Rd., Azton, NM 87410

District iV

State of New Mexico

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Submit to Appropriate District O State Lease - 4 Ci

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

AMENDED REP PO Bes 2008. Same Fe. NM 87584-2088 WELL LOCATION AND ACREAGE DEDICATION PLAT Post Name AFI Numbe 1 Paul Code Blanco Mesaverde/Basin Dakota 72319/71599 30-039-· Well Number · Property Name · Property Code 100M San Juan 27-5 Unit 7454 'Theren ' Operator Name OGRUD No. 7286' MERIDIAN OIL INC. 14538 10 Surface Location East West time North/South time Fret from the Canast Feet from the Range Lat Ida UL er tot se. 905 East R.A. 2380 South 5 W 27 N I 11 Bottom Hole Location If Different From Surface East West 400 Feet from the County Feet from the North/South time Lat Ida Senion Renes UL ar tet se. 13 Joint or Infil. | 16 Consuidation Code | 16 Order No. 147-E/320 DK-5/320 NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATI OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION 27131 26" 26461 16 3 2 4

17 OPERATOR CERTIFICATI Peggy Bradfiel 1 "SURVEYOR CERTIFICATI 905 NMSF-079491 corross to the best of my belief. 7-02-96 380 5314. 98

OPERATIONS PLAN

Well Name: San Juan 27-5 Unit #100M

Location: 2380'FSL, 905'FEL, Sec 1, T-27-N, R-5-W

Rio Arriba County, NM

Latitude 36° 36.1, Longitude 107° 18.2

Formation: Blanco Mesa Verde/Basin Dakota

Elevation: 7286'GL

Formation Tops:	Top	Bottom	Contents
Surface	San Jose	3569'	
Ojo Alamo	3569'	3707'	aquifer
Kirtland	3707'	3990'	
Fruitland	3990'	4165'	gas
Pictured Cliffs	4165'	4292'	gas
Lewis	4292'	4739'	g as
Chacra	4297'	5822'	gas
Intermediate TD	5772'		
Upper Cliff House	5822'	5897 ′	gas
Massive Cliff House	5897'	5982'	gas
Menefee	5982'	6322 ′	gas
Massive Point Lookout	6322'	6453'	gas
Lower Point Lookout	6453 ′	6681'	gas
Mancos	6681'	7426'	gas
Gallup	7426'	8242'	gas
Greenhorn	8242'	8306'	gas
Graneros	8306'	8454'	gas
Dakota	8454'	8 5 72′	g as
Encinal	8572 '	8580'	
Burro Canyon	8580 '		
TD (5 1/2"liner)	8569'		

Logging Program:

Mud Program:

TOTAL TANGETTE				
Interval	Type			
0- 200'	Spud	8.4-8.9	40-50	no control
200-5772'	LSND	8.4-9.0	30-60	no control
5772-8569'	Gas	n/a	n/a	n/a

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

Casing Program:

Hole Size	Depth Interval	Csg.Size		Grade
12 1/4"	0' - 200'	9 5/8"	36.0#	K-55
8 3/4"	0' - 5772'	7**	20.0#	K-55
6 1/4"	5622' - 8569'	4 1/2"	11.6#	И-80

Tubing Program:

0' - 5 672 '	2 3/8",	4.70#	EUE
0' - 8569'	1 1/2",	2.90#	EUE

BOP Specifications, Wellhead and Tests:

Surface to Intermediate TD -

11" 2000 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" 2000 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, 2000 psi minimum choke manifold (Reference Figure #3).

Completion Operations -

6" 2000 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 1 1/2" 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 159 sx Class "B" cement with 1/4# flocele/sx and 2% calcium chloride (188 cu.ft. of slurry, 200% excess to circulate to surface). WOC 12 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 -

first stage - Lead w/362 sx of 50/50 Blended Silicalite (50% Class "B", 25% Silicate, 25% Pozmix) w/0.25 pps cellophane, 5 pps gilsonite. Tail w/100 sx Class "B" w/2% calcium chloride and 0.25 pps cellophane (596 cu.ft. of slurry, 100% excess to circulate to stage tool @ 3790'.)

Second stage - Lead w/577 sx 65/35 Class "B" poz w/6% gel, 2% calcium chloride, and 1/4# flocele/sx. Tail w/100 sx Class "B" w/2% calcium chloride (1139 cu.ft. of slurry, 100% excess to circulate to surface.) WOC minimum of 12 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.

Cement nose guide shoe on bottom with float collar spaced on top of shoe joint. Seven bowspring centralizers spaced every other joint off bottom, with three spaced every fourth joint to the base of the Ojo Alamo at 3707'. Two turbolating centralizers at the base of the Ojo Alamo at 3707'. Bowspring centralizers spaced every fourth joint from the base of the Ojo Alamo to the base of the surface casing.

4 1/2" Production Liner -

Cement to circulate liner top. Lead with 466 sx 50/50 Class "B" poz w/0.3% dispersant, 6% gel, 3 pps gilsonite and 1/4 pps flocele (615 cu.ft., 100% excess to circulate liner top). WOC a minimum of 18 hrs prior to completing.

Cement float shoe on bottom with float collar spaced on top of shoe joint. The liner hanger will have a rubber packoff.

- If hole conditions permit, an adequate water spacer will be pumped ahead of each cement job to prevent cement/ mud contamination or cement hydration.
- The pipe will be rotated and/or reciprocated, if hole conditions permit.

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.

Additional Information:

- The Dakota and Mesa Verde formations will be dually completed.
- No abnormal temperatures or hazards are anticipated.
- Anticipated pore pressures are as follows:

Fruitland Coal 800 psi Pictured Cliffs 800 psi Mesa Verde 700 psi Dakota 2600 psi

- Sufficient LCM will be added to the mud system to maintain well control, if lost circulation is encountered below the top of the Pictured Cliffs.
- The south half of Section 1 is dedicated to both the Mesa Verde and Dakota in this well.

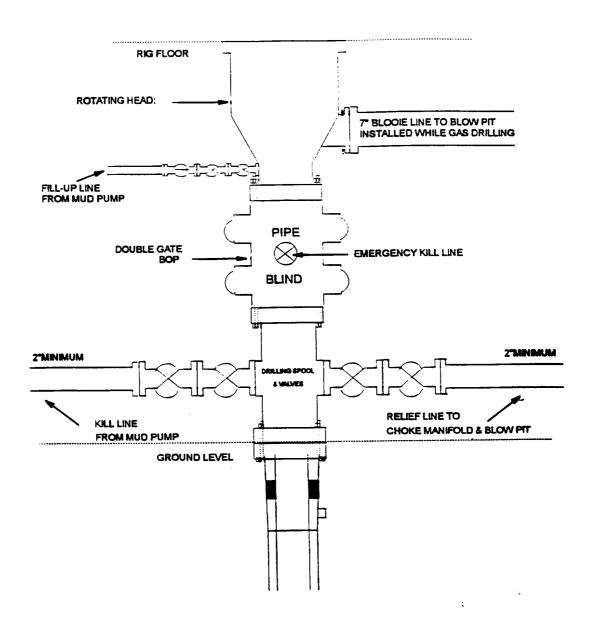
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Drilling Engineer B-15-96

Date

MERIDIAN OIL INC

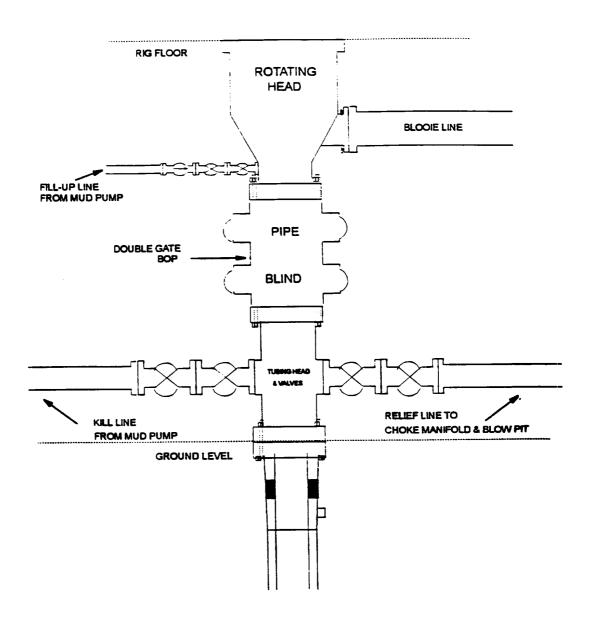
BOP Configuration 2M psi System



13 5/8" and 11" Bore, 2000psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A Schaffer Type 50 or equivalent rotating head to be installed on the top of the BOP. All equipment is 2000psi working pressure/ or greater.

MERIDIAN OIL INC

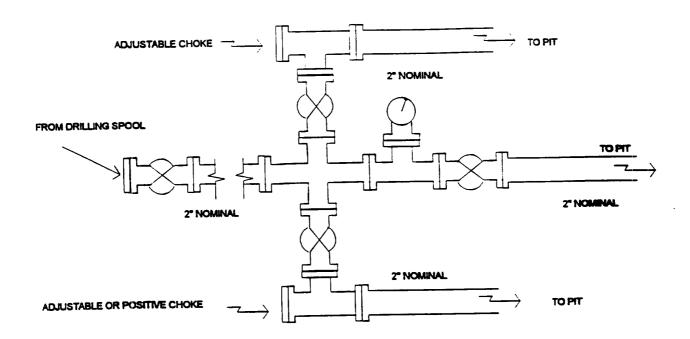
BOP Configuration 2M psi System



Minimum BOP installation for Completion operations. 7 1/16" Bore (6" Nominal), 3000 psi minimum working pressure double gate BOP to be equipped with blind and pipe rams.

MERIDIAN OIL INC.

Choke Manifold Configuration 2M System



Minimum choke manifold installation from surface to Total Depth. 2" minimum, 2000psi working pressure equipment with two chokes.

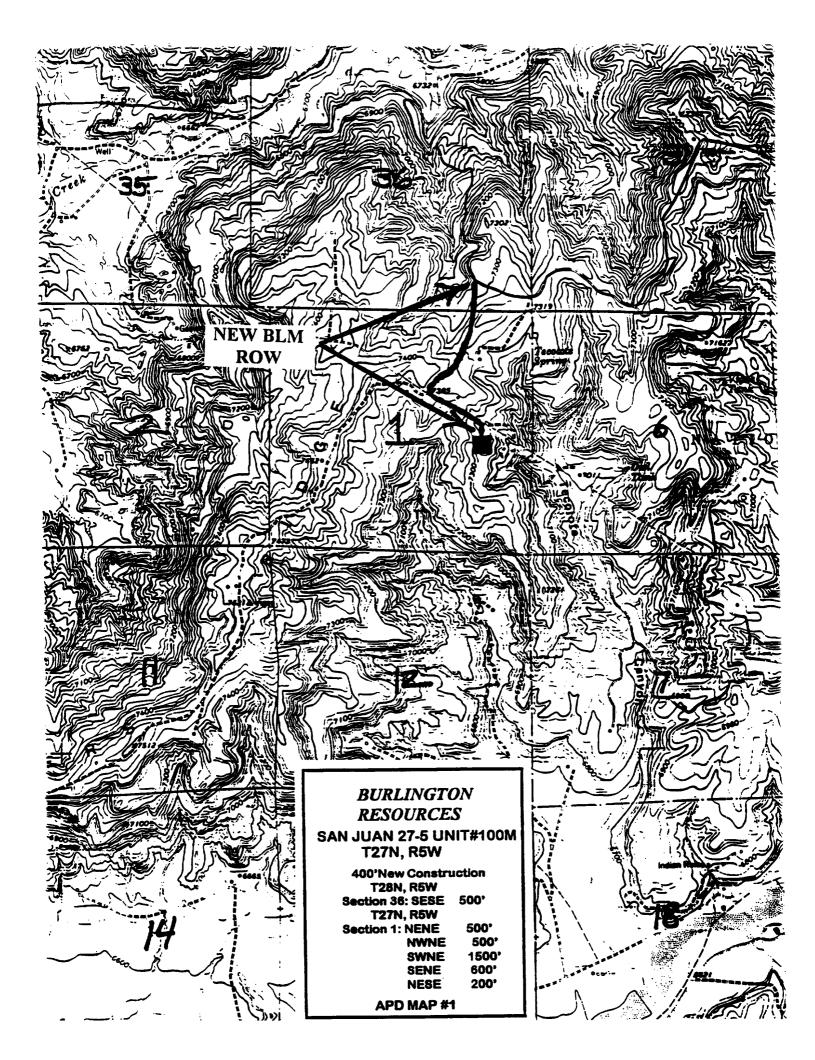


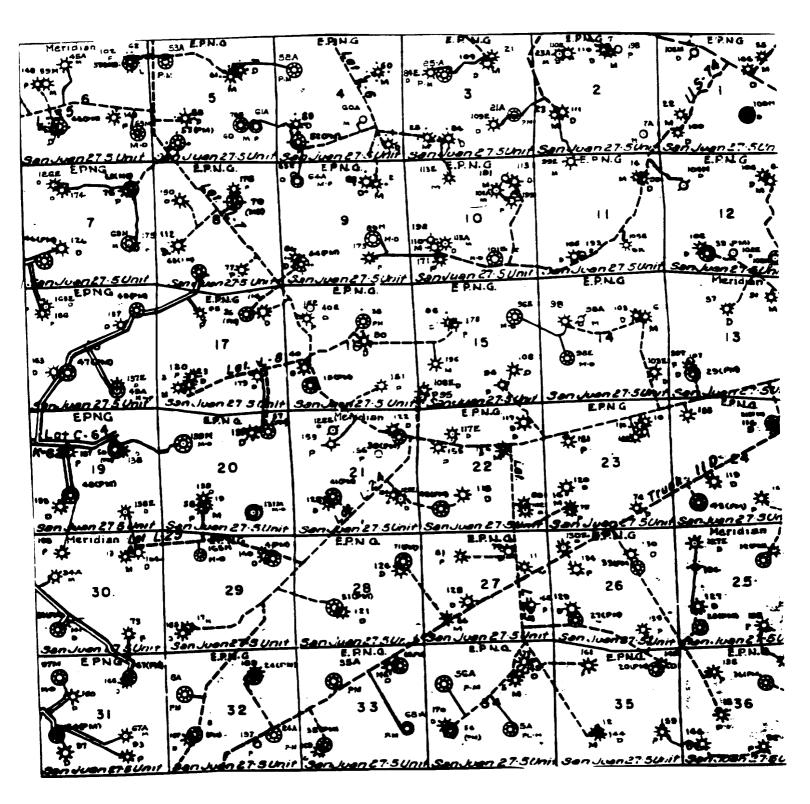
San Juan 27-5 Unit #100M Multi-Point Surface Use Plan

- 1. Existing Roads Refer to Map No. 1. Existing roads used to access the proposed location will be properly maintained for the duration of the project. Bureau of Land Management right-of-way has been applied for as shown on Map No. 1.
- Planned Access Road Refer to Map No. 1. The required new access road is shown on Map No. 1. The gradient, shoulder, crowning and other design elements will meet or exceed those specified by the responsible government agency. The new access road surface will not exceed twenty feet (20') in width. No additional turnarounds or turnouts will be required. Upon completion of the project, the access road will be adequately drained to control soil erosion. Approximately 400' of access road will be constructed. Pipelines are indicated on Map No. 1A.
- 3. Location of Existing Wells Refer to Map No. 1A.
- 4. Location of Existing and/or Proposed Facilities if Well is Productive
 - a. On the Well Pad Refer to Plat No. 1, anticipated production facilities plat.
 - b. Off the Well Pad Anticipated facilities off the well pad will be applied for as required.
- 5. Location and Type of Water Supply Water will be hauled by truck for the proposed project and will be obtained from 44 Crossing Water Hole located NE Section 18, T-27-N, R-4-W, New Mexico.
- 6. Source of Construction Materials If construction materials are required for the proposed project, such materials will be obtained from a commercial quarry.
- 7. Methods of Handling Waste Materials All garbage and trash materials will be removed from the site for proper disposal. A portable toilet will be provided for human waste and serviced in a proper manner. If liquids are left in the reserve pit after completion of the project, the pit will be fenced until the liquids have had adequate time to dry. The location clean-up will not take place until such time as the reserve pit can be properly covered over to prevent run-off from carrying waste materials into the watershed. Reserve pits will be lined as needed with either 12 mil bio-degradable plastic liner or a bentonite liner. All earthen pits will be so constructed as to prevent leakage from occurring; no earthen pit will be located on natural drainage. Generation of hazardous waste is not anticipated. Federal regulations will be adhered to regarding handling and disposal of such waste if so generated.
- 8. Ancillary Facilities None anticipated.
- 9. Wellsite Layout Refer to the location diagram and to the wellsite cut and fill diagram (Figure No. 4). The blow pit will be constructed with a 2'/160' grade to allow positive drainage to the reserve pit and prevent standing liquids in the blow pit.

- 10. Plans for Restoration of the Surface - After completion of the proposed project, the location will be cleaned and leveled. The location will be left in such a condition that will enable reseeding operations to be carried out. Seed mixture as designated by the responsible government agency will be used. The reseeding operations will be performed during the time period set forth by the responsible government agency. The permanent location facilities will be painted as designated by the responsible government agency.
- 11. Surface Ownership - Bureau of Land Management
- 12. Other Information -Environmental stipulations as outlined by the responsible government agency will be adhered to. Refer to the archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.
- 13. Operator's Representative and Certification - Burlington Resources Oil & Gas Company Regional Drilling Manager, Post Office Box 4289, Farmington, NM 87499, telephone (505) 326-9700. I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan, are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Burlington Resources Oil and Gas Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Regulatory/Compliance Administrator Date





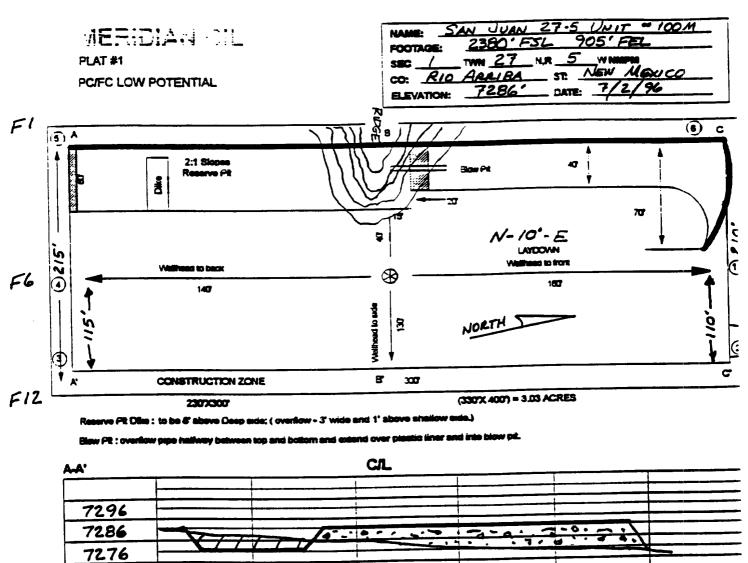
MERIDIAN OIL INC.
Pipeline Map
T-27-N, R-05-W
Rio Arriba County, New Mexico
SAN JUAN 27-5 UNIT *100M
MAP */A

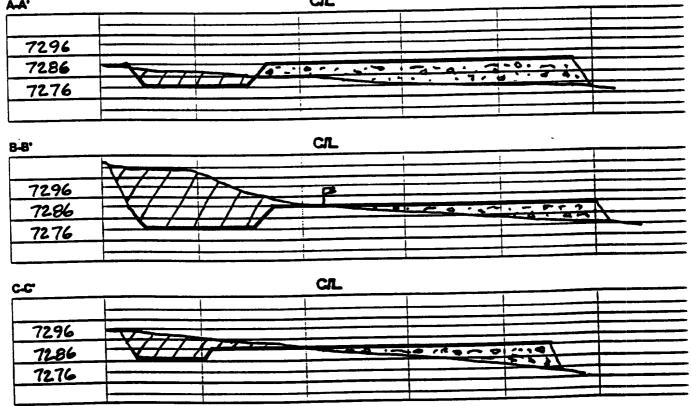
MERIDIAN OIL INC.

Well Pad Boundary **Cathodic Protection** Tanks (As required) Tanks (As required) Fiberglass Pit

ANTICIPATED PRODUCTION FACILITIES
FOR A MESA VERDE/DAKOTA
DUAL WELL

PLAT#1





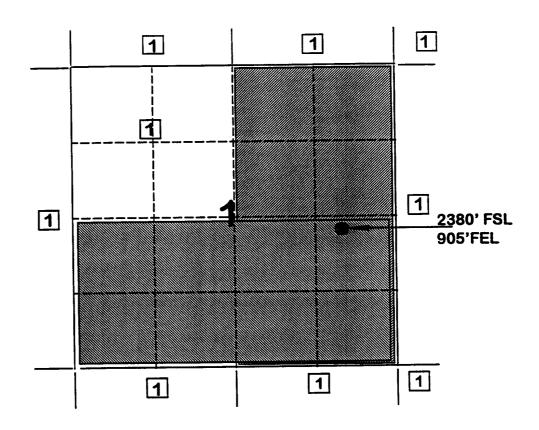
Note: Contractor should call One-Call for location of any marked or unmarked buried pipelines or cables on well pad and/or access road at least 2 working days prior to construction.

BURLINGTON RESOURCES OIL AND GAS COMPANY

San Juan 27-5 Unit #100M OFFSET OPERATOR \ OWNER PLAT

Mesaverde (E/2) / Dakota (S/2) Well

Township 27 North, Range 5 West



1) Burlington Resources Oil and Gas Company Successor to Meridian Oil Inc.

