UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 1a. Type of Work 5. Lease Number DRILL SF-080670 **Unit Reporting Number** 1b. Type of Well 6. If Indian, All. or Tribe GAS 2. Operator 7. Unit Agreement Name Oil & Gas Company San Juan 27-4 Unit 3. Address & Phone No. of Operator 8. Farm or Lease Name PO Box 4289, Farmington, NM San Juan 27-4 Unit Well Number (505) 326-9700 Location of Well 10. Field, Pool, Wildcat 2005'FSL, 1595'FEL 23/9 Blanco MV/Basin Dk 7/599 11. Sec., Twn, Rge, Mer. (NMPM) Latitude 36° 32.3, Longitude 107° Sec 30,T-27-N,R-4-W 30-039-14. Distance in Miles from Nearest Town 12. County 13. State 50 miles to Blanco Rio Arriba NM 15. Distance from Proposed Location to Nearest Property or Lease Line 1595' This engles is not not a comparing said 16. **Acres in Lease** 17. Acres Assigned to Well 5.65% (138 at 148) , to let us to let **CFR 3165.3** 320 E/2 635 1 . -- 85 8512 610**5.4.** 320 8/2 18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 19. Proposed Depth STATEMENT ARE 20. Rotary or Cable Tools 8017 Rotary 21. Elevations (DF, FT, GR, Etc.) 22. Approx. Date Work will Start 6733'GR 23. **Proposed Casing and Cementing Program** See Operations Plan attached 24 Authorized by tory/Compliance Administrator PERMIT NO. APPROVAL DATE IS/ Duane W. Spencer APPROVED BY TITLE

Archaeological Report to be submitted by Arboles Contract Archaeology

NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

NSL-4012 Q

MINOCO

State of New Mexico O Box 1980, Hobbs, NM 88241-1980 Energy, Minerals & Natural Resources Department Revised February 21, 1 Instructions on ba OIL CONSERVATION DIVISION DIVISION Submit to Appropriate District Of: 7) Drawer DD, Artesia, NM 88211-0719 PO Box 2088 Santa Fe, NM 87504-2088 93 MAR 13 PM 1: 35 State Lease - 4 Co 999 Rio Brazos Rd., Aztec, NM 87410 Fee Lease - J Coi Hatrict LV O Box 2088, Santa Fe, NM 87504-2081 AMENDED REPO WELL LOCATION AND ACREAGE DEDICATION PLAT API Number ² Pool Code Blanco Mesaverde/Basin Dakota 72319/71599 30-039-⁴ Property Code 7452 SAN JUAN 27-4 UNIT OCRID No. Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY 14538 10 Surface Location

Form C-

* Well Number # 53M

'Elevation

6733

UL or lot no. Range North/South line Section Township Lot Ida Feet from the Feet from the East/West line County **RIO ARRIE 30** 4 W 2005 SOUTH 1595 EAST 27 N 11 Bottom Hole Location If Different From Surface UL or lot no. Section Township Lot Ida Feet from the North/South line Feet from the East/West line County 15 Dedicated Acres 13 Joint or Infill 15 Order No. 14 Consolidation Code MV - E / 320NO 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 CERTIFICATIO 16 5293'(R) I hereby certify that the information contained herein is true and complete to the best of my knowledge and bell Lot 1 - 8 1998 agried (0)[[L (C(0)]], [D]] Peggy Bradfield DIST. 3 Printed Name Regulatory Administrator Lot 2 Title NMSF- 080670 Date 18SURVEYOR CERTIFICATIO I hereby certify that the well location shown on this pla was plotted from field notes of actual surveys made by or under my supervision, and that the same is true and 1595' Lot 3 correct to the best of my belief. November 21, 1997 Date of Survey AAAAA Signature and MEXIC SURVEYOR 4016 Lot 4 7016 Certificate No

(R)- GLO RECORD

5292'(K)

OPERATIONS PLAN

Well Name: San Juan 27-4 Unit #53M

<u>Location:</u> 2005'FSL, 1595'FEL Sec 30, T-27-N, R-4-W

Rio Arriba County, NM

Latitude 36^o 32.3, Longitude 107^o 17.13

Formation: Blanco Mesa Verde/Basin Dakota

Elevation: 6733'GL

Formation Tops:	<u>Top</u>	<u>Bottom</u>	Contents
Surface	San Jose	2977'	
Ojo Alamo	2977'	3078′	aquifer
Kirtland	3078′	3192'	
Fruitland	3192'	3556'	gas
Pictured Cliffs	3556'	3635'	gas
Lewis	3635'	4015'	gas
Intermediate TD	3735'		
Huerfanito Bentonite	4015'	4517'	gas
Chacra	4517'	5243'	
Massive Cliff House	5243'	5368'	gas
Menefee	5368'	5725′	gas
Massive Point Lookout	5725'	6871'	gas
Gallup	6871'	7672′	gas
Greenhorn	7672'	7872'	gas
Dakota	78 72 ′		gas
TD (4 1/2"liner)	8017'		

Logging Program:

Cased hole - CBL - TD to 200' above TOC, GR/CNL across MV/Dk

Mud Program:

<u>Interval</u>	<u>Type</u>	Weight	<u>Vis.</u>	Fluid Loss
0- 200'	Spud	8.4-9.0	40-50	no control
200-3735'	LSND	8.4-9.0	30-60	no control
3735-8017'	Gas	n/a	n/a	n/a

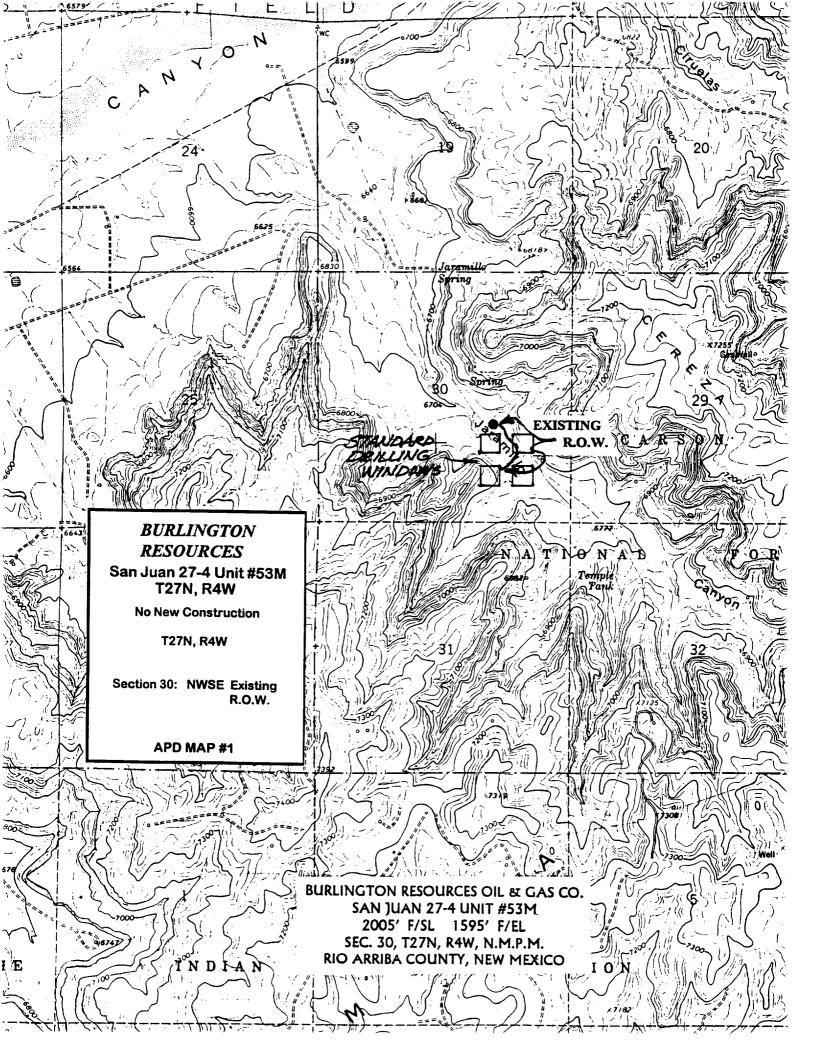
Pit levels will be visually monitored to detect gain or loss of fluid control.

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

<u> Hole Size</u>	<u>Depth Interval</u>	<u>Csq.Size</u>	<u>Wt.</u>	<u>Grade</u>
12 1/4"	0' - 200'	9 5/8"	32.3#	WC-50
8 3/4"	0' - 3735'	7"	20.0#	J-55
6 1/4"	3635' - 8017'	4 1/2"	10.5#	K-55

Tubing Program:

0' - 8017' 2 3/8" 4.70# EUE





NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

April 20, 1998

Burlington Resources Oil & Gas Company P. O. Box 4289
Farmington, New Mexico 87499-4289
Attention: Peggy Bradfield

DECEIVED MAY - 1 1998

OIL CON. DIV.

Ad

Administrative Order NSL-4012

Dear Ms. Bradfield:

Reference is made to your application dated April 13, 1998, for an unorthodox "infill" gas well location in both the Blanco-Mesaverde and Basin-Dakota Pools for your proposed San Juan "27-4" Unit Well No. 53-M to be drilled 2005 feet from the South line and 1595 feet from the East line (Unit J) of Section 30, Township 27 North, Range 4 West, NMPM, Rio Arriba County, New Mexico.

Gas production attributed to said well from both pools is to be included in the existing standard 320-acre gas spacing and proration units comprising the E/2 of said Section 30. The Mesaverde production is currently dedicated to your San Juan "27-4" Unit Well No. 21 (API No. 30-039-06937), located at a standard gas well location 850 feet from the North line and 1800 feet from the East line (Unit B) of said Section 30, and the Dakota production is currently dedicated to the San Juan "27-4" Unit Well No. 53 (API No. 30-039-20150), located at a standard gas well location 900 feet from the North line and 1460 feet from the East line (Unit B) of said Section 30.

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" Dakota/Mesaverde gas well location for the San Juan "27-4" Unit Well No. 53-M is hereby approved.

Sincerely.

Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Farmington

U.S. Forest Service - Bloomfield

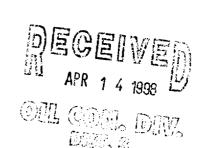
BURLINGTON RESOURCES

SAN JUAN DIVISION

April 13, 1998

Sent Federal Express

Ms. Lori Wrotenbery, Director New Mexico Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505



Re:

San Juan 27-4 Unit #53M

2005'FSL, 1595'FEL, Section 30, T-27-N, R-4-W, Rio Arriba County, NM

30-039-not assigned

Dear Ms. Wrotenbery:

Burlington Resources is applying for administrative approval of an unorthodox gas well location for both the Mesa Verde and Dakota pools. This application for the referenced location is for topographic reasons and at the request of the Carson National Forest Service.

Production from the Blanco Mesa Verde pool is to be included in an existing 320 acre gas spacing and proration unit comprising of the East half (E/2) of Section 30 which is currently dedicated to Burlington's San Juan 27-4 Unit #21 (API 30-039-06937), located at a standard gas well location of 850' FNL, 1800' FEL of said Section 30. Production from the Basin Dakota pool is to be included in an existing 320 acre gas spacing and proration unit comprising of the East half (E/2) of Section 30 which is currently dedicated to Burlington's San Juan 27-4 Unit #53 (API 30-039-20150), located at a standard gas well location of 900' FNL 1460' FEL of said Section 30.

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 is the operator of the unit.
- 4. 7.5 minute topographic map, and enlargement of the map to define topographic features.

We appreciate your earliest consideration of this application.

Sincerely,

Peggy Bradfield

Regulatory/Compliance Administrator

xc:

NMOCD - Aztec District Office

Bureau of Land Management - Farmington District Office

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 5. Lease Number 1a. Type of Work SF-080670 DRILL **Unit Reporting Number** 6. If Indian, All. or Tribe 1b. Type of Well GAS 7. Unit Agreement Name 2. Operator Oil & Gas Company San Juan 27-4 Unit 8. Farm or Lease Name 3. Address & Phone No. of Operator San Juan 27-4 Unit PO Box 4289, Farmington, NM 87499 9. Well Number (505) 326-9700 53M 10. Field, Pool, Wildcat Location of Well Blanco MV/Basin Dk 2005'FSL, 1595'FEL 11. Sec., Twn, Rge, Mer. (NMPM) Sec 30, T-27-N, R-4-W Latitude 36° 32.3, Longitude 107° 17.13 API # 30-039-12. County 13. State Distance in Miles from Nearest Town MM Rio Arriba 50 miles to Blanco Distance from Proposed Location to Nearest Property or Lease Line 15. 1595' 17. Acres Assigned to Well Acres in Lease 16. 320 E/2 Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 18. 200' 20. Rotary or Cable Tools 19. **Proposed Depth** Rotary 8017 22. Approx. Date Work will Start 21. Elevations (DF, FT, GR, Etc.) 6733'GR 23. **Proposed Casing and Cementing Program** See Operations Plan attached 24. Authorized by Regulatory/Compliance Administrator APPROVAL DATE PERMIT NO. DATE ____ TITLE APPROVED BY

Archaeological Report to be submitted by Arboles Contract Archaeology

NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

artes 1 O Box 1980, Hobbs, NM 88241-1980 O Drawer DD, Artesia, NM 88211-0719

State of New Mexico
Energy, Minerals & Natural Resources Department

Form ' Revised February 21. Instructions or

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

Submit to Appropriate District ' State Lease - 4 (

Fee Lease - 3 (

O Box 2088, Santa Fe, NM 87504-2082

(R)- GLO RECORD

5292'(K)

900 Rio Brazos Rd., Aztec, NM 87410

Natrict IV AMENDED RE WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 30-039-72319/71599 Blanco Mesaverde/Basin Dakota * Property Code 1 Property Name ' Well Number 7452 # 53M SAN JUAN 27-4 UNIT 'OGRID No. Operator Name Elevation 14538 BURLINGTON RESOURCES OIL & GAS COMPANY 6733 10 Surface Location UL or lot so. Section Township Range Lot Ide Feet from the North/South line Feet from the East/West line County **RIO ARI** 30 27 N 4 W 2005 SOUTH 1595 **EAST** 11 Bottom Hole Location If Different From Surface UL or lot so. Section Township Feet from the North/South line East/West line County 15 Dedicated Acres 13 Joint or Infill | 14 Consolidation Code | 15 Order No. 4V-E/320 NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDAT OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION 17 OPERATOR CERTIFICAT 6293'(R) I hereby certify that the information cont true and complete to the best of my knowledge and Lot 1 Signature Peggy Bradfield Printed Name Regulatory Administrat Lot 2 Title NMSF+ 080670 Date "SURVEYOR CERTIFICATI I hereby certify that the well loc was plotted from field notes of actual surveys made or under my supervision, and that the same is true Lot 3 1595" correct to the best of my belief. November 21, 1997 Date of Survey Signature and Scal & Professional Agree MEXIC. SURVEYOR 7016 Lot 4 7016

OPERATIONS PLAN

Well Name: San Juan 27-4 Unit #53M

Location: 2005'FSL, 1595'FEL Sec 30, T-27-N, R-4-W

Rio Arriba County, NM

Latitude 36° 32.3, Longitude 107° 17.13

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Formation Tops:	<u>Top</u>	Bottom	Contents
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Dakota	7872′		gas
TD (4 1/2"liner)	8017'		

Logging Program:

Cased hole - CBL - TD to 200' above TOC, GR/CNL across MV/Dk

Mud Program:

<u> Interval</u>	<u>Type</u>	Weight	<u>Vis.</u>	Fluid Loss
0- 200'	Spud	8.4-9.0	40-50	no control
200-3735'	LSND	8.4-9.0	30-60	no control
3735-8017'	Gas	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):

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csq.Size</u>	<u>Wt.</u>	<u>Grade</u>
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6 1/4"	3635' - 8017'	4 1/2"	10.5#	K-55

Tubing Program:

0' - 8017' 2 3/8" 4.70# 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 -

7 1/16" 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 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 163 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 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/303 sx Class "B" w/3% metasilicate, 10# gilsonite/sx and 1/2# flocele/sx. Tail w/90 sx 50/50 Class "B" Poz w/2% calcium chloride, 2% gel, 1/2# flocele/sx, 10# gilsonite/sx (982 cu.ft. of slurry, 75% 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.

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 3078'. Two turbolating centralizers at the base of the Ojo Alamo at 3078'. 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 cover minimum of 100' of 4 $1/2" \times 7"$ overlap. Cement with 473 sx 50/50 Class "B" Poz with 2% gel, 1/4# flocele/sx, 5# gilsonite/sx, and 0.4% fluid loss additive (629 cu.ft., 40% excess to cement 4 $1/2" \times 7"$ overlap). WOC a minimum of 18 hrs prior to completing.

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

Note: To facilitate higher hydraulic stimulation completion work, no liner hanger will be used. Instead, 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" CIBP will be set above the last fracturing job to cut and pull the 4 1/2" casing above the 7" casing shoe. The 4 1/2" bridge plug will then be milled and the two strings of tubing will be run for a dual completion.

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 completed and commingled.
- 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 2500 psi

- Sufficient LCM will be added to the mud system to maintain well control, if lost circulation is encountered.
- The east half is dedicated to the Mesa Verde and the Dakota in this well.

• This gas is dedicated.

Drilling Engineer

Date



San Juan 27-4 Unit #53M Multi-Point Surface Use Plan

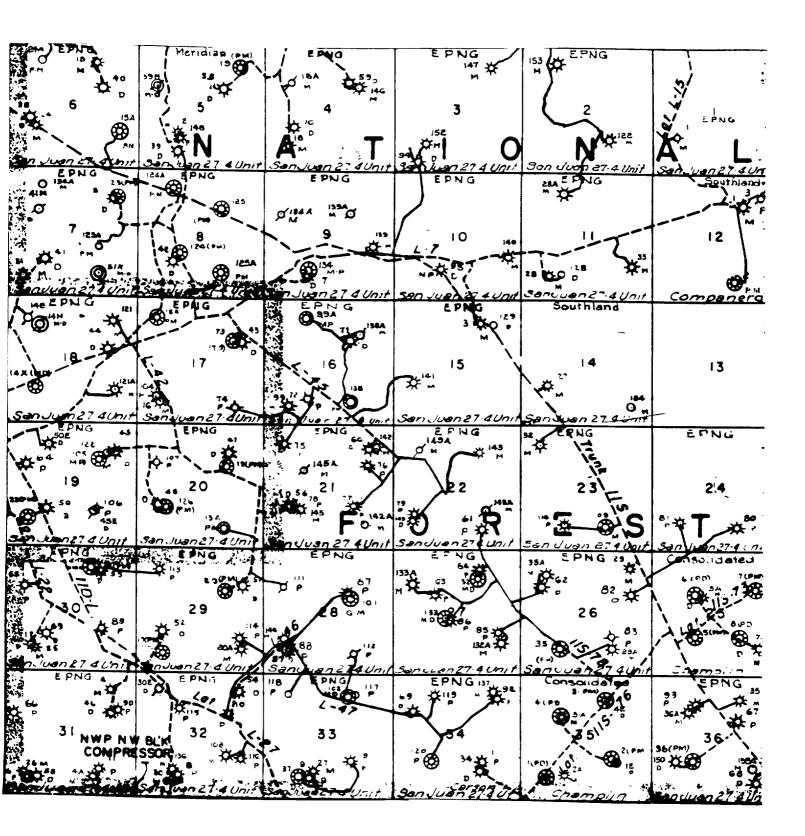
- 1. Existing Roads Refer to Map No. 1. Existing roads used to access the proposed location will be properly maintained for the duration of the project. Bureau of Land Management right-of-way has been applied for as shown on Map No. 1.
- 2. Planned Access Road Refer to Map No. 1. None required.
- 3. 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 pipeline facilities as shown on the attached plat from Williams Field Service.
- 5. Location and Type of Water Supply Water will be hauled by truck for the proposed project and will be obtained from Companero Water Hole located SE 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 Carson National Forest
- 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

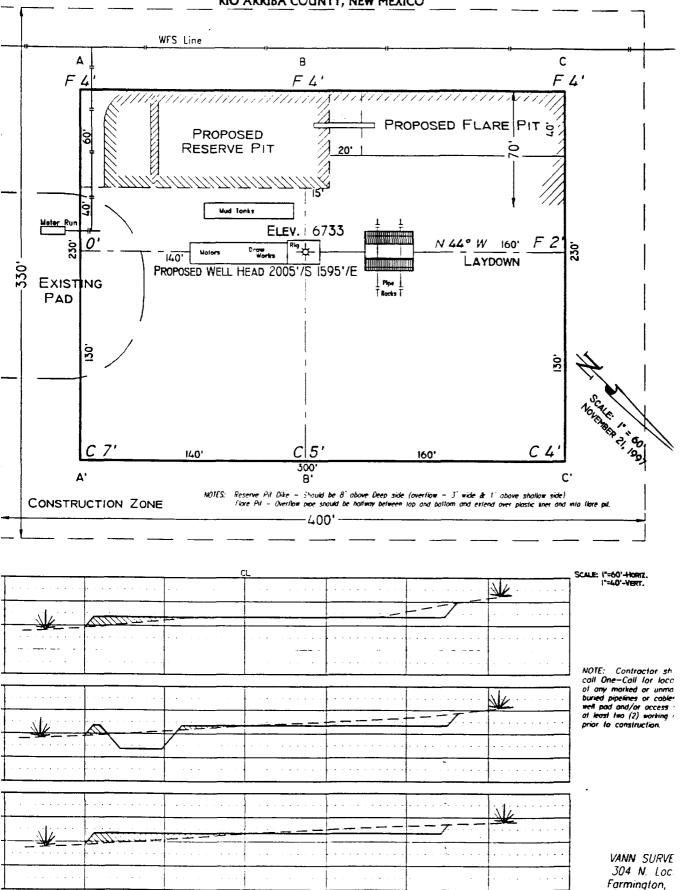
рb



MERIDIAN OIL INC.
Pipeline Map
T-27-N, R-04-W
Rio Arriba County, New Mexico
San Juan 27-4 Unit #53M
Map 1A

PAD LAYOUT PLAN & PROFILE BURLINGTON RESOURCES OIL & GAS COMPANY SAN JUAN 27-4 UNIT 53M 2005' F/SL 1595' F/EL

SEC. 30, T27N, R4W, N.M.P.M. RIO ARRIBA COUNTY, NEW MEXICO

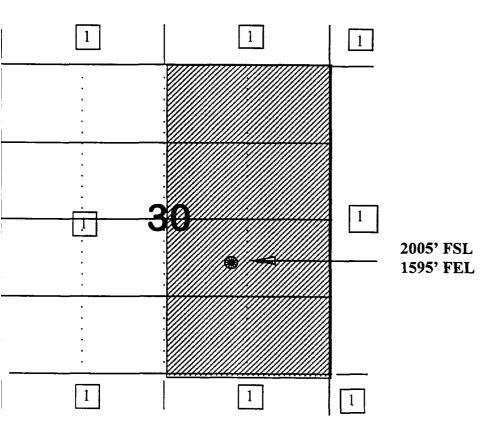


GTON RESOURCES OIL AND GAS COMPANY

San Juan 27-4 Unit #53M FFSET OPERATOR/OWNER PLAT Non Standard Location

esaverde / Dakota Formations Well

Township 27 North, Range 4 West



1) Burlington Resources

