

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
Douthitt #3	W. Kutz Pictured Cliffs	P 26-27-11	30-045-06213 ✓
OK-Harrington #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✓
OK-Luthy A #1	S. Blanco Pictured Cliffs	H 01-26-08	30-045-06040✓
Luthy #2	S. Blanco Pictured Cliffs	K 01-26-08	30-045-06025✓
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✓
Quitau #1	Ballard Pictured Cliffs	D 03-25-08	30-045-05565✓
Quitau #2	Ballard Pictured Cliffs	F 11-25-08	30-045-05500✓
Quitau #3	Ballard Pictured Cliffs	P 11-25-08	30-045-05469✓
Quitau #4	Ballard Pictured Cliffs	O 03-25-08	30-045-05532
Quitau #5	Ballard Pictured Cliffs	M 03-25-08	30-045-05536✓
Turner Hughes #10	S. Blanco Pictured Cliffs	B 11-27-08	30-045-06710✓
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✓

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.

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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

A handwritten signature in cursive script, appearing to read "Peggy Bradfield".

Peggy Bradfield
Regulatory/Compliance Administrator

xc: NMOCD Aztec District Office

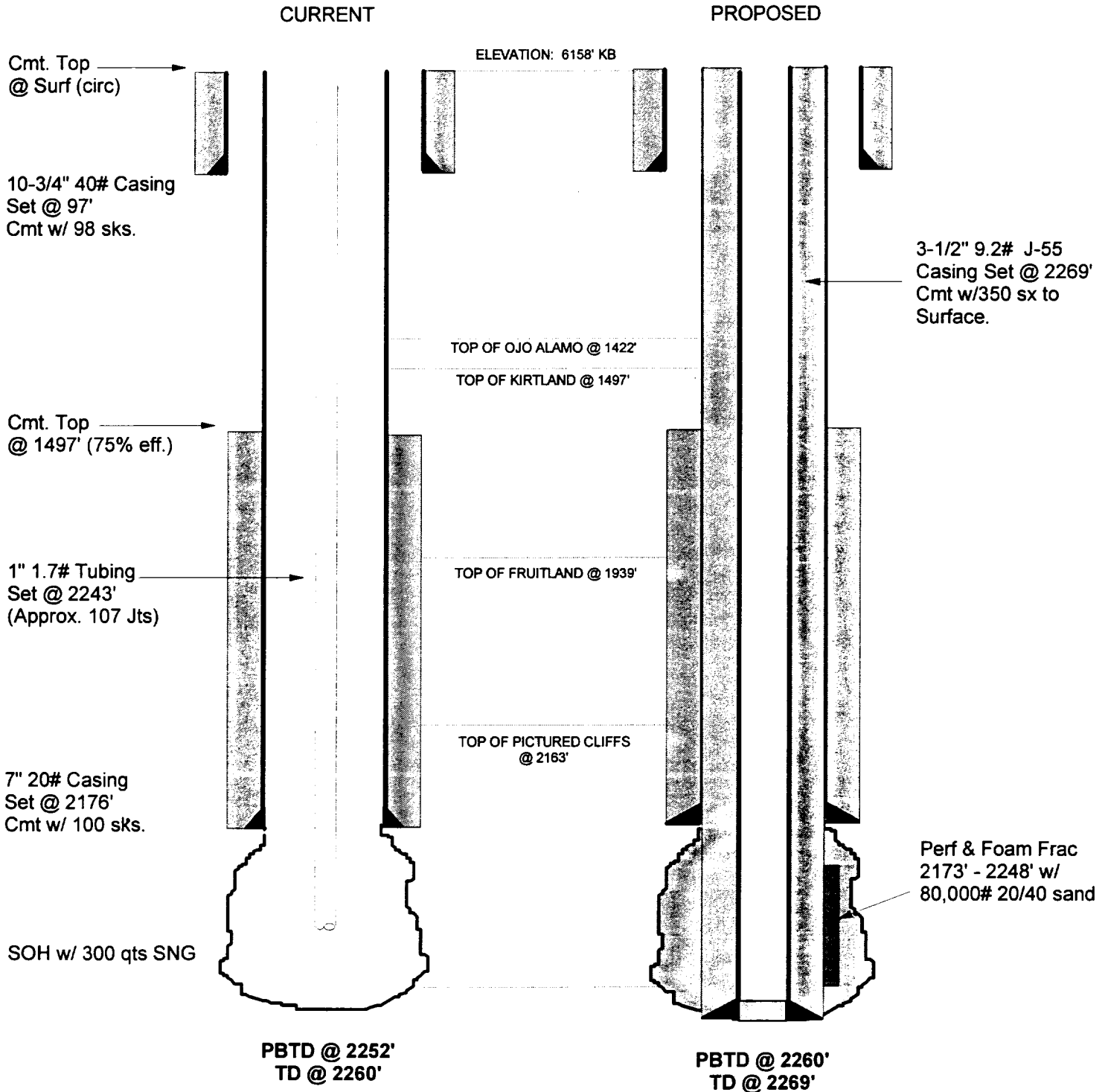
Luthy #2

Section 1K, T-26-N, R-8-W
San Juan County, NM

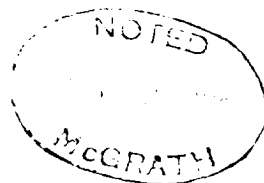
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SOUTH BLANCO PICTURED CLIFFS WELLBORE SCHEMATIC

OIL CON. DIV.
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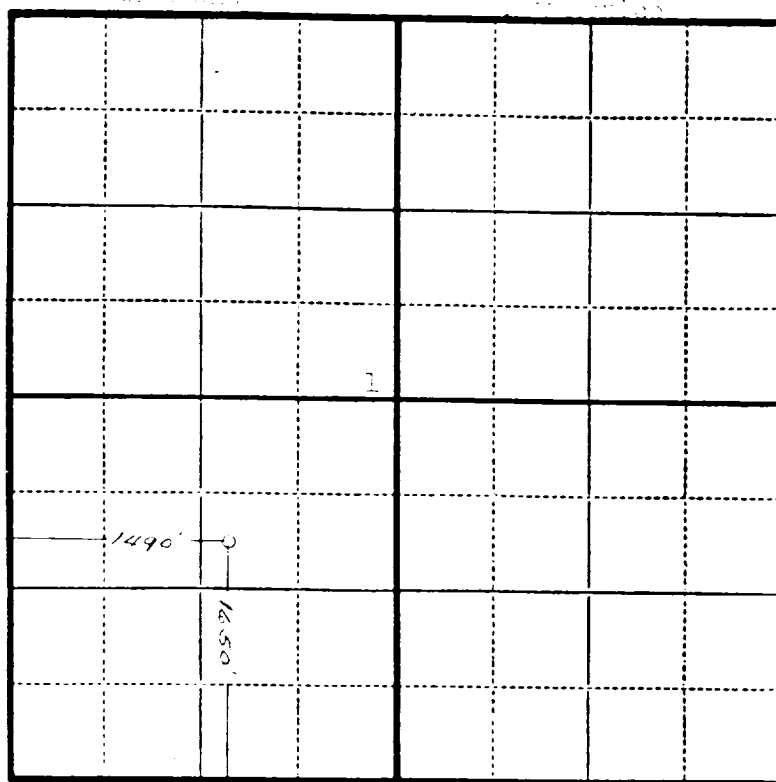


Company J. R. Barry

Lease Entry Well No. 2

Sec. 1 T. 26 N. R. 3 W., S. 1 E. 1 N.

Location 2.5 mi. from the South line of 24,901 from
the 1901 line.



Scale—4 inches equals 1 mile.

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

[Signature]

Seal:

Registered Professional
Engineer and Land Surveyor.

Surveyed , 19