

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	5. Lease Number SF-078060 Unit Reporting Number
1b. Type of Well GAS	6. If Indian, All. or Tribe
2. Operator BURLINGTON RESOURCES Oil & Gas Company	Unit Agreement Name Huerfano Unit
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87409 (505) 326-9700	8. Farm or Lease Name Huerfano Unit 9. Well Number #55R
4. Location of Well 1730' FNL, 1115' FEL Latitude 36° 27.7'N, Longitude 107° 46.3'W	10. Field, Pool, Wildcat Ballard Pic'd Cliffs 11. Sec., Twn, Rge, Mer. (NMPM) # Sec. 27, T-26-N, R-9-W API # 30-045-30504
14. Distance in Miles from Nearest Town 30 miles from Bloomfield P.O.	12. County San Juan 13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 1115'	17. Acres Assigned to Well 160 NE/4
16. Acres in Lease	
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 125'	
19. Proposed Depth 2190' —	20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 6399' GR	22. Approx. Date Work will Start
23. Proposed Casing and Cementing Program See Operations Plan attached	DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"
24. Authorized by: <u>[Signature]</u> Regulatory/Compliance Supervisor	Date <u>12-8-00</u>

PERMIT NO. 181 Jim Lovato APPROVAL DATE 12-16-00
APPROVED BY 181 Jim Lovato TITLE Team Lead, Permitting Management DATE 12-16-00

Archaeological Report to be submitted

Threatened and Endangered Species Report to be submitted

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

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or presentations as to any matter within its jurisdiction.

RM000

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DISTRICT I
P.O. Box 1980, Hobbs, N.M. 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, N.M. 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-30504		² Pool Code 71439		³ Pool Name Ballard Pictured Cliffs	
⁴ Property Code 7139		⁵ Property Name HUERFANO UNIT			⁶ Well Number 55R
⁷ GRID No. 14538		⁸ Operator Name BURLINGTON RESOURCES OIL & GAS INC.			⁹ Elevation 6399'

¹⁰ Surface Location

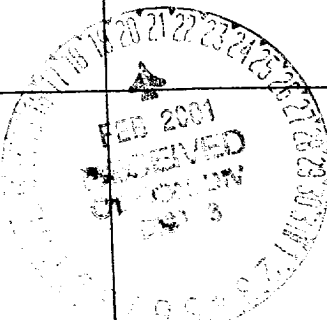
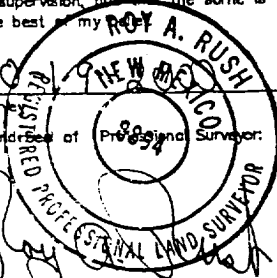
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	27	26-N	9-W		1730	NORTH	1115	EAST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres NE/160					¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

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	FD 2 1/2" GLO 1947 B.C.	N 89-53-12 W 2609.35' (M)	FD 2 1/2" GLO 1947 BC	
	SF-078060	1115'	S 00-04-00 E 2840.83' (M)	
<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p>Signature: <u>Peggy Cole</u></p> <p>Printed Name: <u>Peggy Cole</u></p> <p>Title: <u>Regulatory Supervisor</u></p> <p>Date: <u>12-8-00</u></p>				<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief</p> <p>Date of Survey: <u>12-8-00</u></p> <p>Signature and Seal of Professional Surveyor: <u>[Signature]</u></p> <p>Certificate Number: <u>8894</u></p>

OPERATIONS PLAN

Well Name: Huerfano Unit #55R
Location: 1730' FNL, 1115' FEL, Section 27, T-26-N, R-9-W
San Juan County, New Mexico
Latitude 36° 27.7' N, Longitude 107° 46.3' W
Formation: Ballard Pictured Cliffs
Elevation: 6399' GR

Formation:	Top	Bottom	Contents
Surface	San Jose	1186'	
Ojo Alamo	1186'	1285'	aquifer
Kirtland	1285'	1503'	gas
Fruitland	1503'	1990'	gas
Pictured Cliffs	1990'		gas
Total Depth	2190'		

Logging Program: cased hole - CBL/GR/CCL TD to surface

Coring Program: None

Mud Program:

Interval	Type	Weight	Vis.	Fluid Loss
0- 120'	Spud	8.4-9.0	40-50	no control
120-2190'	FW	8.4-9.0	32-45	no control

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

Hole Size	Depth Interval	Csg. Size	Wt.	Grade
8 3/4"	0 - 120'	7"	20#	J-55
6 1/4"	0 - 2190' —	2 7/8"	6.5#	J-55

Float Equipment: 7" surface casing - saw tooth guide shoe.
Centralizers will be run in accordance with Onshore Order #2.

2 7/8" production casing - float shoe on bottom. Three centralizers run every other joint above shoe. Seven centralizers run every 3rd joint to the base of the Ojo Alamo @ 1285'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 1285'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Wellhead Equipment: 7" x 2 7/8" 2000 psi screw on independent wellhead.

Cementing:

7" surface casing - cement with 46 sx Class "H" cement with 1/4# flocele/sx and 3% calcium chloride (54 cu.ft. of slurry, 200% excess to circulate to surface). WOC 8 hrs. Test casing to 600 psi for 30 minutes.

2 7/8" production casing - Lead w/212 sx Class "H" w/2% econolite, 1/2 pps flocele, 10 pps gilsonite, and 10 pps blended silicalite. Tail w/90 sx 50/50 Class "H" Poz w/2% gel, 2% calcium chloride, 1/4 pps flocele, 5 pps gilsonite (736 cu.ft. of slurry, 100% excess to circulate to surface). WOC 8 hrs. If cement does not circulate to surface, a CBL will be run during completion to determine TOC.

Note: If open hole logs are run, cement volumes will be based on 25% excess over caliper volumes.

BOP and tests:

Surface to TD - 11" 2000 psi (minimum double gate BOP stack (Reference Figure #1 and #2). Prior to drilling out surface casing, test rams to 600 psi/30 min.

Completion - 6" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to completion operations, test rams and casing to 2000 psi/15 min.

From surface to TD - choke manifold (Reference Figure #3).

Pipe rams will be actuated to least once each day and blind rams actuated once each trip to test proper functioning. An upper kelly cock valve with handle and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

Additional information:

- * The Pictured Cliffs formation will be completed.
- * Anticipated pore pressure for the Pictured Cliffs is 500 psi.
- * This gas is dedicated.
- * The northeast quarter of Section 27 is dedicated to the Pictured Cliffs.



Drilling Engineer

12/19/00

Date

BURLINGTON RESOURCES OIL & GAS INC.

HUERFANO UNIT #55R

NE/4 SEC.27, T-26-N, R-9-W, N.M.P.M.

SAN JUAN COUNTY, NEW MEXICO

1730' FNL

1115' FEL

APD MAP #1

NO NEW BLM CONSTRUCTION
SE/NE SECTION 27, T26N, R9W

