UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

	To a Children	5. Lease Number
a .	Type of Work	NMSF-079050D
	DRILL	Unit Reporting Number 891001051A
b.	Type of Well	6. If Indian, All. or Tribe
υ.	GAS	
	Operator FEB 2002	7. Unit Agreement Name
	RESOURCES Oil & Gas Company	San Juan 28-6 Unit
 }.	Address & Phone No. of Operator	8. Farm or Lease Name San Juan 28-6 Unit
	PO Box 4289, Farmington, NM 87499	9. Well Number
	(505) 326-9700	227
.	Location of Well	10. Field, Pool, Wildcat
••	775' FNL, 1635' FWL	So Blanco Pict Cliffs 11. Sec., Twn, Rge, Mer. (NMPM)
	Latitude 36 ^o 38.2, Longitude 107 ^o 27.5	Sec. 27, T-28-N, R-6-
	Latitude 36° 38.2, hongitude 10', 2''.3	API# 30-039-26917
14.	Distance in Miles from Nearest Town	12. County 13. State
1-7.	29 miles from Blanco	Rio Arriba NM
15.	Distance from Proposed Location to Nearest Property or Lease L	ine
4.2	775' Acres in Lease	17. Acres Assigned to Well
16.	ACIES III Lease	160 NW/4
18.	Distance from Proposed Location to Nearest Well, Drlg, Compl, o	or Applied for on this Lease
	957' This action is subject to technical and	
19.	Proposed Depth and appeal pursuant to 43 CFR 3165.2	20. Rotary or Cable Tools
13.	3540' and appeal pursuant to 43 CFR 3185.4.	Rotary
21.	Elevations (DF, FT, GR, Etc.)	22. Approx. Date Work will Start
	6476* GR. DRIL	LLING OPERATIONS AUTHORIZED ARE
23.	Proposed Casing and Cementing Program See Operations Plan attached	MARIAN BENNIES WENCO. NECT TO COMPLIANCE MAIN ALLYCHED
	()	1-11-02
24.	Authorized by: Regulatory/Compliance Supervisor	1-/1-02 Date
24.	Regulatory/Compliance Supervisor	Date
	Authorized by: Regulatory/Compliance Supervisor MIT NO. APPROVAL I TITLE Poli, E.	Date

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.

DISTRICT I 1825 N. French Dr., Hobba, N.M. 88240

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000

DISTRICT II 811 Scath First, Arlesia, N.M. 88210

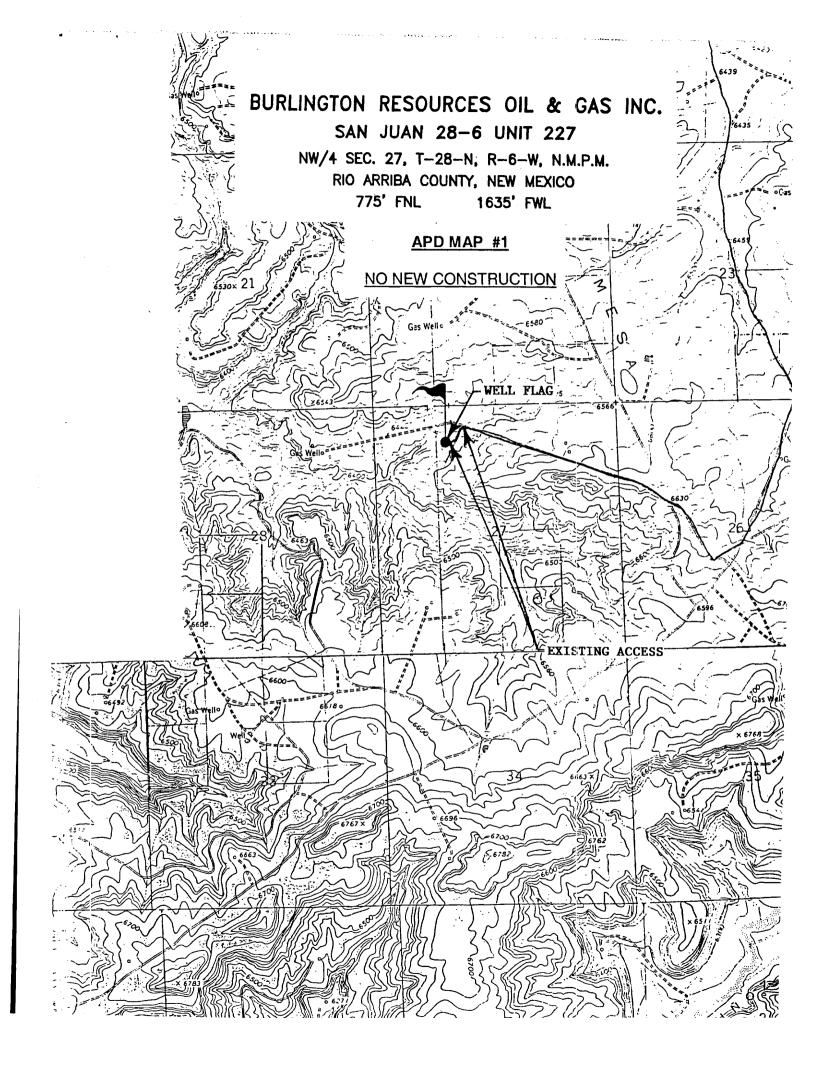
OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease — 4 Copies
Fee Lease — 3 Copies

[] AMENDED REPORT

DISTRICT III
1000 Itio Bruzos Rd., Aziec, N.M. 87410

40 South Pached	ne, guintu f		ELL LO	CATION	I AND ACI	REAGE DEDI	CATION PL	AT	
¹API	Number	0-		² Pool Code			³ Pool Name		
30-039-	26	711	7243	9		th Blanco Pic	tured Cliff		
"Property Con	de .				Property N			. wei	Number 227
7462					SAN JUAN 28				·
⁷ OGRID No.				•	*Operator N			i -	levation
14538	`			BURLINGTO	ON RESOURCE	S OIL & GAS IN	C		647 6'
				·	¹⁰ Surface			· · · · · · · · · · · · · · · · · · ·	
L or lot no.	Section	Township 28-N	Range 6-W	Lot idn	Feet from the	North/South line NORTH	Feet from the 1635	East/West fine WEST	RIO ARRIE
C	27	20-N		m Hole	775	f Different Fro		WLU.	7,70
L or lot no.	Section	Township	Ronge	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	Count
Dudloated Acres			13 Joint or	inf il l	¹⁴ Consolidation C	ode	¹⁶ Order No.		
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	89'59'4	<u> </u>	ED 2 1/2						
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OPERATIONS PLAN

Well Name: San Juan 28-6 Unit #227

Location: 775'FNL, 1635'FWL, Section 27, T-28-N, R-6-W

Rio Arriba County, New Mexico

Latitude 36° 38.2, Longitude 107° 27.5

Formation: South Blanco Pictured Cliffs

Elevation: 6476' GL

Formation:	Top	Bottom	Contents
Surface Ojo Alamo Kirtland Fruitland Pictured Cliffs Total Depth	San Jose 2538' 2658' 3054' 3288' 3540'	2538' 2658' 3054' 3288'	aquifer gas gas gas

Logging Program:

Cased hole - Surface to TD - CBL-CCL-GR Open hole - Surface to TD - Array Induction, CNL-CDL

Coring Program: None

Mud Program:

	Type	Weight	Vis.	Fluid Loss
0- 200'	Spud	8.4-9.0	40-50	no control
200- 3540′	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 - 200'	7 "	20.0#	J-55
6 1/4"	0 - 3540'	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 @ 2658'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 2658'. 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 76 sx Class B with 3% calcium chloride and 0.25 pps Flocele (90 cu.ft. of slurry, circulate cement to surface). WOC 8 hrs. Test casing to 600 psi for 30 minutes.

2 7/8" production casing - Lead w/500 sx Premium Lite cement w/3% calcium chloride, 1/4 pps Flocele, 5 pps LCM-1, 0.4% FL-52, 0.4% SMS. Tail w/90 sx Type III cement w/1% calcium chloride, 1/4 pps Flocele, and 0.2% FL-52 (1189 cu.ft. of slurry, 100% excess to circulate to surface).

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). 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.

BOP and tests (if a coiled tubing drilling rig is utilized):

Surface to TD: 7 1/16" 2000 psi (minimum) Torus annular BOP stack (Reference Figure #1B). Prior to drilling out surface casing, test annular BOP to 600 psi/30 minutes.

Completion: 7 1/16" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to completion operations, test blind rams and casing to 1500 psi/30 minutes; all pipe rams and casing to 1500 psi/30 minutes each.

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

The annular BOP will be actuated to close on drill pipe (coiled tubing) at least once each day and to close on open hole once each trip to test proper functioning.

Additional information:

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

Drilling Engineer

Date