UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 5. Lease Number Type of Work 1a. SF-078715 DRILL Unit Reporting Number Indian, All. or Tribe Type of Well 1b. GAS 7. Unit Agreement Name 2. Operator Oil & Gas Company 8. Farm or Lease Name 3. Address & Phone No. of Operator Lackey Hubbell PO Box 4289, Farmington, NM 87499 9. Well Number (505) 326-9700 #2R 10. Field, Pool, Wildcat Location of Well Fulcher Kutz PC 1650'FNL, 1635'FEL 11. Sec., Twn, Rge, Mer. (NMPM) Sec.29, T-28-N, R-10-W Latitude 36° 38.1, Longitude 107° 54.9 API# 30-045- 30260 12. County 13. State Distance in Miles from Nearest Town 14. San Juan MM 4 mi from Bloomfield Distance from Proposed Location to Nearest Property or Lease Line 15. 1635 17. Acres Assigned to Well Acres in Lease 16. 160 NE/4 Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 18. This exten is rubject to techn 400' precedural review pursuant to 43 CFR 3168.3 20. Rotary or Cable Tools 19. Proposed Depth end appeal pursuant to 43 CFR 3165.4. Rotary 2276'/ 22. Approx. Date Work will Start Elevations (DF, FT, GR, Etc.) 21. 6097 CL A RUBBORIZED ARE **Proposed Casing and Cementing Program** 23. See Operations Plan attached SCHOOL OF THE TOTAL OF THE ATTACHED "GENERAL NEGRO MELALITATA 24. Authorized by: Regulatory/Compliance Administrator APPROVAL DATE PERMIT NO.

Archaeological Report to be submitted

APPROVED BY

Threatened and Endangered Species Report to be submitted

/a/ Jim Lovato

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.

TITLE

DATEAUG 29 2000

District I PO Box 1980, Hobbs, NM 88241-1980

District II PD Drawer DD, Artesia, NM 88211-0719

District III 1000 Rio Brazos Rd., Aztec, NM 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 mit to Appropriate District Office

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

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18567 LACKEY H				UBBELL				2R		
OGRID		*Operator							*Elevation	
14538		BURLINGTON RESOURCES			S OIL & GAS	OIL & GAS COMPANY		6097-		
					¹⁰ Surface	Location				
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UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the		est line	County
12 Dedicated Acres	3	¹³ Joint or In	fill ¹⁴ Cons	solidation Code	¹⁵ Order No.			<u> </u>		
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OPERATIONS PLAN

Well Name: Lackey Hubbell #2R

Location: 1650'FNL, 1635'FEL Section 29, T-28-N, R-10-W

San Juan County, New Mexico

Latitude 36° 38.1, Longitude 107° 54.9

Formation: Fulcher Kutz Pictured Cliffs

Elevation: 6097'GL

Formation:	Top	Bottom	Contents
Surface	San Jose	1096′	
Ojo Alamo	1096′	1163′	aquifer
Kirtland	1163'	1831'	gas
Fruitland	1831'	2076'	gas
Pictured Cliffs	2076'		gas
Total Depth	2276′		

Logging Program: none

Coring Program: none

Mud Program:

-					
	<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	Fluid Loss
	0- 120'	Spud	8.4-9.0	40-50	no control
	120-2276′	LSND	8.4-9.0	40-60	no control

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

<u>Hole Size</u>	Depth Interval	<u>Csq.Size</u>	<u>Wt.</u>	<u>Grade</u>
7 7/8"	0 - 120'	5 1/2"	15.5#	J-55
4 3/4"	0 - 2276'	2 7/8"	6.4#	J-55

Tubing Program: none

Float Equipment: 5 1/2" 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 @ 1163'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 1163'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Wellhead Equipment: 5 1/2" x 2 7/8" 2000 psi screw on independent wellhead.

Lackey Hubbell #2R

Cementing:

5 1/2" surface casing - cement with 53 sx Class "B" cement with 10 pps gilsonite, 1/2# flocele/sx and 2% calcium chloride (63 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/100 sx Class "B" w/3% sodium metasilicate, 1/2 pps cellophane and 10 pps gilsonite. Tail w/50 sx 50/50 Class "B" Poz w/2% gel, 1/2 pps cellophane, and 10 pps gilsonite (355 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.

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 600 psi.
- * This gas is dedicated.
- * The northeast quarter of the section is dedicated to the Pictured Cliffs.

Skur Cadrel | 1/27/2000
Drilling Engineer Date

BURLINGTON RESOURCES OIL & GAS COMPANY LACKEY HUBBEL #2R 1650' FNL & 1635' FEL, SECTION 29, T28N, RIOW, N.M.P.M. SAN JUAN COUNTY, NEW MEXICO APD MAP # 200' NEW BLM CONSTRUCTION SWNE SECTION 29, T28N, RIOM. 5919 EXISTING R.O.W. NEW BLM R.O.W