UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

	APPLICATION FOR PERMIT TO DRILL, DEEPEN	
4 -	Time of Morte	5. Lease Number 2: 05
1a.	Type of Work DRILL	SF-078399
	DRILL	Unit Reporting Number
		6. If Indian, All. or Tribe
1b.	Type of Well GAS	o. II ilidian, An. of Tibe
		7. Hait Amazamant Nama
2.	Operator BURLINGTON	7. Unit Agreement Name
	RESOURCES Oil & Gas Company	San Juan 29-7 Unit
3.	Address & Phone No. of Operator	Farm or Lease Name
	PO Box 4289. Farmington, NM 87499	San Juan 29-7 Unit
	AUG 2001	9. Well Number
	(505) 326-9700 ESCEIVED	
4.	Location of Well DIST. 3	10: Field, Pool, Wildcat
	1860' FSL, 1160' FEL,	Blanco Pictured Cliff
	1070	L Sec., Twn, Rge, Mer. (NMPM) Sec. 9, T-29-N, R-7-W
	Latitude 36° 44.3, Longitude 107°	API # 30-039- 26746
14.	Distance in Miles from Nearest Town	12. County 13. State
17.	16 miles from Blanco	Rio Arriba NM
15.	Distance from Proposed Location to Nearest Property or Lease Li	ne
16.	1160' Acres in Lease	17. Acres Assigned to Well
10.	Adica ili Eddoo	160
18.	Distance from Proposed Location to Nearest Well, Drlg, Compl, or	Applied for on this Lease
	200' This action is subject to technical and	20 Potany or Cable Tools
19.	Proposed Depth procedural review pursuant to 43 CFR 3185.3	20. Rotary or Cable Tools Rotary
19.	Proposed Donth This action is subject to technical and	Rotary
19. 21 .	Proposed Depth procedural review pursuant to 43 CFR 3185.3	
	Proposed Depth procedural review pursuant to 43 CFR 3185.3 and appeal pursuant to 43 CFR 3185.4.	Rotary
	Proposed Depth 3300' This action is subject to technical and procedural review pursuant to 43 CFR 3185.3 and appeal pursuant to 43 CFR 3185.4. Elevations (DF, FT, GR, Etc.) 6172' GR Proposed Casing and Cementing Program	Rotary 22. Approx. Date Work will Start
21.	Proposed Depth 3300' This action is subject to technical and procedural review pursuant to 43 CFR 3185.3 and appeal pursuant to 43 CFR 3185.4. Elevations (DF, FT, GR, Etc.) 6172' GR	Rotary 22. Approx. Date Work will Start
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21. 23. 24.	Proposed Depth 3300' This action is subject to technical and procedural review pursuant to 43 CFR 3185.3 and appeal pursuant to 43 CFR 3185.4. Elevations (DF, FT, GR, Etc.) 6172' GR Proposed Casing and Cementing Program See Operations Plan attached Authorized by: Authorized by:	22. Approx. Date Work will Start Location into the distance with Attachment of the Control with Attachment of the Control with Attachment of the Control of

Archaeological Report submitted – 00-DCA-150 dated 11-30-00 Threatened and Endangered Species Report 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.

NMOCD

District I PO Box 1980, Hobbs, NM B8241-1980

District II PO 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

OIL CONSERVATION DIVISION Santa Fe. NM 87504-2088

Submit to Appropriate District Office PO Box 2088 2001 MAY -1 PN 2: 05 Fee Lease - 3 Copies

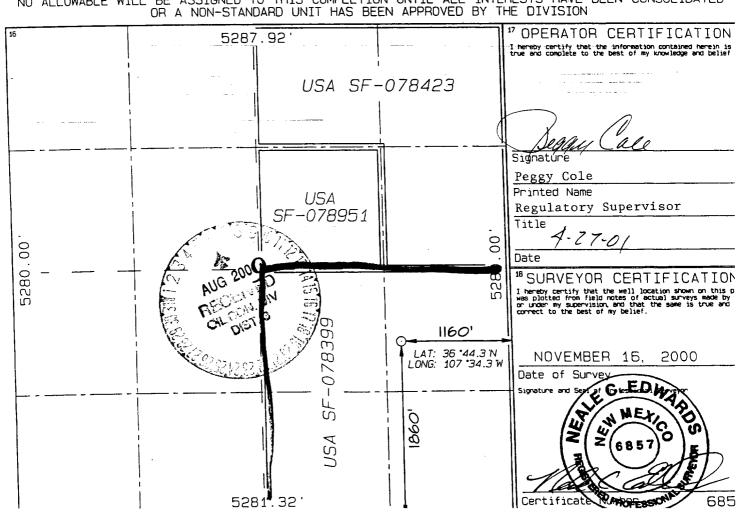
AMENDED REPORT

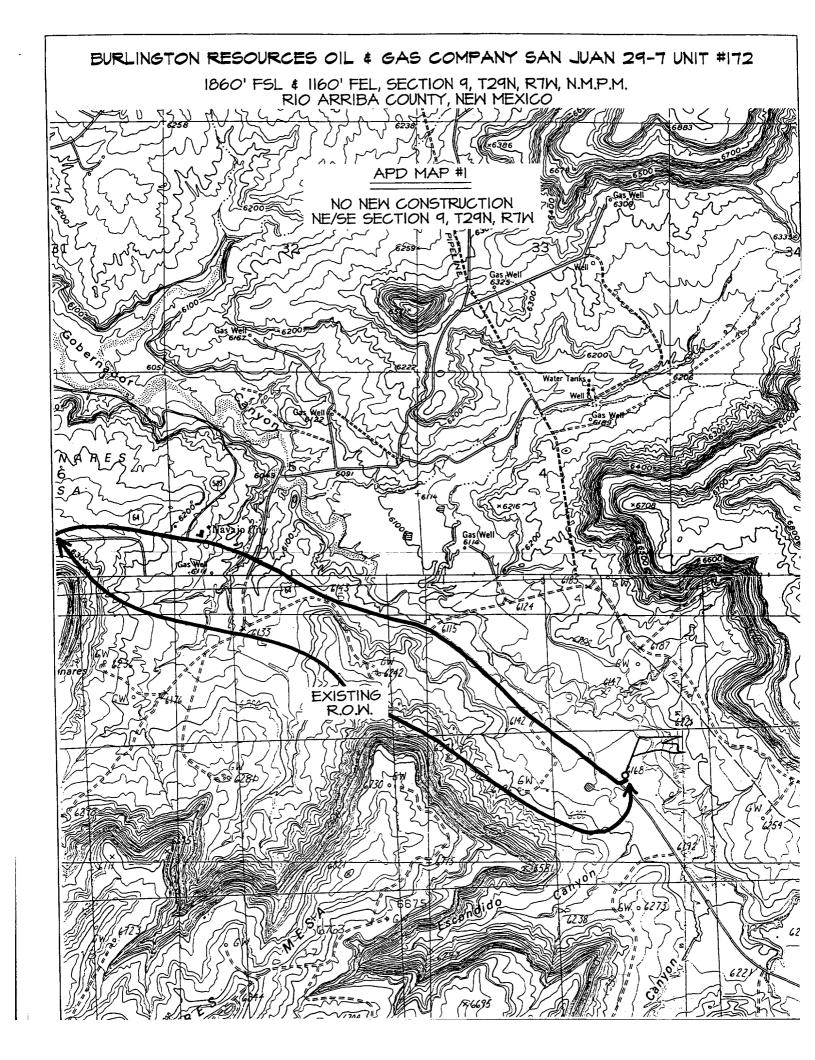
WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number	Pool Code	Pool Code Pool Name	
30-039- 2674	6 72359	Blanco Pictured Cliffs	*Well Number
*Property Code	³Property Name		
7465	JU MAS	UAN 29-7 UNIT	172
'OGRID No.	• (Operator Name	*Elevation
14538	BURLINGTON RESO	URCES OIL & GAS COMPANY	6172

¹⁰ Surface Location Sect ion Township Lot Ido North/South line Feet from the East/West line UL or lot no RIO SOUTH EAST 1160 9 29N 7 W 1860 Ι ARRIBA ¹¹Bottom Hole Location If Different From Surface Township Lot Ido Feet from the North/South line East/West line County UL or lot no. Section 13 Joint or Infill ¹⁴ Consolidation Code 12 Dedicated Acres $\stackrel{\mathsf{No.}}{160}$ acres for density purposes for the Pictured Cliff 320 acres for revenue purposes for the Pictured Cliff 160

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





OPERATIONS PLAN

Well Name: San Juan 29-7 Unit #172

1860'FSL, 1160'FEL, Section 9, T-29-N, R-7-W Location:

Rio Arriba County, New Mexico Latitude 36^o 44.3, Longitude 107^o 34.3

Formation: Blanco Pictured Cliffs

Elevation: 6172' GL

Formation:	Top	Bottom	Contents
Surface Ojo Alamo Kirtland Fruitland Pictured Cliffs Total Depth	San Jose 2023' 2199' 2730' 2994' 3300'	2023' 21995' 2730' 2994'	aquifer gas gas gas

Logging Program:

Cased hole - Surface to TD - CBL-CCL-GR Open hole - CNL-LDT TD to 2190', AIT - Surface to TD

Coring Program: None

Mud Program:

Interval	Type	Weight	Vis.	Fluid Loss
0- 120'	Spud	8.4-9.0	40-50	no control
120-3300'	FW	8.4-9.0	32-45	no control

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

Hole Size	Depth Interval	Csg.Size	<u>Wt.</u>	<u>Grade</u>
 8 3/4"	0 - (120) 200	o'min 14	20.0#	
6 1/4"	0 - 3 300 ′	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 @ 2199'. Two turbolizing type centralizers one below and one into the base of the Ojo Alamo @ 2199'. 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.

7" surface casing - cement with 46 sx Class "B" cement with 0.25 pps flocele and 3% calcium chloride (54 cu.ft. of slurry, 200% excess to circulate to surface). WOC 8 hrs. Test casing to 600 psi/30 minutes.

2 7/8" production casing - Lead w/462 sacks Premium Lite cement with 3% calcium chloride, 0.25 pps Flocele, 5 pps LCM-1, 0.4% FL-52 and 0.4% SMS. Tail with 90 sacks Type III cement with 1% calcium chloride, 0.25 pps Flocele, 0.2% FL-52 (1109 cu.ft. of slurry, 100% excess to circulate to surface).

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 - 7 1/16" 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 southeast quarter of section 9 is dedicated to the Pictured Cliffs.

Drilling Engineer 5/10/