



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO SANTA FE, NEW MEXICO 87505 (505) 827-7131

October 16, 1996

Burlington Resources Oil & Gas Company P.O. Box 4289 Farmington, New Mexico 87499-4289

Attention: Peggy Bradfield

OIL CON. DIV. Distr. B

Administrative Order NSL-3719

Dear Ms. Bradfield:

Reference is made to your application dated September 20, 1996 for an unorthodox Blanco-Mesaverde "infill" gas well location on an existing standard 320-acre, more or less, gas spacing and proration unit ("GPU") for said Blanco-Mesaverde Pool, comprising the W/2 equivalent of Section 22, Township 30 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. Said GPU is currently dedicated to the San Juan "30-6" Unit Well No. 50 (API No. 30-039-07789) located at a standard gas well location 990 feet from the South and West lines (Unit M) of said Section 22.

By the authority granted me under the provisions of Rule 2(d) of the "General Rules For The Prorated Gas Pools of New Mexico/Special Rules and Regulations For The Blanco-Mesaverde Pool", as promulgated by Division Order No. R-8170, as amended, the following described well to be drilled at an unorthodox "infill" gas well location in said Section 22 is hereby approved:

> E- 22-30N-6W San Juan "30-6" Unit Well No. 50-A 1955' FNL - 790' FWL (Unit E)

Further, both the San Juan "30-6" Unit Well Nos. 50 and 50-A are to be dedicated to the subject GPU, further said wells and GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest New Mexico.

Sincerely,

William J. LeM Director

WJL/MES/kv

Oil Conservation Division - Aztec cc:

U. S. Bureau of Land Management - Farmington



SAN JUAN DIVISION

September 20, 1996

Sent Federal Express

Mr. William LeMay New Mexico Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505

Re: San Juan 30-6 Unit #50A

1955'FNL, 790'FWL Section 22, T-30-N, R-6-W, Rio Arriba County, New Mexico

API # 30-039-(not yet assigned)

Dear Mr. LeMay:

Burlington Resources is applying for administrative approval of a non-standard location for the above location in the Mesa Verde formation. This application for the referenced location is due to terrain, the presence of archaeology, and at the request of the Bureau of Land Management.

The following attachments are for your review:

- 1. Application for Permit to Drill.
- Completed C-102 at referenced location.
- 3. Offset operators/owners plat Burlington Resources is the operator of the surrounding proration unit
- 4. 7.5 minute topographic map showing the orthodox windows, and enlargement of the map to define topographic features.

We appreciate your earliest consideration of this application.

Sincerely,

Seggy Stad Luced
Peggy Bradfield

Regulatory/Compliance Administrator

encs.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

| | APPLICATION | ON FOR PERMIT TO DRILL, DEEP | EN, OR PLUG BACK | |
|------|--|--------------------------------------|--|--|
| 1a. | Type of Work DRILL | PER 2 4 MAR | 5. Lease Number SF-080713A Unit Reporting Number | |
| 1b. | Type of Well GAS | | 6. If Indian, All. or Tribe | |
| 2. | Operator Meridian Oil Inc. | | 7. Unit Agreement Name San Juan 30-6 Unit | |
| 3. | Address & Phone No. of O PO Box 4289, Farm (505) 326-9700 | | 8. Farm or Lease Name San Juan 30-6 Unit 9. Well Number 50A | |
| 4. | Location of Well 1955' FNL, 790' FWL Latitude 36° 48.0, | Longitude 107° 27.4 | 10. Field, Pool, Wildcat Blanco Mesa Verde 11. Sec., Twn, Rge, Mer. (NMPM) Sec 22, T-30-N, R-6-W API # 30-039- | |
| 14. | Distance in Miles from Nea | | 12. County 13. State Rio Arriba NM | |
| 15. | Distance from Proposed Location to Nearest Property or Lease Line | | | |
| 16. | Acres in Lease | | 17. Acres Assigned to Well 320 W/2 | |
| 18. | Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 2000' | | | |
| 19. | Proposed Depth 6180' | | 20. Rotary or Cable Tools Rotary | |
| 21. | Elevations (DF, FT, GR, Etc 6635' GR | c.) | 22. Approx. Date Work will Start | |
| 23. | Proposed Casing and Cem See Operations Pl | an attached | | |
| 24. | Authorized by: Regulation | Shudhuld ory/Compliance Administrato | 8-30-96 r Date | |
| PERM | IIT NO. | APPROVAL DA | ATE | |
| APPR | OVED BY | TITLE | DATE | |

District 4 PO Box 1980, Hubbs, NM 88241-1980 PO Drawer OD. Artesia. NM #2211-0719

NM-04052

5280.00

State of New Mexico

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

Form C. Reviseu February 21. 1 instructions on t

Submit to Appropriate District Of State Lease - 4 Co 1000 Rio Brasso Rd., Aztec, NM 27410 Fee Lease - J Co. District IV PO Box 2008, Santa Fe, NM 87504-2008 AMENDED REPC WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 1 Poel Code 30-039-72319 Blanco Mesaverde * Property Name * Property Code Well Number San Juan 30-6 Unit 50A 7469 OGRID No. Operator Name 6635 MERIDIAN OIL INC. 14538 10 Surface Location Feet from the UL or tot no. Section Townsie North/South line Feet (rom the Range Lot Ida East West Line County E 22 30N 6W 1955 North 790 West R.A. 11 Bottom Hole Location If Different From Surface UL or lot se. Section Lot ide Foot from the Townsea Range North/South line County 13 Dedicated Acres 13 Joint or Iniii | 14 Consecudation Code | 15 Order No. NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATE: OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION 5269.44 17 OPERATOR CERTIFICATIO (Peggy Bradfield Printed Name Regulatory Administrato 790' SF-080713-A "SURVEYOR CERTIFICATION d from fleid notes of actual surveys made by correct to the best of my belief. SF-08071Z-A 7-16-96

Page 1 August 30, 1996

OPERATIONS PLAN

Well Name: San Juan 30-6 Unit #50A

1955'FNL, 790'FWL Section 22, T-30-N, R-6-W Rio Arriba County, New Mexico Latitude 36° 48.0, Longitude 107° 27.4 Location:

Formation: Blanco Mesa Verde

Elevation: 6635'GL

| Formation Tops: | Top | Bottom | Contents |
|--------------------------------------|------------------------|---------------|--------------|
| Surface | San Jose | 1272' | aquifer |
| Ojo Alamo | 1272' | 2674' | |
| Kirtland | 2674' | 3270' | |
| Fruitland Pictured Cliffs Lewis | 3270' | 3570' | gas |
| | 3570' | 3722' | gas |
| | 3722' | 4262' | gas |
| Intermediate TD Huerfanito Bentonite | 3772′ 4262′ | 4333′ | 3 *** |
| Navajo City Chacra | 4333′ | 4636 ′ | gas |
| Otero Chacra | 4636' | 5451 ' | gas |
| Mesa Verde | 5451' | 5494' | g as |
| Menefee | 5494' | 5780' | g as |
| Point Lookout Total Depth | 5780' 6180 ' | | gas |

Logging Program:

Openhole Wireline Logging - none Mud Logs/Coring/DST - none

Mud Program:

| Interval | Type | Weight | Vis. | Fluid Loss |
|------------|----------|---------|-------|------------|
| 0- 200' | Spud | 8.4-8.9 | 40-50 | no control |
| 200-3772' | Weighted | 8.4-9.0 | 30-60 | no control |
| 3772-6180' | Gas/Mist | n/a | n/a | n/a |

Pit levels will be visually monitored to detect gain or loss of fluid control.

Casing Program:

| sing Program: | | | | |
|---------------|----------------|----------|----------------|-------|
| Hole Size | Depth Interval | Csg.Size | Wt. | Grade |
| 12 1/4" | 0' - 200' | 9 5/8" | 3 2. 3# | H-40 |
| 8 3/4" | 0' - 3772' | 7 ** | 20.0# | K-55 |
| 6 1/4" | 3622' - 6180' | 4 1/2" | 10.5# | K-55 |
| | | | | |

Tubing Program:

0' - 6180' 2 3/8" 4.7# J-55

BOP Specifications, Wellhead and Tests:

Surface to Intermediate TD -

11" 2000 psi minimum double gate BOP stack (Reference Figure #1). After nipple-up prior to drilling out surface casing, rams and casing will be tested to 600 psi for 30 minutes.

Intermediate TD to Total Depth -

11" 2000 psi minimum double gate BOP stack (Reference Figure #1). After nipple-up prior to drilling out intermediate casing, rams and casing will be tested to 1500 psi for 30 minutes.

Surface to Total Depth -

2" nominal, 2000 psi minimum choke manifold (Reference Figure #3).

Completion Operations -

7 1/16" 2000 psi double gate BOP stack (Reference Figure #2). After nipple-up prior to completion, pipe rams, casing and liner top will be tested to 2000 psi for 15 minutes.

Wellhead -

9 5/8" x 7" x 2 3/8" x 2000 psi tree assembly.

General -

- Pipe rams will be actuated once each day and blind rams will be actuated once each trip to test proper functioning.
- An upper kelly cock valve with handle available and drill string valves to fit each drill string will be available on the rig floors at all times.
- · BOP pit level drill will be conducted weekly for each drill crew.
- All BOP tests & drills will be recorded in daily drilling reports.
- Blind and pipe rams will be equipped with extension hand wheels.

Cementing:

9 5/8" surface casing - cement with 163 sx Class "B" cement with 1/4# flocele/sx and 3% calcium chloride (188 cu.ft. of slurry, 200% excess to circulate to surface). WOC 12 hrs. Test casing to 600 psi for 30 minutes.

Saw tooth guide shoe on bottom. Bowspring centralizers will be run in accordance with Onshore Order #2.

7" intermediate casing -

Lead w/319 sx Class "B" w/3% sodium medisilicate, 10# gilsonite/sx and 1/2# flocele/sx. Tail w/90 sx 50/50 Class "B" Poz w/2% calcium chloride (992 cu.ft. of slurry, 75% excess to circulate to surface.) WOC minimum of 12 hours before drilling out intermediate casing. If cement does not circulate to surface, a CBL will be run to determine TOC. Test casing to 1500 psi for 30 minutes.

Cement nose guide shoe on bottom with float collar spaced on top of shoe joint. Bowspring centralizers spaced every other joint off bottom, to the base of the Ojo Alamo at 2674'. Two turbolating centralizers at the base of the Ojo Alamo at 2674'. Bowspring centralizers spaced every fourth joint from the base of the Ojo Alamo to the base of the surface casing.

4 1/2" Production Liner -

Cement to circulate liner top. Lead with 163 sx 65/35 Class "B" poz w/6% gel, 5# gilsonite/sx and 1/4# flocele/sx. Tail with 119 sx 50/50 Class "B" Poz w/1/4# flocele/sx, 5# gilsonite/sx and 3% fluid loss additive (459 cu.ft., 75% excess to circulate liner top). WOC a minimum of 18 hrs prior to completing.

Cement nose guide shoe on bottom with float collar spaced on top of shoe joint. The liner hanger will have a rubber packoff.

- If hole conditions permit, an adequate water spacer will be pumped ahead of each cement job to prevent cement/ mud contamination or cement hydration.
- The pipe will be rotated and/or reciprocated, if hole conditions permit.

Special Drilling Operations (Gas/Mist Drilling):

The following equipment will be operational while gas/mist drilling:

- An anchored blooie line will be utilized to discharge all cuttings and circulating medium to the blow pit a minimum of 100' from the wellhead.
- The blooie line will be equipped with an automatic igniter or pilot light.
- Compressors will be located a minimum of 100' from the wellhead in the opposite direction from the blooie line.
- Engines will have spark arresters or water cooled exhaust.
- The rotating head will be properly lubricated and maintained.
- A float valve will be utilized above the bit.
- Mud circulating equipment, water, and mud materials will be sufficient to maintain control of the well.

Additional Information:

- The Mesa Verde formation will be completed.
- No abnormal temperatures or hazards are anticipated.
- Anticipated pore pressures are as follows:

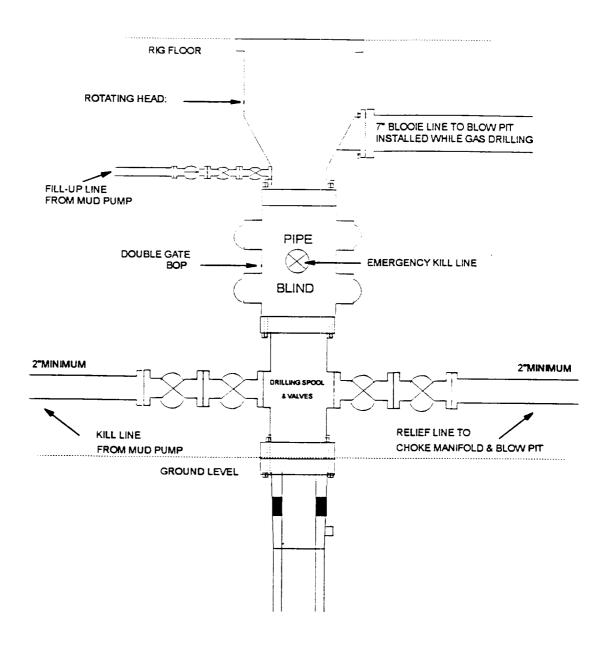
Fruitland Coal 1000 psi Pictured Cliffs 900 psi Mesa Verde 700 psi

- Sufficient LCM will be added to the mud system to maintain well control, if lost circulation is encountered below the top of the Pictured Cliffs.
- The west half is dedicated to the Mesa Verde.
- This gas is dedicated.

| La | Vocale | 9-9-96 |
|----------|----------|--------|
| Drilling | Engineer | Date |

BURLINGTON RESOURCES

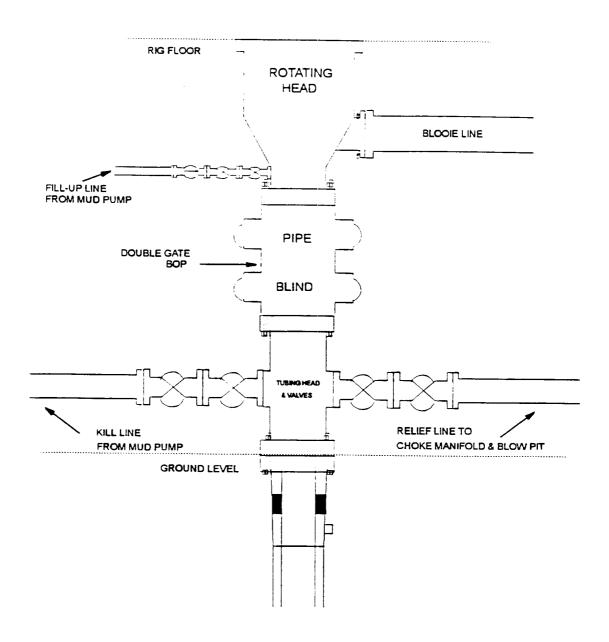
BOP Configuration 2M psi System



11" Bore, 2000psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A Schaffer Type 50 or equivalent rotating head to be installed on the top of the BOP. All equipment is 2000psi working pressure/or greater.

MERIDIAN OIL INC

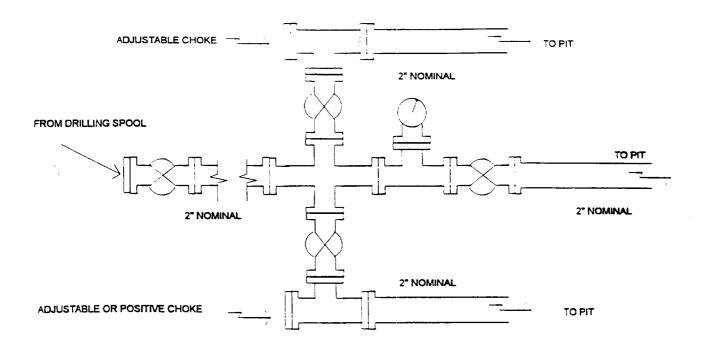
BOP Configuration 2M psi System



Minimum BOP installation for Completion operations. 7 1/16" Bore (6" Nominal), 3000 psi minimum working pressure double gate BOP to be equipped with blind and pipe rams.

MERIDIAN OIL INC.

Choke Manifold Configuration 2M System



Minimum choke manifold installation from surface to Total Depth. 2" minimum, 2000psi working pressure equipment with two chokes.



San Juan 30-6 Unit #50A Multi-Point Surface Use Plan

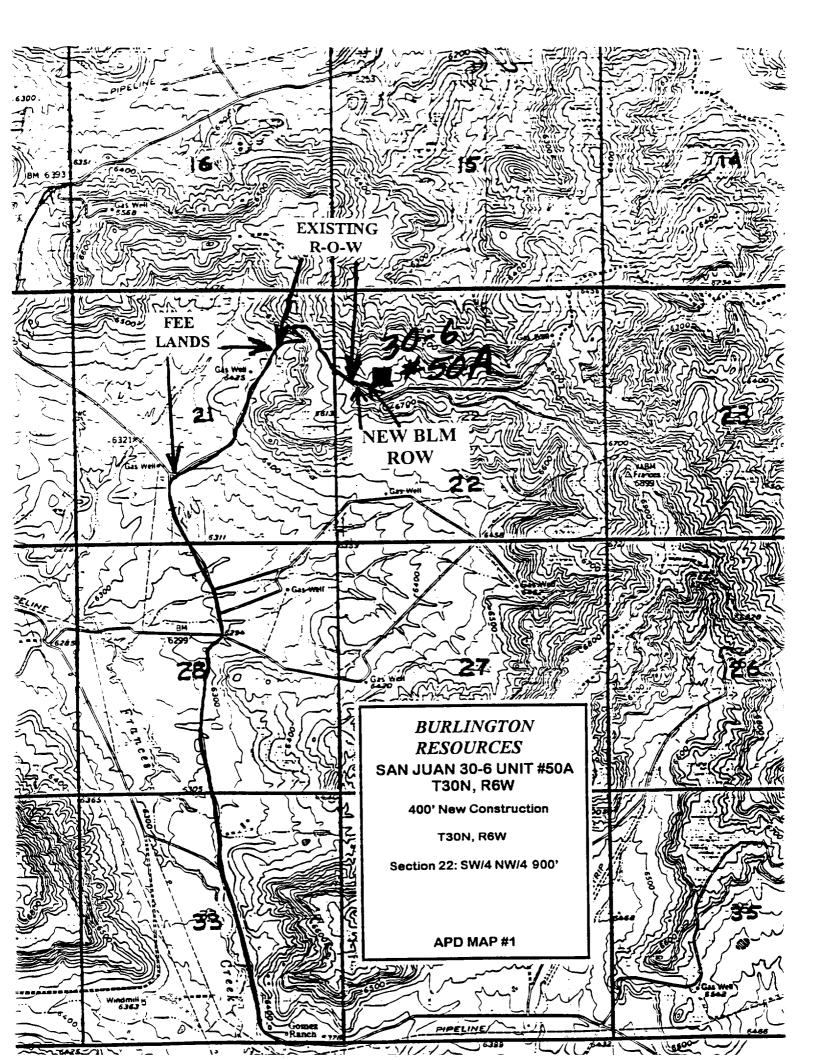
- 1. Existing Roads Refer to Map No. 1. Existing roads used to access the proposed location will be properly maintained for the duration of the project. Bureau of Land Management right-of-way has been applied for as shown on Map No. 1.
- Planned Access Road Refer to Map No. 1. The required new access road is shown on Map No. 1. The gradient, shoulder, crowning and other design elements will meet or exceed those specified by the responsible government agency. The new access road surface will not exceed twenty feet (20') in width. No additional turnarounds or turnouts will be required. Upon completion of the project, the access road will be adequately drained to control soil erosion. Approximately 400' of access road will be constructed. Pipelines are indicated on Map No. 1A.
- 3. Location of Existing Wells Refer to Map No. 1A.
- Location of Existing and/or Proposed Facilities if Well is Productive
 - a. On the Well Pad Refer to Plat No. 1, anticipated production facilities plat.
 - b. Off the Well Pad Anticipated facilities off the well pad will be applied for as required.
- 5. Location and Type of Water Supply Water will be hauled by truck for the proposed project and will be obtained from LaJara Water Hole located NW/4 Section 20, T-29-N, R-4-W, New Mexico.
- 6. Source of Construction Materials If construction materials are required for the proposed project, such materials will be obtained from a commercial quarry.
- 7. Methods of Handling Waste Materials All garbage and trash materials will be removed from the site for proper disposal. A portable toilet will be provided for human waste and serviced in a proper manner. If liquids are left in the reserve pit after completion of the project, the pit will be fenced until the liquids have had adequate time to dry. The location clean-up will not take place until such time as the reserve pit can be properly covered over to prevent run-off from carrying waste materials into the watershed. Reserve pits will be lined as needed with either 12 mil bio-degradable plastic liner or a bentonite liner. All earthen pits will be so constructed as to prevent leakage from occurring; no earthen pit will be located on natural drainage. Generation of hazardous waste is not anticipated. Federal regulations will be adhered to regarding handling and disposal of such waste if so generated.
- 8. Ancillary Facilities None anticipated.
- 9. Wellsite Layout Refer to the location diagram and to the wellsite cut and fill diagram (Figure No. 4). The blow pit will be constructed with a 2'/160' grade to allow positive drainage to the reserve pit and prevent standing liquids in the blow pit.

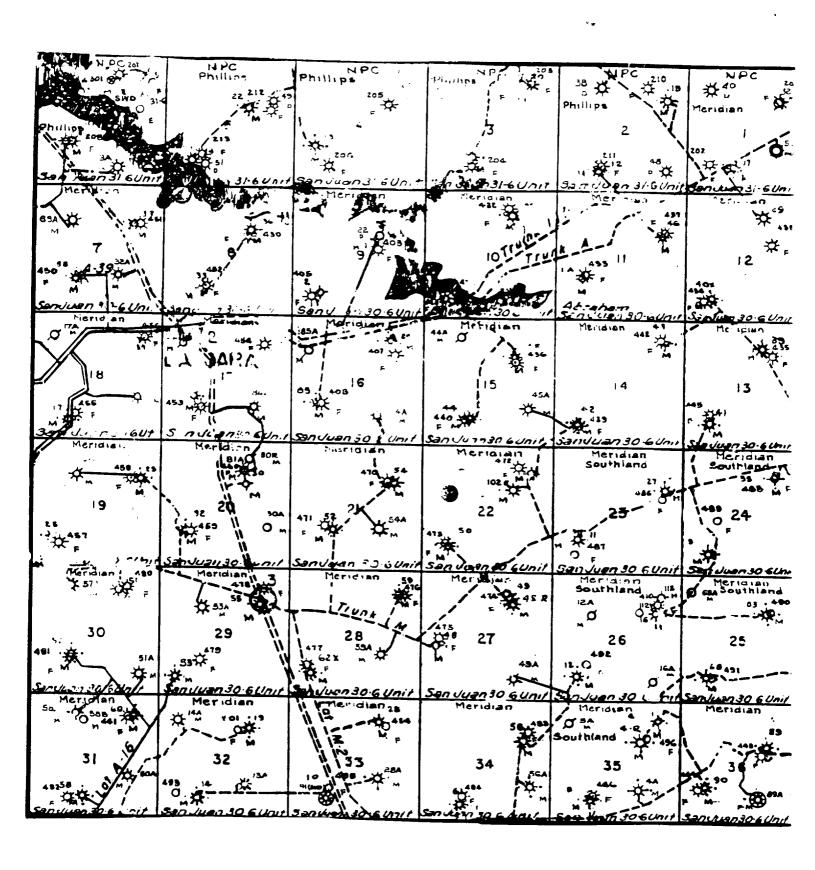
- 10. Plans for Restoration of the Surface After completion of the proposed project, the location will be cleaned and leveled. The location will be left in such a condition that will enable reseeding operations to be carried out. Seed mixture as designated by the responsible government agency will be used. The reseeding operations will be performed during the time period set forth by the responsible government agency. The permanent location facilities will be painted as designated by the responsible government agency.
- 11. Surface Ownership Bureau of Land Management
- 12. Other Information Environmental stipulations as outlined by the responsible government agency will be adhered to. Refer to the archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.
- 13. Operator's Representative and Certification Burlington Resources Oil & Gas Company Regional Drilling Manager, Post Office Box 4289. Farmington, NM 87499, telephone (505) 326-9700. I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan, are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Burlington Resources Oil and Gas Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Regulatory/Compliance Administrator

Date

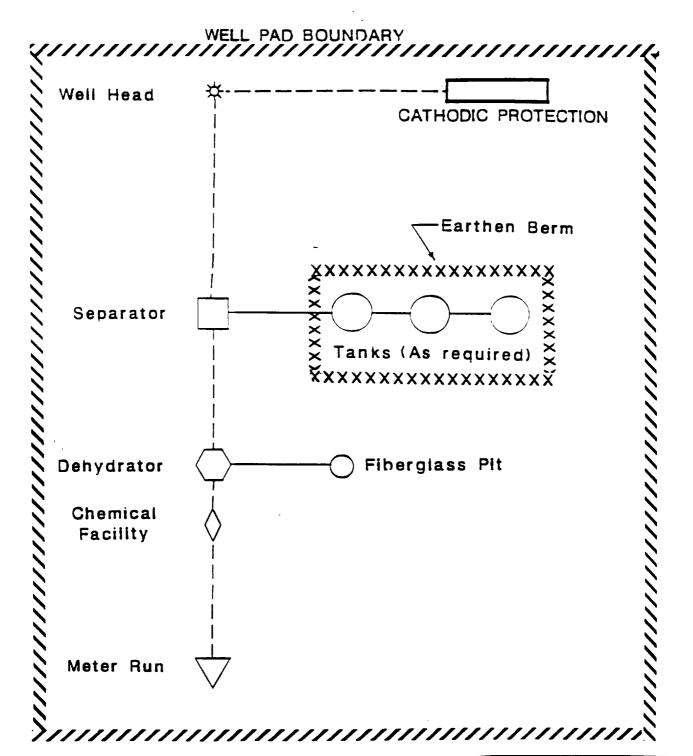
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MERIDIAN OIL INC.
Pipeline Map
T-30-N, R-06-W
San Juan County, New Mexico
MAP */A

SAN JUAN 30-6 UNIT #50A



PLAT #1

MERIDIAN OIL

ANTICIPATED
PRODUCTION FACILITIES
FOR A
MESA VERDE WELL

MERIDIAN CIL

PLAT #1

PC/FC LOW POTENTIAL

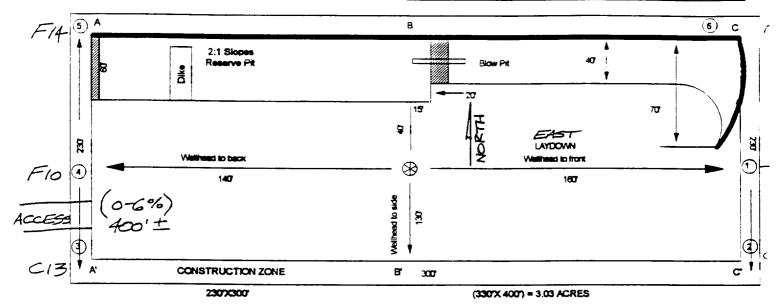
NAME: SAW JUAN 30-6 UNIT # 50A

FOOTAGE: 1955' FNL 790' FWL

SEC 22 TWN 30N N.R GW W NMPM

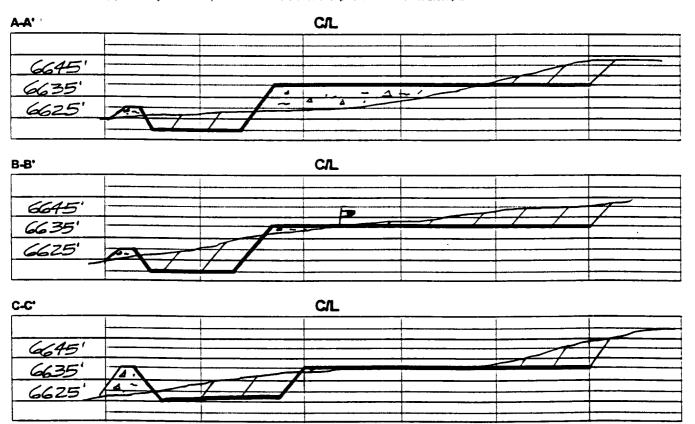
CO: RO APRIBA ST. NEW MEXICO

ELEVATION: 6635' DATE: 7/16/96



Reserve Pt Dike: to be 8' above Deep side; (overflow - 3' wide and 1' above shallow side.)

Blow Pit: overflow pipe halfway between top and bottom and extend over plastic liner and into blow pit.



Note: Contractor should call One-Call for location of any marked or unmarked buried pipelines or cables on well pad and/or access road at least 2 working days prior to construction.

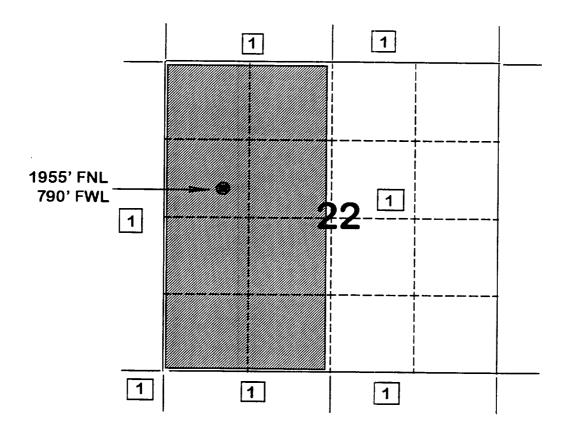
BURLINGTON RESOURCES OIL AND GAS COMPANY

SAN JUAN 30-6 UNIT #50A

OFFSET OPERATOR \ OWNER PLAT NON STANDARD LOCATION

Mesaverde Well

Township 30 North, Range 6 West



1) Burlington Resources Oil and Gas Company Successor to Meridian Oil Inc.

