

NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

March 10, 1998

Burlington Resources Oil & Gas Company P. O. Box 4289 Farmington, New Mexico 87499-4289 Attention: Peggy Bradfield DECEIVED MAR 1 3 1998

OIL CON. DIV.

Administrative Order NSL-3880-A

Dear Ms. Bradfield:

Reference is made to your application dated February 16, 1998 requesting the amendment of a previously approved order by the Division of an unorthodox Blanco-Mesaverde gas well location by expanding the vertical limits of the provisions in said order to include the deeper Basin-Dakota Pool.

Division Administrative Order NSL-3880, dated October 8, 1997, authorized Burlington Resources Oil and Gas Company to drill its San Juan "30-6" Unit Well No. 39-A at an unorthodox infill gas well location in the Blanco-Mesaverde Pool 1390 feet from the South line and 760 feet from the East line (Unit J) of Section 13, Township 30 North, Range 6 West, NMPM, Rio Arriba County, New Mexico, within an existing standard 227.76-acre gas spacing and proration unit ("GPU") comprising Lots 1 through 4 and the W/2 E/2 (E/2 equivalent) of said Section 13.

It is our understanding that Burlington now intends to drill to the Basin-Dakota Pool and dually complete said well, and, pursuant to Rule 2(b)1 of the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Basin-Dakota Pool," as promulgated by Division Order No. R-8170, as amended, said location is also considered to be unorthodox. The E/2 equivalent of said Section 13 is also to be dedicated to said well in order to form a standard 227.76-acre gas spacing and proration unit in the Basin-Dakota Pool.

By the authority granted me under the provisions of Rule 2(d) of said special pool rules for the Basin-Dakota Pool the above-described unorthodox gas well location for the San Juan "30-6" Unit Well No. 39-A is hereby approved.

All provisions of said Administrative Order NSL-3880 shall remain in full force and effect until further notice.

Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec

tenberg

U. S. Bureau of Land Management - Farmington

File: NSL-3880

BURLINGTON RESOURCES

SAN JUAN DIVISION

February 16, 1998

SENT FEDERAL EXPRESS

Ms. Lori Wrotenbery New Mexico Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505



Re:

San Juan 30-6 Unit #39A

1390'FSL, 760'FEL Section 13, T-30-N, R-6-W, Rio Arriba County

API # 30-039-not assigned

Dear Ms. Wrotenbery:

Sincerely,

Burlington Resources is applying for administrative approval of an unorthodox gas well location for the Dakota pool. Approval was granted October 8, 1997 by the New Mexico Oil Conservation Division for NSL-3880 to drill and complete a well in the Mesa Verde pool at this location. It is now intended to drill and dually complete this well in both the Mesa Verde and Dakota pools. The original application for the referenced location was due to the terrain, LaJara Wash as shown on the topographic map, and an abundance of archaeology.

Production from the Basin Dakota pool is to be included in a 227.76 acre gas spacing and proration unit ("GPU") comprising of Lots 1 through 4 and the W/2 E/2 (E/2 equivalent) of Section 13, T-30-N, R-6-W, Rio Arriba County, New Mexico.

The following attachments are for your review:

Application for Permit to Drill.

Completed C-102 at referenced location.

Offset operators/owners plat and certification.

7.5 minute topographic map showing the orthodox windows, and enlargement of the map to define topographic features.

Three copies of this application are being submitted to all offset owners/ operators by certified mail with a request that they furnish you with a Waiver of Objection, return one copy to this office, and retain one copy for their file.

We appreciate your earliest consideration of this application.

De	y Bradfield
Pegg	y Bradfield
Regul	latory/Compliance Administrator
xc:	NMOCD - Aztec District Office
	Bureau of Land Management – Farmington
	WAIVER
	hereby waives objection to Burlington Resources' application for a non-
stand	lard location for their San Juan 30-6 Unit #39A as proposed above.
By:	Date:
xc:	Phillips Petroleum

OEVIEDEO SOLVERO THE BOOK INC.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

1a.	Type of Work		5. Lease Number SF-080713 Unit Reporting Number			
	DRILL					
			Unit Reporting	Number		
1b.	Type of Well GAS		6. If Indian, All. or	Tribe		
2.	Operator BURLINGTON RESOURCES		7. Unit Agreement	Name		
	RESOURCES 0	il & Gas Company	San Juan 30-6 Unit			
3.	Address & Phone No. of Opera PO Box 4289, Farming		8. Farm or Lease Name San Juan 30-6 Unit 9. Well Number 39A			
	(505) 326-9700					
4.	Location of Well		10 Field Peel 140	ildoot		
••	1390'FSL, 760'FEL - N	SL-3880	10. Field, Pool, Wildcat Blanco MV/Basin Dk			
	Latitude 36 ⁰ 48.5, Lo		11. Sec., Twn, Rg			
	Latitude 36° 48.5, LO	ngitude 10/0 24.6	Sec 13, API # 30-039-	T-30-N,R-6-W		
14.	Distance in Miles from Nearest 7 miles to Gobernador	: Town	12. County RA	13. State NM		
15.	Distance from Proposed Locati	on to Nearest Property or Lease	Line			
16.	Acres in Lease		17. Acres Assigned to Well 320 E/2			
18.	Distance from Proposed Locati	on to Nearest Well, Drig, Compl	, or Applied for on this Le	::::::::::::::::::::::::::::::::::::::		
19.	Proposed Depth 7840'		20. Rotary or Cab	le Tools		
21.	Elevations (DF, FT, GR, Etc.) 6318 'GR		22. Approx. Date	Work will Start		
23.	Proposed Casing and Cementin See Operations Plan	ng Program attached				
24.	Authorized by: Regulator	Stathuld Y/Compliance Administra	1/17/9. Date	5		
PERM	IT NO.	APPROVAI	DATE			
APPR	OVED BY	TITLE	DAT	E		

Oistrict I PO Box 1980. Hopps, NM 88241-1980

State of New Mexico Energy, Minerals & Natural Resources Department

Revised February 2 Instructions (

District II PO Drawer OD. Artesia, NM 88211-0719

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

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

District III 1000 Rio Brazos Rd., Aztec. NM 87410

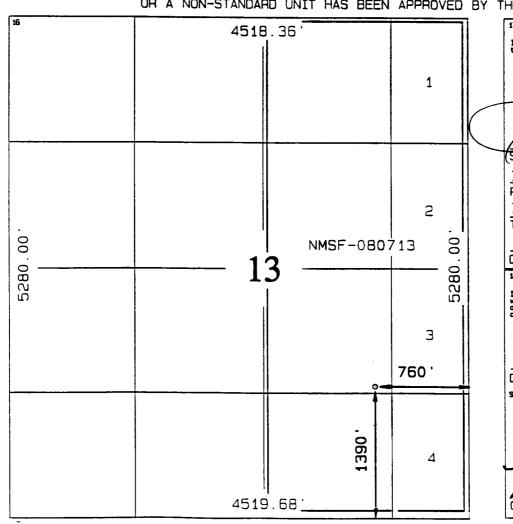
AMENDED RE

District IV PO Box 2088. Santa Fe. NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

۵,		Pool Cod	te at			¹Pool Nam	e			
30-039-	723	19/715	599	Bla	nco Mesave	rde/Basin	Dakota			
	'Property Code 'Property Name 7469 SAN JUAN 30-6 UNIT							Well Numbe APE		
	OGRID No. *Operator Name 14538 BURLINGTON RESOURCES OIL & GAS COMPANY						Elevation 6318			
					10 Sunfa	ce	_ocation		· · · · · · · · · · · · · · · · · · ·	
UL or lot no.	Section	TOWNSHIED	Range	Lot Idn	Feet from	the	North/South line	Feet from the	East/West line	6
J	13	30N	6W		139	0	South	760	East	ARF
			Bottom	Hole L	ocatio	n It	Different	From Surf	ace	
UL or lat no.	Section	TOWNSD	Range	Lot Ion	Feet from	the	North/South line	Feet from the	East/West line	Cox
DK-E/22	7.76	l Bu	pink or Infill	14 Commoliso	lation Code	¹⁵ Orde	No.			
· · · · · · · · · · · · · · · · · · ·		ILL BE	ASSIGNED) TO TH	IS COMPL	ETIC	ON UNTIL ALL	INTERESTS H	AVE BEEN (CONSOLID

OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



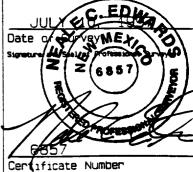
" OPERATOR CERTIFICA I himsty centify that the information contains true and conclete to the best of my knowledge a

Peggy Bradfield Printed Name

Regulatory Administ Title

Date

"SURVEYOR CERTIFICA



OPERATIONS PLAN

Well Name: San Juan 30-6 Unit #39A

Location: 1390'FSL, 760'FEL Sec 13, T-30-N, R-6-W

Rio Arriba County, NM

Latitude 36° 48.5, Longitude 107° 24.6

Formation: Blanco Mesa Verde/Basin Dakota

Elevation: 6318'GL

Top	Bottom	Contents
San Jose	2385'	
2385'	2740'	aquifer
2740'	3140'	gas
3140'	3332'	gas
3332'	3991'	gas
3332'		•
3991'	4358'	gas
4358'	5195'	
5195'	5233 '	gas
5233 '	5500'	gas
5 500'	6050'	gas
6050'	7100'	•
7100'	7520'	gas
7520'	7805'	gas
7805′		gas
7840'		•
	San Jose 2385' 2740' 3140' 3332' 3332' 3991' 4358' 5195' 5233' 5500' 6050' 7100' 7520' 7805'	San Jose 2385' 2385' 2740' 2740' 3140' 3140' 3332' 3332' 3991' 3332' 3991' 4358' 4358' 5195' 5195' 5233' 5233' 5500' 5500' 6050' 6050' 7100' 7100' 7520' 7520' 7805'

Logging Program:

Cased hole - CBL - TD to 200' above TOC, GR/CNL across MV/Dk

Mud Program:

<u>Interval</u>	<u>Type</u>	Weight	Vis.	Fluid Loss
0- 200'	Spud			no control
200-3332'	LSND	8.4-9.0	30-60	no control
3332-7840'	Gas	n/a	n/a	n/a

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

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

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csq.Size</u>	Wt.	<u>Grade</u>
12 1/4"	0' - 200'	9 5/8"	32.3#	WC-50
8 3/4"	0' - 3332'	7"	20.0#	J-55
6 1/4"	3232' - 7840'	5 1/2"	15.5#	K-55 flushjoint

A variance is requested from Onshore Order #2, III, B. The casing collar clearance in the 5 1/2" flushjoint/6 1/4" hole will be 0.375", a 0.047" variance.

Tubing Program:

0' - 7840' 2 3/8" 4.70# EUE

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 3000 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 drilling crew.
- All BOP tests and 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 2% calcium chloride (188 cu.ft. of slurry, 200% excess to circulate to surface). WOC 8 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/266 sx Class "B" w/3% metasilicate, 10# gilsonite/sx and 1/2# flocele/sx. Tail w/90 sx 50/50 Class "B" Poz w/2% calcium chloride, 2% gel, 1/2# flocele/sx, 10# gilsonite/sx (876 cu.ft. of slurry, 75% excess to circulate to surface.) WOC minimum of 8 hours before drilling out intermediate casing. If cement does not circulate to surface, a CBL will be run during completion operations 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 2740'. Two turbolating centralizers at the base of the Ojo Alamo at 2740'. Bowspring centralizers spaced every fourth joint from the base of the Ojo Alamo to the base of the surface casing.

5 1/2" Production Liner -

Cement to cover minimum of 100' of 5 $1/2" \times 7"$ overlap. Cement with 233 sx 50/50 Class "B" Poz with 2% gel, 1/4# flocele/sx, 5# gilsonite/sx, and 0.4% fluid loss additive (310 cu.ft., 40% excess to cement 5 $1/2" \times 7"$ overlap). WOC a minimum of 18 hrs prior to completing.

Cement float shoe on bottom with float collar spaced on top of shoe joint.

Note: To facilitate higher hydraulic stimulation completion work, no liner hanger will be used. Instead, a long string of 5 1/2" casing will be run and cemented with a minimum of 100' of cement overlap between the 5 1/2" x 7" casing strings. After completion of the well, a 5 1/2" CIBP will be set above the last fracturing job to cut and pull the 5 1/2" casing above the 7" casing shoe. The 5 1/2" bridge plug will then be milled and the two strings of tubing will be run for a dual completion.

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.
- Deduster equipment will be utilized.
- 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 Dakota and Mesa Verde formations will be completed and dualled.
- No abnormal temperatures or hazards are anticipated.
- Anticipated pore pressures are as follows:

Fruitland Coal 300 psi Pictured Cliffs 500 psi Mesa Verde 700 psi Dakota 3000 psi

- Sufficient LCM will be added to the mud system to maintain well control, if lost circulation is encountered.
- The east half is dedicated to the Mesa Verde and Dakota in this well.

This gas is ded cated.

Drilling Engineer



San Juan 30-6 Unit #39A Multi-Point Surface Use Plan

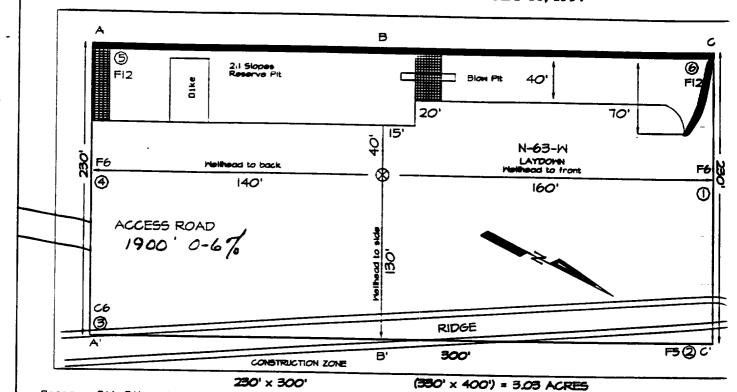
- 1. Existing Roads Refer to Map No. 1. Existing roads used to access the proposed location will be properly maintained for the duration of the project. Bureau of Land Management right-of-way has been applied for as shown on Map No. 1.
- 2. Planned Access Road Refer to Map No. 1. The required new access 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 1900' of access road will be constructed. Pipelines are indicated on Map No. 1A.
- 3. Location of Existing Wells Refer to Map No. 1A.
- 4. 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 pipeline facilities as shown on the attached plat from Williams Field Service.
- 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 SW/4 Section 11, T-30-N, R-6-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 Gomez y Gomezz
- 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.

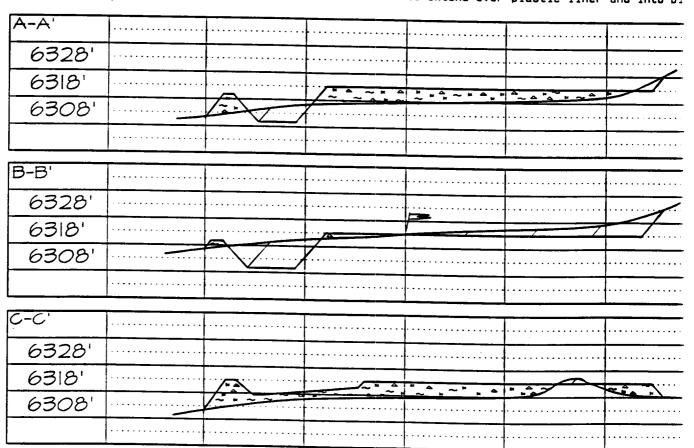
regulatory/Compliance Administrator Date

PLAT #1

BURLINGTON RESOURCES OIL & GAS COMPANY
SAN JUAN 30-6 UNIT #39A, 1390' FSL & 760' FEL
SECTION 13, T30N, R6W, NMPM, RIO ARRIBA COUNTY, NEW MEXICO
GROUND ELEVATION: 6318' DATE: JULY 10, 1997



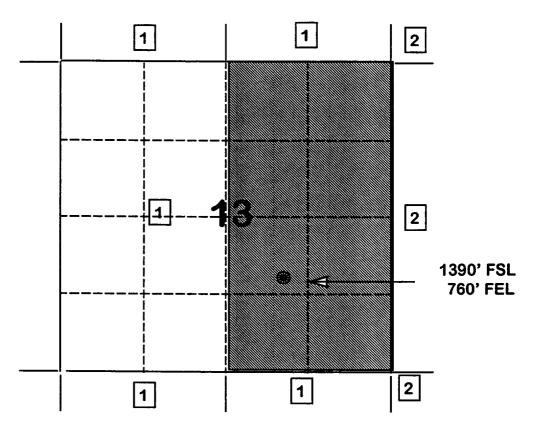
Reserve Pit Dike: to be 8' above Deep side (overflow - 3' wide and 1' above shallow side). Blow Pit: overflow pipe halfway between top and bottom and to extend over plastic liner and into bl



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

San Juan 30-6 Unit #39A OFFSET OPERATOR \ OWNER PLAT Non Standard Location Dakota Formation Well

Township 30 North, Range 6 West



- 1) Burlington Resources
- 2) Phillips Petroleum Company 5525 Hwy 64, NBU 3004 Farmington, NM 87401

Re:

San Juan 30-6 Unit #39A 1390'FSL, 760'FEL Section 13, T-30-N, R-6-W, Rio Arriba County API # 30-039-not assigned

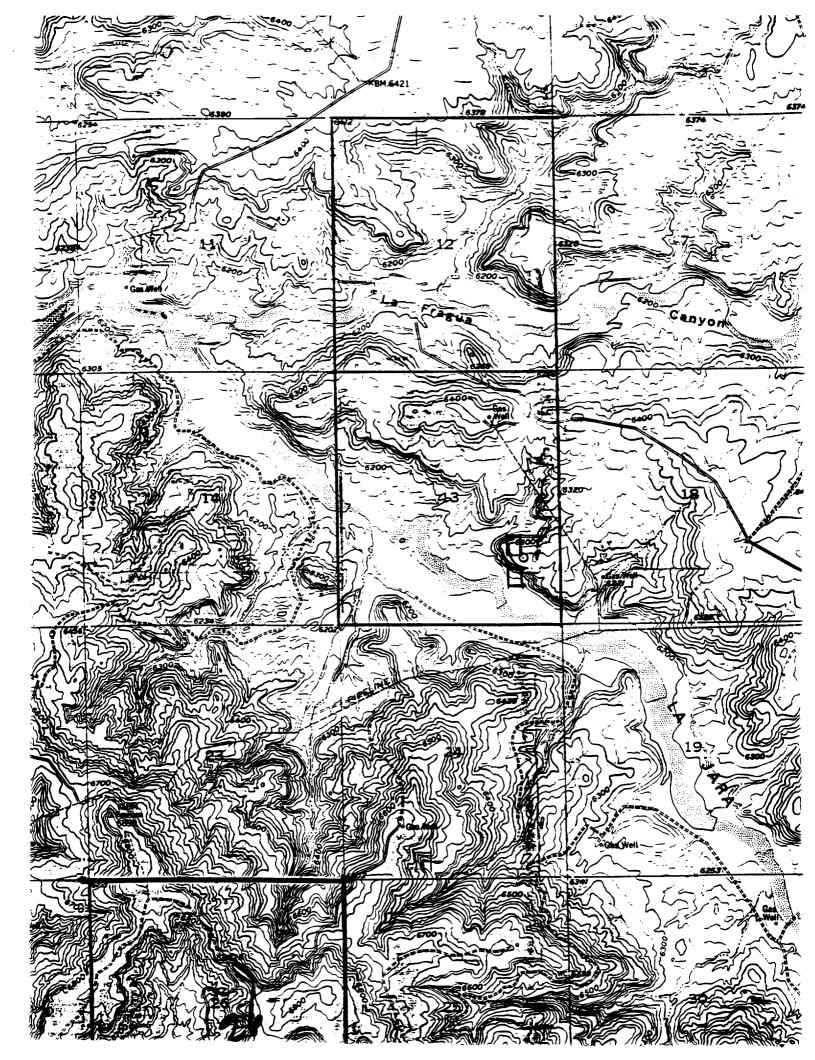
I hereby certify that the following offset operators/owners have been mailed notification of our application for non-standard location to drill the referenced well.

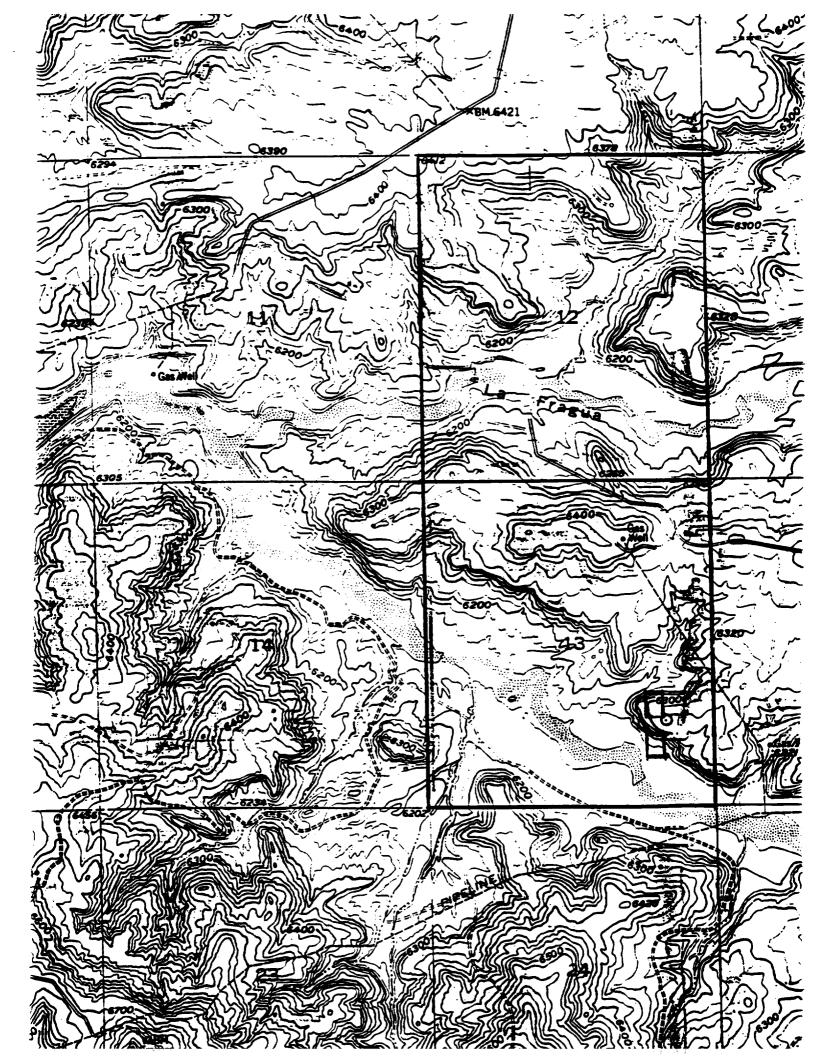
Phillips Petroleum 5525 Highway 64, NBU 3004 Farmington, NM 87401

Peggy Bradfield

Regulatory/Compliance Administrator

Brankered





NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

October 8, 1997

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

Administrative Order NSL-3880

Dear Ms. Bradfield:

Reference is made to your application dated September 12, 1997 for an unorthodox Blanco-Mesaverde "infill" gas well location on an existing 227.76-acre gas spacing and proration unit ("GPU") for said Blanco-Mesaverde Pool, comprising Lots 1 through 4 and the W/2 E/2 (E/2 equivalent) of Section 13, 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. 39 (API No. 30-039-07858), located at a standard gas well location 990 feet from the North line and 1450 feet from the East line (Unit B) of said Section 13.

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 13 is hereby approved:

San Juan "30-6" Unit Well No. 39-A 1390' FSL - 760' FEL (Unit J)

Further, both the San Juan "30-6" Unit Well Nos. 39 and 39-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. LeMay

Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Harmington