UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

| | APPLICATION FOR PERMIT TO DRILL, DEEPEN | , OR PLUG BACK |
|-----------------|--|--|
| a. | Type of Work DRILL | 5. Lease Number NM-4453 |
| | | Unit Reporting Number |
| b . | Type of Well GAS | 6. If Indian, All. or Tribe |
| ?. | Operator BURLINGTON RESOURCES Oil & Gas Company | 7. Unit Agreement Name |
| 3. | Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 | 8. Farm or Lease Name Carson SRC |
| | (505) 326-9700 | 9. Well Number 4 |
| | Location of Well 1380' FNL, 660' FWL | 10. Field, Pool, Wildcat Basin Dakota |
| | Latitude 36° 50.7, Longitude 107° 20.0 | 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 2, T-30-N, R-5-W |
| | hattende 30 30.7, hengelede 11 | API# 30-039- 2646/ |
| 4. | Distance in Miles from Nearest Town 10 miles from Gobernador | 12. County 13. State Rio Arriba NM |
| 15. | Distance from Proposed Location to Nearest Property or Lease Line 660' | |
| 16. | Acres in Lease | 17. Acres Assigned to Well 318.79 W/2 |
| 18. | Distance from Proposed Location to Nearest Well, Drlg, Compl, or 2000' This action is subject to technical and | |
| 19. | Proposed Depth procedural review purcuent to 49 OFR 3166.3 and appear pursuent to 49 OFR 3165.4. | 3 20. Rotary or Cable Tools Rotary |
| 21. | Elevations (DF, FT, GR, Etc.) 6483' GR | 22. Approx. Date Work will Start |
| 23. | Proposed Casing and Cementing Program See Operations Plan attached | DRUGHER OFFICEROMS AUTHORIZED ARE SUBJULT TO CONFICIANCE WITH ATTACHED HOWEVER I REQUIREMENTS! |
| 2.00 | Authorized by: Mague ale | 5-3-00 |
| 1 7. | Regulatory/Compliance Supervisor | Date |
| DEDA | APPROVAL DA | ATE |
| renn | ROVED BY TITLE | DATE 8-9-00 |

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.

UNITED STATES

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

| | ces and Reports on Wells |
|---|---|
| | 5. Lease Number |
| Type of Well GAS | 6. If Indian, All. or Tribe Name |
| | 7. Unit Agreement Nam |
| Name of Operator BURLINGTON RESOURCES OIL & | GAS COMPANY |
| | or AUG 2000 Sa. Well Name & Number Carson SRC #4 |
| Address & Phone No. of Operator PO Box 4289, Farmington, NM | 87499 (505) 32 970 OLCON DIV API Well No. DIST. 3 30-039-2646/ |
| Location of Well, Footage, Sec 1380'FNL, 660'FWL, Sec.2, T-30 | c., T, R, M 10. Field and Pool |
| . CHECK APPROPRIATE BOX TO IND | ICATE NATURE OF NOTICE, REPORT, OTHER DATA |
| Type of Submission | Type of Action |
| $_{ m X}_{ m }$ Notice of Intent | Abandonment _X Change of Plans |
| Cubacament Depart | Recompletion New Construction Plugging Back Non-Routine Fracturing |
| Subsequent Report | Plugging Back Non-Routine Fracturing Casing Repair Water Shut off |
| Final Abandonment | Altering Casing Conversion to Injection _X_ Other - |
| . Describe Proposed or Comple | eted Operations |
| | he cement slurries for the intermediate and production ect well as follows: |
| | ead w/360 sx Class "B" cement w/3% sodium metasilicate, D.5 pps Flocele. Tail with 95 sx Class "B" 50/50 poz um chloride, 0.25 pps Flocele, 5 pps Gilsonite (1164 cu. |
| | |
| <pre>w/2% gel, 2% calciv 7" intermediate casing alto</pre> | - |
| <pre>w/2% gel, 2% calciv 7" intermediate casing alto</pre> | ass "B" 50/50 poz w/2% gel, 2% calcium chloride, 0.25 pp sonite. Second stage: 316 sx Class "B" cement w/3% sodiu |
| w/2% gel, 2% calcium 7" intermediate casing altocement w/197 sx Cla Flocele, 5 pps Gils metasilicate, 10 pp | ass "B" 50/50 poz w/2% gel, 2% calcium chloride, 0.25 pp sonite. Second stage: 316 sx Class "B" cement w/3% sodiu |
| w/2% gel, 2% calciu 7" intermediate casing alto cement w/197 sx Cla Flocele, 5 pps Gils metasilicate, 10 pp | ass "B" 50/50 poz w/2% gel, 2% calcium chloride, 0.25 pp sonite. Second stage: 316 sx Class "B" cement w/3% sodiu os Gilsonite, 0.5 pps Flocele (1164 cu.ft.). |

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

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 PO Box 2088 - , ... 19 Santa Fe, NM 87504-2088

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

AMENDED REPORT

| | | 1 | WELL | LOCATI | ON AN | D AC | CREAGE DEDI | [CATION PL | .AT | | |
|--|--|--|-----------------|-----------------------|--------------------|---------------|--|----------------------------|------------|--------------|---------------|
| | API Numbe | Pool Code Pool Name | | | | | | | | | |
| 30-039- 2646/ 715 | | | | 71599 Basin Dakota | | | | | | | |
| *Property Code | | | | *Property Name | | | | | *We | "Well Number | |
| 18492 | | | | | CARSON SRC 4 | | | | 4 | | |
| 'CGRID | No. | | | *Operator Name | | | | | *Elevation | | |
| 14538 | BURLINGTON RESOURCES OIL & GAS COMPANY | | | | | | E | 5483 ' | | | |
| ¹⁰ Surface Location | | | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from | the | North/South line | Feet from the | East/W | est line | County |
| E | 2 | 30N | 5W | | 1380 |) | NORTH | 660 | WE | ST | RIO ARRIBA |
| | | ¹¹ Bo | ttom | Hole L | ocatio | n It | f Different | From Surf | ace | | - |
| Ut, or lot no. | UL or lot no. Section Township Range Lot Idn Feet from the | | | | North/South line | Feet from the | East/W | est line | County | | |
| | | | | | | | | | | | |
| 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No. | | | | | | | | | | | |
| W/318.79 | | | | | | | | | | | |
| NO ALLO | WABLE W | ILL BE AS | SSIGNE NON-S | D TO THI TANDARD (| S COMPI JNIT HA | LETIONS BE | ON UNTIL ALL | INTERESTS H BY THE DIVI | HAVE BE | EEN CON | SOLIDATED |
| 16 | 5280.00' 'OPERATOR CERTIFICATIO | | | | | | FICATION | | | | |
| · | | I hereby certify that the information contained herein true and complete to the best of my knowledge and belie | | | | | contained herein is knowledge and belief | | | | |
| | | ı | | - 11 | | | I |)S I | | | |

380 LOT LOT 5 LOT 7 LOT 6 303. Signature 660 Peggy Cole Printed Name Regulatory Supervisor Title 5-3-00 USA NM-4453 Date *SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. FEBRUARY 15, 2000 320.00 320.00

Certificate

6857

5260.20

BURLINGTON RESOURCES OIL & GAS COMPANY CARSON SRC #4 1380' FNL & 660' FWL, SECTION 2, T30N, R5W, N.M.P.M. RIO ARRIBA COUNTY, NEW MEXICO APD MAP #1 NO NEW CONSTRUCTION SWNW SECTION 2, T30N, R5W 31181 EXISTING 2 R.O.W. PIPELINE

OPERATIONS PLAN

Well Name: Carson SRC #4

Location: 1380'FNL,660'FWL, Sec 2, T-30-N, R-5-W

Rio Arriba County, NM

Latitude 36° 50.7, Longitude 107° 20.0

Formation: Basin Dakota Elevation: 6483' GL

| Formation Tops: | Top | Bottom | <u>Contents</u> |
|-----------------------|---------------|--------|-----------------|
| Surface | San Jose | 2597' | |
| Ojo Alamo | 2597' | 2793′ | aquifer |
| Kirtland | 2793 <i>'</i> | 3146′ | gas |
| Fruitland | 3146' | 3292' | gas |
| Pictured Cliffs | 3292' | 3772' | gas |
| Lewis | 3772' | 4270' | gas |
| Intermediate TD | י3872 | | |
| Mesa Verde | 4270' | 4380' | gas |
| Chacra | 4380' | 5430' | gas |
| Massive Cliff House | 5430' | 5520' | gas |
| Menefee | 5520' | 5763′ | gas |
| Massive Point Lookout | 5763' | 6066' | gas |
| Mancos | 6066′ | 6983′ | gas |
| Gallup | 6893′ | 7747′ | gas |
| Greenhorn | 7747' | 7805' | gas |
| Graneros | 7805' | 7936' | gas |
| Dakota | 7936′ | 8144' | gas |
| Morrison | 8144' | | _ |
| TD | 8200' | | |

Logging Program:

Open hole - AIT, CNL, CDL - TD to intermediate casing Cased hole - CBL-CCL-GR - TD to surface Cores - none $\frac{1}{2}$

Mud Program:

| <u>Interval</u> | <u>Type</u> | Weight | <u>Vis.</u> | Fluid Loss |
|-----------------|-------------|---------|-------------|------------|
| 0- 200' | Spud | 8.4-9.0 | 40-50 | no control |
| 200- 3872' | LSND | 8.4-9.0 | 30-60 | no control |
| 3872- 8200' | Air/N2 | 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> | Depth Interval | Csq.Size | Wt. | <u>Grade</u> |
|-------------------|----------------|----------|-------|--------------|
| 12 1/4" | 0' - 200' | 9 5/8" | 32.3# | |
| 8 3/4" | 0' - 3872' | 7" | 20.0# | J-55 |
| 6 1/4" | 3772' - 8200' | 4 1/2" | 10.5# | K-55 |

<u>Tubing Program:</u>

0' - 8200' 2 3/8" 4.7# J-55

BOP Specifications, Wellhead and Tests:

Surface to Intermediate TD -

11" 3000 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" 3000 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, 3000 psi minimum choke manifold (Reference Figure #2).

Completion Operations -

 $7\ 1/16$ " 3000 psi double gate BOP stack (Reference Figure #3). 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 159 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 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/348 sx Class "B" w/6% gel, 2% calcium chloride, 5# gilsonite/sx and 1/4# flocele/sx. Tail w/70 sx Class "B" w/2% sodium metasilicate, 1/4# flocele/sx, 5# gilsonite/sx, (1164 cu.ft. of slurry, 100% 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.

7" intermediate casing alternative two stage: Stage collar at 3046'. First stage: cement with w/145 sx Class "B" w/2% sodium metasilicate, 2% calcium chloride, 5# gilsonite/sx, 1/4# Flocele. Second stage: 305 sx Class "B" with 6% gel, 2% calcium chloride, 5# gilsonite/sx, 1/4 pps Cellophane (1164 cu.ft., 100% excess to circulate to surface).

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 2793'. Two turbolating centralizers at the base of the Ojo Alamo at 2793'. 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 cover minimum of 100' of 4 1/2" x 7" overlap. Lead with 451 sx 50/50 Class "B" Poz with 4% gel, 0.25# flocele/sx, 5# gilsonite/sx, and 0.3% fluid loss additive, 0.3% dispersant, 0.25% retarder (636 cu.ft.), 40% excess to cement 4 1/2" x 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. In its place, a long string of 4 1/2" casing will be run and cemented with a minimum of 100' of cement overlap between the 4 1/2" x 7" casing strings. After completion of the well, a 4 1/2" retrievable bridge plug will be set below the top of cement in the 4 1/2" x 7" overlap. The 4 1/2" casing will then be backed off above the top of cement in the 4 1/2" x 7" overlap and laid down. The 4 1/2" bridge plug will then be retrieved and the production tubing will be run to produce the well.

• If hole conditions permit, an adequate water spacer will be pumped ahead of each cement job to prevent cement/ mud contamination or cement hydration.

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

Fruitland Coal 300 psi Pictured Cliffs 600 psi Mesa Verde 700 psi Dakota 2500 psi

- Sufficient LCM will be added to the mud system to maintain well control, if lost circulation is encountered.
- The west half of Section 2 is dedicated to the Dakota in this well.
- This gas is dedicated.

John P. Hosford 5/16/00

Date