UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

	APPLICATION FOR	PERMIT TO DRILL, DEEPE			
a.	Type of Work DRILL	\$ 18 28 27 20 Day	5. Lease Number NM-010468 Unit Reporting Number		
) .	Type of Well GAS	FEB 2000 RECEIVED RECONDIV	of Indian, All. or Tribe		
	Operator BURLINGTON RESOURCES Oil & C	PECON DIV OIL DIST 3	ØyjUnit Agreement Name		
	Address & Phone No. of Operator PO Box 4289, Farmington (505) 326-9700	, NM 87499	8. Farm or Lease Name Howell J 9. Well Number 5		
<u> </u>	Location of Well 540'FNL, 735'FWL Latitude 36° 49.8, Longit	ande 1079 39.1	10. Field, Pool, Wildcat Basin Dakota 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 11, T-30-N, R-8-W		
4.	Distance in Miles from Nearest Tow 10 miles from Navajo Dam	wn Post Office	12. County 13. State San Juan NM		
5. 6.	Distance from Proposed Location 540' Acres in Lease	to Nearest Property or Lease L	ine 17. Acres Assigned to Well 320 N/2		
8.	Distance from Proposed Location 75'	to Nearest Well, Drig, Compl, o	or Applied for on this Lease		
9.	Proposed Depth procedural rev	Now purers to 40 GPR 8165.3 Teasing to 43 GPR 8165.3	20. Rotary or Cable Tools Rotary		
1.	Elevations (DF, FT, GR, Etc.) 6210' GR		22. Approx. Date Work will Start		
23.	Proposed Casing and Cementing I See Operations Plan at		DRILLIMO OTERATIONE AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHE "GENERAL REQUIREMENTS"		
24.	Authorized by: Regulatory/C	Cale ompliance Administrate	12-1-99 Date		
		APPROVAL D	DATE		
PER	MIT NO.	PERMIT NO APPROVAL DATE			

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.

262728 sate of New Mexico Form C-102 District I PO Box 1980, Hobbs, NM 88241-1980 Revised February 21, 1994 Myderals & Natural Resources Department Instructions on back FEB COPY GONS BRVATION DIVISION POUBOX 2088 Submit to Appropriate District Office District II State Lease - 4 Copies Fee Lease - 3 Copies PO Drawer DD. Artesia. NM 88211-0749 PEUBOX 2088 OLCOBETTA FE NM 87504-2088-District III 1000 Rio Brazos Rd., Aztec, NM 8741 AMENDED REPORT District IV PO 50x 2068, Santa Fe. NM 87504-2086 AND ACREAGE DEDICATION PLAT 71599 Code Pool Name 'API Number Basin Dakota 30-045 Well Number Property Name Property Code 5 HOWELL J 7129 *Elevation 'Operator Name 'OGRID No. BURLINGTON RESOURCES OIL & GAS COMPANY 6210 14538 ¹⁰ Surface Location East/West line Feet from the North/South line Feet from the UL or lot no. Section SAN JUAN 735 WEST 30N 8W 540 NORTH 11 D Different From Surface 11 Bottom Hole Location If Feet from the North/South line East/West line Sect ion Townshap Lot Ion Feet from the UL or lot no. ¹³ Joint or Infill 14 Consolipation Code ¹⁵ Order No. 12 Dedicated Acres N/320NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION "OPERATOR CERTIFICATION 15 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief 5281.32' NM-010468 Peggy Cole ٥ Printed Name Regulatory Administrator FEE 52 Date "SURVEYOR CERTIFICATION 552 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. OCTOBER 15. 1999 50 Date of Sur 2458. 2706.66 2655.84 Certificate No 6857

OPERATIONS PLAN

Well Name: Howell J #5

Location: 540'FNL, 735'FWL, Sec 11, T-30-N, R-8-W

San Juan County, NM

Latitude 36° 49.8, Longitude 107° 39.1

Formation: Basin Dakota

Elevation: 6210' GL

Formation Tops:	Top	Bottom	<u>Contents</u>
Surface	San Jose	1923'	
Ojo Alamo	1923'	2109 '	aquifer
Kirtland	2109′	28 42'	gas
Fruitland	2842'	3202 '	gas
Pictured Cliffs	3202 '	3362'	gas
Lewis	3362 '	3468'	gas
Intermediate TD	34621		
Mesa Verde	3468 ′	4185'	gas
Chacra	4185'	4959'	gas
Massive Cliff House	4959'	5005 '	gas
Menefe e	5005 '	5346 ′	gas
Massive Point Lookout	5346'	5705 '	gas
Mancos	5705 ′	6628 '	gas
Gallup	6628 '	7364'	gas
Greenhorn	7364'	7422'	gas
Graneros	7422'	7505 '	gas
Dakota	7505 ′		gas
TD (4 1/2"liner)	7820'		_

Logging Program:

Open hole - IEL-GR, CNL-CDL, ML Cased hole - CBL-CCL-GR - TD to surface Cores - none

Mud Program:

Interval	Type	Weight	<u>Vis.</u>	<u>Fluid Loss</u>
0- 200'	Spud	8.4-9.0	40-50	no control
200- 3462'	LSND	8.4-9.0	30-60	no control
3462- 7820'	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):

Hole Size	Depth Interval	Csg.Size	Wt.	<u>Grade</u>
12 1/4"	0' - 200'	9 5/8"	32.3#	WC-50
8 3/4"	0' - 3462'	7"	20.0#	J -5 5
6 1/4"	3362' - 7820'	4 1/2"	10.5#	K-55

Tubing Program:

0' - 7820' 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 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.

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 -"B" w/3% sodium metasilicate, w/314 sx Class gilsonite/sx and 1/2# flocele/sx. Tail w/90 sx 50/50 Class "B" Poz w/2% calcium chloride, 2% gel (1041 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 2742'. First stage: cement with w/153 sx Class "B" 50/50 poz w/2% gel, 2% calcium chloride, 0.5 pps Cellophane. Second stage: 283 sx Class "B" with 3% sodium metasilicate, 1/2 pps Cellophane, 10 pps Gilsonite (1041 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 2752'. Two turbolating centralizers at the base of the Ojo Alamo at 2752'. 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 504 sx 50/50 Class "H" Poz with 2% gel, 0.25# flocele/sx, 5# gilsonite/sx, 0.2% retardant and 0.4% fluid loss additive (641 cu.ft.), 40% excess to cement 4 $1/2" \times 7"$ 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. 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 north half of Section 11 is dedicated to the Dakota in this well.

This gas is dedicated.

Drilling Engineer

Dato

BURLINGTON RESOURCES OIL & GAS COMPANY HOWELL J #5 540' FNL & 735' FWL, SECTION II, T30N, R8W, N.M.P.M. SAN JUAN COUNTY, NEW MEXICO CHINAS TO SAT WITH THE TEXT OF THE APD MAP #I NO NEW CONSTRUCTION NW/NW SECTION II, T3ON, R8W. EXISTING R.O.W.