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FOR	BURLINGTON RESC	OURCES	#1817 VERI OIL & GAS	FIED BY THE BLM WELI SENT TO THE FARMING	L INFORMATI	ON SYSTEM FIELD OFFICE
SIGNED PEGGY COLE			TITLE	REPORT AUTHORIZER		DATE 12/12/2000
ERMIT NO.				APPROVAL DATE		
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	Jim Lovato					FEB - 1 2000
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le 18 U.S.C. Section	n 1001, makes it a	a crime f	for any pa	*See Instruction	***	rse Side ake to any department or agency any matter within its jurisdiction.

DISTRICT | P.O. Box 1980, Hobbs, N.M. 88241-1980 State of New Mexico Energy, Hinerals & Natural Resources Department Form C-102
Revised February 21, 1994
instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II P.O. Drower DD, Artesia, N.M. B8211-0719

OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, NM 87504-2088

☐ AMENDED REPORT

DISTRICT III 1000 Rio Brozos Rd., Aztec, N.M. 87410

DISTRICT IV PO Box 2088, Santa Fe. NM 87504-2088

WELL I	OCATION	AND	ACREAGE	DEDICATION	PLAT
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API Number	(17	³ Pool Code	³ Pool Name) a kora
30-045- 00-	<u> </u>	72319/71599 *Pro	Blanco Mesaverde/Basin I	• Well Number
18508		DAI	SANT	1B.
70GRID No. 14538		,	rotor Name DIL AND GAS, INC.	Elevation 6535'_

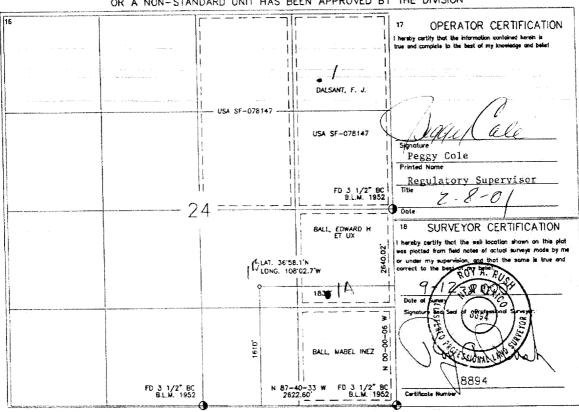
¹⁰ Surface Location Feet from the North/South line East/West line UL or lot no. Section Township SAN JUAN SOUTH 1835 EAST 32-N 1610' 24 12-W "Bottom Hole Location If Different From Surface East/West line County Feet from the North/South line

UL or lot no. Section Township Range Lat Idn Feet from the North/South line Feet from the East/West line County

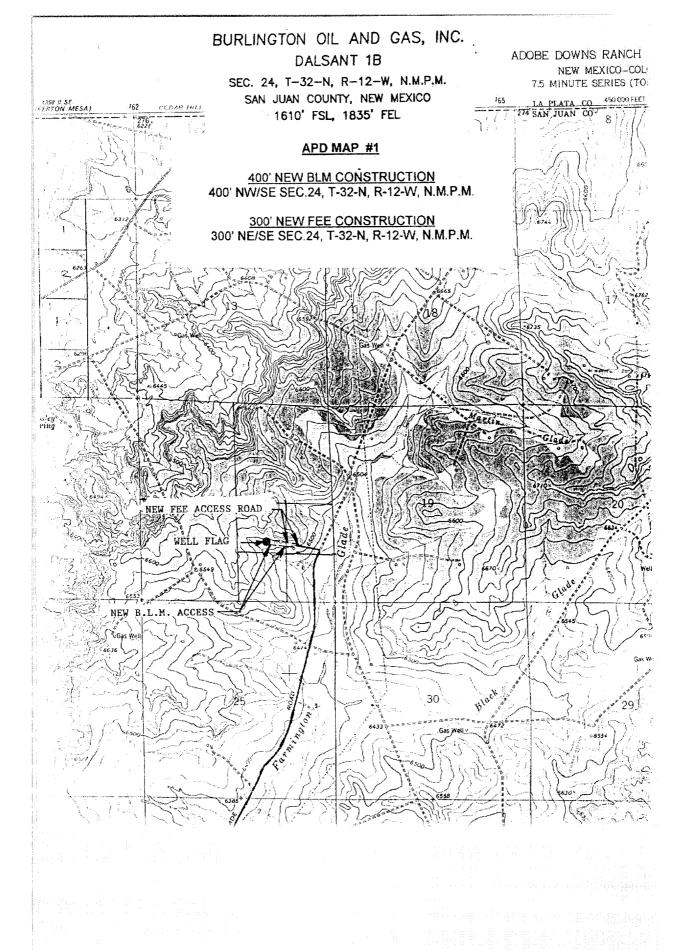
Dedicated Acres

MV/DK: E/320

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: Dalsant #1B

1610'FSL, 1835'FEL, Sec 24, T-32-N, R-12-W Location:

San Juan County, NM

Latitude 36° 58.1, Longitude 108° 02.7

Formation: Blanco Mesa Verde/Basin Dakota

Elevation: 6535' GL

Formation Tops:	Top	Bottom	Contents
Surface	San Jose	1097'	
Ojo Alamo	1097'	1147'	aquifer
Kirtland	1147'	2422'	gas
Fruitland	24221	3087'	gas
Pictured Cliffs	3087'	3227'	gas
Lewis	3227'	3767'	gas
Intermediate TD	3327*		_
Mesa Verde	3767 '	4232'	gas
Chacra	4232'	4852"	gas
Massive Cliff House	4852'	4982*	gas
Menefee	4982'	5367"	gas
Massive Point Lookout	5367'	5747'	gas
Mancos	5747'	6769'	gas
Gallup	6769 '	7456'	gas
Greenhorn	7456'	7517'	gas
Graneros	7517'	7581'	gas
Dakota	7581'/		gas
TD	78004		

Logging Program:

Cased hole - GR/CBL - TD to surface Cores - none

Mud Program:

Interval	Type	Weight	Vis.	Fluid Loss
0- 200'	Spud	8.4-9.0	40-50	no control
200- 3327'	LSND	8.4-9.0	30-60	no control
3327- 78001	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):

Hole Size	Depth Interval	Csq.Size	Wt.	Grade
12 1/4"	0' - 200'	9 5/8"	32.3#	WC-50
8 3/4"	0' - 3327'	7"	20.0#	J-55
6 1/4"	0' - 7800'	4 1/2"	10.5#	K-55

Tubing Program:

0' - 7800' 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
- · 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/300 sx Class "G" w/3% sodium metasilicate, 2% calcium chloride, 10# gilsonite/sx and 1/2# flocele/sx. Tail w/90 sx 50/50 Class "G" Poz w/2% calcium chloride, 2% gel, 1/4 pps flocele, 5 pps gilsonite (1001 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 2322'. First stage: cement with 236 sx 50/50 Class "G" Poz w/2% calcium chloride, 2% gel, 1/4 pps flocele, 5 pps gilsonite. Second stage: 237 sx Class "G" w/3% sodium metasilicate, 2% calcium chloride, 10# gilsonite/sx and 1/2# flocele/sx (1001 cm. ft. 1000 cureous to sixualate to cureface) 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 1147'. Two turbolating centralizers at the base of the Ojo Alamo at 1147'. Bowspring centralizers spaced every fourth joint from the base of the Ojo Alamo to the base of the surface casing.

4 1/2" Production Casing -

Cement to cover minimum of 100' of 4 1/2" x 7" overlap. Lead with 456 sx 50/50 Class "G" Poz with 5% gel, 0.25# flocele/sx, 5# gilsonite/sx, 0.1% retardant and 0.25% fluid loss additive (657 cu.ft.), 40% excess to cement 4 1/2" x 7" overlap). WOC a minimum of 18 hrs prior to completing.

Note: If open hole logs are run, cement volumes will be based on 25% excess over caliper volumes.

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 and Mesa Verde formations will be completed and commingled.
- 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 east half of Section 24 is dedicated to the Mesaverde and Dakota in this well.
- This gas is dedicated.

Driffing Engineer

10/24/00 Date