

BURLINGTON RESOURCES

SAN JUAN DIVISION

2004 JUN 9 PM 12 10 Sent Federal Express

June 3, 2004

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

Re: San Juan 28-4 Unit #32N
2270' FSL, 170' FEL, Section 32, T-28-N, R-4-W, Rio Arriba County
30-039-26596

Dear Mr. Stogner:

Burlington Resources proposes to drill the above referenced well location as a commingled well in the Mesaverde and Dakota formations and is applying for administrative approval of an unorthodox gas well location for the Blanco Mesaverde formation. The Dakota formation falls within a standard location.


The subject well was staked 2270 feet FSL and 170 feet FEL due to rugged terrain and archaeological sites within the legal spacing window for the Mesaverde formation, as shown on the attached Aerial Photography map. This location offsets the outside of the Participating Area as shown on the attached Offset Operator Plat. The U. S. Forest Service requested we stake this well in this non-standard location to stay within 300 feet of existing roads and to avoid the above-mentioned archaeological sites.

The following attachments are for your review:

- Approved application for Permit to Drill, Intent Sundry stating well location and name change
- C-102 at referenced location
- Offset operators plat, showing Participating Area for Mesaverde & Dakota formations
- 9 Section plat
- Aerial Photography map

Copies of this application are being submitted to offset operator / working interest owners by certified mail. Please let me know if you have any questions about this application.

Sincerely,



Joni Clark
Regulatory Specialist

Re: San Juan 28-4 Unit #32N
2270' FSL, 170' FEL, Section 32, T28N, R4W, Rio Arriba County
30-039-26596

I hereby certify that the following offset owners/operators have been notified by certified mail of our application for administrative approval for non-standard well location of the above well.

Peak Energy Resources Inc.
3473 Main Ave. Ste 323
Durango, CO 81301

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on Wells

RECEIVED

2004 FEB 23 PM 4:50

Lease Number
NMSF-079731

1. Type of Well
GAS

070 Farmington, NM

6. If Indian, All. or
Tribe Name

2. Name of Operator

BURLINGTON

RESOURCES OIL & GAS COMPANY LP

7. Unit Agreement Name

San Juan 28-4 Unit

3. Address & Phone No. of Operator

PO Box 4289, Farmington, NM 87499 (505) 326-9700

8. Well Name & Number

San Juan 28-4 U #32N

4. Location of Well, Footage, Sec., T, R, M

2270' FSL, 170' FEL, Sec.32, T-28-N, R-4-W, NMPM

9. API Well No.

30-039-26596

10. Field and Pool

Blanco MV/Basin DK

11. County and State

Rio Arriba Co, NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission

Type of Action

☒ Notice of Intent

☐ Abandonment

☒ Change of Plans

☐ Subsequent Report

☐ Recompletion

☐ New Construction

☐ Final Abandonment

☐ Plugging Back

☐ Non-Routine Fracturing

☐ Casing Repair

☐ Water Shut off

☐ Altering Casing

☐ Conversion to Injection

☒ Other -

13. Describe Proposed or Completed Operations

The location for the subject well has been moved from 2370' FSL, 75' FEL at the request of the Carson National Forest. The well name has been changed from San Juan 28-4 Unit #9B. It is intended to add the Dakota formation to the well. Attached is a new C-102 plat, operations plan, multi-point surface use plan, topographic map, blow out preventer diagram and production facilities diagram. The well will be down hole commingled. A down hole commingle application will be submitted.

14. I hereby certify that the foregoing is true and correct.

Signed Nancy Altmanus Title Senior Staff Specialist Date 2/10/04
no

(This space for Federal or State Office use)

APPROVED BY B. Mantel Title AFM Date 5-24-04
CONDITION OF APPROVAL, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

OPERATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| | | |
|--|--|-----------------|
| 1a. Type of Work DRILL | 5. Lease Number SF-079731 Unit Reporting Number | |
| 1b. Type of Well GAS | 6. If Indian, All. or Tribe | |
| 2. Operator BURLINGTON RESOURCES Oil & Gas Company | 7. Unit Agreement Name San Juan 28-4 Unit | |
| 3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700 | 8. Farm or Lease Name San Juan 28-4 Unit 9. Well Number 9B | |
| 4. Location of Well 2370' FSL, 75' FEL Latitude 36° 36.9, Longitude 107° 15.9 | 10. Field, Pool, Wildcat Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 32, T-28-N, R-4-W API # 30-039- | |
| 14. Distance in Miles from Nearest Town 14 miles from Gobernador | 12. County Rio Arriba | 13. State NM |
| 15. Distance from Proposed Location to Nearest Property or Lease Line 75' | 17. Acres Assigned to Well 320 S/2 | |
| 16. Acres in Lease <i>This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.</i> | | |
| 18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 1100' | | |
| 19. Proposed Depth 6911' | 20. Rotary or Cable Tools Rotary | |
| 21. Elevations (DF, FT, GR, Etc.) 7426' GR | 22. Approx. Date Work will Start | |
| 23. Proposed Casing and Cementing Program See Operations Plan attached | DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS" | |
| 24. Authorized by: <i>[Signature]</i> Regulatory/Compliance Supervisor | Date <i>10-6-00</i> | |

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

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.

OPERATOR

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

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994

District II
PO Drawer DD, Artesia, NM 88211-0719

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

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

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|------------------------|--|--|--|---|---------------------|
| *API Number 30-039- | | *Pool Code 72319/71599 | | *Pool Name Blanco Mesaverde/Basin Dakota | |
| *Property Code 7459 | | *Property Name SAN JUAN 28-4 UNIT | | | *Well Number 32N |
| *GRID No. 14538 | | *Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY, LP | | | *Elevation 7425' |


¹⁰ Surface Location

| | | | | | | | | | |
|--------------------|---------------|-----------------|-------------|---------|-----------------------|---------------------------|----------------------|------------------------|----------------------|
| UL or lot no. I | Section 32 | Township 28N | Range 4W | Lot Idn | Feet from the 2270 | North/South line SOUTH | Feet from the 170 | East/West line EAST | County RIO ARriba |
|--------------------|---------------|-----------------|-------------|---------|-----------------------|---------------------------|----------------------|------------------------|----------------------|

¹¹ Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|---|---------|----------|-------|---------|-------------------------------|----------------------------------|-------------------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| ¹² Dedicated Acres MV- S/320 DK- E/320 | | | | | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. | | |

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

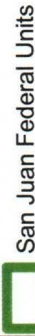
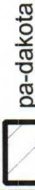
| | | | | | |
|--|--|---------------|--|---|--|
| ¹⁶ Reissued to show amended location and well name change from San Juan 28-4 Unit #9B | | 5302.44' | | ¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature Peggy Cole Printed Name Regulatory Supervisor Title Date | |
| 5280.00' | | 32 | | ¹⁸ 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. Date of Survey: JUNE 19, 2003 Signature and Seal of Professional Surveyor | |
| | | USA SF-079731 | |  JASON C. EDWARDS Certificate Number 15269 | |
| | | 5280.00' | | | |

Standard 640-acre Section

Legend



Current Operator



OFFSET MESAVERDE DRILLBLOCK:
MV - N/2 of Section 33 (Tract 7A)
100% - Peak Energy Resources Inc

**BURLINGTON
RESOURCES**



1:21,996
1" equals 1,833'

GCS North American 1927

BURLINGTON RESOURCES

San Juan

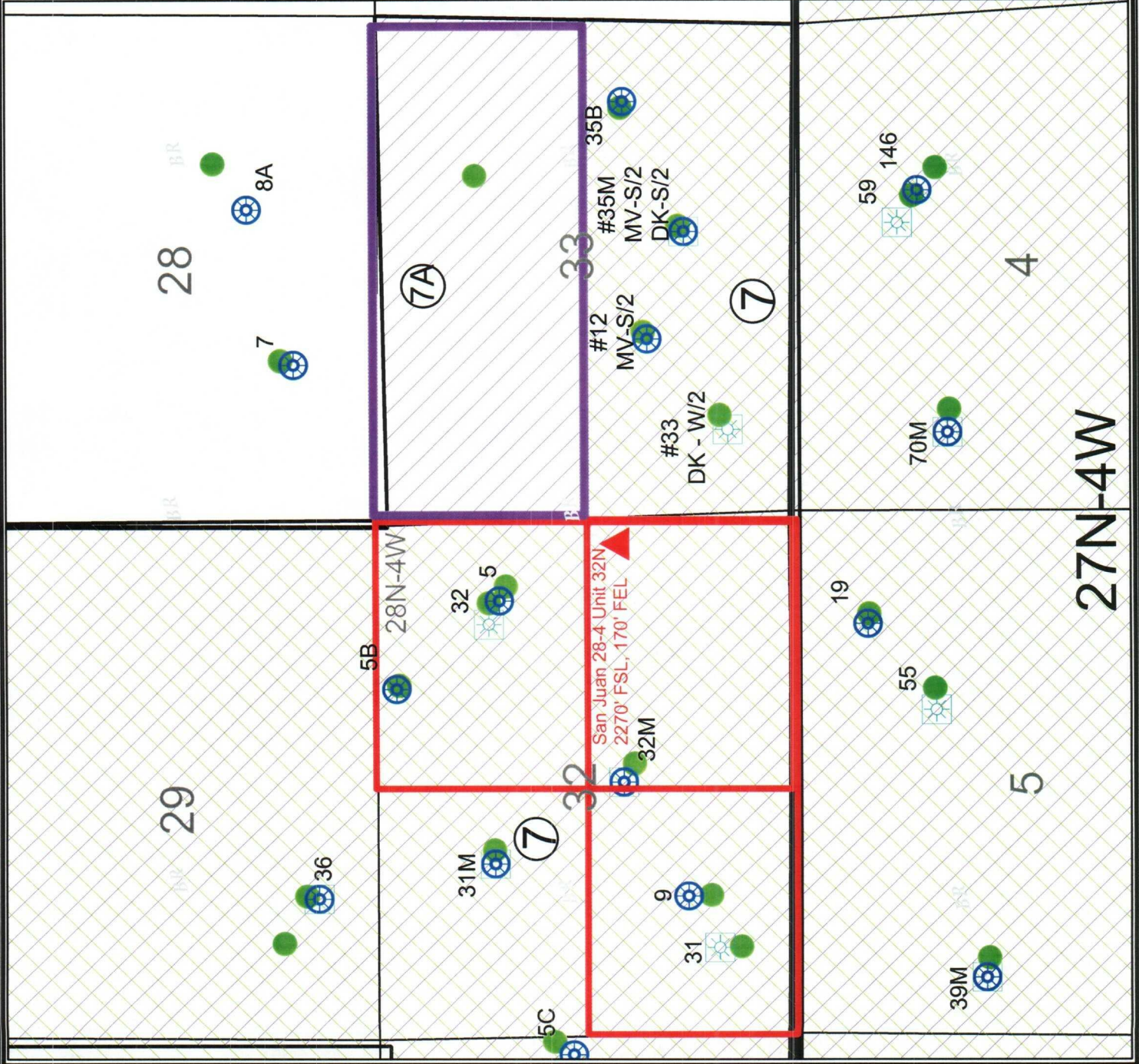
San Juan 28-4 Unit 32N MV/DK - NSL

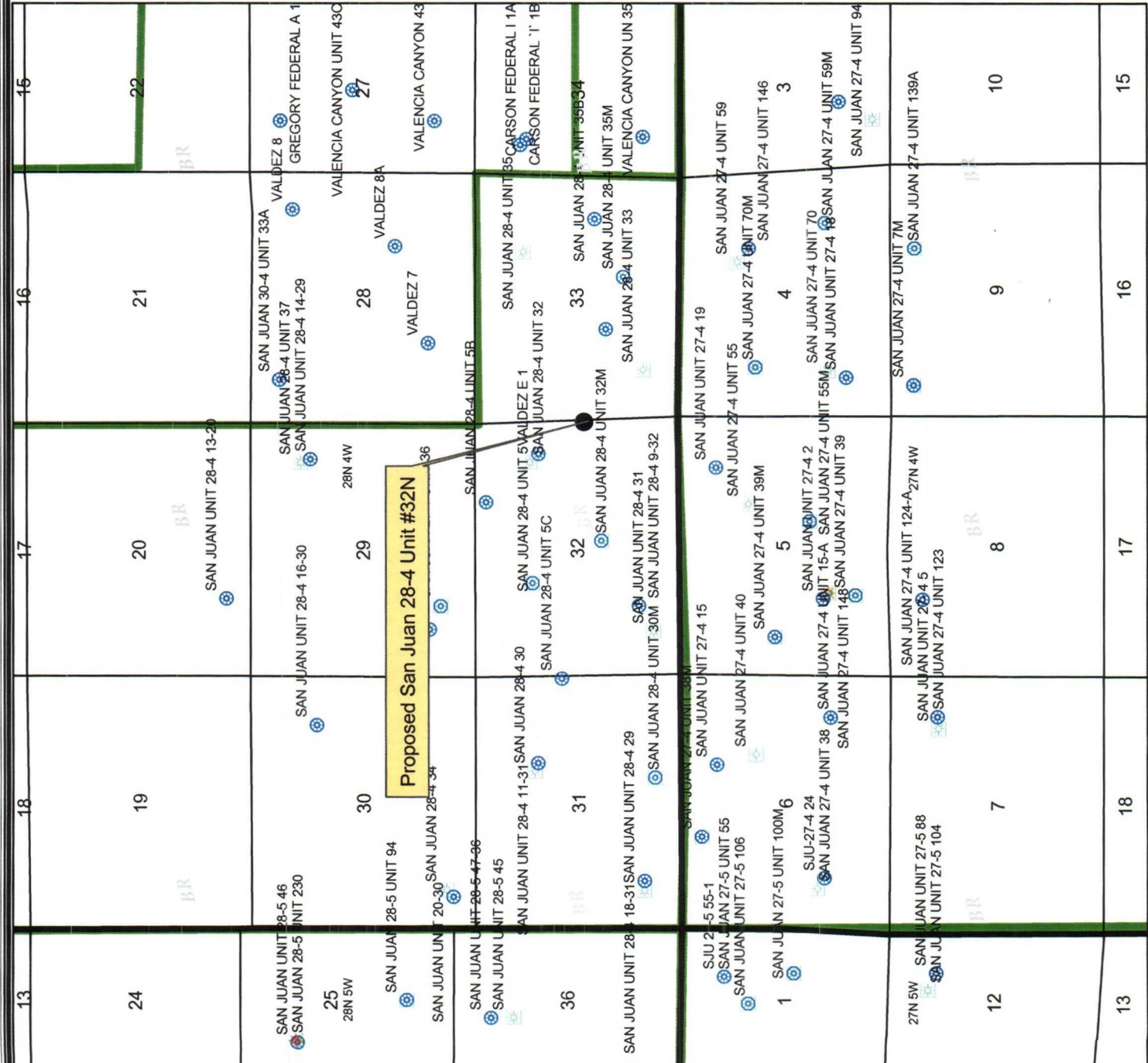
Sec 32, T28N, R4W

Prepared By: mlb Date: 6/2/2004

File Number: Revised Date: 6/2/2004

File Name: c:\plat\mb\Projects\San Juan Basin\San Juan Basin.mxd





Legend

- <all other values>
- FRUITLAND COAL
- PICTURED CLIFFS
- MESAVERDE
- DAKOTA
- Sections
- Townships
- San Juan Federal Units

BURLINGTON RESOURCES

San Juan

PLAT

N

0 1,000 2,000 4,000 6,000 Feet

1:45,061 1" equals 3,755'

GCS North American 1927

BURLINGTON RESOURCES

San Juan

San Juan 28-4 Unit #32N

9 Section Plat

Sec. 32, T28N, R4W, Rio Arriba County, NM

Prepared By: **ieC** Date: **6/3/2004**

File Number: **6/3/2004**

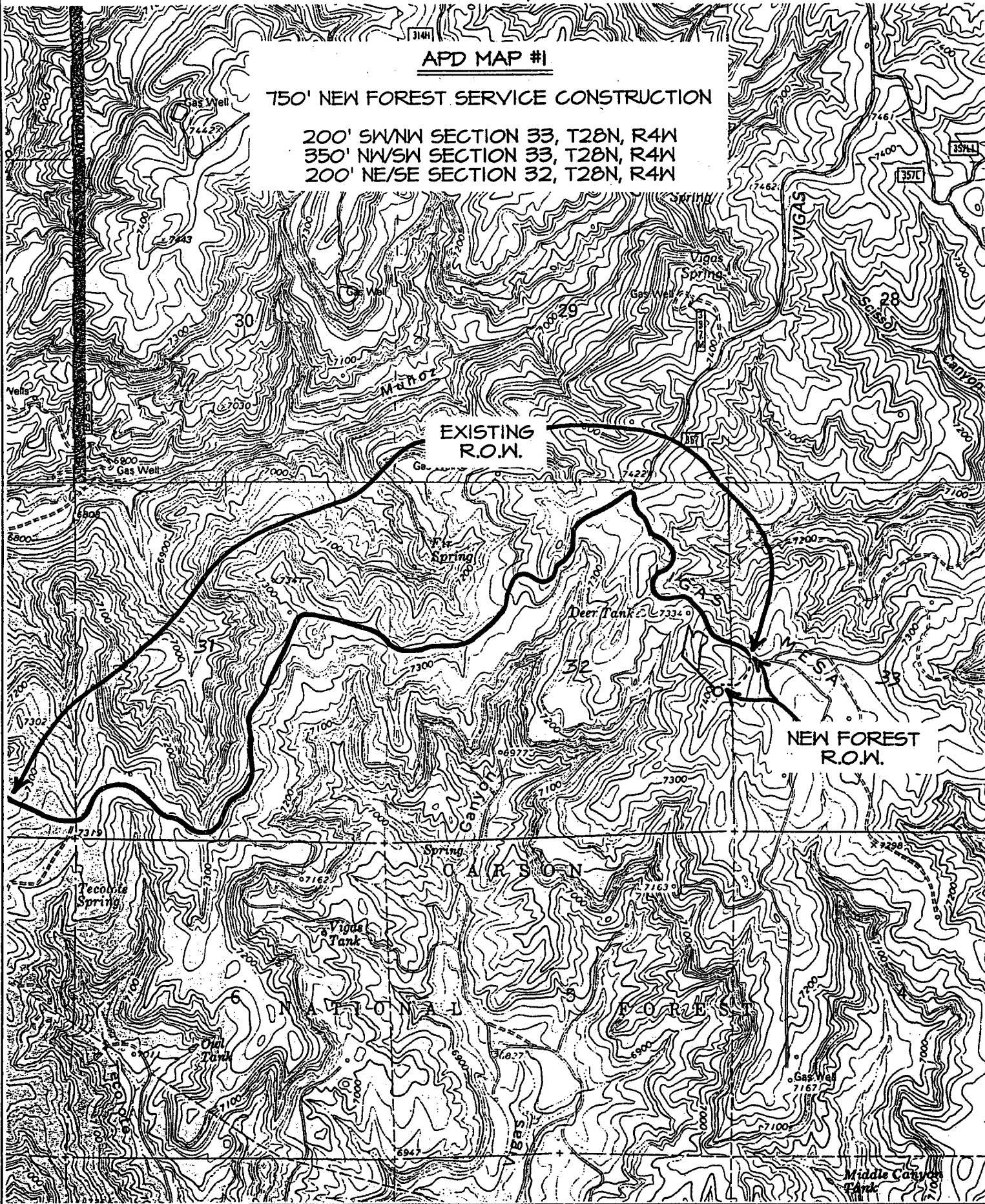
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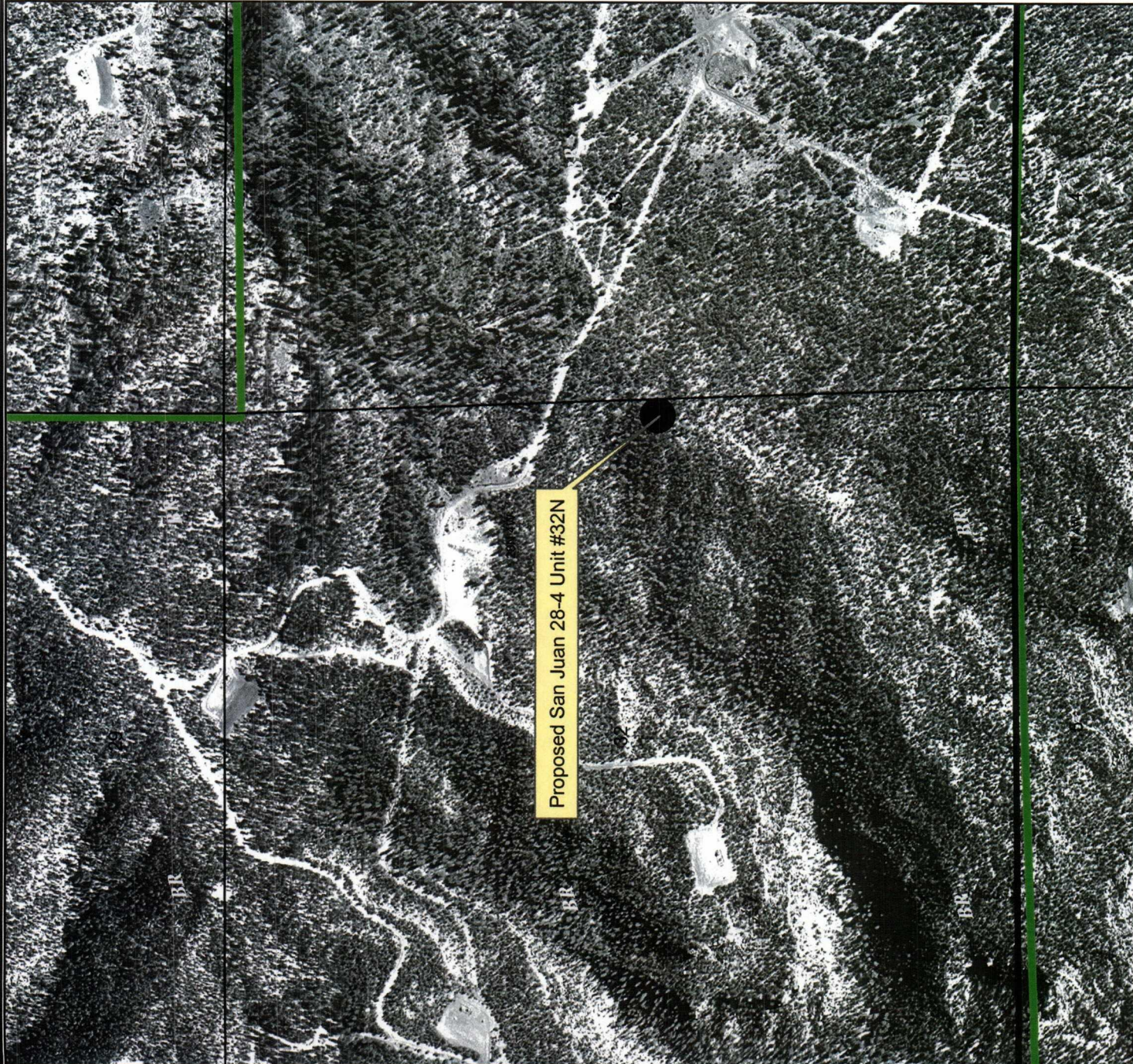
2270' FSL & 170' FEL, SECTION 32, T28N, R4W, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO

APD MAP #1

750' NEW FOREST SERVICE CONSTRUCTION

200' SWNW SECTION 33, T28N, R4W
350' NW/SW SECTION 33, T28N, R4W
200' NE/SE SECTION 32, T28N, R4W





**BURLINGTON
RESOURCES**



GCS North American 1927

BURLINGTON RESOURCES

San Juan

San Juan 28-4 Unit #32N

Sec. 32, T28N, R4W, Rio Arriba County, NM

| | | | |
|--------------|-----|---------------|----------|
| Prepared By: | lec | Date: | 6/3/2004 |
| File Number: | | Revised Date: | 6/3/2004 |
| File Name: | | New Project: | |