

BURLINGTON RESOURCES

SAN JUAN DIVISION

Sent Federal Express July 16, 1999

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: San Juan 29-7 Unit #11C
480'FNL, 1590'FWL Section 3, T-29-N, R-7-W, Rio Arriba County
30-039-26126

Dear Mr. Stogner:

Burlington Resources is applying for administrative approval of an unorthodox gas well location for the Mesa Verde pool. This application for the referenced location is because of very rough terrain, because the Bureau of Land Management does not want access to the bench, and for geologic reasons as described in the attached explanation and maps.

Production from the Mesa Verde pool is to be included in a 317.83 acre gas spacing and proration unit for the west half (W/2) in Section 3 and is to be dedicated to the San Juan 29-7 Unit #11 (30-039-07681) located at 660'FSL, 660'FWL in Section 3, the San Juan 29-7 Unit #11A (30-039-25564) located at 900'FNL, 790'FWL in Section 3 and the San Juan 29-7 Unit #11B which is proposed but postponed to be drilled at this time.

The following attachments are for your review:

- Application for Permit to Drill.
- Completed C-102 at referenced location.
- Offset operators/owners plat – Burlington is the offset operator
- 7.5 minute topographic map
- Geologic explanation and maps

We appreciate your earliest consideration of this application.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

xc: NMOCD - Aztec District Office
Bureau of Land Management

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

RECEIVED
BLM

99 FEB 24 PM 12:
070 1700 1100 11

1a. Type of Work DRILL	5. Lease Number SF-078945 Unit Reporting Number 891001650A
1b. Type of Well GAS	6. If Indian, All. or Tribe
2. Operator BURLINGTON RESOURCES Oil & Gas Company	7. Unit Agreement Name San Juan 29-7 Unit
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name San Juan 29-7 Unit 9. Well Number 11C
4. Location of Well 480' FNL, 1590' FWL Latitude 36° 45.6, Longitude 107° 33.7	10. Field, Pool, Wildcat Blanco Mesaverde 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 3, T-29-N, R-7-W API # 30-039- 26126
14. Distance in Miles from Nearest Town 2 miles from Navajo City	12. County Rio Arriba
15. Distance from Proposed Location to Nearest Property or Lease Line 480'	13. State NM
16. Acres in Lease	17. Acres Assigned to Well 317.83 W/2
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 700'	
19. Proposed Depth 5730'	20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 6258' 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: <u>[Signature]</u> Regulatory/Compliance Administrator	<u>2-8-99</u> Date

PERMIT NO. _____ APPROVAL DATE JUN 17 1999
APPROVED BY [Signature] TITLE Team Leader 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.

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

District II
PO Drawer 00, 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-10
Revised February 21, 1998

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-039-		Pool Code 72319	Pool Name Blanco Mesaverde
Property Code 7465	Property Name SAN JUAN 29-7 UNIT		Well Number 11C
OGRID No. 14538	Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY		Elevation 6258'

¹⁰ Surface Location

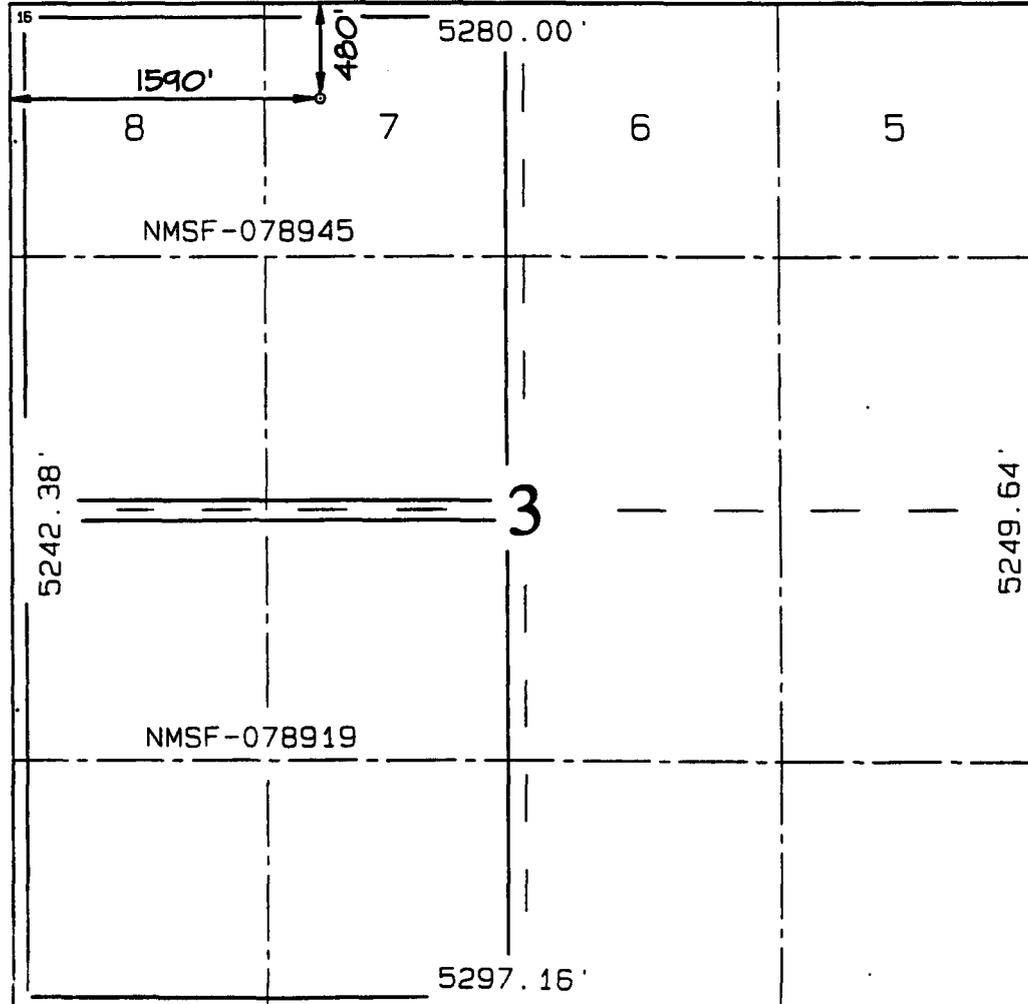
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	3	29N	7W		480	NORTH	1590	WEST	RIO ARRIBA

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-W/317.83	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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



¹⁷ OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Peggy Bradfield
Signature
Peggy Bradfield
Printed Name
Regulatory Administrator
Title
Date

¹⁸ SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by or under my supervision and that the same is true and correct to the best of my belief.

DECEMBER 8, 1998
Date of Survey
Signature and Seal of Professional Surveyor

NEALE C. EDWARDS
NEW MEXICO
6857
Certificated Number

BURLINGTON RESOURCES OIL AND GAS COMPANY

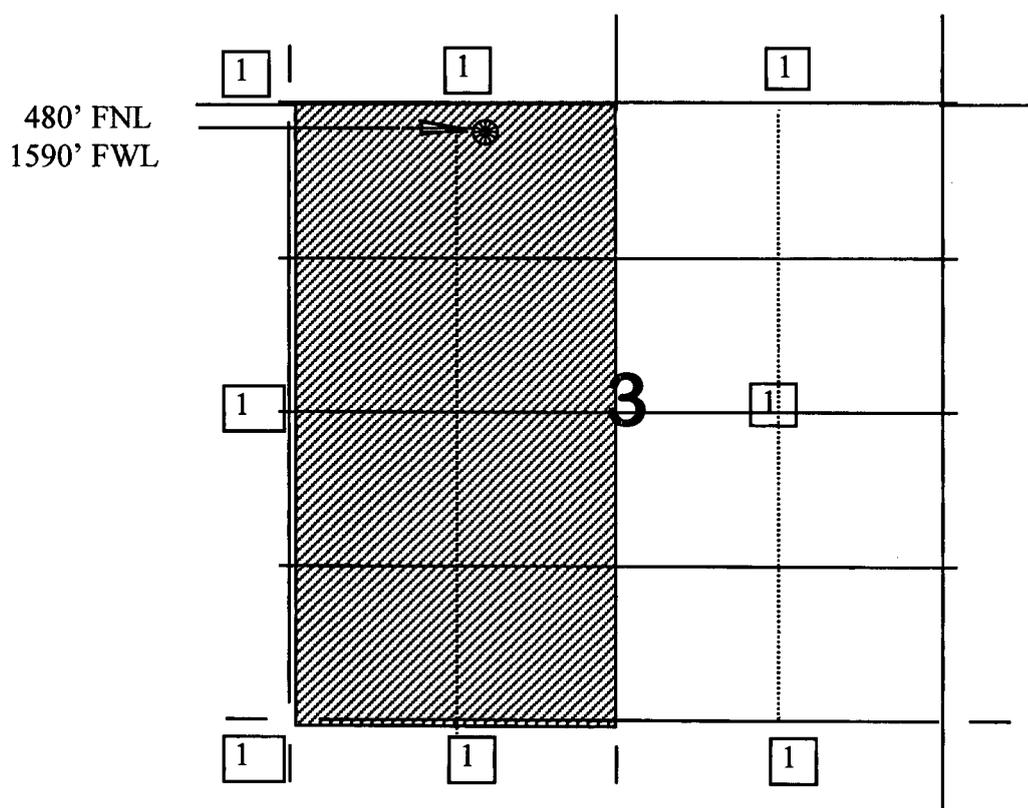
San Juan 29-7 Unit #11C

OFFSET OPERATOR/OWNER PLAT

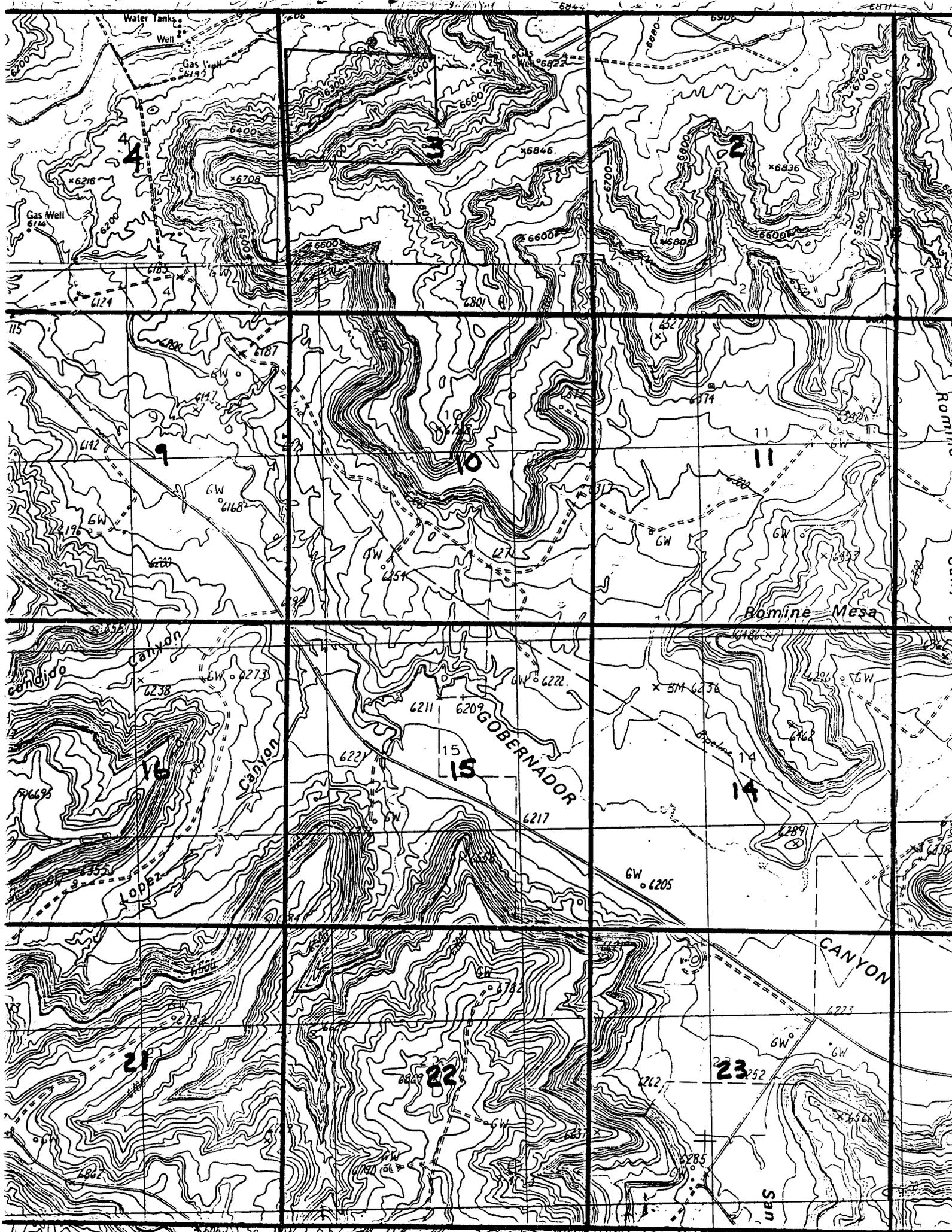
Mesaverde Formation

Non-standard Location

Township 29 North, Range 7 West



1) Burlington Resources



Proposed San Juan 29-7 Unit Well Number 11C
480' FNL & 1590' FWL
Section 3, T29N, R7W
Rio Arriba County, New Mexico
Blanco Mesaverde Pool
Estimated TD 5730'

The location of the proposed test was selected to optimize gas recovery from the Mesaverde Group. The primary control on productivity in the Mesaverde is the density of natural fractures. Fracture orientation ranges from due north to north 30 degrees east. Gas drainage areas are elliptical in shape with the long axis parallel to the direction of fracture orientation. A drainage ellipse map of the project vicinity indicates that undeveloped gas reserves remain to be exploited in the E/2NW/4 of Section 3, T29N, R7W. The drainage ellipse map is based upon data derived from a larger study of the entire Blanco Mesaverde Pool (estimated ultimate recovery calculated for all wells in the Blanco Mesaverde Pool, original gas in place values calculated for entire Blanco Mesaverde Pool, etc.). Gross recoverable gas reserves of 2.692 BCF are projected from the Mesaverde producing interval for the proposed test. Due to topographic and archeological restrictions, it is not possible to exploit the remaining gas reserves in the Mesaverde in the E/2NW/4 of Section 3, T29N, R7W from a standard surface location.

San Juan 29-7 #11C

29N - 7W - 03

Blanco Mesaverde

