

DATE IN 4/14/98	SUSPENSE 5/4/98	ENGINEER MS	LOGGED RW	TYPE NSL
--------------------	--------------------	----------------	--------------	-------------

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**

- Engineering Bureau -

**ADMINISTRATIVE APPLICATION COVERSHEET**

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

**Application Acronyms:**

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

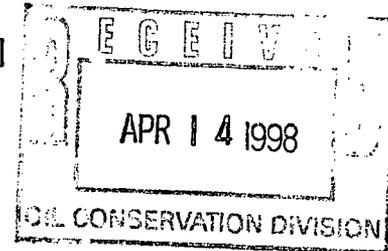
**[1] TYPE OF APPLICATION - Check Those Which Apply for [A]**

- [A] Location - Spacing Unit - Directional Drilling  
 NSL     NSP     DD     SD

Check One Only for [B] and [C]

- [B] Commingling - Storage - Measurement  
 DHC     CTB     PLC     PC     OLS     OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX     PMX     SWD     IPI     EOR     PPR



**[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or  Does Not Apply**

- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

**[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding**

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Peggy Bradfield

Regulatory/Compliance Administrator

Print or Type Name

Signature

Title

Date

# BURLINGTON RESOURCES

---

SAN JUAN DIVISION

April 13, 1998

Sent Federal Express

Ms. Lori Wrotenbery, Director  
New Mexico Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505

Re: San Juan 27-4 Unit #56M  
540'FNL, 750'FWL, Section 21, T-27-N, R-4-W, Rio Arriba County, NM  
30-039-not assigned

Dear Ms. Wrotenbery:

Burlington Resources is applying for administrative approval of an unorthodox gas well location for both the Mesa Verde and Dakota pools. This application for the referenced location is for topographic and archaeological reasons and at the request of the Carson National Forest Service.

Production from the Blanco Mesa Verde pool is to be included in an existing 320 acre gas spacing and proration unit comprising of the West half (W/2) of Section 21 which is currently dedicated to Burlington's San Juan 27-4 Unit #145 (API 30-039-22994), located at a standard gas well location of 1740'FSL, 1660'FWL of said Section 21. Production from the Basin Dakota pool is to be included in an existing 320 acre gas spacing and proration unit comprising of the West half (W/2) of Section 21 which is currently dedicated to Burlington's San Juan 27-4 Unit #56 (API 30-039-20416), located at a standard gas well location of 1800' FSL, 900' FWL of said Section 21.

The following attachments are for your review:

1. Application for Permit to Drill.
2. Completed C-102 at referenced location.
3. Offset operators/owners plat - Burlington is the operator of the unit.
4. 7.5 minute topographic map, and enlargement of the map to define topographic features.

We appreciate your earliest consideration of this application.

Sincerely,



Peggy Bradfield  
Regulatory/Compliance Administrator

xc: NMOCD - Aztec District Office  
Bureau of Land Management - Farmington District Office

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-080674 Unit Reporting Number	
1b. Type of Well GAS	6. If Indian, All. or Tribe	
2. Operator <b>BURLINGTON RESOURCES</b> Oil & Gas Company	7. Unit Agreement Name San Juan 27-4 Unit	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499  (505) 326-9700	8. Farm or Lease Name San Juan 27-4 Unit 9. Well Number 56M	
4. Location of Well 540' FNL, 750' FWL  Latitude 36° 33.52, Longitude 107° 15.4	10. Field, Pool, Wildcat Blanco MV/Basin Dk 11. Sec., Twn, Rge, Mer. (NMPM) Sec 21, T-27-N, R-4-W API # 30-039-	
14. Distance in Miles from Nearest Town 50 miles to Blanco	12. County Rio Arriba	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 540'	17. Acres Assigned to Well 320 W/2	
16. Acres in Lease		
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 300'	20. Rotary or Cable Tools Rotary	
19. Proposed Depth 8525	22. Approx. Date Work will Start	
21. Elevations (DF, FT, GR, Etc.) 7195' GR		
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u></u> Regulatory/Compliance Administrator	<u>2/12/98</u> Date	

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_  
APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Archaeological Report to be submitted by Arboles Contract Archaeology

NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

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

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

Form C-  
 Revised February 21, 1997  
 Instructions on back  
 Submit to Appropriate District Office  
 State Lease - 4 Copies  
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-039-		2 Pool Code 72319/71599		3 Pool Name Blanco Mesaverde/Basin Dakota	
4 Property Code 7452		5 Property Name <b>SAN JUAN 27-4 UNIT</b>			6 Well Number <b># 56M</b>
7 OGRID No. 14538		8 Operator Name <b>BURLINGTON RESOURCES OIL &amp; GAS COMPANY</b>			9 Elevation <b>7195</b>

10 Surface Location

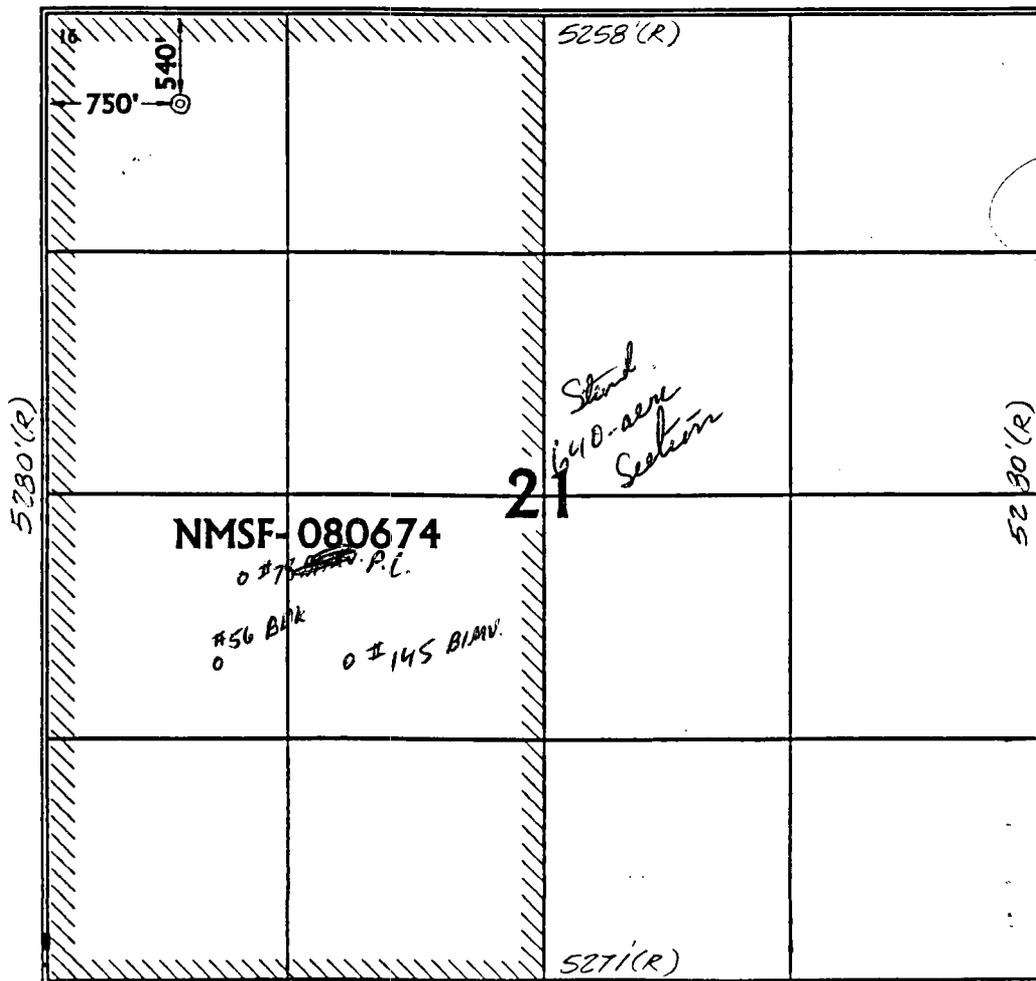
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	21	27 N	4 W		540	NORTH	750	WEST	RIO ARRI

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/320 DK-W/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



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

*Peggy Bradford*  
 Signature  
 Peggy Bradford  
 Printed Name  
 Regulatory Administrator  
 Title  
 2/12/98  
 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 me or under my supervision, and that the same is true and correct to the best of my belief.

November 25, 1997  
 Date of Survey  
 Signature and Seal of Professional Surveyor:  
 GAY D. VAANAN  
 NEW MEXICO  
 REGISTERED PROFESSIONAL LAND SURVEYOR  
 7016  
 Certificate Number

(R) - GLO RECORD

OPERATIONS PLAN

Well Name: San Juan 27-4 Unit #56M  
Location: 540' FNL, 750' FWL Sec 21, T-27-N, R-4-W  
Rio Arriba County, NM  
Latitude 36° 33.52, Longitude 107° 15.4  
Formation: Blanco Mesa Verde/Basin Dakota  
Elevation: 7195' GL

<u>Formation Tops:</u>	<u>Top</u>	<u>Bottom</u>	<u>Contents</u>
Surface	San Jose	3492'	
Ojo Alamo	3492'	3632'	aquifer
Kirtland	3632'	3699'	
Fruitland	3699'	4015'	gas
Pictured Cliffs	4015'	4153'	gas
Lewis	4153'	4540'	gas
<b>Intermediate TD</b>	<b>4253'</b>		
Huerfanito Bentonite	4540'	5033'	gas
Chacra	5033'	5722'	
Massive Cliff House	5722'	5898'	gas
Menefee	5898'	6233'	gas
Massive Point Lookout	6233'	7386'	gas
Gallup	7386'	8180'	gas
Greenhorn	8180'	8270'	gas
Dakota	8270'		gas
TD (4 1/2" liner)	8525'		

Logging Program:

Cased hole - CBL - TD to 200' above TOC, GR/CNL across MV/Dk

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	<u>Fluid Loss</u>
0- 200'	Spud	8.4-9.0	40-50	no control
200-4253'	LSND	8.4-9.0	30-60	no control
4253-8525'	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):

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csq. Size</u>	<u>Wt.</u>	<u>Grade</u>
12 1/4"	0' - 200'	9 5/8"	32.3#	WC-50
8 3/4"	0' - 4253'	7"	20.0#	J-55
6 1/4"	4153' - 8525'	4 1/2"	10.5#	K-55

Tubing Program:

0' - 8525'      2 3/8"      4.70# EUE

**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.

**Cementing:**

9 5/8" surface casing - cement with 163 sx Class "B" cement with 1/4# flocele/sx and 2% 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/350 sx Class "B" w/3% metasilicate, 10# gilsonite/sx and 1/2# flocele/sx. Tail w/90 sx 50/50 Class "B" Poz w/2% calcium chloride, 2% gel, 1/2# flocele/sx, 10# gilsonite/sx (1119 cu.ft. of slurry, 75% 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.

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 3632'. Two turbolating centralizers at the base of the Ojo Alamo at 3632'. 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. Cement with 472 sx 50/50 Class "B" Poz with 2% gel, 1/4# flocele/sx, 5# gilsonite/sx, and 0.4% fluid loss additive (628 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. Instead, 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" CIBP will be set above the last fracturing job to cut and pull the 4 1/2" casing above the 7" casing shoe. The 4 1/2" bridge plug will then be milled and the two strings of tubing will be run for a dual completion.

#### Special Drilling Operations (Gas/Mist Drilling):

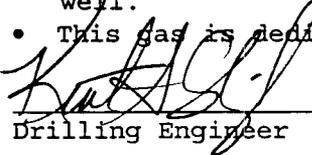
The following equipment will be operational while gas/mist drilling:

- 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	800 psi
Pictured Cliffs	800 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 is dedicated to the Mesa Verde and the Dakota in this well.
- This gas is dedicated.

  
\_\_\_\_\_  
Drilling Engineer

  
\_\_\_\_\_  
Date

# ***BURLINGTON RESOURCES***

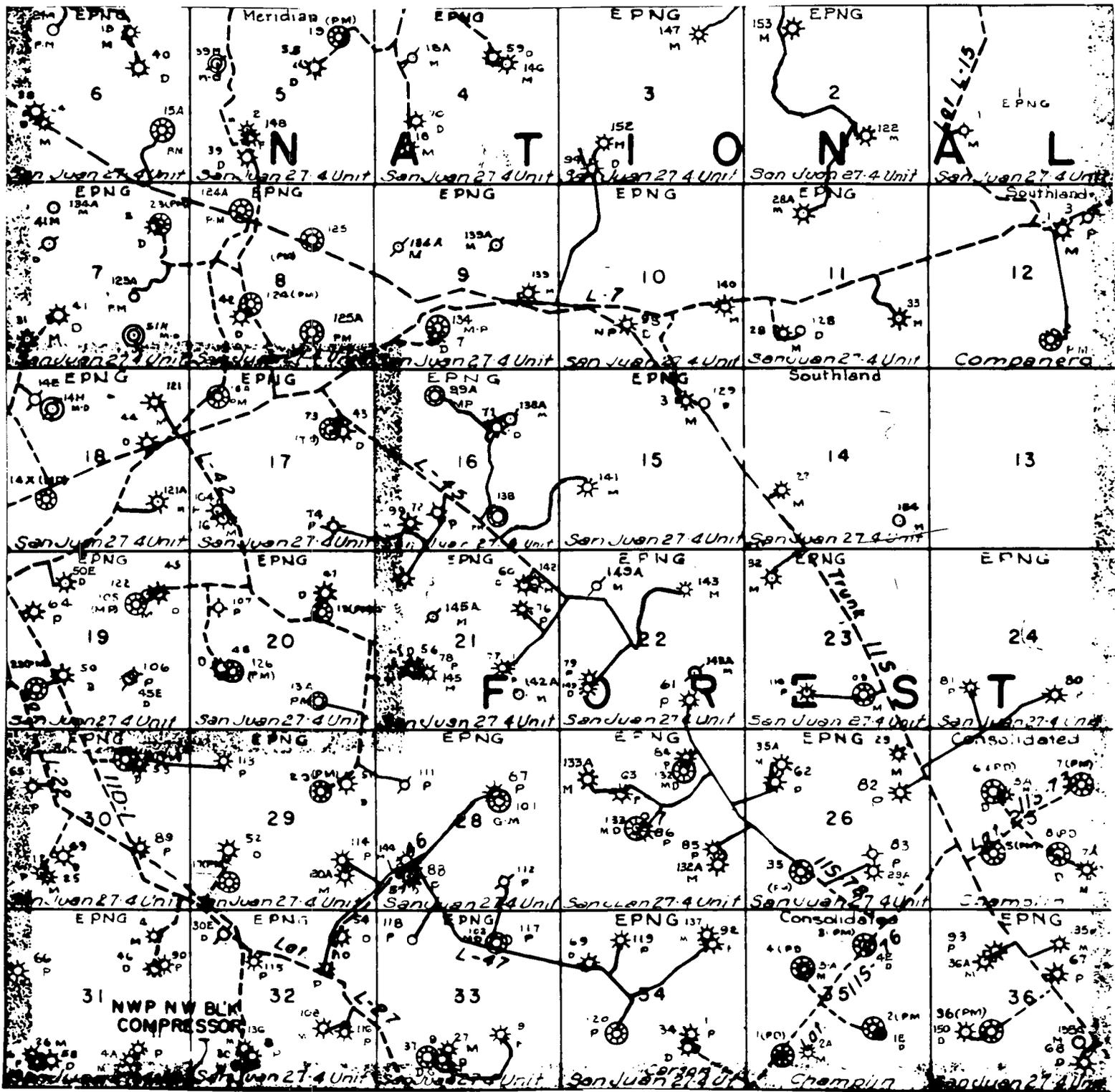
San Juan 27-4 Unit #56M  
Multi-Point Surface Use Plan

1. Existing Roads - Refer to Map No. 1. Existing roads used to access the proposed location will be properly maintained for the duration of the project. Bureau of Land Management right-of-way has been applied for as shown on Map No. 1.
2. Planned Access Road - Refer to Map No. 1. None required.
3. Location of Existing Wells - Refer to Map No. 1A.
4. Location of Existing and/or Proposed Facilities if Well is Productive -
  - a. On the Well Pad - Refer to Plat No. 1, anticipated production facilities plat.
  - b. Off the Well Pad - Anticipated pipeline facilities as shown on the attached plat from Williams Field Service.
5. Location and Type of Water Supply - Water will be hauled by truck for the proposed project and will be obtained from Companero Water Hole located SE Section 18, T-27-N, R-4-W, New Mexico.
6. Source of Construction Materials - If construction materials are required for the proposed project, such materials will be obtained from a commercial quarry.
7. Methods of Handling Waste Materials - All garbage and trash materials will be removed from the site for proper disposal. A portable toilet will be provided for human waste and serviced in a proper manner. If liquids are left in the reserve pit after completion of the project, the pit will be fenced until the liquids have had adequate time to dry. The location clean-up will not take place until such time as the reserve pit can be properly covered over to prevent run-off from carrying waste materials into the watershed. Reserve pits will be lined as needed with either 12 mil bio-degradable plastic liner or a bentonite liner. All earthen pits will be so constructed as to prevent leakage from occurring; no earthen pit will be located on natural drainage. Generation of hazardous waste is not anticipated. Federal regulations will be adhered to regarding handling and disposal of such waste if so generated.
8. Ancillary Facilities - None anticipated.
9. Wellsite Layout - Refer to the location diagram and to the wellsite cut and fill diagram (Figure No. 4). The blow pit will be constructed with a 2'/160' grade to allow positive drainage to the reserve pit and prevent standing liquids in the blow pit.

10. Plans for Restoration of the Surface - After completion of the proposed project, the location will be cleaned and leveled. The location will be left in such a condition that will enable reseeding operations to be carried out. Seed mixture as designated by the responsible government agency will be used. The reseeding operations will be performed during the time period set forth by the responsible government agency. The permanent location facilities will be painted as designated by the responsible government agency.
11. Surface Ownership - Carson National Forest
12. Other Information - Environmental stipulations as outlined by the responsible government agency will be adhered to. Refer to the archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.
13. Operator's Representative and Certification - Burlington Resources Oil & Gas Company Regional Drilling Manager, Post Office Box 4289, Farmington, NM 87499, telephone (505) 326-9700. I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan, are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Burlington Resources Oil and Gas Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

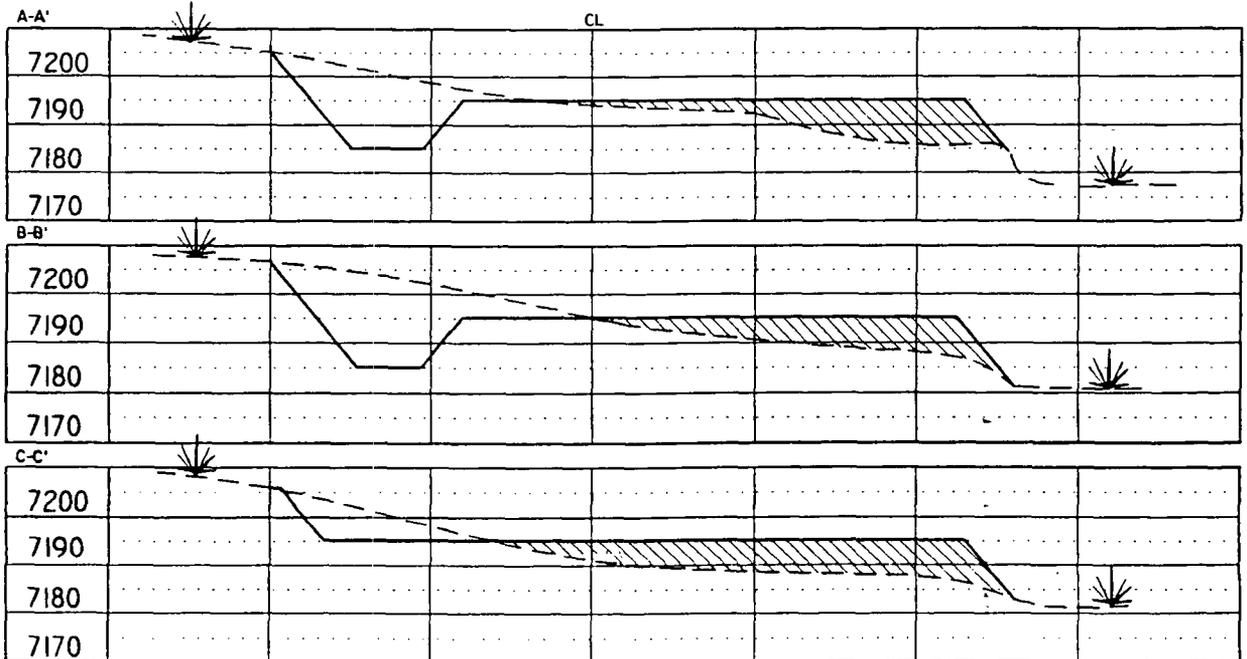
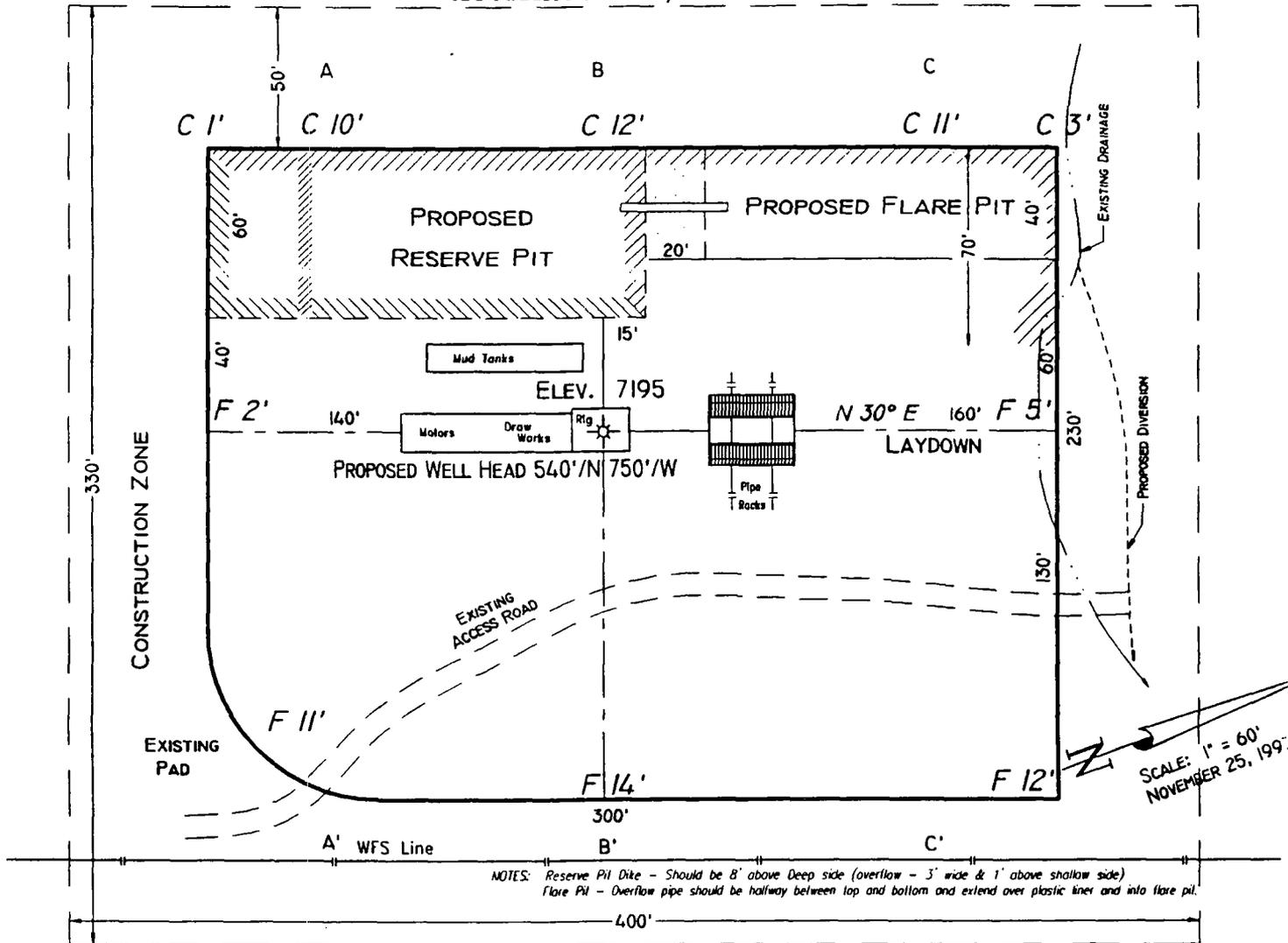
  
Regulatory/Compliance Administrator      2/12/98  
Date

pb



MERIDIAN OIL INC.  
 Pipeline Map  
 T-27-N, R-04-W  
 Rio Arriba County, New Mexico  
 San Juan 27-4 Unit #56M  
 Map 1A

**PAD LAYOUT PLAN & PROFILE**  
**BURLINGTON RESOURCES OIL & GAS COMPANY**  
**SAN JUAN 27-4 UNIT 56M**  
**540' F/NL 750' F/WL**  
**SEC. 21, T27N, R4W, N.M.P.M.**  
**RIO ARriba COUNTY, NEW MEXICO**



**SCALE:** 1" = 60' HORIZ.  
 1" = 40' VERT.

**NOTE:** Contractor should call One-Call for location of any marked or unmarked buried pipelines or cables on well pad and/or access road at least two (2) working days prior to construction.

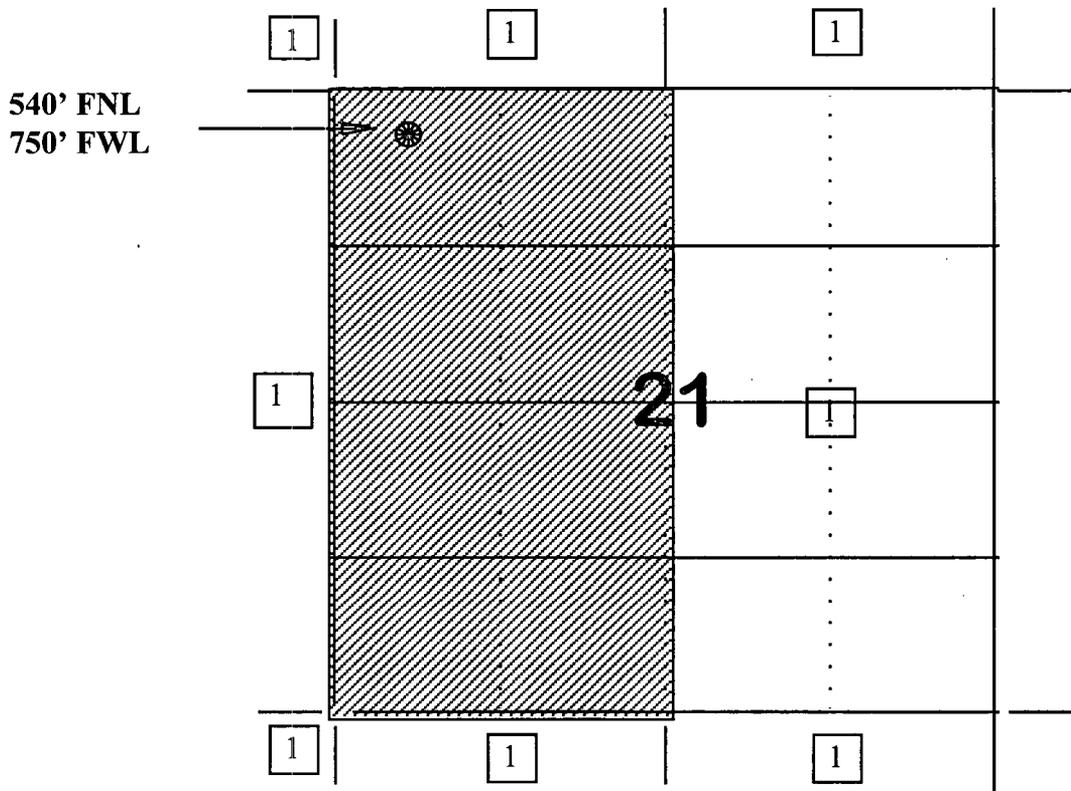
VANN SURVEYS  
 304 N. Locke  
 Farmington, NM

**BURLINGTON RESOURCES OIL AND GAS COMPANY**

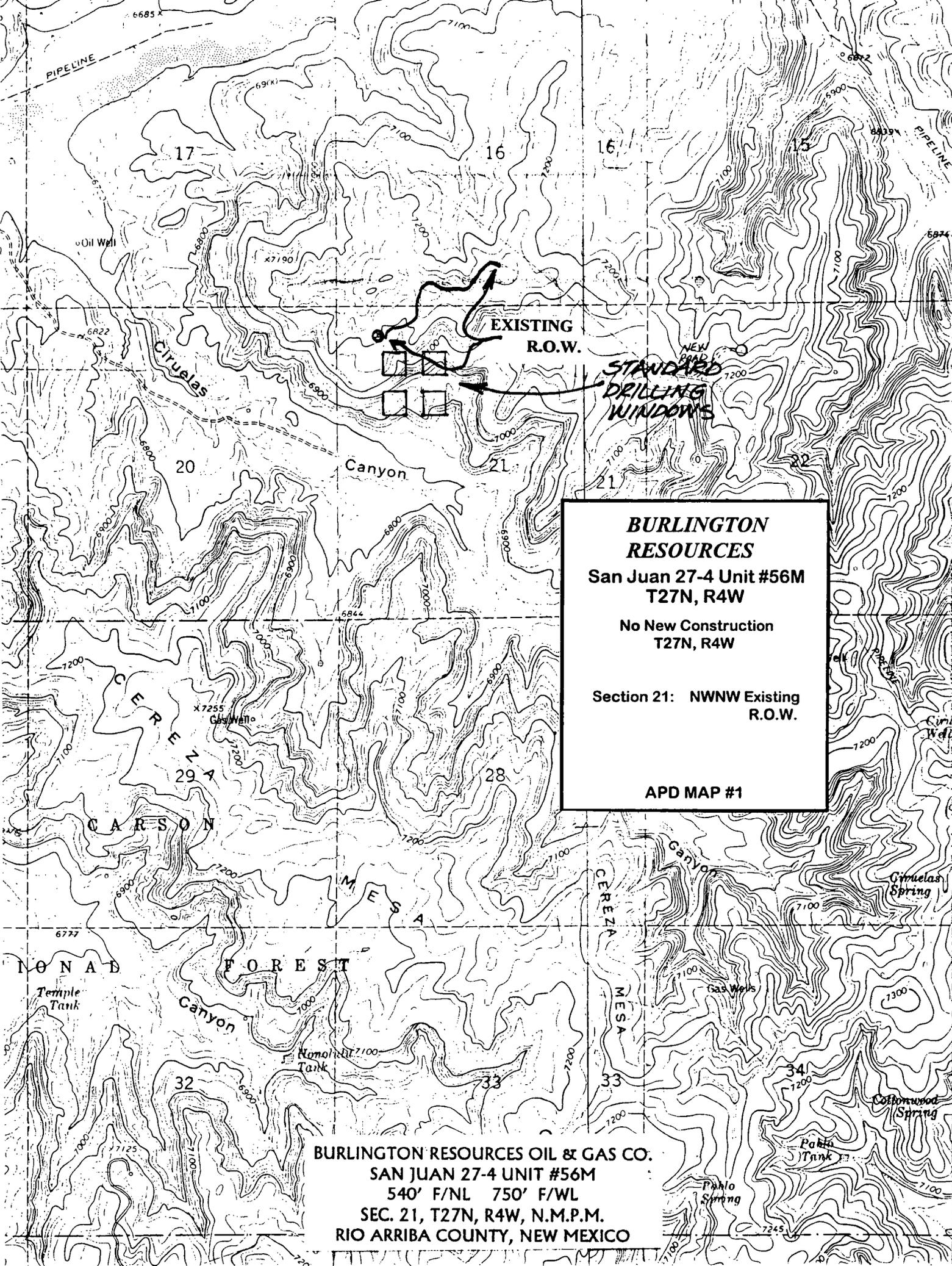
**San Juan 27-4 Unit #56M  
OFFSET OPERATOR/OWNER PLAT  
Non Standard Location**

**Mesaverde / Dakota Formations Well**

Township 27 North, Range 4 West



1) Burlington Resources

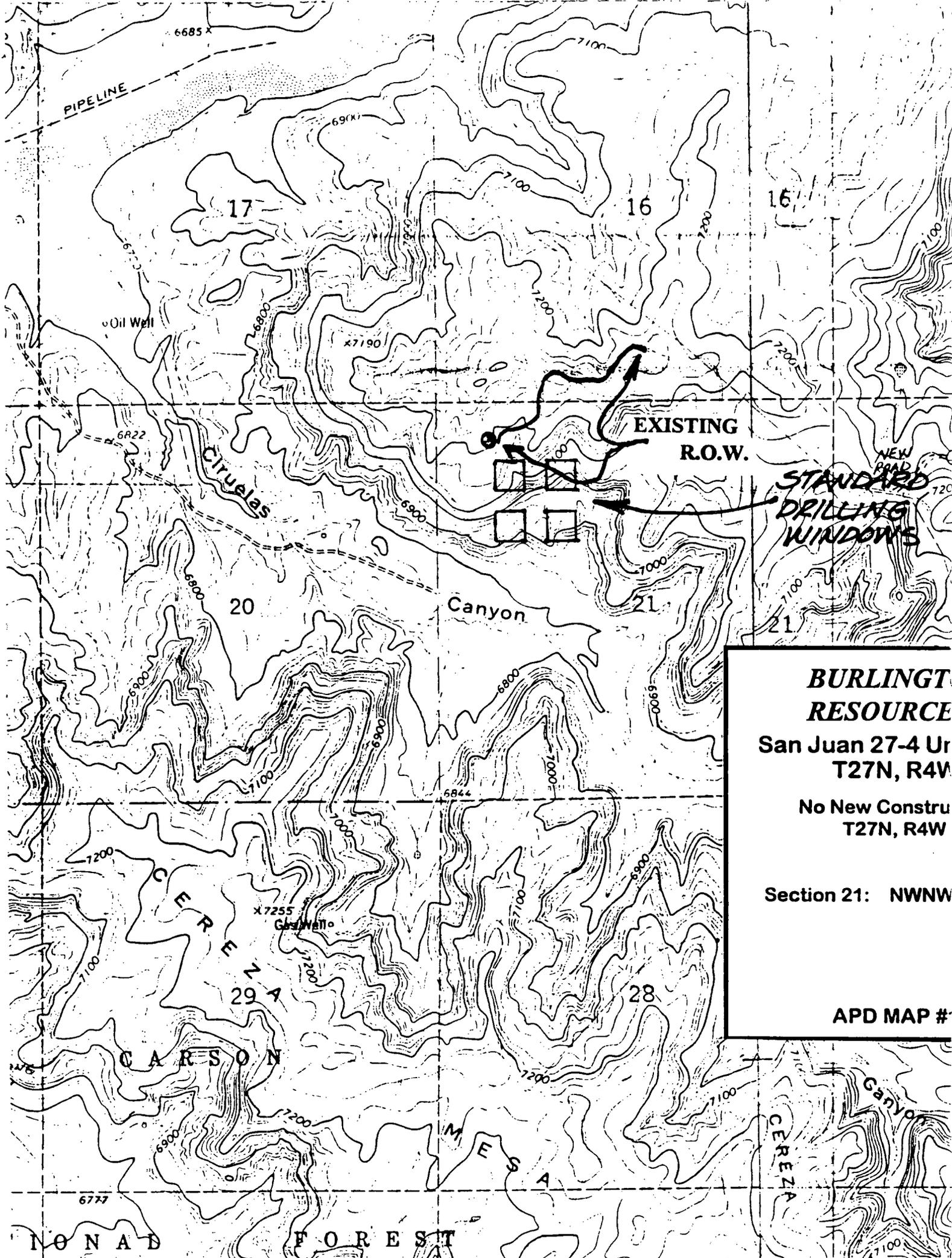


EXISTING R.O.W.

STANDARD DRILLING WINDOWS

**BURLINGTON RESOURCES**  
San Juan 27-4 Unit #56M  
T27N, R4W  
No New Construction  
T27N, R4W  
Section 21: NWNW Existing R.O.W.  
APD MAP #1

**BURLINGTON RESOURCES OIL & GAS CO.**  
SAN JUAN 27-4 UNIT #56M  
540' F/NL 750' F/WL  
SEC. 21, T27N, R4W, N.M.P.M.  
RIO ARriba COUNTY, NEW MEXICO



**BURLINGT  
RESOURCE**  
 San Juan 27-4 Ur  
 T27N, R4W  
 No New Constru  
 T27N, R4W  
 Section 21: NWNW  
 APD MAP #

PIPELINE

6685 X

17

16

16

Oil Well

6822

CITRUELAS

EXISTING  
R.O.W.

STANDARD  
DRILLING  
WINDOWS

20

Canyon

21

21

CERENA  
29 A

Gas Well

28

CARSON

MESA

CEREZA

CANYON

NONAD

FOREST

6777