DATE IN 9/1/98	SUSPENSE 9/21/98	ENGINEER MS	LOGGED BY MV	TYPE NSL

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

2040 South Pacheco, Santa Fe, NM 87505

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATION FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

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] or [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

RECEIVED
SEP - 1 1998
OIL CONSERVATION DIVISION

[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** - Certification

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 (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.***

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name	Signature	Title	Date

BURLINGTON RESOURCES

SAN JUAN DIVISION

August 28, 1998

Sent Federal Express

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

Re: Allison Unit #17M
2400'FNL, 810'FWL, Section 24, T-32-N, R-7-W, San Juan County, New Mexico
30-045-not assigned

Dear Mr. Stogner:

Burlington Resources is applying for administrative approval of an unorthodox gas well location for both the Mesa Verde pool and Basin Dakota pool.

This application for the referenced location is at the request of the landowner for visual aesthetics (overlooks Navajo Reservoir and Chimney Rock) and to alleviate surface disturbance that can be seen from the landowners home as shown in the extreme northwest quarter of Section 24 on the attached topographic map. This location will utilize the proximity of an existing pipeline right-of-way and road to the Allison Unit #17 (1650'S, 1650'W) and will upgrade 1500' of this pipeline right-of-way for access, thus creating no new surface disturbance. The location will also allow minimum disturbance for tieing in the well to the existing pipeline. The geologist has determined that the referenced location is acceptable (see attached geologic maps).

Production from the Blanco Mesa Verde pool and Basin Dakota is to be included in a 320 acre gas spacing and proration unit comprising of the West half (W/2) of Section 24. Production from the Blanco Mesa Verde and the Basin Dakota is dedicated to the Allison Unit #17 (30-045-11294) located at 1650'FSL, 1650'FWL of Section 24.

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 offset operator.
4. 7.5 minute topographic map showing the orthodox windows, the landowner's home and view area, pipeline right-of-way for access; and enlargement of the map to define these features.
5. Aerial map of referenced area.
6. Geologic maps for Dakota and Mesa Verde.

We appreciate your earliest consideration of this application.

Sincerely,

Peggy Bradfield
Regulatory/Compliance Administrator

xc: NMOCD - Aztec 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** NM-04207 **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** Allison Unit
3.	**Address & Phone No. of Operator** PO Box 4289, Farmington, NM 87499 (505) 326-9700	**8. Farm or Lease Name** Allison Unit **9. Well Number** 17M
4.	**Location of Well** 2400'FNL, 810'FWL Latitude 36° 58.0, Longitude 107° 31.5	**10. Field, Pool, Wildcat** Blanco MV/Basin Dk **11. Sec., Twn, Rge, Mer. (NMPM)** Sec 24,T-32-N,R-7-W **API #** -30-045-
14.	**Distance in Miles from Nearest Town** 4 miles to Allison	**12. County** SJ **13. State** NM
15.	**Distance from Proposed Location to Nearest Property or Lease Line** 810'	
16.	**Acres in Lease**	**17. Acres Assigned to Well** 320
18.	**Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease** 810'	
19.	**Proposed Depth** 8147'	**20. Rotary or Cable Tools** Rotary
21.	**Elevations (DF, FT, GR, Etc.)** 6550'GR	**22. Approx. Date Work will Start**
23.	**Proposed Casing and Cementing Program** See Operations Plan attached	
24.	**Authorized by:** _____ (Regulatory/Compliance Administrator	6-19-98 Date

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.

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
Revised February 21
Instructions o
Submit to Appropriate District
State Lease - 4
Fee Lease - 3

☐ AMENDED RE

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code	3 Pool Name
30-045-	72319/71599	Blanco Mesaverde/Basin Dakota

4 Property Code	5 Property Name	6 Well Number
6784	ALLISON UNIT	17M

7 OGRID No.	8 Operator Name	9 Elevation
14538	BURLINGTON RESOURCES OIL & GAS COMPANY	6550'

10 Surface Location

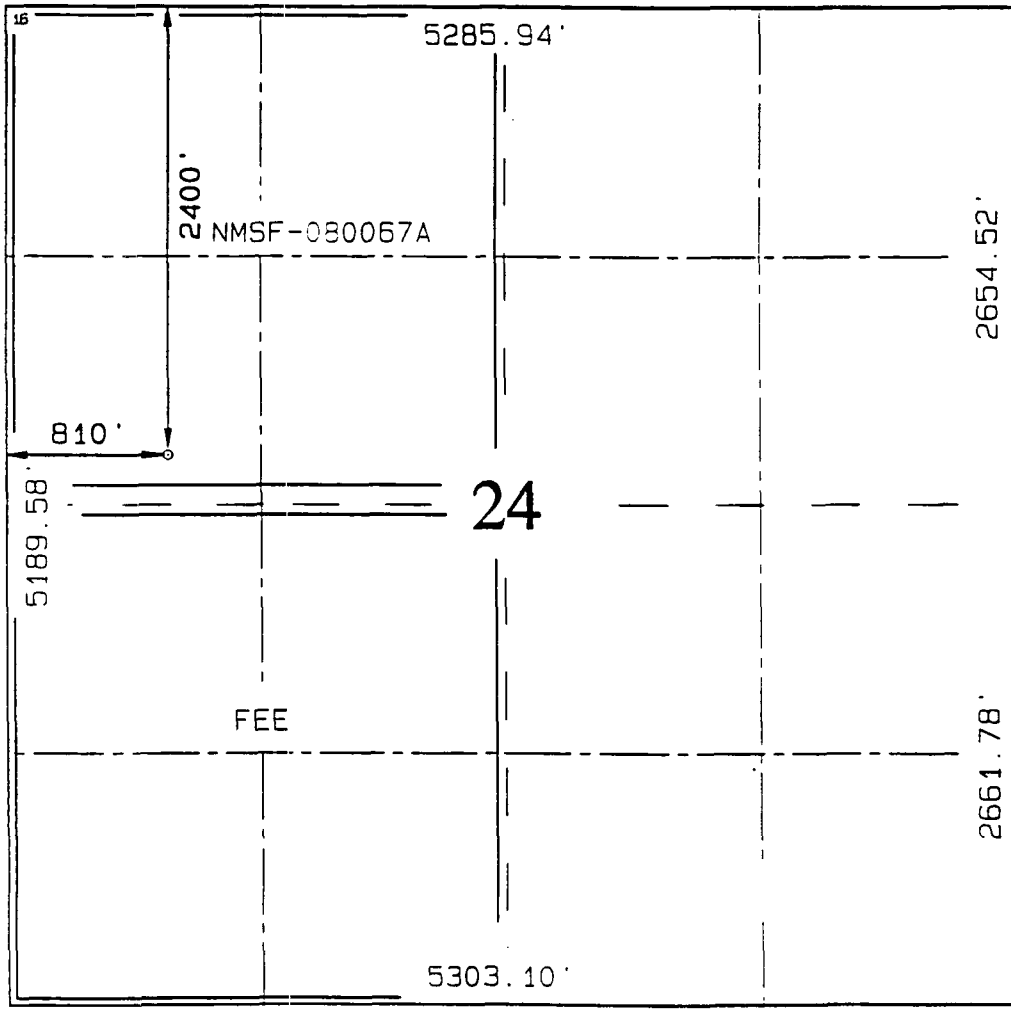
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	24	32N	7W		2400	NORTH	810	WEST	SAN

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	13 Joint or Infill	14 Consolidation Code	15 Order No.
MV-W/320 DK-W/320			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDA
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICAT

I hereby certify that the information contained r
true and complete to the best of my knowledge an

Signature

Peggy Bradfield
Printed Name

Regulatory Administr
Title

6-19-98
Date

18 SURVEYOR CERTIFICAT

I hereby certify that the well location shown on
was plotted from field notes of actual surveys m
or under my supervision, and that the same is tr
correct to the best of my belief.

MAY 20, 1998
Date of Survey

Signature and Seal of Professional Surveyor

NEALE C. EDWA
NEW MEXICO
6857
REGISTERED PROFESSIONAL

6857
Certificate Number

OPERATIONS PLAN

Well Name: Allison Unit #17M
Location: 2400'FNL, 810'FWL Sec 24, T-32-N, R-7-W
San Juan County, NM
Latitude 36° 58.0, Longitude 107° 31.5
Formation: Blanco Mesa Verde/Basin Dakota
Elevation: 6550'GL

Formation Tops:	***Top***	***Bottom***	***Contents***
Surface	San Jose	2337'	
Ojo Alamo	2337'	2437'	aquifer
Kirtland	2437'	2922'	
Fruitland	2922'	3327'	gas
Pictured Cliffs	3327'	3537'	gas
Lewis	3537'	4292'	gas
Intermediate TD	**3637'**		
Huerfanito Bentonite	4292'	4692'	gas
Chacra	4692'	5512'	
Massive Cliff House	5512'	5537'	gas
Menefee	5537'	5752'	gas
Massive Point Lookout	5752'	6197'	gas
Mancos Shale	6197'	7112'	
Gallup	7112'	7842'	gas
Greenhorn	7842'	7897'	gas
Dakota	7897'		gas
TD (4 1/2"liner)	**8147'**		

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

Mud Program:

Interval	Type	Weight	Vis.	Fluid Loss
0- 200'	Spud	8.4-9.0	40-50	no control
200-3637'	LSND	8.4-9.0	30-60	no control
3637-8147'	~~Gas~~ A12/MIST	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.	Grade
12 1/4"	0' - 200'	9 5/8"	32.3#	WC-50
8 3/4"	0' - 3637'	7"	20.0#	J-55
6 1/4"	3537' - 8147'	4 1/2"	10.5#	J-55

Tubing Program:

0' - 8147'	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/294 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 (956 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 2437'. Two turbolating centralizers at the base of the Ojo Alamo at 2437'. 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 499 sx 50/50 Class "B" Poz with 2% gel, 1/4# flocele/sx, 5# gilsonite/sx, and 0.4% fluid loss additive (664 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 tubing will be run for 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	300 psi
Pictured Cliffs	500 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 Dakota and the Mesa Verde in this well.
- This gas is dedicated.

Drilling Engineer

Date 6/19/98

BURLINGTON RESOURCES

Allison Unit #17M
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. The required new access road is shown on Map No. 1. The gradient, shoulder, crowning and other design elements will meet or exceed those specified by the responsible government agency. The new access road surface will not exceed twenty feet (20') in width. No additional turnarounds or turnouts will be required. Upon completion of the project, the access road will be adequately drained to control soil erosion. Approximately 1500' of access road will be constructed. Pipelines are indicated on Map No. 1A.

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 Faverino Water Hole located in NW/4 Section 7,T-32-N,R-6-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 – Virginia Snodgrass

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.

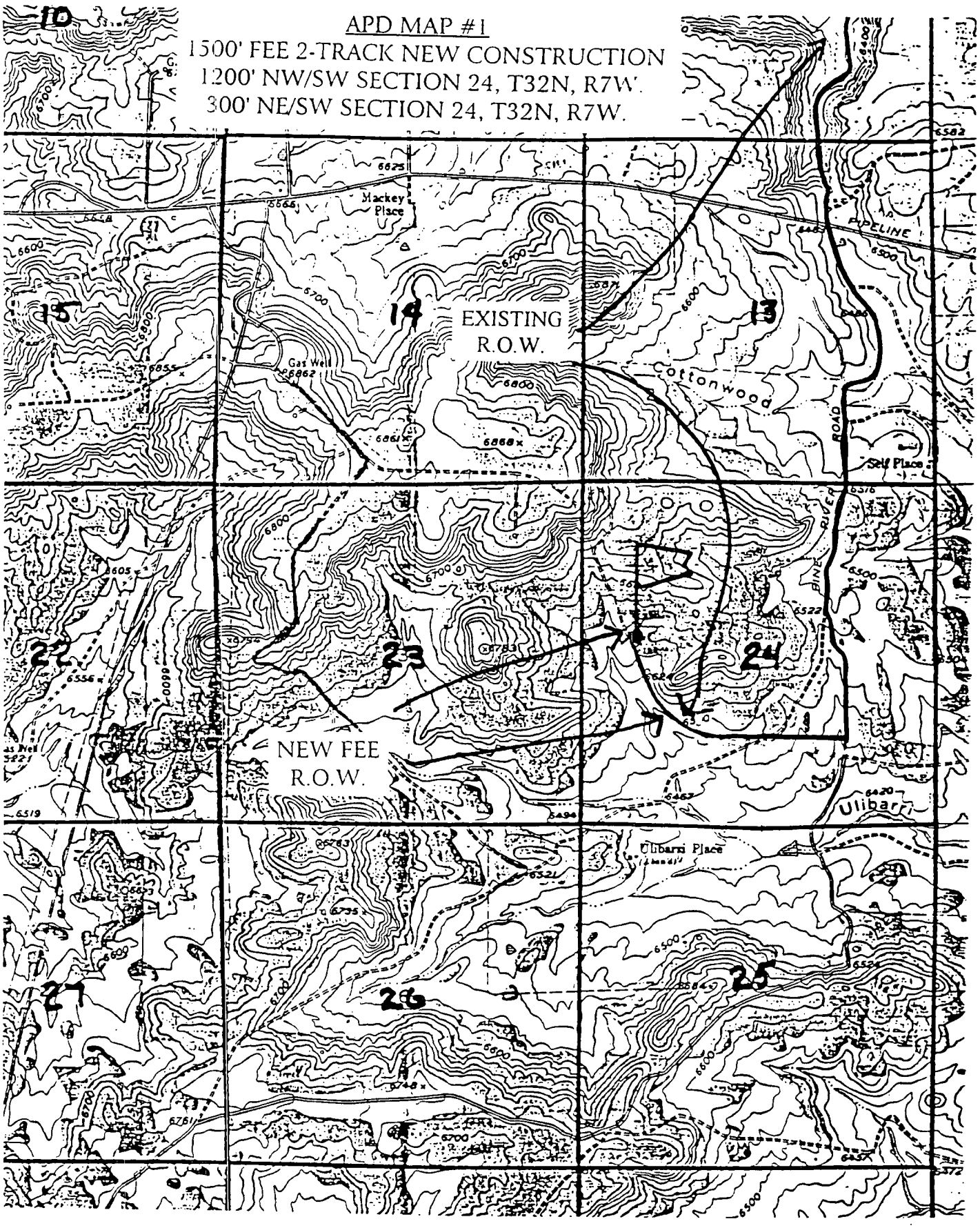
13. Operator's Representative and Certification - Burlington Resources Oil & Gas Company Regional Drilling Manager, Post Office Box 4289, Farmington, NM 87499, telephone (505) 326-9700. I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access 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.

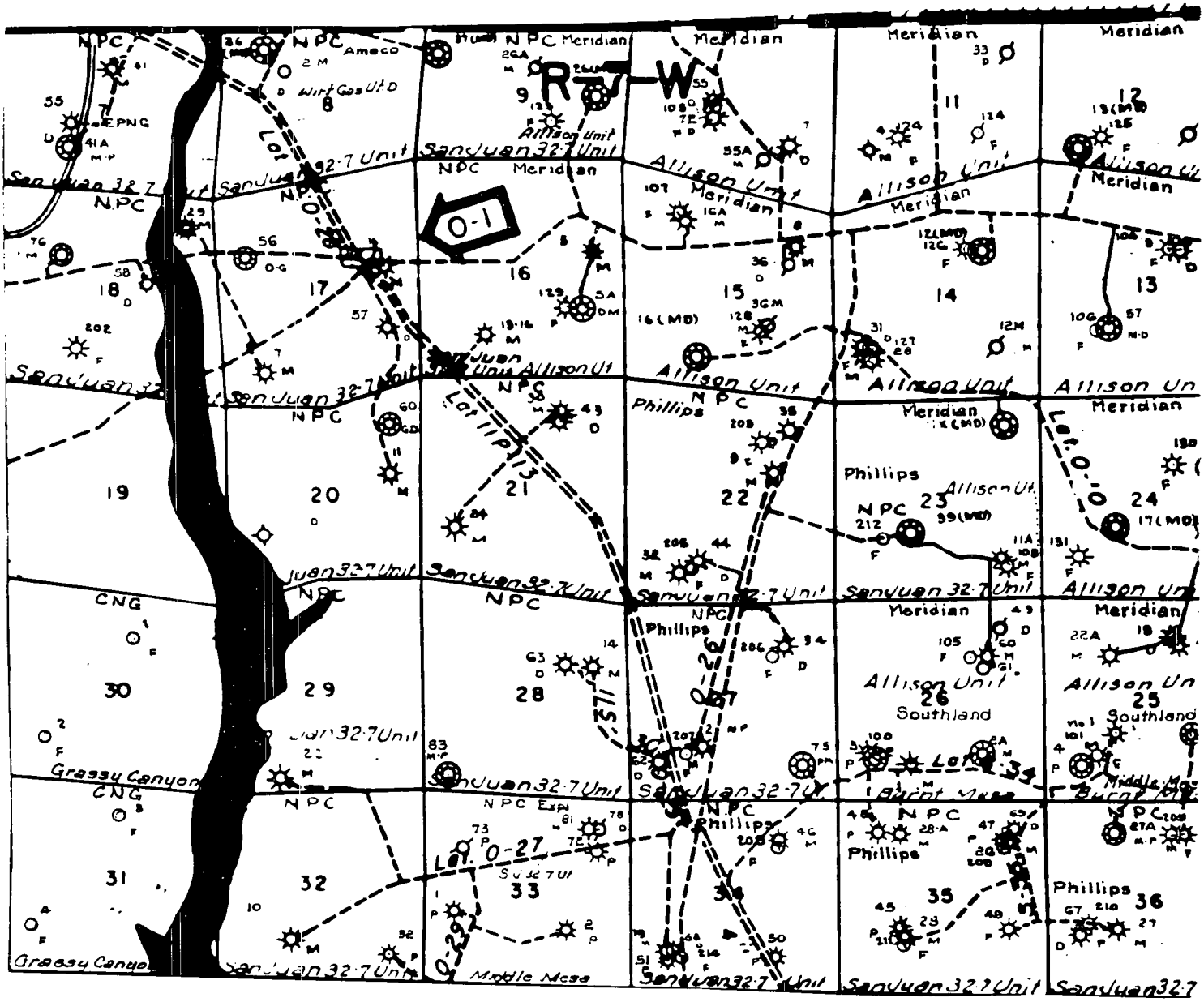
Peggy Bradfield 6-19-98
Regulatory/Compliance Administrator Date

pb

BURLINGTON RESOURCES OIL & GAS COMPANY ALLISON UNIT #17M

2400' FNL & 810' FWL, SECTION 24, T32N, R7W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO



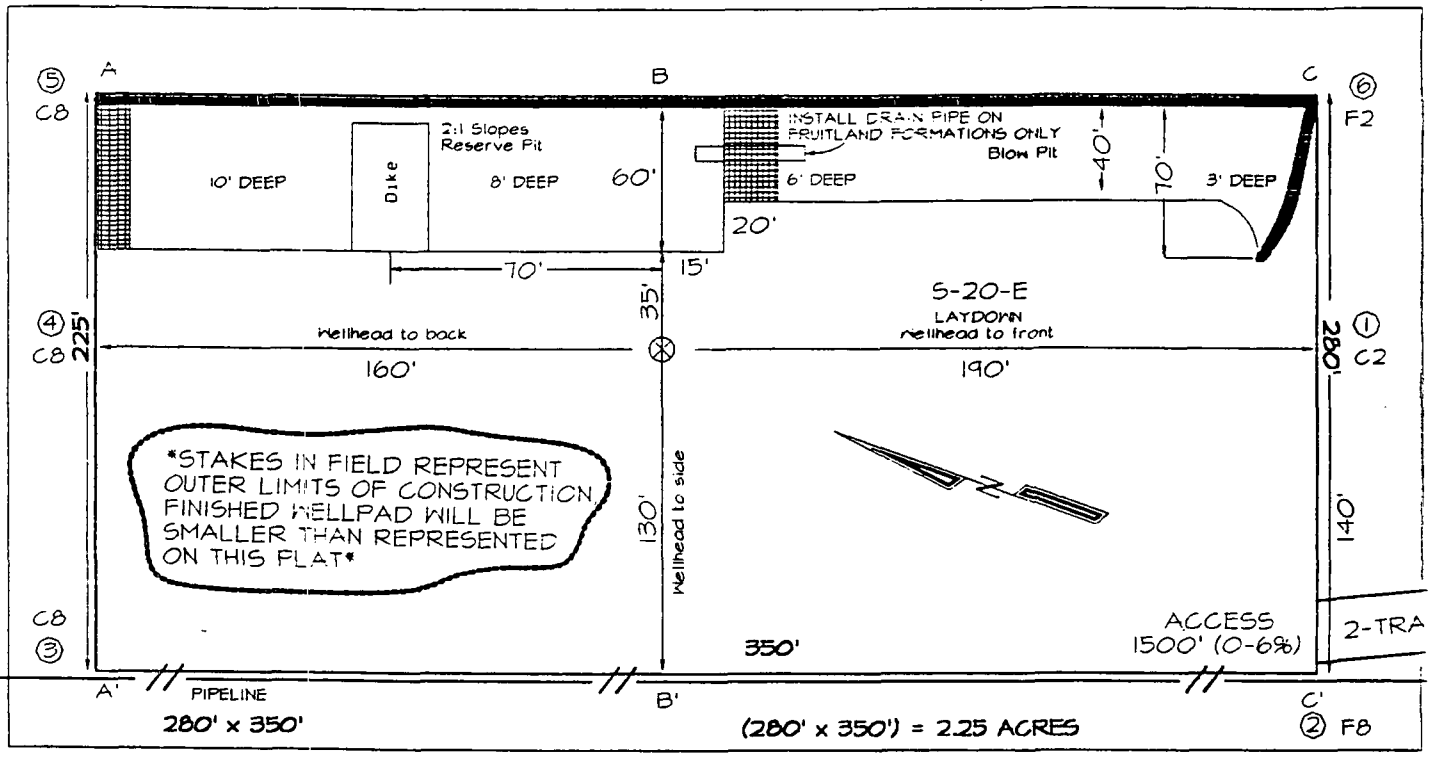


MERIDIAN OIL INC.
Pipeline Map
T-32-N, R-07-W
San Juan County, New Mexico
Allison Unit 17M
Map 1A

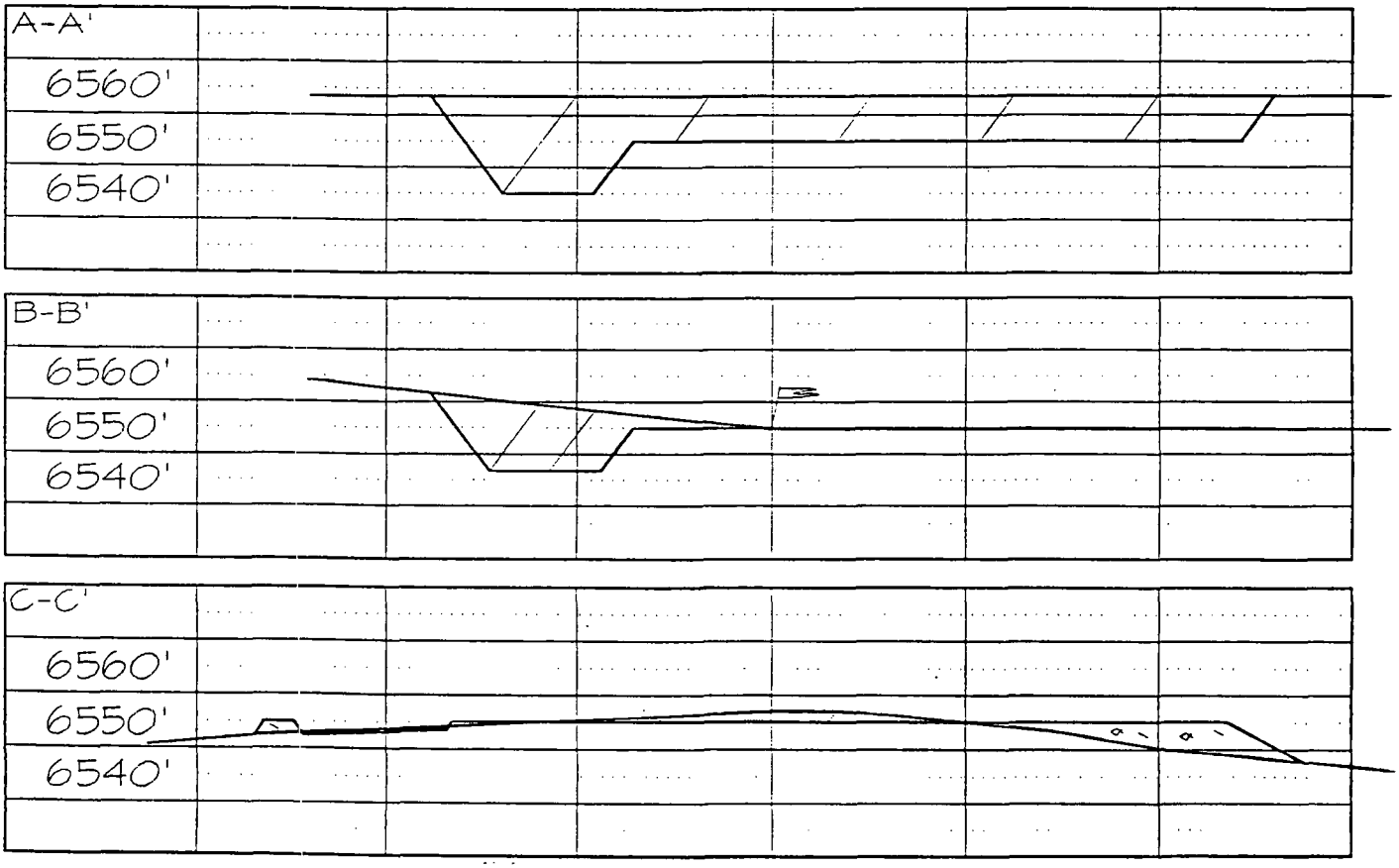
3/91 adw/mjb

PLAT #1

BURLINGTON RESOURCES OIL & GAS COMPANY
ALLISON UNIT #17M, 2400' FNL & 810' FWL
SECTION 24, T32N, R7W, NMPM, SAN JUAN COUNTY, NEW MEXICO
GROUND ELEVATION: 6550' DATE: MAY 20, 1998



Reserve Pit Dike: to be 8' above Deep side (overflow - 3' wide and 1' above shallow side).
Blow Pit: overflow pipe halfway between top and bottom and to extend over plastic liner and into blow pit



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

BURLINGTON RESOURCES OIL AND GAS COMPANY

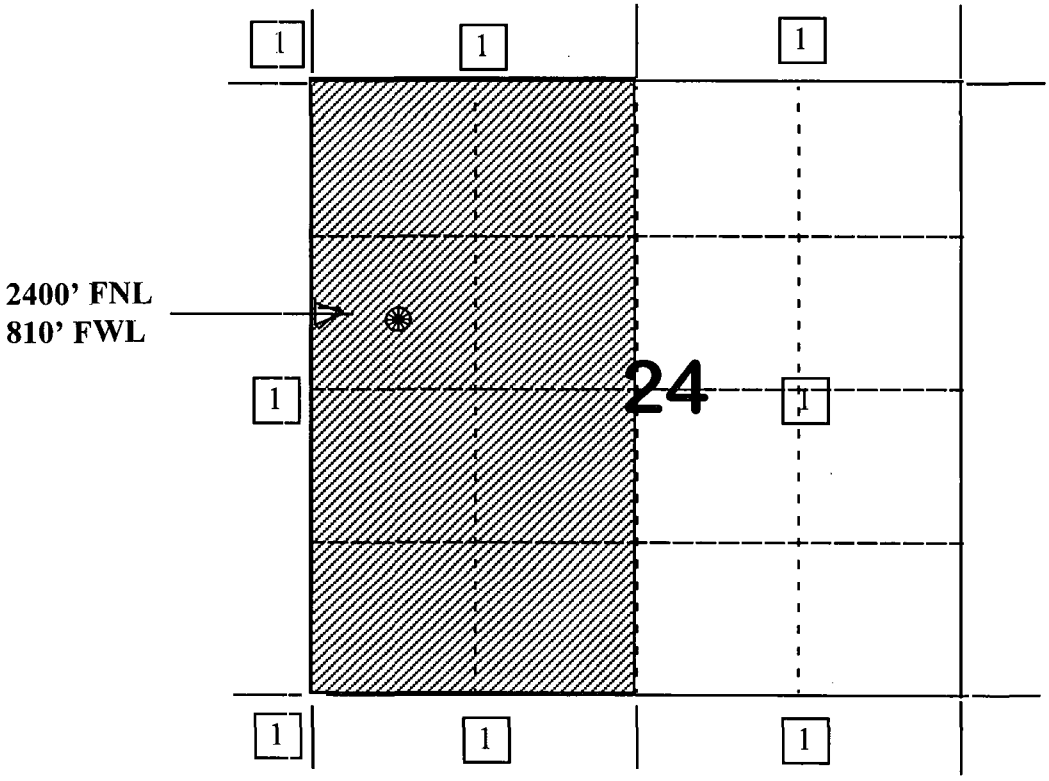
Allison Unit #17M

OFFSET OPERATOR/OWNER PLAT

Nonstandard Location

Mesaverde/Dakota Formations

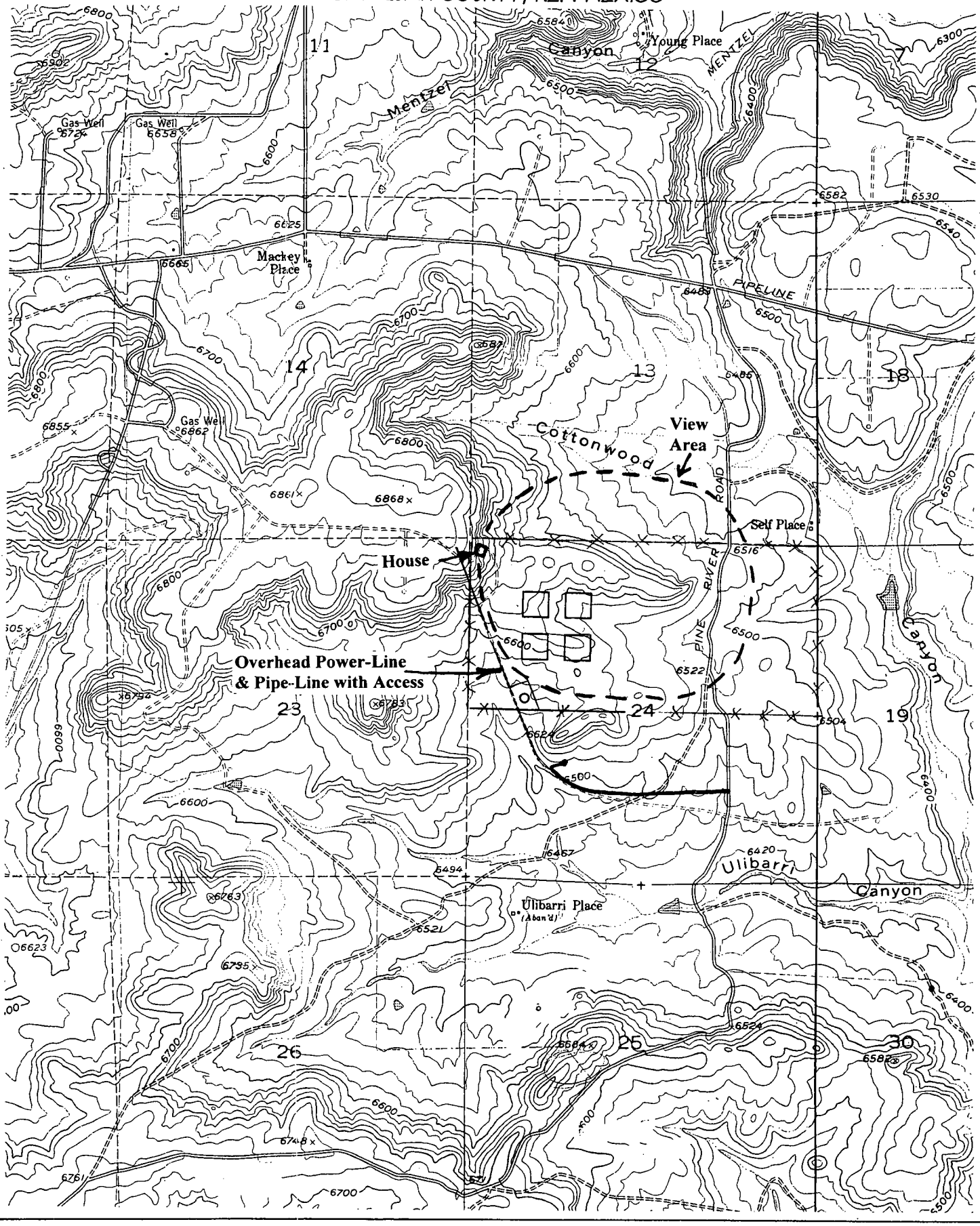
Township 32 North, Range 7 West



1) Burlington Resources

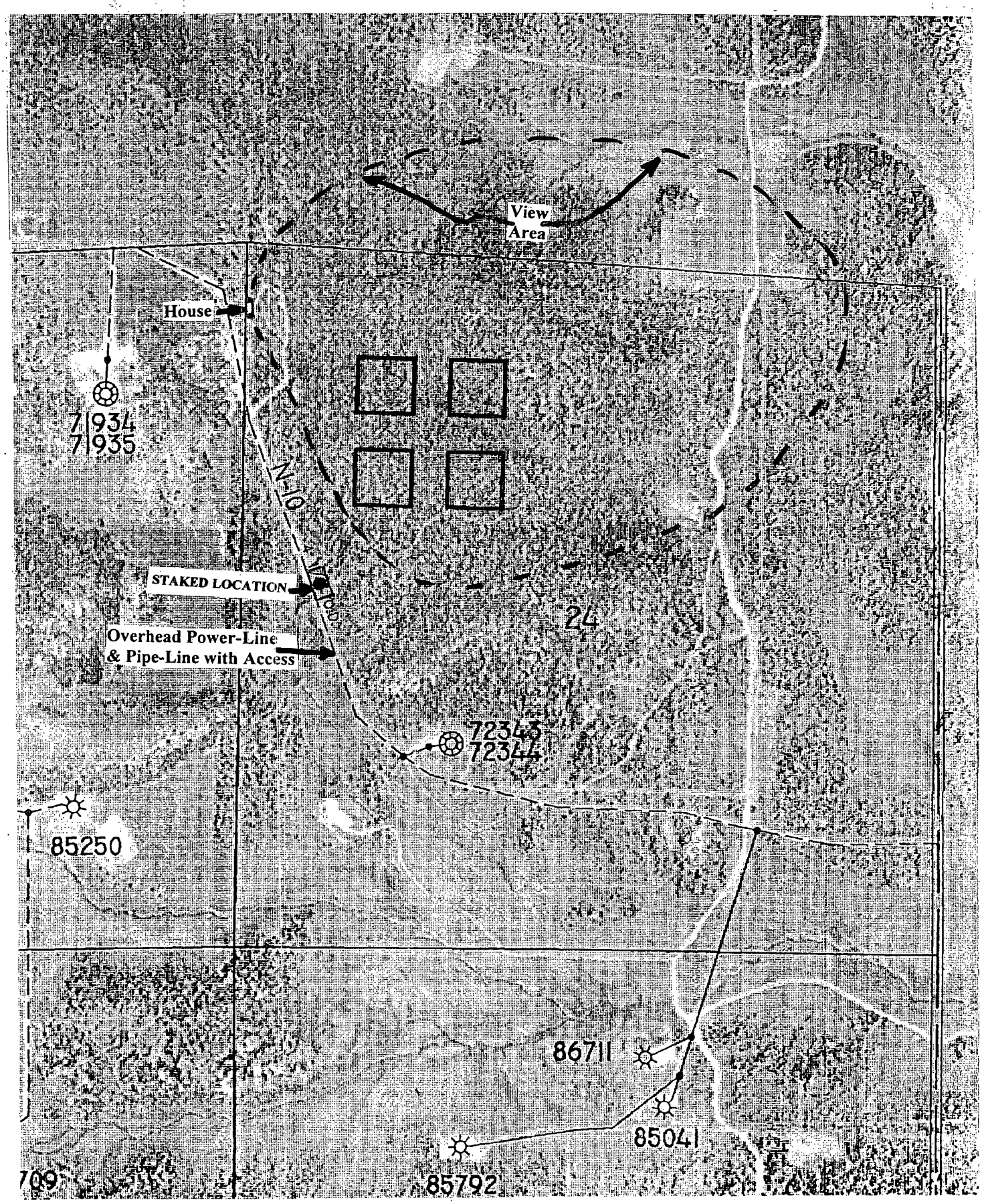
BURLINGTON RESOURCES OIL & GAS COMPANY ALLISON UNIT #17M

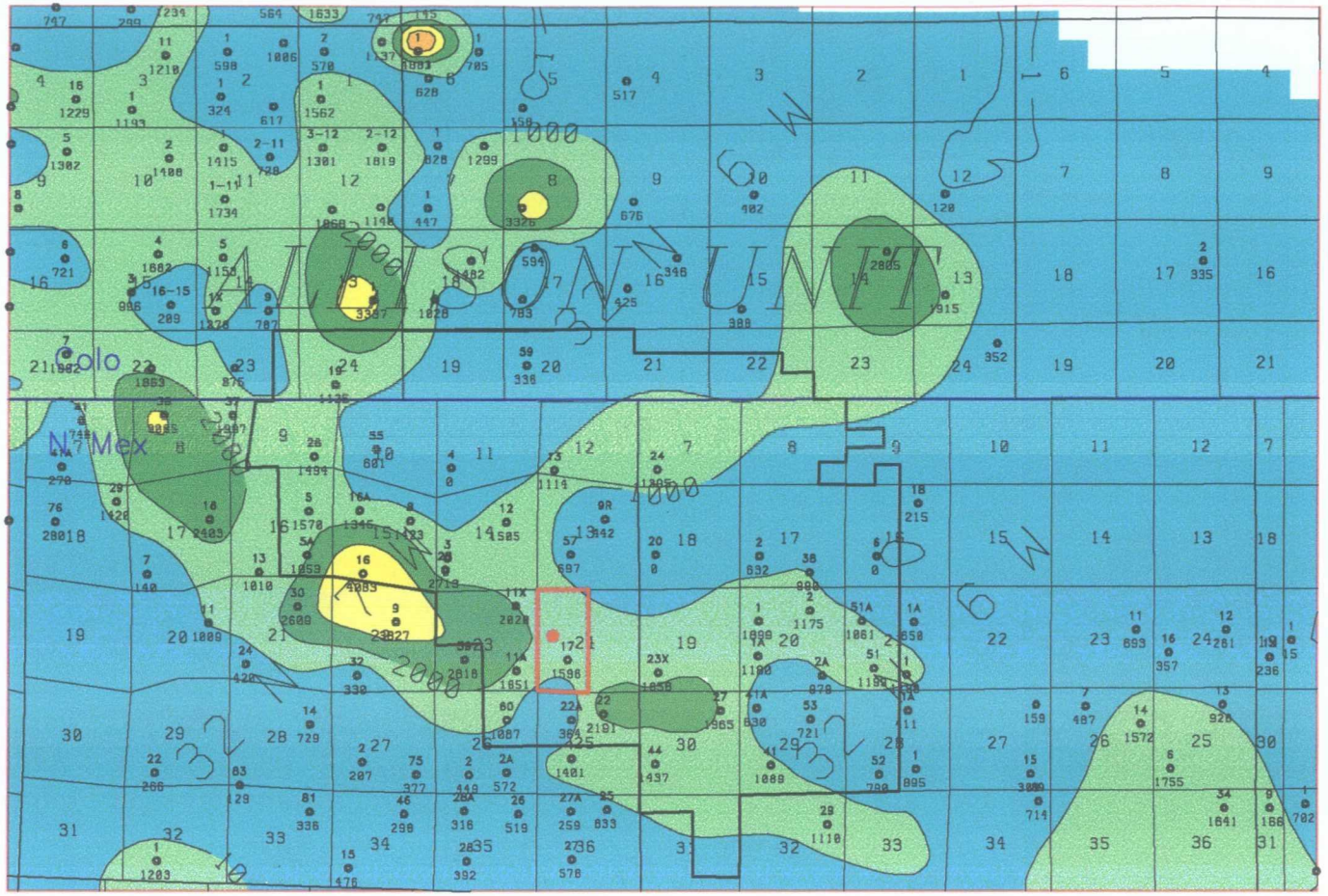
2400' FNL & 810' FWL, SECTION 24, T32N, R7W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO



BURLINGTON RESOURCES OIL & GAS COMPANY ALLISON UNIT #17M

2400' FNL & 810' FWL, SECTION 24, T32N, R7W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO





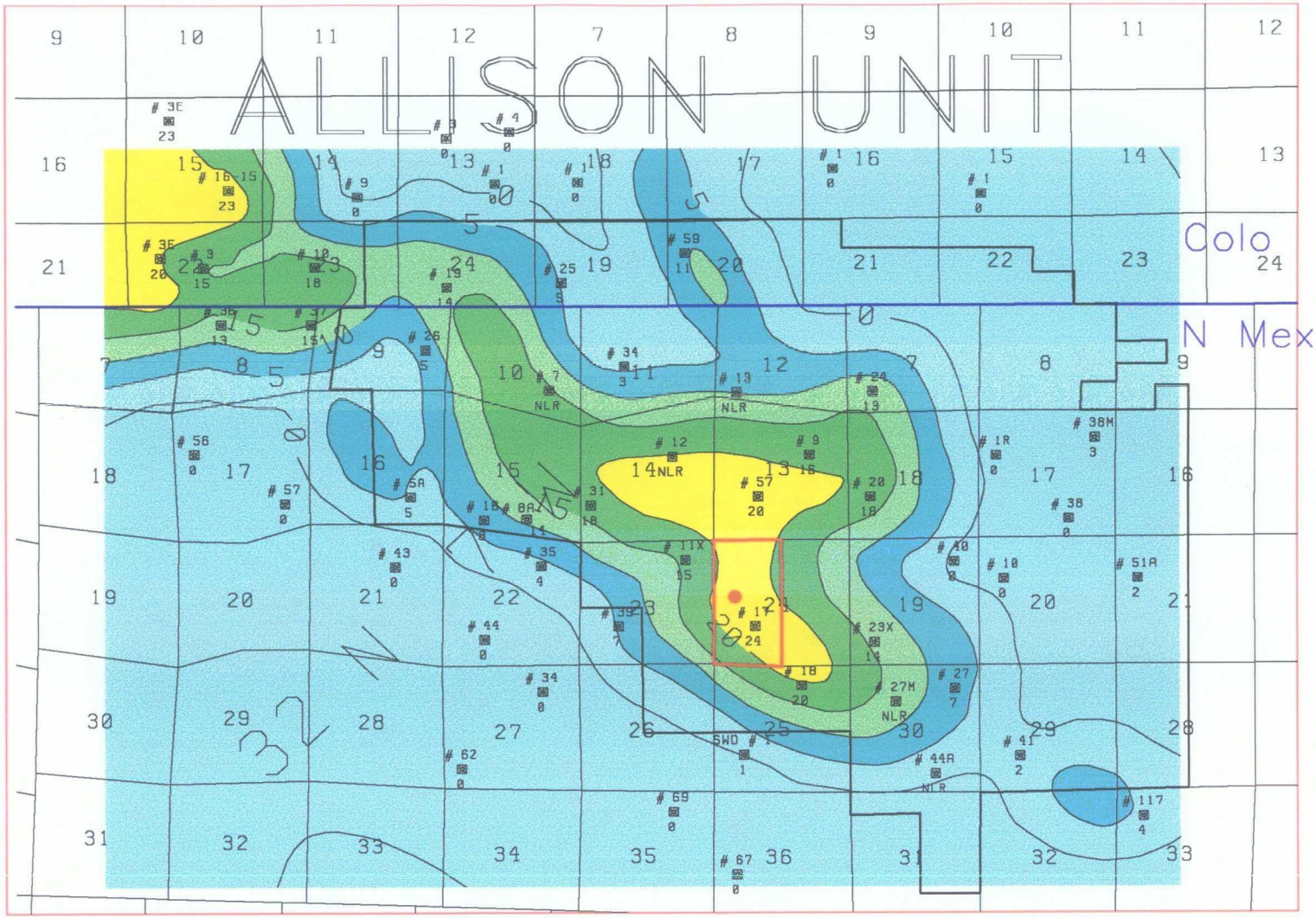
Proposed Location
Allison #17M

Spacing Unit
Allison #17M

BURLINGTON RESOURCES
FARMINGTON NM

ALLISON UNIT
MESAVERDE CUM PRODUCTION (12/97)
CI = 1 BCF

SCALE	DRAWN: GEOLOGIST: D. CLARK	DATE: 28-AUG-98
DRAWING: J.DEHART		



Proposed Location
Allison #17M

Spacing Unit
Allison #17M

BURLINGTON RESOURCES
FARMINGTON NM

ALLISON UNIT
UPPER CUBERO
NUMBER OF FEET WITH RT > 100 OHMS
CI = 5'
GEOLOGIST: D. CLARK

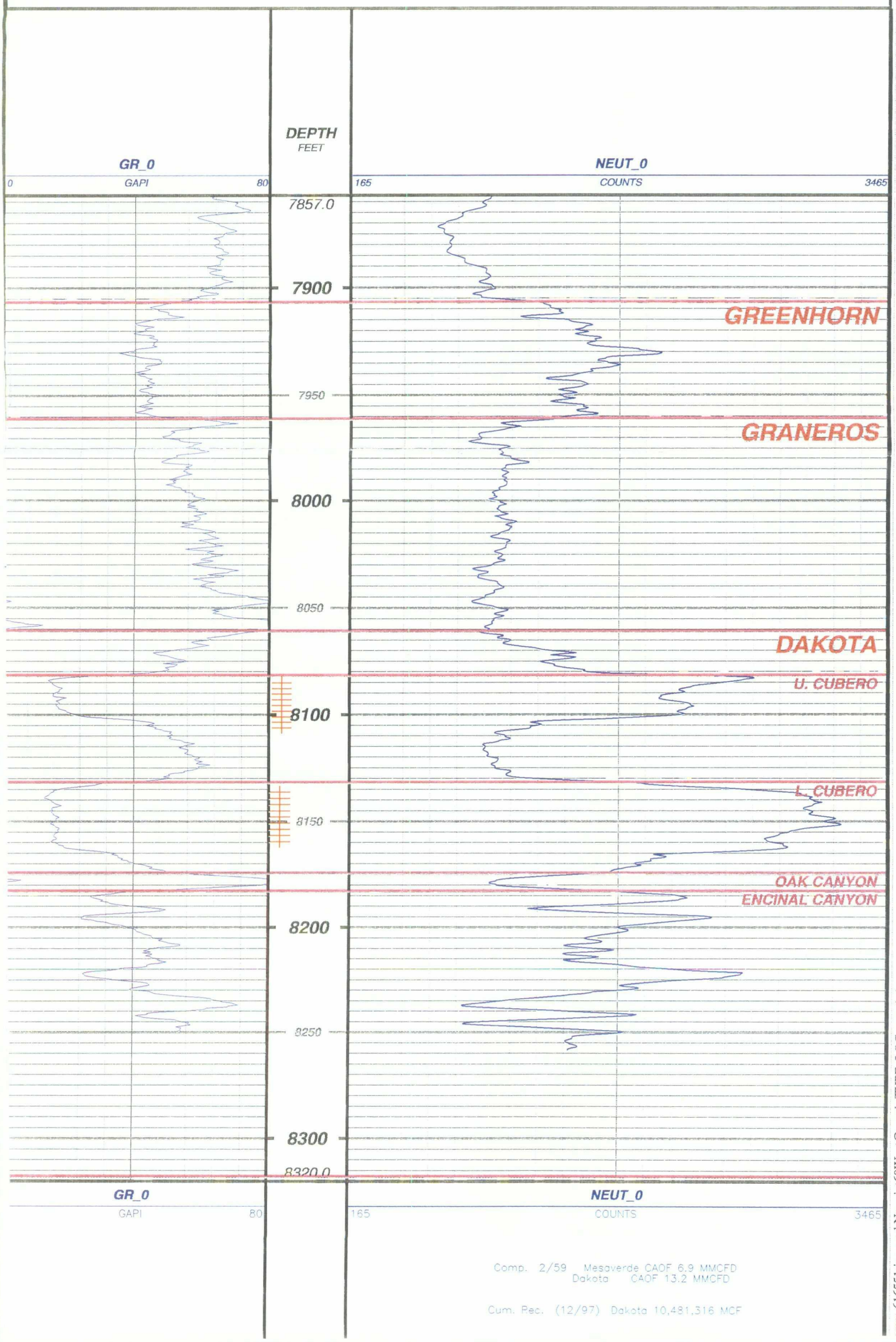
SCALE				DATE 28-AUG-98	
DRAWN J. DEHART					

BURLINGTON RESOURCES

Type Log
Allison Unit Dakota
Allison Unit #12
San Juan County, NM

TOWNSHIP: 32N
RANGE: 7W
SECTION: 14
SURFACE_ELEV: 6645
DRILLED DEPTH: 8320

DATUM FOR ELEV: GL
DATE LOGGED: 11/20/57
VERTICAL SCALE: 1:"1 in: 50 ft"
RANGE: 7857.0-8320.0
DATE PLOTTED: 18-Aug-1998



Comp. 2/59 Mesaverde CAOF 6.9 MMCFD
Dakota CAOF 13.2 MMCFD

Cum. Prec. (12/97) Dakota 10,481,316 MCF