

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 NMNM-04139 Unit Reporting Number |
| 1b. Type of Well GAS | 6. If Indian, All. or Tribe |
| 2. Operator BURLINGTON RESOURCES OIL & GAS COMPANY LP | 7. Unit Agreement Name San Juan 30-6 Unit |
| 3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700 | 8. Farm or Lease Name San Juan 30-6 Unit 9. Well Number 496S |
| 4. Location of Well 1585' FSL, 1735' FEL Latitude 36° 45.58, Longitude 107° 25.43 | 10. Field, Pool, Wildcat Basin Fruitland Coal 11. Sec., Twn, Rge, Mer. (NMPM) J Sec. 35, T-30-N, R-6-W API # 30-039-27708 |
| 14. Distance in Miles from Nearest Town 9 miles from Gobernador | 12. County Rio Arriba 13. State NM |
| 15. Distance from Proposed Location to Nearest Property or Lease Line 1585' | 17. Acres Assigned to Well 320 E/2 |
| 16. Acres in Lease | |
| 18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 120' | |
| 19. Proposed Depth 3539' | 20. Rotary or Cable Tools Rotary |
| 21. Elevations (DF, FT, GR, Etc.) 6518' GR | 22. Approx. Date Work will Start |
| 23. Proposed Casing and Cementing Program See Operations Plan attached | |
| 24. Authorized by: <u>Nancy Altman</u> Senior Staff Specialist | <u>12-30-03</u> Date |

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

Archaeological Report attached

Threatened and Endangered Species Report attached

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.

DATE OF OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

NMOCD

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4

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

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

PO Box 2088
Santa Fe, NM 87504-2088

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

RECEIVED
AMENDED REPORT

2004 APR 28 PM 2: 59

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-----------------------------|--|------------------------------------|
| *API Number 30-039-27708 | *Pool Code 71629 | *Well Name Basin Fruitland Coal |
| *Property Code 7469 | *Property Name SAN JUAN 30-6 UNIT | *Well Number 496S |
| *OGRID No. 14538 | *Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY, LP | *Elevation 6518' |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|------------|
| J | 35 | 30N | 6W | | 1585 | SOUTH | 1735 | EAST | 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 FTC 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

LOT 1

LOT 2

LOT 3

LOT 4

TRACT 47

5280.00'

5280.00'

900'

1050'

1505'

1735'

NM-04139

LAT: 36°45.9737' N
LONG: 107°25.7138' W
DATUM: NAD27

5280.00'

17 OPERATOR CERTIFICATION

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

Nancy Oltmanns
Signature

Nancy Oltmanns
Printed Name

Senior Staff Specialist
Title

12-30-03
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.

Date of Survey: OCTOBER 9, 2003

Signature and Seal of Professional Surveyor

JASON C. EDWARDS
NEW MEXICO
REGISTERED PROFESSIONAL SURVEYOR
15269

JASON C. EDWARDS
Certificate Number 15269

OPERATIONS PLAN

Well Name: San Juan 30-6 Unit #496S
Location: 1585' FSL, 1735' FEL, Section 35, T-30-N, R-6-W
Latitude 36° 45.58, Longitude 107° 25.43
Rio Arriba County, NM
Formation: Basin Fruitland Coal
Elevation: 6518' GR

| Formation: | Top | Bottom | Contents |
|----------------------------|--------------|--------|----------|
| Surface | San Jose | 2618' | |
| Ojo Alamo | 2618' | 2721' | aquifer |
| Kirtland | 2721' | 3004' | gas |
| Fruitland | 3004' | 3260' | gas |
| Intermediate casing | 3210' | | |
| Top of Coal | 3260' | 3454' | |
| Base of Coal | 3454' | | |
| Pictured Cliffs | 3460' | | |
| Total Depth | 3539' | | |

Logging Program:

Open hole - none
Mud log - TD to 3210'

Coring Program: none

Mud Program:

| Interval | Type | Weight | Vis. | Fluid Loss |
|------------|-------------------|---------|-------|------------|
| 0- 120' | Spud/Air/Air Mist | 8.4-9.0 | 40-50 | no control |
| 120-3210' | Non-dispersed | 8.4-9.0 | 30-60 | no control |
| 3210-3539' | Air/Mist | | | no control |

Casing Program (as listed, the equivalent, or better):

| Hole Size | Depth Interval | Csg. Size | Wt. | Grade |
|-----------|----------------|-----------|-------|-------|
| 12 1/4" | 0' - 120' | 9 5/8" | 32.3# | H-40 |
| 8 3/4" | 0' - 3210' | 7" | 20.0# | J-55 |
| 6 1/4" | 3210' - 3539' | open hole | | |

Alternate Casing Program (as listed, the equivalent, or better):

| Hole Size | Depth Interval | Csg. Size | Wt. | Grade |
|-----------|----------------|-----------|-------|-------|
| 12 1/4" | 0' - 120' | 9 5/8" | 32.3# | H-40 |
| 8 3/4" | 0' - 3210' | 7" | 20.0# | J-55 |
| 6 1/4" | 3171' - 3539' | 5 1/2" | 15.5# | J-55 |

Tubing Program:

0' - 3539' 2 3/8" 4.7# J-55

Float Equipment: 9 5/8" surface casing - saw tooth guide shoe. Centralizers will be run in accordance with Onshore Order #2.

7" intermediate casing - guide shoe and self-fill float collar. Standard centralizers run every other joint above shoe. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 2721'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Wellhead Equipment: 9 5/8" x 7" x 2 3/8" x 11" 2000 psi xmas tree assembly.

Cementing:

9 5/8" surface casing -

Pre-Set Drilled Cement with 23 sx Type I, II cement with 20% flyash mixed at 14.5 ppg, 1.61 cu ft per sack yield. (37 cu ft of slurry, bring cement to surface) Wait on cement for 24 hours for pre-set holes before pressure testing or drilling out from under surface.

Conventionally Drilled:

Cement with 88 sx Type III cement with 0.25 pps Celloflake, 3% CaCl. (113 cu ft of slurry, 200% excess, bring cement to surface) Wait on cement for 8 hrs for conventionally set holes before pressure tessting or drilling out from under surface.

Wait on cement until cement establishes 250 psi compressive strength prior to nipple up of BOP.

7" intermediate casing - lead w/281 sacks Premium Lite cement with 3% calcium chloride, 0.25 pps Celloflake, 5 pps LCM-1, 0.4% fluid loss, 0.4% sodium metasilicate. Tail with 90 sacks Type III cement with 1% calcium chloride, 0.25 pps Celloflake, 0.2% fluid loss (724 cu.ft., 50% excess to circulate to surface).

5 1/2" liner - will not be cemented if run.

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

BOP and tests:

Surface to intermediate TD - 11" 2000 psi (minimum) double gate BOP stack (Reference Figure #1). Prior to drilling out surface casing, test BOPE to 600 psi for 30 min.

Intermediate TD to Total Depth - 7 1/6" 2000 psi (minimum) completion BOP stack (Reference Figure #2). Prior to drilling out intermediate casing, test BOPE and casing to 1500 psi for 30 minutes.

From surface to 7" TD - a choke manifold will be installed in accordance with Onshore Order No. 2 (Reference Figure #3). When the cavitation completion rig drills the production hole, the completion rig configuration will be used (Reference Figure #4).

Pipe rams will be actuated at least once each day and blind rams actuated once each trip to test proper functioning. An upper kelly cock valve with handle and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

Additional information:

- The Fruitland Coal formation will be completed.
- Anticipated pore pressure for the Fruitland is 500 psi.
- This gas is dedicated.
- The East half of Section 35 is dedicated to this well.

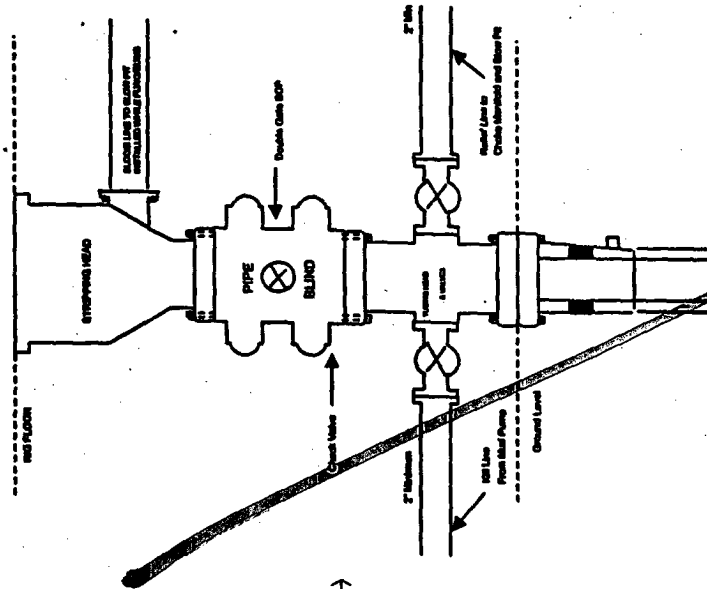
Drilling Engineer:

James M. McCarthy

Date:

4-21-04

Completion/Workover Rig
BOP Configuration
2,000 psi System

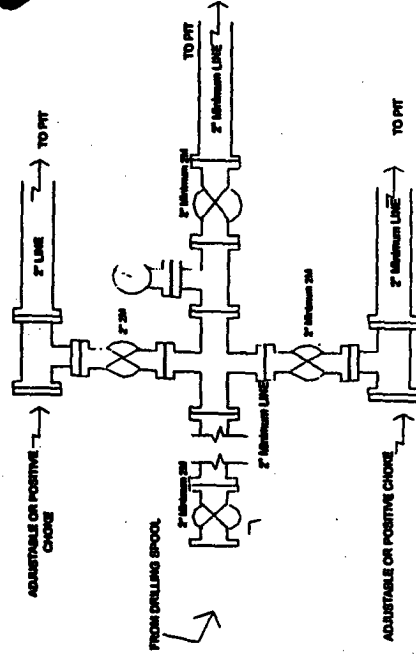


Minimum BOP Installation for all Completion/Workover Operations. 7-1/16" bore 2000 psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A stripping head to be installed on the top of the BOP. All BOP equipment is 2000 psi working pressure or greater excluding 600 psi stripping head.

Figure #2

4-20-01

Drilling Rig
Choke Manifold Configuration
2000 psi System

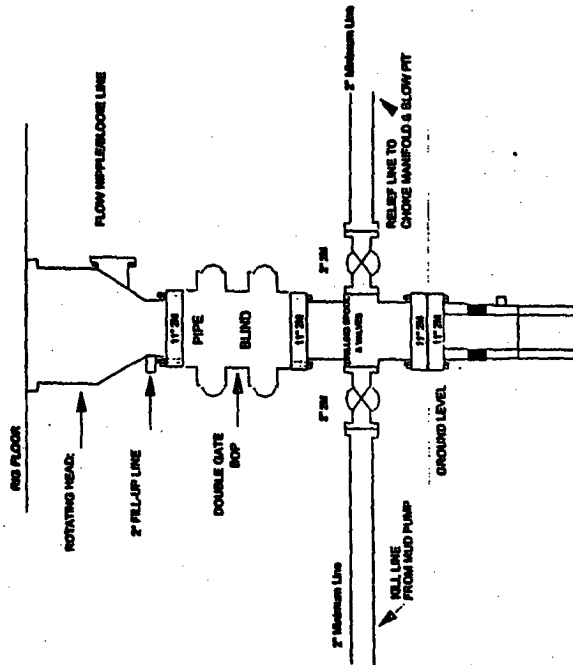


Choke manifold Installation from Surface Casing Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure #3

4-20-01

Drilling Rig
2000 psi System



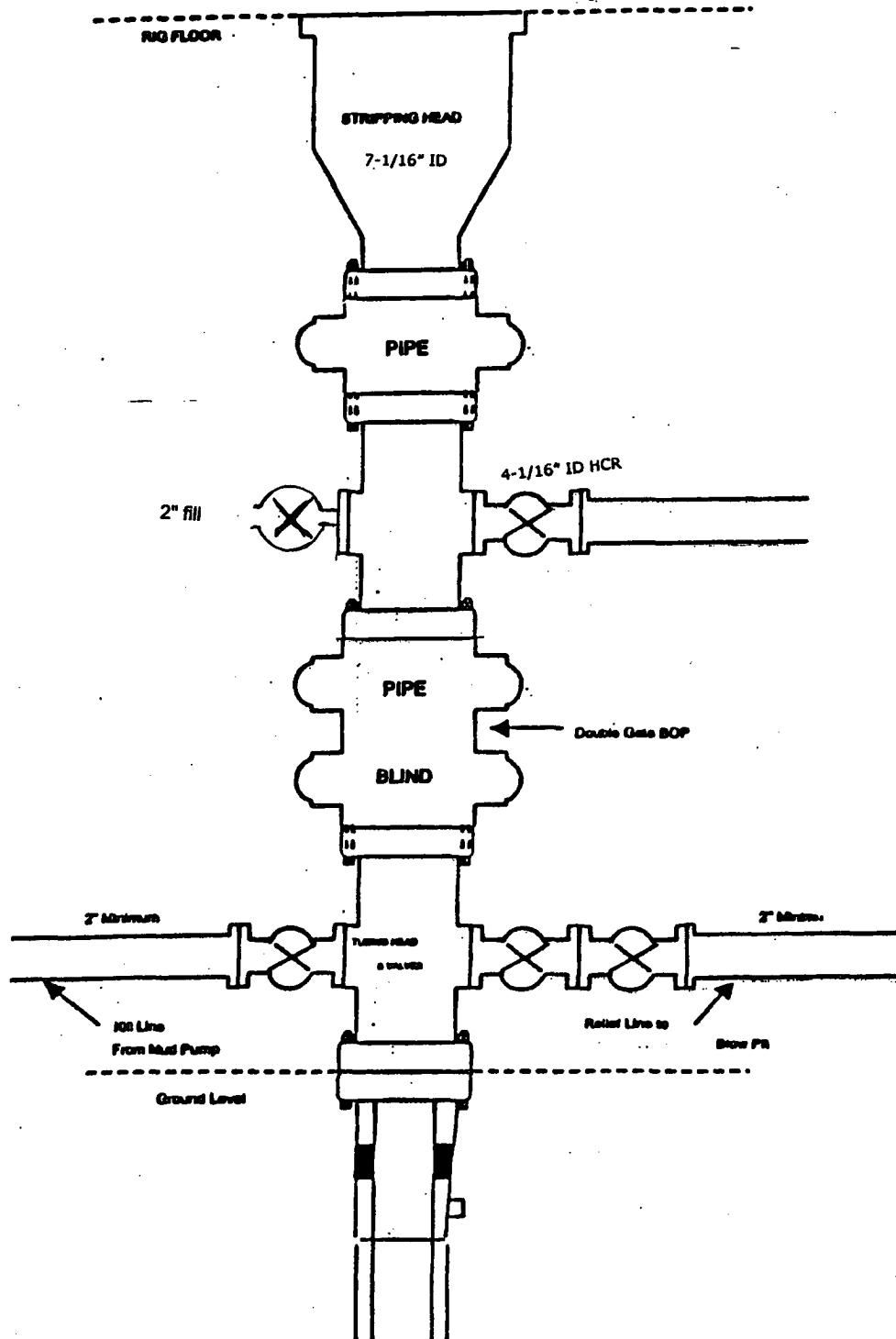
BOP Installation from Surface Casing Point to Total Depth. 11" Bore for Normal 2000 psi working pressure double gate BOP to be equipped with blind and pipe rams. A 600 psi casing head on top of ram prevention. All BOP equipment is 2,000 psi working pressure

Figure #1

BURLINGTON RESOURCES

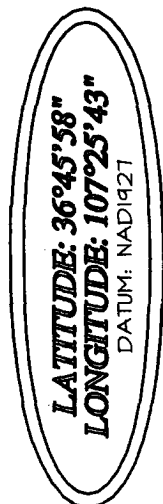
FIGURE #4

Cavitation Rig
BOP Configuration
2,000 psi Minimum System

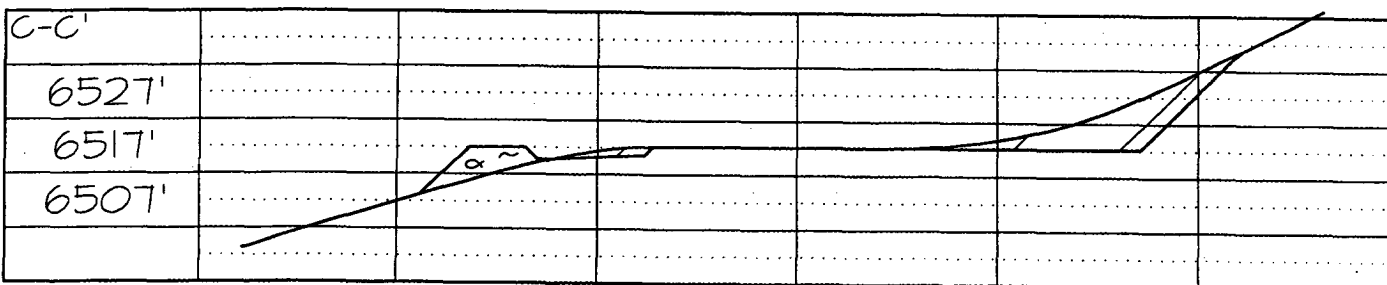
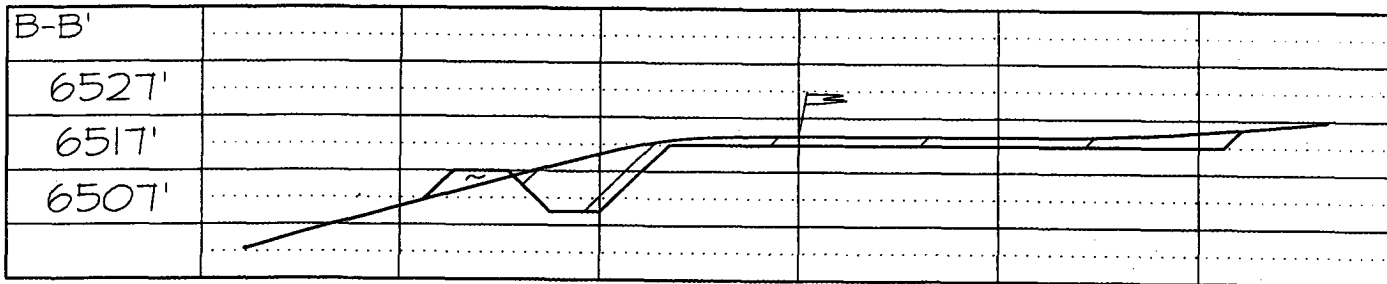
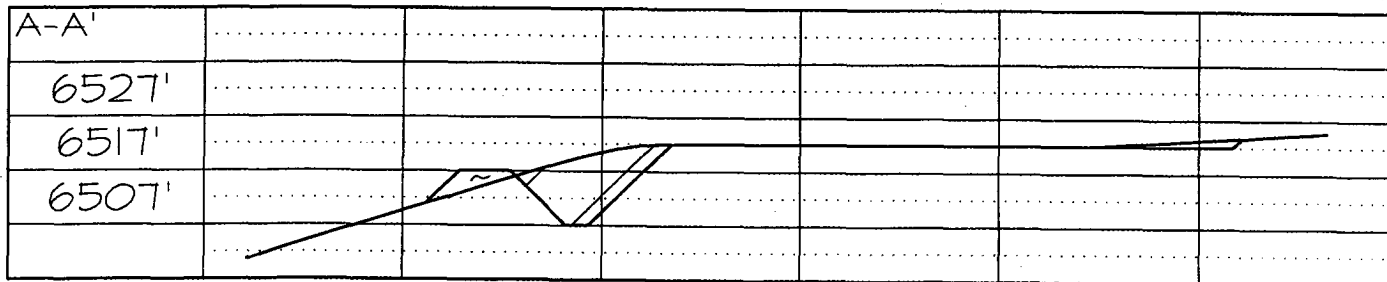


Conditions of approval, if any:

BURLINGTON RESOURCES OIL & GAS COMPANY
SAN JUAN 30-6 UNIT #496S, 1585' FSL & 1735' FEL



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 cables on well pad and/or access road at least two (2) working days prior to construction.

BURLINGTON RESOURCES

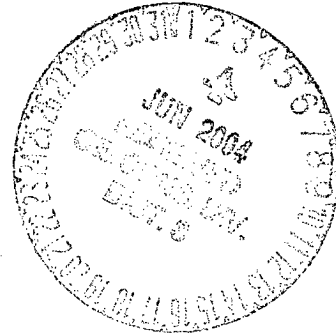
SAN JUAN DIVISION

Released June 4, 2004

January 20, 2004

(Certified Mail – Return Receipt Requested)

Re: San Juan 30-6 Unit 496S
Basin Fruitland Coal
1585'FSL, 1735'FEL Section 35, T-30-N, R-6-W
Rio Arriba County, New Mexico



To the Affected Persons:

Burlington Resources Oil & Gas Company LP is submitting the enclosed Application for Permit to Drill to the appropriate regulatory agency(s) for approval. This well is located inside the High Productivity Area of the Basin-Fruitland Coal Pool as indicated on the attached plat. Notice is being made pursuant to New Mexico Oil Conservation Commission Order R-8768-F dated July 17, 2003.

The affected parties have twenty (20) days from receipt of this notice in which to file with the District Office of the New Mexico Oil Conservation Division written objection to the proposed Application for Permit to Drill.

Sincerely,

Frances Bond

Frances Bond
Regulatory Assistant

BURLINGTON RESOURCES

SAN JUAN DIVISION

January 20, 2004

(Certified Mail – Return Receipt Requested)

Re: San Juan 30-6 Unit 496S
Basin Fruitland Coal
1585'FSL, 1735'FEL Section 35, T-30-N, R-6-W
Rio Arriba County, New Mexico

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Sincerely,



Frances Bond
Regulatory Assistant

| | | | |
|--|--|--|--|
| 2. Article Number | | COMPLETE THIS SECTION ON DELIVERY | |
| | | A. Signature X <i>[Signature]</i> | <input type="checkbox"/> Agent <input type="checkbox"/> Addressee |
| | | B. Received by (Printed Name) | C. Date of Delivery JAN 26 2004 |
| | | D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES enter delivery address below 910 4005-1500 0007 14378 | |
| 1. Article Description CONDOPHILLIPS COMPANY ATTN CHIEF LANDMAN SAN JUAN/ROCKIES PO BOX 2197 HOUSTON, TX 77252-2197 | | 3. Service Type <input checked="" type="checkbox"/> Certified | |
| | | 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes | |

PS Form 3811

3:43 PM 1/5/2004

Domestic Return Receipt
Code: ETC RPA INPIT

File: S1306 UNIT 40RS