submitted in lieu of Form 3160-5 UNITED STATES DEPARTMENT OF THE INTERIOR) BUREAU OF LAND MANAGEMENT Sundry Notices and Reports con Wells Lease Number RECEIVED NMNM-0560422 1. Type of Well 070 FARMINGTON NMF. If Indian, All. or GAS Tribe Name Unit Agreement Name 2. Name of Operator BURLINGTON FSOURCES OIL & GAS COMPANY Well Name & Number 3. Address & Phone No. of Operator Lively #16 PO Box 4289, Farmington, NM 87499 (505) 326-97.00API Well No. 30-045-21357 4. Location of Well, Footage, Sec., T, R, M Field and Pool 1820'FSL, 880'FWL, Sec. 20, T29N, R9W, NMPM Blanco MV/Otero Chacra 11. County and State San Juan Co. NM 12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA Type of Submission Type of Action X Notice of Intent Abandonment Change of Plans Recompletion New Construction Subsequent Report Plugging Back Non-Routine Fracturing Water Shut off Casing Repair Altering Casing Final Abandonment Conversion to Injection Other - Casing Repair 13. Describe Proposed or Completed Operations This well recently failed a bradenhead test and is in noncompliance with the BLM/OCD. It is the intent of this procedure to pull tubing and set a CIBP above the perforations. The 4 ½" casing will then be cut inside of the 7" intermediate string and pulled. The wellbore will then be pressure tested to surface and any leaks in the 7" intermediate string will be squeezed. The CIBP will then be drilled out and tubing reran. The procedures and wellbore diagrams are attached. 14. I hereby certify that the foregoing is true and correct. Title Regulatory Specialist Date 4/7/05 Signed ral or State Office use) (This space for Fede APPROVED BY Date CONDITION OF APPROVAL, if any: it a crime for any person knowingly and willfully to make to any department or agency of the or fraudulent statements or representations as to any matter within its jurisdiction. Title 18 U.S.C. Section 1001 makes United States any false, fictious

CONDITIONS OF APPROVAL Adhere to proviously issued stipulations.

Lively #16 - Casing repair

1820 FSL, 880 FWL
Sec 20 - L, T29N R 9W
San Juan County, NM
LAT: 36 deg 42.51' LONG: 107 deg 48.42'

GL = 5,682' KB= 5,694' AIN MV/Chacra: 4397702/4397703

SCOPE: This well recently failed a bradenhead test and is in noncompliance with the BLM/OCD. It is the intent of this procedure to pull tubing and set a CIBP above the perforations. The 4 ½" casing will then be cut inside of the 7" intermediate string and pulled. The wellbore will then be pressure tested to surface and any leaks in the 7" intermediate string will be squeezed. The CIBP will then be drilled out and tubing reran.

- 1. Hold safety meeting. Comply with all NMOCD, BLM and Burlington safety and environmental regulations. Test rig anchors and build blow pit prior to moving in rig.
- 2. MIRU. Record tubing and casing pressures and record in DIMS. RU blow lines from casing valves and begin blowing down casing pressure. Kill well with 2% KCL if necessary. ND wellhead and NU BOP.
- 3. TOOH with 4494' of 2 3/8". Visually inspect tubing out of hole. Report findings in DIMS.
- 4. MU 4 ½" bit and scraper and TIH to 2500'. TOOH with bit and scraper.
- 5. PU CIBP and packer for 4 ½" 10.5# casing, and TIH on tubing. Set CIBP at +/- 2576', pull up and set packer 5' above CIBP. Pressure test CIBP to 500 psi. Load backside and pressure test to 500 psi. Release packer and TOOH.
- 6. Change over to 4 ½" pipe rams. RU wireline specialties and chemical cut 4 ½" casing at +/-2150'. RD wireline specialties.
- 7. RU casing crew. Lay down 4 ½" donut and TOOH with 4 ½" casing. RD casing crew and change over to 2 3/8" pipe rams.
- 8. Load the hole and pressure test to 500 psi. If pressure test fails, begin leak isolation in the 4 ½" liner and 7" casing. Record and report injection rate, pressure, and location of holes to Sr. Rig Supervisor and project engineer to obtain necessary regulatory approvals and proper squeeze design.
- 9. RU cement company and squeeze casing leak(s) per Sr. Rig Supervisor and project engineer instructions.
- 10. PU appropriate bit and TIH to drill out retainer and cement. After drilling out cement and before drilling out CIBP, pressure test squeeze to 500 psi. Drill out CIBP and clean out to 4750'(50' below bottom MV perforations). TOOH with tubing and bit.
- 11. PU seat nipple (SN), 1 (one) full joint of 2-3/8", 4.7#, J-55 tubing, 2' pup joint and remaining 2-3/8" tubing. Broach and rabbit tubing while TIH. Land tubing at +/-6530'.
- 12. ND BOP, NU wellhead. Make swab run to kick well off, if necessary. Notify lease operator that well is ready to be returned to production. RDMO.

Recommended:
Operations Engineer
Julian Carrillo
Office: 599-4043
Cell: 320-0321

Terry Nelson - Foreman

Office: 326-6106 Mobile: 320-2447 Chad Comer – Operator Mobile: 320-8502

Pager: 324-7396

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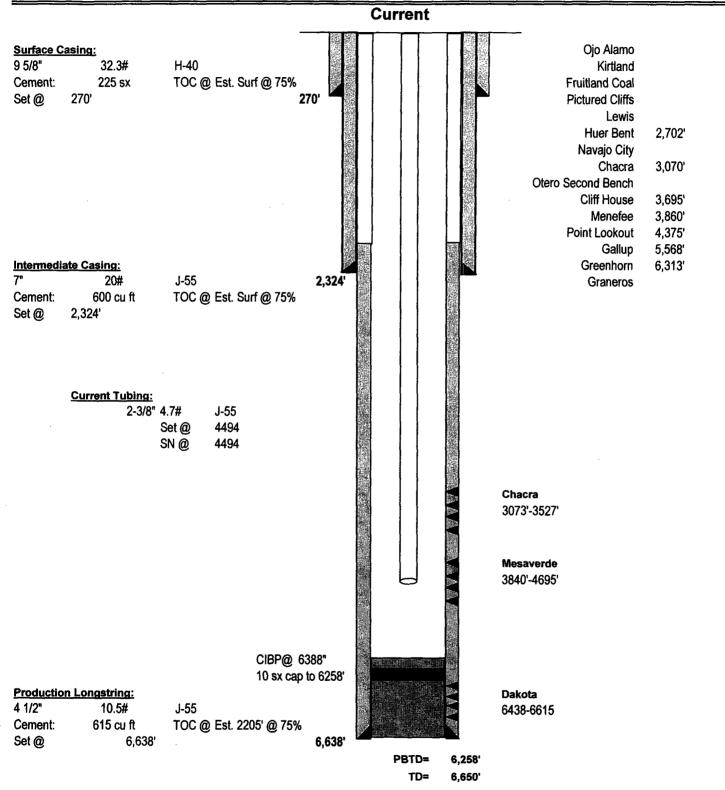
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