

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-045-11176
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-3150-1-NM
7. Lease Name or Unit Agreement Name San Juan 32-9 Unit
8. Well Number #37
9. OGRID Number 14538
10. Pool name or Wildcat Blanco Mesaverde

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other ☐

2. Name of Operator
Burlington Resources Oil & Gas Company LP

3. Address of Operator
3401 E. 30th Street, Farmington, NM 87402

4. Well Location

Unit Letter H : 1800 feet from the North line and 1150 feet from the East line

Section 32 Township 32N Range 9W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input checked="" type="checkbox"/> Extension for remedial work		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Burlington Resources plans to remediate this well. A NOI was sent 1/31/06 and approved 2/1/06. Due to wintering restrictions we will not begin the work discussed in the NOI until the first available rig day in April, 2006, due to the scope of the project we would need at least 3 to 5 days to remediate.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Philana Thompson TITLE Regulatory Compl. Associate III DATE 2/24/06

Type or print name Philana Thompson E-mail address: PThompson@br-inc.com Telephone No. 505-326-9530

For State Use Only

APPROVED BY: A. Villanueva TITLE DEPUTY OIL & GAS INSPECTOR, DIST. I DATE FEB 27 2006

Conditions of Approval (if any):

San Juan 32-9 Unit 37 – Casing repair

1800 FNL & 1150 FEL

H-32-32N-9W

San Juan County, NM

LAT: N36 56.599 LONG: W107 47.868

AIN: 6936901

API #: 30045111760000

SCOPE: This well shows fluid entry 245' from surface. It is the intent of this procedure to pull tubing and set a CIBP 50' above the top perforation, pressure test casing, and remediate as necessary. The CIBP will then be drilled out and tubing reran.

1. Hold safety meeting. Comply with all NMOC, 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. TOO with 193 Jts (6008') of 2 3/8" tubing. Visually inspect tubing out of hole. There may be a hole at 1258' in tubing. If hole is not located while TOO, then tubing will be pressure tested in step # 7. Report findings in DIMS.
4. MU 4-3/4" string mill for 5-1/2", 15.5# casing and TIH to 5480' (28' above top perf). TOO and lay down string mill.
5. PU CIBP for 5-1/2" 15.5# casing, and TIH on tubing. Set CIBP at 5458' (max 50' above top perf) top perf @ 5508'. Load 5-1/2" casing with water and attempt to pressure test to 500 psi.
6. If CIBP and 5-1/2" casing passes pressure test, then PU 4-3/4" bit and TIH to mill out CIBP. Proceed to step 14.
7. If pressure test fails drop standing valve inside of tubing and pressure test tubing to 1500 psi. TOO with tubing and replace any bad joints as necessary. PU packer for 5-1/2", 15.5# casing and begin to isolate the leak.
8. Once the leak is isolated, open up the 7-5/8" intermediate casing valve and establish circulation.
9. If circulation is established, shut the 7-5/8" intermediate casing valve and attempt to pressure test to 500 psi.
10. If the 7-5/8" intermediate casing does not pass pressure test, then contact Drilling Superintendent and project engineer for chemical cut procedure.
11. If the 7-5/8" intermediate casing passes pressure test, then prepare for squeeze on the 5-1/2" casing. Record and report injection rate, pressure and location of the holes to Sr. Rig Supervisor and project engineer to obtain necessary regulatory approvals and proper squeeze design.
12. RU cement company and squeeze casing leak(s) per Sr. Rig Supervisor and project engineer instructions.
13. PU appropriate bit (4-3/4") and TIH to drill out. After drilling out cement and before drilling out CIBP, pressure test squeeze to 500 psi for 15 minutes. Drill out CIBP and clean out to PBTD at 6070'. TOO with tubing and bit.

14. 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 (replace bad joints as necessary). Broach tubing while TIH with 1.901" OD tool. Land tubing at +/- 5985'.
15. 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: _____

Base Asset Engineer
David Gonzales
Office: 326-9708
Cell: 486-4899

Jim Peace – Specialist
Pager: 326-8548
Mobile: 320-0210

Approved: _____

Drilling Superintendent
John Angvick
Office: 326-9840
Cell: 320-2420

Kenny Culbertson – Operator
Mobile: 320-2545
Pager: 326-8911