# **UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT**

|      | APPLICATION FOR PE                                              | RMIT TO DRILL, DEEPEN                                  | , OR PLUG BACK                                         |                                         |  |
|------|-----------------------------------------------------------------|--------------------------------------------------------|--------------------------------------------------------|-----------------------------------------|--|
| 1a.  | Type of Work DRILL                                              |                                                        | 5. Lease Number<br>NMSF-077652<br>Unit Reporting       | Number                                  |  |
| 1b.  | Type of Well<br>GAS                                             | 18 C. J. P. C.     | 6. If Indian, All. or                                  | Tribe                                   |  |
| 2.   | Operator BURLINGTON RESOURCES Oil & Gas                         | : Company                                              | 7. Unit Agreement                                      | Name                                    |  |
| 3.   | Address & Phone No. of Operator PO Box 4289, Farmington,        | NM 87499                                               | 8. Farm or Lease I<br>East<br>9. Well Number<br>8M     | Name                                    |  |
| 4.   | (505) 326-9700  Location of Well 1320' FNL, 1950' FEL           |                                                        | 10. Field, Pool, Wi                                    |                                         |  |
|      | Latitude 36° 52.4′, Longit                                      | ude 108 <b>°</b> 03.9′ ທົ່                             | 11. Sec., Twn, Rge<br>Sec. 26, T-31<br>API# 30-045- 30 | , Mer. (NMPM)<br>-N, R-12-W             |  |
| 14.  | Distance in Miles from Nearest Town 6 Miles to Int. Hwy 550 & H | Iwy 574                                                | <b>12. County</b><br>San Juan                          | 13. State<br>NM                         |  |
| 15.  | Distance from Proposed Location to                              | Nearest Property or Lease Li                           | ne                                                     |                                         |  |
| 16.  | 1320<br>Acres in Lease                                          |                                                        | 17. Acres Assigned to Well                             |                                         |  |
| 18.  | Distance from Proposed Location to 1                            | Nearest Well, Drlg, Compl, or                          | Applied for on this                                    | Lease                                   |  |
| 19.  | Proposed Depth procedural                                       | review purduent to 45 CHR 3 pursuant to 43 CFR 3165.4. | 20. Rotary or Cab<br>Rotary                            | le Tools                                |  |
| 21.  | Elevations (DF, FT, GR, Etc.)<br>6002 GR                        |                                                        | 22. Approx. Date                                       | Work will Start                         |  |
| 23.  | Proposed Casing and Cementing Pro                               | gram<br>ched                                           | US. ACCHO.<br>COMESA. AL.                              | . Tipulkeldi Rama AlfAlas<br>CIREMENTS. |  |
| 24.  | Authorized by: Regulatory/Comp                                  | pliance Supervisor                                     |                                                        | 6-02                                    |  |
| PERI | MIT NO                                                          | APPROVAL DA                                            | ATE 2/22                                               | -/or                                    |  |
| APPI | ROVED BY                                                        | TITLE                                                  | D                                                      | ATE                                     |  |

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.

DESTRICT I 1626 N. French Dr., Hobbs, N.M. 88240

# State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000

DISTRICT II 811 South First, Artesia, N.M. 88210

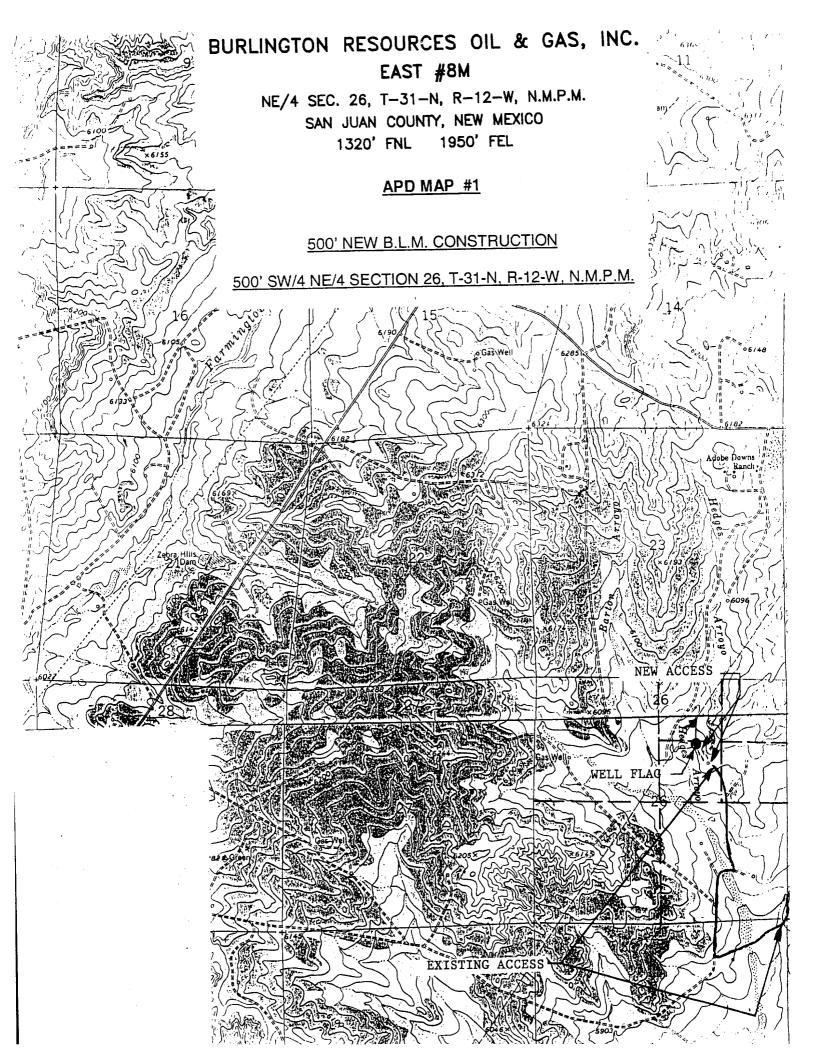
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

8894

DISTRICT III 1000 Rio Brazos Rd., Astec, M.M. 87410

OIL CONSERVATION DIVISION 2040 South Pacheco

| eren 107               |               |                               |             | ,                         | Santa Fe, NM                   | 87505                        | ,                                                        |                             | AMEN.                                   | DED REPORT   |  |
|------------------------|---------------|-------------------------------|-------------|---------------------------|--------------------------------|------------------------------|----------------------------------------------------------|-----------------------------|-----------------------------------------|--------------|--|
| MCT IV<br>South Paches | o, Santa F    | a, NIM 87505<br>Tut           | יודיו דר    | ነ <i>ር</i> ለጥ <u>ፐ</u> ርእ | I AND ACE                      | REAGE DEDI                   | CATION PL                                                | ΑТ                          |                                         |              |  |
|                        |               | <u> </u>                      |             | Pool Code                 |                                |                              | Pool Name                                                | 3                           |                                         |              |  |
| 30-045                 | Number<br>208 | 19                            |             | /71599                    | Blan                           | nco Mesaverd                 | e/Basin Dak                                              | ota                         |                                         |              |  |
| *Property Co           | <u> </u>      | <u></u>                       |             |                           | Property 1                     | ame                          |                                                          |                             | • We                                    | ll Number    |  |
| 18517                  |               |                               |             |                           | EAST                           | • •                          |                                                          |                             | 8M                                      |              |  |
| OGRID No.              | <del>  </del> |                               |             |                           | Operator Name                  |                              |                                                          |                             | * Elevation                             |              |  |
| 14538                  |               |                               | BU          | RLINGTON                  | ON RESOURCES OIL AND GAS, INC. |                              |                                                          | 6002'                       |                                         | 002'         |  |
| 11330                  | <del> </del>  |                               |             |                           | 10 Surface                     |                              |                                                          |                             |                                         | <del></del>  |  |
| L or lot no.           | Section       | Township                      | Range       | Lot kin                   | Feet from the                  | North/South line             | Feet from the                                            | East/Vo                     |                                         | SAN JUAN     |  |
| G                      | 26            | 31-N                          | 12-W        |                           | 1320'                          | NORTH                        | 1950'                                                    | EA.                         | 31                                      | SAIT UCAT    |  |
|                        |               |                               | 11 Bott     | om Hole                   |                                | f Different Fr               |                                                          | 1 = 1 /m                    | est line                                | County       |  |
| UL or lot no.          | Section       | Township                      | Range       | Lot kin                   | Feet from the                  | North/South line             | Feet from the                                            | Sast/W                      | der Hina                                | County       |  |
| Dedicated Adre         | <u> </u>      | <u> </u>                      | 18 Joint or | Infill                    | M Consolidation                | Code                         | *Order No.                                               | <u>.l · · </u>              |                                         |              |  |
| E/320                  |               |                               |             |                           |                                |                              |                                                          |                             |                                         |              |  |
|                        |               |                               |             |                           |                                | ON VINITUAL ALL              | TATTEDESTS                                               | HAVE                        | BEEN C                                  | ONSOLIDATE   |  |
| NO ALLOY               | VABLE W       | TLL BE                        | ASSIGNE:    | D TO TH                   | IS COMPLETE<br>HAS R           | ON UNTIL ALL<br>EEN APPROVEI | D BY THE DI                                              | VISION                      | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, |              |  |
|                        |               | UR A                          | NON-BI      | ANDRIND                   |                                | -55 W FD 3                   |                                                          |                             |                                         | ERTIFICATIO  |  |
| •                      |               |                               | 1952        |                           | 1320,                          | 635'                         | helled                                                   | 7                           | A                                       | ,            |  |
|                        | LAT:<br>LON   | 36°52'24<br>G: 108°03<br>1927 | l" N.       | 26 —                      | 1231                           | 1950'                        | Print                                                    | gy Col<br>ed Name<br>ulator | e                                       | rvisor<br>02 |  |
| ,                      |               |                               |             |                           |                                | B.L.N                        | 1/4 <sup>st</sup><br>1. BC   18<br>1951   <i>I hereb</i> |                             | st the well i                           | ERTIFICATIO  |  |
|                        |               |                               |             |                           | NMSF-                          | -077652                      | <del>-</del>                                             | of Buryla                   | 40                                      |              |  |



## OPERATIONS PLAN

Well Name: East 8M

Location: 1320'FNL, 1950'FEL, Sec.26, T-31-N, R-12-W

San Juan County, NM

Latitude 36° 52.4'N, Longitude 108° 03.9'W

Formation: Blanco MV/Basin Dakota

Elevation: 6002'GL

| Formation Tops:       | <u>Top</u>    | Bottom        | Contents |
|-----------------------|---------------|---------------|----------|
| Surface               | San Jose      | 808'          |          |
| Ojo Alamo             | 8081          | 854 <b>′</b>  | aquifer  |
| Kirtland              | 854'          | 2153'         | gas      |
| Fruitland             | 2153 <b>′</b> | 2439 <b>'</b> |          |
| Pictured Cliffs       | 2439'         | 2589'         | gas      |
| Lewis                 | 2589'         | 3184'         | gas      |
| Mesaverde             | 3184'         | 3549 <b>′</b> | gas      |
| Chacra                | 3549 <b>'</b> | 4164'         | gas      |
| Massive Cliff House   | 4164'         | 4249'         | gas      |
| Menefee               | 4249'         | 4779 <b>'</b> | gas      |
| Intermediate TD       | 4399'         |               |          |
| Massive Point Lookout | 4779 <b>'</b> | 5149'         | gas      |
| Mancos Shale          | 5149 <b>'</b> | 6059 <b>′</b> | gas      |
| Gallup                | 6059 <b>'</b> | 6784 <b>'</b> | gas      |
| Greenhorn             | 6784'         | 6844'         | gas      |
| Graneros              | 6844′         | 6899 <b>'</b> | gas      |
| Dakota                | 6899 <b>'</b> |               | gas      |
| TD                    | 7105'         |               |          |

# Logging Program:

Open hole logs - None

Cased hole logs - Gr/Cemnet bond Log: TD to surface

Cores - none

## Mud Program:

| Interval          | Type   | <u>Weight</u> | <u>Vis.</u> | Fluid Loss |
|-------------------|--------|---------------|-------------|------------|
| 0- 200'           | Spud   | 8.4-9.0       | 40-50       | no control |
| <b>200- 4399'</b> | LSND   | 8.4-9.0       | 30-60       | no control |
| 4399- 7105'       | Air/N2 | 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#      | H-40  |
| 8 3/4"    | 0' - 4399'     | 7"       | 23 & 20.0# | J-55  |
| 6 1/4"    | 4299' - 7105'  | 4 1/2"   | 10.5#      | J-55  |

## Tubing Program:

0' - 7105' 2 3/8" 4.7# J-55

# BOP Specifications, Wellhead and Tests:

# Surface to Intermediate TD -

11" 3000 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" 3000 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, 3000 psi minimum choke manifold (Reference Figure #3).

## Completion Operations -

7 1/16" 3000 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 159 sx Class "B" cement with 1/4# celloflake/sx and 3% 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/552 sx 50/50 Class G/TXI lightweight w/1.75% sodium metasilicate, 8# gilsonite/sx and 1/2# celloflake/sx, 0.2% Defoamer, 0.15 Retarder. Tail w/95 sx 50/50 Class "G" Poz, 2% gel, 1/4 pps celloflake, 5 pps gilsonite, 0.1% antifoam agent, 0.1% Dispersant, 0.1% Retarder (1322 cu.ft. of slurry, 100% 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.

## See attached alternative intermediate lead slurry.

7" intermediate casing alternative two stage: Stage collar at 2053'. First stage: cement with 551 sx 50/50 Class "G" Poz w/2% calcium chloride, 2% gel, 1/4 pps celloflake, 5 pps gilsonite, 0.1% antifoam agent. Second stage: 239 sx 50/50 Class G/TXI lightweight w/2.5% sodium metasilicate, 2% calcium chloride, 10# gilsonite/sx and 1/2# celloflake/sx (1322 cu.ft., 100% excess to circulate to surface).

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 854'. Two turbolating centralizers at the base of the Ojo Alamo at 854'. Bowspring centralizers spaced every fourth joint from the base of the Ojo Alamo to the base of the surface casing.

- 4 1/2" Production Casing Cement to cover minimum of 100' of 4 1/2" x 7" overlap. Lead with 280 sx 50/50 Class "G" Poz with 5% gel, 0.25# celloflake/sx, 5# gilsonite/sx, 0.1% retardant and 0.25% fluid loss additive, 0.15% dispersant, 0.1% antifoam agent (403 cu.ft.), 40% excess to cement 4 1/2" x 7" overlap). WOC a minimum of 18 hrs prior to completing.
- 4 1/2" production casing alternative: Lead w/82 sx 9.5 PPG Litecrete Blend w/0.11% dispersant, 0.5% fluid loss. Tail w/156 sx Class G 50/50 poz w/5% gel, 0.25 pps celloflake, 5 pps gilsonite, 0.25% fluid loss, 0.15% dispersant, 0.1% retarder, 0.1% antifoam (431 cu.ft., 50% excess to cement 4 ½" x 7" overlap).

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

Cement float shoe on bottom with float collar spaced on top of float shoe.

- Note: To facilitate higher hydraulic stimulation completion work, no liner hanger will be used. In its place, 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" retrievable bridge plug will be set below the top of cement in the 4 1/2" x 7" overlap. The 4 1/2" casing will then be backed off above the top of cement in the 4 1/2" x 7" overlap and laid down. The 4 1/2" bridge plug will then be retrieved and the production tubing will be run to produce the well.
- If hole conditions permit, an adequate water spacer will be pumped ahead of each cement job to prevent cement/ mud contamination or cement hydration.

# 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.