

4/30/03	5/20/03	ENGINEER MS	LOGGED IN KN	TYPE NSL	PKRV03/2127210
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

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

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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 - Simultaneous Dedication
☒ NSL ☐ NSP ☐ 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

[D] Other: Specify _____

[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] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

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

PEGGY COLE
 Print or Type Name

Signature

Title

Date

e-mail Address

REGULATORY Supr. 4-29-03
 people@br-inc.com

BURLINGTON RESOURCES

SAN JUAN DIVISION

Sent Federal Express April 29, 2003

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

Re: San Juan 29-7 Unit #189
770'FNL, 320'FWL Section 14, T-29-N, R-7-W, Rio Arriba County
30-039-27313

Dear Mr. Stogner:

Burlington Resources is applying for administrative approval of an unorthodox gas well location for the Blanco Pictured Cliffs.

The subject well was originally planned as a single Pictured Cliffs wells and staked at this location for geologic reasons as explained on the attachments and to utilize the existing wellpad of the San Juan 29-7 Unit #54B Blanco Mesaverde (30-039-25258) located at 780'FNL, 400'FWL in Section 14. It has since been decided to add the Basin Fruitland Coal formation to this well and down hole commingle both formations. An application for down hole commingle will be made. The Basin Fruitland Coal is at a standard location within the San Juan 29-7 federal unit, and is within the determined low productivity area per Order R-8768-C dated October 15, 2002.

The San Juan 29-7 Unit #54A Blanco Mesaverde (30-039-23952) is located at a standard Pictured Cliffs location at 1120'FNL, 1850'FWL of Section 14 and was considered as a recompletion candidate for the Pictured Cliffs; however it shows poor neutron-density crossover response as explained in the attached geologic exhibit.

Production from the Pictured Cliffs is to be included in a 160 acre gas spacing and proration unit comprising of the northwest quarter of Section 14.

The following attachments are for your review:

- Application for Permit to Drill
- Intent Sundry to add the Basin Fruitland Coal
- Completed C-102 at referenced location
- Offset operators/owners plat
- Geology Explanation and Map
- Participating Area Map
- Existing Well Map

Mr. Michael Stogner
Page Two
San Juan 29-7 Unit #189

Three copies of this application are being submitted to offset operators/owners by certified mail with a request that they furnish you with a Waiver of Objection, keep one copy for their files and return one copy to this office. Please let me know if you have any questions about this application.

Sincerely,

BURLINGTON RESOURCES



Peggy Cole
Regulatory Supervisor

Xc: NMOCD – Aztec District Office
Bureau of Land Management – Farmington Field Office

WAIVER

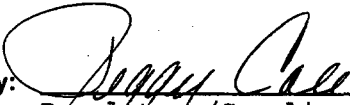
_____ hereby waives objection to Burlington Resources' application for a non-standard location for the San Juan 29-7 Unit #189 as proposed above.

By: _____ Date: _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

RECEIVED

1a. Type of Work DRILL	5. Lease Number NMSF-078423 Unit Reporting Number 891001650B 6. If Indian, All. or Tribe
1b. Type of Well GAS	2003 FEB 10 PM 2:17 070 FARMINGTON, NM
2. Operator BURLINGTON RESOURCES Oil & Gas Company LP	7. Unit Agreement Name San Juan 29-7 Unit
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name San Juan 29-7 Unit 9. Well Number 189
4. Location of Well 770' FNL, 320' FWL Latitude 36° 43.9 Longitude 107° 32.9	10. Field, Pool, Wildcat Blanco Pictured Cliffs 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 14, T-29-N, R-7-W API # 30-039-27313
14. Distance in Miles from Nearest Town 11 miles from Navajo City	12. County Rio Arriba 13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 320'	
16. Acres in Lease	17. Acres Assigned to Well 160
18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease 75'	
19. Proposed Depth 3370'	20. Rotary or Cable Tools Rotary
21. Elevations (DF, FT, GR, Etc.) 6235' GR	22. Approx. Date Work will Start
23. Proposed Casing and Cementing Program See Operations Plan attached	
24. Authorized by: <u></u> Regulatory/Compliance Supervisor	<u>1-20-03</u> 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.

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

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

OPERATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

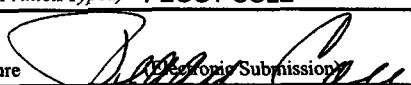
1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: UNKNOWN OTH		5. Lease Serial No. NMSF078423
2. Name of Operator BURLINGTON RESOURCES OIL & GAS		6. If Indian, Allottee or Tribe Name
3a. Address 3401 EAST 30TH FARMINGTON, NM 87402		7. If Unit or CA/Agreement, Name and/or No. SAN JUAN 29-7 UNI
3b. Phone No. (include area code) Ph: 505.326.9727 Fx: 505.326.9563		8. Well Name and No. SAN JUAN 29-7 UNIT 189
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 14 T29N R7W NWNW 770FNL 320FWL		9. API Well No. 30-039-27313
		10. Field and Pool, or Exploratory BASIN FRT COAL/BLANCO PC
		11. County or Parish, and State RIO ARRIBA COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

It is intended to add the Basin Fruitland Coal formation to the approved Application for Permit to Drill, Deepen or Plug Back. Attached is a revised C-102 plat. The well will then be down hole commingled. A down hole commingle application will be submitted.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #20939 verified by the BLM Well Information System For BURLINGTON RESOURCES OIL & GAS, will be sent to the Farmington	
Name (Printed/Typed) PEGGY COLE	Title REPORT AUTHORIZER
Signature 	Date 04/22/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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 representations as to any matter within its jurisdiction.

**** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT ****

II

Lower DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

PO Box 2088

Santa Fe, NM 87504-2088

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

PO Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-27313	*Pool Code 72359 /71629	*Pool Name Blanco Pictured Cliffs/Basin Fruitland Coal
*Property Code 7465	*Property Name SAN JUAN 29-7 UNIT	*Well Number 189
*OGRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY, LP	*Elevation 6235

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
D	14	29N	7W		770	NORTH	320	WEST	RIO ARriba

11 Bottom Hole Location If Different From Surface

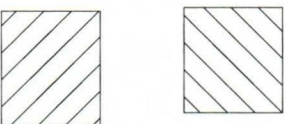
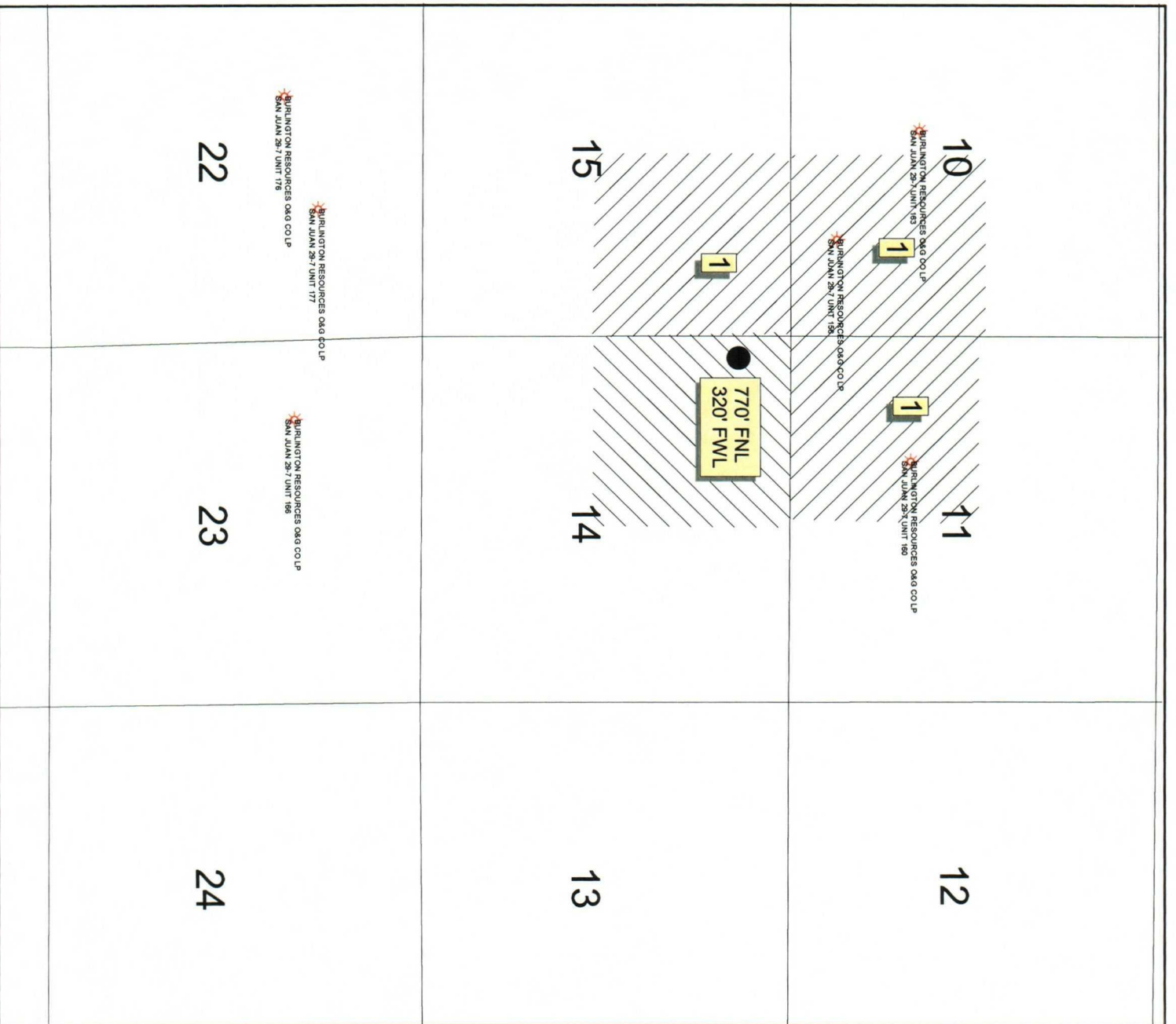
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres FTC - W/320 PC - 160	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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

	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Peggy Cole Printed Name Regulatory Supervisor Title 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. Survey Date: DECEMBER 16, 2002 Signature and Seal of Professional Surveyor
	JASON C. EDWARDS Certificate Number 15269

1 Pictured Cliffs Participating Owners -
See attached list



Proposed Well

Offset Operator



BURLINGTON RESOURCES
San Juan Division
PLAT

600 0 600 1200 Feet

BURLINGTON RESOURCES
San Juan Division

San Juan 29-7 Unit #189
Sec. 14, T-29-N, R-7-W
Rio Arriba County, New Mexico
Offset Operator/Owner Plat
Nonstandard Location
Pictured Cliffs Formation
State Plane - 1927, New Mexico, West
26273

Transverse Mercator
Prepared By: Nancy Olmstead
File No: _____
Date: 01/21/2003
Revised: _____
File Name: s:\public\moxj\29-7 u #189.apr

Re: San Juan 29-7 Unit #189
770'FNL, 320'FWL Section 14, T-29-N, R-7-W, Rio Arriba County
30-039-27313

I hereby certify that the following offset operators/owners have been mailed notification of our application for non-standard location.

Williams Production Company
One Williams Center
PO Box 3102 MS25-3
Tulsa, OK 74101

C.W. Bolin Properties
813 8th St., Suite 1120
Wichita Falls, TX 76301-3354

D.Phil Bolin
2525 Kell Blvd S – 510
Wichita Falls, TX 76308

Dirk Vanhorn Reemtsma
556 Crestwood Drive
Oceanside, CA 92054

Dolores Bolin Trusts
813 8th Street S – 1120
Wichita Falls, TX 76308

Maydell Miller Mast
C/o James M. Raymond
PO Box 291445
Kerrville, TX 78029-1445

Charles W. Gay
C/o James M. Raymond – POA
PO Box 291445
Kerrville, TX 78029-1445

Lorrayn Gay Hacker
C/o James M. Raymond – POA
PO Box 291445
Kerrville, TX 78029-1445

T.H. McElvain Oil & Gas Ltd Partnership
1050 17th St., Suite 1800
Denver, CO 80265

J&M Raymond Ltd
Raymond & Sons I LLC General Partner
PO Box 291445
Kerrville, TX 78029-1445

Bolack Minerals Co.
Att: Tommy Bolack
3901 Bloomfield Highway
Route 3, Box 47
Farmington, NM 87401

David A. Pierce
Citizens Bank Agent

PO Box 4140
Farmington, NM 87499

Dan Bolin
1 Parker Square, Suite 510
2525 Kell Blvd.
Wichita Falls, TX 76308-1061

Lance Reemtsma
2601 Grant St.
Berkeley, CA 94703-1915

Bolin Pat S.
1 Parker Square, Suite 510
2525 Kell Blvd.
Wichita Falls, TX 76308

R.L. Bolin Properties LTD
4245 Kemp Blvd, Suite 316
Wichita Falls, TX 76308

BP America Production
Att: Bryan Anderson OSO Engineer
San Juan BU
West Lake 1 Room 19-114
501 Westlake Park Blvd
Houston, TX 77079

Four Star Oil & Gas
Att: Barbara Nelms
PO Box 36366
Houston, TX 77236

ConocoPhillips
Att: Chief Landman San Juan/Rockies
PO Box 2197
Houston, TX 77252-2197

 4-29-03

Peggy Cole
Regulatory Supervisor
Burlington Resources

**Proposed San Juan 29-7 Unit Well Number 189
770' FNL & 320' FWL
Section 14, T29N, R7W
Rio Arriba County, New Mexico
Blanco Pictured Cliffs Pool
Estimated TD 3350'**

The proposed San Juan 29-7 Unit Well Number 189 has been staked at a non-standard Pictured Cliffs gas well location within the NW/4 of Section 14-T29N-R7W spacing unit. The location of the proposed test was selected to optimize recovery from the Pictured Cliffs and also to minimize surface disturbance. The proposed 189 is staked on the same surface pad as the San Juan 29-7 Unit 54B, a Mesaverde producer located 785' FNL and 400' FWL of Section 14-T29N-R7W. The NW/4 of Section 14 is located within the Pictured Cliffs Participating Area for the San Juan 29-7 Unit. The NE/4 of Section 15 has been submitted but has yet to be approved as the 13th Expansion effective 1/1/02 of the Pictured Cliffs Participating Area for the San Juan 29-7 Unit.

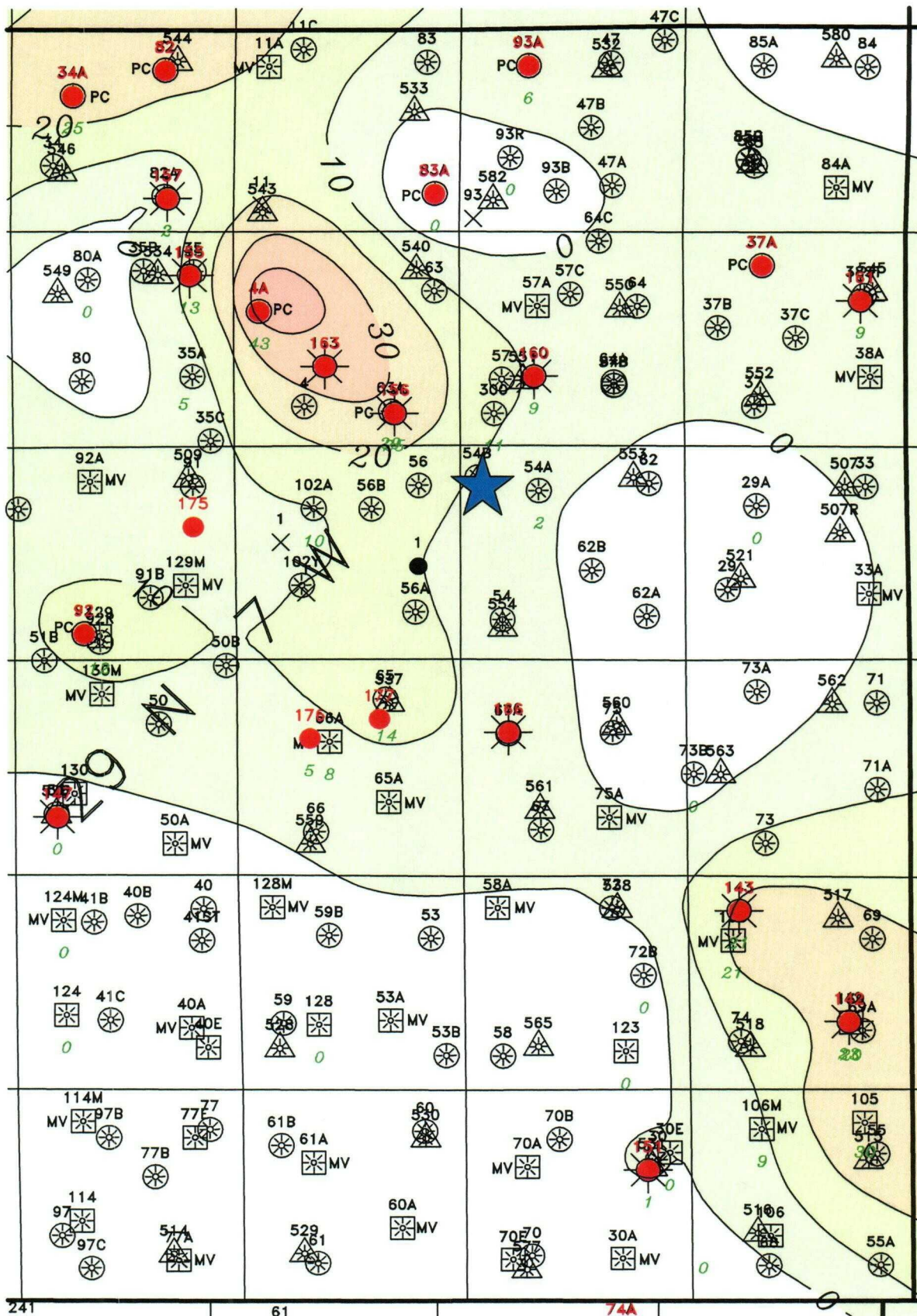
Subsurface well control defines a northwest oriented trend of high quality Pictured Cliffs reservoir sand trending diagonally through T29N-R7W roughly from its northwest corner to its southeast corner. The two to three mile wide gas productive band extends in both directions from T29N-R7W into adjacent townships. Excellent reserves and deliverability have been established from Pictured Cliffs completions located within this trend. A variety of open hole log parameters can be mapped that match the trend of gas production, and thus define an effective method for identification of the remaining locations for future development drilling.

The proposed San Juan 29-7 Unit Well Number 189 is located on the east flank of high quality reservoir development in the San Juan 29-7 Unit. A map of the project vicinity indicates that expected reservoir characteristics are better developed at the proposed NSL location for the 189 than at an orthodox Pictured Cliffs gas well location within the spacing unit. Of concern, the prospective Pictured Cliffs interval at the San Juan 29-7 Unit 54A, a Mesaverde producer located 1120' FNL and 1850' FWL of Section 14 just to the east of the proposed NSL location, exhibits poor neutron-density crossover response.



★ San Juan 29-7 Unit #189
NW14-T29N-R07W

- PC completions



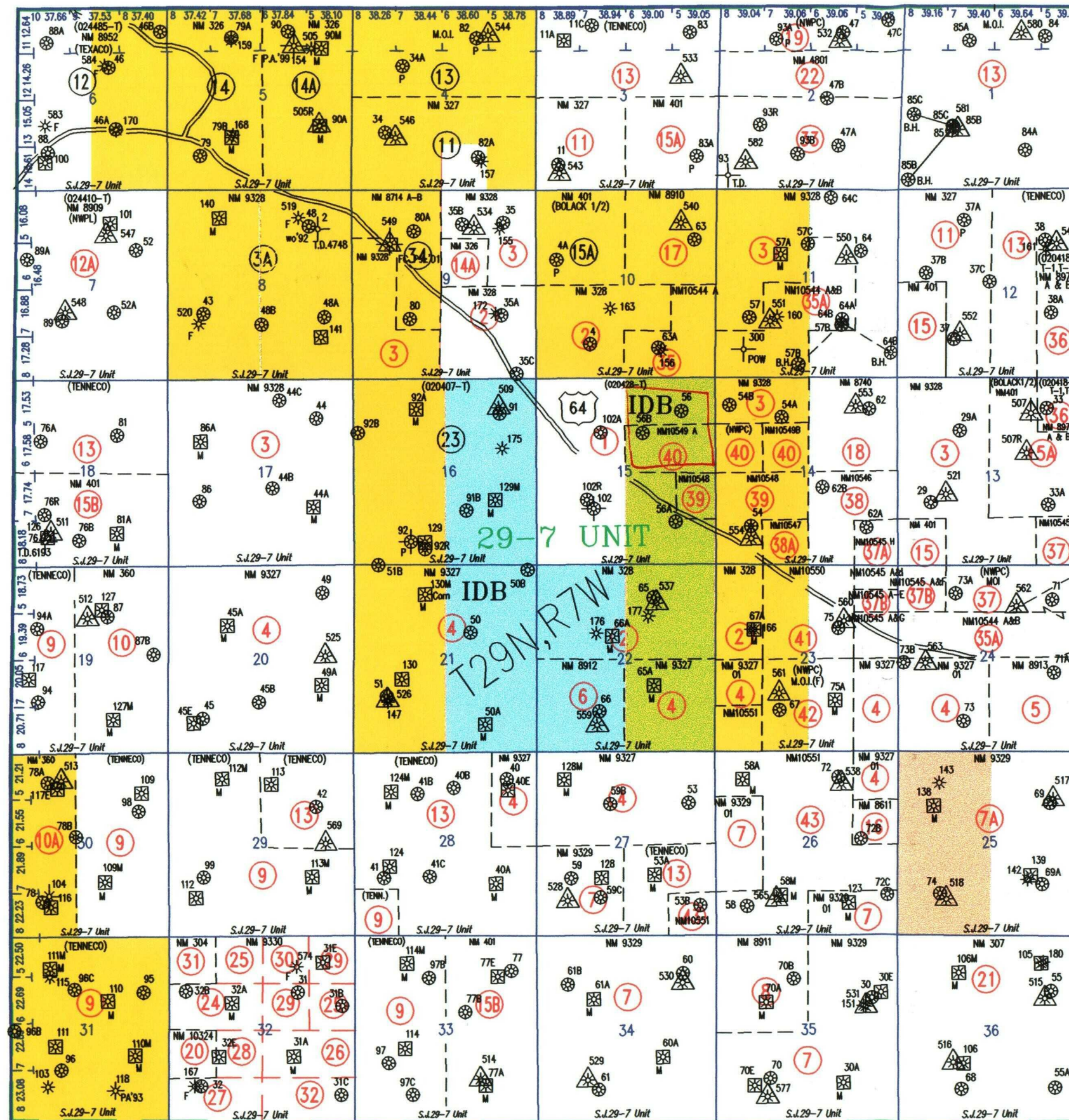
SNez, 05/08/02

Isopach of Pictured Cliffs neutron density porosity cross over
Contour Interval 10 Feet

★ San Juan 29-7 Unit #189
NW14-T29N-R07W

● PC completions

R7W



SAN JUAN 29-7 UNIT PICTURED CLIFFS PARTICIPATING AREA

- 10th Participating Area Eff. 2/1/99
- 11th Expansion Effective 10/1/00
- 12th Expansion Effective 11/1/01
- 13th Expansion Effective 1/1/02

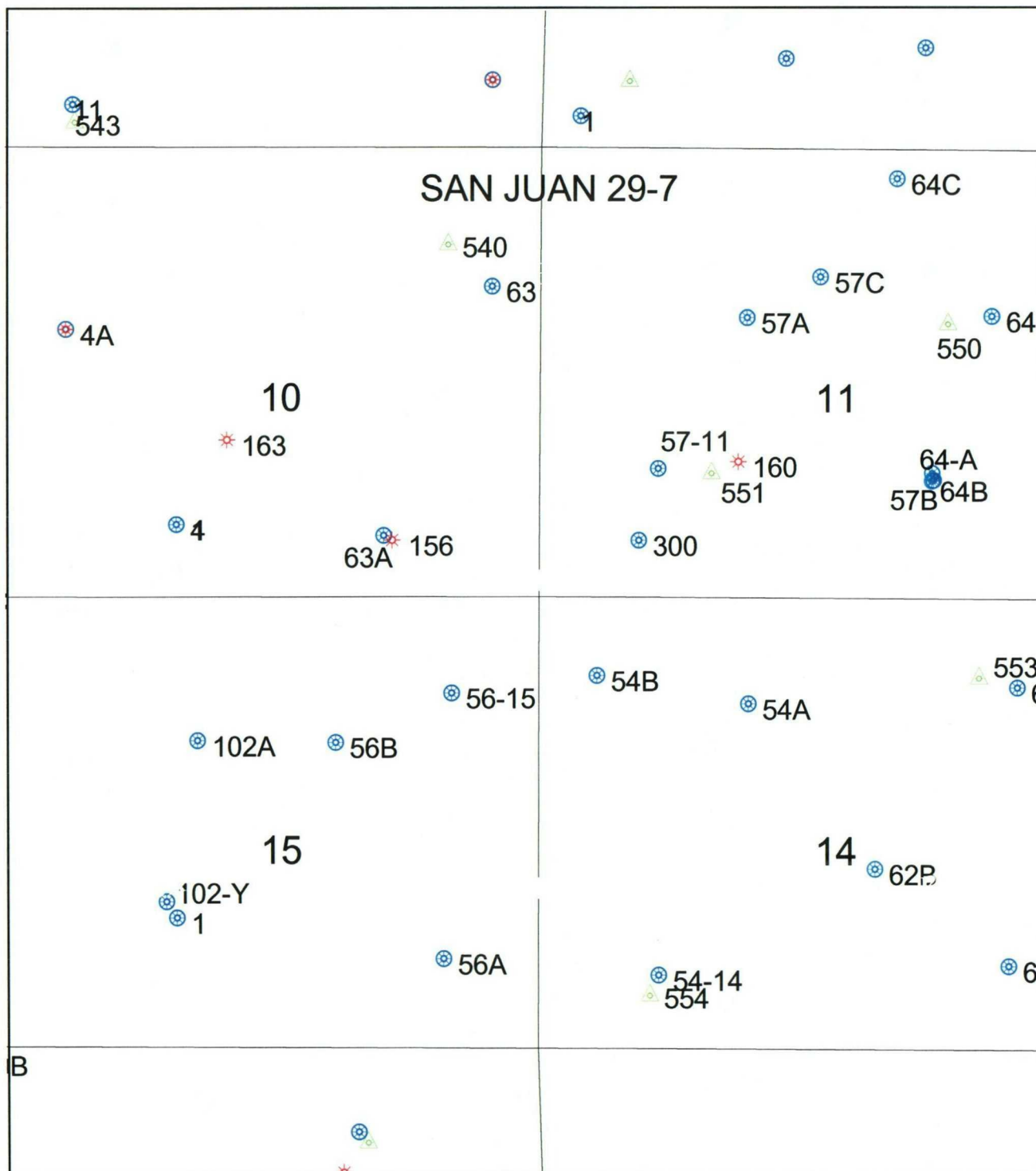
T
29
N

- FRUITLAND SAND
- FRUITLAND COAL
- PICTURED CLIFFS
- MESAVERDE
- GALLUP
- DAKOTA

**BURLINGTON RESOURCES
OIL & GAS COMPANY**

BUSINESS DEVELOPMENT

OCT 24, 2002



P2000 Wells By Formation

- FRUITLAND COAL
- PICTURED CLIFFS
- MESAVERDE
- DAKOTA

- Counties
- San Juan Federal Units

Town Outlines

- AZTEC
- BLOOMFIELD
- FARMINGTON
- Sections
- Townships



BURLINGTON RESOURCES  PLAT

600 0 600 1200 Feet

BURLINGTON RESOURCES
SAN JUAN DIVISION

San Juan 29-7 Unit # 189 Well

1:21960

Prepared By: ALAN ALEXANDER Date: 04/29/2003
File No: <Please enter file number> Revised: <Revision date>
File Name: R:\Plat\San_Juan_Basin\San_Juan_Basin.apr