

|                 |                 |             |              |          |
|-----------------|-----------------|-------------|--------------|----------|
| DATE IN 5/12/98 | SUSPENSE 6/1/98 | ENGINEER MS | LOGGED BY MV | TYPE NSL |
|-----------------|-----------------|-------------|--------------|----------|

ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

2040 South Pacheco, Santa Fe, NM 87505



### ADMINISTRATIVE APPLICATION COVERSHEET

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

#### Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]  
 [DD-Directional Drilling] [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 - Directional Drilling

☒ NSL ☐ NSP ☐ DD ☐ SD

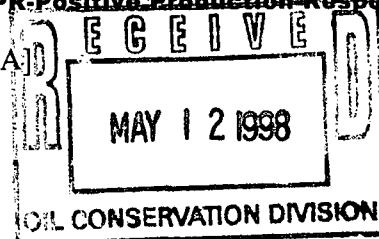
Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR



#### [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] INFORMATION / DATA SUBMITTED IS COMPLETE - Certification

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.

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

Print or Type Name

Signature

Title

Date

5-9-98

# BURLINGTON RESOURCES

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SAN JUAN DIVISION

May 9, 1998

Sent Federal Express

Ms. Lori Wrotenbery, Director  
New Mexico Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505

Re: San Juan 29-7 Unit #163  
1985'FSL, 2135'FWL, Section 10, T-29-N, R-7-W, Rio Arriba County, NM  
30-039-not assigned

Dear Ms. Wrotenbery:

Burlington Resources is applying for administrative approval of an unorthodox gas well location for the Blanco Pictured Cliffs pool. This application for the referenced location is for topographic and at the request of the landowner, Mr. Fidel Candelaria, to stay by the road and out of the wash.

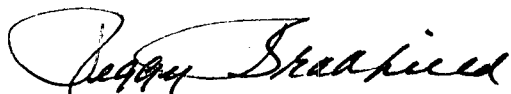
Production from the Blanco Pictured Cliffs pool is to be included in a 160 acre gas spacing and proration unit comprising of the southwest half (SW/4) of Section 10.

The following attachments are for your review:

1. Application for Permit to Drill.
2. Completed C-102 at referenced location.
3. Offset operators/owners plat - Burlington is the operator of the unit.
4. 7.5 minute topographic map, and enlargement of the map to define topographic features.

We appreciate your earliest consideration of this application.

Sincerely,




Peggy Bradfield  
Regulatory/Compliance Administrator

xc: NMOCD - Aztec District Office  
Bureau of Land Management - Farmington District Office

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

|  |  |
|--|--|
| <b>1a. Type of Work</b><br>DRILL   | <b>5. Lease Number</b><br>SF-078399<br><b>Unit Reporting Number</b>  |
| <b>1b. Type of Well</b><br>GAS   | <b>6. If Indian, All. or Tribe</b>   |
| <b>2. Operator</b><br><i><b>BURLINGTON<br/>RESOURCES</b></i> Oil & Gas Company   | <b>7. Unit Agreement Name</b><br>San Juan 29-7 Unit  |
| <b>3. Address &amp; Phone No. of Operator</b><br>PO Box 4289, Farmington, NM 87499<br><br>(505) 326-9700   | <b>8. Farm or Lease Name</b><br>San Juan 29-7 Unit<br><b>9. Well Number</b><br>163   |
| <b>4. Location of Well</b><br>1985' FSL, 2135' FWL<br><br>Latitude 36° 44.3, Longitude 107° 33.6   | <b>10. Field, Pool, Wildcat</b><br>Blanco Pic. Cliffs<br><b>11. Sec., Twn, Rge, Mer. (NMPM)</b><br>Sec 10, T-29-N, R-7-W<br><b>API #</b> 30-039- |
| <b>14. Distance in Miles from Nearest Town</b><br>2 miles from Navajo City   | <b>12. County</b><br>RA<br><b>13. State</b><br>NM  |
| <b>15. Distance from Proposed Location to Nearest Property or Lease Line</b><br>1985'  |  |
| <b>16. Acres in Lease</b>  | <b>17. Acres Assigned to Well</b><br>160   |
| <b>18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease</b><br>1000'                                       |  |
| <b>19. Proposed Depth</b><br>3400  | <b>20. Rotary or Cable Tools</b><br>Rotary   |
| <b>21. Elevations (DF, FT, GR, Etc.)</b><br>6280' GR   | <b>22. Approx. Date Work will Start</b>  |
| <b>23. Proposed Casing and Cementing Program</b><br>See Operations Plan attached   |  |
| <b>24. Authorized by:</b> <br>Regulatory/Compliance Administrator | 4-17-98<br>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.

District I  
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-1  
Revised February 21, 19  
Instructions on page  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

District II  
PO Drawer 00, 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<br><b>30-039</b>  |   | *Pool Code<br><b>72359</b> | *Pool Name<br><b>Blanco Pictured Cliffs</b> |
| *Property Code<br><b>7465</b> | *Property Name<br><b>SAN JUAN 29-7 UNIT</b>                         |                            | *Well Number<br><b>163</b>                  |
| *GRID No.<br><b>14538</b>     | *Operator Name<br><b>BURLINGTON RESOURCES OIL &amp; GAS COMPANY</b> |                            | *Elevation<br><b>6280'</b>                  |

<sup>10</sup> Surface Location

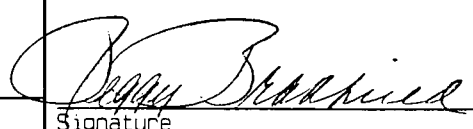
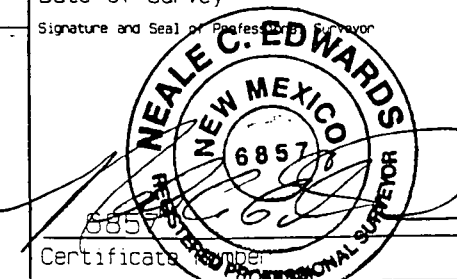
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County     |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|------------|
| K             | 10      | 29N      | 7W    |         | 1985          | SOUTH            | 2135          | WEST           | RIO ARriba |

<sup>11</sup> 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|               |         |          |       |         |               |                  |               |                |        |

|  |                               |                                  |   |
|--|-------------------------------|----------------------------------|---|
| <sup>12</sup> Deducted Acres<br><b>160</b><br><b>W/320</b> | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> Order No.<br><b>160 acres for density purposes for the PC</b><br><b>320 acres for revenue purposes for the PC</b> |
|--|-------------------------------|----------------------------------|---|

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

|  |  |   |
|--|--|---|
| <sup>16</sup><br>5297.16'<br>NMSF-079514<br>5280.00'<br>2135'<br>NMSF-078399<br>1985'<br>5294.52'  |  | <sup>17</sup> OPERATOR CERTIFICATION<br>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.<br><br><br>Signature<br><b>Peggy Bradfield</b><br>Printed Name<br><b>Regulatory Administrator</b><br>Title<br><b>4-17-98</b><br>Date |
| <sup>18</sup> SURVEYOR CERTIFICATION<br>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by or under my supervision, and that the same is true and correct to the best of my belief.<br><br>FEBRUARY 19, 1998<br>Date of Survey<br><br>Signature and Seal of Professional Surveyor<br><b>NEALE C. EDWARDS</b><br>NEW MEXICO<br>6857<br>Certificate Number |  |   |

OPERATIONS PLAN

Well Name: San Juan 29-7 Unit #163  
 Location: 1985' FSL, 2135' FWL Section 10, T-29-N, R-7-W  
 Rio Arriba County, New Mexico  
 Latitude 36° 44.3', Longitude 107° 33.6'  
 Formation: Blanco Pictured Cliffs  
 Elevation: 6282' GL

| Formation:      | Top      | Bottom | Contents |
|-----------------|----------|--------|----------|
| Surface         | San Jose | 2046'  |          |
| Ojo Alamo       | 2046'    | 2311'  | aquifer  |
| Kirtland        | 2311'    | 2842'  |          |
| Fruitland       | 2842'    | 3088'  | gas      |
| Pictured Cliffs | 3088'    |        | gas      |
| Total Depth     | 3400'    |        |          |

Logging Program: SFL-LDT-APS.

Coring Program: none

Mud Program:

| Interval  | Type | Weight  | Vis.  | Fluid Loss |
|-----------|------|---------|-------|------------|
| 0- 200'   | Spud | 8.4-9.0 | 40-50 | no control |
| 200-3400' | LSND | 8.4-9.0 | 40-60 | no control |

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

| Hole Size | Depth Interval | Csq. Size | Wt.   | Grade |
|-----------|----------------|-----------|-------|-------|
| 8 3/4"    | 0 - 200'       | 7"        | 20.0# | K-55  |
| 6 1/4"    | 0 - 3400'      | 4 1/2"    | 10.5# | K-55  |

Tubing Program: - none

Float Equipment: 7" surface casing - saw tooth guide shoe.  
 Centralizers will be run in accordance with Onshore Order #2.

4 1/2" production casing - float shoe on bottom. Three centralizers run every other joint above shoe. Seven centralizers run every 3rd joint to the base of the Ojo Alamo @ 2311'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 2311'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

Wellhead Equipment: 7" x 4 1/2" 2000 psi screw on independent wellhead.

San Juan 29-7 Unit #163

**Cementing:**

7" surface casing - cement with 77 sx Class "B" cement with 1/4# flocele/sx and 3% calcium chloride (90 cu.ft. of slurry, 200% excess to circulate to surface). WOC 8 hrs. Test casing to 600 psi for 30 minutes.

4 1/2" production casing - Lead w/348 sx of 65/35 Class "B" w/6% gel, 2% calcium chloride, 1/4 pps cellophane and 5 pps gilsonite. Tail w/100 sx Class "B" Poz w/2% calcium chloride (767 cu.ft. of slurry, 120% excess to circulate to surface). WOC 8 hrs. If cement does not circulate to surface, a CBL will be run during completion to determine TOC.

**BOP and tests:**

Surface to TD - 11" 2000 psi (minimum double gate BOP stack (Reference Figure #1 and #2). Prior to drilling out surface casing, test rams to 600 psi/30 min.

Completion - 6" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to completion operations, test rams and casing to 2000 psi/15 min.

From surface to TD - choke manifold (Reference Figure #3).

Pipe rams will be actuated to 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 Pictured Cliffs formation will be completed.
- \* Anticipated pore pressure for the Pictured Cliffs is 800 psi.
- \* This gas is dedicated.
- \* The southwest quarter of the section is dedicated to the Pictured Cliffs.
- \* New casing will be utilized.

Richard C. White  
Drilling Engineer

April 24 '95  
Date

# ***BURLINGTON RESOURCES***

San Juan 29-7 Unit #163  
Multi-Point Surface Use Plan

1. Existing Roads - Refer to Map No. 1. Existing roads used to access the proposed location will be properly maintained for the duration of the project. Bureau of Land Management right-of-way has been applied for as shown on Map No. 1.
2. Planned Access Road - Refer to Map No. 1. None required.
3. Location of Existing Wells - Refer to Map No. 1A.
4. Location of Existing and/or Proposed Facilities if Well is Productive -
  - a. On the Well Pad - Refer to Plat No. 1, anticipated production facilities plat.
  - b. Off the Well Pad - Anticipated pipeline facilities as shown on the attached plat from El Paso Field Services.
5. Location and Type of Water Supply - Water will be hauled by truck for the proposed project and will be obtained from San Juan 29-6 Water Well #1 in located in SW/4 Section 28, T-29-N, R-6-W, New Mexico.
6. Source of Construction Materials - If construction materials are required for the proposed project, such materials will be obtained from a commercial quarry.
7. Methods of Handling Waste Materials - All garbage and trash materials will be removed from the site for proper disposal. A portable toilet will be provided for human waste and serviced in a proper manner. If liquids are left in the reserve pit after completion of the project, the pit will be fenced until the liquids have had adequate time to dry. The location clean-up will not take place until such time as the reserve pit can be properly covered over to prevent run-off from carrying waste materials into the watershed. Reserve pits will be lined as needed with either 12 mil bio-degradable plastic liner or a bentonite liner. All earthen pits will be so constructed as to prevent leakage from occurring; no earthen pit will be located on natural drainage. Generation of hazardous waste is not anticipated. Federal regulations will be adhered to regarding handling and disposal of such waste if so generated.
8. Ancillary Facilities - None anticipated.
9. Wellsite Layout - Refer to the location diagram and to the wellsite cut and fill diagram (Figure No. 4). The blow pit will be constructed with a 2'/160' grade to allow positive drainage to the reserve pit and prevent standing liquids in the blow pit.

10. Plans for Restoration of the Surface - After completion of the proposed project, the location will be cleaned and leveled. The location will be left in such a condition that will enable reseeded operations to be carried out. Seed mixture as designated by the responsible government agency will be used. The reseeded operations will be performed during the time period set forth by the responsible government agency. The permanent location facilities will be painted as designated by the responsible government agency.
11. Surface Ownership - Fidel Candelaria
12. Other Information - Environmental stipulations as outlined by the responsible government agency will be adhered to. Refer to the archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.
13. Operator's Representative and Certification - Burlington Resources Oil & Gas Company Regional Drilling Manager, Post Office Box 4289, Farmington, NM 87499, telephone (505) 326-9700. I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan, are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Burlington Resources Oil and Gas Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

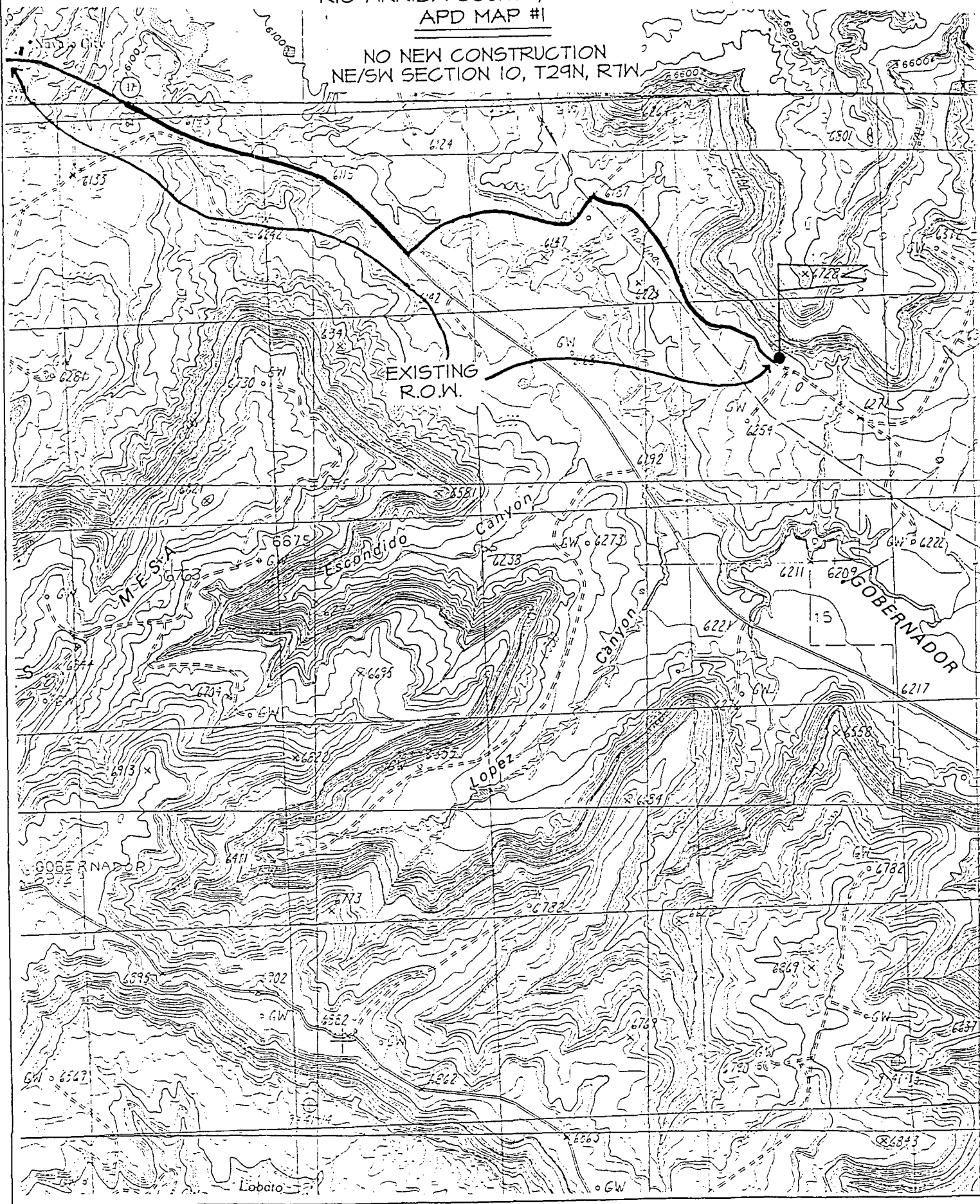
Regan Sharpe 7-17-98  
Regulatory/Compliance Administrator Date

pb



APD MAP #1

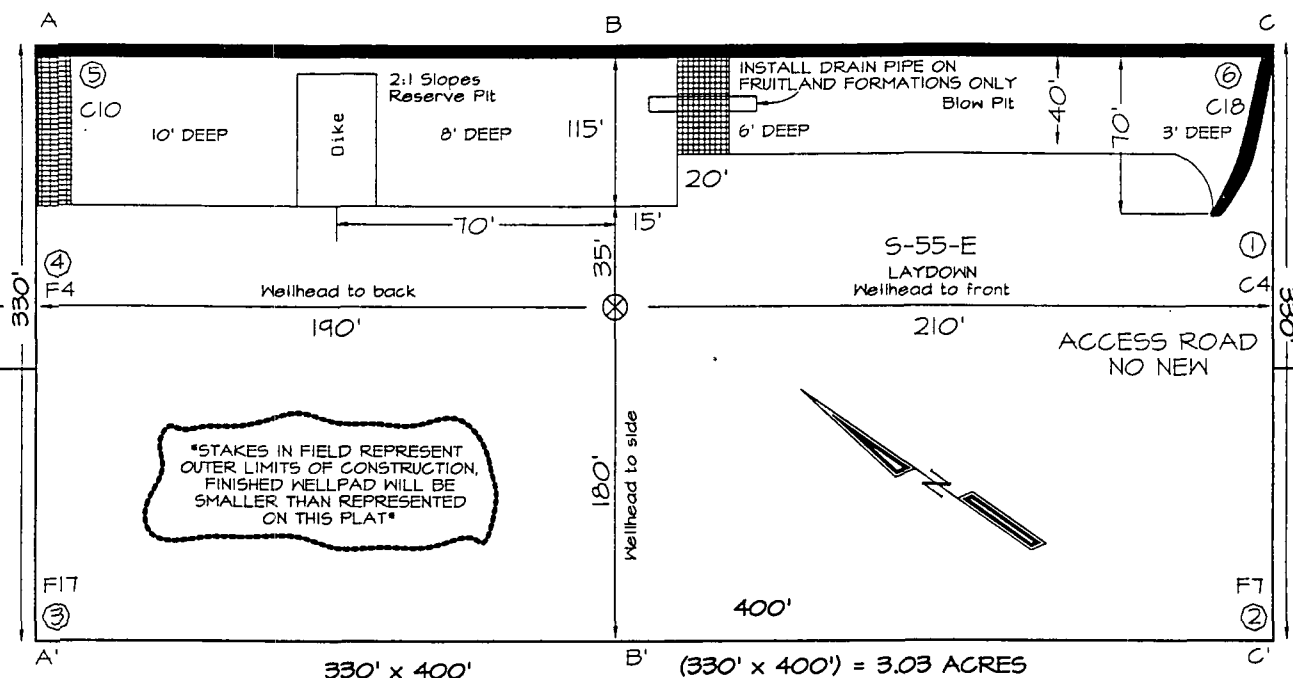
NO NEW CONSTRUCTION  
NE/SW SECTION 10, T29N, R7W.



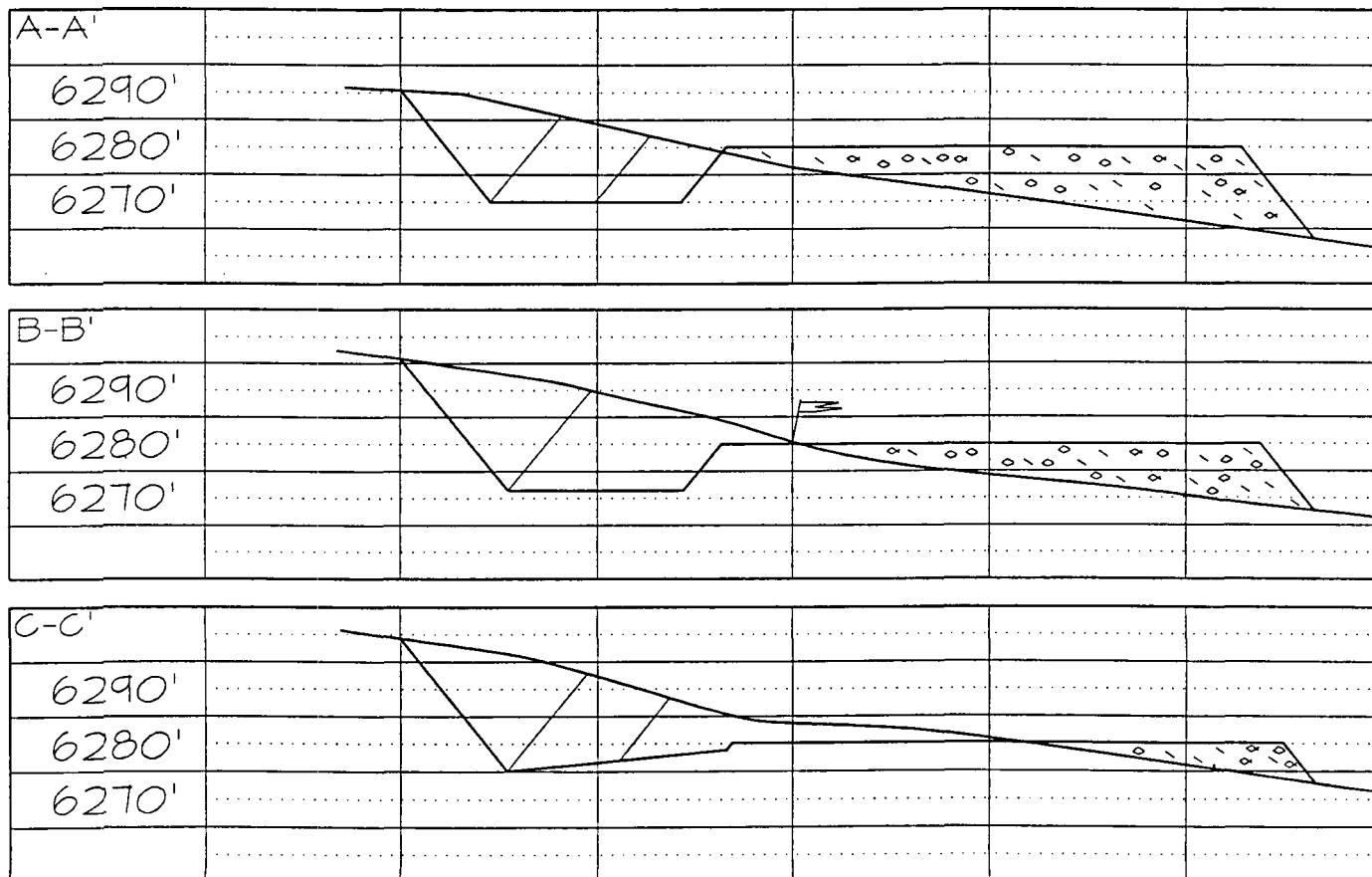


# **PLAT #1**

**BURLINGTON RESOURCES OIL & GAS COMPANY**  
**SAN JUAN 29-7 UNIT #163, 1985' FSL & 2135' FWL**  
**SECTION 10, T29N, R7W, NMPM, RIO ARriba COUNTY, NEW MEXICO**  
**GROUND ELEVATION: 6280' DATE: FEBRUARY 19, 1998**



Reserve Pit Dike: to be 8' above Deep side (overflow - 3' wide and 1' above shallow side).  
 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 cable on well pad and/or access road at least two (2) working days prior to construction

***BURLINGTON RESOURCES OIL AND GAS COMPANY***

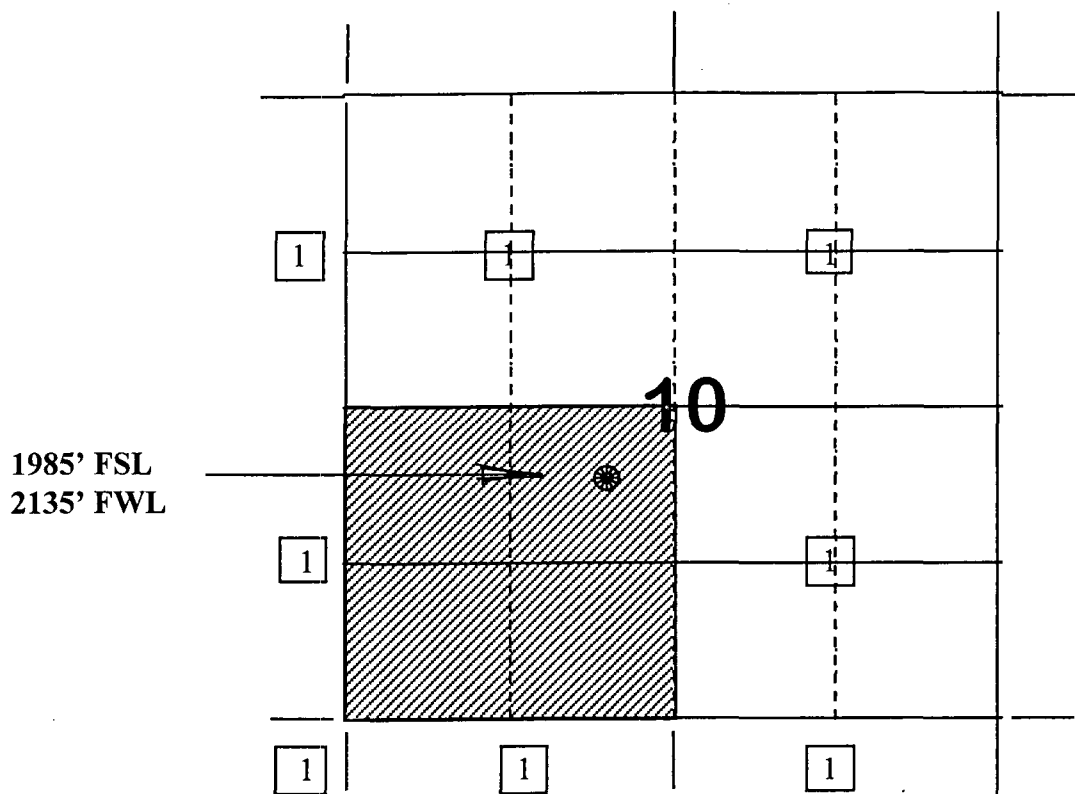
**San Juan 29-7 Unit #163**

**OFFSET OPERATOR/OWNER PLAT**

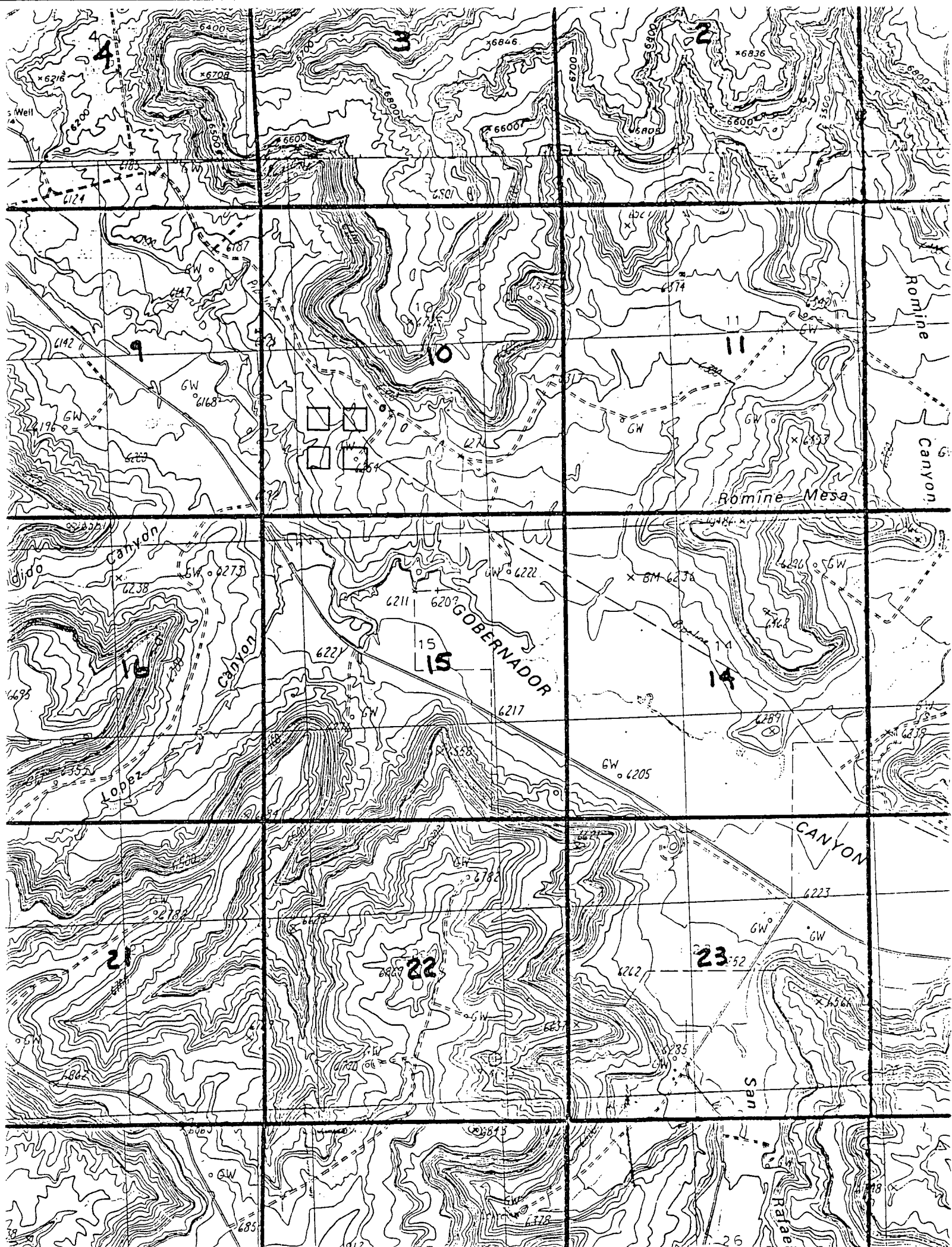
**Non Standard Location**

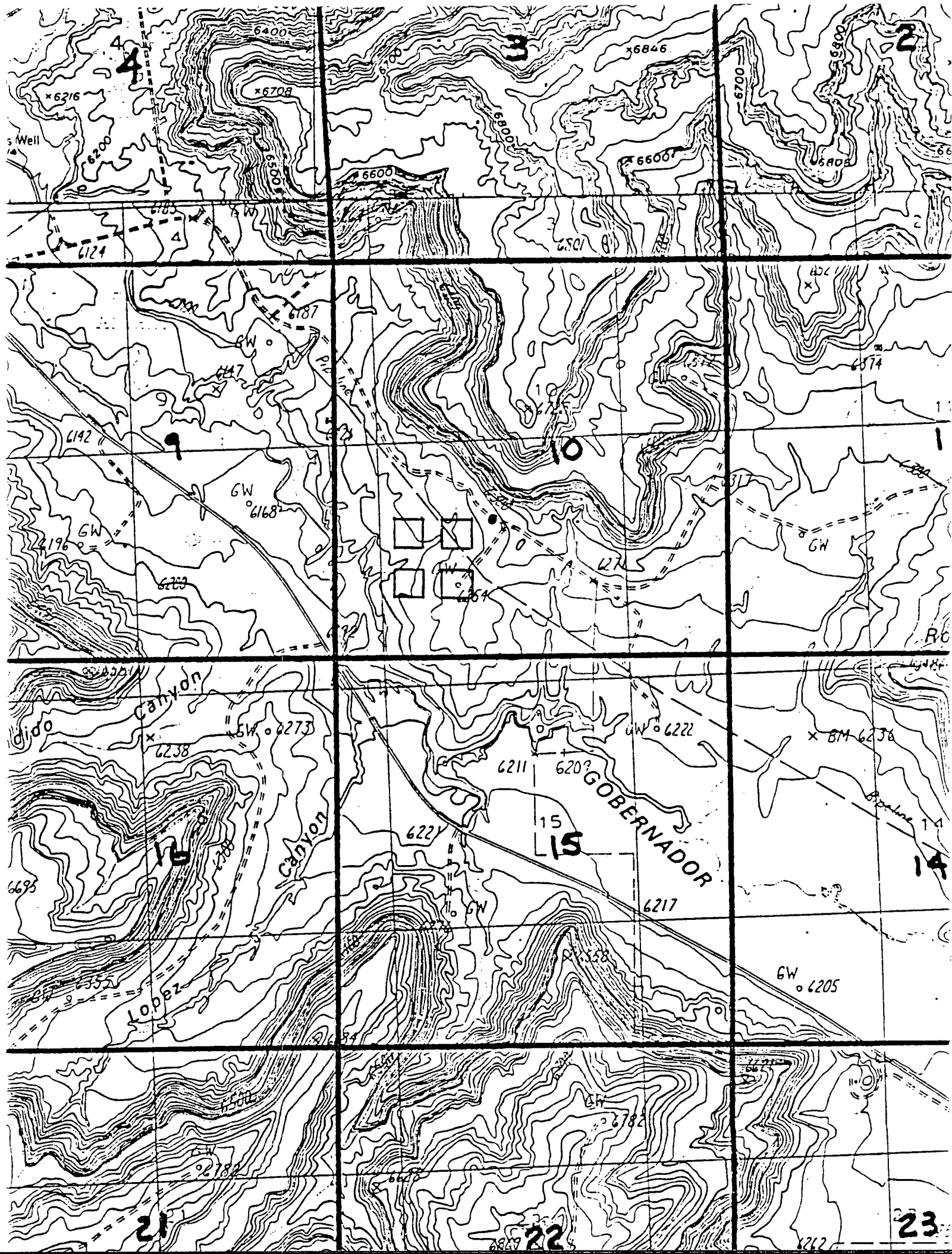
**Pictured Cliffs Formation Well**

**Township 29 North, Range 7 West**



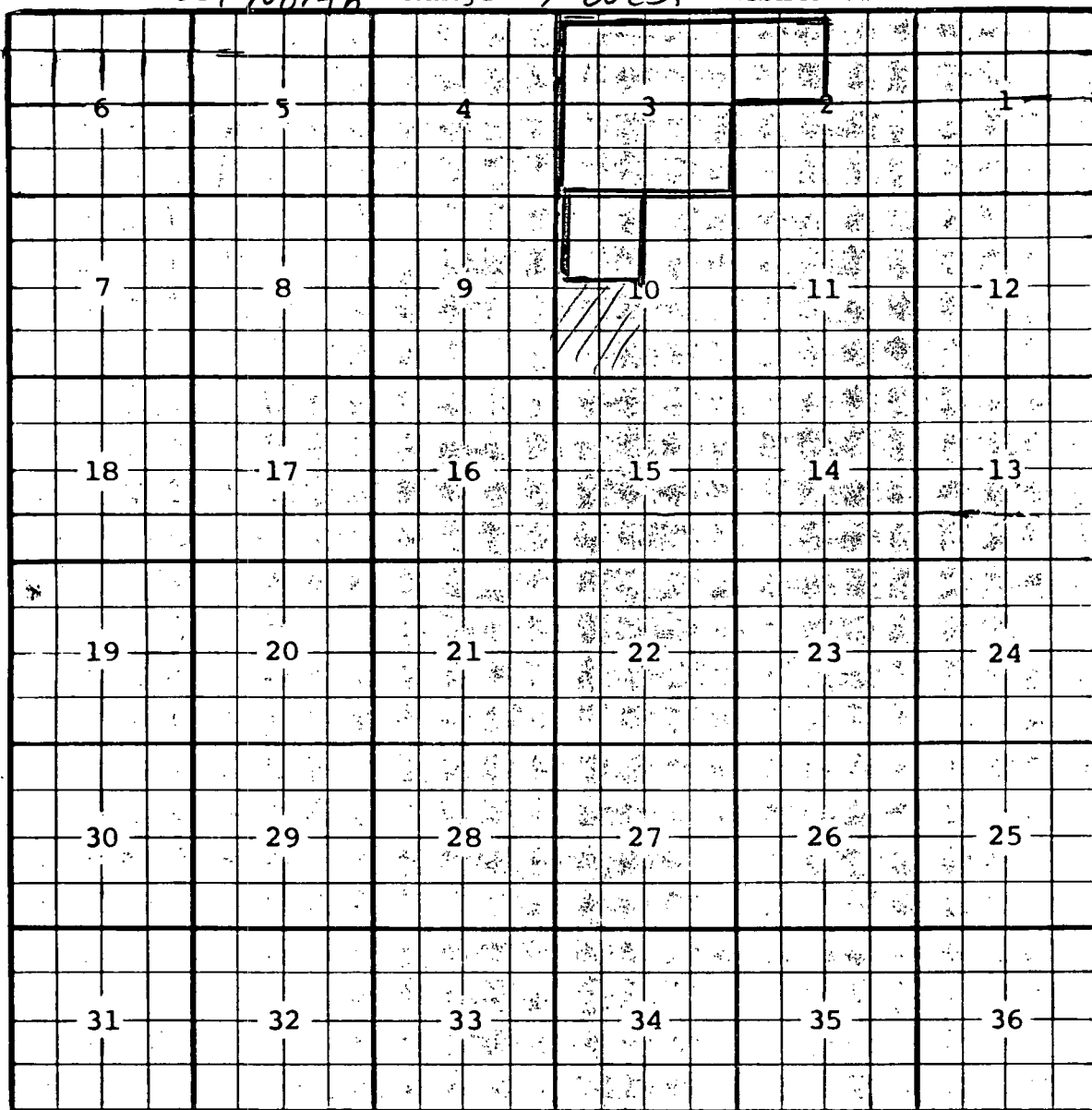
**1) Burlington Resources**





County Rio Arriba pool La Jara-Pictured Cliffs

TOWNSHIP 29 North Range 7 West NMPM



Ext. <sup>NW</sup> 1/4 Sec. 2, All Sec. 3 (R-10557, 3-11-96)

Ext. <sup>NW</sup> 1/4 Sec. 10 (R-10761, 2-10-97)