

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

2004 APR 23 PM 4:05
070 Farmington, NM

1a. Type of Work
DRILL

5. Lease Number
NMSF-078423
Unit Reporting Number

1b. Type of Well
GAS

6. If Indian, All. or Tribe

2. Operator
BURLINGTON
RESOURCES Oil & Gas Company

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
#80M

4. Location of Well
560' FSL, 405' FWL
Latitude 36° 44.0767'N, Longitude 107° 35.0007'W

10. Field, Pool, Wildcat
Blanco Mesaverde, Basin Dakota

11. Sec., Twn, Rge, Mer. (NMPM)
Sec. 9, T29N, R07W
API # 30-045-03927680

14. Distance in Miles from Nearest Town
14 miles to Blanco, NM Post Office

12. County
Rio Arriba

13. State
NM

15. Distance from Proposed Location to Nearest Property or Lease Line
405'

16. Acres in Lease

17. Acres Assigned to Well
DK 320 W/2
MV 320 W/2

18. Distance from Proposed Location to Nearest Well, Drlg, Compl, or Applied for on this Lease
1300'

19. Proposed Depth
8011'

20. Rotary or Cable Tools
Rotary

21. Elevations (DF, FT, GR, Etc.)
6718' GR

22. Approx. Date Work will Start

23. Proposed Casing and Cementing Program
See Operations Plan attached

24. Authorized by: Joni Clark
Regulatory Specialist

Date 2-12-04

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY /s/ David J. Mankiewicz TITLE _____ DATE APR 27 2004

Archaeological Report attached

Threatened and Endangered Species Report attached

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.

NO HPA NOTIFICATION REQUIRED UNDER ORDER R-8768F.

HOLD C104 FOR Dakota NSL

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

NMOCD

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

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

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994
Instructions on back

District II
PO Drawer 00, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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

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 27680		*Pool Code 72319/71599	*Pool Name Blanco Mesaverde/Basin Dakota
*Property Code 7465	*Property Name SAN JUAN 29-7 UNIT		*Well Number 80M
*GRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY, LP		*Elevation 6718'

¹⁰ Surface Location

UL or lot no. M	Section 9	Township 29N	Range 7W	Lot Idn	Feet from the 560	North/South line SOUTH	Feet from the 405	East/West line WEST	County RIO ARriba
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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
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¹² Dedicated Acres MV W/2 320 DK W/2 320	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

<div><p>16</p><p>5287.92'</p><p>5280.00'</p><p>2080'</p><p>405'</p><p>560'</p><p>NMSF-078423</p><p>FEE</p><p>9</p><p>2235'</p><p>5281.32'</p><p>LAT: 36°44.0767' N LONG: 107°35.0007' W</p></div>	<div><p>17 OPERATOR CERTIFICATION</p><p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p><p><i>Jonie Clark</i></p><p>Signature Jonie Clark</p><p>Printed Name Regulatory Specialist</p><p>Title 2/4/04</p><p>Date</p></div>

OPERATIONS PLAN

Well Name: San Juan 29-7 Unit #80M
Location: 560' FSL, 405' FWL, Section 9, T-29-N, R-7-W
Rio Arriba County, New Mexico
Latitude 36° 44.08, Longitude 107° 35.00
Formation: Blanco Mesa Verde/Basin Dakota
Elevation: 6718' GL

<u>Formation Tops:</u>	<u>Top</u>	<u>Bottom</u>	<u>Contents</u>
Surface	San Jose	2538'	
Ojo Alamo	2538'	2704'	aquifer
Kirtland	2704'	3273'	gas
Fruitland	3273'	3535'	
Pictured Cliffs	3535'	3690'	gas
Lewis	3690'	4248'	gas
Intermediate TD	3790'		
Huerfano Bentonite	4248'	4519'	gas
Chacra	4519'	5055'	gas
UpperCliff House	5055'	5256'	
Massive Cliff House	5256'	5316'	
Menefee	5316'	5709'	gas
Point Lookout	5709'	6090'	gas
Mancos	6090'	6945'	gas
Gallup	6945'	7693'	gas
Greenhorn	7693'	7748'	gas
Graneros	7748'	7803'	gas
Dakota	7803'	7912'	gas
Upper Cubero	7912'	7938'	
Lower Cubero	7938'	7996'	
Oak Canyon	7996'		
TD	8011'		

Logging Program:

Cased hole - Gamma Ray, CCL, CBL - surface to TD

Mud Program:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis.</u>	<u>Fluid Loss</u>
0- 500'	Spud MUD/Air/Air Mist	8.4-9.0	40-50	no control
500- 3790'	LSND	8.4-9.0	30-60	no control
3790- 8011'	Air/Air Mist/Nitrogen	n/a	n/a	n/a

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

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csg. Size</u>	<u>Wt.</u>	<u>Grade</u>
12 1/4"	0' - 500'	9 5/8"	32.3#	H-40
8 3/4"	0' - 3790'	7"	20.0#	J-55
6 1/4"	0' - 7800'	4 1/2"	10.5#	J-55
6 1/4"	7800' - 8011'	4 1/2"	11.6#	N-80

Tubing Program: 0' - 8011' 2 3/8" 4.7# J-55

BOP Specifications, Wellhead and Tests:

Surface to Intermediate TD -

11" 2000 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" 2000 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, 2000 psi minimum choke manifold (Reference Figure #3).

Completion Operations -

7 1/16" 2000 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 4 1/2" x 2 3/8" x 2000 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 drill crew.
- All BOP tests & 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 conventionally drilled -

Cement with 367 sacks Type III cement with 0.25 pps Celloflake, 2% calcium chloride. (470 cu.ft.-200% excess, bring cement to surface, calcium chloride reduced to 2% due to 500' surface casing depth). Wait on cement appropriate time until cement achieves 250 psi compressive strength at 60 degrees F. prior to nipple up of BOPE. Wait on cement for 8 hrs for conventionally set holes before pressure testing or drilling out from under surface.

Saw tooth guide shoe on bottom. Bowspring centralizers will be run in accordance with Onshore Order #2.

7" intermediate casing -

Lead with 331 sacks Premium Lite cement with 3% calcium chloride, 0.25 pps Celloflake, 5 pps LCM-1, 0.4% fluid loss, 0.4% sodium metasilicate. Tail w/90 sacks Type III cmt w/1% calcium chloride, 0.25 pps Celloflake, 0.2% fluid loss (829 cu ft 50% excess to circulate to surface.) WOC minimum of 8 hours before drilling out intermediate casing. If cement does not circulate to surface, a CBL or a temperature survey will be run to determine TOC. Test casing to 1500 psi for 30 minutes.

7" intermediate casing alternative two stage: Stage collar set 300' above the top of the Fruitland. First stage: Lead w/28 sxs Premium Lite cement with 3% calcium chloride, .25 pps celloflake, 5 pps LCM-1, 0.4% sodium metasilicate, 0.4% fluid loss. Tail w/90 Type III cmt w/1% calcium chloride, 0.25 pps Celloflake, 0.2% fluid loss. Second stage: 303 sxs Premium Lite cement with 3% calcium chloride, .25 pps celloflake, 5 pps LCM-1, 0.4% fluid loss, 0.4% sodium metasilicate (829 cu ft-50% 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 @ 2704'. Two turbolating centralizers at the base of the Ojo Alamo 2704'. 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. Cement with 290 sacks Premium Lite HS FM w/ 0.25 pps Celloflake, 0.3% CD-32, 6.25 pps LCM-1 and 1% FL-52. (575 cu.ft.-30% excess to cement 4 1/2" x 7" overlap). WOC a minimum of 18 hrs prior to completing.

Cement float collar stacked on top of float shoe.

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

Cement nose guide shoe on bottom with float collar spaced on top of shoe joint. The liner hanger will have a rubber packoff.

- 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 (Air/Mist Drilling):

The following equipment will be operational while air/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.
- 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.

Additional Information:

- The Mesa Verde and the Dakota formations will be completed and commingled.
- No abnormal temperatures or hazards are anticipated.
- Anticipated pore pressures are as follows:

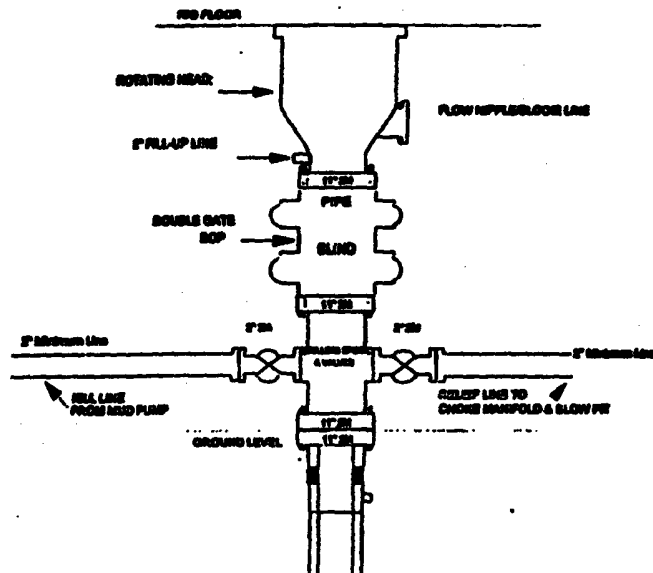
Fruitland Coal	300 psi
Pictured Cliffs	600 psi
Mesa Verde	700 psi
Dakota	2500 psi
- Sufficient LCM will be added to the mud system to maintain well control, if lost circulation is encountered below the top of the Pictured Cliffs.
- The west half of Section 9 is dedicated to the Mesa Verde and Dakota.
- This gas is dedicated.

Sean Lorigan
Drilling Engineer

February 25, 2004
Date

Burlington Resources

Drilling Rig 2000 psi System



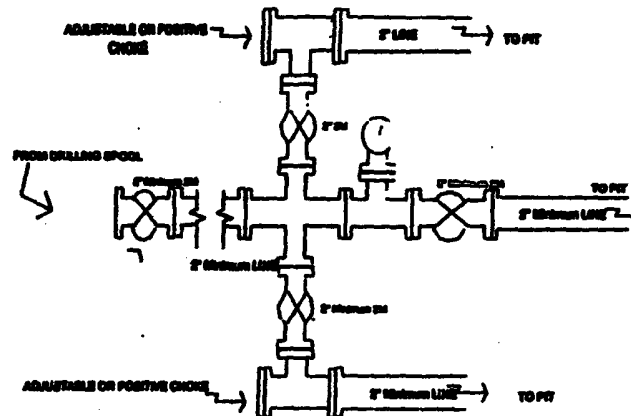
BOP Installation from Surface Casing Point to Total Depth. 11" Bore 10" Mandrel, 2000 psi working pressure double gate BOP to be equipped with blind stem and pipe rams. A 600 psi rotating head on top of ram preventers. All BOP equipment is 2,000 psi working pressure.

Figure #1

4-20-01

BURLINGTON RESOURCES

Drilling Rig Choke Manifold Configuration 2000 psi System

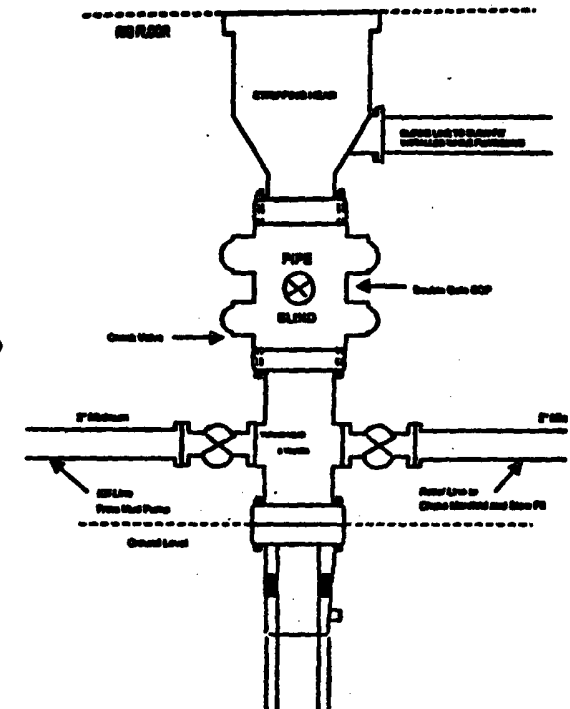


Choke manifold installation from Surface Casing Point to Total Depth. 2,000psi working pressure equipment with two chokes.

Figure #3

BURLINGTON RESOURCES

Completion/Workover Rig BOP Configuration 2,000 psi System



Minimum BOP Installation for all Completion/Workover Operations. 7-1/16" bore, 2000 psi minimum working pressure double gate BOP to be equipped with blind and pipe rams. A stripping head to be installed on the top of the BOP. All BOP equipment is 2000 psi working pressure or greater excluding 600 psi stripping head.

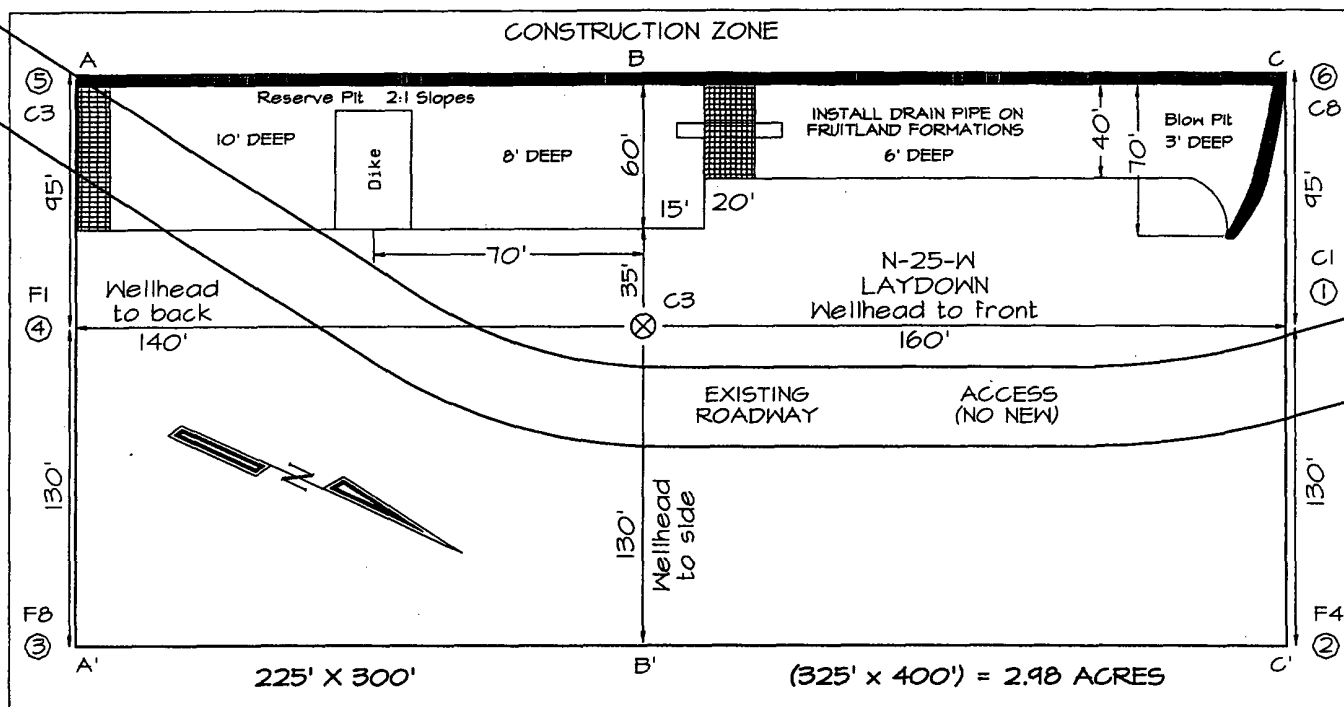
Figure #2

4-20-01

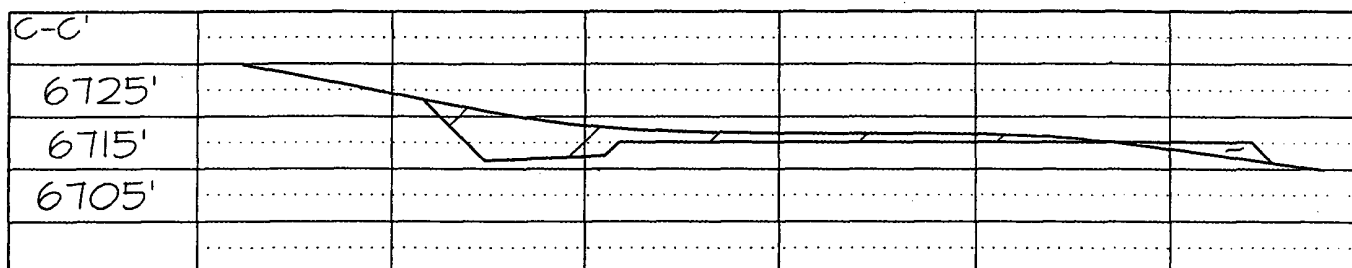
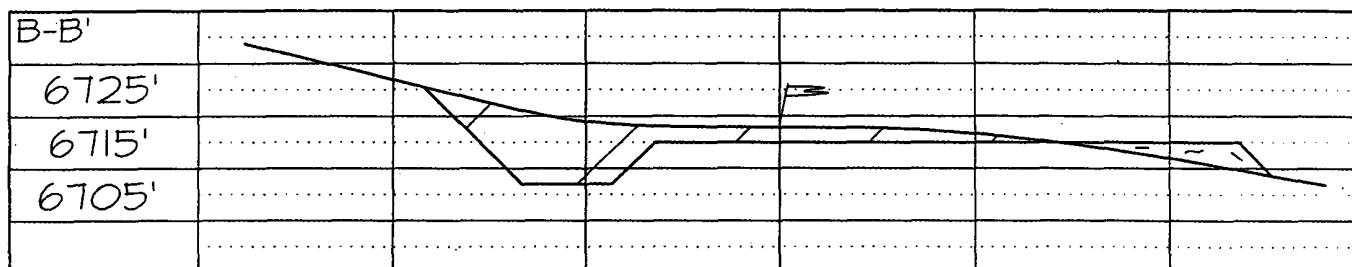
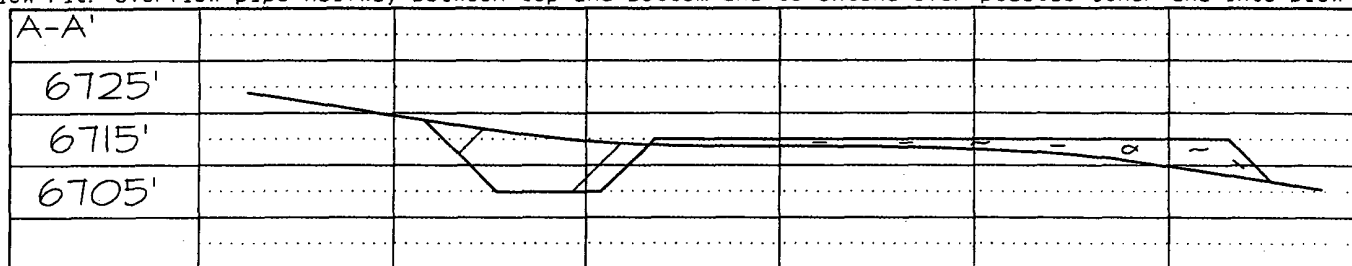
PLAT #1

BURLINGTON RESOURCES OIL & GAS COMPANY LP
SAN JUAN 29-7 UNIT #80C, 560' FSL & 405' FWL
SECTION 9, T29N, R7W, NMPM, RIO ARriba COUNTY, NM
GROUND ELEVATION: 6718' DATE: FEBRUARY 7, 2003

LATITUDE: 36°44'05"
LONGITUDE: 107°35'00"
 DATUM: NAD1927



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 cables on well pad and/or access road at least two (2) working days prior to construction