RECEIVED

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

JUL 19 2010

Sundry Notices and Reports on Wells	— F Bure	armington Field Office eau of Land Management
		ease Number
		F - 080711-A
1. Type of Well GAS		Indian, All. or ibe Name
2. Name of Operator BURLINGTON		nit Agreement Name n Juan 30-6 Unit
RESCURCES OIL & GAS COMPANY LP		
		ell Name & Number in Juan 30-6 Unit 58M
PO Box 4289, Farmington, NM 87499 (505) 326-9700	9. Al	PI Well No.
	30	-039- 2 0803
4. Location of Well, Footage, Sec., T, R, M	10. Fi	eld and Pool
Surf: Unit N (SESW), 990' FSL & 2270' FWL, Section 31, T30N, R6W, NMPM Bottom: Unit L (NWSW), 1665' FSL * 940' FWL, Section 31, T30N, R6W, NMPM 1755 740		Blanco Mv/Basin DK ounty and State o Arriba Co., NM
12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTH	ER DAT	'A
Type of Submission Type of Action		
Notice of Intent Abandonment Change of Plans Recompletion New Construction	X Other	
X Subsequent Report Plugging Non-Routine Fracturing		D JUL 22'10
Casing Repair Water Shut off Altering Casing Conversion to Injection	parties of the control of the contro	_ CONS. DIV. DIST. 3
13. Describe Proposed or Completed Operations 06/25/2010 Called BLM (Jim Lovato) & OCD (Charlie Perrin). Reported top of plug @ 844', top of @ 1180'. Depth of 4360'. Permission to continue from BLM (Jim Lovato) & OCD (Charlie Perrin) 07/2/2010 – 07/04/2010 Retrieved fish on 07/04/2010. 07/14/2010 Called BLM (Troy Salyers) & OCD (Charlie Perrin) proposed permission to squeeze. OCD, PT BOP, TIH & D/O stage tool @ 4360'. TOH, Rum CBL. Permission to continue from Bl (Charlie Perrin). 07/15/2010 CBL RAN & SENT TO BLM & OCD. Proposed permission to perf @ 3360'. Submi Salyers & Jim Lovato) & OCD (Kelly Roberts). Permission to continue. 07/16/2010 Called BLM (Jim Lovato) & OCD (Kelly Roberts). Reported 116 bbls cmt 20bbls to su Going to PT to 600#/30 min. D/O. Permission to continue according to plans from BLM (Jim Lovato)	EMT 2 nd s LM (Troy tted plan t	stage w/no returns, Salyers) & OCD to BLM (Troy ood returns. WOC,
14. I hereby certify that the foregoing is true and correct. Signed	_ Date _	7/16/2010
	ACC	EPTED FOR RECORD
(This space for Federal or State Office use) APPROVED BYTitle	Date	JUL 2 1 2010
CONDITION OF APPROVAL, if any: Title 18 U S C Section 1001, makes it a crime for any person knowingly and willfully to make any department or agency of the United States any false, flictitious or fraudulent statements or representations as to any matter within its jurisdiction	FAR By	MINGTON FIELD UPFICE



(A) 7" Intermediate Casing - Squeeze Cementing Procedure

- 1. In the event the TOC is not sufficiently high enough or does not return to surface. Temperature survey or CBL should be run. Run temperature survey 6 10 hrs. after finishing job while cement is still thickening up & releasing heat or after reaching 50 psi compressive strength, which ever first.
- 2. In the event the TOC can not be verified accurately from the temperature survey or a two stage job was the technique performed, a CBL is the selected method to run to get accurate TOC & continuous cement sheet. Run CBL 24 hrs. after finishing job or after reaching 300 psi compressive strength, which ever first, for minimum compressive strength required.
 - On intermediate 2 stage jobs, see following cases:

Case 1: Displace 1st stage with water, calculating only that 5 bbls of water be above stage tool, once we open the tool. Above this water mud with low LCM concentration is the desire fluid. Mud should have been circulated to have minimum LCM going through the stage tool openings - 6 x 3/4" holes. LCM should be less than 20% concentration.

Case 2: After pumping second stage, if 1st stage did not have returns to surface. Stage tool needs to be drilled out and CBL should be run from Float Collar to surface to verify contact between stages.

Case 3: If second stage does not have returns to surface, run temperature survey without drilling out stage tool to verify TOC (this, if 1st stage did have returns). TOC should be above Nacimiento by BLM requirements (Depths still need to be re-checked with BLM & OCD before proceeding). We require from Geology to always state Nacimiento depth at the Tops & Logs in DSM.

Case 4: If TOC on intermediate does not reach required top by BLM, squeeze as required by agencies. Single stages or 2 stage jobs require to run a casing pressure test to 1500 psi for 30 min., **before** perforating the casing for a squeeze job. After performing the squeeze, casing test will be to 600 psi for 30 min. Stage tools have to be drilled out first to perform this pressure test from the top of the float collar & above.

- Call BLM / OCD for minimum required TOC (Nacimiento is at 1446-ft TVD, 1500-ft MD), related to water isolation zones (To protect & separate water qualities). Usual well second casing string minimum required 50-ft above Nacimiento. Usual well third casing string minimum requirement, 100-ft overlap inside previous string.
- Survey results should lead to actual top of cement (TOC). Call Engineer / Superintendent with results. If TOC is above BLM / OCD minimum required depth do not proceed with casing perforation & cement squeeze.

If cement top is below BLM / OCD required depth, run the following procedure:

5. R/U perforators and run casing collar log, then perforate casing above the TOC. Call Engineer / Superintendent for guidance on how far above TOC to perforate casing. Make sure regulatory approval is obtained for the decided perforating depth. Engineer will provide where the perforations are going to be relative to the formation tops above & below the TOC. Perforation should be at least 100-ft above the decided TOC, but formation tops may require perforations to be less than 100-ft from TOC. Ensure that perforation gun is at least five feet away from the nearest collar (up or down) before perforating casing. We will shoot 4 shots per foot 90 degree phasing, for one foot, 0.70" diameter holes on an expendable carrier of a throw away gun. TOOH with wireline.

General values for 7" casing

Item	Depth 1	Depth 2
8 3/4" hole	TD @ 4360-ft MD	
7" 23 ppf, J-55 csg LTC	4349-ft MD (Shoe depth)	4305-ft MD (Float Collar depth)
	Stage Tool Depth	3507-ft MD
9 5/8" Surface csg.	354-ft (Shoe depth)	

Lowest 7" csg. collar is showing at 4267-ft MD by tally. Logs should be taken as close as possible from top of Float Collar depth to surface.

- 6. Establish injection rate and pressure. DO NOT exceed 1500 psi. If an injection rate cannot be established at 1500 psi call Engineer / Superintendent before proceeding. Do not pump cement if an injection rate cannot be established. Contact the Engineer / Superintendent after injection rate is established to inform them of perforation depth and to confirm injection / circulation rate.
- 7. Ensure that <u>both</u> valves on the wellhead are open to allow circulation of fluids from the annular to surface. Prior to establishing circulation, insure the mud in the pit is free of LCM. If LCM is in the mud, circulate the pit over the shakers & discard LCM. Establish circulation through perforations to verify that are still open and that cement can be pumped away. Circulate a minimum of one hole volume & until returns are cutting cleaned.
- 8. Engineer should have notified COP regulatory of the preceding plan "COP regulatory on call; Patricia Clugston 505-326-9518. COP regulatory should then receive verbal or written approval from BLM / OCD to carry out the procedures listed above and the minimum required TOC. Jim Lovato BLM (505-599-6367), Charlie Perrin OCD (505-334-6178 ext. 16). If further remedial action not outlined in the preceding procedures is necessary the Engineer will contact the BLM / OCD for approval.
- Cementing Company should have already been contacted & a regular one stage cement job should be performed as a squeeze formulation. This time using the current perforation depth as lower casing point. Use 100% excess. Circulate cement to surface.
- 10. R/U cementers. R/U cementing head & load wiper plug. Establish injection rate again with cement truck using mud prior to pumping cement.
- 11. Pump 10 bbls of fresh water, 10 bbls of Gel water & 10 bbls of 11 ppg Scavenger ahead the cement slurry (Lead & Tail for Intermediate casing, as original program formulations). (Tail slurry 14.6 ppg should be calculated with no excess to be 50-ft under displaced inside intermediate csg. & 300-ft length in open hole annulus, this will reduce the WOC time). Lead slurry 12.1 ppg should be calculated with the 100% excess from 300-ft above perforations to surface. Pump slurry, shut down, wash lines & mixing truck slug tank. Drop top 7" rubber plug & under displace cement with fresh water 50 ft. above perforations. Shut in casing pressure with cementing head after displacing plug to position.
- 12. WOC a minimum of 6 hrs. Open cementing head valve. Check for flow back. If flowing, shut in & WOC additional 4 hrs. Re-check.
- 13. N/D cementing head and landing joint. P/U an in-gauge, used roller cone bit, DC,HWDP or DP which diameters will depend on the ID of the remediated section casing. TIH to cement top inside casing. Insure a minimum of 12 hrs. WOC time has elapsed. Drill out cement using the existing fluid in the still pits. If cement is not firm (less than 10 klbs WOB to drill out or less than 1 min. / foot ROP), WOC an additional 4 hrs. prior to drill out. Catch cement samples at the pit shakers while drilling cement. Cement should be hard chips.
- 14. After drilling cement, load hole & test casing to a minimum 600 psi. for 30 min. (As with a normal casing test, pressure should not drop or increase more than 10% in the 30 min. duration).
- 15. POOH for following activities.
- Contact office staff with any and all concerns at any time. Communicate with all parties involved to
 ensure the job is performed safely and effectively.

Please stress safety to crews and 3rd parties during all operations.

Basic contacts chart:

Basin Perforators (wireline):	327-5244	
(Drilling Engineer):	505-320-4133	
(Drilling Superintendent):	505-320-6639	
Cementing Services (Head quarters):	505-327-6222	
Cementing Operator – Frank Culler	505-330-1426	