District I

PO Box 1980, Hobbs, NM 88241-1980

District II

811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco. Santa Fe. NM 87505

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

2040 South Pacheco Santa Fe, NM 87505



Fee Lease - 5 Conies

APPLICATION FOR PERMIT TO DRILL, RE-ENTER DESCRIPTION FOR ADD A ZONE ² OGRID Number 14538 PO Box 4289, Farmington, NM 87499 3 API Number 30 - 039 -⁴ Property Code ⁵ Property Name Well No. 7454 San Juan 27-5 Unit 146M ⁷ Surface Location UL or lot no. Section Township Feet from the North/South line Range Lot Idn Feet from the East/West line County 1675 North 935 E 36 27N 5W West Rio Arriba ⁸ Proposed Bottom Hole Location If Different From Surface Range UL or lot no. Township Lot Idn North/South line Section Feet from the Feet from the East/West line County Proposed Pool 1 10 Proposed Pool 2 Basin Dakota – 71599 Blanco Mesaverde - 72319 11 Work Type Code 12 Well Type Code 13 Cable/Rotary ¹⁴ Lease Type Code 15 Ground Level Elevation M E-290-38 6684 GR Rotary 16 Multiple 17 Proposed Depth 18 Formation ²⁰ Spud Date 19 Contractor Y 7899 Mesaverde/Dakota N/a N/a ²¹ Proposed Casing and Cement Program Hole Size Casing Size Casing weight/foot Setting Depth Sacks of Cement Estimated TOC 12 ¼" 9 5/8" 32.3# 188 cu.ft. 200' Surface 1095 cu.ft. 8 34" 7" 20# 3644' Surface 6 ¼" 4 1/2" 10.5# 3544-7899° 626 cu ft TOC @ 3544 22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. owout prevention program, if any. Use additional sheets if necessary. 11" 2000 psi minimum double gate BOP 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" and 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 liner top can then be pressure tested to ensure a seal between the liner top and the 7" casing has been achieved. The test pressure shall be the maximum anticipated pressure to which the seal will be exposed (700 psi for the Mesa Verde and 2500 psi for the Dakota). The 4 1/2" bridge plug will then be retrieved and the production tubing will be run to produce the well. ²³ I hereby certify that the information given above is true and complete to the best of OIL CONSERVATION DIVISION makuld Signature: Approved by: DEPUTY OIL & GAS INSPECTOR, DIST. #3 Printed name: Peggy Bradfield Approval Date Title: Regulatory/Compliance Administrator Expiration Date: 1999 Date: 9-29-98 Phone: 505-326-9700

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

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

District III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV PO Box 2088, Santa Fe, NM 87504-2088 State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised February 21, 1994 Instructions on back Submit to Appropriate District Office State Lease – 4 Copies Fee Lease – 3 Copies

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number				Pool Cod	е	³Pool Name				
30-039- <i>35975</i>			715	99/723	19	Basin Dakota/Blanco Mesaverde				
⁴Property Code		³Property Name						⁶ W∈	*Well Number	
7454		SAN JUAN 27-5 UNIT							145M	
'OGRID No.		*Operator Name						9 E	*Elevation	
14538		BURLINGTON RESOURCES OIL & GAS COMPANY							6684 '	
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	
E	36	27N	5W		1675	NORTH	935	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	
DK: W/320		¹³ Joint or Infill ¹⁴ Cons		olidation Code	¹⁵ Order No.	•		·		
MV: W/320										

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

