UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

	Type of Work		5. Lease Number
	DRILL -	1000 TO 1000 T	SF-080668
			5. Lease Number SF-080668 Unit Reporting Number
			ON DO TOU TOUTA
).	Type of Well	AUG 2000	f Indian, All. or Tribe
	GAS -	E REFERENCED	
	0	E GEOGRAM	7. Unit Agreement Name
	Operator BURLINGTON	or officer. 3	A I
		as Contpany	San Juan 27-4 Unit
	2.1. 2.		,
	Address & Phone No. of Operator	- C6819/	8. Farm or Lease Name
	PO Box 4289, Farmington,	NM 87499	San Juan 27-4 Unit
			9. Well Number
	(505) 326-9700		134B
			10. Field, Pool, Wildcat
•	Location of Well		Blanco Mesaverde
	395' FSL, 870' FWL		11. Sec., Twn, Rge, Mer. (NMPM)
	Latitude 36° 34.9, Longitu	ide 107º 15.7	W Sec. 9, T-27-N, R-4-
	Batitude 30 34.3, Bongitt	100 107 13.7	API# 30-039- 5//(7)
			36431
4.	Distance in Miles from Nearest Town	n	12. County 13. State
	12 miles from Gobernador		Rio Arriba NM
	12 miles from concluded		KIO AIIIDA_ NA
		Nearest Bronarty or Losso Li	
5.	Distance from Proposed Location to	Nearest Property or Lease Li	
	Distance from Proposed Location to 395'	o Nearest Property or Lease Li	ne
	Distance from Proposed Location to	Nearest Property or Lease Li	
S.	Distance from Proposed Location to 395' Acres in Lease		ne 17. Acres Assigned to Well 320 W/2
5. 6. 8.	Distance from Proposed Location to 395' Acres in Lease		ne 17. Acres Assigned to Well 320 W/2
6. 8.	Distance from Proposed Location to 395' Acres in Lease Distance from Proposed Location to 900'	o Nearest Well, Drlg, Compl, or	17. Acres Assigned to Well 320 W/2
6.	Distance from Proposed Location to 395' Acres in Lease Distance from Proposed Location to 900' This action is subject Proposed Depthrocedural review proposed propos	o Nearest Well, Drlg, Compl, or to technical and	ne 17. Acres Assigned to Well 320 W/2 Applied for on this Lease 20. Rotary or Cable Tools
6. 8.	Distance from Proposed Location to 395' Acres in Lease Distance from Proposed Location to 900' This action is subject Proposed Depthrocedural review proposed propos	o Nearest Well, Drlg, Compl, or to technical and	17. Acres Assigned to Well 320 W/2
6. 8. 9.	Distance from Proposed Location to 395' Acres in Lease Distance from Proposed Location to 900' This action is subject Proposed Depthrocedural review pur and appeal pursuant	o Nearest Well, Drlg, Compl, or to technical and	ne 17. Acres Assigned to Well 320 W/2 Applied for on this Lease 20. Rotary or Cable Tools
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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-102 Revised February 21, 1994 Instructions on back

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

OIL CONSERVATION DIVISION

CO WILLIAM NA

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

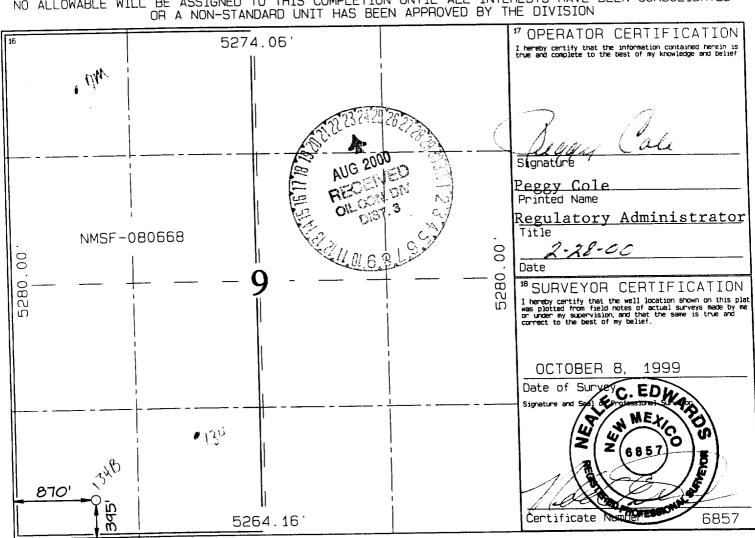
District III 1000 Rio Brazos Rd., Aztec, NM 87410

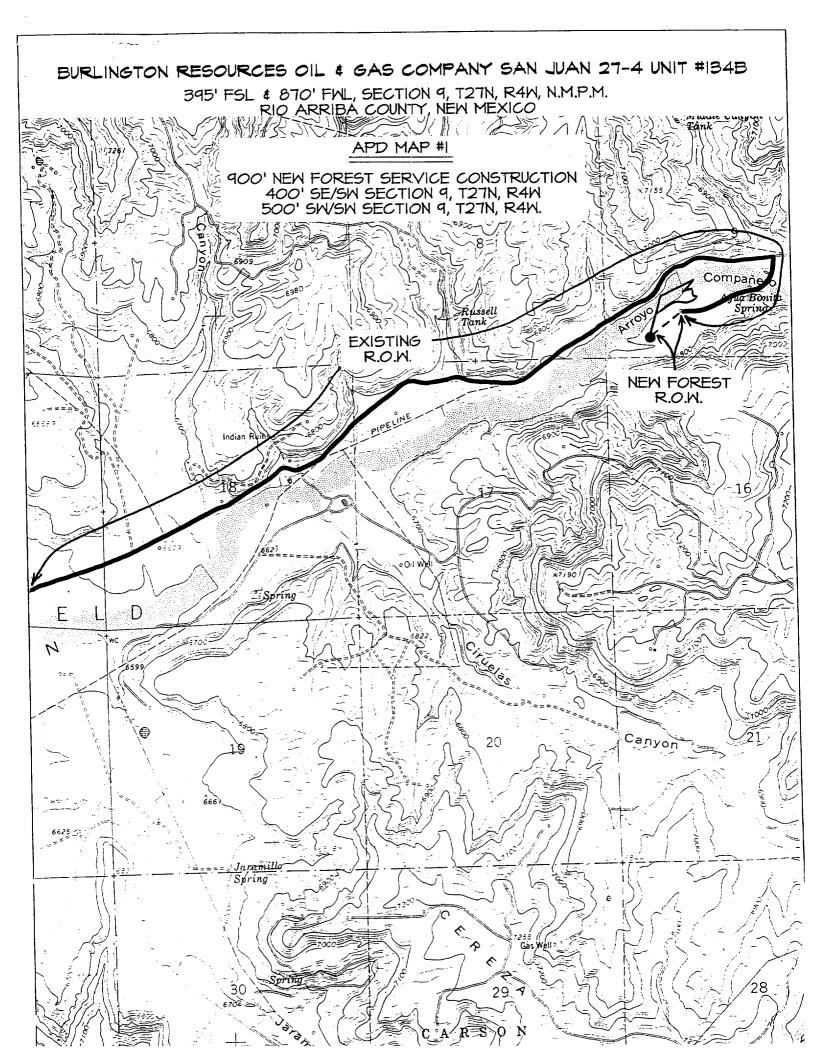
PO Box 2088 Santa Fe, NM 87504-20887 PM 1:50

AMENDED REPORT

District IV PO Box 2088, Santa Fe, NM 87504-2088

			WEL	L	LOCATI	ON AND AC	REAGE DEDI					
'API Number 'Pool Code 'Pool Name												
30-039-2643/ 72319 - Blanco Mesaverde -												
30-039-2645/ 72319 Blanco Mesaverde *Property Code *Property Name							*Well Number					
7452	CAN HAN 27-4 UNIT								1	.34B		
'OGRID N	in					*Operator	Name	 		*E.	levation	
•			RUR	1 T	NGTON		OIL & GAS	COMPANY		6704 '		
14538										<u> </u>		
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UL or lot no.	Section	Township	Rang	8	Lat Idn	Feet from the	North/South line	Feet from the		mest in a		
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		11 🗀	lottr	nm	Hole L	ocation I	f Different	From Sur	face			
UL or lot no.					Lot Idn	Feet from the	North/South line	Feet from the		lest line	County	
12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.							<u> </u>					
Dealestes ALI et												
MV-W/320 NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED												
NO ALLO	WABLE W	IILL BE OR A	ASSI NON	SNE S	D TO TH TANDARD	IS COMPLETI UNIT HAS BE	ON UNTIL ALL EEN APPROVED	INTERESTS BY THE DIV	ISION	EEN CO	NSUL IUATEU	
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5274.06									n contained herein is knowledge and belief			
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OPERATIONS PLAN

San Juan 27-4 Unit #134B Well Name:

395' FSL, 870' FWL, Section 9, T-27-N, R-4-W Surface Location:

Rio Arriba County, New Mexico Latitude 36° 34.9, Longitude 107° 15.7

Blanco Mesa Verde Formation:

6704' GL Elevation:

Formation Tops:	<u>Top</u>	Bottom	<u>Contents</u>
Surface Ojo Alamo Kirtland Intermediate TD Fruitland	San Jose 2971' 3151' 3210 ' 3231'	2971' 3151' 3231'	aquifer aquifer gas
Pictured Cliffs Lewis Mesa Verde Chacra Massive Cliff House	3538' 3670' 4126' 4554' 5321'	3670'. 4126' 4554' 5321' 5418'	gas gas gas gas gas
Menefee Point Lookout Total Depth	5418' 5731' 6131'	5731'	gas gas

Logging Program:

Cased hole Gamma Ray, Cement bond - surface to TD Mud Logs/Coring/DST - none

Mud Program:

Interval- MD	Type	Weight	Vis.	Fluid Loss
0- 200'	Spud	8.4-9.0	40-50	no control
200- 3210'	LSND	8.4-9.0	30-60	no control
3210- 6131 ′	Air/Mist	n/a	n/a	n/a

Pit levels will be visually monitored to detect gain or loss of fluid control.

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

		Measu	ıred			
Hole	e Size	Depth	l	Csg Size	Weight	<u>Grade</u>
12	1/4"	0' -	200 '	9 5/8"	32.3#	H-40
8	3/4"	0'-	3210 ′	7"	20.0#	J-55
6	1/4" 3	3110' -	6131'-	4 1/2"	10.5#	J-55

0' - 6131' 2 3/8" 4.7# J-55 Tubing Program:

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 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 - cement with 159 sx Class "B" cement with 1/4# flocele/sx and 3% calcium chloride (188 cu.ft. of slurry, 200% excess to circulate to surface). WOC 8 hrs. Test casing to 600 psi for 30 minutes.

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

7" intermediate casing Lead w/279 sx Class "B" w/3% sodium metasilicate, 5#
gilsonite/sx and 0.5# flocele/sx. Tail w/90 sx 50/50 Class "B"
Poz w/6% gel, 2% calcium chloride, 5# gilsonite/sx and 0.25#
flocele/sx (966 cu.ft. of slurry, 100% excess to circulate to
surface.) WOC minimum of 8 hours before drilling out
intermediate casing. If cement does not circulate to surface, a
CBL will be run to determine TOC. Test casing to 1500 psi for
30 minutes.

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 at 3151'. Two turbolating centralizers at the base of the Ojo Alamo at 3151'. Bowspring centralizers spaced every fourth joint from the base of the Ojo Alamo to the base of the surface casing.

4 1/2" Production Liner - Cement to circulate liner top. Pump 342 sx 50/50 Class "B" Poz w/1/4# flocele/sx, 2% gel, 0.1% retardant, 5# gilsonite/sx and 0.4% fluid loss additive (434 cu.ft., 40% excess to circulate liner top). WOC a minimum of 18 hrs prior to completing.

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.