UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

a.	Type of Work DRILL	5. Lease Number SF-080668 Unit Reporting Number
b.	Type of Well GAS	6. If Indian, All. or Tribe
2.	Operator BURLINGTON RESOURCES Oil & Gas Company	7. Unit Agreement Name San Juan 27-4 Unit
3.	Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name San Juan 27-4 Unit 9. Well Number 139M
4.	Location of Well 1910' FSL, 1760' FEL Latitude 36° 35.1, Longitude 107° 15.2	10. Field, Pool, Wildcat Blanco MV/Basin DK 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 9, T-27-N, R-4-W API # 30-039- 26539
14.	Distance in Miles from Nearest Town 17 miles from Gobernador	12. County 13. State Rio Arriba NM
15. 16.	Distance from Proposed Location to Nearest Property or Lease Line 1760' Acres in Lease	17. Acres Assigned to Well 320 E/2
18. 19.	Distance from Proposed Location to Nearest Well, Drlg, Compl, or 1000' This setten is anticort to teatment and Proposed Depth Proposed Depth and special pursuant to 43 OFR 3165.3 and special pursuant to 43 OFR 3165.4.	Applied for on this Lease 20. Rotary or Cable Tools Rotary
21.	Elevations (DF, FT, GR, Etc.) 6739' GR	22. Approx. Date Work will Start
23.	Proposed Casing and Cementing Program See Operations Plan attached	SUBJECTED OF STATE AUTHORIZED AR SUBJECT TO CONFIGENCE WITH ATTACH "BENEFIAL I EQUICIONISM"
24.	Authorized by: Regulatory/Compliance Supervisor	9-25-00 Date
PERM	APPROVAL D.	ATE
	/a/ David J. Mankiewicz ROVED BYTITLE	DATE MAY - 8

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.

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

Submit to Appropriate District Office
OIL CONSERVATION DIVISION

Submit to Appropriate District Office

Fee Lease - 4 Copies
Fee Lease - 3 Copies PO Box 2088

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

Santa Fe, NM 87504-2088

AMENDED REPORT

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OPERATIONS PLAN

Well Name: San Juan 27-4 Unit #139M

Location: 1910'FSL, 1760'FEL, Sec 9, T-27-N, R-4-W

Rio Arriba County, NM

Latitude 36° 35.1, Longitude 107° 15.2

Formation: Blanco Mesaverde/Basin Dakota

Elevation: 6739' GL

Formation Tops:	Top	<u>Bottom</u>	<u>Contents</u>
Surface	San Jose	3026'	
Ojo Alamo	3026'	3191'	aquifer
Kirtland	3191'	3281'	gas
Fruitland	3281'	3571'	gas
Pictured Cliffs	3571'	3711'	gas
Lewis	3711'	4176'	gas
Intermediate TD	3811'		
Mesa Verde	4176′	4591'	gas
Chacra	4591'	5421'	gas
Massive Cliff House	5421'	5481'	gas
Menefee	5481'	5781'	gas
Massive Point Lookout	5781'	6311'	gas
Mancos	6311′	6951'	gas
Gallup	6951′	7711′	gas
Greenhorn	7711'	7776'	gas
Graneros	7776'	7816'	gas
Dakota	7816′		gas
TD	8041'		

Logging Program:

Cased hole - CBL-CCL-GR - TD to surface Cores - none

Mud Program:

Interval	Type	<u>Weight</u>	<u>Vis.</u>	<u>Fluid Loss</u>
	Spud	8.4-9.0	40-50	no control
200- 3811'	LSND	8.4-9.0	30-60	no control
3811- 8041'	Gas	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):

Hole Size	Depth Interval	<u>Csq.Size</u>	<u>Wt.</u>	<u>Grade</u>
12 1/4"	0' - 200'	9 5/8"	32.3#	WC-50
8 3/4"	0' - 3811'	7"	20.0#	J-55
6 1/4"	3711' - 8041'	4 1/2"	10.5#	K-55

Tubing Program:

0' - 8041' - 2 3/8" - 4.7# J-55

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BOP Specifications, Wellhead and Tests:

Surface to Intermediate TD -

11" 3000 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" 3000 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, 3000 psi minimum choke manifold (Reference Figure #2).

Completion Operations -

7 1/16" 3000 psi double gate BOP stack (Reference Figure #3). 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 3000 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 drilling crew.
- All BOP tests and 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/356 sx Class "B" cement 3% sodium metasilicate, 5 pps Gilsonite and 0.5 pps flocele. Tail w/90 sx Class "B" 50/50 poz w/2% gel, 2% calcium chloride, 5 pps Gilsonite, 0.5 pps Flocele (1146 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 during completion operations to determine TOC. Test casing to 1500 psi for 30 minutes.

7" intermediate casing alternative two stage: Stage collar at 3181'. First stage: cement with w/150 sx Class "B" w/3% sodium metasilicate, 5 pps gilsonite, 0.5 pps Flocele. Second stage: 330 sx Class "B" with 2% gel, 2% calcium chloride, 5 pps Gilsonite, 0.5 pps Flocele (1146 cu.ft., 100% 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 at 3191'. Two turbolating centralizers at the base of the Ojo Alamo at 3191'. 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 cover minimum of 100' of 4 $1/2" \times 7"$ overlap. Lead with 441 sx 50/50 Class "B" Poz with 2% gel, 0.25 pps flocele, 5 pps Gilsonite (622 cu.ft.), 40% excess to cement 4 $1/2" \times 7"$ overlap). WOC a minimum of 18 hrs prior to completing.

Cement float shoe on bottom with float collar spaced on top of shoe joint.

- 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" x 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 4 1/2" bridge plug will then be retrieved and the production tubing will be run to produce the well.
- 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 (Gas/Mist Drilling):

The following equipment will be operational while gas/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.
- Deduster equipment will be utilized.
- 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 Mesaverde and 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.
- The east half of Section 9 is dedicated to the Mesaverde and Dakota in this well.

• This gas is dedicated.

Drilling Engineer

10/3 /2000

