NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

June 1, 1998

Burlington Resources Oil & Gas Company P.O. Box 4289 Farmington, New Mexico 87499-4289 Attention: Peggy Bradfield

Administrative Order NSL-4046

Dear Ms. Bradfield:

Reference is made to your application dated May 9, 1998 for Burlington Resources Oil and Gas Company to drill its San Juan "28-5" Unit Well No. 107 at an unorthodox gas well location within the Blanco-Mesaverde Pool 1600 feet from the South line and 255 feet from the West line (Lot 4/Unit L) of irregular Section 12, Township 28 North, Range 5 West, NMPM, Rio Arriba County, New Mexico. All of said Section 12 is to be dedicated to said well in order to form a standard 299.04-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 2(d) of the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Blanco-Mesaverde Pool," as promulgated by Division Order No. R-8170, as amended, the above-described unorthodox gas well location is hereby approved.

Sincerely,

Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec

U.S. Bureau of Land Management - Farmington

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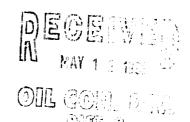
BURLINGTON RESOURCES

SAN JUAN DIVISION

May 9, 1998

Sent Federal Express

Ms. Lori Wrotenbery, Director New Mexico Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505



Re:

San Juan 28-5 Unit #107

1600'FSL, 255'FWL, Section 12, T-28-N, R-5-W, Rio Arriba County, NM

30-039-not assigned

Dear Ms. Wrotenbery:

Burlington Resources is applying for administrative approval of an unorthodox gas well location for the Blanco Mesa Verde pool. This application for the referenced location is for topographic and archaeological reasons and to minimize surface disturbance by twinning the location of the San Juan 28-5 Unit #242 Fruitland Coal well (30-039-25397) located at 1575 FSL, 215 FWL of Section 12.

Production from the Blanco Mesa Verde pool is to be included in a 299.04 acre gas spacing and proration unit comprising all of Section 12.

The following attachments are for your review:

- 1. Application for Permit to Drill.
- 2. Completed C-102 at referenced location.
- 3. Offset operators/owners plat.
- 4. 7.5 minute topographic map, and enlargement of the map to define topographic features.

Three copies of this application are being submitted to all offset owners/ operators by certified mail with a request that they furnish you with a Waiver of Objection, return one copy to this office, and retain one copy for their file.

We appreciate your earliest consideration of this application.

Sincerely,

Sincerely,

Peggy Bradfield

Regulatory/Compliance Administrator

xc:

NMOCD - Aztec District Office

Bureau of Land Management - Farmington District Office

WAIVER

Phillips Petroleum hereby waives objection to Burlington Resources' application for a non-standard location for their San Juan 28-5 Unit #107 as proposed above.

By:

Date:

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

	APPLICATION	FOR PERMIT TO DRILL, DI	EEPEN, OR PLUG BACK		
1a.	Type of Work DRILL		5. Lease Number SF-079250		
			Unit Reporting Number		
1b.	Type of Well GAS		6. If Indian, All. or Tribe		
2.	Operator PLIDITALICATION I		7. Unit Agreement Name		
	BURLINGTON RESOURCES O	il & Gas Company	San Juan 28-5 Unit		
3.	Address & Phone No. of Opera PO Box 4289, Farming		3. Farm or Lease Name San Juan 28-5 Unit		
	(505) 326-9700		9. Well Number 107		
4.	Location of Well 1600'FSL, 255'FWL		10. Field, Pool, Wildcat Blanco Mesa Verde		
	Latitude 36 ^O 40.4, Longitude 107 ^O 19.1		11. Sec., Twn, Rge, Mer. (NMPM) Sec 12, T-28-N, R-5-W API # 30-039-		
14.	Distance in Miles from Nearest 4 miles to Gobernador	Town ,	12. County 13. State NM		
15.	Distance from Proposed Location 255'	on to Nearest Property or Leas	e Line		
16.	Acres in Lease		17. Acres Assigned to Well 299.04		
18.	Distance from Proposed Location	on to Nearest Well, Drig, Com	ol, or Applied for on this Lease		
19.	Proposed Depth 6936		20. Rotary or Cable Tools Rotary		
21.	Elevations (DF, FT, GR, Etc.) 7398'GR		22. Approx. Date Work will Start		
23.	Proposed Casing and Cementin See Operations Plan	g Program attached			
24.	Authorized by: Regulatory	Staahuld /Compliance Administr	4-/7-98 Date		
PERMIT	NO	APPROV <i>A</i>	L DATE		
APPRO'	VED BY	TITLE	DATE		

Archaeological Report -please use report for San Juan 28-5 Unit #242 - 1575' FSL, 215' FWL 12-28-5 dated 1994 Threatened and Endangered Species Report to be submitted

NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

Title 13 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.

Cistrict I PO 8cx 1980, Hobbs, NM 88241-1980

D:strict II FC Drawer DC. Antesia. NM 88211-0719

District III 1000 Rio Brazos Rd. Aztec. NM 87410

District IV FO Ecx 2088, Santa Fe. NM 87504-2088

· State of New Mexico Energy, Minerals & Natural Resources Separtment

NOIE CONSERVATION DIVISION PO Sox 2088 Santa Fe. NM 87504-2088

Forr Revised February 2 Instructions

Submit to Appropriate District State Lease - 2 Fee Lease - 3

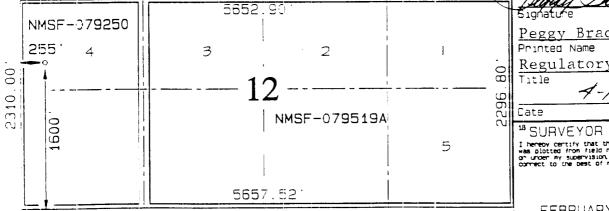
AMENDED RE

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number				'Pool Cad	e	'Fool Name			
30-039-			7231	.9	Bla	anco Mesave	erde		
'Property Code				¹Property Name			* 14	ell Numb	
7460			SAN JUAN 2-BS UNIT						107
OGRID No. Operator Name 14533 BURLINGTON RESOURCES OIL & GAS COMPANY			•	*Elevatic 7398					
		· · · · · · · · · · · · · · · · · · ·		1	^{IO} Surface	_ocation			
UL or lot no.	Section	Townsnip	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	
L	12	23N	5W	:	1600	SOUTH	255	WEST	AR
		1: 6	Bottom	Hole L	ocation I	Different	From Surf	ace	
UL on lot no.	Section	Townenso	-ange	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	Ĉ.
Li Dedicated Acres		13 Jourt or In	fill if Cons	mildation Code	¹⁵ Order Na.		1		
<u> 111 - 29</u>	9.04								

NO ALLOWABLE WILL 3E ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIC CR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

17 OPERATOR CERTIFICA I heraby centify that the information contains thus and complete to the best of my knowledge



Peggy Bradfield

Regulatory Adminis:

"SURVEYOR CERTIFICA

I hereby certify that the well location shown was plotted from field notes of actual surveys or under my supervision and that the same is connect to the best of my belief.

FEBRUARY 15, 1998

Date of Survey

OPERATIONS PLAN

Well Name: San Juan 28-5 Unit #107

Location: 1600'FSL, 255'FWL Section 12, T-28-N, R-5-W

Rio Arriba County, New Mexico

Latitude 36° 40.4, Longitude 107° 19.1

Formation: Blanco Mesa Verde

Elevation: 7398 GL

Formation Tops:	Top	<u>Bottom</u>	Contents
Surface	San Jose	3655'	aquifer
Ojo Alamo	3655'	3855′	aquifer
Kirtland	3855′	3936′	
Fruitland	3936′	4378′	
Pictured Cliffs	4378'	4450'	gas
Lewis	4450'	5357′	gas
Intermediate TD	4550'		
Chacra	5357′	6206′	
Massive Cliff House	620 6 ′	6242′	gas
Menefee	6242'	6536'	gas
Massive Point Lookout	6 536'		gas
Total Depth	6936'		

Logging Program:

Cased hole logging - Gamma Ray Neutron Coring/DST - none

Mud Program:

<u>Interval</u>	<u>Type</u>	Weight	<u>Vis.</u>	<u>Fluid Loss</u>
0- 200'	Spud	8.4-9.0	40-50	no control
200-4550'	LSND	8.4-9.0	30-60	no control
4550-6936'	Gas/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):

<u> Hole Size</u>	Depth Interval	<u>Csq.Size</u>	Wt.	Grade
12 1/4"	0' - 200'	9 5/8"	32.3#	H-40
8 3/4"	0' - 4550'	7"	20.0#	J-55
6 1/4"	4450' - 6936'	4 1/2"	10.5#	J-55

Tubing Program:

0' - 6936' 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.

BOP Specifications, Wellhead and Tests (cont'd):

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 163 six 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/377 sx Class "B" w/3% econolite, 10# gilsonite/sx and 1/2# flocele/sx. Tail w/90 sx 50/50 Class "B" Poz w/2% gel, 2% calcium chloride, 0.5# flocele/sx, and 10# gilsonite/sx (1197 cu.ft. of slurry, 75% 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 3855'. Two turbolating centralizers at the base of the Ojo Alamo at 3855'. 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. Cement with 268 sx 50/50 Class "B" Poz w/1/4# flocele/sx, 5# gilsonite/sx and 0.3% fluid loss additive (357 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.

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.
- 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 formation will be completed.
- No abnormal temperatures or hazards are anticipated.
- Anticipated pore pressures are as follows:

Fruitland Coal 800 psi Pictured Cliffs 800 psi Mesa Verde 700 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.
- All of the section is dedicated to the Mesa Verde.
- This gas is dedicated.

Drilling Engineer

4/27/98

Date



San Juan 28-5 Unit #107 Multi-Point Surface Use Plan

- 1. Existing Roads Refer to Map No. 1. Existing roads used to access the proposed location will be properly maintained for the duration of the project. Bureau of Land Management right-of-way has been applied for as shown on Map No. 1.
- 2. Planned Access Road Refer to Map No. 1. None required.
- 3. Location of Existing Wells Refer to Map No. 1A.
- 4. Location of Existing and/or Proposed Facilities if Well is Productive
 - a. On the Well Pad Refer to Plat No. 1, anticipated production facilities plat.
 - b. Off the Well Pad Anticipated pipeline facilities as shown on the attached plat from El Paso Field Services.
- Location and Type of Water Supply Water will be hauled by truck for the proposed project and will be obtained from 44 Crossing Water Hole located NE Section 18, T-27-N, R-4-W, New Mexico.
- 6. Source of Construction Materials If construction materials are required for the proposed project, such materials will be obtained from a commercial quarry.
- 7. Methods of Handling Waste Materials All garbage and trash materials will be removed from the site for proper disposal. A portable toilet will be provided for human waste and serviced in a proper manner. If liquids are left in the reserve pit after completion of the project, the pit will be fenced until the liquids have had adequate time to dry. The location clean-up will not take place until such time as the reserve pit can be properly covered over to prevent run-off from carrying waste materials into the watershed. Reserve pits will be lined as needed with either 12 mil bio-degradable plastic liner or a bentonite liner. All earthen pits will be so constructed as to prevent leakage from occurring; no earthen pit will be located on natural drainage. Generation of hazardous waste is not anticipated. Federal regulations will be adhered to regarding handling and disposal of such waste if so generated.
- 8. Ancillary Facilities None anticipated.
- 9. Wellsite Layout Refer to the location diagram and to the wellsite cut and fill diagram (Figure No. 4). The blow pit will be constructed with a 2'/160' grade to allow positive drainage to the reserve pit and prevent standing liquids in the blow pit.

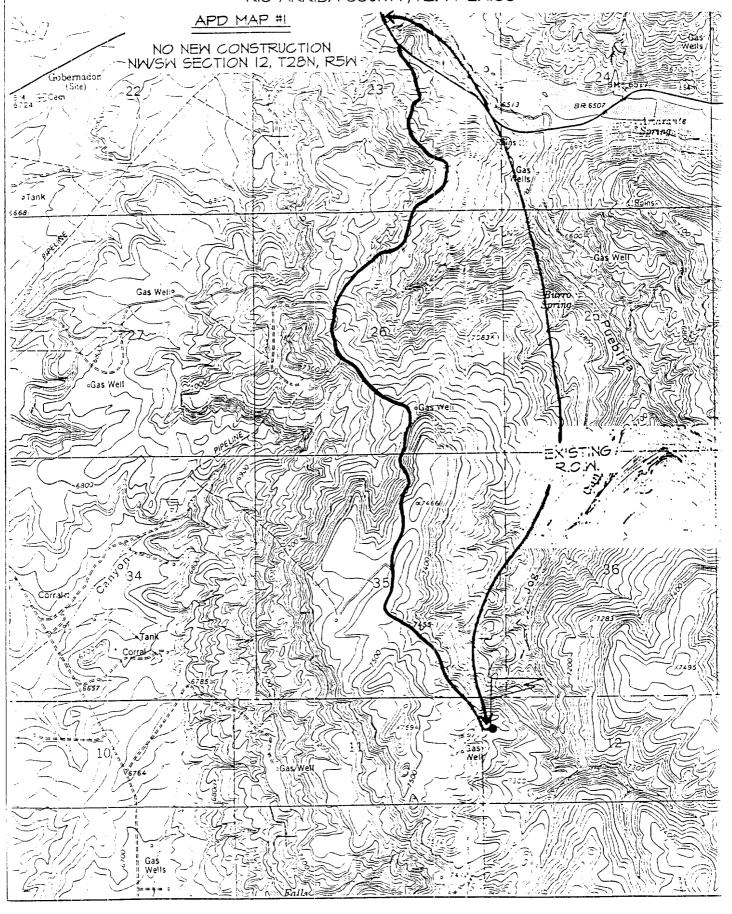
- 10. Plans for Restoration of the Surface After completion of the proposed project, the location will be cleaned and leveled. The location will be left in such a condition that will enable reseeding operations to be carried out. Seed mixture as designated by the responsible government agency will be used. The reseeding operations will be performed during the time period set forth by the responsible government agency. The permanent location facilities will be painted as designated by the responsible government agency.
- 11. Surface Ownership Bureau of Land Management
- 12. Other Information Environmental stipulations as outlined by the responsible government agency will be adhered to. Refer to the archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.
- 13. Operator's Representative and Certification Burlington Resources Oil & Gas Company Regional Drilling Manager, Post Office Box 4289, Farmington, NM 87499, telephone (505) 326-9700. I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan, are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Burlington Resources Oil and Gas Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

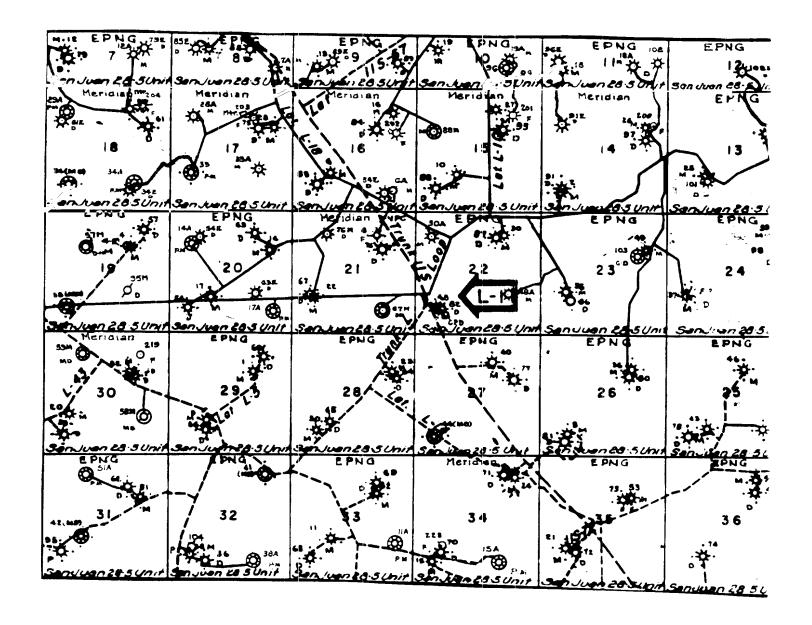
Requiatory/Compliance Administrator Date

4-17-98

BURLINGTON RESOURCES OIL & GAS COMPANY SAN JUAN 28-5 UNIT #107

1600' FSL & 255' FWL, SECTION 12, T28N, R5W, N.M.P.M. RIO ARRIBA COUNTY, NEW MEXICO





MERIDIAN OIL INC.
Pipeline Map
T-28-N, R-05-W
Rio Arriba County, New Mexico
San Juan 28-5 Unit: #107
Map 1A

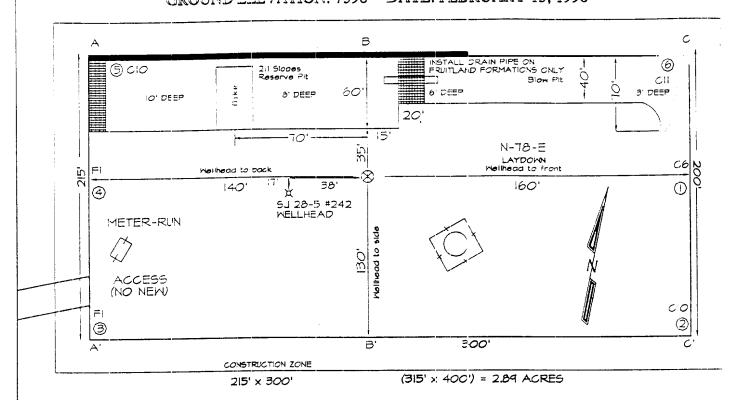
PLAT #1

BURLINGTON RESOURCES OIL & GAS COMPANY

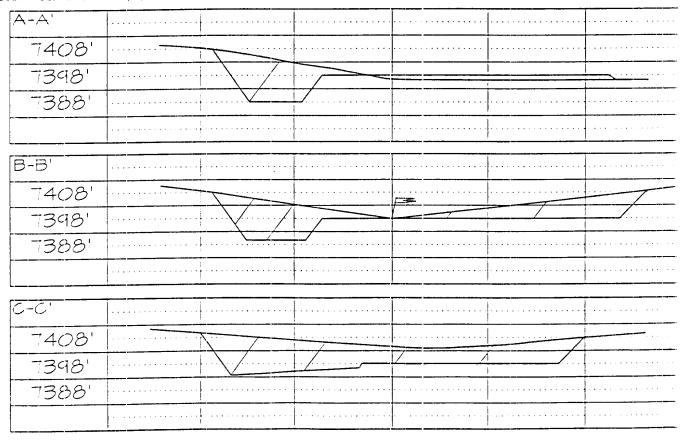
SAN JUAN 28-5 UNIT #107, 1600' FSL & 255' FWL

SECTION 12, T28N, R5W, NMPM, RIO ARRIBA COUNTY, NEW MEXICO

GROUND ELEVATION: 7398' DATE: FEERUARY 15, 1998



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



Note: Contractor should call One-Call for location of any marked or unmarked buried pipelines or c on well pad and/or access road at least two (2) working days prior to construction

BURLINGTON RESOURCES OIL AND GAS COMPANY

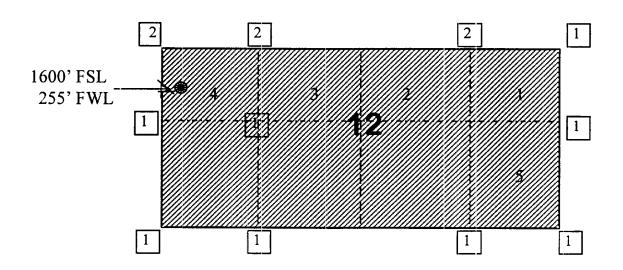
San Juan 28-5 Unit #107 OFFSET OPERATOR/OWNER PLAT

Non Standard Location

(Section 12 is a Non Standard Section)

Mesaverde Formation Well

Township 28 North, Range 5 West



1) Burlington Resources

2) Phillips Petroleum Company Attn: Mr. Scott Prather 5525 Hwy 64, NBU 3004

Farmington, NM 87401

Re: San Juan 28-5 Unit #107

1600'FSL, 255'FWL, Section 12, T-28-N, R-5-W, Rio Arriba County, NM

30-039-not assigned

I hereby certify that the following offset operators/owners have been mailed notification of our application for non-standard location to drill the referenced well.

Phillips Petroleum Company Att: Scott Prather 5525 Highway 64, NBU 3004 Farmington, NM 87401

. Shadhuel Reggy Bradfield

Regulatory/Compliance Administrator

