

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980
DISTRICT II
811 South First St., Artesia, NM 88210-2835
DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410-1693

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

Form C-107-A
New 3-12-96

APPROVAL PROCESS :

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☐ YES ☒ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Burlington Resources Oil & Gas Company

PO Box 4289, Farmington, NM 87499

Operator Address
San Juan 28-5 Unit 92M E 24-28N-05W Rio Arriba
Lease Well No. Unit Ltr. - Sec - Twp - Rge County
Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 14538 Property Code 7460 API NO. 30-039-not assigned Federal ☒ State (and/or) Fee

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Blanco Mesaverde - 72319		Basin Dakota - 71599
2. Top and Bottom of Pay Section (Perforations)	will be supplied upon completion		will be supplied upon completion
3. Type of production (Oil or Gas)	gas		gas
4. Method of Production (Flowing or Artificial Lift)	flowing		flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated or Measured Original	(Current) a. 713 psi (see attachment) (Original) b. 1243 psi (see attachment)		a. 943 psi (see attachment) b. 2599 psi (see attachment)
6. Oil Gravity (API) or Gas BTU Content	BTU 1151		BTU 1025
7. Producing or Shut-In?	shut in		shut in
Production Marginal? (yes or no)	no		yes
* If Shut-In and oil/gas/water rates of last production <small>Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data</small>	Date: n/a Rates:	Date: Rates:	Date: n/a Rates:
* If Producing, give data and oil/gas/water rates of recent test (within 60 days)	Date: n/a Rates:	Date: Rates:	Date: n/a Rates:
8. Fixed Percentage Allocation Formula -% for each zone (total of %'s to equal 100%)	Oil: % Gas: % will be supplied upon completion	Oil: % Gas: %	Oil: % Gas: % will be supplied upon completion

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.
10. Are all working, overriding, and royalty interests identical in all commingled zones? ☒ Yes ☐ No
If not, have all working, overriding, and royalty interests been notified by certified mail? ☒ Yes ☐ No
Have all offset operators been given written notice of the proposed downhole commingling? ☒ Yes ☐ No
11. Will cross-flow occur? ☒ Yes ☐ No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. ☒ Yes ☐ No (If No, attach explanation)
12. Are all produced fluids from all commingled zones compatible with each other? ☒ Yes ☐ No
13. Will the value of production be decreased by commingling? ☐ Yes ☒ No (If Yes, attach explanation)
14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. ☒ Yes ☐ No
15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). Reference Order R-10695 attached
16. ATTACHMENTS:
* C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
* Production curve for each zone for at least one year. (If not available, attach explanation.)
* For zones with no production history, estimated production rates and supporting data.
* Data to support allocation method or formula.
* Notification list of all offset operators.
* Notification list of working, overriding, and royalty interests for uncommon interest cases.
* Any additional statements, data, or documents required to support commingling.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Sean Woolverton TITLE: Reservoir Engineer DATE: 06-26-98

TYPE OR PRINT NAME Sean Woolverton TELEPHONE NO. (505) 326-9700

District 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

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-		*Pool Code 72319/71599		*Pool Name Blanco Mesaverde/Basin Dakota	
*Property Code 7460		*Property Name SAN JUAN 28-5 UNIT			*Well Number 92M
*OGRID No. 14538		*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY			*Elevation 7395'

¹⁰ Surface Location

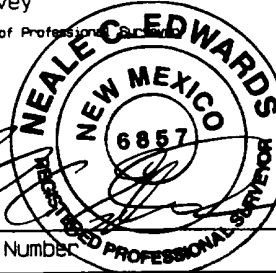
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	24	28N	5W		1335	NORTH	465	WEST	RIO ARriba

¹¹ Bottom Hole Location If Different From Surface

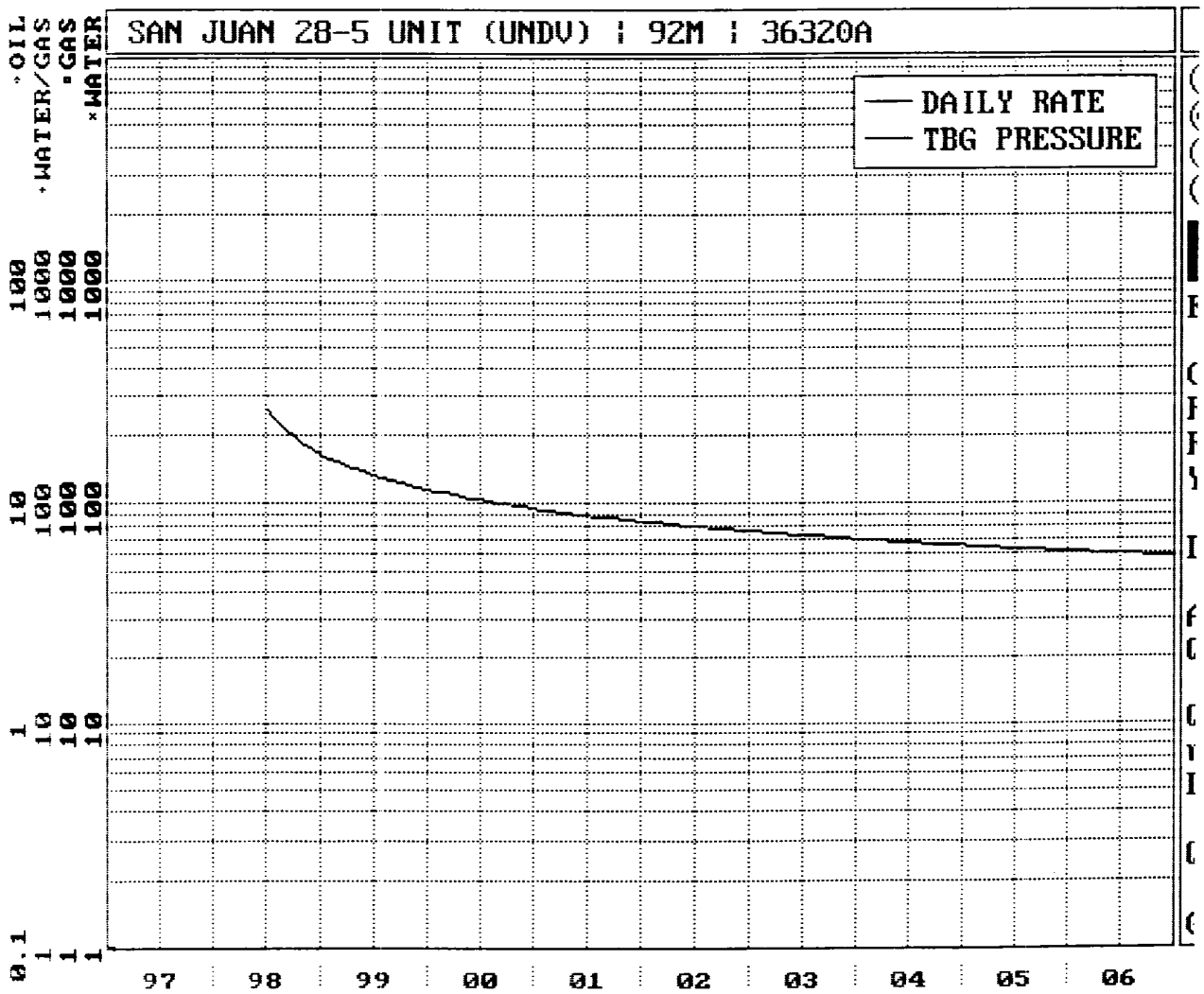
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres MV-N/343.91 DK-W/320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

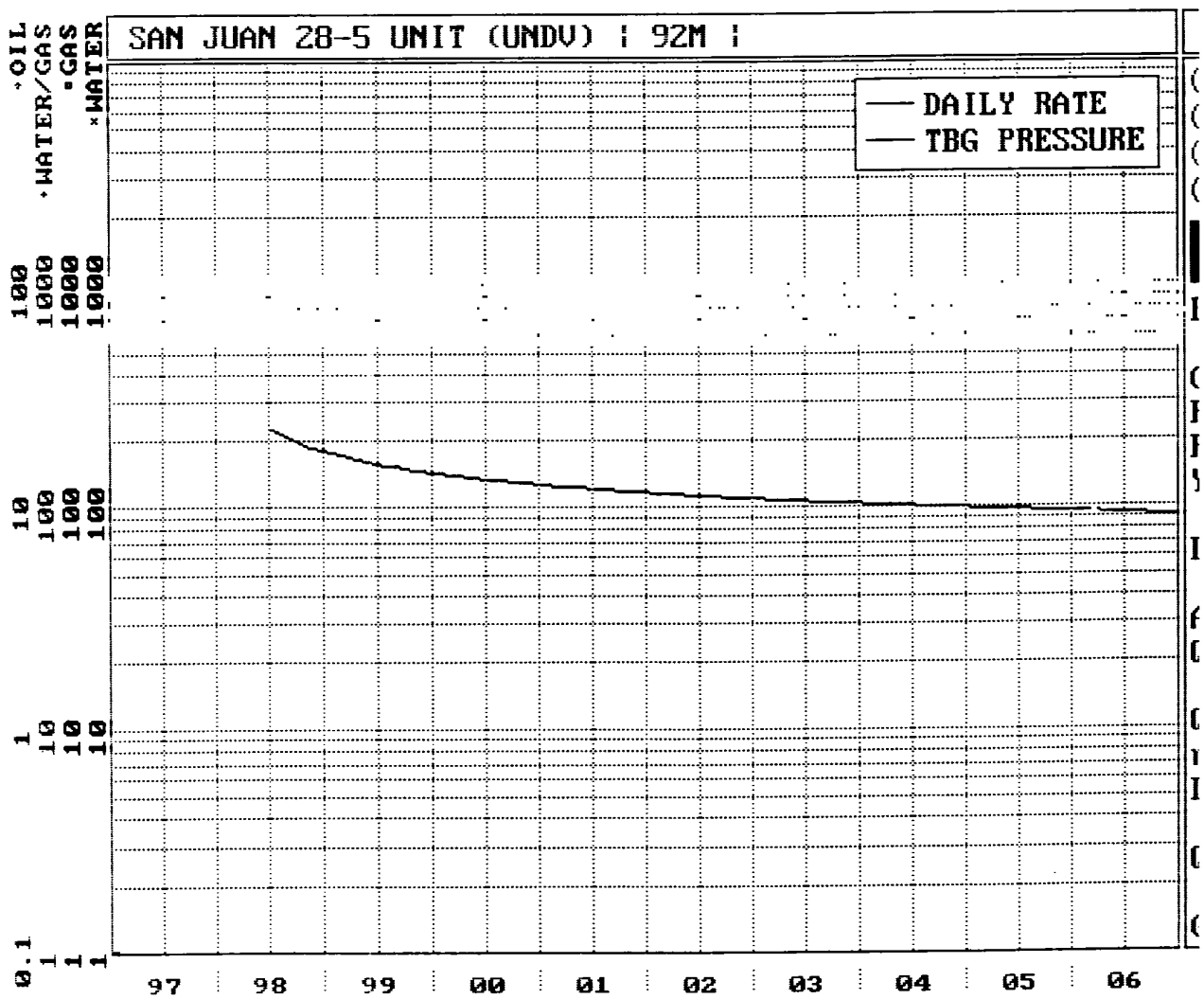
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 2640.00' 1335' NMSF-079519		1320.00' 1710.06' NMSF-079519 ¹		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature <u>Peggy Bradfield</u> Printed Name <u>Regulatory Administrator</u> Title Date ¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. JUNE 5, 1998 Date of Survey Signature and Seal of Professional Surveyor  Certificate Number
465' 5280.00' NMSF-079520		NMSF-079520 ²		
24		NMSF-079520 ⁴		
2640.00'		1320.00' 1727.88'		

San Juan 28-5 Unit #92M
Expected Production Curve
Blanco Mesaverde



San Juan 28-5 Unit #92M
Expected Production Curve
Basin Dakota



SJ 28-5 Unit #92M

Bottom Hole Pressures

Flowing and Static BHP

Cullender and Smith Method

Version 1.0 3/13/94

Mesaverde	Dakota
<u>MV-Current</u>	<u>DK-Current</u>
GAS GRAVITY 0.67	GAS GRAVITY 0.601
COND. OR MISC. (C/M) C	COND. OR MISC. (C/M) C
%N2 0.44	%N2 0.17
%CO2 0.61	%CO2 1.6
%H2S 0	%H2S 0
DIAMETER (IN) 2	DIAMETER (IN) 1.5
DEPTH (FT) 6760	DEPTH (FT) 8871
SURFACE TEMPERATURE (DEG F) 60	SURFACE TEMPERATURE (DEG F) 60
BOTTOMHOLE TEMPERATURE (DEG F) 137	BOTTOMHOLE TEMPERATURE (DEG F) 198
FLOWRATE (MCFPD) 0	FLOWRATE (MCFPD) 0
SURFACE PRESSURE (PSIA) 602	SURFACE PRESSURE (PSIA) 782
BOTTOMHOLE PRESSURE (PSIA) 712.8	BOTTOMHOLE PRESSURE (PSIA) 942.8
<u>MV-Original</u>	<u>DK-Original</u>
GAS GRAVITY 0.67	GAS GRAVITY 0.601
COND. OR MISC. (C/M) C	COND. OR MISC. (C/M) C
%N2 0.44	%N2 0.17
%CO2 0.61	%CO2 1.6
%H2S 0	%H2S 0
DIAMETER (IN) 2	DIAMETER (IN) 1.5
DEPTH (FT) 6760	DEPTH (FT) 8871
SURFACE TEMPERATURE (DEG F) 60	SURFACE TEMPERATURE (DEG F) 60
BOTTOMHOLE TEMPERATURE (DEG F) 137	BOTTOMHOLE TEMPERATURE (DEG F) 198
FLOWRATE (MCFPD) 0	FLOWRATE (MCFPD) 0
SURFACE PRESSURE (PSIA) 1037	SURFACE PRESSURE (PSIA) 2122
BOTTOMHOLE PRESSURE (PSIA) 1243.4	BOTTOMHOLE PRESSURE (PSIA) 2598.9

Page No. : 1

Print Time: Mon Feb 23 08:02:46 1998

Property ID: 3933

Property Name: SAN JUAN 28-5 UNIT	25	49910A-1
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Table Name: K:\ARIES\RR98PDP\TEST.DBF

--DATE-- M SIWHP

Psi

09/02/57	1037.0	-original
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11/06/58	775.0	
06/14/59	697.0	
06/14/60	620.0	
06/13/61	596.0	
03/28/62	667.0	
07/29/63	583.0	
01/20/64	552.0	
06/16/65	514.0	
06/27/66	582.0	
06/30/67	557.0	
06/22/70	446.0	
04/30/71	414.0	
05/02/72	406.0	
11/02/81	427.0	
04/15/91	590.0	
10/15/91	602.0	-current

San Juan 28-5 Unit #92m
Mesaverde Offset

Page No. : 1

Print Time: Mon Feb 23 08:01:40 1998

Property ID: 1761

Property Name:	SAN JUAN 28-5 UNIT	101	45558A-1
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Table Name: K:\ARIES\RR98PDP\TEST.DBF

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--DATE-- M SIWHP
      Psi
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07/05/79	1751.0	
05/13/80	1319.0	
05/05/81	1324.0	
11/02/83	1391.0	
09/26/85	1275.0	
08/02/88	868.0	
04/10/90	795.0	
09/29/92	782.0	-current

San Juan 28-5 Unit #92m

Dakota Offset

<p>4 30.60 5 30.70 2 30.75 1 30.80 NM 2302A</p> <p>12 7 12A 79C</p> <p>S.d. 28-5 Un. NM 2301</p>	<p>BOE 5 30.74 2 30.88 1 30.91 NM 2302A</p> <p>8 7A</p> <p>S.d. 28-5 Un. NM 2301</p>	<p>4 30.58 3 30.59 2 30.59 1 30.50 NM 2308 NM 2309 NM 2301 NM 2301</p> <p>9 80</p> <p>S.d. 28-5 Un. NM 2301</p>	<p>4 30.57 3 30.53 2 30.44 1 30.37 NM 2301</p> <p>10 19A 96</p> <p>S.d. 28-5 Un. NM 2301</p>	<p>4 31.00 3 30.21 2 30.13 1 30.04 NM 2301</p> <p>11 18A 102</p> <p>S.d. 28-5 Un. NM 2301</p>	<p>4 30.90 3 30.70 2 30.77 1 30.60 NM 2301</p> <p>12 10GE 5 51.40</p> <p>S.d. 28-5 Un. NM 2301</p>
<p>18 NM 6638</p> <p>(NIPC) 34</p> <p>S.d. 28-5 Un. NP (FC) S.d. 28-5 Un.</p> <p>NM 6638</p>	<p>17 NM 6638</p> <p>33 75 20</p> <p>S.d. 28-5 Un. NP (FC) S.d. 28-5 Un.</p> <p>NM 6638 NM 2008 63</p>	<p>16 (BOLACK) 1/2 NM 406</p> <p>83 18 84 80M</p> <p>S.d. 28-5 Un. NM 4417</p>	<p>15 NM 10312</p> <p>27 83 10 10M</p> <p>S.d. 28-5 Un. NM 4418 NM 2008</p>	<p>14 (BOLACK) NM 406</p> <p>91E 28 27 10M</p> <p>S.d. 28-5 Un. NM 2008</p>	<p>13</p> <p>25 101</p> <p>S.d. 28-5 Un. NM 4007</p>
<p>19 NM 6638</p> <p>35 32M</p> <p>S.d. 28-5 Un. NM 6615</p>	<p>20 NM 2008</p> <p>54 17 63E 17A</p> <p>S.d. 28-5 Un. NM 2008</p>	<p>21 28-5 UNIT 128N, R5W</p> <p>(NIPC) 67 22 67M</p> <p>(NIPC) NM 730</p> <p>S.d. 28-5 Un. (NIPC)</p>	<p>23</p> <p>48 82 60A</p> <p>S.d. 28-5 Un. (NIPC)</p>	<p>24</p> <p>103 40 55 86</p> <p>S.d. 28-5 Un. NM 2007</p>	<p>25</p> <p>82 10M</p> <p>S.d. 28-5 Un. NM 2007</p>
<p>30 NM 2008</p> <p>58 20 50M</p> <p>S.d. 28-5 Un.</p>	<p>29</p> <p>60M 1 60M</p> <p>S.d. 28-5 Un.</p>	<p>28</p> <p>50 85 65M</p> <p>S.d. 28-5 Un.</p>	<p>27</p> <p>44 77 44A</p> <p>S.d. 28-5 Un.</p>	<p>26</p> <p>81 3 73M</p> <p>S.d. 28-5 Un.</p>	<p>25 (NIPC)</p> <p>70 43 84</p> <p>S.d. 28-5 Un.</p>
<p>31 NM 2008</p> <p>51A 62 51</p> <p>S.d. 28-5 Un.</p>	<p>32 (N.A. ROMERO & MELVAN et al) 41M NM 4008</p> <p>41</p> <p>S.d. 28-5 Un.</p>	<p>33 NM 2307 & A</p> <p>60 52 11A</p> <p>S.d. 28-5 Un.</p>	<p>34 NM 2307 & A</p> <p>70M 71 24</p> <p>S.d. 28-5 Un.</p>	<p>35 (NIPC) NM 6738</p> <p>72M 73 53</p> <p>S.d. 28-5 Un.</p>	<p>36 (AMOCO) NM 6738</p> <p>45M 47 45 73M</p> <p>S.d. 28-5 Un.</p>

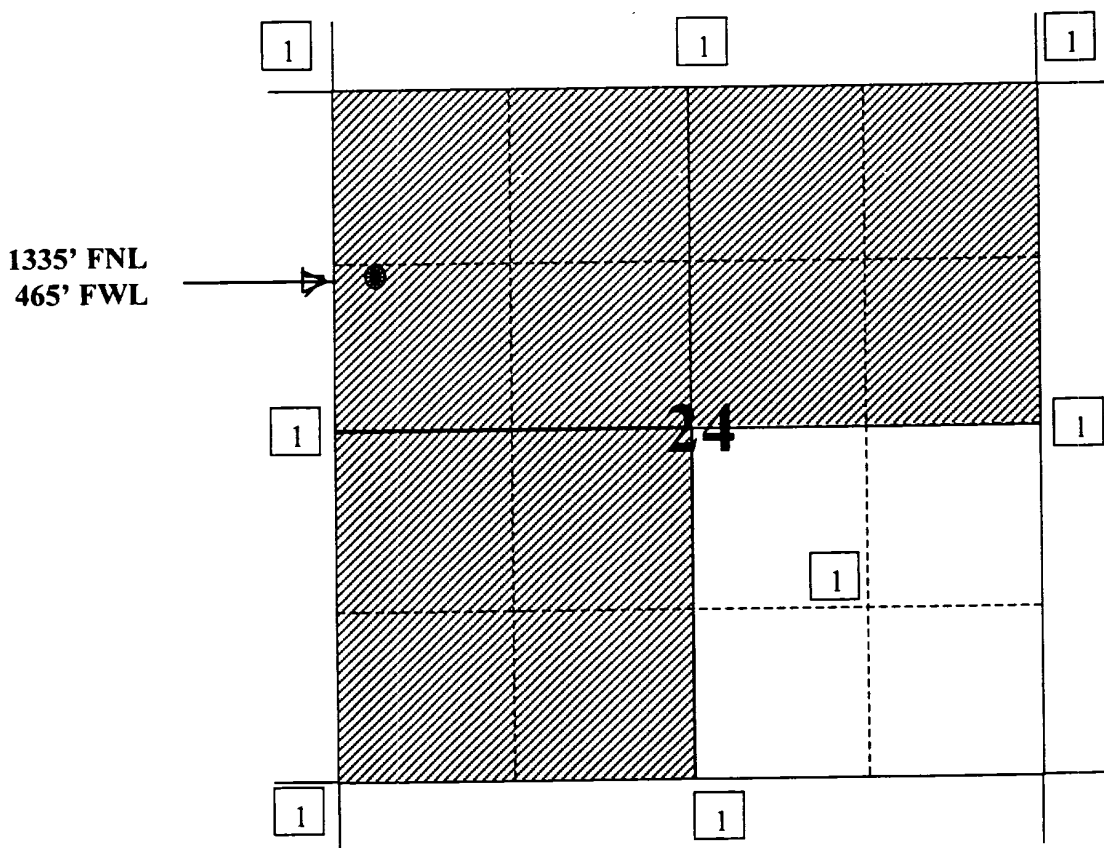
BURLINGTON RESOURCES OIL AND GAS COMPANY

San Juan 28-5 Unit #92M

OFFSET OPERATOR/OWNER PLAT

Mesaverde (N/2) / Dakota (W/2) Formations Commingle Well

Township 28 North, Range 5 West



1) Burlington Resources

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:**

**CASE NO. 11627
ORDER NO. R-10695**

**APPLICATION OF BURLINGTON RESOURCES
OIL & GAS COMPANY FOR THE ESTABLISHMENT
OF A DOWNHOLE COMMINGLING "REFERENCE
CASE" FOR ITS SAN JUAN 28-5 UNIT PURSUANT
TO DIVISION RULE 303.E. AND THE ADOPTION
OF SPECIAL ADMINISTRATIVE RULES THEREFOR,
~~SAN JUAN~~ COUNTY, NEW MEXICO.**

File **ARriba**

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on October 17 and November 7, 1996, at Santa Fe, New Mexico, before Examiners David R. Catanach and Michael E. Stogner, respectively.

NOW, on this 12th day of November, 1996, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) The applicant, Burlington Resources Oil & Gas Company (Burlington), pursuant to the provisions of Division Rule 303.E., seeks to establish a downhole commingling "reference case" to provide exceptions for (a) marginal economic criteria, (b) pressure criteria, (c) allocation formulas and (d) modification of notification rules on a unit-wide basis for downhole commingling of Dakota, Mesaverde, Fruitland Coal and Pictured Cliffs gas production within existing or future drilled wells within the San Juan 28-5 Unit, San Juan County, New Mexico.

(3) Division Rule No. 303.E., amended by Order No. R-10470-A, currently states:

"If sufficient data exists on a lease, pool, formation, geographic area, etc., so as to render it unnecessary to repeatedly provide such data on Form C-107-A, an operator may except any of the various criteria required under Paragraph 303.D. of this rule by establishing a "reference case". The Division, upon its own motion, or by application from an operator, may establish "reference cases" either administratively or by hearing. Upon Division approval of such "reference cases" for specific criteria, subsequent applications to downhole commingle (Form C-107-A) will be required only to cite the Division order number which established such exceptions and shall not be required to submit data for those criteria."

(4) The applicant is the current operator of the San Juan 28-5 Unit which encompasses some 17,399 acres in Township 28 North, Range 5 West, NMPM, San Juan County, New Mexico.

(5) Within the San Juan 28-5 Unit, the applicant currently operates sixty-seven (67) Basin-Dakota Gas Pool wells, seventy-one (71) Blanco-Mesaverde Gas Pool wells, sixteen (16) Gobernador-Pictured Cliffs, Oso-Pictured Cliffs and Tapacito-Pictured Cliffs Gas Pool wells, and nineteen (19) Basin-Fruitland Coal Gas Pool wells.

(6) According to its evidence and testimony, Burlington seeks to:

- a) establish a "reference case" for marginal economic criteria in the Dakota and Pictured Cliffs formations, whereby these formations and/or pools may be identified as "marginal" on Form C-107-A's subsequently filed for wells within the San Juan 28-5 Unit. The applicant further proposes that the data provided in the immediate case serve as supplemental data or confirmation that these formations and/or pools should be classified as "marginal";
- b) establish a "reference case" for pressure criteria in the Dakota and Pictured Cliffs formations whereby the Division may utilize data provided in the immediate case to verify the pressure data provided on Form C-107-A's subsequently filed for wells within the San Juan 28-5 Unit;

- c) establish a "reference case" whereby the Division utilizes the data presented in the immediate case to endorse or approve certain methods of allocating production whereby the applicant need not submit additional data or justification when proposing a certain method of allocating production on Form C-107-A's subsequently filed for wells within the San Juan 28-5 Unit; and,
- d) establish a "reference case" or an administrative procedure for authorizing the downhole commingling of existing or future drilled wells within the San Juan 28-5 Unit without additional notice to each affected interest owner as required by Division Rule No. 303.D.

(7) In support of its request to except marginal economic criteria, the applicant presented geologic and engineering evidence and testimony which indicates that within the San Juan 28-5 Unit:

- a) the structure and thickness of the Dakota and Pictured Cliffs formations are very consistent;
- b) the average recoverable Dakota and Pictured Cliffs gas reserves underlying an undeveloped drill block are approximately 1,258 MMCFG and 77 MMCFG, respectively;
- c) the average initial producing rate for a newly drilled or recompleted Dakota and Pictured Cliffs gas well is approximately 276 MCFGD and 136 MCFGD, respectively; and,
- d) the estimated ultimate gas recoveries and initial producing rates from the Dakota and Pictured Cliffs formations are insufficient to justify drilling stand alone wells and/or dually completed wells to recover such gas reserves.

(8) The evidence and testimony presented by the applicant indicates that the Dakota and Pictured Cliffs formations within the San Juan 28-5 Unit should be properly classified as "marginal".

(9) In support of its request to except pressure criteria within the Dakota and Pictured Cliffs formations within the San Juan 28-5 Unit, the applicant presented engineering evidence and testimony which indicates that:

- a) the average shut-in bottomhole pressure within the Dakota and Pictured Cliffs formations at the time of initial development were approximately 3,149 psi and 1,143 psi, respectively; and,
- b) the average current shut-in bottomhole pressure within the Dakota and Pictured Cliffs formations are approximately 1,059 psi and 714 psi, respectively.

(10) There is sufficient pressure data available within the San Juan 28-5 Unit so as to except pressure criteria as proposed by the applicant.

(11) The applicant testified that various allocation methods will be utilized for downhole commingled wells within the San Juan 28-5 Unit depending on the circumstances. Some of the methods and circumstances are described as follows:

- a) the subtraction method will likely be utilized in those instances involving the Basin-Fruitland Coal Gas Pool and in those instances where a zone with a well established decline rate is commingled with a newly completed zone;
- b) a fixed allocation formula will be utilized in those instances where production history for both zones is available, or in those instances where newly completed zones are tested and stabilized flow rates obtained.

(12) The allocation methods proposed by the applicant are routinely utilized by industry and approved by the Division and therefore, the proposal to except allocation formulas should be approved.

(13) In support of its request to establish a "reference case" or administrative procedure for providing notice within the San Juan 28-5 Unit the applicant presented evidence and testimony which indicates that:

- a) the interest ownership between two zones within a given wellbore in the San Juan 28-5 Unit is generally not common;
- b) pursuant to Division Rule No. 303.D., applicant is currently required to notify all interest owners within the San Juan 28-5 Unit every time a Form C-107-A is submitted to the Division. There are a considerable number of such interest owners within the unit;

- c) providing notice to each interest owner within the San Juan 28-5 Unit of subsequent downhole comminglings is unnecessary and is an excessive burden on the applicant;
- d) the downhole commingling of wells within the San Juan 28-5 Unit Area will benefit working, royalty, and overriding royalty interest owners. In addition, the downhole commingling of wells within the San Juan 28-5 Unit should not violate the correlative rights of any interest owner;
- e) no interest owner appeared at the hearing in opposition to the establishment of a "reference case" or administrative procedure for notice.

(14) An administrative procedure should be established within the San Juan 28-5 Unit for obtaining approval for subsequent downhole commingled wells without notice to Unit interest owners, provided however that, all other provisions contained within Division Rule No. 303.C. are complied with.

(15) Approval of the proposed "reference cases" for marginal economic criteria, pressure criteria, allocation formulas and notice will lessen the burden on the applicant insofar as providing the data required pursuant to Division Rule No. 303.D. and Form C-107-A, will provide the applicant a streamlined method for obtaining downhole commingling approvals within the San Juan 28-5 Unit, and will not violate correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The application of Burlington Resources Oil & Gas Company to establish a "reference case" for (a) marginal economic criteria, (b) pressure criteria, (c) allocation formulas and (d) modification of notification rules on a unit-wide basis for downhole commingling of Dakota, Mesaverde, Fruitland Coal and Pictured Cliffs gas production within existing or future drilled wells within the San Juan 28-5 Unit, San Juan County, New Mexico, is hereby approved.

(2) Upon filing of Division Form No. C-107-A's for wells subsequently downhole commingled within the San Juan 28-5 Unit Area, the applicant shall not be required to submit supporting data to justify the classification of the Pictured Cliffs and Dakota formations as "marginal", supporting data to verify the Pictured Cliffs and Dakota pressure information provided, and support or justification for utilizing a given method or formula for allocation of production, provided however, in the event any of the data described above appearing on Form C-107-A appears to be beyond the data range provided in this case, the Division may require the submittal of additional supporting data.

(3) In order to obtain Division authorization to downhole commingle wells within the San Juan 28-5 Unit, the applicant shall file a Form C-107-A with the Santa Fe and Aztec Offices of the Division. Such application shall contain all the information required under Rule No. 303.C. of the Division Rules and Regulations, provided however that the applicant shall not be required to provide notice to all interest owners within the San Juan 28-5 Unit of such proposed commingling.

(4) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LeMAY
Director

S E A L



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

February 16, 1999

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

Administrative Order NSL-4212

Dear Ms. Bradfield:

Reference is made to your application submitted to the New Mexico Oil Conservation Division on February 9, 1999 for an exception to the well location requirements provided within the "Special Rules and Regulations for the Basin-Dakota Pool," as promulgated by Division Order No. R-10987. The W/2 of Section 24, Township 28 North, Range 5 West, NMPM, Rio Arriba County, New Mexico is to be dedicated to the proposed well in order to form a standard 320-acre gas spacing and proration unit for the Basin-Dakota Pool.

The application has been duly filed under the provisions of Division Rules 104.F and 605.B.

By the authority granted me under the provisions of Division Rule 104.F(2), the following described well to be drilled at an unorthodox gas well location in Section 24 is hereby approved:

San Juan "28-5" Unit Well No. 92-M

1700' FNL & 90' FWL (Unit E). - 24 - 28N-5W
037-26181

Further, the aforementioned well and spacing unit will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec /
U. S. Bureau of Land Management - Farmington

BURLINGTON RESOURCES

SAN JUAN DIVISION

Sent Federal Express

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: San Juan 28-5 Unit #92M
1700' FNL, 90' FWL, Section 24, T-28-N, R-5-W, Rio Arriba County
30-039-not assigned

Dear Mr. Stogner:

Burlington Resources is applying for administrative approval of an unorthodox gas well location for both the Mesa Verde and Dakota pools. This application for the referenced location is at the request of the Bureau of Land Management to eliminate any new access road as this is a sensitive area for wildlife, due to rough terrain, and the abundance of archaeology in the north and east.

Production from the Blanco Mesa Verde pool is to be included in a 343.91 acre gas spacing and proration unit comprising of the north half (N/2) of Section 24. Production from the Blanco Mesa Verde is to be dedicated to the San Juan 28-5 Unit #39 (30-039-07397) located at 790' FNL 790' FEL of Section 24.

Production from the Basin Dakota pool is to be included in a 320 acre gas spacing and proration unit comprising of the west half (W/2) of Section 24. Production from the Basin Dakota is to be dedicated to the San Juan 28-5 Unit #92 (30-039-20634) located at 1820' FSL 985' FWL of Section 24.

The following attachments are for your review:

1. Application for Permit to Drill at previous location and sundry notice to change location at the request of the Bureau of Land Management.
2. Completed C-102 at referenced location.
3. Offset operators/owners plat - Burlington is the operator of the unit.
4. 7.5 minute topographic map showing the orthodox windows, and enlargement of the map to define topographic features.

We appreciate your earliest consideration of this application.

Sincerely,




Peggy Bradfield
Regulatory/Compliance Administrator

xc: NMOCD - Aztec District Office
Bureau of Land Management - Farmington District Office

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL	5. Lease Number SF-079520 Unit Reporting Number 891000949A-Dk 8910009490-MV	
1b. Type of Well GAS	6. If Indian, All. or Tribe	
2. Operator <i>BURLINGTON RESOURCES</i> Oil & Gas Company	7. Unit Agreement Name San Juan 28-5 Unit	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name San Juan 28-5 Unit 9. Well Number 92M	
4. Location of Well 1335' FNL, 465' FWL Latitude 36° 39.0, Longitude 107° 19.1	10. Field, Pool, Wildcat Blanco MV/Basin Dk 11. Sec., Twn, Rge, Mer. (NMPM) Sec 24, T-28-N, R-5-W API # 30-039-	
14. Distance in Miles from Nearest Town 4 miles to Gobernador	12. County RA	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 465'	17. Acres Assigned to Well 343.91 MV; 320 Dk	
16. Acres in Lease	20. Rotary or Cable Tools Rotary	
18. Distance from Proposed Location to Nearest Well, Drig, Compl, or Applied for on this Lease 1600'	22. Approx. Date Work will Start	
19. Proposed Depth 8839'	21. Elevations (DF, FT, GR, Etc.) 7395' GR	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by:  Regulatory/Compliance Administrator	6-19-98 Date	

PERMIT NO. _____

APPROVAL DATE _____

APPROVED BY _____

TITLE _____

DATE _____

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.

submitted in lieu of Form 3160-5

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on Wells

1. Type of Well
GAS

2. Name of Operator
BURLINGTON
RESOURCES OIL & GAS COMPANY

16. Address & Phone No. of Operator
PO Box 4289, Farmington, NM 87499 (505) 326-9700

4. Location of Well, Footage, Sec., T, R, M
1700' FNL, 90' FWL, Sec. 24, T-28-N, R-5-W, NMPM
DHC-2014

5. Lease Number
SF-079520

6. If Indian, All. or
Tribe Name

7. Unit Agreement Name
San Juan 28-5 Unit

8. Well Name & Number
San Juan 28-5 U #92M

9. API Well No.
30-039-

10. Field and Pool
Blanco MV/Basin DK

11. County and State
Rio Arriba Co, NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission

☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment

Type of Action

☐ Abandonment ☒ Change of Plans
☐ Recompletion ☐ New Construction
☐ Plugging Back ☐ Non-Routine Fracturing
☐ Casing Repair ☐ Water Shut off
☐ Altering Casing ☐ Conversion to Injection
☒ Other -

13. Describe Proposed or Completed Operations

The footage of the subject well has been changed from 1335' FNL, 465' FWL. A revised plat is attached.

14. I hereby certify that the foregoing is true and correct.

Signed *[Signature]* Title Regulatory Administrator Date 10/20/98
no

(This space for Federal or State Office use)

APPROVED BY _____ Title _____ Date _____

CONDITION OF APPROVAL, if any:

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

District II
PO Drawer 00, 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

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

Form C-10
Revised February 21, 1993
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-		*Pool Code 72319/71599	*Pool Name Blanco Mesaverde/Basin Dakota
*Property Code 7460	*Property Name SAN JUAN 28-5 UNIT		*Well Number 92M
*OGRID No. 14538	*Operator Name BURLINGTON RESOURCES OIL & GAS COMPANY		*Elevation 7452'

¹⁰ Surface Location


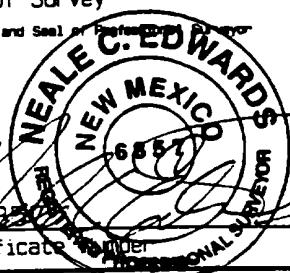
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	24	28N	5W		1700	NORTH	90	WEST	RIO ARriba

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

¹² Dedicated Acres MV-N/343.91 DK-W/320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

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

2640.00'	1320.00'	1710.06'	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Peggy Bradfield Printed Name Regulatory Administrator Title 10-20-98 Date
1700'	NMSF-079519	NMSF-079519 1	
90'	Reissued to show revised location	NMSF-079520 2	
5280.00'	NMSF-079520	NMSF-079520 3	
2640.00'	1320.00'	1727.88'	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made and on under my supervision and that the same is true and correct to the best of my belief. OCTOBER 6, 1998 Date of Survey Signature and Seal of Professional Surveyor  Certificate No. 68557

BURLINGTON RESOURCES OIL AND GAS COMPANY

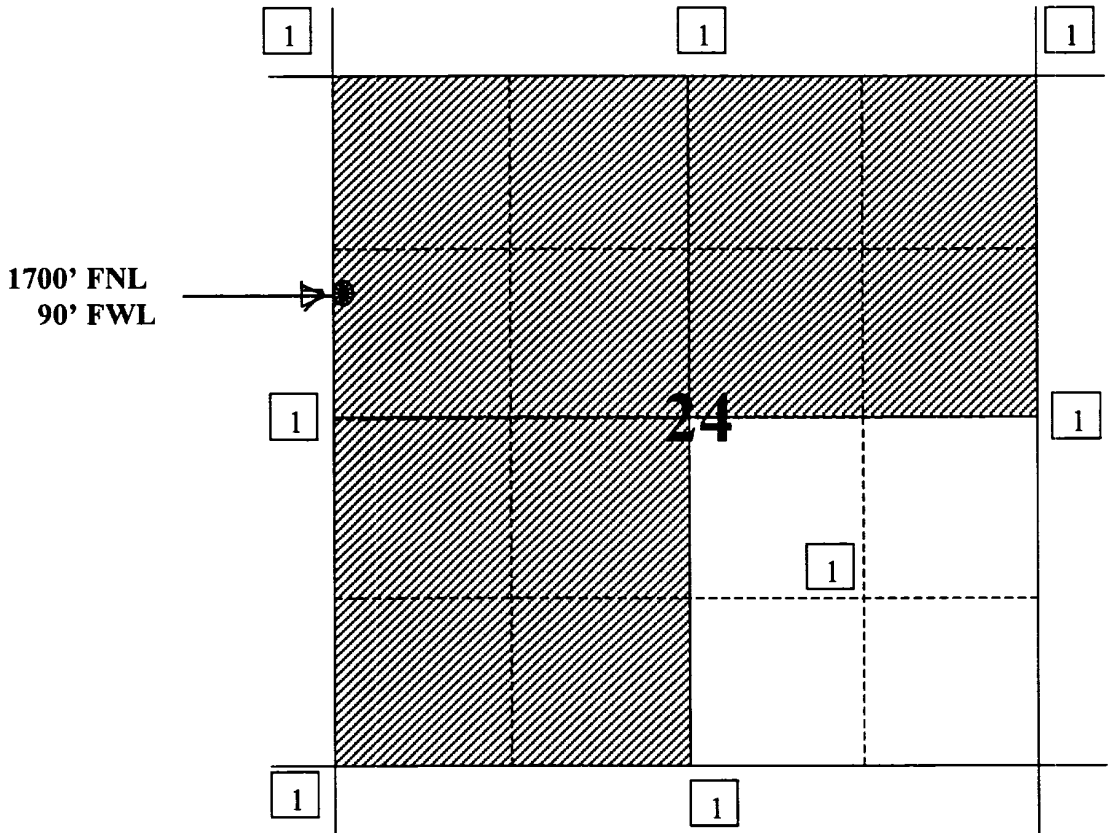
San Juan 28-5 Unit #92M

OFFSET OPERATOR/OWNER PLAT

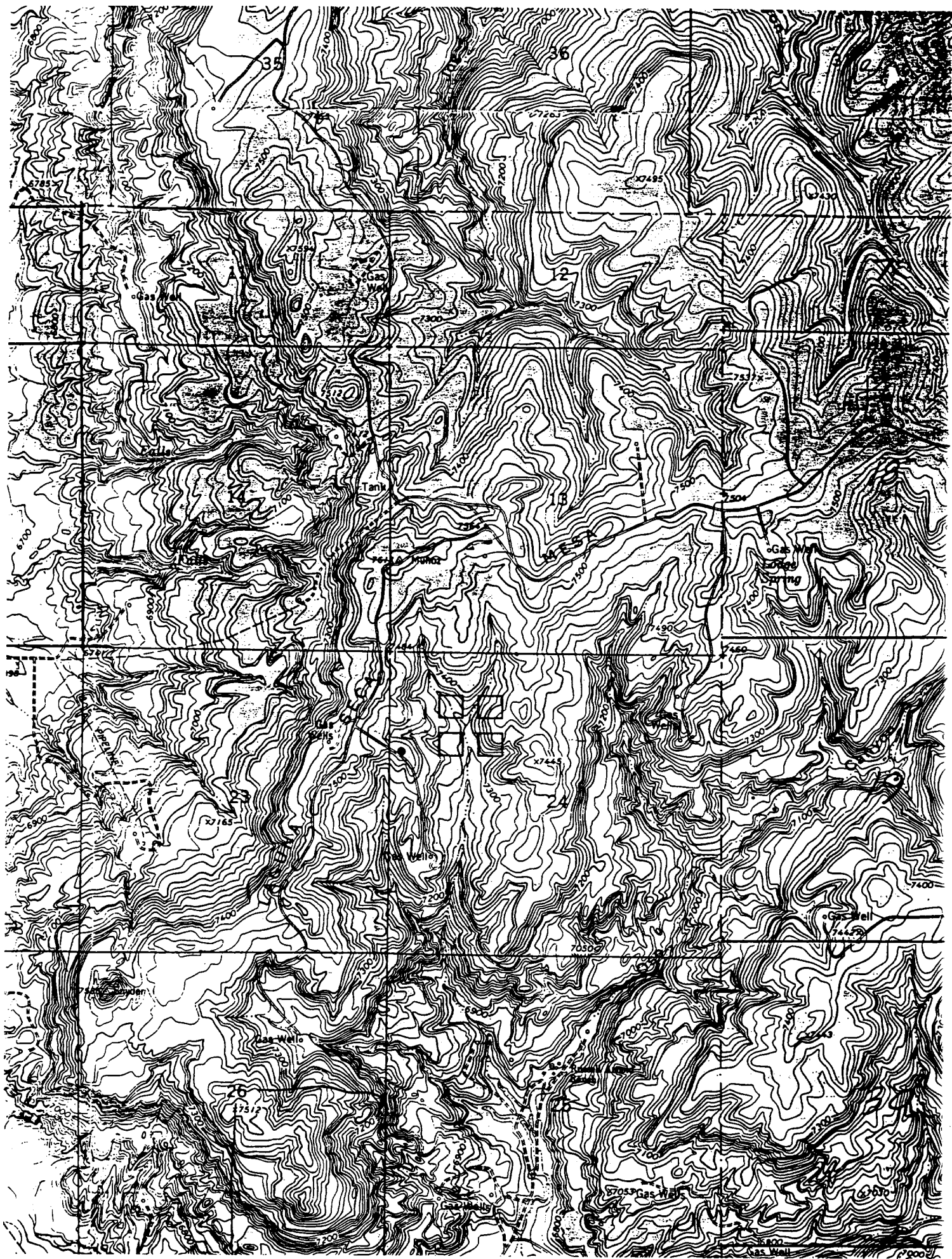
Mesaverde (N/2) / Dakota (W/2) Formations

Non-standard location

Township 28 North, Range 5 West

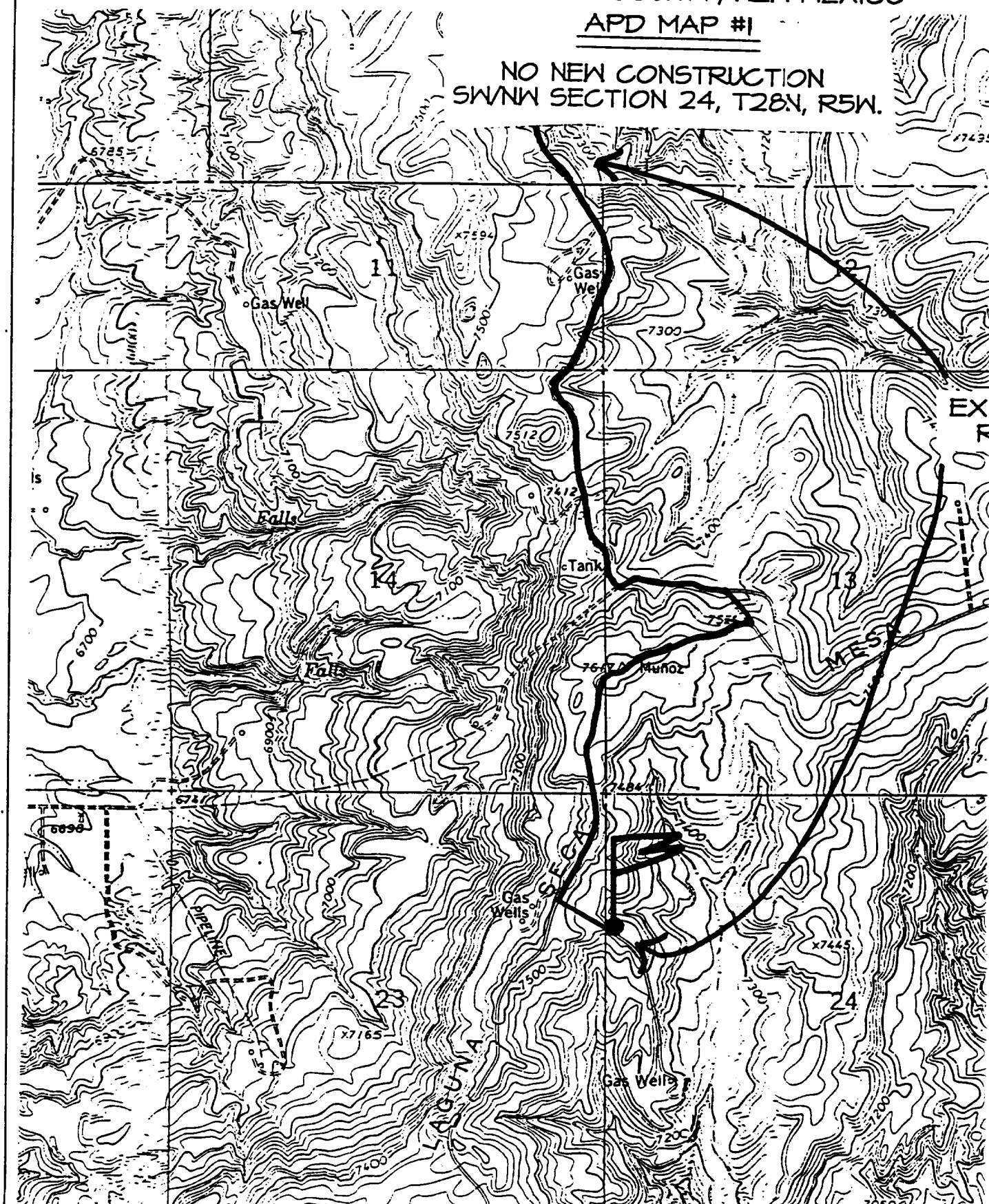


1) Burlington Resources



APD MAP #1

NO NEW CONSTRUCTION
SWNW SECTION 24, T28N, R5W.



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Sundry Notices and Reports on Wells

99 JUL 26 PM 2:04

070 FARMINGTON, NM

1. Type of Well
GAS

5. Lease Number
SF-079520

6. If Indian, All. or
Tribe Name

7. Unit Agreement Name

2. Name of Operator

**BURLINGTON
RESOURCES**

OIL & GAS COMPANY

3. Address & Phone No. of Operator

PO Box 4289, Farmington, NM 87499 (505) 326-9700

4. Location of Well, Footage, Sec., T, R, M

1700' FNL, 90' FWL, Sec. 24, T-28-N, R-5-W, NMPM

DHC-2014

San Juan 28-5 Unit
8. Well Name & Number
San Juan 28-5 U #92M
9. API Well No.
30-039-26181
10. Field and Pool
Blanco MV/Basin DK
11. County and State
Rio Arriba Co, NM

12. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OTHER DATA

Type of Submission

Type of Action

☐ Notice of Intent

☐ Abandonment

☐ Change of Plans

☒ Subsequent Report

☐ Recompletion

☐ New Construction

☐ Final Abandonment

☐ Plugging Back

☐ Non-Routine Fracturing

☐ Casing Repair

☐ Water Shut off

☐ Altering Casing

☐ Conversion to Injection

☒ Other - Spud

13. Describe Proposed or Completed Operations

7-20-99 MIRU. Spud well @ 5:00 p.m. 7-20-99. Drill to 247'. Circ hole clean. TOOH.
TIH w/5 jts 9 5/8" 32.3# H-40 ST&C csg, set @ 241'. Cmtd w/200 sx Class
"B" neat cmt w/3% calcium chloride, 0.25 pps Flocele (236 cu.ft.).
Displace w/16.25 bbl wtr. Circ 16.5 bbl cmt to surface. WOC.

7-21-99 NU BOP. PT BOP & csg to 600 psi/30 min, OK. Drilling ahead.

APD ROW related

RECEIVED
AUG 2 1999
OIL CON. DIV.
DIST. 3

14. I hereby certify that the foregoing is true and correct.

Signed
no

[Signature]

Title Regulatory Administrator Date 7/26/99

(This space for Federal or State Office use)

APPROVED BY

Title

Date

CONDITION OF APPROVAL, if any:

ACCEPTED FOR RECORD

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, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

JUL 30 1999

FARMINGTON FIELD OFFICE
BY *[Signature]*

NMOC