UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

| 1a. | Type of Work | 5. Lease Number |
|------|---|---|
| ıa. | DRILL ~ | SF-081098 |
| | DICIE | Unit Reporting Number |
| | | 6. If Indian, All. or Tribe |
| 1b. | Type of Well GAS | i il ilidiali, Ali. Oi Thibe |
| | GAS 2 FIR 2001 | |
| 2. | Operator DIABLINGTON | 7. Unit Agreement Name |
| | RESOURCES Oil & Gas Company | |
| 3. | Address & Phone No. of Operator | 8. Farm or Lease Name |
| 1 | PO Box 4289, Farmington, NM 87499 | Riddle |
| 1/ | | 9. Well Number #2B |
| 1 | (505) 326-9700 | #20 |
| 4. | Location of Well | 10. Field, Pool, Wildcat |
| | 2615'FNL, 1895'FWL | Blanco Mesaverde |
| | Latitude 36° 50.4, Longitude 107° 46.2 | 11. Sec., Twn, Rge, Mer. (NMPM) Sec. 3, T-30-N, R-9-W |
| | Latitude 36° 50.4, Longitude 107 40.2 | API# 30-045- 30 50 (|
| 44 | Distance in Miles from Nearest Town | 12. County 13. State |
| 14. | 16 miles to Aztec | San Juan NM |
| 15. | Distance from Proposed Location to Nearest Property or Lease Li | ine |
| | 1895 ' | 17. Acres Assigned to Well |
| 16. | Acres in Lease | 322.86 W/2 |
| 18. | Distance from Proposed Location to Nearest Well, Drig, Compl. o | r Applied for on this Lease |
| | 800' procedural review purawant to 43 CFR 3165 4. | 1105.3 P. A Cable Table |
| 19. | Proposed Depth and appeal pursuant to 43 CFR 3165.4. | Rotary |
| 21. | Elevations (DF, FT, GR, Etc.) | 22. Approx. Date Work will Start |
| | 6058'GR | |
| 23. | Proposed Casing and Cementing Program | DEPLETE STEET TO THE PROTECT A |
| | See Operations Plan attached | MARKET TO CONTINUE TO WARRE |
| | | "GENERAL REQUIREMENTS" |
| | | 11-20-00 |
| 24. | Authorized by: | |
| | Regulatory/Compliance Supervisor | Date |
| DER | MIT NO APPROVAL D | ATE |
| FCKI | WILL INC. | DATE FEB - 5 200 |

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.

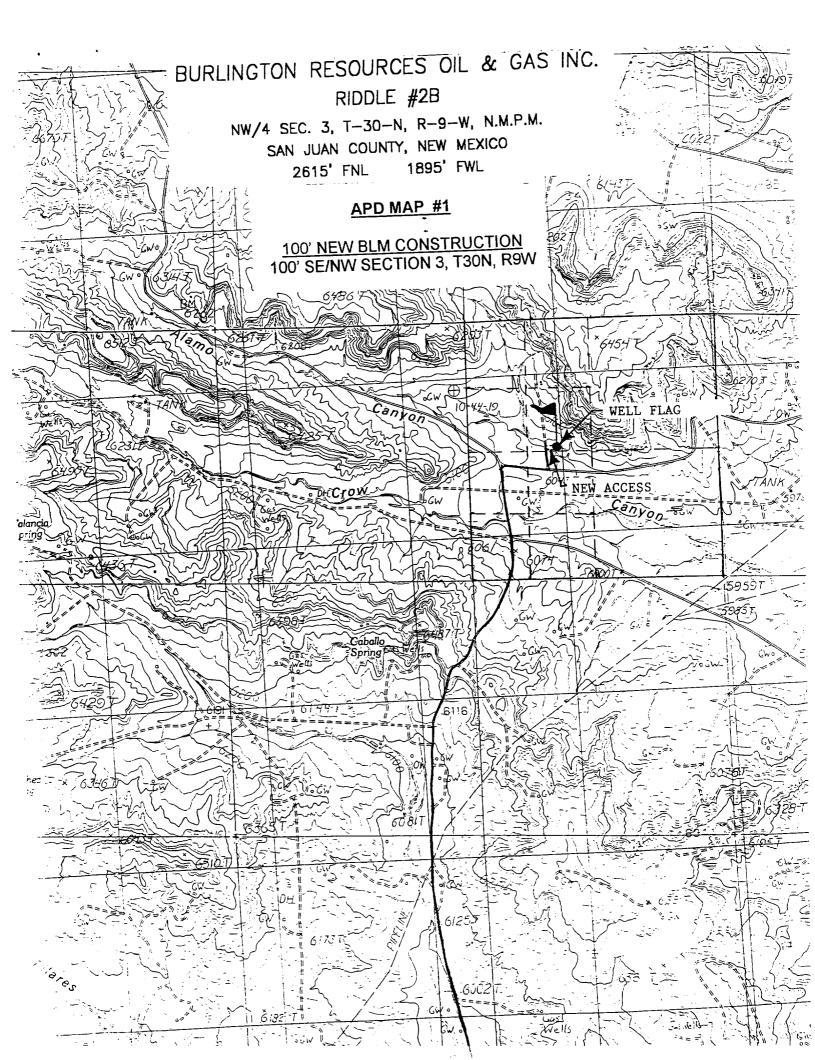
)|STRICT | P.O. Box 1980, Hobbs, N.M. 88241-1980

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office

Certificate Number

| DISTRICT II P.O. Drawer DD, Artesia, N.M. 8 | B211-0719 | | 011 00 | NICEDI/ATION | NOISINI | Submit | Sto | ite Leas | se - 4 Copies se - 3 Copies |
|---|---|-----------------------|--|--|-----------------------------|--|--------------------------|---|--|
| DISTRICT III 1000 Rio Brozos Rd., Aztec, N. | OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, NM 87504—2088 | | | 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - | | | DED REPORT | | |
| DISTRICT IV PO Box 2088, Santa Fe, NM 8 | 7504-2088 | | | | | NATION DI A | | | |
| | WE | | | AND ACR | EAGE DEDIC | 3Ppgl Name | | | |
| ¹ API Number | | 1 | Pool Code | | Planco | Mesaverde | , | | |
| 30-045-3050 | | 723 | 19 | Sp New | | <u>Hesaverae</u> | | * We | Il Number |
| ⁴ Property Code | | | | *Property Nor | ne | | 1 | | 2B |
| 7424 | | | RIDDLE | | | | ⁹ Elevation | | Devation |
| ⁷ DGRID No. | | | *Operator Name BURLINGTON RESOURCES OIL & GAS INC. | | | | | 6058' - | |
| 14538 | L | | | ¹⁰ Surface | Location | | | | |
| UL or lot no. Section | Township 30-N | Range 9-W | Lot Idn | Feet from the 2615 | North/South line NORTH | Feet from the 1895 | East/Wes | | SAN JUAN |
| F 3 | 1 00 | | m Hole | Location 1 | f Different Fr | om Surface | | | |
| UL or lot no. Section | Township | Ronge | Lot Idn | Feet from the | North/South line | Feet from the | East/We | st line | County |
| ¹² Dedicated Acres | | int or Infil | <u> </u> | ¹⁴ Consolidation Co | de | *Order No. | | | |
| 322.86 u | 1/2. | | | ļ | | | | | |
| NO ALLOWABLE | THE PERMIT | SSIGNE | TO TH | IS COMPLETI | ON UNTIL ALL EEN APPROVE | INTERESTS I | HAVE E | BEEN (| CONSOLIDATED |
| HE FD 3 1/2" BLM_ N B | 9-33 E | | T | | | | | | ERTIFICATION |
| W (W) .92-0. N USA 1895' FD 3 1/2" BLM 1951 B.C. | SF-081098 LAT: 36'50. LONG: 107 | 2° 4' N 46.2' W | | FEB 2001 FEB 2001 FEB 2001 FEB 2001 FEB 2001 | | Signature Pegg Printed I Regu Titie Date 18 I hereby of was plotted or under | y Col- Name ilator | y Superior of the well led notes of sion, and the | ervisor D = OO CERTIFICATION contion shown on this plot octual surveys mode by me that the same is true and |
| | • | ely E | | | | | is Survey are and Spin | | SSS4 |



OPERATIONS PLAN

Well Name: Riddle #2B

Surface Location: 2615'FNL, 1895'FWL, Section 3, T-30-N, R-9-W

San Juan County, New Mexico

Latitude 36° 50.4'N, Longitude 107° 46.2'W

Formation: Blanco Mesa Verde

Elevation: 6058'GR

| Formation Tops: | Top | Bottom | <u>Contents</u> |
|--|--|--|---|
| Surface Ojo Alamo Kirtland Fruitland Pictured Cliffs Lewis Intermediate TD Mesa Verde Chacra Massive Cliff House Menefee Point Lookout | San Jose 1504' 1655' 2239' 2854' 2979' 3229' 3590' 3897' 4604' 4700' 5068' | 1504' 1655' 2239' 2854' 2979' 3590' 3897' 4604' 4700' 5068' | aquifer aquifer gas gas gas gas gas gas gas gas gas |
| Total Depth | 5468′~ | | 3 |

Logging Program:

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

Mud Program:

| | | | • | |
|--------------|----------|---------|-------|-------------------|
| Interval- MD | Type | Weight | Vis. | <u>Fluid Loss</u> |
| 0- 200' | Spud | 8.4-9.0 | 40-50 | no control |
| 200- 3229' | LSND | 8.4-9.0 | 30-60 | no control |
| 3229- 5468' | 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):

| | Measured | | | |
|------------------------------------|--------------|----------|--------|--------------|
| Hole Size | Depth | Csg Size | Weight | <u>Grade</u> |
| $\frac{1010}{12} \frac{2110}{1/4}$ | 0' - 200' | 9 5/8" | 32.3# | H-40 |
| 8 3/4" | 0' - 3229' | 7" | 20.0# | J-55 |
| | 129' - 5468' | 4 1/2" | 10.5# | J-55 |

Tubing Program: 0'-5468' 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 159 sx Class "H" 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/332 sx 50/50 Class "G"/Trinity Light with 2.5% sodium metasilicate, 2% calcium chloride, 10 pps Gilsonite, 0.5 pps Flocele. Tail with 90 sx Class "G" 50/50 poz w/2% gel, 2% calcium chloride, 5 pps Gilsonite, 0.1% antifoam and 0.25 pps Flocele (971 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.

7" intermediate casing alternative two stage: Stage collar at 2139'. First stage: cement w/256 sx 50/50 Class "G" poz w/2% gel, 2% calcium chloride, 5 pps Gilsonite, 0.1% antifoam and 0.25 pps Flocele. Second stage: w/249 sx 50/50 Class "G"/Trinity Light with 2.5% sodium metasilicate, 2% calcium chloride, 10 pps Gilsonite, 0.5 pps Flocele (971 cu.ft. of slurry, 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 1655'. Two turbolating centralizers at the base of the Ojo Alamo at 1655'. 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 235 sx Class "G" 50/50 poz w/4.5% gel, 0.25 pps Flocele, 5 pps Gilsonite, 0.25% fluid loss, 0.1% retardant (336 cu.ft., 40% excess to circulate liner). WOC a minimum of 18 hrs prior to completing.

Note: If open hole logs are run, cement volumes will be based on 25% excess over caliper volumes.

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.

Special Drilling Operations (Air/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 liaht.
- 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:

200 psi Fruitland Coal 200 psi Pictured Cliffs 350 psi Mesa Verde

- 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.
- The west half of Section 3 is dedicated to the Mesa Verde.
- This gas is dedicated.

Mile Mulisty 1/29/00
Drilling Engineer Date